



GABRIEL
Roșia Montană
IN PARTNERSHIP

PRESS RELEASE

FOR IMMEDIATE RELEASE

June 21, 2024

Corporate Update

Gabriel Resources Ltd. (TSXV: GBU - “**Gabriel**” or the “**Company**”) announces the following corporate update:

Mineral Tenure Rights

- In March 2024, Roșia Montană Gold Corporation (“**RMGC**”) submitted an application to the Romanian National Agency for Mineral Resources (“**NAMR**”). together with the requisite supporting documentation, requesting an extension of the term of the exploitation license for the Roșia Montană Project (“**License**”) for an additional five years, as provided by Romanian law (“**License Extension Application**”).
- On June 20, 2024, RMGC was notified that the NAMR has rejected the License Extension Application.
- The Company and RMGC strongly disagree with the NAMR’s decision and intends to vigorously pursue all legal avenues to reinstate its rights. The decision of the NAMR shows a flagrant disregard for the rule of law and established investment rights and, in the Company’s view, is a politically motivated decision to deny RMGC’s rights to develop the Roșia Montană Project arbitrarily, without due process, and without compensation.
- NAMR has sought to justify this decision by alleging, amongst other things, that the documentation submitted in support of the License Extension Application does not satisfy the legal requirements despite being entirely consistent with, and in greater detail than, the extension application filed in 2019 that was approved by the NAMR.
- The Company strongly believes that the justifications provided by NAMR are pretextual and is evaluating the decision with its professional advisers. The timing of this decision, coming less than three months following the conclusion of the Company’s arbitration claim against Romania, is dubious. As noted above, Gabriel and RMGC will pursue all options to defend and reinstate its legal rights.
- RMGC also has consistently urged NAMR to issue the exploitation licenses for the two Bucium Projects in accordance with the applications made in 2007 (“**Bucium Applications**”). Throughout the ICSID arbitration claims filed against the Romanian State (“**ICSID Arbitration**”), the Romanian State consistently maintained a position, relied upon by the majority in the Arbitral Decision (defined below), that the Bucium Applications remain pending before the NAMR. There remains no response from NAMR in this regard.

ICSID Arbitration

- On March 8, 2024, the presiding tribunal (“**Tribunal**”) issued a final decision (“**Arbitral Decision**”) dismissing, by a two to one majority, the ICSID Arbitration claims and awarded Romania approximately US\$10 million to reimburse legal fees and expenses it had incurred (“**Costs Order**”).
- The Company strongly disagrees with the Tribunal majority’s decision, which it believes is deeply flawed, at odds with the opinion of the dissenting arbitrator and is inconsistent with any objective assessment of the evidence presented. Accordingly, the Company intends to challenge the Arbitral Decision through the annulment process prescribed by the ICSID Convention. The annulment application (“**Application**”) will be filed on or before July 7, 2024.

- An annulment is not an appeal of the merits of the Arbitral Decision, but a procedure which would, if successful, set aside such Arbitral Decision and extinguish the Costs Order. The annulment process could take 12-24 months to conclude post submission of the Application.

Liquidity and Capital Resources

- On April 26, 2024, Gabriel announced a fundraising of up to US\$5.575 million (the “**2024 Private Placement**”) and on May 17, 2024, the Company announced closing of an initial tranche of that fundraising with proceeds received of US\$3.25 million. On May 29, 2024, the Company noted that the remainder of the 2024 Private Placement was anticipated to close on or before July 3, 2024, or such later date as may be determined by the Company, subject to satisfaction or waiver by the relevant party of the conditions of closing and any applicable approvals (including that of the Exchange).
- Of the US\$3.25 million received from the funding, US\$1.5 million has been set aside for utilization in the annulment proceedings.
- Gabriel continues to manage its cash resources and its current and future financial obligations carefully. As at June 20, 2024, the Company held approximately \$2.5 million of cash net of the amounts set aside described above.
- There is no assurance that the Company will be successful in closing the remainder of the 2024 Private Placement, in which case the Company believes that, excluding the Costs Order, it has sufficient cash to enable the Group to fund general working capital requirements together with the material estimated costs associated with the Company advancing the ICSID Arbitration through to August 2024 and it will seek alternative sources of additional financing.

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About Gabriel

Gabriel is a Canadian resource company listed on the TSX Venture Exchange. The Company's principal business had been the exploration and development of the Roşia Montană gold and silver project in Romania. The Roşia Montană 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 exploitation license for the Roşia Montană 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.

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 Roşia Montană Project as a high-quality, sustainable and environmentally-responsible mining project, using best available techniques, Romania has unlawfully blocked and prevented implementation of the Roşia Montană 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:

- the duration, costs, process and outcome of any further procedural phases in connection with the ICSID Arbitration (including, but not limited to, annulment proceedings);
- access to funding to support any challenges to the Arbitral Decision, to preserve the Group's rights and interests in Romania and/or to fund the Group's operating activities in the future;
- the impact on the Company's financial condition and operations of the rejection of the License renewal by NAMR and any actions taken by Romania to enforce the Costs Order;
- the impact on financial condition, business strategy and its implementation in Romania of: any allegations of historic acts of corruption, uncertain fiscal investigations, uncertain legal enforcement both for and against the Group, unpredictable regulatory or agency actions and political and social instability;
- changes in the Group's liquidity and capital resources;
- 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 Exchange or any regulated public market for trading securities;
- Romania's actions following inscription of the "Roșia Montană Mining Landscape" as a UNESCO World Heritage site;
- regulatory, political and economic risks associated with operating in a foreign jurisdiction including changes in laws, governments and legal and fiscal regimes;
- global economic and financial market conditions, including inflation risk;
- the geo-political situation and the resulting economic developments arising from the unfolding conflict and humanitarian crisis as a consequence of conflicts such as the Russia-Ukraine war;
- volatility of currency exchange rates; and
- the availability and continued participation in operational or other matters pertaining to the Group of certain key employees and consultants.

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.sedarplus.ca.