



PRESS RELEASE

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Third Quarter Report

Gabriel Resources Ltd. ("Gabriel" or the "Company") announces the publication of its Third Quarter Report and Management's Discussion and Analysis for the period ended September 30, 2011.

Highlights

- Permitting for the Rosia Montana gold and silver mining project ("Project") remains the core focus of the business. The following recent progress has been made:
 - Ongoing engagement with the Technical Analysis Committee ("TAC") through its review of the Environmental Impact Assessment ("EIA"), responses to public review issues raised through the TAC process and, in October 2011, the majority of the members of the TAC undertook a site visit to the Project.
 - Award of the archaeological discharge permit for the Carnic open pit ("ADC") in July 2011.
- Gabriel is maintaining its commitment to the Project and the region's cultural heritage through its ongoing restoration of the historical town centre of Rosia Montana and its undertaking to provide co-operation and funding of up to US\$140m at a regional and national level to protect and restore Romanian cultural heritage.
- The President of Romania, Traian Basescu, visited Rosia Montana on August 29, 2011 where he stated his belief in the Project and the exploitation of Romania's gold, copper and silver on the basis of modern technologies without state subsidies. President Basescu has since publicly stated his support for the Project and the need for job creation in Romania, together with the need for a Government decision as soon as possible in the best interests of Romania.
- Gabriel has entered into discussions with the Romanian Government regarding ownership of the Project and the route to its successful permitting.
- \$160.3 million of cash and cash equivalents held at September 30, 2011.

Jonathan Henry, Gabriel's President and Chief Executive Officer, stated:

"We remain focused on our partnership with the Romanian Government to permit and build Romania's first modern mine. In this pioneering endeavour, where all decisions are "firsts", the process is time consuming and extensive in the detail required and the questions asked in the assessment of the Rosia Montana project's substantial economic, social and environmental benefits. We look forward to the coming months with optimism for all stakeholders."

Further commentary on operations and results in the third quarter of 2011, together with events anticipated in the short term, is given below. The Company has filed its Interim Financial Report and Management Discussion & Analysis on SEDAR at www.sedar.com.

Gabriel is pleased to announce that it has launched a new website, within which the documents relating to the Third Quarter Report can be found, at www.gabrielresources.com.

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About Gabriel

Gabriel is a Canadian TSX-listed resource company focused on permitting and developing its world-class Rosia Montana gold and silver project. The Project, the largest undeveloped gold deposit in Europe, is owned through Rosia Montana Gold Corporation ("RMGC"), a Romanian company in which Gabriel holds an 80.69% stake with the 19.31% balance held by CNCAF Minvest S.A., a Romanian state-owned mining enterprise. Gabriel and RMGC are committed to responsible mining and sustainable development in the communities in which they operate. The Project is anticipated to bring US\$19 billion to Romania as potential direct and indirect contribution to GDP according to 2010 estimates from UK-based Oxford Policy Management (using a gold price of US\$900/oz). The Project will generate thousands of employment opportunities. Gabriel intends to build a state-of-the-art mine using best available techniques and implementing the highest environmental standards whilst preserving local and national cultural heritage in Romania. For more information please visit the Company's website at www.gabrielresources.com.

Further information

Financial Performance

- The third quarter net loss was \$3.6 million, or \$0.01 per share, primarily reflecting stock based compensation and corporate costs of \$4.4 million offset by foreign exchange gains and interest income totaling \$0.8 million.
- A total of \$18.3 million was spent on Project development activities during the quarter.

Liquidity and Capital Resources

- Cash and cash equivalents at September 30, 2011 totaled \$160.3 million.
- The Company is in the process of updating the March 2009 NI 43-101 technical report to update cost estimates included in the capital and operating economics for the Project. A revised 43-101 report should be published in the fourth quarter of 2011 or shortly thereafter.

Political Environment

- Since the visit to Rosia Montana by President Basescu, the Project has a much higher profile in Romania, with wide coverage in television debates, on the internet and in print media, as well as being the subject of comment from leaders of all major political parties in Romania.
- While some political and NGO opposition continues, a broader understanding of the employment, economic, cultural development, environmental and sustainable development initiatives is a key factor in the increasing support for the Project among Romania's public and governing authorities.

- During the third quarter, the Company has been, and remains, involved in an ongoing dialogue with a number of ministries of the Romanian Government in respect of questions raised on ownership of the Project, royalty rates for gold and silver and the route to successful permitting of the Project. These discussions encompass a wide range of issues relevant to the interests of all stakeholders in a project to build a world-class and modern mine, including the priority need for investors to see a stable fiscal regime throughout the construction and operation phases of the Project, together with the advantages of the current ownership structure of RMGC as exclusive licence holder for the Project. Detailed information has been provided to the Romanian Government on the positive economic, environmental and social impacts of the Project for Rosia Montana and Romania as a whole. The Company will provide a further update as and when appropriate.

Environmental/Permitting

- Since March 2011, the Company has progressed many issues raised through the TAC process, including the requirement for RMGC to address in excess of 500 questions raised through the most recent public review period.
- On August 26, 2011, RMGC submitted to the Ministry of Environment (“MOE”) a comprehensive document, addressing all the relevant aspects of the Project questioned through the most recent public review period. In September, 2011 the MOE submitted a supplementary request for information to RMGC which has now been answered in full. The majority of members of the TAC visited Rosia Montana on October 19/20, 2011 to understand better the site of the Project and its potential impact on the environment.
- The Company believes all the consultation issues will need to be resolved to the satisfaction of the MOE before a further TAC meeting is convened. However, the Company understands that a further, and potentially final, TAC meeting is expected to be held in the next month. The Company is unable to give guidance on the time that it might take the TAC to release its recommendation following a final meeting. Ultimately, the EIA must be approved by a Cabinet decision of the Romanian Government who will, if satisfied, issue an Environmental Permit (“EP”) for the Project. Gabriel understands that such decision process by the Cabinet could take a sixty day period from the TAC recommendation.
- While the EP is the most important project approval, and is not linked to the issuance of other required permits, licences and certificates, there has been limited recent progress in respect of other permitting activities. At the end of the third quarter of 2011, RMGC held 19 out of the total number of 22 endorsements necessary for the approval of the amended zonal urbanization plan for the industrial area of the Project and had obtained 10 endorsements out of the revised total of 13 endorsements necessary for the final approval of the zonal urbanization plan for the protected area of the historical centre of Rosia Montana.

Archaeology and Preservation of Cultural Heritage

- The National Archaeology Commission of Romania met on July 12, 2011 and recommended approval of the ADC to the Alba County Directorate for Culture and National Patrimony. On July 14, 2011, the Alba County Directorate for Culture and National Patrimony issued a new ADC to RMGC for the Carnic open pit, which complements those it already holds for the Cetate and Jig open pits.
- With the ADC for Carnic issued, RMGC has commenced further detailed archaeological work in the old underground mining galleries that lie under the historical protected area of Rosia Montana (“Protected Area”). This work has focused on opening up previously unexplored Roman galleries and the commencement of archaeological rehabilitation work on underground development adits and old mining areas that have never been restored for public interest. RMGC is in the process of restoration work that will allow these areas to be opened up to the public as part of the long term museum initiatives funded solely by RMGC in the Protected Area.

- This is just one of a series of elements of a commitment by the Company of approximately US\$140 million that has been or will be invested over all phases of the Project in local heritage and culture in and around Rosia Montana, together with funding research, appraisal and consolidation-restoration works of historical monuments across Romania included in the National Program for the Restoration of Historical Monuments. This commitment includes the establishment of a special commission, to include independent experts, which will monitor the work undertaken by RMGC.

Employment and Economic Benefits for Romania

- Given the critical importance of sustained economic development for Romania, the Company continues to draw public and political attention to the significant employment and economic opportunities the Project brings, while at the same time aiming to conform to the highest standards on engineering, environmental, cultural and social matters.
- The Company's communication efforts are fact-based, focusing on the critically-needed employment and economic advantages the Project will bring to Romania as well as the benefits to an area that has endured significant damage to its cultural heritage and environment through many years of mining activities and neglect.
- RMGC currently employs approximately 460 people, with approximately 85% hired from the local Rosia Montana community, and the Company is investing in training and skills assessments for the construction phase of the Project.

Corporate and Social Responsibility (CSR)

- Gabriel takes pride in its commitment to achieving the highest levels of sustainability from workplace safety to community and environmental responsibility. It has a clear goal of attaining business performance through a dynamic process of continuous improvement in all aspects of its business and respecting all stakeholders. The Company invests significant resources into its CSR programs, which in Romania is a multi-dimensional commitment managed by RMGC covering employee training and safety, local communities, living traditions, direct and indirect social impacts, educational programs, environmental protection, community sponsorship and heritage aspects.