

GOLDEN STAR RESOURCES LTD

Form 424B5

February 26, 2007

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**Filed Pursuant to Rule 424(b)(5)  
Registration No. 333-118956**

*No securities regulatory authority in Canada has expressed an opinion about these securities and it is an offence to claim otherwise. This short form prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities.*

*Information has been incorporated by reference in this short form prospectus from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from the Chief Financial Officer of Golden Star Resources Ltd. at 10901 West Toller Drive, Suite 300, Littleton, Colorado, 80127-6312, United States of America, Telephone: (303) 830-9000, Email: info@gsr.com, and are also available electronically at www.sedar.com.*

**Short Form Prospectus**New Issue

February 26, 2007

**GOLDEN STAR RESOURCES LTD.****U.S.\$3.60****21,000,000 Common Shares**

Golden Star Resources Ltd. ( Golden Star , the Company , we , us or our ) hereby offers, and this short form prospectus qualifies the distribution of, 21,000,000 of our common shares (the Common Shares ) to be sold at a price of U.S.\$3.60 per Common Share. Our outstanding Common Shares are listed and posted for trading on the Toronto Stock Exchange (the TSX ) under the symbol GSC and on the American Stock Exchange ( AMEX ) under the symbol GSS . On February 23, 2007, the closing price of our Common Shares on the TSX was Cdn.\$4.46 and on the AMEX was U.S.\$3.86. We have applied to list the Common Shares on the TSX and AMEX. Listing will be subject to our fulfillment of all of the listing requirements of the TSX and AMEX, respectively.

**Price: U.S.\$3.60 per Common Share**

	<b>Price to the Public</b>	<b>Underwriters Fee</b>	<b>Net Proceeds to Golden Star<sup>(1)</sup></b>
Per Common Share	U.S.\$3.60	U.S.\$0.162	U.S.\$3.4380
Total <sup>(2)</sup>	U.S.\$75,600,000	U.S.\$3,402,000	U.S.\$72,198,000

Notes:

(1)

Before deducting expenses of this offering, estimated to be U.S.\$750,000, which will be paid from the proceeds of the sale of the Common Shares.

- (2) We have granted to the Canadian Underwriters (as defined below) an option (the Over-Allotment Option), exercisable in whole or in part, for a period of 30 days following the closing of the offering, to purchase from us up to an additional 3,150,000 Common Shares, representing 15% of the aggregate Common Shares issued upon the closing of the offering, on the same terms as set out above, to cover over-allotments, if any, and for market stabilization purposes. If the Over-Allotment Option is exercised in full, the total Price to the Public, Underwriters Fee and Net Proceeds to Golden Star will be U.S.\$86,940,000, U.S.\$3,912,300 and U.S.\$83,027,700, respectively. This short form prospectus qualifies the distribution of the Over-Allotment Option and the additional Common Shares issuable upon the exercise of the Over-Allotment Option. See Plan of Distribution.

Underwriters	Position	Maximum number of securities held	Exercise period	Exercise price
	Over-Allotment Option	3,150,000 Common Shares	30 days following closing of the offering	U.S.\$ 3.60 per Common Share
	Total securities under option	3,150,000 Common Shares	See above	U.S.\$ 3.60 per Common Share

**The securities offered in this short form prospectus involve a high degree of risk. Prior to subscribing for Common Shares, potential purchasers should carefully consider certain risk factors. See Risk Factors beginning on page 20 of this short form prospectus.**

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**None of the Canadian securities regulatory authorities, the United States Securities and Exchange Commission nor any United States state securities commission or other regulatory body has approved or disapproved these securities, or determined if this short form prospectus is truthful or complete. Any representation to the contrary is a criminal offence.**

**While Golden Star is a Canadian corporation, substantially all of its assets are located outside of Canada and the United States, and its head office is located in the United States. Accordingly, it may not be possible for purchasers of Common Shares to collect judgments obtained in the Canadian courts predicated on the civil liability provisions of Canadian or U.S. securities legislation. See Risk Factors .**

BMO Nesbitt Burns Inc., Wellington West Capital Markets Inc., Canaccord Capital Corporation and GMP Securities L.P. (the Canadian Underwriters ), as principals, conditionally offer the Common Shares in each of the provinces of Canada other than Québec and those Common Shares which are initially offered in the United States and which are subsequently acquired by transfer from the U.S. Agents (as defined below), if any, subject to prior sale, if, as and when issued and sold by us and accepted by the Canadian Underwriters in accordance with the conditions contained in the Canadian underwriting agreement dated as of February 21, 2007 referred to under Plan of Distribution and subject to the approval of certain legal matters on our behalf by Fasken Martineau DuMoulin LLP and on behalf of the underwriters by Stikeman Elliott LLP.

The Common Shares are being offered concurrently in the United States on a best efforts basis, with no minimum number or dollar amount requirement, pursuant to an agency agreement dated as of February 21, 2007 among BMO Capital Markets Corp., Wellington West Capital Markets (USA) Inc., Canaccord Adams Inc. and Griffiths McBurney Corp. (the U.S. Agents ) and the Company, and in Canada on a firm commitment basis for 100% of the Common Shares, with the number to be reduced by the number sold in the United States, pursuant to the Canadian underwriting agreement among the Canadian Underwriters and us. The Canadian Underwriters and the U.S. Agents are collectively referred to as the underwriters .

Subscriptions will be received subject to rejection or allotment in whole or part and the right is reserved to close the subscription books at any time without notice. It is expected that definitive certificates evidencing the Common Shares will be available for delivery at the closing of the offering, which is expected to occur on or about March 1, 2007 or such later date as we and the underwriters may agree but, in any event, not later than March 8, 2007. The Common Shares are to be taken up by the Canadian Underwriters, if at all, on or before a date not less than 42 days after the date of the receipt for the short form prospectus. The offering price of the Common Shares offered hereunder was determined by negotiation between us and the underwriters. The underwriters may effect transactions intended to stabilize or maintain the market price for the Common Shares at levels above those that might otherwise prevail in the open market. Such transactions, if commenced, may be discontinued at any time. See Plan of Distribution .

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References in this short form prospectus to Golden Star, the Company, we, us and our mean Golden Star Resources Ltd., its predecessors and consolidated subsidiaries, or any one or more of them, as the context requires.

**You should rely only on information contained in or incorporated by reference in this short form prospectus. We have not authorized anyone to provide you with information different from that contained or incorporated in this short form prospectus. Information on any of the websites maintained by us does not constitute a part of this short form prospectus or the U.S. Prospectus (as defined below).**

We are not making an offer of these securities in any jurisdiction where the offering is not permitted.

### ELIGIBILITY FOR INVESTMENT

In the opinion of Fasken Martineau DuMoulin LLP, Canadian counsel to Golden Star, and Stikeman Elliott LLP, Canadian counsel to the underwriters, provided the Common Shares are listed on a prescribed stock exchange (which includes the TSX), the Common Shares will be qualified investments under the *Income Tax Act* (Canada) and the regulations thereunder for a trust governed by a registered retirement savings plan, a registered retirement income fund, a deferred profit sharing plan or a registered education savings plan.



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**DOCUMENTS INCORPORATED BY REFERENCE**

The following documents filed by us with securities regulatory authorities in the provinces of Canada are specifically incorporated by reference in, and form an integral part of, this short form prospectus:

- (i) the Annual Report on Form 10-K of Golden Star for the fiscal year ended December 31, 2005, as amended on Form 10-K/A, which includes the audited consolidated annual financial statements of Golden Star for the financial year ended December 31, 2005, together with the independent auditor's report thereon and management's discussion and analysis of financial condition and results of operations of Golden Star for that period;
- (ii) the Quarterly Reports on Form 10-Q of Golden Star for the quarterly periods ended March 31, 2006, June 30, 2006 and September 30, 2006, in each case as amended on Form 10-Q/A, which include the unaudited consolidated financial statements of Golden Star for each of such periods, together with management's discussion and analysis of financial condition and results of operations of Golden Star for each such period;
- (iii) Current Reports on Form 8-K of Golden Star dated February 22, 2006 as filed with the United States Securities and Exchange Commission (the "SEC") on February 26, 2007; February 8, 2007 as filed with the SEC on February 14, 2007; February 7, 2007 as filed with the SEC on February 20, 2007; October 13, 2006 as filed with the SEC on October 19, 2006; September 25, 2006 as filed with the SEC on September 29, 2006; July 27, 2006 as filed with the SEC on July 31, 2006; May 26, 2006 as filed with the SEC on June 6, 2006; and March 27, 2006 as filed with the SEC on March 30, 2006; Current Report on Form 8-K/A dated December 21, 2005 as filed with the SEC on September 5, 2006 and Current Report on Form 8-K/A dated December 21, 2005 as filed with the SEC on March 8, 2006;
- (iv) the Business Acquisition Report of Golden Star dated January 18, 2006 relating to the acquisition of St. Jude Resources Ltd.; and
- (v) the Management Information Circular of Golden Star dated April 7, 2006 relating to Golden Star's annual general and special meeting of shareholders held on May 26, 2006.

Any document of the type referred to in the preceding paragraphs (excluding confidential material change reports) filed by the Company with a securities commission or similar regulatory authority in Canada after the date of this short form prospectus and before completion of the distribution of securities qualified hereunder, will be deemed to be incorporated by reference into this short form prospectus.

**Any statements contained in a document incorporated or deemed to be incorporated by reference herein will be deemed to be modified or superseded for the purposes of this short form prospectus to the extent that a statement contained or incorporated in this short form prospectus or in any subsequently filed document that also is incorporated or deemed to be incorporated by reference herein modifies or supersedes such statement. Any statement so modified or superseded will not constitute a part of this short form prospectus, except as so modified or superseded. The modifying or superseding statement need not state that it has modified or superseded the prior statement or include any other information set forth in the document or statement that it modifies or supersedes. The making of such a modifying or superseding statement will not be deemed an admission for any purpose that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required**

**to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made.**

Copies of the documents incorporated by reference herein may be obtained upon request without charge from us. You should direct any requests for documents to Investor Relations, Golden Star Resources Ltd., 10901 West Toller Drive, Suite 300, Littleton, Colorado, 80127-6312, United States of America, Telephone: (303) 830-9000, Email: info@gsr.com. Copies of the documents incorporated by reference are also available for downloading at <http://www.sedar.com> under our name.



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**CURRENCY AND EXCHANGE RATE AND GAAP INFORMATION**

We report in United States dollars. Accordingly, all references to \$ , U.S.\$ or dollars in this short form prospectus refer to United States dollars unless otherwise indicated. References to Cdn.\$ or Canadian dollars are used to indicate Canadian dollar values.

The noon rate of exchange on February 23, 2007 as reported by the Bank of Canada for the conversion of Canadian dollars into United States dollars was Cdn.\$1.00 equals U.S.\$0.8632 and the conversion of United States dollars was U.S.\$1.00 equals Cdn.\$1.1585.

Our financial statements are prepared in accordance with generally accepted accounting principles ( GAAP ) in Canada, which we refer to as Canadian GAAP. We provide certain information reconciling our financial information with GAAP in the United States, which we refer to as U.S. GAAP.

**NON-GAAP FINANCIAL MEASURES**

In this short form prospectus, or in the documents incorporated herein by reference, we use the terms total cash cost per ounce and cash operating cost per ounce . Total cash cost per ounce and cash operating cost per ounce should be considered as Non-GAAP Financial Measures as defined in Regulation S-K Item 10 under the United States Securities Exchange Act of 1934, as amended, and as defined by the Canadian securities regulatory authorities, and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with GAAP in Canada and the United States. There are material limitations associated with the use of such non-GAAP measures. Since these measures do not incorporate revenues, changes in working capital and non-operating cash costs, they are not necessarily indicative of operating profit or cash flow from operations as determined under GAAP. Changes in numerous factors including, but not limited to, mining rates, milling rates, gold grade, gold recovery, and the costs of labour, consumables and mine site general and administrative activities can cause these measures to increase or decrease. We believe that these measures are the same or similar to the measures of other gold mining companies, but may not be comparable to similarly titled measures in every instance. See Item 7 Management s Discussion and Analysis of Financial Condition and Results of Operations in our Annual Report on Form 10-K, as amended on Form 10-K/A, for the fiscal year ended December 31, 2005 and Item 2 Management s Discussion and Analysis of Financial Condition and Results of Operations in our Quarterly Report on Form 10-Q for the quarter ended September 30, 2006 for an explanation of these measures.

**2006 AUDITED FINANCIAL INFORMATION NOT AVAILABLE**

We are in the process of preparing our financial statements for the year ended December 31, 2006, but have not yet completed this process. Certain financial information in this short form prospectus, including information related to our fourth quarter and full-year 2006 gold sales and average cash operating costs, is based on unaudited information. It is possible that the financial statements and other disclosures in our Annual Report on Form 10-K for the year ended December 31, 2006 will have additional or different information from that which is available to us at this time. Please see Risk Factors Risks Relating to this Offering The financial statement information in this short form prospectus will be superseded shortly following this offering .

**FORWARD-LOOKING STATEMENTS**

This short form prospectus and the documents incorporated by reference in this short form prospectus contain forward-looking statements with respect to our financial condition, results of operations, business, prospects, plans,

objectives, goals, strategies, future events, capital expenditures, and exploration and development efforts. Words such as anticipates, expects, intends, forecasts, plans, believes, seeks, estimates, may, will, and similar forward-looking statements. Although we believe that our plans, intentions and expectations reflected in these forward-looking statements are reasonable, we cannot be certain that these plans, intentions or expectations will be achieved. Actual results, performance or

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achievements could differ materially from those contemplated, expressed or implied by the forward-looking statements contained or incorporated by reference in this short form prospectus. These statements include comments regarding: the completion, commissioning and commencement of production with respect to the Bogoso sulfide expansion project, related permitting and capital costs, production estimates and costs, anticipated commencement dates of mining or production operations, operating efficiencies, timing and results of feasibility studies, potential mine life, operating costs, capital expenditures, exploration activities and expenditures, the acquisition and operation of the power station, and equipment replacement.

The following, in addition to the factors described under **Risk Factors** in this short form prospectus, are among the factors that could cause actual results to differ materially from the forward-looking statements:

significant increases or decreases in gold prices;

failure to develop mineral reserves on the Hwini-Butre and Benso properties ( **HBB properties** ) or failure to expand mineral reserves around our existing mines;

unexpected events during the construction and start-up of the Bogoso sulfide expansion project;

unexpected changes in business and economic conditions;

changes in interest and currency exchange rates;

timing and amount of gold production;

unanticipated variations in ore grade, tonnes mined and crushed or milled;

unanticipated recovery or production problems;

effects of illegal mining on our properties;

changes in mining and processing costs, including changes to costs of raw materials, supplies, services and personnel;

changes in metallurgy and processing;

availability of skilled personnel, materials, equipment, supplies, power and water;

changes in project parameters or mine plans;

costs and timing of development of new mineral reserves;

weather, including continuing drought in West Africa;

results of current and future exploration activities;

results of pending and future feasibility studies;

acquisitions and joint venture relationships;

political or economic instability, either globally or in the countries in which we operate;

changes in regulations affecting our operations, particularly in Ghana, where our principal producing properties are located;

local and community impacts and issues;

availability and cost of replacing reserves;

timing of receipt and maintenance of government approvals and permits;

accidents, labor disputes and other operational hazards;

environmental costs and risks;

unanticipated title issues;

competitive factors, including competition for property acquisitions;

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possible litigation; and

availability of capital at reasonable rates or at all.

These factors are not intended to represent a complete list of the general or specific factors that could affect us. We may note additional factors elsewhere in this short form prospectus and in any documents incorporated by reference into this short form prospectus. Subject to the requirements of applicable laws, we undertake no obligation to update forward-looking statements.

**ABOUT THIS SHORT FORM PROSPECTUS**

This short form prospectus has been filed with the securities regulatory authorities in each of the provinces of Canada other than Québec. This short form prospectus will also be filed as a form of prospectus supplement to the U.S. prospectus (the U.S. Prospectus ) attached as Appendix A hereto, included in a Registration Statement on Form S-3 filed by the Company with the SEC. The registration statement of which the U.S. Prospectus is a part became effective on May 24, 2005 with the SEC. The U.S. Prospectus refers to other securities in addition to Common Shares. Such other securities do not form part of this offering. **Any statements contained in the U.S. Prospectus will be deemed to be modified or superseded for the purposes of this short form prospectus to the extent that a statement contained or incorporated in this short form prospectus or in any subsequently filed document that also is incorporated or deemed to be incorporated by reference herein modifies or supersedes such statement. Any statement so modified or superseded will not constitute a part of this short form prospectus, except as so modified or superseded. The modifying or superseding statement need not state that it has modified or superseded the prior statement or include any other information set forth in the U.S. Prospectus that it modifies or supersedes. The making of such a modifying or superseding statement will not be deemed an admission for any purpose that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made.**

**WHERE YOU CAN FIND ADDITIONAL INFORMATION**

We file annual, quarterly and special reports and other information with the SEC. You may read and copy the registration statement and any other document that we file at the SEC's public reference room located at Judiciary Plaza, 100 F Street, N.E., Room 1580, Washington, DC 20549. Please call the SEC at 1-800-SEC-0330 for further information on the public reference rooms. Our SEC filings are also available to you free of charge at the SEC's web site at <http://www.sec.gov>.

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**THE COMPANY**

**Name and Incorporation**

Golden Star Resources Ltd. was established under the *Canada Business Corporations Act* on May 15, 1992 as a result of the amalgamation of South American Goldfields Inc., a corporation incorporated under the federal laws of Canada, and Golden Star Resources Ltd., a corporation originally incorporated under the *Business Corporations Act (Alberta)* on March 7, 1984 as Southern Star Resources Ltd. We are a reporting issuer or the equivalent in all provinces of Canada and the United States and file disclosure documents with the securities regulatory authorities in each of the provinces of Canada and the SEC in the United States.

Our principal office is located at 10901 West Toller Drive, Suite 300, Littleton, Colorado 80127, and our registered office is located at 66 Wellington St. W., Suite 3700, P.O. Box 20, Toronto Dominion Bank Tower, Toronto Dominion Centre, Toronto, Ontario M5K 1N6. Golden Star's fiscal year ends on December 31.

**Intercorporate Relationships**

The following diagram sets forth our inter-corporate relationships as at the date of this short form prospectus with our active subsidiaries, including the jurisdiction of incorporation or organization and our respective percentage ownership of each subsidiary:

\* The Government of Ghana has the right to acquire a 10% carried interest upon mining licenses being granted for the HBB properties.

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**SUMMARY DESCRIPTION OF THE BUSINESS OF THE COMPANY**

**General**

We are an international gold mining and exploration company, focused primarily on mining, mine development and gold exploration in Ghana, West Africa. Through our subsidiaries, we own controlling interests in four significant gold properties in southern Ghana.

**Properties**

***Bogoso/Prestea***

We own 90% of and operate the Bogoso/Prestea gold mining and processing operation, which consists of the adjoining Bogoso and Prestea properties located along the Ashanti Trend in southwestern Ghana. We hold the property under mining leases granted by the Government of Ghana, terminating from 2017 to 2031. Bogoso/Prestea consists of several open pit mines and a nominal 1.5 million tonnes per year mill and carbon-in-leach processing facility for processing non-refractory ores. We are in the process of completing and commissioning a nominal 3.5 million tonnes per year processing facility that uses a proprietary BIOX<sup>®</sup> bio-oxidation technology to treat refractory sulfide ore. We have stockpiled over one million tonnes of refractory ore, and the new plant is currently processing ore. We expect to complete commissioning of the BIOX<sup>®</sup> circuit in March of 2007, with operations expected to commence in April 2007 and throughput and metallurgical recoveries increasing over the remainder of 2007. The new plant, together with the existing carbon-in-leach processing facility (which will continue to treat oxide and non-refractory oxide ores), are expected to be capable of processing a combined 5.0 million tonnes of ore annually.

The Government of Ghana owns the remaining 10% of Bogoso/Prestea. As required by the law of Ghana for all mining operations, the Government has a carried interest under which it receives 10% of any future dividends from the subsidiaries owning the Bogoso/Prestea mine, following repayment of all capital, and has no obligation to contribute development or operating expenses. The Government of Ghana also receives a royalty based on total revenues earned from the lease area. For the last three years, we have paid a royalty equal to 3% of our revenues from Bogoso/Prestea. See Risk Factors Governmental and Regulatory Risks .

***Wassa***

We own 90% of and operate the Wassa open-pit mine and carbon-in-leach processing plant, located some 35 kilometers east of Bogoso/Prestea. The design capacity of the carbon-in-leach processing plant at Wassa is nominally between 3.5 million and 4.0 million tonnes per annum, depending on the ratio of hard and soft ore. We hold the Wassa property under a mining lease expiring in 2022. The Government of Ghana has a 10% carried interest in Wassa.

***Prestea Underground***

We own 81% of the Prestea Underground, a currently inactive underground gold mine and associated support facilities located on the Prestea property. We hold the Prestea Underground property under a mining lease expiring in 2031. We have spent approximately U.S.\$5.0 million in the last two years on exploration and technical studies to determine if the underground mine can be reactivated, and expect to complete a feasibility study for the development and mining of Prestea Underground in late 2007.

***HBB Properties***

We own the HBB gold exploration properties in southwest Ghana at the southeastern end of the Ashanti gold belt. The HBB properties are comprised of the Hwini-Butre and Benso concessions, located approximately 75 and 45 kilometers south of Wassa, respectively. The Government of Ghana would become entitled to a 10% carried interest in the HBB properties if mining permits were granted. We spent approximately U.S.\$4.5 million in exploration activities on the HBB properties in 2006 and expect to spend an additional U.S.\$4.0 million in 2007. We are preparing a feasibility study for the development and mining of the HBB



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properties for processing at Wassa and we anticipate that the feasibility study will be completed and filed with the Canadian securities regulatory authorities in mid 2007.

**Other Exploration**

We hold interests in several gold exploration projects in Ghana and elsewhere in West Africa including Sierra Leone, Burkina Faso, Niger and Côte d'Ivoire. We also hold and manage exploration properties in Suriname and French Guiana in South America. We hold indirect interests in gold exploration properties in Peru and Chile through a 14% shareholding investment in Minera IRL Limited, a privately held gold company. We have entered into a joint venture with a subsidiary of Newmont Mining Corporation (Newmont) pursuant to which Newmont may earn up to a 51% interest in the Saramacca property in Suriname.

**Growth Strategy**

Our overall objective since 1999 has been to grow our business to become a mid-tier gold producer with an annualized production rate of approximately 500,000 ounces. We anticipate reaching this production rate during fourth quarter 2007 once the Bogoso sulfide expansion project has achieved full production. We continue to evaluate potential acquisition and merger opportunities that could further increase our annual gold production, however, we presently have no agreement or understanding with respect to any specific potential transaction.

We also conduct gold exploration in West Africa and South America investing approximately U.S.\$15.3 million in total on such activities during 2006. The majority of our 2006 exploration spending was focused on our new HBB Properties south of Wassa, on expanding mineral reserves around our existing mines and on the Prestea Underground. We actively conducted regional reconnaissance projects in south Ghana and Côte d'Ivoire and drilled more advanced targets in Ghana, Niger and Burkina Faso.

**Recent Developments****2006 and Fourth Quarter Operating Results**

The gold production and average cash operating costs for Bogoso/Prestea and Wassa for the fourth quarter and full year 2006 are set forth below. Our 2006 average realized gold price was U.S.\$607 per ounce.

**Gold Sales and Average Cash Operating Costs**

Mine	Fourth Quarter		Full Year 2006	
	Gold Sales	Average Cash Operating Cost <sup>(1)</sup>	Gold Sales	Average Cash Operating Cost <sup>(1)</sup>
	(Ounces)	(U.S.\$ per ounce)	(Ounces)	(U.S.\$ per ounce)
Bogoso/Prestea <sup>(2)</sup>	25,054	290	103,793	371
Wassa	28,352	464	97,614	474
<b>Total</b>	<b>53,406</b>	<b>382</b>	<b>201,407</b>	<b>421</b>

(1) See Non-GAAP Financial Measures .

- (2) Amounts shown exclude fourth quarter sales of 2,169 ounces produced during commissioning activities at the Bogoso sulfide expansion project.

***Mineral Reserves and Non-Reserve Mineral Resources***

***Mineral Reserves***

The following table sets out our proven and probable mineral reserves as at December 31, 2006. The mineral reserves have been prepared in accordance with Canada's National Instrument 43-101 Standards of Disclosure for Mineral Projects. Mineral reserves are equivalent to proven and probable reserves as defined by SEC Industry Guide 7. The mineral reserves were estimated using a gold price of U.S.\$480 per ounce, which

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is approximately equal to the three year average price. The terms non-refractory and refractory used in the table below refer to the metallurgical characteristics of the ore.

**Proven and Probable Mineral Reserves as at December 31, 2006<sup>(1)(2)</sup>**

Property	Proven			Probable			Total		
	Tonnes (millions)	Gold Grade (g/t)	Contained Ounces <sup>(3)</sup> (millions)	Tonnes (millions)	Gold Grade (g/t)	Contained Ounces <sup>(3)</sup> (millions)	Tonnes (millions)	Gold Grade (g/t)	Contained Ounces <sup>(3)</sup> (millions)
Bogoso/Prestea <sup>(4)</sup>									
Non-refractory	0.9	2.30	0.07	6.9	2.59	0.57	7.8	2.56	0.64
Refractory	14.5	2.95	1.38	19.3	2.65	1.64	33.8	2.78	3.02
<b>Total</b>	<b>15.5</b>	<b>2.91</b>	<b>1.45</b>	<b>26.2</b>	<b>2.64</b>	<b>2.22</b>	<b>41.6</b>	<b>2.74</b>	<b>3.67</b>
Wassa									
Non-refractory	0.5	1.08	0.02	13.0	1.11	0.46	13.6	1.11	0.48
<b>Total</b>	<b>0.5</b>	<b>1.08</b>	<b>0.02</b>	<b>13.0</b>	<b>1.11</b>	<b>0.46</b>	<b>13.6</b>	<b>1.11</b>	<b>0.48</b>
Total Reserves									
Non-refractory	1.5	1.85	0.09	19.9	1.62	1.04	21.4	1.64	1.13
Refractory	14.5	2.95	1.38	19.3	2.65	1.64	33.8	2.78	3.02
<b>Total</b>	<b>16.0</b>	<b>2.85</b>	<b>1.47</b>	<b>39.2</b>	<b>2.13</b>	<b>2.68</b>	<b>55.2</b>	<b>2.34</b>	<b>4.15</b>