

LA MANCHA ANNOUNCES THE INVESTMENT OF US\$125.7 MILLION IN GOLDEN STAR RESOURCES AND THE CREATION OF A STRATEGIC PARTNERSHIP

- **Acquisition of a 30% stake in Golden Star Resources**
- **Strategic partnership to accelerate development of Wassa and Prestea underground mines**
- **Investment will help create a strong platform for growth**

Luxembourg, August 01, 2018 – La Mancha Holding S.à r.l. (“La Mancha”), a Luxembourg-incorporated private gold investment company, is pleased to announce that today it has agreed an equity investment of US\$125.7 million to acquire a 30% stake in Golden Star Resources (GSC: TSX) (“Golden Star”) which operates the Wassa and Prestea underground mines in Ghana.

This transaction builds on La Mancha’s already strong portfolio of gold mining investments with a track record of creating value through its stakes in Endeavour Mining (EDV: TSX) in Africa and Evolution Mining (EVN:ASX) in Australia. With both of these investments, La Mancha has actively supported meaningful organic and acquisition led growth which has driven substantial industrial synergies. We see significant opportunity to build on these achievements through our investment in Golden Star.

Following completion of the investment in Golden Star, La Mancha will be the major shareholder in a rapidly growing gold producer in Ghana, with 2018 forecast annual production of 230,000 – 255,000 ounces at an AISC of US\$850-950 per ounce from its two underground operations. Recently, Golden Star announced the re-commencement of underground mining at the Prestea operation, and an increase of 147% to the Wassa Deeps Inferred underground resource to more than 5 million ounces of gold.

La Mancha’s investment will support Golden Star in accelerating exploration and resource definition drilling at both operations to determine the optimum mining plans to realise the most value for all shareholders. Over time we would expect to see significant organic production growth, the potential to substantially extend mine life and a resulting drop in unit costs. This will create a strong platform for the business to target further growth from its existing asset base as well as through potential acquisitions.

Naguib Sawiris, Chairman of the Advisory Board of La Mancha, commented:

“As the new reference shareholder in Golden Star, our intention is to build on the track record of value creation in the mining sector by helping to unlock their organic growth and supporting the expansion of the company which we believe will create significant value for all shareholders.

As a result, we will be strongly positioned to capture African growth opportunities through this new investment together with our core investment in Endeavour Mining, with its focus on delivering its strong internal growth pipeline.”

Andrew Wray, CEO of La Mancha, stated:

“We have worked closely with Golden Star to understand the potential of its asset base and to agree this transaction which will help to unlock the value of the world-class Wassa and Prestea ore bodies, through accelerated exploration and resource definition drilling and the injection of development capital to fast-track the expansion of high-margin production at both operations.

The current team at Golden Star has proven its ability to delineate, develop and bring into production high quality underground operations that have the potential to create significant value.



The additional financial and technical support that La Mancha brings as strategic partner will enhance this ability.

This new investment not only confirms La Mancha's belief in the quality of these ore bodies and the improvement in these underground operations, but also confirms the confidence we have in Sam Coetzer and the rest of the management team to successfully manage these assets while expanding Golden Star's footprint.

INVESTMENT IN GOLDEN STAR RESOURCES AND FORMATION OF A STRATEGIC PARTNERSHIP

Building on the success of our strategic partnerships with Endeavour Mining in West Africa and Evolution Mining in Australia, we are excited to enter into a new strategic partnership with Golden Star. The company is expected to produce 230-255Koz of gold at an AISC of US\$850-950/oz from its two underground operations in Ghana during 2018 and has the potential to develop additional satellite operations from its current land package.

In return for a 30% interest in Golden Star, La Mancha will contribute US\$125.7 million of cash (at US\$0.77 per common share (equivalent to CDN\$1.00 per share)). It is anticipated the capital injection will be used to fast-track exploration and resource delineation drilling and accelerate underground development at both the Prestea and Wassa operations, and the satellite Father Brown development project. In addition, we see the potential for Golden Star to increase its footprint beyond its current operations as it develops into a multi-asset mid-tier gold producer.

As part of its investment, La Mancha will have the right to appoint up to three Board members and expects to nominate two board members by the time the transaction closes. Amongst the other provisions agreed, La Mancha will have anti-dilution rights in order to maintain its equity stake in Golden Star, and at the same time has agreed to an initial lock-up on the new shares of Golden Star that will be issued, as well as a standstill, for a period of two years. The strategic investment is being made by way of a private placement in Golden Star and, subject to the approval of Golden Star's shareholders, is expected to be completed on or about September 21, 2018.

La Mancha does not currently own or have control or direction over any securities of Golden Star. Following completion of this investment, La Mancha will beneficially own and have control and direction over an aggregate of 163,210,500 common shares of Golden Star representing approximately 30% of the issued and outstanding common shares.

La Mancha has agreed to acquire the common shares of Golden Star for investment purposes. In the future La Mancha may, from time to time, increase or decrease its investment in Golden Star through market transactions, private agreements, treasury issuances or otherwise at any time subject to the terms of an investor rights agreement between La Mancha and Golden Star and other applicable restrictions.

La Mancha's head office is located at 31-33 avenue Pasteur L-2311 Luxembourg.

Golden Star's head office is located at 150 King Street West, Sun Life Financial Tower, Suite 1200, Toronto, Ontario, Canada, M5H 1J9.

An early warning report with additional details will be filed by La Mancha in accordance with applicable securities laws and will be available under Golden Star's profile on the SEDAR website at www.sedar.com, and may also be obtained by contacting:

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ABOUT LA MANCHA GROUP

La Mancha is a privately held international gold company with investments in Endeavour Mining and Evolution Mining, having operations in West Africa (Mali, Burkina Faso and Côte d'Ivoire) and Australia, respectively. La Mancha was taken private in 2012 by the Sawiris family. Under the Sawiris family ownership, since 2012, La Mancha has expanded its exposure to mining operations in Africa and Australia, and with this investment in Golden Star, is invested in three mining companies with total production exceeding 1.8 million gold equivalent ounces per annum. Mrs. Yousriya Loza-Sawiris owns all of the issued and outstanding shares of Marchmont Limited, the holding company of La Mancha Holding S.à r.l. Mrs. Loza-Sawiris is the mother of Mr. Naguib Sawiris, Chairman of the Advisory Board of La Mancha Holding S.à r.l. For more information, please visit www.lamancha.com.