



GABRIEL  
*Rozia Montană*  
IN PARTNERSHIP

## GABRIEL RESOURCES LIMITED

### **ANTI-BRIBERY & CORRUPTION POLICY**

#### **1 INTRODUCTION**

- 1.1 The Board of Directors of Gabriel Resources Ltd<sup>1</sup> ("Gabriel") has determined that, on the recommendation of the Corporate Governance Committee, Gabriel should formalise its policy on compliance with the anti-corruption laws, including the UK Bribery Act 2010, the US Foreign Corrupt Practices Act 1977 and the Canadian Corruption of Foreign Public Officials Act 1999.
- 1.2 This Anti-Bribery & Corruption Policy (the "Policy") will supersede any other existing Gabriel policies relating to bribery and corruption. Consequently the Foreign Corrupt Practices Policy is withdrawn with immediate effect.

#### **2 POLICY STATEMENT**

- 2.1 It is Gabriel's policy to conduct all of its business in an honest and ethical manner. Gabriel takes a zero-tolerance approach to bribery and corruption and is committed to acting professionally, fairly and with integrity in all its business dealings and relationships. It does not act in any way which might reflect adversely upon the integrity and reputation of the Company.
- 2.2 Individuals involved in corrupt activity are liable to be sentenced to imprisonment. Further, if Gabriel or any of its employees or associated persons (e.g. contractors, agents or subsidiaries) is found to have taken part in corruption, Gabriel could face an unlimited fine, and it could face serious damage to its reputation both in the public markets and in Romania. Gabriel therefore takes its legal responsibilities very seriously.
- 2.3 Gabriel will uphold all laws relevant to countering bribery and corruption in each of the jurisdictions in which it operates. As the anti-corruption laws of the UK, US and Canada have extraterritorial application, Gabriel, its employees and associated persons will be bound by the most stringent requirements of these laws in respect of its conduct in all jurisdictions they operate, even if such conduct would otherwise be permitted by the local law of a particular jurisdiction.
- 2.4 The purpose of this Policy is to:
- set out Gabriel's responsibilities, and of those working for it, in observing and upholding its position on bribery and corruption; and
  - provide information and guidance to those working for it on how to recognise and deal with bribery and corruption issues.

---

<sup>1</sup> This Policy applies to Gabriel Resources Ltd. and all of its subsidiaries. Accordingly, this Policy will refer to Gabriel and its subsidiaries as "Gabriel".

- 2.5 In this Policy, "third party" means any individual or organisation with whom you may come into contact during the course of your work for Gabriel, and includes actual and potential customers, suppliers, distributors, business contacts, agents, advisers, and government and public bodies, including their advisors, representatives and officials, politicians and political parties.

### 3 APPLICATION OF THE POLICY

- 3.1 The Policy applies to all directors, officers, employees, consultants and contractors of Gabriel and compliance with this Policy for each director constitutes terms of service, for each officer and employee constitutes conditions of employment and for each consultant and contractor constitutes conditions of providing services to Gabriel. Each such person agrees to be bound by the provisions of this Policy upon notification of the most recent copy being given to them or upon notification that an updated version has been placed on Gabriel's website for review.
- 3.2 All persons covered by this Policy in discharging their duties on behalf of Gabriel will be required to comply with the laws, rules and regulations of the location in which Gabriel is performing business activities, and in particular with respect to anti-bribery and corruption laws, rules and regulations. Where uncertainty or ambiguity exists, please contact the Anti-Corruption Compliance Officer who may seek further legal advice.

### 4 FORMS OF BRIBERY AND CORRUPTION

- 4.1 For purposes of this Policy, each of the examples in 4.2 to 4.5 below is referred to as a "bribery offence."

#### 4.2 Bribes

- (a) A **bribe** is an inducement or reward offered, promised or provided in order to gain any commercial, contractual, regulatory or business or personal advantage.
- (b) An **inducement** is something which helps to bring about an action or desired result.
- (c) A business **advantage** means that Gabriel is placed in a better position (financially, economically, or reputationally, or in any other way which is beneficial) either than its competitors or than it would otherwise have been had the bribery or corruption not taken place.

- 4.3 **Facilitation** payments or "**grease**" payments are typically small, unofficial payments made to secure or expedite a routine government action by a government official.

- 4.4 **Kickbacks** are payment of any portion of a contract made to employees of another contracting party or the utilisation of other techniques, such as subcontracts, purchase orders or consulting agreements, to channel payment to public officials, political parties, party officials or political candidates, to employees of another contracting party, or their relatives or business associates.

- 4.5 **Extortion** means to directly or indirectly demand or accept a bribe, facilitation payment or kickback.

### 5 ANTI-BRIBERY AND CORRUPTION STANDARDS

- 5.1 It is not acceptable for Gabriel or its directors, officers, employees, consultants or contractors to:

- (a) give, promise to give, or offer, a payment, gift or hospitality or otherwise engage in or permit a bribery offence to occur, with the expectation or hope that an advantage in business will be received, or to reward a business advantage already given.
- (b) give, promise to give, or offer, a payment, gift or hospitality to a government official, agent or representative to "facilitate" or expedite a routine procedure.
- (c) accept a payment, gift or hospitality from a third party if you know or suspect that it is offered or provided with an expectation that a business advantage will be provided by the Company in return.
- (d) threaten or retaliate against another employee or worker who has refused to commit a bribery offence or who has raised concerns under this or the Whistleblowing Policy.
- (e) engage in any activity that might lead to a breach of this Policy.

## **6 FACILITATION PAYMENTS**

- 6.1 Gabriel does not make facilitation payments or "grease" payments of any kind. Although these are commonly paid in some jurisdictions and are permitted under the US Foreign Corrupt Practices Act 1977 and the Canadian Corruption of Foreign Public Officials Act 1999, ***they are unlawful under the UK Bribery Act 2010*** and so are prohibited by Gabriel.

## **7 GIFTS AND HOSPITALITY**

- 7.1 This Policy does not prohibit normal and appropriate hospitality (given or received in accordance with the Gifts and Hospitality Policy) to or from third parties.
- 7.2 Gabriel's Gifts & Hospitality Policy sets out when it is and is not appropriate for you to make or receive gifts and / or hospitality from a third party. Please refer to the Gifts & Hospitality Policy for further details.

## **8 RED FLAGS**

- 8.1 The following is a list of "red flags" that may indicate the possible existence of corrupt practices and should be kept in mind by all those subject to this Policy:
- (a) Use of an agent with a poor reputation or with links to a foreign government.
  - (b) Unusually large commission payments or commission payments where the agent does not appear to have provided significant services.
  - (c) Cash payments, or payments without paper trail or compliance with normal internal controls.
  - (d) Unusual bonuses to foreign personnel for which there is little support.
  - (e) Payments to be made through third party countries or to offshore accounts.
  - (f) Private meetings requested by public contractors or companies hoping to tender for contracts.
  - (g) Not following Gabriel policies or procedures – abusing the decision process.
  - (h) Unexplained preferences for certain sub-contractors.
  - (i) Invoices agreed in excess of contract.
- 8.2 This list is not exhaustive and you should be alert to other indicators that may raise a suspicion of corrupt activity.

## **9 RESPONSIBILITIES UNDER THE POLICY**

- 9.1 All directors, officers, employees, consultants and contractors of Gabriel must read, understand and comply with this Policy and the following related policies:
- (a) Code of Business Conduct & Ethics;
  - (b) Whistle Blowing Policy; and
  - (c) Gifts & Hospitality Policy.
- 9.2 The prevention, detection and reporting of bribery offences and other forms of corruption are the responsibility of all those working for Gabriel or under its control. All persons are required to avoid any activity that might lead to, or suggest, a breach of this Policy.
- 9.3 If you are asked to make a payment on the Company's behalf, you should always be mindful of what the payment is for and whether the amount requested is proportionate to the goods or services provided. You should always ask for a receipt which details the reason for the payment. If you have any suspicions, concerns or queries regarding a payment, you should raise these with the Anti-Corruption Compliance Officer, wherever possible, prior to taking any action.
- 9.4 All directors, officers, employees, consultants and contractors of Gabriel must notify the Anti-Corruption Compliance Officer or make a disclosure under Gabriel's Whistleblower Policy (see Section 11 below) as soon as possible if they believe or suspect that an action in conflict with this Policy has occurred, or may occur in the future, or has been solicited by any person.
- 9.5 Any person who breaches this Policy will face disciplinary action, which could result in dismissal for gross misconduct. Gabriel reserves its right to terminate its contractual relationship with other persons if they breach this Policy.

## **10 RECORD-KEEPING**

- 10.1 Gabriel will be required to develop, implement, monitor and maintain a system of internal controls to facilitate compliance with this Policy, as well as to foster a culture of integrity and maintain high ethical standards throughout the Company.
- 10.2 Gabriel must keep financial records and have appropriate internal controls in place which will evidence the business reason for making payments to third parties.
- 10.3 All directors, officers, employees, consultants and contractors of Gabriel must seek approval for any gifts given or received and record them on the Gift Register in accordance with the Gifts & Hospitality Policy.
- 10.4 All expenses claims relating to hospitality, gifts or expenses incurred to third parties must be submitted in accordance with the relevant Gabriel group company policies and the reason for the expenditure specifically recorded.
- 10.5 All accounts, invoices, memoranda and other documents and records relating to dealings with third parties should be prepared and maintained with strict accuracy and completeness. No accounts or cash funds must be kept "off-book" to facilitate or conceal improper payments.

## **11 REPORTING VIOLATIONS OF THIS POLICY – WHISTLEBLOWER POLICY**

- 11.1 All directors, officers, employees, consultants and contractors will adhere to Gabriel's commitment to conduct its business and affairs in a lawful and ethical manner. All directors, officers, employees, consultants and contractors are encouraged to raise any queries with the Anti-Corruption Compliance Officer.
- 11.2 In addition, any director, officer, employee, consultant and contractor of Gabriel who becomes aware of any instance where Gabriel receives a solicitation to engage in any act prohibited by this Policy, or who becomes aware of any information suggesting that a violation of this Policy has occurred or is about to occur is required to report it to the Anti-Corruption Compliance Officer.
- 11.3 Persons who refuse to engage in or permit a bribery offence, or who raise legal or ethical concerns or report another's wrongdoing, are sometimes worried about possible repercussions. Gabriel aims to encourage openness and will support anyone who raises genuine concerns in good faith under this Policy, even if they turn out to be mistaken. No directors, officers, employees, consultants and contractors of Gabriel will suffer demotion, penalty, or other adverse consequences for refusing to engage in or permit a bribery offence or for raising concerns or for reporting possible wrongdoing, even if it may result in the Company losing business or otherwise suffering a disadvantage.
- 11.4 Gabriel has also adopted a Whistleblower Policy which provides procedures for reporting violations of laws, rules, regulations or Gabriel's corporate policies, including a procedure for anonymous reporting. A copy of the Whistleblower Policy can be found on Gabriel's website at [www.gabrielresources.com](http://www.gabrielresources.com).

## **12 INVESTIGATION AND DOCUMENTATION OF REPORTS**

- 12.1 Any report of solicitations to engage in a prohibited act or possible violation of the Policy will be investigated initially by the Anti-Corruption Compliance Officer. Where the matter is deemed potentially serious it will be promptly reported to the Chief Executive Officer, the Chairman of the Audit Committee, and where appropriate, to the Chairman of the Board, and the following procedure will be followed:
- (a) The report will be recorded and an investigative file established. In the case of an oral report, the party receiving the report is also to prepare a written summary.
  - (b) The Chairman of the Audit Committee will promptly commission the conduct of an investigation. At the election of the Chairman of the Audit Committee, the investigation may be conducted by Gabriel personnel, or by outside counsel, accountants or other persons employed by the Chairman of the Audit Committee. The investigation will document all relevant facts, including persons involved, times and dates. At his discretion, the Chief Executive Officer or the Chairman of the Audit Committee may advise the Board of Directors of the existence of an investigation.
  - (c) The identity of a person filing a report will be treated as confidential to the extent possible, and only revealed on a need-to-know basis or as required by law or court order.

- (d) On completion of the investigation, a written investigative report will be provided by the persons employed to conduct the investigation to the Chief Executive Officer and the Chairman of the Audit Committee. If the investigation has documented unlawful, violative or other questionable conduct, the Chief Executive Officer or the Chairman of the Audit Committee will advise the Board of Directors of the matter.
- (e) If any unlawful, violative or other questionable conduct is discovered, the Chief Executive Officer shall cause to be taken such remedial action as the Board of Directors deems appropriate under the circumstances to achieve compliance with the Policy and applicable law, and to otherwise remedy any unlawful, violative or other questionable conduct. The persons employed to conduct the investigation shall prepare, or cause to be prepared, a written summary of the remedial action taken.
- (f) In each case, the written investigative report (or summary of any oral report), and a written summary of the remedial action taken in response to the investigative report shall be retained along with the original report by or under the authority of the Chairman of the Audit Committee.

### **13 COMMUNICATION OF THE POLICY**

- 13.1 To ensure that all directors, officers, employees, consultants and contractors of Gabriel are aware of the Policy, a copy of the Policy will be provided to them and they will be advised that the Policy is available on Gabriel's website for their review. All directors, officers, employees, consultants and contractors of Gabriel will be informed whenever significant changes are made. New directors, officers, employees, consultants and contractors of Gabriel will be provided with a copy of this Policy and will be educated about its importance.
- 13.2 Detailed training on this Policy will form part of the induction process for all new directors, officers, employees and consultants of Gabriel. All existing directors, officers, employees and consultants will receive relevant training on how to implement and adhere to this Policy.
- 13.3 Gabriel's zero-tolerance approach to bribery and corruption must be communicated to all suppliers, contractors and business partners at the outset of our business relationship with them and as appropriate thereafter. For advice on these communications, please contact the Anti-Corruption Compliance Officer.
- 13.4 Each year, all employees, consultants and, as appropriate, contractors shall participate in a training session to ensure they understand the terms of this and all corporate policies of Gabriel.

### **14 RESPONSIBILITY FOR THE POLICY**

- 14.1 The Company's Board of Directors has overall responsibility for ensuring this Policy complies with Gabriel's legal and ethical obligations, and that all those under Gabriel's control comply with it.
- 14.2 The Anti-Corruption Compliance Officer has primary and day-to-day responsibility for implementing this Policy, and for monitoring its use and effectiveness. Management at all levels is responsible for ensuring those reporting to them are made aware of and understand this Policy.

## **15 ANNUAL CERTIFICATION**

- 15.1 All directors, officers, employees, consultants and contractors of Gabriel will provide annual certification of compliance with this Policy in the form available for review on Gabriel's website.
- 15.2 The Chief Commercial Officer and/or Anti-Corruption Compliance Officer of Gabriel will be responsible for ensuring that all annual certifications are obtained on or before the end of the first fiscal quarter of each year, and for providing written confirmation to the Board of Directors that such certifications have been obtained and summarizing the results thereof.

## **16 MONITORING AND REVIEW**

- 16.1 The Anti-Corruption Compliance Officer will monitor the effectiveness and review the implementation of this Policy, considering its suitability, adequacy and effectiveness. Any improvements identified will be made as soon as possible.
- 16.2 Internal control systems and procedures will be subject to audits to provide assurance that they are effective in countering bribery and corruption.
- 16.3 All directors, officers, employees, consultants and contractors of Gabriel are responsible for the success of this Policy and should ensure they use it to disclose any suspected wrongdoing.
- 16.4 All directors, officers, employees, consultants and contractors of Gabriel are invited to comment on this Policy and suggest ways in which it might be improved. Comments, suggestions and queries should be addressed to the Anti-Corruption Compliance Officer.

## **17 CONSEQUENCES OF NON-COMPLIANCE WITH THE POLICY**

- 17.1 Failure to comply with this Policy may result in severe consequences, which could include internal disciplinary action or termination of employment or consulting arrangements without notice. Violation of this Policy may also violate or constitute a criminal offence under UK, US, Romanian or Canadian laws. If it appears that any director, officer, employee, consultant or contractor of Gabriel may have violated such laws, then Gabriel may refer the matter to the appropriate regulatory authorities, which could lead to penalties, fines or imprisonment for Gabriel and/or the responsible person.

## **18 QUERIES**

- 18.1 If you have any questions about how this Code should be followed in a particular case, please contact the Anti-Corruption Compliance Officer or the Chief Commercial Officer of Gabriel in the first instance on + 44 207 421 1111.

## **19 PUBLICATION OF THE POLICY**

This Policy will be posted on Gabriel's website at [www.gabrielresources.com](http://www.gabrielresources.com)

Original Approval Date:	August 2, 2011
Last Approved:	March 14, 2012
Approved by:	Corporate Governance Committee and Board of Directors