



## PRESS RELEASE

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FOR IMMEDIATE RELEASE

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### GABRIEL SEEKS AMICABLE RESOLUTION OF MINING DISPUTE

Gabriel Resources Ltd. (“Gabriel” or the “Company”) announces further steps to initiate positive dialogue with decision makers from within the Romanian Government and competent regulatory authorities (together “Romanian Authorities”) directly responsible for progress of permitting and authorizing the development of the Roșia Montană gold and silver mine (“Project”). To that end the Company has issued a formal notification to the President and Prime Minister of Romania on behalf of Gabriel and certain of its affiliates (together the “Gabriel Group”) which requests the Romanian Authorities to engage formally in a process of consultation (“Notice”)<sup>1</sup>.

For the avoidance of doubt, Gabriel is seeking an amicable resolution to this dispute which will lead to the development of the Project for the benefit of all stakeholders. Gabriel has not initiated any arbitration claim or application to any international arbitration court.

Gabriel is firmly committed to the development of the Project, remaining certain that construction of a mine using state-of-the-art technology will demonstrate the extensive benefits of the Project. The Company believes that the Project will positively impact the international perception of, and economic growth within, Romania during its lifecycle from early stage construction to regeneration of the mine site after closure. With substantial direct investment in rehabilitation and preservation, the Project would safeguard the cultural heritage of the region, kick-start other initiatives in the local economy including tourism, and accelerate remediation of the severely polluted environment of Roșia Montană and its surrounding area caused by mining in another era. Roșia Montană would be a model for sustainable development and for all other mines to be built in Romania and the European Union.

The Project has been strongly supported by the local community as it would assist to alleviate the poverty of the people of Roșia Montană and the region. Furthermore, the Project has been exhaustively analysed by various Romanian competent authorities, as well as a large number of international experts and, as designed, will comply with or exceed all relevant Romanian and European Union legislation, as well as the highest global industrial standards.

By permitting the Project, the Romanian Authorities would aid Romania to foster the growth of a new, modern and responsible mining industry, balance industrial and economic development with environmental protection, preserve its cultural heritage and allow responsible development that benefits the people of Romania as well as its economy.

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<sup>1</sup> To protect its interests, Gabriel has formally issued the Notice pursuant to the provisions of international bilateral investment protection treaties which the Government of Romania has entered into with each of Canada, the Netherlands and the United Kingdom (together the “Treaties”). The Treaties exist as an encouragement and reciprocal protection of investments agreed between sovereign states, and each state offers various protections to foreign investors from the other state to give both parties to an investment confidence in their rights, the investment process and the expected outcomes.

Over the past fifteen years, the Gabriel Group has invested significant capital on the development of the Project, and there is still no certainty on the process to successfully permit the Project. The Gabriel Group believes that it has continuously acted in good faith and in a spirit of fairness and co-operation in all of its dealings with the Romanian Authorities and representatives of the State of Romania, as its partner and a shareholder in the Project, in order to advance the Project.

The Company is able to evidence a substantial number of persistent delays in permitting activities erroneously instituted by the Romanian Authorities. Ultimately, the Project is no longer the subject of routine, regulatory analysis by the competent administrative bodies charged with its assessment; instead it has become hostage to conflicts between rival political factions and misinformation that has further unnecessarily damaged the ability for development of the Project.

Gabriel has issued the Notice as it asserts that it has not been afforded the treatment by the Romanian Authorities that is stipulated by investment protection treaties signed by Romania. Accordingly, in view of the substantial losses that the Gabriel Group will incur if the Project is not permitted to proceed in accordance with all applicable laws, Gabriel has been left with no alternative but to file the Notice which requests the Romanian State to engage formally in a process of consultation as contemplated by the Treaties.

The Gabriel Group remains ready to engage at a senior level with the Romanian Authorities in order to resolve amicably the issues at dispute as soon as possible, to the benefit of all stakeholders.

Alternatively, in the event that the Gabriel Group is unable to obtain satisfactory resolution to determining a clear and robust path forward for permitting and construction of the Project, or Romania does not action tangible steps to reach such an amicable settlement, the Gabriel Group is prepared to present its claims to international arbitration in order to compensate fully for its rights to develop the Project that have been denied by Romania's treaty violations. The Gabriel Group also may pursue other available remedies.

Jonathan Henry, President and CEO of Gabriel, commented:

*"We are hopeful that an amicable resolution can be reached without the need to escalate this dispute to arbitration. We strongly believe that our past conduct has demonstrated that the Gabriel Group's overriding wish is to avoid any protracted disputes and to partner with Romania in developing a world-class and sustainable mining project for the benefit of Romania and all stakeholders.*

*We are firmly committed to the development of the Project and, more generally, to the commencement of a modern mining industry in Romania. We remain certain that actual construction of a mine using state-of-the-art technology will convince all those who have either unfounded or valid concerns as to the extensive benefits of the Project for the country as a whole. We are ready to cooperate with Romania to achieve that goal."*

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## NOTES TO EDITORS

### About Bilateral Investment Treaties

Resources investments can be high profile and capital intensive, especially for large complex projects or projects in sensitive areas. They are highly susceptible to political risk and other risks associated with the jurisdiction of the assets for development. Domestic politics and governments can prioritise immediate political expediency over benefits to the country, available through successful exploitation of those assets. This political approach can induce risks for investors such as expropriation, resource nationalism, contract renegotiation, new royalty regimes, revised taxation laws, increased regulation, opaque legal process – all of which can impair the viability of a project.

Bilateral Investment Treaties (BITs) exist as an encouragement and reciprocal protection of investments agreed between sovereign states. Each state offers various protections to foreign investors from the other state through a BIT which gives both parties to an investment confidence in their rights, the process and the outcomes. Without BITs countries would find it very difficult to attract foreign investment. Obligations are directly enforceable by investors against states through international arbitration in a neutral venue.

Among the protections offered to foreign investors under a BIT is "fair and equitable treatment". This is an autonomous standard that protects investors against a whole array of potential acts and omissions attributable to the host state, which expose the investment to significant risks, such as bad faith, discrimination, protectionist treatment, breach of legitimate expectations of the investor, failure to act in a consistent manner, or failure to afford proper level of administration of justice. Many of the issues present in the treatment of the Gabriel Group's investment in the Project by the Romanian Government and other Romanian authorities are typical of ways in which host states breach their obligations under the fair and equitable treatment standard. The treatment of the Gabriel Group's investment also has been inconsistent with other standards elaborated in BITs.

### About Gabriel

Gabriel is a Canadian TSX-listed resource company focused on permitting and developing its world-class Roşia Montană gold and silver project. The exploitation license for the Project, the largest undeveloped gold deposit in Europe, is held exclusively by Roşia 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 Roşia 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](http://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 state Gabriel's or its management's intentions, hopes, beliefs, expectations or predictions for the future. In this release, forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by management at this time, are inherently subject to significant business, economic and competitive uncertainties and contingencies.

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 development, construction 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; 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 relating 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; 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; 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 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; 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, labor, material costs, supplies and services; risks related to changes in law and regulatory requirements, including environmental regulation; 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 opposition to the Project from non-governmental organizations or civil society; and other risks identified in the filings by the Company with the Canadian securities regulatory authorities, including Gabriel's annual information form for the year ended December 31, 2013, which is available under the Company's profile on SEDAR at [www.sedar.com](http://www.sedar.com).

This list is not exhaustive of the factors that may affect any of Gabriel's forward-looking statements. 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.