PRESS RELEASE

FOR IMMEDIATE RELEASE

May 13, 2015

First Quarter Report

Gabriel Resources Ltd. (“Gabriel” or the “Company”) announces the publication of its First Quarter Financial Statements and Management's Discussion and Analysis Report for the period ended March 31, 2015.

Summary

• Following a nine month period during which time there were no significant permitting developments, on April 27, 2015 a Technical Analysis Committee (“TAC”) meeting was held. No indication was given as to next steps for the TAC to recommend a position on the environmental permit (“EP”) to the Government of Romania (“Government”). Accordingly, Gabriel remains unable to provide guidance on the related timeframes to a final decision with regard to the EP.

• As previously announced, in January 2015 the Company issued a notification of dispute to the President and Prime Minister of Romania (“Notice”) requesting that the Romanian authorities engage formally with Gabriel to find an amicable resolution regarding the development, construction and operation of the Roșia Montană gold and silver project (the “Project”). To date there has been no response to the Notice. The most recent TAC meeting does not resolve the matters in dispute and should no workable solution develop, legal recourse, including the filing of arbitration claim(s) under one or more bi-lateral investment protection treaties, will be pursued.

• Cost reduction measures continue to be implemented across the group and have included, amongst other things, a material reduction in the workforce of Gabriel and Roșia Montană Gold Corporation S.A. (“RMGC”) from approximately 500 employees as at December 31, 2013 to approximately 110 in March 2015, with further reductions planned in the short term.

• Gabriel held $38.8 million of cash and cash equivalents as at March 31, 2015.

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

“We are disappointed that the Romanian authorities have chosen not to respond to the Notice and the invitation for open and transparent dialogue. If the authorities allow, we remain committed to the construction and operation of a world class gold mine at Rosia Montana with Romania as our partner and together developing a sustainable future for the people of the Apuseni mountains. Our overriding wish remains to avoid any protracted dispute and that an amicable resolution can be reached without the need to escalate our situation to international arbitration.”

Further information and commentary on the operations and results in the first quarter of 2015, together with events anticipated in the short term, is given below. The Company has filed its Unaudited Condensed Interim Consolidated Financial Statements and Management's Discussion & Analysis on SEDAR at www.sedar.com and each is available for review on the Company’s website at www.gabrielresources.com.

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Further Information

Notice of Dispute

- Since obtaining the rights to develop the Project, Gabriel has been firmly committed to its realization and, to date, has sourced significant funding in excess of $700 million which has been invested to finance and develop the Project.

- Over many years, in reliance on numerous representations made and actions taken by the competent Romanian authorities, Gabriel has complied in good faith with its obligations under Romanian law and diligently pursued the development of the Project which will be using best available techniques as recognized by the European Commission.

- Unfortunately, to date, the actions and inactions of the Romanian authorities have prevented the Project from advancing to implementation. Ultimately, the Project is no longer the subject of routine, regulatory analysis by the competent administrative bodies charged with its assessment.

- This state of affairs, among other things, has prevented progress from being made with regard to the issuance of an environmental permit for the Project, evidenced by the repeated delays to the TAC environmental impact assessment (“EIA”) review process.

- In January 2015, the Company announced that it had issued a notification of dispute to the President and Prime Minister of Romania on behalf of Gabriel and certain of its affiliates, pursuant to the provisions of certain international bilateral investment protection treaties which the Government has entered into with each of the Governments of Canada, the Netherlands and the United Kingdom (together the “Treaties”), requesting that the Romanian authorities engage formally with Gabriel in a process of consultation in order to find an amicable resolution regarding the development, construction and operation of the Project.

- To date, and despite a further letter of request for consultation sent by Gabriel in April 2015 to the President and Prime Minister of Romania, there has been no response to the Notice.

- Gabriel has not yet initiated any arbitration claim or application to any international arbitration court, however, Gabriel is committed to the protection of its rights in Romania, and should the current situation continue and no workable solution develop, Gabriel and its subsidiaries will pursue legal recourse, including the filing of arbitration claim(s) under one or more of the Treaties.

Financial Performance

- The net loss for the first quarter of 2015 was $3.5 million, or $0.01 per share.

Liquidity and Capital Resources

- Cash and cash equivalents at March 31, 2015 amounted to $38.8 million.

- The Company’s average monthly net cash usage during Q1 2015 was $1.8 million; on a like-for-like basis this compares to $1.9 million in Q4 2014 (2014: full year monthly average $2.3 million, 2013: full year monthly average $3.9 million).

- The Company has continued with its underlying cost containment strategy to preserve capital until such time as the Government moves ahead with permitting the Project. Such initiatives have a long-term goal of ensuring that the Company remains financially strong, and capable of maintaining, as far as possible, all existing licenses and permits in good standing, and progressing, to the extent possible, various other similar applications.
Political Environment

- During 2014, political activities in Romania focused on the European Parliamentary elections which took place at the end of May, and on the presidential election which was held in November, with Klaus Iohannis sworn in as the fifth President of Romania on December 21, 2014 for the constitutional 5-year term.

- Following the outcome of the presidential election, Victor Ponta remains as the country's Prime Minister and head of Government. The next parliamentary elections in Romania are scheduled for late 2016, with local elections earlier the same year.

- The existing governing coalition, the fourth government led by Prime Minister Ponta in the last three years, is supported by Ponta's Social Democratic Party (PSD), the Conservative Party (PC), the National Union for the Progress of Romania (UNPR) and the centre-right Liberal Reformist Party (PLR). The existing Government currently holds a clear majority of the seats in the Senate and the Chamber of Deputies.

- The level of Government engagement on the Project during 2014 was extremely limited. Against this background, during the whole of 2014 and in 2015 to date, there have been no significant developments in any of the key areas for the Project where decision-making is required by the competent Romanian authorities.

Environmental Permit

- Since the recommencement of the EIA review process in September 2010, the TAC has met on twelve separate occasions; twice in 2010; three times in 2011, nil in 2012; four times in 2013; twice in 2014 and, most recently, on April 27, 2015.

- At the TAC meeting held on July 24, 2014, the principal agenda item was to discuss the Ministry of Environment's proposed requirement for, and the related scope of, a further study on the permeability of the Project's tailings management facility (“Supplementary Study”). The meeting finished without conclusion on that issue. A further TAC meeting was held on April 27, 2015 with the principal agenda items being to consider the 2014 proposal for a Supplementary Study and an open letter sent to various Romanian government officials and agencies by an international non-governmental organisation dedicated to the conservation of the world’s cultural monuments and sites. The TAC meeting was inconclusive, once again, in fully addressing the agenda items raised.

- Gabriel remains of the view that the most recent TAC meeting does not repair or redress the damage suffered by the inaction and continuing delay to the environmental permitting process that has occurred to date. Gabriel also remains unable to provide guidance on the related timeframes to a final decision with regard to the EP or any estimates for the likely time required to definitively address and resolve matters raised in the TAC meetings held in 2014 and 2015 (as described above).

Other Permitting

- As previously reported by the Company, an amended zonal urbanism plan for the industrial development area of the Project was updated in 2010 (“Industrial Area PUZ”) and it is currently proposed that, subject to the receipt of the relevant approvals, it will replace the existing industrial zonal urbanism plan approved for the footprint of the proposed mine at Roșia Montană.

- There was limited progress in 2013, 2014 and 2015 to date in obtaining the required endorsements for the Industrial Area PUZ. As at the date of this document, RMGC holds 18 valid endorsements out of the total number of 23 necessary for the approval of the Industrial Area PUZ. After obtaining all the necessary endorsements, the final approval for the Industrial Area PUZ will be required to be given by the local councils of Roșia Montană, Abrud and Bucium.

- In 2009, the local council of Roșia Montană initiated the process for the zonal urbanism plan for the Roșia Montană historical protected area (“Historical Area PUZ”) and, as at the date of this document, 10 out of the total of 13 endorsements necessary for its final approval have been obtained. Once the endorsement process is completed, the final approval of the local council of Roșia Montană will be then required.
• In July 2014 the existing general urbanism plans and accompanying local regulations ("PUGs") for Roșia Montană and Abrud were extended, pending the process for obtaining new PUGs, for a maximum term of three years. The processes for local councils to obtain new PUGs for Roșia Montană, Abrud and Bucium communes are ongoing and are subject to formal approval processes, including public consultation.

• In January 2014, RMGC submitted the required technical documentation for obtaining renewed safety permits for the design of the Project's Corna and Cetate dams. In November 2014, the Romanian National Dam Safety Commission ("CONSIB") unanimously voted for their issuance and, therefore, it is incumbent upon the Ministry of Environment to now issue new safety permits for the dams.

• During Q1 2015, following a request by the Company, extension of the validity of urbanism certificate UC-47 for the Project was approved by Alba County Council until April 2016.

Litigation

• The key developments that have occurred in legal proceedings concerning the Project during the first quarter of 2015 and certain upcoming court hearings in the second quarter of 2015 are detailed in the Management’s Discussion & Analysis which accompanies this press release and is filed on SEDAR at www.sedar.com.

• Of particular note is that on June 9, 2015, the next hearing is scheduled of a legal action brought by RMGC before the Bucharest Court of Appeal. RMGC is challenging the validity of a List of Historical Monuments approved by the Ministry of Culture and National Institute of Patrimony in 2010 ("2010 LHM"). on the basis that it substantially extends (without legal justification) the protection regime applicable to certain monuments within the perimeter of the Project, as compared to a 2004 list. The outcome of an irrevocable decision on the merits of the case will have some bearing on a number of other legal challenges to certificates and permits held by the Project, such as an action for annulment of the Archaeological Discharge Certificate for the Carnic open-pit and an appeal against annulment of the Strategic Environmental Assessment endorsement, which was issued in March 2011 in respect of the Industrial Area PUZ.

• Due to the inherent uncertainties of the judicial process, the Company is unable to predict the ultimate outcome or impact, if any, with respect to matters challenged in the Romanian courts. In all circumstances, the Company and/or RMGC will vigorously maintain its legal rights and will continue to work with local, county and federal authorities to ensure the Project receives a fair and timely evaluation in accordance with Romanian and EU laws. However, there can be no assurance that any claims will be resolved in favour of the Company, RMGC or the Project. The implications of a negative court ruling will only be known once such a decision is issued formally by the relevant court and the position of the Government is assessed.

Outlook

• The Company is focused on trying to engage formally with the Government, as contemplated by the Notice. In the short-term, the Company’s principal objectives also include:
  o continuing efforts to (i) obtain the remaining authorisations necessary to move the Project forward; and (ii) advance existing permitting applications including the EIA review process;
  o continuing to reduce the Company’s activities and costs to those that support the preservation of its core assets, rights and permits and to carefully manage its cash resources; and
  o maximizing shareholder value, while optimizing benefits of the Project to all stakeholders.

About Gabriel

Gabriel is a Canadian TSX-listed resource company focused on permitting and developing its world-class Roșia Montană gold and silver project. The exploitation license for the Project, the largest undeveloped gold deposit in Europe, is held exclusively by Roșia Montană Gold Corporation, a Romanian company in which Gabriel currently owns an 80.69 percent equity interest, with the 19.31 percent balance held by Minvest Roșia Montană 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 over US$24 billion (at US$1,200/oz gold) to Romania as potential direct and indirect contribution to GDP. 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.
Forward-looking Statements

This press release contains "forward-looking information" (also referred to as "forward-looking statements") within the meaning of applicable Canadian securities legislation. Forward-looking statements are provided for the purpose of providing information about management's current expectations and plans and allowing investors and others to get a better understanding of Gabriel's operating environment.

These forward-looking statements may include statements with respect to the future financial or operating performance of the Company and its subsidiaries, the perceived merit of properties, exploration results and budgets, mineral reserves and mineral resources estimates, work programs, capital expenditures, operating costs, cash flow estimates, production estimates and similar statements relating to the economic viability of a project, timelines, strategic plans, including the Company's plans and expectations relating to the Project, the anticipated outcomes of the application processes for permits, endorsements and licenses, including but not limited to the ongoing review of the environmental impact assessment, required for the Project, or other statements that are not statements of fact.

Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, identified by words or phrases such as “expects”, “is expected”, “anticipates”, “believes”, “plans”, “projects”, “estimates”, “assumes”, “intends”, “strategy”, “goals”, “objectives”, “potential”, “possible” or variations thereof or stating that certain actions, events, conditions or results “may”, “could”, “would”, “should”, “might” or “will” be taken, occur or be achieved, or the negative of any of these terms and similar expressions) are not statements of fact and may be forward-looking statements.

Forward-looking statements are based upon certain assumptions and other important factors regarding present and future business strategies and the environment in which the Company will operate in the future, which could prove to be significantly incorrect. Forward-looking statements are inherently subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company and/or its subsidiaries to be materially different from those expressed or implied by such forward-looking statements.

These risks, uncertainties and other factors include, without limitation, the attitudes and actions of the Romanian government related to the Company's investment in Romania, including the response of the Romanian authorities to the filing of the Notice; the ability of the Company to realize value from its investments in Romania pursuant to the Treaties and potential international arbitration proceedings in the event that the Company and the Romanian authorities do not reach an agreement regarding the development, implementation and operation of the Project; the advancement of any potential international arbitration proceedings in a customary manner; the outcome of any potential international arbitration proceedings before arbitration tribunals as provided in the Treaties, including the timing and value of any arbitral award or settlement; management’s expectation with regards to the amount of costs, fees and other expenses and commitments payable in connection with any potential arbitration; any inability or delay in recovering from Romania the amount of any award or settlement. In addition, such risks, uncertainties and other factors include, without limitation, the political and economic risks of operating in Romania, including those related to controls, regulations, political or economic developments and government instability in Romania; uncertainty of estimates of capital costs, sustaining capital costs, operating costs, production and economic returns; permitting risks, including the risk that permits and governmental approvals necessary to develop and operate the Project will not be available on a timely basis or at all, risks of maintaining the validity and enforceability of necessary permits and risks of replacing expired/cancelled permits and approvals; uncertainties related to the assumptions underlying the Company’s mineral resource and mineral reserve estimates, such as metal pricing, metallurgy, mineability, marketability and operating and capital costs; risk related to the acquisition of all necessary surface rights for the development of the Project, including the risk that the Company may not acquire all such rights, or acquire such rights at acceptable prices; risks related to the Company’s ability to commence production and generate material revenues or obtain adequate financing for its planned exploration and development activities; risks of defective title to mineral property, including the risk of successful legal challenges to the validity of the Company’s exploitation license; risks related to the Company’s ability to finance the development of the Project through external financing, strategic alliances, or otherwise; litigation risks, including the uncertainties inherent in current and future legal challenges relating to the Project; risks related to the availability of infrastructure, water, energy and other inputs; uncertainty inherent in litigation including the effects of discovery of new evidence or advancement of new legal theories, the difficulty of predicting decisions of judges and the possibility that decisions may be reversed on appeal; uncertainties relating to prices for energy inputs, labour, material costs, supplies and services (including, but not limited to, labor, cement, steel, capital equipment, reagents and fuel); risks related to changes in law and regulatory requirements, including environmental regulation; risks related to the subjectivity of estimating mineral resources and mineral reserves and the reliance on available data and assumptions and judgments used in interpretation of such data; risks related to currency fluctuations, particularly in the value of the United States dollar and/or the Canadian dollar relative to each other and to the Euro and the Romanian leu; risks related to the future market prices of gold and silver and other mineral and commodity price fluctuations, and volatility in metal prices; risks related to the need for reclamation activities on the Company's properties and uncertainty of cost estimates related thereto; risks associated with maintaining substantial levels of indebtedness, including potential financial constraints on operations; dependence on cooperation of state-owned joint venture partner in the development of the Project; risks related to the loss of key employees and the Company's ability to attract and retain qualified management and technical personnel; risks related to market events and volatility of global and local economic climate; taxation, including change in tax laws and interpretations of tax laws; mining and development risks, including risks related to infrastructure, accidents, equipment breakdowns, labor disputes or other unanticipated difficulties with or interruptions in development, construction or production; risks related to opposition to the Project from non-governmental organizations or civil society; share capital dilution and share price volatility; and increased competition in the mining industry.

Forward-looking information contained herein is made as of the date of this press release. There can be no assurance that forward-looking information or statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information or statements. Accordingly, for the reasons set forth above, readers should not place undue reliance on forward-looking statements. The Company does not undertake to update any forward-looking statements, except in accordance with applicable securities laws.

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