Condensed Interim Consolidated Financial Statements

For the Three Months Ended March 31, 2018 and March 31, 2017

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(Stated in thousands of U.S. dollars except shares and per share data)
(unaudited)

	Notes	Three Months Ended March 31,	
		2018	2017
Revenue	13	$ 70,819	$ 68,545
Cost of sales excluding depreciation and amortization	14	59,574	51,406
Depreciation and amortization		8,221	8,439
Mine operating margin		3,024	8,700
Other expenses/(income)			
Exploration expense		706	672
General and administrative		1,109	7,992
Finance expense, net	16	4,783	2,793
Other income		(628)	(174)
Gain on fair value of financial instruments, net	5	(5,442)	(2,498)
Loss on conversion of 7% Convertible Debentures, net		—	165
Income/(loss) before tax		2,496	(250)
Deferred income tax expense	17	2,891	—
Net loss and comprehensive loss		$ (395)	$ (250)
Net loss attributable to non-controlling interest		(1,410)	(420)
Net income attributable to Golden Star shareholders		$ 1,015	$ 170
Net income/(loss) per share attributable to Golden Star shareholders			
Basic	18	$ 0.00	$ 0.00
Diluted	18	$ (0.01)	$ 0.00
Weighted average shares outstanding-basic (millions)		380.9	359.0
Weighted average shares outstanding-diluted (millions)		438.1	371.2

The accompanying notes are an integral part of the condensed interim consolidated financial statements.

GOLDEN STAR RESOURCES LTD.

CONDENSED INTERIM CONSOLIDATED BALANCE SHEETS
(Stated in thousands of U.S. dollars)
(unaudited)

	Notes	As of March 31, 2018	As of December 31, 2017
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		$ 26,224	$ 27,787
Accounts receivable		2,420	3,428
Inventories	6	44,196	50,653
Prepaids and other		4,217	5,014
Total Current Assets		77,057	86,882
RESTRICTED CASH		6,505	6,505
MINING INTERESTS	7	256,935	254,058
DEFERRED TAX ASSETS		10,054	12,944
Total Assets		$ 350,551	$ 360,389
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable and accrued liabilities	8	$ 84,562	$ 94,623
Current portion of rehabilitation provisions	9	5,825	6,566
Current portion of deferred revenue	10	15,911	17,894
Current portion of long term debt	11	21,863	15,864
Current portion of other liability	15	15,464	13,498
Total Current Liabilities		143,625	148,445
REHABILITATION PROVISIONS	9	62,215	64,146
DEFERRED REVENUE	10	110,973	92,062
LONG TERM DEBT	11	88,580	79,741
LONG TERM DERIVATIVE LIABILITY	5	5,521	10,963
LONG TERM OTHER LIABILITY	15	—	6,786
Total Liabilities		410,914	402,143
SHAREHOLDERS' EQUITY			
SHARE CAPITAL			
First preferred shares, without par value, unlimited shares authorized. No shares issued and outstanding		—	—
Common shares, without par value, unlimited shares authorized		783,325	783,167
CONTRIBUTED SURPLUS		35,892	35,284
DEFICIT		(812,145)	(794,180)
Shareholders' equity attributable to Golden Star shareholders		7,072	24,271
NON-CONTROLLING INTEREST		(67,435)	(66,025)
Total Deficit		(60,363)	(41,754)
Total Liabilities and Shareholders' Equity		$ 350,551	$ 360,389

The accompanying notes are an integral part of the condensed interim consolidated financial statements.

Signed on behalf of the Board,

"Timothy C. Baker"
Timothy C. Baker, Director

"Robert E. Doyle"
Robert E. Doyle, Director

GOLDEN STAR RESOURCES LTD.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
(Stated in thousands of U.S. dollars)
(unaudited)

	Notes	Three Months Ended March 31, 2018	Three Months Ended March 31, 2017
OPERATING ACTIVITIES:			
Net loss		$ (395)	$ (250)
Reconciliation of net loss to net cash (used in)/provided by operating activities:			
Depreciation and amortization		8,228	8,444
Share-based compensation	15	(2,638)	4,715
Deferred income tax expense		2,891	—
Gain on fair value of 7% Convertible Debentures embedded derivative	5	(5,442)	(3,131)
Recognition of deferred revenue	10	(3,239)	(3,289)
Proceeds from Royal Gold stream	10	—	10,000
Reclamation expenditures	9	(1,343)	(1,491)
Other	21	2,748	2,727
Changes in working capital	21	(4,781)	(8,287)
Net cash (used in)/provided by operating activities		(3,971)	9,438
INVESTING ACTIVITIES:			
Additions to mining properties		(309)	(155)
Additions to plant and equipment		(245)	—
Additions to construction in progress		(11,028)	(16,548)
Change in accounts payable and deposits on mine equipment and material		(71)	(1,693)
Increase in restricted cash		—	(29)
Net cash used in investing activities		(11,653)	(18,425)
FINANCING ACTIVITIES:			
Principal payments on debt	11	(939)	(846)
Proceeds from debt agreements	11	15,000	—
Shares issued, net		—	24,524
Net cash provided by financing activities		14,061	23,678
(Decrease)/increase in cash and cash equivalents		(1,563)	14,691
Cash and cash equivalents, beginning of period		27,787	21,764
Cash and cash equivalents, end of period		$ 26,224	$ 36,455

See Note 21 for supplemental cash flow information.

The accompanying notes are an integral part of the condensed interim consolidated financial statements.

GOLDEN STAR RESOURCES LTD.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Stated in thousands of U.S. dollars except share data)
(unaudited)

	Number of Common Shares	Share Capital	Contributed Surplus	Deficit	Non-Controlling Interest	Total Shareholders' Equity
Balance at December 31, 2016	**335,356,450**	**$ 746,542**	**$ 33,861**	**$ (832,951)**	**$ (68,213)**	**$ (120,761)**
Shares issued	40,809,502	35,682	—	—	—	35,682
Options granted net of forfeitures	—	—	603	—	—	603
Deferred share units granted	—	—	95	—	—	95
Share issue costs	—	(1,976)	—	—	—	(1,976)
Net income/(loss)	—	—	—	170	(420)	(250)
Balance at March 31, 2017	**376,165,952**	**$ 780,248**	**$ 34,559**	**$ (832,781)**	**$ (68,633)**	**$ (86,607)**
Balance at December 31, 2017	**380,581,075**	**$ 783,167**	**$ 35,284**	**$ (794,180)**	**$ (66,025)**	**$ (41,754)**
Impact of adopting IFRS 15 on January 1, 2018 (see Note 3A)	—	—	—	(18,980)	—	(18,980)
Balance at January 1, 2018 (restated)	**380,581,075**	**$ 783,167**	**$ 35,284**	**$ (813,160)**	**$ (66,025)**	**$ (60,734)**
Shares issued under DSUs	350,992	151	(151)	—	—	—
Shares issued under options	12,500	7	(7)	—	—	—
Options granted net of forfeitures	—	—	632	—	—	632
Deferred share units granted	—	—	133	—	—	133
Performance and restricted share units granted	—	—	1	—	—	1
Net income/(loss)	—	—	—	1,015	(1,410)	(395)
Balance at March 31, 2018	**380,944,567**	**$ 783,325**	**$ 35,892**	**$ (812,145)**	**$ (67,435)**	**$ (60,363)**

The accompanying notes are an integral part of the condensed interim consolidated financial statements.

1. NATURE OF OPERATIONS

Golden Star Resources Ltd. ("Golden Star" or "the Company" or "we" or "our") is a Canadian federally-incorporated, international gold mining and exploration company headquartered in Toronto, Canada. The Company's shares are listed on the Toronto Stock Exchange (the "TSX") under the symbol GSC, the NYSE American (formerly NYSE MKT) under the symbol GSS and the Ghana Stock Exchange under the symbol GSR. The Company's registered office is located at 150 King Street West, Sun Life Financial Tower, Suite 1200, Toronto, Ontario, M5H 1J9, Canada.

Through our 90% owned subsidiary, Golden Star (Wassa) Limited, we own and operate the Wassa open-pit gold mine, the Wassa underground mine and a carbon-in-leach ("CIL") processing plant (collectively, "Wassa"), located northeast of the town of Tarkwa, Ghana. Through our 90% owned subsidiary Golden Star (Bogoso/Prestea) Limited, the Company owns and operates the Bogoso gold mining and processing operations ("Bogoso"), the Prestea open-pit mining operations and the Prestea underground mine located near the town of Prestea, Ghana. We hold and manage interests in several gold exploration projects in Ghana and in Brazil.

2. BASIS OF PRESENTATION

Statement of compliance

These unaudited condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) including International Accounting Standards ("IAS") 34 Interim financial reporting. These condensed interim consolidated financial statements should be read in conjunction with the Company's annual consolidated financial statements for the year ended December 31, 2017, which have been prepared in accordance with IFRS as issued by the IASB. The accounting policies and methods of application adopted are consistent with those disclosed in Note 3 of the Company’s consolidated financial statements for the year ended December 31, 2017, except for the changes in accounting policies as described below.

These condensed interim consolidated financial statements were approved by the Audit Committee of the Company on May 1, 2018.

Basis of presentation

These condensed interim consolidated financial statements include the accounts of the Company and its subsidiaries, whether owned directly or indirectly. The financial statements of the subsidiaries are prepared for the same period as the Company using consistent accounting policies for all periods presented, except for the changes in accounting policies described in Note 3 below. All inter-company balances and transactions have been eliminated. Subsidiaries are entities controlled by the Company. Non-controlling interests in the net assets of consolidated subsidiaries are a separate component of the Company's equity.

These condensed interim consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and discharge of all liabilities in the normal course of business.

The condensed interim consolidated financial statements have been prepared on a historical cost basis, except for derivative financial instruments which are measured at fair value through profit or loss.

3. CHANGES IN ACCOUNTING POLICIES

A) New Accounting Standards Effective 2018

The Company has adopted the following new and revised standards, effective January 1, 2018. These changes were made in accordance with the applicable transitional provisions.

IFRS 2 *Share-based payments* was amended to address (i) certain issues related to the accounting for cash settled awards, and (ii) the accounting for equity settled awards that include a "net settlement" feature in respect of employee withholding taxes effective for years beginning on or after January 1, 2018. There was no impact to the financial statements on adoption of this standard.

IFRS 9 *Financial Instruments* was issued in July 2014 and includes (i) a third measurement category for financial assets - fair value through other comprehensive income; (ii) a single, forward-looking "expected loss" impairment model; and (iii) a mandatory

effective date of annual periods beginning on or after January 1, 2018. On adoption of this standard, there was no accounting impact to the financial statements and there were no changes in the carrying values of any of the Company's financial assets.

IFRS 15 *Revenue from Contracts with Customers* was amended to clarify how to (i) identify a performance obligation in a contract; (ii) determine whether a company is a principal or an agent; and (iii) determine whether the revenue from granting a license should be recognized at a point in time or over time. In addition to the clarifications, the amendments include two additional reliefs to reduce cost and complexity for a company when it first applies the new standard. The amendments have the same effective date as the standard, which is January 1, 2018.

On January 1, 2018, the Company adopted the requirements of IFRS *15 Revenue from Contracts with Customers*. As a result, the Company updated its accounting policy for deferred revenue to align with the requirements of IFRS 15. The Company elected to use the modified retroactive approach to initially adopt IFRS 15 which resulted in recognizing the cumulative effect of prior period amounts as an adjustment to the opening balance sheet through opening deficit on January 1, 2018.

Under IFRS 15, deferred revenue consists of: 1) initial cash payments received by the Company for future delivery of payable gold under the terms of the Company's Streaming Agreement as defined in Note 10, Deferred Revenue, and 2) a significant financing component of the Company's Streaming Agreement. Deferred revenue is increased as interest expense is recognized based on the implicit interest rate of the discounted cash flows arising from the expected delivery of ounces under the Company's Streaming Agreement.

The amount by which the deferred revenue balance is reduced and recognized into revenue is based on a rate per ounce of gold delivered under the stream. This rate per ounce of gold delivered relating to the payments received by the Company is based on the remaining deferred revenue balance divided by the ounces that are expected to be delivered over the term of the Stream Agreement.

As the Company's Streaming Agreement contains a variable component, IFRS 15 requires that the transaction price be updated and re-allocated on a continuous basis. As a result, the deferred revenue recognized per ounce of gold delivered under the Streaming Agreement will require an adjustment each time there is a significant change in the underlying gold production profile of a mine. Should a change in the transaction price be necessary, a retroactive adjustment to revenue will be made in the period in which the change occurs, to reflect the updated production profile expected to be delivered under the Streaming Agreement.

The impact of the initial adoption of IFRS 15 was $19.0 million. The adjustment was recorded as an increase to deferred revenue with a corresponding increase to opening deficit.

B) New Accounting Standards, Interpretations and Amendments Issued But Not Yet Effective

IFRS 16 *Leases* specifies how an IFRS reporter will recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17. IFRS 16 was issued in January 2016 and applies to annual reporting periods beginning on or after January 1, 2019. The Company is still assessing the impact of this standard.

IFRIC 23 *Uncertainty over income tax treatments* clarifies how the recognition and measurement requirements of IAS 12, Income Taxes, are applied where there is uncertainty over income tax treatments effective for years beginning on or after January 1, 2019. The Company is still assessing the impact of this standard.

4. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The judgements, estimates and assumptions discussed below reflect updates from the 2017 Annual Financial Statements. For a full list of judgements, estimates and assumptions please refer to Note 4 of the 2017 Annual Financial Statements

Deferred Revenue

On July 28, 2015, the Company through its subsidiary Caystar Finance Co. completed a $130 million gold purchase and sale agreement ("Streaming Agreement") with RGLD, a wholly-owned subsidiary of RGI. This Streaming Agreement was subsequently amended on December 30, 2015 to provide an additional $15 million of streaming advance payment. As discussed in Note 3A of these condensed interim financial statements, there is a variable component involved in accounting for the deferred revenue associated with the Streaming Agreement. This variability is subject to retroactive adjustment when there is a significant change in the timing and quantity of ounces to be delivered over the term of the Stream Agreement. Significant judgement is required in determining the expected delivery of ounces over the term of the Streaming Agreement and their associated cash flows. In undertaking this review management of the Company is required to make significant estimates of, amongst other things, discount rates, future production volumes, metal prices and reserve and resource quantities. These estimates are subject to various risks and uncertainties which may ultimately have an effect on the deferred revenue recorded related to the Streaming Agreement. There

were no retroactive adjustments recorded in the first quarter of 2018 with the exception of the initial adjustment recorded to adopt IFRS 15 as discussed in Note 3A.

5. FINANCIAL INSTRUMENTS

The following tables illustrate the classification of the Company's recurring fair value measurements for financial instruments within the fair value hierarchy and their carrying values and fair values as at March 31, 2018 and December 31, 2017:

		March 31, 2018		December 31, 2017	
	Level	Carrying value	Fair value	Carrying value	Fair value
Financial Liabilities					
Fair value through profit or loss					
7% Convertible Debentures embedded derivative	3	5,521	5,521	10,963	10,963

There were no non-recurring fair value measurements of financial instruments as at March 31, 2018.

The three levels of the fair value hierarchy are:

Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 - Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

Level 3 - Inputs that are not based on observable market data.

The Company's policy is to recognize transfers into and transfers out of the fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer. During the three months ended March 31, 2018, there were no transfers between the levels of the fair value hierarchy.

Gain on fair value of financial instruments in the Statement of Operations includes the following components:

	Three Months Ended March 31,	
	2018	2017
Loss on fair value of 5% Convertible Debentures	$ —	$ 183
Loss on fair value of warrants	—	450
Gain on fair value of 7% Convertible Debentures embedded derivative	(5,442)	(3,131)
	$ (5,442)	$ (2,498)

The valuation technique that is used to measure fair value is as follows:

7% Convertible Debentures embedded derivative

The debt component of the 7% Convertible Debentures is recorded at amortized cost using the effective interest rate method, and the conversion feature is classified as an embedded derivative measured at fair value through profit or loss.

The embedded derivative was valued at March 31, 2018 and December 31, 2017 using a convertible note valuation model. The significant inputs used in the convertible note valuation are as follows:

	March 31, 2018	December 31, 2017
Embedded derivative		
Risk premium	8.7%	7.9%
Borrowing costs	10.0%	15.0%
Expected volatility	45.0%	45.0%
Remaining life (years)	3.4	3.6

The following table presents the changes in the 7% Convertible Debentures embedded derivative for the three months ended March 31, 2018:

	Fair value
Balance, December 31, 2017	$ 10,963
Gain on fair value of 7% Convertible Debentures embedded derivative	(5,442)
Balance, March 31, 2018	$ 5,521

If the risk premium increases by 10%, the fair value of the 7% Convertible Debentures embedded derivative would decrease and the related gain in the Statement of Operations would increase by $0.3 million at March 31, 2018.

If the borrowing costs increases by 10%, the fair value of the 7% Convertible Debentures embedded derivative would decrease and the related gain in the Statement of Operations would decrease by $0.3 million at March 31, 2018.

If the expected volatility increases by 10%, the fair value of the 7% Convertible Debentures embedded derivative would decrease and the related gain in the Statement of Operations would increase by $1.0 million at March 31, 2018.

6. INVENTORIES

Inventories include the following components:

	As of March 31, 2018	As of December 31, 2017
Stockpiled ore	$ 15,127	$ 22,998
In-process ore	3,997	4,014
Materials and supplies	24,764	22,677
Finished goods	308	964
Total	$ 44,196	$ 50,653

The cost of inventories expensed for the three months ended March 31, 2018 and 2017 was $55.7 million and $47.9 million, respectively.

During the three months ended March 31, 2018, $1.2 million of net realizable value adjustments were recorded for stockpiled ore (three months ended March 31, 2017 - $1.6 million).

7. MINING INTERESTS

The following table shows the breakdown of the cost, accumulated depreciation and net book value of plant and equipment, mining properties and construction in progress:

	Plant and equipment	Mining properties	Construction in progress	Total
Cost				
As of December 31, 2017	$ 479,214	$ 798,433	$ 126,923	$ 1,404,570
Additions	245	309	10,449	11,003
Transfers		111,092	(111,092)	—
Capitalized interest	—	—	579	579
Change in rehabilitation provision estimate	—	(749)	—	(749)
Disposals and other	(11,043)	—		(11,043)
As of March 31, 2018	$ 468,416	$ 909,085	$ 26,859	$ 1,404,360
Accumulated depreciation				
As of December 31, 2017	$ 437,292	$ 713,220	$ —	$ 1,150,512
Depreciation and amortization	3,171	4,718	—	7,889
Disposals and other	(10,976)	—	—	(10,976)
As of March 31, 2018	$ 429,487	$ 717,938	$ —	$ 1,147,425
Carrying amount				
As of December 31, 2017	$ 41,922	$ 85,213	$ 126,923	$ 254,058
As of March 31, 2018	$ 38,929	$ 191,147	$ 26,859	$ 256,935

As at March 31, 2018, equipment under finance leases had net carrying amounts of $1.4 million (December 31, 2017 - $1.6 million). The total minimum lease payments are disclosed in Note 11 - Debt.

No depreciation is charged to construction in progress assets. For the three months ended March 31, 2018, the general capitalization rate for borrowing costs was 7%.

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities include the following components:

	As of March 31, 2018	As of December 31, 2017
Trade and other payables	$ 50,773	$ 44,048
Accrued liabilities	28,177	40,165
Payroll related liabilities	5,612	10,410
Total	$ 84,562	$ 94,623

9. REHABILITATION PROVISIONS

At March 31, 2018, the total undiscounted amount of future cash needs for rehabilitation was estimated to be $76.2 million. A discount rate assumption of 2% and an inflation rate assumption of 2% were used to value the rehabilitation provisions. The changes in the carrying amount of the rehabilitation provisions are as follows:

	Three Months Ended March 31, 2018	Year Ended December 31, 2017
Beginning balance	$ 70,712	$ 77,382
Accretion of rehabilitation provisions	214	1,245
Changes in estimates	(1,543)	(1,923)
Cost of reclamation work performed	(1,343)	(5,992)
Balance at the end of the period	$ 68,040	$ 70,712
Current portion	$ 5,825	$ 6,566
Long term portion	62,215	64,146
Total	$ 68,040	$ 70,712

10. DEFERRED REVENUE

On July 28, 2015, the Company through its subsidiary Caystar Finance Co. completed a $130 million gold purchase and sale agreement ("Streaming Agreement") with RGLD, a wholly-owned subsidiary of RGI. This Streaming Agreement was subsequently amended on December 30, 2015 to provide an additional $15 million of streaming advance payment with an option, subject to Golden Star satisfying certain conditions, to access a further $5 million (this option was not exercised and has expired). The Streaming percentages were adjusted as follows to reflect the $15 million additional advance payment: From January 1, 2016, the Company will deliver 9.25% of the Mines' production to RGLD at a cash purchase price of 20% of spot gold. From the earlier of January 1, 2018 or commercial production of the underground mines, Golden Star will deliver 10.5% of production at a cash purchase price of 20% of spot gold until 240,000 ounces have been delivered. Thereafter, 5.5% of production at a cash purchase price of 30% of spot gold will be delivered.

During the three months ended March 31, 2018, the Company sold 6,771 ounces of gold to RGLD. Revenue recognized on the ounces sold to RGLD during the three months ended March 31, 2018 consisted of $1.8 million of cash payment proceeds and $3.2 million of deferred revenue recognized in the period (see Note 13). The Company has delivered a total of 61,540 ounces of gold to RGLD since the inception of the Streaming Agreement.

	Three Months Ended March 31, 2018	Year Ended December 31, 2017
Beginning balance	$ 109,956	$ 114,112
Impact of adopting IFRS 15 on January 1, 2018 (see Note 3A)	18,980	—
Deposits received	—	10,000
Deferred revenue recognized	(3,239)	(14,156)
Interest on financing component of deferred revenue (see Note 16)	1,187	—
Balance at the end of the period	$ 126,884	$ 109,956
Current portion	$ 15,911	$ 17,894
Long term portion	110,973	92,062
Total	$ 126,884	$ 109,956

11. DEBT

The following table displays the components of our current and long term debt instruments:

	As of March 31, 2018	As of December 31, 2017
Current debt:		
Equipment financing credit facility	$ 73	$ 147
Finance leases	901	1,229
Ecobank Loan III	5,556	2,222
Vendor agreement	15,333	12,266
Total current debt	$ 21,863	$ 15,864
Long term debt:		
Finance leases	$ 286	$ 269
Ecobank Loan III	18,471	7,337
7% Convertible Debentures	43,007	42,515
Royal Gold loan	18,896	18,817
Vendor agreement	7,920	10,803
Total long term debt	$ 88,580	$ 79,741
Current portion	$ 21,863	$ 15,864
Long term portion	88,580	79,741
Total	$ 110,443	$ 95,605

Ecobank Loan III

On January 24, 2018, the Company drew down the remaining $15.0 million of the Ecobank Loan III. The full $25.0 million has now been drawn.

7% Convertible Debentures

As at March 31, 2018, $51.5 million principal amount of 7% Convertible Debentures remains outstanding.

The changes in the carrying amount of the 7% Convertible Debentures are as follows:

	Three Months Ended March 31, 2018	Year Ended December 31, 2017
Beginning balance	$ 42,515	$ 47,617
Conversions	—	(6,947)
Accretion of 7% Convertible Debentures discount	492	1,845
Balance at the end of the period	$ 43,007	$ 42,515

Schedule of payments on outstanding debt as of March 31, 2018:

	Nine months ending December 31, 2018	Year ending December 31, 2019	Year ending December 31, 2020	Year ending December 31, 2021	Year ending December 31, 2022	Maturity
Equipment financing loans						
Principal	$ 73	$ —	$ —	$ —	$ —	2018
Interest	3	—	—	—	—	
Finance leases						
Principal	849	338	—	—	—	2019
Interest	37	8	—	—	—	
Ecobank Loan III						
Principal	4,167	5,555	5,555	5,555	3,611	2022
Interest	831	629	429	245	56	
7% Convertible Debentures						
Principal	—	—	—	51,498	—	August 15, 2021
Interest	1,802	3,605	3,605	3,605	—	
Royal Gold loan						
Principal [1]	—	20,000	—	—	—	2019
Interest [2]	1,219	948	—	—	—	
Vendor agreement						
Principal	12,266	12,266	—	—	—	2019
Interest	977	498	—	—	—	
Total principal	$ 17,355	$ 38,159	$ 5,555	$ 57,053	$ 3,611	
Total interest	4,869	5,688	4,034	3,850	56	
	$ 22,224	$ 43,847	$ 9,589	$ 60,903	$ 3,667	

[1] Beginning with the three months ending June 30, 2017, the excess cash flow provision of the Royal Gold loan became effective. The excess cash flow provision as defined in the Royal Gold loan agreement requires the Company to make mandatory repayments of 50% excess cash flow beginning 2018 until maturity. The excess cash flow calculation is dependent on various factors, some of which are beyond the Company's control, such as gold price. No excess cash flow repayments have been required to date. The schedule of payments above shows the total principal amount outstanding settled at maturity.

[2] Interest payments on the Royal Gold loan are based on the average daily LBMA gold price multiplied by 62.5% divided by 10,000 to a maximum interest rate of 11.5% per annum. The estimated interest payments are calculated based on $1,300 per ounce LBMA gold price.

12. COMMITMENTS AND CONTINGENCIES

The Company has capital commitments of $12.9 million, all of which are expected to be incurred within the next nine months.

Due to the nature of the Company's operations, various legal matters from time to time arise in the ordinary course of business. The Company accrues for such items when a liability is both probable and the amount can be reasonably estimated. In the opinion of management, these matters will not have a material effect on the condensed interim consolidated financial statements of the Company.

13. REVENUE

Revenue includes the following components:

	Three Months Ended March 31,	
	2018	2017
Revenue - Streaming Agreement		
Cash payment proceeds	$ 1,803	$ 1,377
Deferred revenue recognized	3,239	3,289
	5,042	4,666
Revenue - Spot sales	65,777	63,879
Total revenue	$ 70,819	$ 68,545

14. COST OF SALES EXCLUDING DEPRECIATION AND AMORTIZATION

Cost of sales excluding depreciation and amortization include the following components:

	Three Months Ended March 31,	
	2018	2017
Mine operating expenses	$ 44,146	$ 45,053
Severance charges	3,394	954
Operating costs from metal inventory	7,041	1,371
Inventory net realizable value adjustment	1,163	505
Royalties	3,830	3,523
	$ 59,574	$ 51,406

15. SHARE-BASED COMPENSATION

Share-based compensation expenses, recognized in general and administrative expense in the Statements of Operations and Comprehensive Income, are as follows:

	Three Months Ended March 31,	
	2018	2017
Share options	$ 632	$ 603
Deferred share units	133	95
Share appreciation rights	(555)	316
Performance share units	(2,848)	3,701
	$ (2,638)	$ 4,715

Share options

The fair value of option grants is estimated at the grant dates using the Black-Scholes option-pricing model. Fair values of options granted during the three months ended March 31, 2018 and 2017 were based on the weighted average assumptions noted in the following table:

	Three Months Ended March 31,	
	2018	2017
Expected volatility	72.16%	73.72%
Risk-free interest rate	2.38%	1.85%
Expected lives	5.7 years	6.0 years

The weighted average fair value per option granted during the three months ended March 31, 2018 was $0.58 (three months ended March 31, 2017 - $0.85). As at March 31, 2018, there was $1.2 million of share-based compensation expense (March 31, 2017 -

$1.1 million) relating to the Company's share options to be recorded in future periods. For the three months ended March 31, 2018, the Company recognized an expense of $0.6 million (three months ended March 31, 2017 - $0.6 million).

A summary of option activity under the Company's Stock Option Plan during the three months ended March 31, 2018 are as follows:

	Options ('000)	Weighted–Average Exercise price ($CAD)	Weighted–Average Remaining Contractual Term (Years)
Outstanding as of December 31, 2017	16,629	1.19	5.9
Granted	3,008	0.92	9.9
Exercised	(12)	0.47	7.4
Expired	(1,643)	1.87	0
Outstanding as of March 31, 2018	17,982	1.08	6.9
Exercisable as of December 31, 2017	12,803	1.28	5.1
Exercisable as of March 31, 2018	13,693	1.12	6.2

As of March 31, 2018, there were 9,207,515 common shares available for grant under the Stock Option Plan (December 31, 2017 - 10,572,586).

Deferred share units ("DSUs")

For the three months ended March 31, 2018, the DSUs that were granted vested immediately and a compensation expense of $0.1 million was recognized for these grants (three months ended March 31, 2017 - $0.1 million). As of March 31, 2018, there was no unrecognized compensation expense related to DSUs granted under the Company's DSU Plan.

A summary of DSU activity during the three months ended March 31, 2018 and 2017:

	Three Months Ended March 31,	
	2018	2017
Number of DSUs, beginning of period ('000)	5,092	5,734
Granted	160	108
Exercised	(410)	—
Number of DSUs, end of period ('000)	4,842	5,842

Share appreciation rights ("SARs")

As of March 31, 2018, there was approximately $0.8 million of total unrecognized compensation cost related to unvested SARs (March 31, 2017 - $1.0 million). For the three months ended March 31, 2018, the Company recognized a recovery of $0.6 million related to these cash settled awards (three months ended March 31, 2017 - $0.3 million expense).

A summary of the SARs activity during the three months ended March 31, 2018 and 2017:

	Three Months Ended March 31,	
	2018	2017
Number of SARs, beginning of period ('000)	2,665	2,687
Granted	1,520	1,410
Exercised	(70)	(98)
Forfeited	(50)	(17)
Number of SARs, end of period ('000)	4,065	3,982

Performance share units ("PSUs")

For the three months ended March 31, 2018, the Company recognized a recovery of $2.8 million related to PSU's (three months ended March 31, 2017 - $3.7 million). As at March 31, 2018, the PSU liability of $15.5 million is recognized on the Balance Sheet as current portion of other liability.

A summary of the PSU activity during the three months ended March 31, 2018 and 2017:

	Three Months Ended March 31,	
	2018	2017
Number of PSUs, beginning of period ('000)	13,603	15,479
Settled	(7,742)	(1,876)
Number of PSUs, end of period ('000)	5,861	13,603

2017 Performance and restricted share units ("PRSUs")

PRSUs are accounted for as equity awards with corresponding compensation expense recognized. For the three months ended March 31, 2018, the Company recognized nil expense.

A summary of the PRSU activity during the three months ended March 31, 2018 and 2017:

	Three Months Ended March 31,	
	2018	2017
Number of PRSUs, beginning of period ('000)	1,694	—
Granted	2,399	1,694
Number of PRSUs, end of period ('000)	4,093	1,694

16. FINANCE EXPENSE, NET

Finance income and expense includes the following components:

	Three Months Ended March 31,	
	2018	2017
Interest income	$ (4)	$ (34)
Interest expense, net of capitalized interest (see Note 7)	2,735	2,230
Interest on financing component of deferred revenue (see Note 10)	1,187	—
Net foreign exchange loss/(gain)	651	(1,159)
Accretion of rehabilitation provision	214	311
Conversion make-whole payment	—	1,445
	$ 4,783	$ 2,793

17. INCOME TAXES

Income tax expense is recognized based on management's estimate of the weighted average annual income tax rate expected for the full financial year. The provision for income taxes includes the following components:

	Three Months Ended March 31,	
	2018	2017
Current expense:		
Canada	$ —	$ —
Foreign	—	—
Deferred tax expense:		
Canada	—	—
Foreign	2,891	—
Tax expense	$ 2,891	$ —

18. INCOME/(LOSS) PER COMMON SHARE

The following table provides a reconciliation between basic and diluted income per common share:

	Three Months Ended March 31,	
	2018	2017
Net income attributable to Golden Star shareholders	$ 1,015	$ 170
Adjustments:		
Interest expense on 7% Convertible Debentures	889	—
Accretion of 7% Convertible Debentures discount	492	—
Gain on fair value of 7% Convertible Debentures embedded derivative	(5,442)	—
Diluted (loss)/income	$ (3,046)	$ 170
Weighted average number of basic shares (millions)	380.9	359.0
Dilutive securities:		
Options	—	3.0
Warrants	—	3.4
Deferred share units	—	5.8
7% Convertible Debentures	57.2	—
Weighted average number of diluted shares (millions)	438.1	371.2
Income/(loss) per share attributable to Golden Star shareholders:		
Basic	$ 0.00	$ 0.00
Diluted	$ (0.01)	$ 0.00

19. RELATED PARTY TRANSACTIONS

There were no material related party transactions for the three months ended March 31, 2018 and 2017 other than the items disclosed below.

Key management personnel

Key management personnel is defined as members of the Board of Directors and certain senior officers. Compensation of key management personnel are as follows, with such compensation made on terms equivalent to those prevailing in an arm's length transaction:

	Three Months Ended March 31,	
	2018	2017
Salaries, wages, and other benefits	$ 792	$ 885
Bonuses	333	328
Share-based compensation	(1,738)	4,177
	$ (613)	$ 5,390

20. SEGMENTED INFORMATION

Segmented revenue and results

The Company has reportable segments as identified by the individual mining operations. Segments are operations reviewed by the executive management. Each segment is identified based on quantitative and qualitative factors.

Three Months Ended March 31,	Wassa	Prestea	Other	Corporate	Total
2018					
Revenue	$ 45,352	$ 25,467	$ —	$ —	$ 70,819
Mine operating expenses	21,226	22,920	—	—	44,146
Severance charges	3,394	—	—	—	3,394
Operating costs from metal inventory	3,251	3,790	—	—	7,041
Inventory net realizable value adjustment	—	1,163	—	—	1,163
Royalties	2,366	1,464	—	—	3,830
Cost of sales excluding depreciation and amortization	30,237	29,337	—	—	59,574
Depreciation and amortization	5,608	2,613	—	—	8,221
Mine operating margin/(loss)	9,507	(6,483)	—	—	3,024
Income tax expense	2,891	—	—	—	2,891
Net income/(loss) attributable to non-controlling interest	537	(1,947)	—	—	(1,410)
Net income/(loss) attributable to Golden Star	$ 4,667	$ (5,286)	$ (2,083)	$ 3,717	$ 1,015
Capital expenditures	$ 6,606	$ 4,976	$ —	$ —	$ 11,582
2017					
Revenue	$ 37,250	$ 31,295	$ —	$ —	$ 68,545
Mine operating expenses	28,225	16,828	—	—	45,053
Severance charges	954	—	—	—	954
Operating costs from/(to) metal inventory	1,482	(111)	—	—	1,371
Inventory net realizable value adjustment	505	—	—	—	505
Royalties	1,913	1,610	—	—	3,523
Cost of sales excluding depreciation and amortization	33,079	18,327	—	—	51,406
Depreciation and amortization	5,304	3,135	—	—	8,439
Mine operating (loss)/margin	(1,133)	9,833	—	—	8,700
Net loss attributable to non-controlling interest	(254)	(166)	—	—	(420)
Net (loss)/income attributable to Golden Star	$ (837)	$ 9,958	$ (1,589)	$ (7,362)	$ 170
Capital expenditures	$ 3,033	$ 13,670	$ —	$ —	$ 16,703

Segmented Assets

The following table presents the segmented assets:

	Wassa	Prestea	Other	Corporate	Total
March 31, 2018					
Total assets	$ 191,307	$ 153,051	$ 1,587	$ 4,606	$ 350,551
December 31, 2017					
Total assets	$ 195,180	$ 158,715	$ 4,257	$ 2,237	$ 360,389

Information about major customers

Currently, approximately 90% of our gold production is sold through a South African gold refinery. Except for the sales to RGLD as part of the Streaming Agreement, the refinery arranges for the sale of gold on the day it is shipped from the mine sites and we receive payment for gold sold two working days after the gold leaves the mine site. The global gold market is competitive with numerous banks and refineries willing to buy gold on short notice. Therefore, we believe that the loss of our current customer would not materially delay or disrupt revenue.

21. SUPPLEMENTAL CASH FLOW INFORMATION

During the three months ended March 31, 2018 and 2017, there was no payment of income taxes. The Company paid $2.8 million of interest during the three months ended March 31, 2018 (three months ended March 31, 2017 - $3.9 million).

Changes in working capital for the three months ended March 31, 2018 and 2017 are as follows:

	Three Months Ended March 31,	
	2018	2017
Decrease in accounts receivable	$ 1,008	$ 3,140
Decrease/(increase) in inventories	4,953	(1,761)
Decrease/(increase) in prepaids and other	693	(1,368)
Decrease in accounts payable and accrued liabilities	(11,435)	(8,298)
Total changes in working capital	$ (4,781)	$ (8,287)

Other includes the following components:

	Three Months Ended March 31,	
	2018	2017
Loss on disposal of assets	$ 67	$ 513
Net realizable value adjustment on inventory	1,163	505
Loss on fair value of 5% Convertible Debentures	—	183
Loss on fair value of warrants	—	450
Loss/(gain) on fair value of marketable securities	132	(99)
Accretion of vendor agreement	183	183
Accretion of rehabilitation provisions (see Note 9)	214	311
Amortization of financing fees	104	79
Accretion of 7% Convertible Debentures discount	492	437
Gain on reduction of rehabilitation provisions	(794)	—
Loss on conversion of 7% Convertible Debentures, net	—	165
Interest on financing component of deferred revenue (see Note 16)	1,187	—
	$ 2,748	$ 2,727

Non-cash changes of liabilities arising from financing activities

During the three months ended March 31, 2018 and 2017, the non-cash changes related to the changes in liabilities arising from financing activities are as follows:

	Three Months Ended March 31,	
	2018	2017
Accretion of debt	$ 778	$ 516
Conversion of the 7% Convertible Debentures	—	6,947
Fair value loss on the 5% Convertible Debentures	—	183