



GABRIEL
Rozia Montana
IN PARTNERSHIP

PRESS RELEASE

FOR IMMEDIATE RELEASE

TSXV Trading Symbol: GBU

June 20, 2019

Results of AGM and Corporate Update

Annual General and Special Meeting

Gabriel Resources Ltd. (“Gabriel” or the “Company”) announces that all of the matters submitted to shareholders for approval, as set out in the Company’s Management Information Circular dated May 16, 2019 (“Circular”), were approved by the requisite majority of votes cast at its annual and special meeting (“Meeting”) held in Vancouver, British Columbia, earlier today, including resolutions:

- Electing (or re-electing, as the case may be) Keith Hulley, Dag Cramer, Ali Erfan, Alfred Gusenbauer, Wayne Kirk, Dan Kochav, David Peat, Walter Segsworth, Janice Stairs and Dragos Tanase as directors of the Company;
- Re-appointing PricewaterhouseCoopers LLP as auditors of the Company for the ensuing year; and
- Approving the continuation of the amended and restated incentive stock option plan of the Company.

Immediately prior to the Meeting, the Company was formally notified that one of the proposed nominees for election as director, Mr. David Kay, who previously served as the nominee of Enescu Investments, LLC (“Enescu”) (an entity managed by Tenor Capital Management Company, L.P.), a significant securityholder in the Company, would not be standing for re-election and that Enescu wished instead to nominate Mr. Dan Kochav, the Chief Operating Officer of Tenor Capital Management Company, LP., as its substituted nominee for appointment to the Board of Gabriel (“Board”). In accordance with the terms referenced in the form of proxy circulated to shareholders of Gabriel in advance of the Meeting, discretionary authority is conferred on the proxyholder in respect of amendments or variations to matters identified in the Notice of Meeting or other matters that properly come before the Meeting. As such, the Board determined to put forward Mr. Kochav for election as a new director at the Meeting and as Enescu’s nominee in Mr. Kay’s stead, and the persons named in the form of proxy accompanying the Circular exercised their discretion to vote for the election of Mr. Kochav as the substituted Enescu nominee, in addition to the election of the other nine nominees set out in the Circular.

Arbitration Update

In May 2019, a revised procedural calendar for the Company’s ICSID arbitration claim against Romania (“ICSID Arbitration”) was issued by the tribunal appointed to adjudicate the dispute (“Tribunal”).

In accordance with the revised procedural calendar, on May 24, 2019, the Respondent filed its rejoinder (“Rejoinder”) with ICSID in response to the Company’s reply submission of November 2, 2018. The oral hearings on the merits of the claim are scheduled to take place in Washington D.C. between December 2 and 13, 2019.

Gabriel, together with its counsel, White & Case LLP, is currently analyzing the Rejoinder and preparing for the hearings in December.

On June 28, 2019, Gabriel will file its surrejoinder on the further objection to the jurisdiction of the Tribunal filed by the Respondent with ICSID on May 25, 2018.

The Rejoinder is subject to the confidentiality provisions of the procedural orders issued by the Tribunal, which can be found on the ICSID website, and Gabriel anticipates the Rejoinder will be published on the ICSID website in the second half of 2019.

Corporate Update

Gabriel has consistently confirmed its willingness to enter into a process of consultation with the Romanian authorities in order to achieve an amicable resolution of the ICSID Arbitration dispute or a settlement enabling the Gabriel group of companies (“Group”) to develop the Roşia Montană gold and silver project in Romania (“Project”). To this end, in March 2019, Gabriel’s principal operating subsidiary, Rosia Montana Gold Corporation S.A (“RMGC”), submitted an application to the Romanian National Agency for Mineral Resources (“NAMR”) requesting the extension of the term of the exploitation concession license No. 47/1999 (“License”) for the Project for a further term of five years. The initial 20-year term of the License was due to expire on June 21, 2019.

In mid-June 2019, NAMR presented to RMGC a draft addendum to the License providing for, amongst other things, a 5-year term extension and the establishment of an increased royalty rate from 4% to 6% on mineral production value, the 6% rate being the level of royalty set forth in Romanian law since 2014. NAMR made it clear to RMGC that the License would not be extended unless RMGC agreed to such royalty provision. While Gabriel and RMGC strongly disagrees with NAMR’s position and interpretation of the law and has conveyed in writing its disagreement with such position and NAMR’s handling of the License extension process, Gabriel and RMGC concluded that, in view of the existing circumstances, there was no other way to preserve RMGC’s existing rights under law, including an extension of its License, other than to accept the increased royalty rate, as required by NAMR. Accordingly, an addendum providing for the extension of the term of the License to June 20, 2024, and including the revised royalty rate, was concluded on June 18, 2019.

For information on this press release, please contact:

Dragos Tanase
President & Chief Executive Officer
Phone: +4021 223 1351
dt@gabrielresources.com

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

About Gabriel

Gabriel is a Canadian resource company listed on the TSX Venture Exchange. The Company’s principal focus has been the exploration and development of the Roşia Montană gold and silver project in Romania . The Project, one of the largest undeveloped gold deposits in Europe, is situated in the South Apuseni Mountains of Transylvania, Romania, an historic and prolific mining district that since pre-Roman times has been mined intermittently for over 2,000 years. The License for the Project is held by Roşia Montană Gold Corporation S.A., a Romanian company in which Gabriel owns an 80.69% equity interest, with the 19.31% balance held by Minvest Roşia Montană S.A., a Romanian state-owned mining company. It is anticipated that the Project would bring over US\$24 billion (at US\$1,200/oz gold) to Romania as potential direct and indirect contribution to GDP and generate thousands of employment opportunities.

Upon obtaining the License in June 1999, the Group focused substantially all of their management and financial resources on the exploration, feasibility and subsequent development of the Roşia Montană Project. Despite the Company’s fulfilment of its legal obligations and its development of the Project as a high-quality, sustainable and environmentally-responsible mining project, using best available techniques, Romania has blocked and prevented implementation of the Project without due process and without compensation. Accordingly, the Company’s current core focus is the ICSID Arbitration. 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 the Company’s operating environment. All statements, other than statements of historical fact, are forward-looking statements.

In this press release, forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Company at this time, are inherently subject to significant business, economic and competitive uncertainties and contingencies that may cause the Company’s actual financial results, performance, or achievements to be materially different from those expressed or implied herein. Some of the material factors or assumptions used to develop forward-looking statements include, without limitation, the uncertainties associated with: the ICSID Arbitration, actions by the Romanian Government, conditions or events impacting the Company’s ability to fund its operations (including but not limited to the completion of further funding noted above) or service its debt, exploration, development and operation of mining properties and the overall impact of misjudgments made in good faith in the course of preparing forward-looking information.

Forward-looking statements involve risks, uncertainties, assumptions, and other factors including those set out below, that may never materialize, prove incorrect or materialize other than as currently contemplated which could cause the Company's results to differ materially from those expressed or implied by such forward-looking statements. 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", "is of the view", "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.

Numerous factors could cause actual results to differ materially from those in the forward-looking statements, including without limitation:

- delay or extension to the duration of the ICSID Arbitration;
- required disclosure, costs, process and outcome of the ICSID Arbitration against Romania;
- changes in the liquidity and capital resources of Gabriel, and the group of companies of which it is directly or indirectly parent;
- access to funding to support the Group's continued ICSID Arbitration and/or operating activities in the future;
- equity dilution resulting from the conversion or exercise of new or existing securities in part or in whole to Common Shares;
- the ability of the Company to maintain a continued listing on the TSX Venture Exchange or any regulated public market for trading securities;
- the impact on business strategy and its implementation in Romania of: unforeseen historic acts of corruption, uncertain fiscal investigations; uncertain legal enforcement both for and against the Group and political and social instability;
- regulatory, political and economic risks associated with operating in a foreign jurisdiction including changes in laws, governments and legal regimes and interpretation of existing and future fiscal and other legislation;
- volatility of currency exchange rates, metal prices and metal production;
- the availability and continued participation in operational or other matters pertaining to the Group of certain key employees and consultants; and
- risks normally incident to the exploration, development and operation of mining properties.

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

Investors are cautioned not to put undue reliance on forward-looking statements, and investors should not infer that there has been no change in the Company's affairs since the date of this press release that would warrant any modification of any forward-looking statement made in this document, other documents periodically filed with or furnished to the relevant securities regulators or documents presented on the Company's website. All subsequent written and oral forward-looking statements attributable to the Company or persons acting on its behalf are expressly qualified in their entirety by this notice. The Company disclaims any intent or obligation to update publicly or otherwise revise any forward-looking statements or the foregoing list of assumptions or factors, whether as a result of new information, future events or otherwise, subject to the Company's disclosure obligations under applicable Canadian securities regulations. Investors are urged to read the Company's filings with Canadian securities regulatory agencies which can be viewed online at www.sedar.com.

ENDS