



Gabriel Resources Ltd.

Notice of 2017 Annual Meeting of Shareholders

Management Information Circular

May 17, 2017



INVITATION TO SHAREHOLDERS

May 17, 2017

Dear Shareholder,

It is my pleasure to invite you to attend the Annual Meeting of shareholders of Gabriel Resources Ltd. ("**Gabriel**"), which will be held on Wednesday, June 21, 2017 at 11:30 a.m. (Pacific Time) at the offices of Stikeman Elliott LLP, 666 Burrard Street, Suite 1700, Vancouver, British Columbia V6C 2X8, Canada.

The items of business to be considered at this meeting are described in the Notice of Annual Meeting of shareholders of Gabriel and accompanying management information circular. We encourage you to vote, which can be done easily by following the instructions set out in the management information circular.

I thank you for your interest in Gabriel and I urge you to exercise your right to vote.

Sincerely,

(Signed)

Keith Hulley
Chairman of the Board of Directors



NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the Annual Meeting of the shareholders of Gabriel Resources Ltd. ("**Company**") will be held at the offices of Stikeman Elliott LLP, 666 Burrard Street, Suite 1700, Vancouver, British Columbia V6C 2X8, on Wednesday, June 21, 2017 at 11:30 a.m. (Pacific Time). The meeting will have the following purposes:

- (1) to receive the audited consolidated financial statements of the Company for the year ended December 31, 2016 together with the auditors' report thereon;
- (2) to elect directors of the Company to hold office until the close of the next annual meeting;
- (3) to appoint the auditor of the Company to hold office until the close of the next annual meeting and to authorize the directors of the Company to fix its remuneration; and
- (4) to transact such other business as may be brought properly before the meeting or any continuation of the meeting after an adjournment or postponement.

The accompanying management information circular provides detailed information relating to the matters to be addressed at the meeting and forms part of this notice.

Shareholders are encouraged to vote in advance by completing the enclosed form of proxy. Detailed instructions on how to complete and return such proxies are provided on pages 1 to 5 of the accompanying management information circular. To be effective, the completed form of proxy must be received by the Company's transfer agent, Computershare Investor Services Inc., Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, Canada, at any time prior to 11:30 a.m. (Pacific Time) on June 19, 2017.

The board of directors of the Company has fixed the close of business on May 17, 2017 as the record date to determine which shareholders are entitled to receive notice of and to vote at the meeting, or any postponement or adjournment thereof.

BY ORDER OF THE BOARD OF DIRECTORS

(Signed)

Richard Brown
Corporate Secretary

DATED May 17, 2017

If you are a non-registered shareholder and you have received these materials through your broker or through another intermediary, please complete and return the voting instruction form or other authorization in accordance with the instructions provided to you by your broker or by such other intermediary. Failure to do so may result in your shares not being eligible to be voted at the meeting.



G A B R I E L
Rosia Montana
I N P A R T N E R S H I P

GABRIEL RESOURCES LTD.

MANAGEMENT INFORMATION CIRCULAR

May 17, 2017

TABLE OF CONTENTS

PART I - GENERAL INFORMATION

General	1
Solicitation of Proxies	1
Voting Instructions	1
Voting Securities	5
Principal Holders of Voting Securities	5

PART II – BUSINESS OF THE MEETING

Financial Statements and Auditor’s Report	6
Election of Directors	6
Appointment of Auditor	7
Other Business	7

PART III – NOMINEES FOR ELECTION TO THE BOARD

Nominees for Election	8
Cease Trade Orders, Bankruptcies, Penalties and Sanctions	20

PART IV – DIRECTORS COMPENSATION FOR 2016

Objectives of Director Compensation	21
Director Compensation Structure	21
Individual Director Compensation	23
Directors’ Incentive Plan Awards	24
Directors’ Share Ownership Requirements	25
Indebtedness of Directors, Executive Officers and Senior Officers	25

PART V – COMPENSATION DISCUSSION AND ANALYSIS

Compensation Philosophy and Objectives	26
Named Executive Officers	28
Compensation Review Process	28
Components of Executive Compensation	31
Compensation of Named Executive Officers	39
Incentive Plan Awards	42
Performance Graph	45
Prohibition on Hedging and Trading Derivatives	45
Termination and Change of Control Benefits	45

PART VI – CORPORATE GOVERNANCE STATEMENT

Introduction	49
Composition of the Board	49
Independence of Board Members	50
Board Mandate	51
Meetings of the Board and Committees of the Board	54
Standing Committees of the Board	56
Skills Matrix	58
Assessment Process	59
Orientation and Continuing Board Education	60
Nomination of New Directors and Board Size	60
Diversity and Gender Representation	60
Retirement Policy and Term Limits	61
Succession Planning and Evaluation of Officers	61
Compensation of Directors and Officers	62
Minimum Share Ownership Requirements	62
Communication/Disclosure Policy and Stakeholder Feedback	62
Code of Business Conduct and Ethics	63

PART VII – ADDITIONAL INFORMATION

Directors' and Officers' Liability Insurance and Indemnification	65
Interests of Directors and Officers in Matters to be Acted Upon	65
Shareholder Proposals for Next Year's Annual Meeting	65
Availability of Documents	65
Corporate Address	66

BOARD OF DIRECTORS' APPROVAL

APPENDIX I – BOARD MANDATE

APPENDIX II – EQUITY COMPENSATION PLANS

Part A – Securities Authorized for Issuance	70
Part B – Summary of Share-Based Compensation Plans	71
Part C – Amendments to Outstanding Share-Based Awards during 2016	77

PART I

GENERAL INFORMATION

GENERAL

It is anticipated that copies of this management information circular ("**Circular**"), the Notice of Meeting, and accompanying form of proxy will be distributed to shareholders on or about May 25, 2017.

Unless otherwise indicated, the information in this Circular is given as at May 17, 2017, all dollar references in this Circular are to Canadian dollars, and all references to financial results are based on the audited consolidated financial statements of Gabriel Resources Ltd. ("**Gabriel**" or the "**Company**") prepared in accordance with International Financial Reporting Standards.

SOLICITATION OF PROXIES

The information contained in this Circular is furnished in connection with the solicitation of proxies from holders of common shares of Gabriel ("**Shares**"). These proxies will be used at the Annual Meeting of shareholders of the Company ("**Meeting**") to be held on Wednesday, June 21, 2017 at 11:30 a.m. (Pacific Time) at the offices of Stikeman Elliott LLP, 666 Burrard Street, Suite 1700, Vancouver, British Columbia V6C 2X8 or any adjournment or postponement thereof, for the purposes set forth in the accompanying Notice of Meeting. It is expected that the solicitation will be made primarily by mail, but proxies and voting instructions may also be solicited personally or by telephone by the Company. **The solicitation of proxies by this Circular is being made by or on behalf of the management of the Company and the cost of the solicitation of proxies will be borne by the Company.**

VOTING INSTRUCTIONS

Who may vote?

You are entitled to vote at the Meeting (or any adjournment thereof) if you are a holder of Shares as of the close of business on May 17, 2017, the record date for the Meeting ("**Record Date**"). Each Share is entitled to one vote.

What is being voted on at the Meeting?

You will be voting on:

- the election of directors of the Company, to hold office until the close of the next annual general meeting; and
- the appointment of PricewaterhouseCoopers LLP as auditor of the Company until the close of the next annual meeting and authorization of the directors to fix its remuneration.

A simple majority of votes (50% plus one vote) cast at the Meeting in person or by proxy is required to approve all matters, other than the election of directors. With respect to the election of directors, see section entitled "*Majority Voting for Directors*" below.

How to Vote

How you vote depends on whether you are a registered shareholder or a non-registered shareholder.

Registered Shareholders

You are a registered shareholder if your Shares are held in your name and you have a Share certificate or if you hold your Shares through the Direct Registration System. Registered shareholders may vote their Shares by one of the following methods:

- Attendance at the Meeting - If you plan to attend the Meeting and vote your Shares in person your vote will be recorded and counted at the Meeting. You do not need to complete and return the form of proxy. Please register with a representative of Computershare Investor Services Inc. ("**Computershare**"), the transfer agent, upon arrival at the Meeting; or
- Appointment of another person - If you are unable to attend the meeting, or if your Shares are registered in the name of a corporation, your Shares may still be counted at the Meeting by authorizing another individual, a so-called "*proxyholder*", to attend the Meeting and vote your Shares (see section entitled "*Voting by Proxy*" below).

Voting by Proxy

Appointment of Proxies

You can use the enclosed form of proxy, or any other legal form of proxy, to appoint a proxyholder.

The persons named in the enclosed form of proxy are representatives of management of the Company. **You have the right to appoint another person (who need not be a shareholder) to represent you at the Meeting. You may appoint another person by inserting that person's name in the blank space set out in the form of proxy provided or by completing another legal form of proxy.** By properly completing and returning a form of proxy, you are authorizing the individual named in the form to attend the Meeting and to vote your Shares.

To be valid, a form of proxy must be completed, signed, dated and deposited with Computershare: (i) by mail using the enclosed return envelope or one addressed to Computershare Investor Services Inc., Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, Canada; (ii) by hand delivery to the aforementioned address; or (iii) by fax to 1-416-263-9524 or toll-free within North America 1-866-249-7775, **no later than 11:30 a.m. (Pacific Time) on Monday, June 19, 2017** or, if the Meeting is postponed or adjourned, at a time and on a day other than a Saturday, Sunday or holiday which is at least 24 hours before the time of such reconvened meeting.

If the Shares are registered in more than one name, all those in whose names the Shares are registered must sign the form of proxy. If the Shares are registered in the name of your corporation or any name other than yours, you may be required to provide documentation that proves you are authorized to sign the form of proxy.

NOTE: It is important to ensure that any other person you appoint is attending the Meeting and is aware that his or her appointment to vote your Shares has been made. All proxyholders should, upon arrival at the Meeting, present themselves to a representative of Computershare.

Exercise of Discretion by Proxies

The Shares represented by your form of proxy must be voted or withheld from voting in accordance with your instruction on the form and, if you specify a choice with respect to any matter to be acted upon, your Shares will be voted accordingly. If you have not specified how to vote on a particular matter, if any amendments are proposed to any matter, or if other matters are properly brought before the Meeting, then, in each case, your proxyholder can vote your Shares as your proxyholder sees fit.

If you complete and return your form of proxy properly appointing representatives of management as your proxy but do not specify how you wish the votes to be cast, your Shares will be voted as follows:

- **FOR** the election of those nominees for director as set out in this Circular; and
- **FOR** the appointment of PricewaterhouseCoopers LLP as auditor and the authorization of the directors to fix the auditor's remuneration.

As of the date of this Circular, the management of the Company does not intend to present any other business at the Meeting and is not aware of any amendment, variation or other matter expected to come before the Meeting.

Non-Registered Shareholders

Only registered shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Most of Gabriel's shareholders are "*non-registered*" shareholders. You are a non-registered (or beneficial) shareholder if your Shares are registered in the name of:

- an intermediary such as a bank, a trust company, a securities broker, a trustee or other nominee ("**Intermediary**"); or
- a clearing agency such as the Canadian Depository for Securities Limited ("**CDS**"), of which the Intermediary is a participant.

Most shareholders of the Company are non-registered shareholders because the Shares they own are not registered in their names but are instead registered in the name of an Intermediary.

There are two kinds of non-registered shareholders: those who object to their Intermediary disclosing ownership information about themselves to Gabriel, referred to as objecting beneficial owners ("**OBOs**"), and those who do not object to the Company knowing who they are, referred to as non-objecting beneficial owners ("**NOBOs**"). Subject to the provisions of National Instrument 54-101 – Communication with Beneficial Owners of Securities of Reporting Issuers ("**NI 54-101**"), issuers can request and obtain a list of their NOBOs from Intermediaries via their transfer agents and use the NOBO list for distribution of proxy-related materials directly to NOBOs.

Non-Objecting Beneficial Owners

The Company has decided to take advantage of those provisions of NI 54-101 that permit it to directly deliver proxy related materials to its NOBOs who have not waived the right to receive them. By choosing to send these materials to you directly, the Company (and not the Intermediary holding Shares on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. As a result, NOBOs can expect to receive a voting instruction form ("**VIF**"), together with the Notice of Meeting, this Circular, and related documents from Computershare (the "**Meeting Materials**"). These VIFs are to be completed and returned to Computershare in accordance with the instructions provided by Computershare. In this regard, Computershare is required to follow the voting instructions properly received from NOBOs.

Computershare will tabulate the results of the VIFs received from NOBOs. Should a NOBO wish to vote at the Meeting in person, the NOBO must insert the name of the NOBO in the space provided on the VIF, and attend the Meeting and vote in person. **NOBOs should carefully follow the instructions of Computershare, including those regarding when and where to complete the VIFs that are to be returned to Computershare.**

NOBOs who wish to change their vote must contact Computershare to arrange to change their vote in sufficient time in advance of the Meeting.

Objecting Beneficial Owners

In accordance with the requirements of NI 54-101, we have distributed copies of the Meeting Materials to the clearing agencies and Intermediaries for onward distribution to OBOs. Intermediaries are required to forward the Meeting Materials to OBOs unless, in the case of certain proxy-related materials, the OBO has waived the right to receive them. Very often, Intermediaries will use service companies to forward the Meeting Materials to OBOs. With those Meeting Materials, Intermediaries or their service companies should provide OBOs with a "request for voting instruction form" which, when properly completed and signed by such OBO and returned to the Intermediary or its service company, will constitute voting instructions which the Intermediary must follow.

The purpose of this procedure is to permit OBOs to direct the voting of the Shares that they beneficially own. Should an OBO wish to vote at the Meeting in person, the OBO should follow the procedure in the request for voting instructions provided by the Company on behalf of the Intermediary and request a form of legal proxy which will grant the OBO the right to attend the Meeting and vote in person.

OBOs should carefully follow the instructions of their Intermediary, including those regarding when and where the completed request for voting instructions is to be delivered. The Company does not intend to pay for Intermediaries to forward the Meeting Materials to OBOs under NI 54-101, and therefore the OBO will not receive the Meeting Materials unless the OBO's Intermediary assumes the cost of delivery. **In any event, OBOs should carefully follow the instructions of their Intermediaries and their service companies, as the case may be.**

OBOs who wish to change their vote must arrange for their respective Intermediaries to change their vote in sufficient time in advance of the Meeting.

Revocation of a Proxy or Voting Instruction

If you are a registered shareholder and have returned a form of proxy, you may revoke it by:

- (i) completing and signing another form of proxy bearing a later date, and delivering it to Computershare Investor Services Inc., Proxy Department at 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1 (Fax: +1-416-263-9524 or toll-free within North America 1-866-249-7775) by no later than 11:30 a.m. (Pacific Time) on Monday, June 19, 2017 or, if the Meeting is postponed or adjourned, at a time and on a day other than a Saturday, Sunday or holiday which is at least 24 hours before the time of such reconvened meeting.; or
- (ii) delivering a written statement signed by you (or by someone you have authorized properly to act on your behalf) stating that you wish to revoke your proxy to:
 - (a) the Corporate Secretary of Gabriel Resources Ltd. at the registered office of the Company (Suite 200 - 204 Lambert Street, Whitehorse, Yukon Y1A 1Z4, Canada) at any time up to and including 11:30 a.m. (Pacific Time) on the last business day prior to the Meeting, or the business day preceding the day to which the Meeting is adjourned; or
 - (b) to the Chairman of the Meeting prior to the commencement of the Meeting or any postponement or adjournment of the Meeting; or
- (iii) following any other procedure that is permitted by law.

If you are a non-registered shareholder and wish to revoke your VIF or proxy form, you should contact Computershare or your Intermediary (as described above).

Further Questions

If you have a question regarding the Meeting, please contact Computershare at 1-800-564-6253 (toll free within North America) or +1-514-982-7555 (international direct dial) or visit the website at www.computershare.com.

VOTING SECURITIES

Gabriel is authorized to issue an unlimited number of Shares and an unlimited number of preferred shares, issuable in series. On May 17, 2017, the Company had 384,452,780 Shares issued and outstanding.

The Shares trade on the Toronto Stock Exchange ("TSX") under the symbol "GBU".

PRINCIPAL HOLDERS OF VOTING SECURITIES

To the knowledge of the directors and officers of the Company, no person or company beneficially owns, or controls or directs, directly or indirectly, voting securities of the Company carrying 10% or more of the voting rights attached to any class of voting securities of the Company as of the date of this Circular, other than as set out below:

<i>Name and Address</i>	<i>Number of Shares</i>	<i>Percentage of Outstanding Shares⁽¹⁾</i>
Electrum⁽²⁾ 700 Madison Avenue, 5 th Floor, New York, NY 10065	60,510,739	15.7%
BSG Capital Markets PCC Limited⁽³⁾ Frances House, Sir William Place, St Peter Port, Guernsey, GY1 1GX	60,000,000	15.6%
The Baupost Group, LLC⁽⁴⁾ 10 St. James Avenue, Suite 1700, Boston, MA 02116	56,951,100	14.8%
Newmont Canada Limited⁽⁵⁾ Suite 1900, Box 2005, 20 Eglinton Avenue West, Toronto, Ontario, M4R 1K8	50,724,702	13.2%

Notes:

- (1) Percentage is based on 384,452,780 Shares issued and outstanding as at May 17, 2017.
- (2) According to a report filed on SEDAR under National Instrument 62-103 ("NI 62-103") on December 31, 2012, as part of an internal reorganization involving GRAT Holdings LLC ("GRAT"), which principally controls, amongst others, Electrum Strategic Holdings LLC ("ESH") and Electrum Global Holdings L.P. ("EGH"), EGH acquired ownership of 56,510,739 Shares of the 60,510,739 Shares held by ESH. Following the reorganization, EGH and ESH held 56,510,739 and 4,000,000 Shares, respectively, or 14.8% and 1%, respectively, of the issued and outstanding Shares, with the result being that GRAT had indirect control over 60,510,739 Shares, representing 15.7% of the issued and outstanding Shares.
- (3) According to a report filed on SEDAR under NI 62-103 on December 18, 2009, as amended to reflect the exercise of certain warrants in June 2011 granted to BSG Capital Markets PCC Limited pursuant to a private placement concluded in December 2009, BSG Capital Markets PCC Limited beneficially owned or exercised control or direction over the number of Shares indicated.
- (4) According to a notification provided to the Company in March 2016 and announced by the Company on May 3, 2016, The Baupost Group, LLC beneficially owned or exercised control or direction over the number of Shares indicated.
- (5) According to a report filed on SEDAR under NI 62-103 on June 4, 2008, Newmont Canada Limited beneficially owned or exercised control or direction over the number of Shares indicated.

PART II

BUSINESS OF THE MEETING

FINANCIAL STATEMENTS AND AUDITOR'S REPORT

The audited consolidated financial statements of the Company for the year ended December 31, 2016 ("**Financial Statements**") and the report of the auditor thereon will be placed before the Meeting. Approval of the shareholders is **not** required in relation to the Financial Statements.

ELECTION OF DIRECTORS

Number of Directors

The articles of the Company provide for the Board of Directors of the Company ("**Board**" or "**Board of Directors**") to consist of a minimum of three and a maximum of twenty-one directors.

Currently, the Board is comprised of nine directors. The Board has determined to put forward the existing nine directors of the Company, together with one further nominee for election as a new director, Ms. Janice Stairs. Accordingly, the nominees proposed for election as directors are:

Dag Cramer

David Kay

Walter Segsworth

Dr. Alfred Gusenbauer

Wayne Kirk

Janice Stairs

Jonathan Henry

William Natbony

Keith Hulley

David Peat

All of the proposed nominees, other than Ms. Stairs, are currently directors of Gabriel and, save for Mr. Kay, were elected to their present term as directors by the shareholders at the annual meeting of the Company held on June 28, 2016. Mr. Kay was appointed to the Board in July 2016. The term of office of each of the present directors expires at the close of the Meeting. For further information on the proposed nominees for election as directors, see "*Nominees for Election to the Board*" in Part III of this Circular.

Each nominee has confirmed his or her eligibility and willingness to serve as a director if elected and, in the opinion of the Board and management, the proposed nominees are qualified to act as directors of the Company. The term of office of each director is from the date of the meeting at which he or she is elected or appointed until the close of the next annual meeting of shareholders or until a successor is elected or appointed or such director resigns.

Management and the Board recommend that shareholders vote FOR the election of the named nominees.

Unless authority to do so is withheld, the persons named in the enclosed form of proxy intend to vote **FOR** the election of the proposed nominees. Management does not expect that any of the nominees will be unable to serve as a director but, if that should occur for any reason prior to the Meeting, the persons named in the enclosed form of proxy reserve the right to vote for another nominee at their discretion unless the form of proxy specifies the Shares are to be withheld from voting in the election of directors.

Majority Voting for Directors

The Board has adopted a policy requiring that any nominee for director who receives a greater number of votes "*withheld*" than votes "*for*" his or her election as a director shall submit his or her resignation to the Corporate Governance and Compensation Committee of the Board for consideration promptly following the Meeting. This policy applies only to uncontested elections, meaning elections where the number of nominees for directors is equal to the number of directors to be elected. The Corporate Governance and Compensation Committee shall consider the resignation and shall provide a recommendation to the Board.

The Board will consider the recommendation of the Corporate Governance and Compensation Committee and determine whether to accept the resignation within 90 days of the applicable Meeting. A news release will be issued by Gabriel announcing the Board's determination, a copy of which will be sent to the Toronto Stock Exchange. The Board will accept the resignation absent exceptional circumstances. If the Board does not accept the resignation, the news release will fully state the reasons for the decision. A director who tenders his or her resignation will not participate in any meetings to consider whether the resignation shall be accepted.

Shareholders should note that, as a result of the majority voting policy, a "withhold" vote is effectively the same as a vote against a director nominee in an uncontested election.

APPOINTMENT OF AUDITOR

Management and the Board propose that PricewaterhouseCoopers LLP ("PWC") be appointed as Gabriel's auditor until the close of the next annual meeting. It is also proposed that the remuneration to be paid to the auditor of the Company be fixed by the Board. PWC has been Gabriel's auditor for more than five years.

Fees payable to PWC in 2015 and 2016 are detailed below.

	<i>Year ended December 31, 2016 (\$)</i>	<i>Year ended December 31, 2015 (\$)</i>
Audit Fees⁽¹⁾	172,000	172,000
Audit-Related Fees⁽²⁾	75,000	65,000
Tax and Other Fees⁽³⁾	6,000	7,000
All Other Fees⁽⁴⁾	4,000	3,000
Total	<u>257,000</u>	<u>247,000</u>

Notes:

- (1) All services performed by PWC in connection with the review of annual audited consolidated financial statements of Gabriel, including services performed to comply with International Financial Reporting Standards.
- (2) All Audit-Related Fees were paid for professional services rendered by PWC for (i) review of the unaudited quarterly financial statements of Gabriel; (ii) review of annual financial statements of Gabriel's wholly or majority owned, offshore subsidiaries; (iii) internal control reviews; and (iv) such other services as may be designated by the Audit Committee from time to time as Audit Related Services.
- (3) All services performed by PWC which are not Audit Services or Audit Related Services including, without limitation: (i) services in connection with tax planning, compliance and advice; and (ii) such other services as may be designated by the Audit Committee from time to time as Tax and Other Services.
- (4) All other services performed by PWC.

The Audit Committee is responsible for the pre-approval of all audit, audit-related, tax related and other services provided by the Company's appointed external auditor.

The Board recommends that shareholders vote FOR the re-appointment of PWC as the Company's auditor.

Unless authority to do so is withheld, the persons named in the enclosed form of proxy intend to vote **FOR** this appointment.

OTHER BUSINESS

As of the date of this Circular, management does not intend to present any other business at the Meeting and is not aware of any amendment, variation or other matter expected to come before the Meeting. However, if any other matters are properly brought before the Meeting, it is the intention of the persons named in the enclosed form of proxy to vote on such matters in accordance with their best judgment.

PART III

NOMINEES FOR ELECTION TO THE BOARD

NOMINEES FOR ELECTION

The following tables set out, amongst other information, the name and biographical information of each nominee for election to the Board, including (i) present principal occupation; (ii) those principal occupations and public company directorships held during the past five years; and (iii) whether or not the nominee has been determined by the Board to be independent under Canadian securities laws. The tables also set out the number of Shares, deferred share units (“**DSUs**”), restricted share units (“**RSUs**”) (DSUs and RSUs are collectively referred to as “**Share-based awards**” in this Circular) and the number of outstanding incentive stock options (“**Options**”) held by the nominees for each of the last three financial years, and the reported accounting value of securities held as at December 31 in each of those respective financial years.

The information included within the tables is presented on the following basis of preparation:

- A. The Board is responsible for determining whether or not each director is independent. In determining independence, the Board took into consideration the definition of independence in National Instrument 58-101 - Disclosure of Corporate Governance Practices and in the TSX Company Manual. See the section entitled "*Independence of Board Members*" in Part VI of this Circular.
- B. Areas of expertise reflect the skills matrix self-assessment information set out under the section entitled "*Skills Matrix*" in Part VI of this Circular, and reflects a subset of the skills for each director.
- C. The information as to residence, age, principal occupation and number of Shares beneficially owned or over which control or direction is exercised, not being within the knowledge of Gabriel, has been provided by the respective nominee.
- D. For a description of the Company's policy on minimum ownership expectations of directors, see the section entitled "*Directors' Share Ownership Requirements*" in Part IV of this Circular.

Explanatory notes (1)-(8) referenced within the tables are set out at the end of the following tables in this Part III of the Circular.

Dag Cramer Age: 54 Mauritius Director since June 2012 Non-independent Areas of experience / expertise: <ul style="list-style-type: none">▪ Strategic leadership and management▪ Corporate finance▪ Financial literacy▪ Industry knowledge▪ Corporate governance▪ Government relations▪ European experience	Dag Cramer is the CEO of Norn Verdandi Limited, a company providing financial advisory services. Mr. Cramer worked for Anglo American PLC as a management trainee commencing in 1989 followed by three years as executive assistant to the Deputy Chairman and CFO. His subsequent senior roles within that group included responsibility for the group’s treasury operations as well as its investment activities and risk management activities after its listing in London.				
	Securities Held				
	As at December 31	Shares ⁽¹⁾	DSUs ⁽²⁾	Total Shares and DSUs held ⁽³⁾	Total Value of Shares and DSUs ⁽⁴⁾
	2016	nil	277,524	277,524	\$147,088
	2015	nil	256,000	256,000	\$35,840
	2014	nil	160,000	160,000	\$64,000
	As at December 31	Options and Value of Options ⁽⁵⁾		Total Value of Equity ⁽⁶⁾	
	2016	375,000	\$9,750	\$156,838	
	2015	300,000	nil	\$35,840	
	2014	225,000	nil	\$64,000	
	Gabriel Board and Board Committees			2016 Meeting Attendance ⁽⁷⁾	
	Board of Directors			7 of 9	78%
	2016 Annual Meeting Voting Results				
	Votes in Favour			Votes Withheld	
	223,673,038		99.95%	118,532	0.05%
	Current public company directorships ⁽⁸⁾			Current board committee memberships	
	None			None	
	Other public company directorships within the last five years			Other public company board committees	
	None			—	

Dr. Alfred Gusenbauer Age: 57 Austria Director since June 2010 Independent Areas of experience / expertise: <ul style="list-style-type: none"> ▪ Government / political experience ▪ Strategic leadership and management ▪ Environmental / sustainable development ▪ European experience ▪ Corporate governance 	Dr. Alfred Gusenbauer is the former Federal Chancellor of Austria and was a member of the European Council. Dr. Gusenbauer holds a PhD in political science from the University of Vienna. In addition to a long career in politics in Austria and Europe, he also works in academia as a Professor-at-Large at Brown University and is a Visiting Professor at the Institute for Global Law and Policy at Harvard University. Dr. Gusenbauer is currently the CEO of Gusenbauer Projektentwicklung and Beteiligung GmbH and Chairman of STRABAG SE, Signa Prime Selection AG and Cudos Capital AG.				
	Securities Held				
	As at December 31	Shares⁽¹⁾	DSUs⁽²⁾	Total Shares and DSUs held⁽³⁾	Total Value of Shares and DSUs⁽⁴⁾
	2016	nil	277,524	277,524	\$147,088
	2015	nil	256,000	256,000	\$35,840
	2014	nil	160,000	160,000	\$64,000
	As at December 31	Options and Value of Options⁽⁵⁾		Total Value of Equity⁽⁶⁾	
	2016	375,000	\$9,750	\$156,838	
	2015	350,000	nil	\$35,840	
	2014	475,000	nil	\$64,000	
	Gabriel Board and Board Committees			2016 Meeting Attendance⁽⁷⁾	
	Board of Directors			5 of 9	56%
	Corporate Governance Committee			2 of 4	50%
	Compensation Committee			1 of 1	100%
	2016 Annual Meeting Voting Results				
	Votes in Favour		Votes Withheld		
	223,705,838	99.96%	85,732	0.04%	
	Current public company directorships⁽¹⁰⁾			Current board committee memberships	
	STRABAG SE			Chairman of the Supervisory Board Audit Committee (chair)	
	Other public company directorships within the last five years			Other public company board committees	
	None			—	

<p>Jonathan Henry Age: 50 UK</p> <p>Director since June 2010</p> <p>Non-independent</p> <p>Areas of experience / expertise:</p> <ul style="list-style-type: none"> ▪ Strategic leadership and management ▪ Financial literacy ▪ Industry knowledge ▪ Mining, exploration and operations ▪ Corporate governance ▪ Environmental / sustainable development ▪ Human resources and executive compensation ▪ European experience 	Jonathan Henry is the President and Chief Executive Officer of Gabriel. Mr. Henry has over 20 years' experience in the mining industry, successfully executing on exploration, development, operational and M&A activities. Formerly, Mr. Henry was the CEO of Avocet Mining, a London listed gold mining company with assets in West Africa and formerly in South East Asia. Mr. Henry served as Avocet's Finance Director from 2002 until becoming the CEO in 2006, a position he held until May 31, 2010. Mr. Henry is also a non-executive director of Ormonde Mining plc, an AIM listed tungsten development company with assets in Spain, and a non-executive director of Ashanti Gold Corp., a TSX Venture-listed, gold-focused exploration and development company with projects in Ghana and Mali.			
	Securities Held			
	As at December 31	Shares⁽¹⁾	DSUs and RSUs⁽²⁾	Total Shares, DSUs and RSUs held⁽³⁾
	2016	25,000	422,243	447,243
	2015	25,000	476,040	501,040
	2014	25,000	491,452	516,452
	As at December 31	Options and Value of Options⁽⁵⁾		Total Value of Equity⁽⁶⁾
	2016	2,677,500	\$115,000	\$352,039
	2015	2,677,500	nil	\$70,146
	2014	4,769,167	nil	\$206,581
	Gabriel Board and Board Committees		2016 Meeting Attendance⁽⁷⁾	
	Board of Directors		9 of 9	100%
	2016 Annual Meeting Voting Results			
	Votes in Favour		Votes Withheld	
	223,752,000	99.98%	39,570	0.02%
	Current public company directorships⁽⁸⁾		Current board committee memberships	
	Ormonde Mining plc		Compensation Committee (chair)	
	Ashanti Gold Corp.		Audit Committee	
	Other public company directorships within the last five years		Other public company board committees	
	None		—	

Keith Hulley Age: 77 USA Director since February 2006 Independent Areas of experience / expertise: <ul style="list-style-type: none"> ▪ Strategic leadership and management ▪ Industry knowledge ▪ Mining, exploration and operations ▪ Corporate governance ▪ Environmental / sustainable development ▪ Human resources and executive compensation 	Keith Hulley is the current Chairman of the Board of Gabriel, is the former Interim CEO of Gabriel and has been a member of the Board since 2006. Previously, Mr Hulley served seven years successively as President, Chief Executive Officer and Executive Chairman of Apex Silver Mines before retiring in 2009. Mr. Hulley has more than 50 years of experience in the mining business which, in addition to the above, includes board and senior executive experience at Western Mining Holdings Limited Corp., and former directorships at Luna Gold Corp., Red Tiger Mining Inc. and Ecometals Limited.			
	Securities Held			
	As at December 31	Shares⁽¹⁾	DSUs⁽²⁾	Total Shares and DSUs held⁽³⁾
	2016	nil	291,873	291,873
	2015	nil	256,000	256,000
	2014	nil	160,000	160,000
	As at December 31	Options and Value of Options⁽⁵⁾		Total Value of Equity⁽⁶⁾
	2016	375,000	\$9,750	\$164,443
	2015	350,000	nil	\$35,840
	2014	325,000	nil	\$64,000
	Gabriel Board and Board Committees			2016 Meeting Attendance⁽⁷⁾
	Board of Directors (chair)			9 of 9 100%
	Audit Committee			2 of 2 100%
	2016 Annual Meeting Voting Results			
	Votes in Favour		Votes Withheld	
	223,701,418	99.96%	90,152	0.04%
	Current public company directorships⁽⁸⁾			Current board committee memberships
	None			—
	Other public company directorships within the last five years			Other public company board committees
	Century Mining Corp.			Interim President and CEO
	Luna Gold Corp.			Chairman of the Board Corporate Responsibility Committee
	Ecometals Limited			Audit Committee (chair)
	Red Tiger Mining Inc.			Audit Committee Operating Committee

<p>David Kay Age: 37 USA</p> <p>Director since July 2016</p> <p>Non-independent</p> <p>Areas of experience / expertise:</p> <ul style="list-style-type: none"> ▪ Strategic leadership and management ▪ Legal expertise ▪ Corporate governance ▪ Environmental / sustainable development ▪ Human resources and executive compensation 	<p>David Kay is a partner and the portfolio manager of the Tenor International & Commercial Arbitration Fund. Mr. Kay joined Tenor in October 2009. He served as a Senior Associate in the Restructuring and Recapitalization Group and Investment Banking at Jefferies & Company, where he was responsible for analyzing and facilitating corporate restructurings, with emphasis on advising corporate clients and their creditors in large, multifaceted transactions. Mr. Kay served at Akin Gump Strauss Hauer & Feld as an Attorney in the Financial Restructuring Group and focused on advising creditor's committees and bondholder committees in complex corporate restructurings, both out of court and in Chapter 11. He serves as the Chairman of the Board at Empower Energies, Inc. and has been a director of Crystallex International Corporation since June 25, 2012 and Eco Oro Minerals Corp since July 26, 2016. Mr. Kay graduated from the Fordham University School of Law with a J.D. with honors and from the University of Pennsylvania with a B.A.</p>			
	Securities Held			
	As at December 31	Shares⁽¹⁾	DSUs⁽²⁾	Total Shares and DSUs held⁽³⁾
	2016	nil	nil	nil
	2015	nil	nil	nil
	2014	nil	nil	nil
	As at December 31	Options and Value of Options⁽⁵⁾		Total Value of Equity⁽⁶⁾
	2016	nil	nil	nil
	2015	nil	nil	nil
	2014	nil	nil	nil
	Gabriel Board and Board Committees		2016 Meeting Attendance⁽⁷⁾	
	Board of Directors		3 of 3	100%
	2016 Annual Meeting Voting Results			
	Votes in Favour		Votes Withheld	
	N/A	N/A	N/A	N/A
	Current public company directorships⁽⁸⁾		Current board committee memberships	
	Eco Oro Minerals Corp		Compensation Committee	
	Crystallex International Corporation		—	
	Other public company directorships within the last five years		Other public company board committees	
	None		—	

Wayne Kirk Age: 73 USA Director since June 2008 Independent Areas of experience / expertise: <ul style="list-style-type: none"> ▪ Legal expertise ▪ Corporate governance ▪ Human resources and executive compensation ▪ Financial literacy ▪ Industry knowledge 	Wayne Kirk has over 35 years of experience as a corporate attorney, including nine years' experience as Vice President, General Counsel and Corporate Secretary of Homestake Mining Company, and over 12 years of experience as a director of publicly held companies. Mr. Kirk is also a director and Chairman of the Corporate Governance and Nominating Committee of Wellgreen Platinum Ltd. and a director and Chairman of the Corporate Governance and Nominating Committee and Compensation Committee of Electrum Ltd., a privately-held gold exploration company, and a director and Chairman of the Compensation and Nominating Committee of Sunshine Silver Mining & Refining Corporation, a privately held silver exploration and development company. Mr. Kirk holds a law degree from Harvard University and has been a member of the California Bar since 1969.			
	Securities Held			
	As at December 31	Shares⁽¹⁾	DSUs⁽²⁾	Total Shares and DSUs held⁽³⁾
	2016	45,603	282,698	328,301
	2015	45,603	256,000	301,603
	2014	45,603	160,000	205,603
	As at December 31	Options and Value of Options⁽⁵⁾		Total Value of Equity⁽⁶⁾
	2016	375,000	\$9,750	\$183,750
	2015	350,000	nil	\$42,224
	2014	325,000	nil	\$82,241
	Gabriel Board and Board Committees			2016 Meeting Attendance⁽⁷⁾
	Board of Directors			9 of 9 100%
	Corporate Governance Committee (chair)			4 of 4 100%
	Audit Committee			4 of 4 100%
	2016 Annual Meeting Voting Results			
	Votes in Favour		Votes Withheld	
	223,743,230	99.98%	48,340	0.02%
	Current public company directorships⁽⁸⁾			Current board committee memberships
	Wellgreen Platinum Ltd.			Corporate Governance & Nominating Committee (chair) Audit Committee
	Other public company directorships within the last five years			Other public company board committees
	Taseko Mines Limited			Nominating and Governance Committee (chair) Audit Committee Investment Committee
	Luna Gold Corp.			Compensation and Corporate Governance Committee (chair) Audit Committee
	Northern Dynasty Minerals Ltd.			Nominating and Governance Committee (chair) Audit Committee

<p>William Natbony Age: 66 USA</p> <p>Director since June 2016</p> <p>Independent</p> <p>Areas of experience / expertise:</p> <ul style="list-style-type: none"> ▪ Strategic leadership and management ▪ Legal expertise ▪ Corporate governance ▪ Environmental / sustainable development ▪ Human resources and executive compensation 	<p>William Natbony is the former CEO and Executive Chairman of Tigris Group Inc., a diversified family office focused on natural resource investments. Prior to joining Tigris, Mr. Natbony was a senior partner at the international law firm of Katten Muchin Rosenman LLP and was listed in Leading Lawyers in America, New York Super Lawyers and Best Lawyers in America. Mr. Natbony currently holds directorships at Electrum Ltd., a privately-held gold exploration company, Sunshine Silver Mining & Refining Corporation, a privately-held silver exploration and development company, and Panthera Corp. and the Orianne Society, charities that support wildlife conservation. Mr. Natbony holds a J.D. and an LL.M. (in Taxation) from New York University and has been a member of the New York Bar since 1976.</p>			
	Securities Held			
	As at December 31	Shares⁽¹⁾	DSUs⁽²⁾	Total Shares and DSUs held⁽³⁾
	2016	nil	80,000	80,000
	2015	nil	nil	nil
	2014	nil	nil	nil
	As at December 31	Options and Value of Options⁽⁵⁾		Total Value of Equity⁽⁶⁾
	2016	144,307	\$1,159	\$43,559
	2015	nil	nil	nil
	2014	nil	nil	nil
	Gabriel Board and Board Committees		2016 Meeting Attendance⁽⁷⁾	
	Board of Directors		4 of 4	100%
	Audit Committee		2 of 2	100%
	2016 Annual Meeting Voting Results			
	Votes in Favour		Votes Withheld	
	223,698,068	99.96%	93,502	0.04%
	Current public company directorships⁽⁸⁾		Current board committee memberships	
	None		—	
	Other public company directorships within the last five years		Other public company board committees	
	None		—	

<p>David Peat Age: 64 USA</p> <p>Director since June 2010</p> <p>Independent</p> <p>Areas of experience / expertise:</p> <ul style="list-style-type: none"> Financial expertise Corporate governance Human resources and executive compensation Industry knowledge 	<p>David Peat has over 30 years of experience in financial leadership in support of mining companies. He is a director and Chairman of the Audit Committee of Electrum Special Acquisition Corporation, and a director and Chairman of the Audit Committee of Sunshine Silver Mining & Refining Corporation, a privately held silver exploration and development company. Mr. Peat was Vice President and Chief Financial Officer of Frontera Copper Corporation from 2006 through 2009, Vice President and Global Controller of Newmont Mining Corporation from 2002 through 2004, and Vice President of Finance and Chief Financial Officer of Homestake Mining Company from 1999 through 2002. Mr. Peat received a Bachelor of Commerce, Honours in Business Administration from the University of Windsor in 1976 and a Bachelor of Arts, Economics from the University of Western Ontario in 1975. Mr. Peat has been a member of the Chartered Professional Accountants of Ontario (formerly known as the Institute of Chartered Accountants of Ontario) since 1978.</p>			
	Securities Held			
	As at December 31	Shares⁽¹⁾	DSUs⁽²⁾	Total Shares and DSUs held⁽³⁾
	2016	nil	284,315	284,315
	2015	nil	256,000	256,000
	2014	nil	160,000	160,000
	As at December 31	Options and Value of Options⁽⁵⁾		Total Value of Equity⁽⁶⁾
	2016	375,000	\$9,750	\$160,437
	2015	450,000	nil	\$35,840
	2014	575,000	nil	\$64,000
	Gabriel Board and Board Committees		2016 Meeting Attendance⁽⁷⁾	
	Board of Directors		9 of 9	100%
	Audit Committee (chair)		4 of 4	100%
	Compensation Committee		1 of 1	100%
	2016 Annual Meeting Voting Results			
	Votes in Favour		Votes Withheld	
	223,699,418	99.96%	92,152	0.04%
	Current public company directorships⁽⁸⁾		Current board committee memberships	
	Electrum Special Acquisition Corporation		Audit Committee (chair)	
	Other public company directorships within the last five years		Other public company board committees	
	Brigus Gold Corporation		Audit Committee (chair)	
	Fortune Bay Corp.		Audit Committee (chair)	
	AQM Copper Inc.		Audit Committee (chair)	

<p>Walter Segsworth Age: 68 Canada</p> <p>Director since June 2010</p> <p>Independent</p> <p>Areas of experience / expertise:</p> <ul style="list-style-type: none"> ▪ Mining, exploration and operations ▪ Industry knowledge ▪ Strategic leadership and management ▪ Environmental / sustainable development ▪ Corporate governance ▪ Human resources and executive compensation 	<p>Walter Segsworth has over 40 years of experience in mining in Canada and overseas and has served as a senior officer of several mining companies including Westmin Resources, where he was President and CEO, and Homestake Mining Company, where he was President and COO. Mr. Segsworth is currently lead independent director of Pan American Silver, and a director of Sabina Gold & Silver Corporation and Happy Creek Minerals Ltd. Mr. Segsworth is past Chairman of both the Mining Associations of British Columbia (BC) and Canada and was named BC's Mining Person of the year in 1996. He received his bachelor of science in mining engineering from Michigan Technological University.</p>			
	Securities Held			
	As at December 31	Shares⁽¹⁾	DSUs⁽²⁾	Total Shares and DSUs held⁽³⁾
	2016	5,000	352,273	357,273
	2015	5,000	352,273	357,273
	2014	5,000	247,520	252,520
	As at December 31	Options and Value of Options⁽⁵⁾		Total Value of Equity⁽⁶⁾
	2016	444,307	\$10,909	\$200,264
	2015	350,000	nil	\$50,018
	2014	475,000	nil	\$101,008
	Gabriel Board and Board Committees		2016 Meeting Attendance⁽⁷⁾	
	Board of Directors		9 of 9	100%
	Compensation Committee (chair)		1 of 1	100%
	Corporate Governance Committee		3 of 3	100%
	2016 Annual Meeting Voting Results			
	Votes in Favour		Votes Withheld	
	223,745,230	99.98%	46,340	0.02%
	Current public company directorships⁽⁸⁾		Current board committee memberships	
	Pan American Silver Corp.		Lead Independent Director Human Resources and Compensation Committee (chair) Health, Safety and Environment Committee	
	Sabina Gold & Silver Corporation		Compensation Committee (chair) Technical Committee	
	Happy Creek Minerals Ltd.		Chairman	
	Other public company directorships within the last five years		Other public company board committees	
	Alterra Power Corp.		Lead Independent Director Compensation Committee (chair)	
	Heatherdale Resources Ltd.		Audit Committee	
	NovaCopper Inc.		Technical Committee (chair) Corporate Communication Committee	
	Roxgold Inc.		Compensation Committee Technical Committee	
	Taung Gold International Limited		Technical Committee (chair) Audit Committee Compensation Committee	

<p>Janice Stairs Age: 57 Canada</p> <p>Ms. Stairs is not currently a director of Gabriel.</p> <p>Independent</p> <p>Areas of experience / expertise:</p> <ul style="list-style-type: none"> ▪ Strategic leadership and management ▪ Legal expertise ▪ Corporate governance ▪ Industry Knowledge ▪ Human resources and executive compensation 	<p>Janice Stairs has over 25 years' experience working with companies involved in the resource sector. Ms. Stairs is currently General Counsel to Namibia Rare Earths Inc., a TSX listed explorer focused in Namibia. Prior to joining Namibia Rare Earths in September 2011, Ms. Stairs was General Counsel to Endeavour Mining Corporation, a position she assumed in September 2010 after Endeavour acquired Etruscan Resources Inc. where Ms. Stairs had held the positions of Vice President and General Counsel since 2004. Prior to 2004, Ms. Stairs was a partner with the law firm of McInnes Cooper (formerly Patterson Palmer) located in Halifax, Nova Scotia and she continues to act as counsel to the firm. Ms. Stairs practiced law in private practice for almost 20 years specializing in corporate finance, securities and resource-related issues for private and public companies. Ms. Stairs is a director of Trilogy Metals Inc. (formerly NovaCopper Inc.) (TSX; NYSE-TMQ) where she Chairs the Corporate Governance Committee and sits on the Compensation Committee. Ms. Stairs is a director of AuRico Metals Inc. (TSX;AMI) where she chairs the Nomination, Compensation and Corporate Governance Committee.. Ms. Stairs holds a law degree from Dalhousie University and a Masters in Business Administration from Queens University both in Canada.</p>			
	Securities Held			
	As at December 31	Shares⁽¹⁾	DSUs⁽²⁾	Total Shares and DSUs held⁽³⁾
	2016	nil	nil	nil
	2015	nil	nil	nil
	2014	nil	nil	nil
	As at December 31	Options and Value of Options⁽⁵⁾		Total Value of Equity⁽⁶⁾
	2016	nil	nil	nil
	2015	nil	nil	nil
	2014	nil	nil	nil
	Gabriel Board and Board Committees		2016 Meeting Attendance⁽⁷⁾	
	Board of Directors		N/A	N/A
	2016 Annual Meeting Voting Results			
	Votes in Favour		Votes Withheld	
	N/A	N/A	N/A	N/A
	Current public company directorships⁽⁸⁾		Current board committee memberships	
	Trilogy Metals Inc.		Compensation Committee Corporate Governance Committee (Chair)	
	AuRico Metals Inc.		Nomination, Compensation and Corporate Governance Committee (Chair)	
	Other public company directorships within the last five years		Other public company board committees	
	AuRico Gold Inc.		Nomination and Corporate Governance Committee	

Notes:

- (1) Common shareholdings include the number of Shares, excluding fractional amounts, beneficially owned, or controlled or directed, directly or indirectly, by the director as at December 31 of the year reported. As at May 17, 2017, there had been no other changes to the share ownership of the directors from December 31, 2016.
- (2) The numbers in this column reflect the DSUs granted to the directors and, in the case of Mr. Henry, also reflect RSUs held by Mr. Henry, being nil RSUs in 2016, 53,797 RSUs in 2015 and 107,595 RSUs in 2014. DSUs and RSUs are not voting securities but are included in this table for information purposes and refer to the number of DSUs and RSUs for each director, excluding fractional amounts, as at December 31 of the year reported. All DSUs were granted pursuant to the deferred share unit plan ("DSU Plan") and all RSUs were granted pursuant to the restricted share unit plan ("RSU Plan"). See the section entitled "Individual Director Compensation" in Part IV of this Circular and the section entitled "Summary of Equity Compensation Plans" in Part B of Appendix II of this Circular. Effective from July 1, 2016, directors receive 50% of their directors' fees in DSUs (or can elect to take that proportion in Options) and have the right to elect to receive additional parts or all of their fees in DSUs and/or Options. An aggregate of 72,625 DSUs were issued on January 4, 2017 at a value of \$0.50 per DSU. The tables above include the January 4, 2017 DSU grants within the 2016 year as they relate to services provided in the fourth quarter of 2016.
- (3) Total number of Shares, DSUs, and, in the case of Mr. Henry, RSUs, excluding fractional amounts, as at December 31 of the year reported.
- (4) Total value reflects the number of Shares, DSUs, and also in the case of Mr. Henry, RSUs held by the director as at December 31 of the year reported multiplied by the closing price on the TSX of a Share on December 31 of the year reported (December 31, 2016 (\$0.53) December 31, 2015 (\$0.14) and December 31, 2014 (\$0.40)).
- (5) Directors' Options are not voting securities but have been included in this table for information purposes. The number of Options for each director is as at December 31 of the year reported. The value of Options for a year reported reflects the 'in-the-money' amount (the difference between the closing price on the TSX of a Share on December 31 for the year reported (December 31, 2016 (\$0.53), December 31, 2015 (\$0.14) and December 31, 2014 (\$0.40)) and the exercise price of the option) of the Options held as at December 31 of the year reported. On January 4, 2017 those directors who have opted to receive 100% of their fees in Options were granted Options in lieu of fourth quarter 2016 directors' fees. An aggregate of 77,280 Options were issued at an exercise price of \$0.50 per Option and are included in the tables above as they relate to services provided in the fourth quarter of 2016.
- (6) Total value reflects the value of all Shares, DSUs, RSUs and Options held as at December 31 of the year reported calculated in accordance with footnotes (4) and (5).
- (7) The tables set out the attendance record of each nominee for election to the Board at meetings of the Board or its Committees during 2016. In circumstances when the director ceased to be a member of a particular Committee during the year or joined the Committee during the year, the attendance record is determined only with respect to the number of meetings held during his or her tenure. Mr. Hulley, as Non-Executive Chairman of the Board, attends all Committee meetings on a non-compensated basis. Mr. Henry also attends all Committee meetings on a non-compensated basis. See also the sections entitled "Meetings of the Board and Committees of the Board" and "Committees of the Board" in Part VI of this Circular.
- (8) The information in respect of "Current public company directorships" reflects positions held by the directors on the boards of other publicly traded companies in Canada (or the equivalent in jurisdictions outside of Canada).

CEASE TRADE ORDERS, BANKRUPTCIES, PENALTIES AND SANCTIONS

General

To Gabriel's knowledge and except as disclosed below, no nominee for director is or has been in the last ten (10) years a director, chief executive officer or chief financial officer of any company that: (a) was subject to an order that was issued while the nominee was acting in that capacity, or (b) was subject to an order that was issued after the nominee ceased to act in that capacity and which resulted from an event that occurred while that person was acting in that capacity. For the purposes of the foregoing, "order" means (i) a cease trade order, (ii) an order similar to a cease trade order, or (iii) an order that denied the relevant company access to any exemption under securities legislation, which was in effect for a period of more than 30 consecutive days

To Gabriel's knowledge and except as disclosed below, no nominee for director: (a) is or has been in the last ten (10) years a director or executive officer of any company that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, or (b) has in the last ten (10) years become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

Specific disclosures

Mr. Hulley, the Chairman of the Board, was a director and Chairman of Apex Silver Mines Limited (“**Apex**”) from October 2004 until March 2009, and on January 12, 2009 Apex filed a voluntary petition for reorganization relief under the United States Bankruptcy Code. On March 24, 2009 the Joint Plan of Reorganization filed by Apex and its wholly owned subsidiary became effective and Apex emerged from its reorganization proceedings.

On May 12, 2010, Century Mining Corp. (“**CMC**”) (TSX-V: CMM), of which Mr. Hulley was a director until January 3, 2011, was issued with a cease trade order (“**CTO**”) as a consequence of failing to file its audited financial statements for the year ended December 31, 2009 within the time periods prescribed by applicable securities laws. CMC’s audited financial statements for the year ended December 31, 2009 were subsequently filed and trading of CMC shares resumed on May 25, 2010.

Mr. Hulley was a director of Ecometals Limited (“**Ecometals**”), a company formerly listed on the TSX Venture Exchange, which was operating under a CTO, issued by the British Columbia Securities Commission on October 2, 2013. The CTO was issued against Ecometals for failing to file its audited financial statements for the year ended March 31, 2013 and subsequent financial statements, due to insufficient funds to commission its external auditors.

Mr. Kirk was a director of Great Basin Gold Ltd. (“**GBG**”) until he resigned such directorship in January 2012. In September, 2012, GBG filed for creditor protection under the Companies’ Creditors Arrangement Act in Canada. GBG’s principal South African subsidiary, Southgold Exploration (Pty) Ltd., also filed for protection under the South African Companies Act business rescue procedures. GBG’s subsidiary Rodeo Creek Gold Inc., and certain of its affiliates, entered US Bankruptcy Code Chapter 11 restructuring proceedings in Nevada in February 2013. GBG subsequently delisted its securities from the TSX, Johannesburg Stock Exchange and NYSE MKT.

Mr. Kay has been a director of Crystallex International Corporation (“**Crystallex**”), a company formerly listed on the TSX and the NYSE AMEX, since June 2012. On December 23, 2011, Crystallex voluntarily applied for and obtained an order (“**Initial Order**”) from the Ontario Superior Court of Justice (Commercial List) granting protection under the Companies’ Creditors Arrangement Act (CCAA). Crystallex sought protection under the CCAA as it was unable to pay \$100,000,000 of senior unsecured notes which became due on December 23, 2011. On December 28, 2011, Crystallex obtained an order under Chapter 15 of the United States Bankruptcy Code from the United States Bankruptcy Court for the District of Delaware. The Initial Order provided for a general stay of proceedings for an initial period of 30 days and has been subsequently extended several times.

On April 13, 2012, the Ontario Securities Commission issued a CTO against Crystallex under National Policy 12-203 for failing to file its audited financial statements and other annual disclosure documents by March 30, 2012 as required by Canadian securities laws in respect of Crystallex’s financial year ended December 31, 2011.

On December 12, 2012, the Division of Enforcement of the U.S. Securities and Exchange Commission (the “**SEC**”) advised Crystallex that it was reviewing the Crystallex’s registration in view of the Crystallex’s failure to comply with the timelines for certain of its filings under the Securities Exchange Act of 1934 (“**Securities Exchange Act**”). Crystallex subsequently reached a settlement with the SEC on May 1, 2013 consenting to the revocation of its registration under the Securities Exchange Act.

PART IV

DIRECTOR COMPENSATION FOR 2016

OBJECTIVES OF DIRECTOR COMPENSATION

The main objective of Gabriel's director compensation program is to attract and retain directors with a broad range of skills and knowledge relevant to the Company's operations, and the ability to successfully carry out the Board's mandate. Directors are required to devote significant time and energy to the performance of their duties, including preparing for and attending Board meetings, participating on committees and ensuring that they stay informed about the Company's business and trends, the countries in which it operates, developments affecting the global mining industry and more recently trends in international arbitration, as well as their legal and regulatory obligations as stewards of a publicly traded company on the TSX. In order to attract and retain directors who meet these expectations, the Board believes that it must offer a competitive compensation package

The Compensation Committee was merged with the Corporate Governance Committee from July 1, 2016 and meets as necessary in order to review and receive a recommendation from its Chairman and, as deemed necessary, compensation consultants with regard to the adequacy and form of directors' compensation.

DIRECTOR COMPENSATION STRUCTURE

Total compensation for non-executive directors, being those directors other than the President and CEO, ("**non-executive directors**") consists of annual retainers, payable quarterly in arrears, an annual equity award provided in the form of Options and, in respect of the Audit Committee, meeting fees. Mr. Kay has elected not to receive compensation for his services as a director.

Annual Retainers and Meeting Fees

The following table shows the annual retainer and meeting fees payable to the non-executive directors for the year ended December 31, 2016:

<i>Type of Service</i>	<i>Director Designation⁽¹⁾</i>	<i>Annual Retainer (\$)</i>	<i>Meeting Fee (\$)</i>
Chairman of the Board	Non-Executive	95,000	—
Member of the Board	Non-Executive	54,000	—
Chairman of the Audit Committee	Non-Executive	11,250	—
Members of the Audit Committee ⁽²⁾	Non-Executive	—	875
Chairman of the Compensation Committee ⁽³⁾	Non-Executive	3,750	—
Chairman of the Corporate Governance Committee ⁽³⁾	Non-Executive	6,250	—

Notes:

- (1) During the year ended December 31, 2016, all directors were considered non-executive directors, except Mr Henry who served as President and CEO of Gabriel. Mr. Henry does not receive compensation related to his activities as a director, as he receives compensation as President and CEO of Gabriel (see "*Compensation Discussion and Analysis – Compensation of Named Executive Officers*" in Part V).
- (2) The meeting fee payable to members of the Audit Committee is only payable in respect of the four scheduled meetings of the Audit Committee in each year.
- (3) With effect from July 1, 2016, the Compensation and Corporate Governance Committees have merged.
- (4) In 2015 and the first half of 2016 no meetings of the Finance or Technical Committees of the Board were deemed necessary. Accordingly, with effect from July 1, 2016, the Finance and Technical Committees were disbanded.

With effect from July 1, 2016, in consideration of measures necessary to reduce the cost base of the Company, the Board resolved to combine the Corporate Governance and Compensation Committees and reduce the annual retainers and meeting fees due to non-executive directors as follows:

- Chairman of the Board from \$110,000 to \$80,000
- Member of the Board from \$60,000 to \$48,000
- Chairman of the Audit Committee from \$15,000 to \$7,500
- Chairman of the Corporate Governance and Compensation Committee from \$7,500 to \$5,000
- Audit Committee Meeting fees from \$1,000 to \$750 per meeting.

In addition, also with effect from July 1, 2016, the Board resolved that non-executive directors are required to receive at least fifty per cent of their director fees payable in DSUs or Options. Non-executive directors are entitled to elect to receive up to 100% of their annual retainers and meeting fees in DSUs or Options in lieu of cash. Certain non-executive directors have elected to receive all of their director fees payable in Options.

Non-Executive Directors' Equity Awards

Share-based Awards

In March 2014, following a decision to enhance equity ownership at Board level, the Board instituted a policy pursuant to which appointed non-executive directors received 80,000 DSUs as additional compensation further to the conclusions of an independent benchmarking report on Chairman's and non-executive director's compensation compared to the Company's peers.

In December 2014, the Board determined that as of January 2, 2015, a further award of 80,000 DSUs to each non-executive director should be made on that date and annually thereafter in order to maintain compensation at a level needed to achieve the Board's goals to attract and maintain the highest quality non-executive directors. No vesting conditions are attached to such DSUs, however DSUs can only be redeemed after termination of service on the Board.

On June 28, 2016 the Board determined to discontinue the policy of annual award of DSUs, but also determined to grant a one-time award of 80,000 DSUs to newly appointed directors thereafter. Following his appointment in June 2016, on August 12, 2016 Mr. Natbony was granted 80,000 DSUs. Mr. Kay waived his right to DSUs on appointment to the Board in July 2016.

Option-based Awards

As of June 21, 2012, the Board adopted a policy pursuant to which directors would be entitled to receive an annual award of 75,000 Options immediately following the annual meeting of shareholders of the Company, with such Options issued before 2016 vesting on a 1/36th per month schedule and those issued in 2016 and thereafter vesting in equal annual instalments on the first, second and third anniversaries of the grant date, with an exercise price based on the volume weighted closing share price on the TSX for the five trading days prior to the date of grant. Mr. Kay waived his right to Options on appointment to the Board in July 2016.

INDIVIDUAL NON-EXECUTIVE DIRECTOR COMPENSATION

Non-Executive Director Compensation Table

The following table provides information on the total compensation paid to the non-executive directors for the year ended December 31, 2016:

<i>Name</i>	<i>Fees earned⁽¹⁾ (\$)</i>	<i>Share- based awards⁽²⁾ (\$)</i>	<i>Option- based awards⁽³⁾ (\$)</i>	<i>Non-equity incentive plan compensation (\$)</i>	<i>Pension value (\$)</i>	<i>All other compensation (\$)</i>	<i>Total (\$)</i>
Keith Hulley	80,750	20,000	37,519	—	n/a	—	138,269
Dag Cramer	42,000	12,000	37,519	—	n/a	—	91,519
Dr. Alfred Gusenbauer	42,000	12,000	37,519	—	n/a	—	91,519
David Kay ⁽⁴⁾	—	—	—	—	—	—	—
Wayne Kirk	49,750	15,000	37,519	—	n/a	—	102,269
Igor Levental ⁽⁴⁾	33,750	—	—	—	n/a	—	33,750
William Natbony ^{(4) (5)}	—	50,400	67,451	—	n/a	—	117,851
David Peat	54,125	15,938	37,519	—	n/a	—	107,582
Walter Segsworth ⁽⁵⁾	33,750	—	67,451	—	n/a	—	101,201
Total compensation	336,125	125,338	322,497	—	n/a	—	783,960

Notes:

- (1) Total cash fees earned by all members of the Board for annual retainers, meeting fees, and committee chair fees totalled \$336,125 for the financial year ended December 31, 2016 (2015: \$527,000).
- (2) As per compensation policies set by the Board, William Natbony was granted 80,000 DSUs upon joining the board in June 2016. The value shown of Share-based awards in his name during the year represents this one-time grant. The remaining Share-based awards represent the DSUs issued to other non-executive directors in lieu of 50% of board fees from July 1, 2016.
- (3) As per compensation policies set by the Board, incumbent non-executive directors re-elected to the Board are granted 75,000 Options issuable after each annual general meeting of shareholders pursuant to the incentive stock option plan (“**Option Plan**”). The grant date fair value is an estimate calculated using the Black-Scholes option pricing model. The Company selected the Black-Scholes model given its prevalence of use within North America. The key assumptions used under the Black-Scholes model that were used for the Option awards in the table above were as follows: (i) Risk-free interest rate: 0.7%, (ii) Weighted average expected option life: 6.0 years, (iii) Expected volatility: 97%, and (iv) Dividend yield: 0%. The remaining Option-based awards represent the Options issued to certain non-executive directors in lieu of board fees from July 1, 2016.
- (4) Mr. Kay was appointed to the Board on July 29, 2016 and waived his right to DSUs, Options and director’s fees on appointment. Mr. Natbony was appointed, and Mr. Levental stood down, as a director with effect from June 28, 2016, the date of the 2016 annual meeting of the Company.
- (5) Subsequent to June 2016, Messrs. Natbony and Segsworth elected to take 100% of their annual retainers for being members of the Board in the form of Options.

DIRECTORS' INCENTIVE PLAN AWARDS

Incentive Plan Awards - Outstanding Option-based and Share-based Awards

The following table provides certain information about Option-based awards and Share-based awards (DSUs) outstanding for each non-executive director as of December 31, 2016.

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying options	Option Exercise Price (\$)	Option expiration date	Value of unexercised in-the-money options ⁽¹⁾ (\$)	Number of DSUs that have not vested ⁽²⁾	Market or payout value of Share-based awards that have not Vested ⁽³⁾ (\$)	Market or payout value of vested Share-based awards not paid out or distributed ⁽³⁾ (\$)
Keith Hulley	75,000	0.65	11-Aug-26	—	20,000	10,600	144,093
	75,000	0.40	10-Aug-25	9,750			
	75,000	0.82	27-Sep-18	—			
	75,000	0.95	18-Jun-19	—			
	75,000	1.92	21-Jun-17	—			
Dag Cramer	75,000	0.65	11-Aug-26	—	12,000	6,360	140,728
	75,000	0.40	10-Aug-25	9,750			
	75,000	0.82	27-Sep-18	—			
	75,000	0.95	18-Jun-19	—			
	75,000	1.92	21-Jun-17	—			
Dr. Alfred Gusenbauer	75,000	0.65	11-Aug-26	—	12,000	6,360	140,728
	75,000	0.40	10-Aug-25	9,750			
	75,000	0.82	27-Sep-18	—			
	75,000	0.95	18-Jun-19	—			
	75,000	1.92	21-Jun-17	—			
Wayne Kirk	75,000	0.65	11-Aug-26	—	14,000	7,420	142,410
	75,000	0.40	10-Aug-25	9,750			
	75,000	0.82	27-Sep-18	—			
	75,000	0.95	18-Jun-19	—			
	75,000	1.92	21-Jun-17	—			
David Peat	75,000	0.65	11-Aug-26	—	14,625	7,751	142,936
	75,000	0.40	10-Aug-25	9,750			
	75,000	0.82	27-Sep-18	—			
	75,000	0.95	18-Jun-19	—			
	75,000	1.92	21-Jun-17	—			
Walter Segsworth	38,640	0.50	4-Jan-27	1,159			186,705
	30,667	0.63	03-Oct-26	—			
	75,000	0.65	11-Aug-26	—			
	75,000	0.40	10-Aug-25	9,750			
	75,000	0.82	27-Sep-18	—			
	75,000	0.95	18-Jun-19	—			
	75,000	1.92	21-Jun-17	—			
William Natbony	38,640	0.50	4-Jan-27	1,159			42,400
	30,667	0.63	03-Oct-26	—			
	75,000	0.65	11-Aug-26	—			
David Kay	—	—	—	—			

Notes:

- (1) The values expressed in this column are based on the difference between the market value of the securities underlying the instruments at December 31, 2016, being \$0.53, and the exercise price of the Option. Options issued on January 4, 2017 are included in this table as they relate to compensation for services during 2016.
- (2) Pursuant to the terms of the DSU Plan and individual grants, all DSUs vest upon the date of grant but only become redeemable upon a non-executive director ceasing to hold the position as a director of Gabriel. Those DSUs granted on January 4, 2017 vested on the date of grant, but have been included in this table as unvested at December 31, 2016 as they relate to compensation for services during 2016. (3) The values expressed in this column are based on the market value of the securities underlying the instruments as at December 31, 2016, being \$0.53.

Incentive Plan Awards - Value Vested or Earned during the Year

The following table provides information regarding the value vested or earned of Option-based awards and Share-based awards (DSUs) for each non-executive director for the financial year ended December 31, 2016.

<i>Name</i>	<i>Option-based awards – Value vested during the year⁽¹⁾</i> (<i>\$</i>)	<i>Share-based awards – Value vested during the year⁽²⁾</i> (<i>\$</i>)	<i>Non-equity incentive plan compensation – Value earned during the year</i> (<i>\$</i>)	<i>Total value vested/earned during the year</i> (<i>\$</i>)
Keith Hulley	2,229	21,200	—	23,429
Dag Cramer	2,229	17,200	—	19,429
Dr. Alfred Gusenbauer	2,229	17,200	—	19,429
Wayne Kirk	2,229	19,200	—	21,429
Igor Levental	—	—	—	—
David Peat	2,229	19,825	—	22,054
Walter Segsworth	2,229	11,200	—	13,429
William Natbony	—	50,400	—	—
David Kay	—	—	—	—

Notes:

- (1) Option-based awards – Value vested during the year represents the aggregate dollar value that would have been realized in 2016 if Options had been exercised on the applicable vesting date. The value was determined by calculating the difference between the closing price on the TSX, in Canadian dollars, of the Shares underlying the Options on the vesting date and the exercise price of the Options times the number of Options vested.
- (2) Share-based awards – Value vested during the year represents the value of DSUs issued during the year as of the grant date. The redemption price for DSUs is nil, hence the value vested during the year represents the market price of the underlying securities upon date of grant of the DSUs. The DSUs granted on January 5, 2016 are included in this table as, although the DSUs were granted for services provided prior to the grant date, they vested in 2016. The value vested of DSUs granted on January 4, 2017, which were for services provided during the year ended December 31, 2016, are not included in this table as they did not vest until the grant date.

DIRECTORS' SHARE OWNERSHIP REQUIREMENTS

As described in Part VI of this Circular, the Board has not established guidelines with respect to minimum share ownership requirements by directors of the Company.

INDEBTEDNESS OF DIRECTORS, EXECUTIVE OFFICERS AND SENIOR OFFICERS

None of the directors, executive officers or senior officers of Gabriel, persons who served as directors, executive officers or senior officers at any time during 2016, or their respective associates, were at any time during the year indebted to Gabriel or its subsidiaries, either in connection with the purchase of Gabriel securities or otherwise.

PART V

COMPENSATION DISCUSSION AND ANALYSIS

COMPENSATION PHILOSOPHY AND OBJECTIVES

Introduction

Gabriel is a Canadian company listed on the TSX which for the past eighteen years has been principally focused on the exploration and development of the Roşia Montană gold and silver project in Romania (the “**Roşia Montană Project**” or the “**Project**”). The Project, one of the largest undeveloped gold deposits in Europe, is situated in an area known as the Golden Quadrilateral 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 concession License for the Project (“**License**”) is held by Roşia Montană Gold Corporation S.A. (“**RMGC**”), 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 1999, RMGC, along with Gabriel and its subsidiary companies, focused substantially all of their management and financial resources on identifying and defining the size of the four ore bodies, engineering to design the size and scope of the Project, surface rights acquisitions, rescue archaeology and environmental assessment and permitting. 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 recognised globally, Romania has blocked and prevented implementation of the Project without due process and without compensation, effectively depriving the Gabriel and its subsidiary companies (“**Gabriel Group**”) entirely of the value of its investments.

On July 21, 2015, the Company and its wholly-owned subsidiary, Gabriel Resources (Jersey) Ltd., (together “**Claimants**”) filed a request for arbitration (“**Arbitration Request**”) before the World Bank’s International Centre for Settlement of Investment Disputes (“**ICSID**”) against the Romanian State (the “**Respondent**”) pursuant to the bilateral investment protection treaties which the Government of Romania entered into with each of the Government of Canada and the Government of the United Kingdom of Great Britain and Northern Ireland for the Promotion and Reciprocal Protection of Investments (“**ICSID Arbitration**”). The Arbitration Request was registered by ICSID on July 30, 2015, and the tribunal for the ICSID Arbitration (“**Tribunal**”) was constituted on June 21, 2016.

On January 10, 2017, the Tribunal issued Procedural Order No.4 establishing a procedural calendar for the ICSID Arbitration. In accordance with Procedural Order No.4, the Claimants are required to submit their Memorial on the Merits (the “**Memorial**”) no later than June 30, 2017, wherein factual and legal arguments supporting their claims against the Respondent will be detailed. The Memorial will also include details of the damages sustained due to Romania’s treaty breaches.

The Memorial will be followed, inter alia, by the following submissions:

- The Respondent shall file its response to the Memorial (“**Counter-Memorial**”) by February 15, 2018.
- The Claimants and the Respondent shall file their requests for the production of documents by March 15, 2018. Each party shall produce the requested documents or file in writing their responses or objections to the requested documents by April 5, 2018. The Tribunal shall issue a decision on the requests for the production of documents on May 10, 2018.
- The Claimants shall file their Reply to the Counter-Memorial (“**Reply**”) by September 5, 2018.
- The Respondent shall file its response to the Reply (“**Rejoinder**”) by February 19, 2019.
- A hearing on the merits of the claim before the Tribunal is scheduled to occur at ICSID’s headquarters at the World Bank in Washington D.C. from September 9 to 20, 2019.

Compensation Objectives and Philosophy

Whilst the Company's primary objective has always been the development of the Project to operational status, in light of the continued absence of any engagement by the Romanian State since the Arbitration Request, the ICSID Arbitration has become the core focus of the Company.

In 2017, the critical needs of the Company will require significant cost control while working towards a successful outcome in the ICSID Arbitration, which is a number of years away. Notwithstanding, the Company remains open to engagement with the Romanian authorities in order to achieve an amicable resolution of the dispute.

As described below in the section "*Measuring Individual Performance*", in 2016 both the ICSID Arbitration and actions of the Romania State have been resource consuming and unpredictable in the context of events arising or actions necessary for Gabriel to protect its core assets. This situation has continued in 2017 to date and is expected to continue throughout the year as the Claimants file the Memorial and Romania responds.

The core objectives of the Company's executive compensation program are two-fold: firstly, to retain and motivate executives who have the skills to manage the ICSID Arbitration process and who possess important historical knowledge relevant to the ICSID Arbitration and, secondly, to retain and motivate executives with an appropriate blend of skills and experience required to, so far as reasonably practical and desirable, ensure that existing licenses and permits remain in good standing.

Through 2016 there also remained an overriding need to ensure the motivation of key personnel at a time when the Company was necessarily focused on cost control, including significant reductions in employee numbers, and in Romania where RMGC continued to face cultural and civic society challenges, and legal, fiscal and political difficulties. This need will continue through 2017. In that context, rewards need to balance (i) the expectations of the Company that it will be unable to demonstrate drivers of return for shareholders during the drawn-out timeframe of the ICSID Arbitration, with (ii) recognition for the achievements of executives in protecting the assets of the Gabriel Group whilst navigating the uncharted territory of the ICSID Arbitration and the unpredictable actions of the Romanian State. Up to now, Gabriel's compensation program has been designed around development of the Project. Going forward, Gabriel must ensure that its compensation objectives are designed to motivate and retain executives with relevant skills and experience against a backdrop of high risk and uncertainty in the timing of the development of the ICSID Arbitration, the perception that there is little or no possibility that the future development of the Project will come to pass and, consequently, potentially limited longevity of the role with Gabriel.

Against this background, in December 2015 the Board, following the recommendation of the Compensation Committee, took the initiative to adopt a key employee engagement plan ("**KEEP**") to support the ICSID Arbitration process. The KEEP is a long term arbitration-related incentive program, to be used as both a retention and incentive measure for the long-term participation of key management, employees and other expert contributors ("**Beneficiaries**") in pursuing the ICSID Arbitration to a successful conclusion. The structure of the KEEP follows consideration of other such programs initiated by mining companies that have already progressed through a similar arbitration process, tailored to Gabriel's circumstances, and is intended to reward the Beneficiaries for their past and future contributions to enable the Company to present a compelling and vigorous ICSID Arbitration claim.

In July 2016 the Claimants established a trust to provide a legal form for the implementation of the KEEP. The trust provides that, subject to specified definitions, terms and conditions, the Claimants pay, or procure the payment, to the trust following receipt of the gross proceeds (less certain deductions and applicable taxes) of any award from the ICSID Arbitration, cash equal to:

- (i) 7.5% of the first US\$500 million of the proceeds; and
- (ii) 2.5% of any amount of proceeds in excess of US\$500 million.

The trust agreement sets out factors to be taken into account by the trustees in determining the amount of distributions to individual Beneficiaries. Subject to certain limitations and mandatory minimum payment requirements in certain circumstances, the trustees have broad discretion (in the allocation to Beneficiaries of any monies paid into the trust by the Claimants) to recognise the contribution of each individual Beneficiary.

NAMED EXECUTIVE OFFICERS

This compensation discussion and analysis describes Gabriel's compensation policies and practices for the President and Chief Executive Officer ("CEO"), Chief Financial Officer ("CFO"), and the three other most highly compensated executive officers of the Gabriel Group, each being a Named Executive Officer ("NEO") as such term is defined in Form 51-102F6 under National Instrument 51-102. In 2016, the NEOs were:

<i>Name</i>	<i>Title</i>
Jonathan Henry.....	President & Chief Executive Officer
Max Vaughan.....	Chief Financial Officer
Richard Brown.....	Chief Commercial Officer ("CCO")
Dragos Tanase.....	Managing Director, RMGC
Nicolae Suciu.....	Deputy Managing Director, RMGC

COMPENSATION REVIEW PROCESS

Composition and Role of Corporate Governance and Compensation Committee

Composition

Since July 1, 2016 the members of the Corporate Governance and Compensation Committee of Gabriel ("Committee") are Wayne Kirk (Chair), Alfred Gusenbauer and Walter Segsworth, each of whom is an independent director of Gabriel.

In determining the composition of the Committee, the Board looks to the past and current experience of each director and strives to include a range of skills and experience to ensure that the Committee is comprised of directors who act independently and think analytically about Gabriel's compensation practices.

All of the current members of the Committee have direct experience relevant to executive compensation either through their compensation committee experience or their executive experience in other companies. They bring a broad base of skills and experience that contribute to their suitability to make informed and independent decisions on the Company's compensation policies and practices, including extensive industry knowledge, operational experience, human resource management, compensation design experience and financial expertise.

Role of the Corporate Governance and Compensation Committee

The Board has adopted a formal charter for the Committee, which provides that one of the primary purposes of the Committee is to assist the Board in fulfilling its oversight responsibilities in relation to the selection, retention and compensation of senior executives. The Committee ensures that the Company has an executive compensation plan that is both motivational and competitive while meeting the goals and objectives of the Company. For a description of the Committee charter, see the section entitled "*Committees of the Board – Corporate Governance and Compensation Committee*" in Part VI of this Circular.

The Committee is involved in setting and reviewing executive compensation in the following ways:

- It reviews, annually or as appropriate, the Company's compensation framework to ensure that it is designed to meet the Company's compensation philosophy and objectives but does not encourage excessive risk-taking by executives and other employees, including appropriate review of the relative weighting of fixed and "*at risk*" compensation.
- It periodically reviews executive compensation practices among the Company's comparator group to benchmark Gabriel's executive compensation practices at or above the median of the Company's comparators, including base salaries, and applicable targets for short-term and long-term incentive awards to executives.
- It evaluates annually the CEO's performance, which takes into consideration the CEO's annual objectives as may have been established by the Board and input the Committee has received from other Board members with respect to the CEO's performance and, based on such evaluation, makes recommendations to the Board for approval of the CEO's compensation.
- It evaluates annually the recommendations of the CEO with respect to the compensation of other senior executives who report directly to the CEO, including any performance objectives and, based upon such evaluation, makes recommendations to the Board for approval of the compensation of such other senior executives.
- It evaluates and recommends to the Board the Company's short, medium and long term incentive compensation plans and other compensation policies and programs within the Company, and other benefits or perquisites that may apply to the senior executive group.

Meetings of the Committee

As a stand-alone Compensation Committee, there was one meeting held in June 2016. Following merger with the Corporate Governance Committee with effect from July 1, 2016, the Committee met three times during the remainder of the year.

On June 17, 2016, the Compensation Committee met to discuss and recommend to the Board, amongst other things, the revisions to the method and quantum of compensation payable to the non-executive directors discussed above and implemented with effect from July 1, 2016.

The Committee also met on September 19, 2016 to discuss, *inter alia*, (i) proposed changes to the guidelines, mandates, charters and corporate policies and (ii) the requirement for Mr. Henry to provide proposals to the Board as a whole at its November 2016 meeting to enable compensation matters to be discussed in the context of activities in Romania, issues to be addressed to further the arbitration case and maintain operations (including key people) and the potential strategic direction of the Company at that time.

Following a meeting of the Board on November 8, 2016 which considered *inter alia*, the performance review of the CEO and his direct reports for 2016 and a review of whether to award 2016 performance bonuses, short-term and long-term incentives, as well as the level of base salary for 2017, the Committee was authorized to progress further deliberations with the CEO regarding compensation for senior management at Gabriel in light of the critical needs and objectives of the Company described above.

On November 23, 2016 and again on November 28, 2016 the Committee met to discuss, and to consider and make recommendations to the Board with respect to, *inter alia*, (i) the potential award of bonuses to reflect performance in 2016 of the CEO and senior management, (ii) proposals to amend the existing employment contracts of the CEO, CFO and CCO in respect of a reduction of notice periods and severance payments on termination and (iii) the level of base salary for 2017.

Managing Compensation-Related Risk

The Committee is responsible for the risk oversight of its compensation policies and practices and the implementation of Gabriel's key compensation programs to ensure that they do not promote excessive risk-taking.

Gabriel uses the following practices to discourage or mitigate excessive risk-taking:

- **Compensation objectives:** Gabriel has formalized compensation objectives, as described in this Circular, to help guide compensation decisions and incentive design around pay-for-performance within an effective short, medium and long-term timeframe, as appropriate.
- **Base salary portion:** with the ICSID Arbitration now being the core focus of the Company, the base salary portion of compensation is designed to provide a competitive and attractive income so that executives are motivated to maintain a long term perspective and remain with the Company under circumstances where a successful outcome in the ICSID Arbitration is a number of years away, and do not feel pressured to focus on short term accomplishments that do not necessarily further that ultimate objective.
- **Variable compensation mix:** for certain of the NEOs, a portion of target total direct compensation is delivered through variable compensation (short, medium and long term incentives). The majority of the value of target variable compensation is delivered through long-term incentive awards. This mix is aimed at providing a strong pay-for-performance relationship, while providing a competitive base level of compensation through salary, and mitigates the risk of encouraging the achievement of short-term goals at the expense of long-term sustainability and shareholder value.
- **Capping of short-term incentive payments:** annual short-term incentive payments are capped for senior executives at between 50% and 100% of base salary, with exceptions at the discretion of the Committee and the approval of the Board.
- **Performance goals:** any performance goals used to determine the amount of an executive's bonus are measures that the Committee believes will drive long-term shareholder value and encourage success without encouraging excessive risk-taking to achieve short-term results.
- **Application of Committee discretion:** existing compensation programs allow for discretionary assessment of performance by the Committee to ensure pay aligns with perceived and actual performance.
- **Review of incentive programs:** Gabriel reviews and sets performance measures and targets aligned with plans for the business and the Company's risk profile to ensure continued relevance and applicability of the performance incentive compensation.
- **External independent compensation advisor:** as and when required, Gabriel and the Committee have separately engaged outside compensation consultants who are knowledgeable regarding various compensation policies and their associated risks.
- **Anti-hedging policy:** Gabriel prohibits officers and directors from hedging stock-ownership and equity-based compensation in the Company.

As a result of the Committee's review of Gabriel's compensation plans, it has concluded that base salary and "at risk" incentives are appropriately balanced and that there are no identified risks arising from Gabriel's compensation programs which are reasonably likely to have a material adverse effect on Gabriel. Notwithstanding, in light of the change of core focus to the ICSID Arbitration, other business requirements and governance considerations, Gabriel may conduct a further review of its compensation strategy, including the compensation philosophy and program design, in 2017.

Role of Compensation Consultants

When the Committee considers it necessary or advisable, it may retain, at the Company's expense, outside consultants or advisors to assist or advise it on any matter within its mandate. The Committee has the sole authority to retain and terminate any such consultants or advisors. In prior years the Committee has engaged consultants to provide market data on executive and director compensation and a technical analysis of the market data in light of the Company's compensation plans and practices. No fees were paid to such consultants in 2015 or 2016.

COMPONENTS OF EXECUTIVE COMPENSATION

Gabriel's executive compensation program is comprised of three core components:

- (i) base salary;
- (ii) short-term incentives, in the form of annual bonuses of (a) cash and/or (b) RSUs; and
- (iii) medium-term and long-term incentive plan compensation made up of RSUs and DSUs, and Option-based awards.

The Committee annually reviews the various elements of compensation to ensure that any awards are aligned with the goals of Gabriel and each executive officer, as well as Gabriel's compensation objectives and philosophy.

A portion of each executive's total direct compensation is variable or "*at-risk*". This "*at-risk*" portion of total direct compensation includes the short, medium and long-term incentives which may be awarded on a periodic basis and which are linked to performance. If the individual's or the Company's performance is below the standard expected, or other specific matters incline the Committee not to make awards, the portion of "*at-risk*" compensation will decrease and conversely, if the individual's or Company's performance is strong, the portion of "*at-risk*" compensation will increase. Such a program meets the goal of aligning the interest of management with the interest of the shareholders through the following elements:

- The grant of Options and Share-based awards; if the price of a Share increases or decreases over time, both executives and shareholders will be similarly impacted.
- Providing for vesting of Options and RSUs over time and on achievement of performance objectives; this acts to retain executives and provides an incentive for management to achieve recognizable milestones so as to benefit from any associated increase in the price of the Shares over time, rather than focusing on short-term increases.

Base Salary

Base salary is the principal fixed component of pay, and is intended to compensate executive officers for fulfilling their duties and assists in the attraction and retention of key executives.

The amount payable to executive officers as base salary is determined primarily by the current and anticipated future contribution of the executive officers, together with competitiveness to the base salaries offered by comparable companies in sectors in which the Company operates. Base salaries are reviewed and, as appropriate in the context of the progression of the Company's objectives and the potential outlook for the Company, adjusted annually, in order to ensure that they remain at or above the median for comparable companies. Both the CEO's salary and the salaries for those executives reporting directly to the CEO are approved by the Committee and the Board.

Despite strong individual performances in the face of adverse circumstances, in light of the ICSID Arbitration initiation, the implementation of significant cost reduction measures, and a decreasing share price, no changes to the annual salaries of the NEOs were approved for 2015 or 2016. Following negotiation and execution of employment contract amendment agreements in March 2017 and April 2017 respectively, increases to the annual salaries of Mr. Henry and Mr. Brown were agreed for 2017 effective January 1.

Set out below is a table detailing the base salaries for each NEO for 2015, 2016 and 2017:

<i>Name</i>	<i>2015 Base Salary⁽¹⁾ (\$)</i>	<i>2016 Base Salary⁽¹⁾ (\$)</i>	<i>2017 Base Salary⁽¹⁾ (\$)</i>	<i>Change from 2016⁽²⁾ (%)</i>
Jonathan Henry	780,443	715,052	786,557	10
Max Vaughan	438,999	402,217	402,217	-
Richard Brown	438,999	402,217	446,907	11
Dragos Tanase	311,671	318,963	318,963	-
Nicolae Suciu	215,509	220,552	220,552	-

Notes:

- (1) Messrs. Henry, Vaughan and Brown are based in the UK and receive their salaries in GBP. Messrs. Tanase and Suciu are based in Romania and receive their salaries in RON. NEO base salaries in the respective local currencies did not change in 2015 or 2016. For comparison purposes the exchange rate used to convert base salaries to CAD for 2017 is the same as the conversion rates for 2016 (C\$1 = GBP 0.5594 and C\$1 = RON 3.0643). The exchange rate used to convert base salaries to CAD for 2015 was C\$1 = GBP 0.5125 and C\$1 = RON 3.136.
- (2) As more particularly described below, Messrs. Henry and Brown executed employment contract amendment agreements in March and April 2017 respectively which provided for, amongst other terms, conditions and undertakings, the noted increase in base salary with effect from January 1, 2017.

Base salaries provide each NEO with compensation that is not "*at risk*". The Committee is satisfied that the Company's current executive compensation policy and level of compensation with respect to base salary satisfies the goal of retaining key talent.

Short Term Incentives

NEOs and other key employees of the Gabriel Group are also eligible for short term incentive payments, in the form of annual bonus awards, which are designed to recognize and reward contribution towards the achievement of Gabriel's strategic objectives, as well as the achievement of predetermined personal objectives.

Save as described below, there is no written policy with respect to short-term incentive payments and the recommendation and payment of such incentives is at the discretion of the Committee and the Board, although certain individual employment contracts have stated target bonus levels.

As described above, the Committee evaluates the performance of the CEO and recommends the incentive bonus level for the CEO to the Board for approval. With respect to the other NEOs, the CEO evaluates the performance of such individuals and recommends the incentive bonus to the Committee for its evaluation and recommendation to the Board. The Board exercises its discretion in determining the aggregate amount of bonuses awarded to all executive officers.

Bonuses of the NEOs, when awarded, may be calculated as a percentage of annual base salary, or awarded as an absolute sum, and are determined on the basis of both corporate and individual performance.

Short Term Incentive Targets

Individual performance objectives allow for the differentiation of payouts based on individual roles, targets and overall contributions. Ordinarily, both individual and corporate performance components are compared to a set of specific annual objectives that are pre-determined and, in the case of the CEO, approved by the Board and, in the case of the other NEOs, recommended by the CEO in conjunction with the Committee and approved by the Board.

Short-term incentive payments are at the discretion of the Board and therefore no minimum bonus is payable to any NEO.

The following table outlines the target incentive opportunity for the NEOs for the year ended December 31, 2016:

<i>Position</i>	<i>Incentive Bonus Range as a % of Base Salary</i>	
	<i>Target</i>	<i>Maximum</i>
President and CEO	50	100
Chief Financial Officer	35	70
Chief Commercial Officer	35	70
Managing Director, RMGC	25	50
Deputy Managing Director, RMGC	n/a	30

Measuring Individual Performance

Compensation decisions are made using a decision process that involves the CEO, the Committee and the Board. Compensation decisions are based on corporate and individual performance, typically against set individual performance objectives.

Members of the Board annually consider and approve a formal assessment of the CEO's performance in the year, and recommendations for the next year's compensation of the CEO, from the Chairman of the Board. The Chairman reviews his assessment with the Committee, and makes recommendations to the Board for final approval.

Typically, the CEO provides the Committee with annual performance assessments for each of the executives who directly report to him, and also provides compensation recommendations. The Committee reviews the compensation recommendations for such direct reports of the CEO, taking into account the various factors noted below, and makes recommendations to the Board for final approval. Specifically, in assessing individual performance in the context of making executive compensation recommendations, the Committee and/or the Board considers the executive officer's and/or NEO's:

- contributions to Gabriel's overall performance;
- individual performance relative to any pre-established goals;
- long-term performance and potential for future advancement or ability to assume roles of greater responsibility; and
- where appropriate and comparable, position against competitive market norms for similar roles.

Corporate objectives achieved during 2016 included those set out below:

- the advancement of the ICSID Arbitration - including the constitution of the Tribunal, the establishment of a procedural calendar, the filing of multiple applications for provisional/interim measures and the preparatory work for the filing of the Memorial in support of its claim, involving securing and identifying evidence to underpin the breaches claimed and working with legal advisers to optimize and simplify the description of the complex fact pattern that has arisen in development of the Project over so many years;
- the continued assessment of the Company's activities - including the resources necessary to support the preservation of its core assets (being the License and the ICSID Arbitration) and rights relating thereto;
- securing additional financing - in the form of two non-brokered private placement transactions raising aggregate gross proceeds of \$60.625 million (the "2016 Private Placements") to ensure that the Gabriel Group remains financially strong and capable of maintaining its ability to successfully carry on the ICSID Arbitration and, as far as possible, preserve its core assets;
- carefully managing its cash resources - including the sale of the gyratory crusher and the potential disposition of the remaining long lead-time equipment;

- responding to the acts of the Romanian State - which, in the Company's view, have been intentionally abusive and initiated in an attempt to intimidate and harm RMGC and the Claimants in retaliation for the dispute with the Romanian State and the Claimants' filing of the ICSID Arbitration, including:
 - (a) several fiscal audits, one of which resulted in a value added tax assessment and penalties of approximately \$15 million which was quashed on appeal; and
 - (b) other wide-ranging investigations, which have resulted in significant costs and which consumed inordinate time and attention of the limited employee resources of RMGC throughout 2016; and
- the protection of its rights and interests in Romania - including support to RMGC in respect of the ongoing abusive, illegal, or retaliatory behavior of the Romanian authorities.

Given the long-term nature of the Company's operations and the nature of international arbitration claims, some of the foregoing corporate objectives inevitably span more than one calendar year, while others were achieved in less time.

Individual performance is typically reviewed against goals established within the primary area of responsibility for each NEO, including strategic, financial, risk, compliance, legal and operational objectives. However, given the necessary focus upon the ICSID Arbitration and the uncertainties attendant to the ICSID Arbitration process, as well as the unpredictable actions of the Romanian State, core individual performance objectives for the CEO, CFO and CCO for 2016 were adjudged by the Board to be difficult to qualify and quantify in the unique circumstances of the time. Therefore the Board adopted a policy that no such targets be set for 2016 and any bonus awards for performance in that year should be solely at the discretion of the Board.

2016 Performance

In the context of the corporate objectives achieved above and the individual roles of the NEOs in achieving such, on December 14, 2016, the Board met to discuss, *inter alia*, the annual performance review of the CEO and his direct reports for 2016, and to consider recommendations with respect to any award of 2016 annual bonuses, short-term and long-term incentives, as well as the level of base salary for 2017 for the senior management and other employees of the Company and RMGC.

The CEO was not involved in judging his own performance, but such performance was reviewed and evaluated solely by the Board.

The performance of each of the CFO, CCO and RMGC's Managing Director and Deputy Managing Director was formally evaluated by the CEO, and discussed with and reviewed by the Board, in the context of the status of the Project, the requirements to reduce the cost-base of the business significantly and the personal and professional pressures facing those executives involving the ICSID Arbitration claim and the actions of the Romanian State.

The following table reflects the base salary and short term cash incentive payments made to the NEOs for the financial year ended December 31, 2016.

<i>Named Executive Officer</i>	<i>2016 Base Salary⁽¹⁾ (\$)</i>	<i>2016 Incentive Bonus</i>	
		<i>Cash (\$)</i>	<i>as a % of Base Salary</i>
Jonathan Henry	715,052	—	—
Max Vaughan	402,217	—	—
Richard Brown	402,217	—	—
Dragos Tanase	318,963	78,273	25
Nicolae Suciu	220,552	53,958	25

Notes:

(1) The exchange rate used to convert base salaries to CAD for 2016 is C\$1 = GBP 0.5594 and C\$1 = RON 3.0643.

The Board concluded that, given strong individual performances in the face of such adverse circumstances, a cash bonus pool of \$600,000 would be payable to staff, including NEOs, based in Romania (with 50% to be paid immediately and 50% post the filing of the Memorial), together with an award of Options to nominated employees within the Gabriel Group (including all NEOs, each as described below) and no increase in the salaries of those NEOs would be applicable for 2017.

Notwithstanding the performance of the senior management in achieving the corporate objectives for 2016, the Board exercised its discretion in determining that there be no award of any bonus comprising short-term incentive payments in cash or shares for performance in 2016 for the CEO, CFO or CCO. In the alternative, in light of the ongoing corporate objectives of carefully managing its cash resources whilst remaining financially strong through the duration of the ICSID Arbitration, and also the necessity to retain over time the services of NEOs seen as key to the optimization of the ICSID Arbitration claim, the Board delegated authority to a committee comprised of David Kay, Wayne Kirk and William Natbony to negotiate employment contract amendment agreements with the CEO, and thereafter a committee comprised of Jonathan Henry, Wayne Kirk and William Natbony to negotiate contract amendments with the CFO and CCO.

Employment Contract Amendment Agreements

The existing employment agreements for Messrs. Henry and Brown are with Gabriel's wholly owned UK subsidiary, RM Gold (Services) Ltd. ("**RMGS**"). Messrs. Henry and Brown executed employment contract amendment agreements on March 29, 2017 and April 27, 2017 respectively which provided for, amongst other terms and conditions, the following:

- a reduction in severance due to each of Messrs. Henry and Brown for termination of their respective existing employment contracts by RMGS without cause to 12 months from 24 months (Mr. Henry) and 18 months (Mr. Brown);
- elimination of a short term incentive multiple applicable to the severance that would be payable for termination of the employment contract by RMGS without cause;
- a legally binding consulting agreement with the Company, which governs the availability and assistance to be given in the ICSID Arbitration process, to become effective if, and as of the date when, either Mr. Henry or Mr. Brown ceases to hold any position within the Gabriel Group;
- an undertaking that RMGS will not terminate the employment without cause prior to completion of the substantive oral hearing of the ICSID Arbitration tribunal following the Rejoinder of the respondent thereto ("**Hearing**") and the filing of post-Hearing briefs in the ICSID Arbitration;
- certain obligations of RMGS if the ICSID Arbitration is suspended for 12 months or more, or abandoned;
- an undertaking by the Company to accelerate the redemption date of existing DSUs to the earlier of December 31, 2018 or the date of filing the Reply;
- compensation payable to Mr. Henry of 150% of base salary, payable 50% in cash (25% on execution of the agreement, 12.5% after the filing of the Memorial and 12.5% after the filing of the Reply) and 50% in RSUs which vest equally in two tranches after the filing of the Memorial and Reply respectively;
- compensation payable to Mr. Brown of 120% of base salary, payable 50% in cash (25% on execution of the agreement and 25% after the filing of the Memorial) and 50% in RSUs which all vest after the filing of the Memorial;
- an undertaking from both Mr. Henry and Mr. Brown, with certain exceptions, to settle the RSUs for shares in the Company; and
- the increase in base salary noted above with effect from January 1, 2017.

As of May 17, 2017, discussions are continuing with Mr. Vaughan as to any amendments to his existing employment terms or role that may be appropriate.

Medium-Term and Long-Term Incentives

Gabriel provides its executive officers with medium-term incentives in the form of RSUs awarded under its RSU Plan and long term incentives in the form of Options and DSUs, awarded under its Option Plan and DSU Plan, respectively.

These Option and Share-based award programs are an important element in the total compensation program of the Company and were designed to serve the following purposes: (i) the recognition of exceptional individual and corporate performance in the previous year; (ii) the retention of key executive management talent in the Company (a vesting and/or performance milestone element is typically included as an incentive for the executive to remain with the Company); (iii) the alignment of executive interests with those of shareholders; and (iv) the mitigation of short-term risk-taking at the expense of long-term shareholder value.

All awards, other than the CEO's, are based on the recommendation of the CEO and all are at the discretion of the Committee and the Board. Both the Committee and the CEO look at previous grants as well as prior year performance when considering awards.

The maximum number of Shares which may be reserved for issuance for all purposes under all equity-based compensation arrangements of the Company is 10% of the Shares issued and outstanding from time to time, calculated on a non-diluted basis. A summary of the key terms of each of Gabriel's equity-based compensation plans is set out in Appendix II together with details of the maximum number of securities authorized for issuance under such plans.

Restricted Share Units

The RSU Plan provides that the Board may grant to directors, officers, employees and consultants of the Gabriel Group compensation, including retainers, fees or employment earnings or bonuses, in the form of RSUs. The grant of an RSU entitles the recipient to the conditional right to elect to receive one Share for each RSU or an amount in cash, net of applicable taxes, equal to the value of a Share at the settlement date, subject to the conditions set out at the date of grant and in the RSU Plan. At Gabriel's annual and special meeting on June 17, 2015, shareholders approved an amended and restated RSU Plan and all unallocated entitlements under the RSU Plan until June 17, 2018.

As of May 17, 2017, since its inception on June 16, 2011, no Shares had been issued pursuant to the settlement of RSUs granted under the RSU Plan.

The aggregate number of RSUs issuable under the RSU Plan and under all other share compensation arrangements of the Company must not exceed 10% of the total number of Shares issued and outstanding from time to time on a non-diluted basis. Provided that the above maximum number of Shares subject to an RSU is not exceeded, following settlement, expiration, cancellation or termination of any RSUs under the RSU Plan, a number of Shares equal to the number of RSUs so settled, expired, cancelled or terminated shall automatically become reserved for issuance in respect of RSUs that may subsequently be granted under the RSU Plan.

Gabriel is also required at all times during the term of the RSU Plan to ensure that the number of Shares it is authorized to issue shall be sufficient to satisfy the requirements of the RSU Plan. In accordance with the Shares currently reserved with the TSX for issuance under the RSU Plan, up to 2,500,000 RSUs capable of settlement in Shares may be currently issued.

RSUs are issued under the RSU Plan to the recipients based upon the value of the underlying Shares at the date of grant. RSUs may have a term of up to five years and vesting conditions at the discretion of the Board, set at the date of the grant. Upon vesting, the recipient's RSUs must be settled for an equivalent number of Shares or cash (based upon the price of the underlying Shares at the settlement date) within a settlement period set at the date of the grant. Accordingly, the value of the RSUs will fluctuate with variations in the market price of a Share.

The RSU Plan is administered by the Board, in consultation with the Committee. In May 2017 a "housekeeping" amendment was approved by the Board to clarify that reference to "Settlement Period" and "Expiry Date" means the relevant date set out by the Board on the date of grant and as described in the applicable Certificate (which for greater certainty may vary between RSUs granted from time to time), provided that in no event shall an Expiry Date be a date that is more than 5 years from the date of grant unless shareholder approval has first been obtained. Further details of the RSU Plan are set out in Appendix II.

No RSUs were issued to NEOs during the year ended December 31, 2016.

As at May 17, 2017, in accordance with the above-mentioned employment contract amendment agreements, 1,911,390 RSUs have been issued and are outstanding, representing approximately 0.50% of the total issued and outstanding Shares.

Options

The Option Plan provides that the Board may grant to directors, officers, employees and consultants of the Gabriel Group incentive Options to purchase from Gabriel a designated number of authorized but unissued Shares. The Option Plan was originally approved by shareholders on June 14, 2001. At Gabriel's annual and special meeting on June 17, 2015, shareholders reapproved the Option Plan and all unallocated Options, rights or other entitlements under the Option Plan, which approval continues until June 17, 2018.

The maximum number of Shares that may be reserved for issuance under the Option Plan and all other Share based compensation arrangements of the Company may not exceed 10% of the total number of issued and outstanding Shares outstanding from time to time. As at May 17, 2017, there were 384,452,780 Shares outstanding, and accordingly 38,445,278 Shares capable of reserve for issuance with the TSX under Share based compensation plans. Also at that date, as set out in the table in Appendix II Part A, an aggregate of 37,590,700 securities had been reserved with the TSX for issuance under all of the Company's equity based compensation arrangements, representing approximately 9.8% of the total issued and outstanding Shares. A further 854,578 Shares are capable of being reserved with the TSX before the Company reaches the maximum percentage (10%) of Shares allowable to be set aside in respect of issuance and exercise or redemption under the Option, RSU and DSU plans.

Of the 37,590,700 securities reserved with the TSX for issuance, 31,211,795 securities had been allocated as awards to individuals under the Company's equity compensation plans, including 26,854,101 Options issued and outstanding. A further 4,935,564 Shares have been reserved with the TSX for issuance in future awards under the Option Plan.

Taking into account the maximum number of shares capable of being reserved for issuance in accordance with all Share-based compensation arrangements, and assuming that no further Shares are reserved for issuance under the DSU and RSU Plans, this leaves an aggregate of 5,790,142 Shares available for issuance under the Option Plan as at May 17, 2017, representing approximately 1.5% of the total issued and outstanding Shares.

Under the Option Plan, the exercise price per Share may not be less than the volume weighted average trading price of the Shares on the TSX for the five trading days immediately preceding the day the Option is granted. Vesting provisions are at the discretion of the Board, and while Gabriel's commonly used practice is to vest Options at periodic intervals after the date of grant, the Board also issues Options vesting on achievement of performance milestones or fully vested at the time of the grant.

The Option Plan is administered by the Board, in consultation with the Committee. Further details of the Option Plan are set out in Appendix II.

There is no policy with respect to any initial 'sign-on' grant of Options to executive officers, annual grants of Options (except to directors as described in "Director Compensation Structure" in Part IV), or the grant of Options upon the expiry of an initial grant of such options, although certain contractual commitments may apply. All grants of Options are at the discretion of the Committee and Board based upon the application of subjective criteria.

On December 14, 2016, 4,375,000 Options were awarded to officers and employees in the Gabriel Group with a 10 year term and vesting in a timetable aligned to the ICSID Arbitration, of which an aggregate of 2,050,000 Options were granted to the NEOs, representing approximately 0.5% of the total number of Shares outstanding at the grant date, at a weighted average exercise price of \$0.43, as summarized in the table below.

<i>Name</i>	<i>Title of Officer</i>	<i>Number of Options⁽¹⁾</i>	<i>Option-Based Awards⁽²⁾ (\$)</i>
Jonathan Henry	President and Chief Executive Officer	500,000	118,331
Max Vaughan	Chief Financial Officer	500,000	118,331
Richard Brown	Chief Commercial Officer	500,000	118,331
Dragos Tanase	Managing Director of RMGC	400,000	94,665
Nicolae Suciu	Deputy Managing Director, RMGC	150,000	35,499
Total		2,050,000	485,157

Notes:

- (1) The Options granted on December 14, 2016, are subject to various vesting conditions. The expiry dates and grant prices for each individual grant to NEOs are described further under "Incentive Plan Awards - Outstanding Share-Based Awards and Option-Based Awards" below.
- (2) The figures in this column reflect the grant date fair value of Options granted to NEOs. The grant date fair value is an estimate calculated using the Black-Scholes option pricing model. The Company selected the Black-Scholes model given its prevalence of use within North America. The key assumptions used under the Black-Scholes model that were used for the Option awards in the table above were as follows: (i) Risk-free interest rate: 1.3% (ii) Weighted average expected option life: 5.6 years, (iii) Expected volatility: 99%, and (iv) Dividend yield: 0%.
- (3) The Option grants to the NEOs are further described in the "Summary Compensation Table" below.

Deferred Share Units

The DSU Plan provides that the Board may permit directors and executive officers of Gabriel to elect to receive a portion of their compensation (including initial 'sign-on' compensation, annual retainers, meeting fees or employment earnings or bonuses) or ad hoc awards in the form of DSUs in lieu of cash. In addition, with effect from July 1, 2016, the Board resolved that non-executive directors are required to receive at least fifty per cent of their director fees payable in DSUs or Options.

The DSU Plan was originally approved by the shareholders on April 19, 2005 and, most recently, approved with amendments by shareholders on June 18, 2014 when the maximum number of DSUs that may be issued under the DSU Plan was increased to 5,000,000 DSUs.

In order to potentially limit cash outlay in future years, the Board approved certain amendments to the DSU Plan in May 2015 to enable Gabriel, in its sole discretion, to determine how DSUs are paid out when directors or officers cease to be employed by Gabriel or its subsidiaries. Such amendments included (i) the clarification that the Company may elect to pay DSUs in Shares from treasury, complementing the existing ability of the Company to payout in Shares purchased in the open market or to payout in cash; and (ii) the empowerment of the Company, in its sole discretion, to issue all Shares to a DSU participant at the time of payout.

In connection with amendments to the employment agreements of Messrs. Henry and Brown, the Board amended the DSU Plan in March 2017 to permit any recipient designated by the Board as a “Foreign Grantee” (i.e., non-Canadian) to redeem outstanding DSUs on the date that is the earlier of (i) December 31, 2018 or (ii) five (5) days after the filing of the Claimant’s Reply in the ICSID Arbitration. Each of Messrs. Henry, Brown and Vaughan have been designated as Foreign Grantees.

As of May 17, 2017, an aggregate of 364,389 Shares had been issued, since April 19, 2005, pursuant to the redemption of DSUs granted under the DSU Plan, representing approximately 0.09% of the total issued and outstanding Shares.

A maximum of 5,000,000 DSUs may be issued under the DSU Plan. As at May 17, 2017, 4,145,269 DSUs have been issued, of which 2,446,304 are outstanding, representing approximately 0.6% of the total issued and outstanding Shares, with an aggregate of 854,731 DSUs available for issuance under the DSU Plan, representing approximately 0.2% of the total issued and outstanding Shares.

Under the DSU Plan, DSUs are issued to the recipient based upon the value of the underlying Shares at the date of grant. Upon retirement from the Board or cessation of employment (or on the date(s) determined for Foreign Grantees as described above), the recipient’s DSUs are redeemed for cash or shares based upon the then current price of the underlying Shares. Accordingly, the value of the DSUs will fluctuate with variations in the market price of a Share. The DSU Plan is administered by the Board, in consultation with the Compensation Committee. Further details of the DSU Plan are set out in Appendix II.

COMPENSATION OF NAMED EXECUTIVE OFFICERS

Summary Compensation Table

The table set out below and the related footnotes provide compensation information for the three most recent financial years ended December 31, 2016 for each NEO measured by base salary, annual performance incentive payout, Share-based awards, Option-based awards, and all other compensation.

Awards under the DSU Plan, other than for designated Foreign Grantees as described above, are not redeemable until the NEO ceases employment with Gabriel. Awards under the RSU Plan vest over a period determined by the Board at the grant date and are not redeemable until vesting takes place. As the value of the Shares may rise or fall, the value of the Shares or the amount of the cash payment the NEO ultimately receives upon redemption of the DSUs or RSUs may be materially different than the value disclosed in the Summary Compensation Table.

Save as set out below, Gabriel does not currently have a pension plan for any of its NEOs. All employees, including NEOs, are provided a standard employee benefit package, including health and life insurance benefits.

From 1 April 2017, RMGS contributes to a new workplace pension scheme for employees of RMGS in compliance with the United Kingdom’s automatic enrolment pension legislation. The applicable legislation means that all UK employers with one or more employees must enrol into a workplace pension scheme to meet their duties under the United Kingdom’s pensions act. The pensions act sets out the minimum contributions for all employers and employees to pay. In the first year of its operation, RMGS will contribute 1 per cent of the employee’s qualifying earnings per month to the pension scheme. This contribution will increase to 2.5 per cent of the employee’s qualifying earnings per month with effect from April 2018 and 4 per cent with effect from April 2019. Employees have the right to opt out of this scheme.

Name and Principal Position	Year	Salary ⁽¹⁾ (\$)	Share-based awards ⁽²⁾ (\$)	Option-based awards ⁽³⁾ (\$)	Non-equity incentive plan compensation		Pension values (\$)	All other compensation (\$)	Total compensation (\$)
					Annual Incentive plans ⁽⁴⁾ (\$)	Long-term Incentive Plans (\$)			
Jonathan Henry⁽⁵⁾	2016	715,052	—	166,948	—	n/a	n/a	—	882,000
President & CEO	2015	780,443	5,758	157,029	—	n/a	n/a	—	937,472
	2014	727,501	—	154,376	—	n/a	n/a	—	881,877
Max Vaughan⁽⁶⁾	2016	402,217	—	166,948	—	n/a	n/a	—	569,165
CFO	2015	438,999	750	157,029	—	n/a	n/a	—	596,028
	2014	409,220	—	102,917	—	n/a	n/a	—	512,137
Richard Brown⁽⁷⁾	2016	402,217	—	166,948	—	n/a	n/a	—	569,165
CCO	2015	438,999	468	157,029	—	n/a	n/a	—	638,028
	2014	409,220	42,000	196,018	—	n/a	n/a	—	647,238
Dragos Tanase⁽⁸⁾	2016	318,963	—	133,559	78,273	n/a	n/a	—	530,795
MD RMGC	2015	311,671	—	157,029	—	n/a	n/a	—	468,700
	2014	323,460	—	137,223	—	n/a	n/a	—	460,683
Nicolae Suci⁽⁹⁾	2016	220,552	—	50,084	53,958	n/a	n/a	—	324,594
Deputy MD, RMGC	2015	215,509	—	109,920	—	n/a	n/a	—	325,429
	2014	223,959	—	51,459	—	n/a	n/a	—	275,418
Total compensation	2016	2,059,001	—	684,487	132,231	n/a	n/a	—	2,875,719
	2015	2,185,621	6,976	738,036	—	n/a	n/a	—	2,965,657
	2014	2,093,360	42,000	641,992	—	n/a	n/a	—	2,777,352

- (1) The NEOs, with the exception of Mr Tanase and Mr. Suci, are based in the UK and receive their salaries in GBP. Mr Tanase and Mr. Suci are based in Romania and receive their salaries in RON. The exchange rate used to convert GBP to CAD was C\$1 = GBP 0.5594 (2015: 0.5125; 2014: 0.5498), and RON to CAD was C\$1 = RON 3.0643 (2015: 3.136; 2014: 3.032).
- (2) The figures shown reflect the grant date fair value of share-based awards granted to the NEOs for 2016, 2015 and 2014 pursuant to Gabriel's DSU Plan and RSU Plan. Grant date fair value is determined by multiplying the number of DSUs and RSUs by the average of the volume weighted closing share price on the TSX for the five prior days to the date of grant. The DSUs and RSUs are further described under the section entitled "Medium-Term and Long-Term Incentives" above.
- (3) The figures in this column reflect the grant date fair value of Options granted to NEOs during 2016, 2015 and 2014 pursuant to the Option Plan. The grant date fair value is an estimate calculated using the Black-Scholes option pricing model. The Company selected the Black-Scholes model given its prevalence of use within North America. The key assumptions used under the Black-Scholes model that were used for the Option awards during 2016 reflected in the table above were as follows: (i) Risk-free interest rate: 1.3% (ii) Weighted average expected option life: 5.6 years, (iii) Expected volatility: 99%, and (iv) Dividend yield: 0%.
- (4) The figures in this column represent the short-term incentive cash bonuses payable to the NEOs as further described under the section entitled "Short Term Incentives" above.
- (5) Mr. Henry received both (i) Share-based awards and (ii) Option-based awards in the period under review, as follows:
 - (i) On December 9, 2015 Mr. Henry was granted 38,386 DSUs in consideration for the forfeiture of certain rights under the DSU Plan, such DSUs having a grant date value of \$5,758 (being the 38,386 DSUs granted multiplied by \$0.15, the volume weighted closing share price on the TSX for the five trading days prior to the date of grant).
 - (ii) On December 14, 2016 Mr Henry was awarded 500,000 Options at an exercise price of \$0.43, which vest subject to various event driven milestone vesting conditions. On August 10, 2015 Mr Henry was awarded 500,000 Options at an exercise price of \$0.40, which vest as to 10% on the grant date, 20% on each of the first and second anniversaries of the grant date, with the remaining 50% being subject to various event driven milestone vesting conditions. In December 2014 Mr Henry was awarded 450,000 Options at an exercise price of \$0.56, which vest one-third on the grant date and the balance equally on the first and second anniversaries of the date of the grant. In January 2014 Mr. Henry was also awarded 250,000 Options at an exercise price of \$0.79, which vest monthly over thirty-six months from the grant date.
- (6) Mr. Vaughan received both (i) Share-based awards and (ii) Option-based awards in the period under review, as follows:
 - (i) On December 9, 2015 Mr. Vaughan was granted 5,000 DSUs in consideration for the forfeiture of certain rights under the DSU Plan, such DSUs having a grant date value of \$750 (being the 5,000 DSUs granted multiplied by \$0.15, the volume weighted closing share price on the TSX for the five trading days prior to the date of grant).
 - (ii) On December 14, 2016 Mr Vaughan was awarded 500,000 Options at an exercise price of \$0.43, which vest subject to various event driven milestone vesting conditions. On August 10, 2015 Mr Vaughan was awarded 500,000 Options at an exercise price of \$0.40, which vest 10% on the grant date, 20% on each of the first and second anniversaries of the grant date, with the remaining 50% being subject to various event driven milestone vesting conditions. In December 2014 Mr Vaughan was awarded 300,000 Options at an exercise price of \$0.56, which vest one-third on the grant date and the balance equally on the first and second anniversaries of the date of the grant. In January 2014 Mr. Vaughan was also awarded 200,000 Options at an exercise price of \$0.79, which vest monthly over thirty-six months from the grant date.

- (7) Mr. Brown received both (i) Share-based awards and (ii) Option-based awards in the period under review, as follows:
- (i) On December 9, 2015 Mr. Brown was granted 3,117 DSUs in consideration for the forfeiture of certain rights under the DSU Plan, such DSUs having a grant date value of \$468 (being the 3,117 DSUs granted multiplied by \$0.15, the volume weighted closing share price on the TSX for the five trading days prior to the date of grant). On December 10, 2014 Mr Brown was awarded 75,000 RSUs which vest one-half annually commencing December 10, 2015. The weighted average share price at the RSU grant date was \$0.56.
- (ii) On December 14, 2016 Mr Brown was awarded 500,000 Options at an exercise price of \$0.43, which vest subject to various event driven milestone vesting conditions. On August 10, 2015 Mr Brown was awarded 500,000 Options at an exercise price of \$0.40, which vest 10% on the grant date, 20% on each of the first and second anniversaries of the grant date, with the remaining options being subject to various event driven milestone vesting conditions. On December 10, 2014 Mr Brown was awarded 400,000 Options at an exercise price of \$0.56, which vest one-third on the grant date and the balance equally on the first and second anniversaries of the date of the grant. In June 2014 Mr Brown was awarded 100,000 Options at an exercise price of \$0.95, which vest monthly over thirty-six months from the grant date. In January 2014 Mr. Brown was also awarded 250,000 Options at an exercise price of \$0.79, which vest monthly over thirty-six months from the grant date.
- (8) Mr. Tanase received Option-based awards in the period under review, as follows:
- On December 14, 2016 Mr Tanase was awarded 400,000 Options at an exercise price of \$0.43, which vest subject to various event driven milestone vesting conditions. On August 10, 2015 Mr Tanase was awarded 500,000 Options at an exercise price of \$0.40, which vest 10% on the grant date, 20% on each of the first and second anniversaries of the grant date, with the remaining 50% being subject to various event driven milestone vesting conditions. In December 2014 Mr Tanase was awarded 400,000 Options at an exercise price of \$0.56, which vest one-third on the grant date and the balance equally on the first and second anniversaries of the date of the grant. In addition, Mr. Tanase was also awarded 250,000 Options in January 2014 at an exercise price of \$0.79, which vest monthly over thirty-six months from the grant date.
- (9) Mr. Suciu received Option-based awards in the period under review, as follows:
- On December 14, 2016 Mr Suciu was awarded 100,000 Options at an exercise price of \$0.43, which vest subject to various event driven milestone vesting conditions. On August 10, 2015 Mr Suciu was awarded 350,000 options at an exercise price of \$0.40, which vest 10% on the grant date, 20% on each of the first and second anniversaries of the grant date, with the remaining 50% being subject to various event driven milestone vesting conditions. In December 2014 Mr Suciu was awarded 150,000 Options at an exercise price of \$0.56, which vest one-third on the grant date and the balance equally on the first and second anniversaries of the date of the grant. In January 2014 Mr. Suciu was awarded 125,000 Options at an exercise price of \$0.79, which vest monthly over thirty-six months from the grant date.

INCENTIVE PLAN AWARDS

Incentive Plan Awards - Outstanding Option-based Awards and Share-based Awards

The following table provides certain information about Option-based awards and Share-based awards outstanding for each NEO as at December 31, 2016.

Name	Option-based awards				Share-based awards		
	Number of Shares underlying unexercised options	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options ⁽¹⁾ (\$)	Number of Share-based awards (DSUs / RSUs) that have not vested	Market or payout value of Share-based awards (DSUs / RSUs) that have not vested ⁽²⁾ (\$)	Market or payout value of vested Share-based awards (DSUs / RSUs) not paid out or distributed ⁽²⁾ (\$)
Jonathan Henry	500,000	0.43	14-Dec-26	50,000	—	—	223,789
	500,000	0.40	10-Aug-25	65,000	—	—	—
	450,000	0.56	10-Dec-19	—	—	—	—
	250,000	0.79	2-Jan-19	—	—	—	—
	375,000	0.82	27-Sep-18	—	—	—	—
	500,000	1.76	14-Mar-18	—	—	—	—
	102,500	1.85	2-Aug-17	—	—	—	—
Max Vaughan	500,000	0.43	14-Dec-26	50,000	—	—	29,150
	500,000	0.40	10-Aug-25	65,000	—	—	—
	300,000	0.56	10-Dec-19	—	—	—	—
	200,000	0.79	2-Jan-19	—	—	—	—
	125,000	0.82	27-Sep-18	—	—	—	—
	400,000	1.76	14-Mar-18	—	—	—	—
	135,000	1.85	2-Aug-17	—	—	—	—
Richard Brown	500,000	0.43	14-Dec-26	50,000	—	—	18,173
	500,000	0.40	10-Aug-25	65,000	—	—	—
	400,000	0.56	10-Dec-19	—	—	—	—
	100,000	0.95	18-Jun-19	—	—	—	—
	250,000	0.79	2-Jan-19	—	—	—	—
	125,000	0.82	27-Sep-18	—	—	—	—
	250,000	1.76	14-Mar-18	—	—	—	—
Dragos Tanase	135,000	1.85	2-Aug-17	—	—	—	—
	400,000	0.43	14-Dec-26	40,000	—	—	—
	500,000	0.40	10-Aug-25	65,000	—	—	—
	400,000	0.56	10-Dec-19	—	—	—	—
	250,000	0.79	2-Jan-19	—	—	—	—
	375,000	0.82	27-Sep-18	—	—	—	—
	250,000	1.76	14-Mar-18	—	—	—	—
Nicolae Suciu	72,000	1.85	2-Aug-17	—	—	—	—
	150,000	0.43	14-Dec-26	15,000	—	—	—
	350,000	0.40	10-Aug-25	45,500	—	—	—
	150,000	0.56	10-Dec-19	—	—	—	—
	125,000	0.79	2-Jan-19	—	—	—	—
	125,000	0.82	27-Sep-18	—	—	—	—
	75,000	1.76	14-Mar-18	—	—	—	—
	75,000	1.85	2-Aug-17	—	—	—	—

Notes:

- (1) The values expressed in this column are based on the difference between the market value of the Shares underlying the Options as at December 31, 2016, being \$0.53, and the exercise price of the Options.
- (2) The values expressed in this column are based on the market value of the Shares underlying the DSUs as at December 31, 2016, being \$0.53.

Incentive Plan Awards – Value Vested or Earned

Option-based Awards

The following table illustrates the value of those Option-based awards that have vested in favour of NEOs as at December 31, 2016 and May 17, 2017.

<i>Name</i>	<i>Total Number of Shares underlying Options</i>	<i>Option exercise price (\$)</i>	<i>Option expiration date</i>	<i>Number of vested Shares underlying Options</i>	<i>At December 31, 2016 Value of vested in-the-money option⁽¹⁾ (\$)</i>	<i>At May 17, 2017 Value of vested in-the-money options⁽²⁾ (\$)</i>
Jonathan Henry	500,000	0.43	14-Dec-26	—	—	—
	500,000	0.40	10-Aug-25	150,000	19,500	1,500
	450,000	0.56	10-Dec-19	450,000	—	—
	250,000	0.79	2-Jan-19	243,056	—	—
	375,000	0.82	27-Sep-18	375,000	—	—
	500,000	1.76	14-Mar-18	500,000	—	—
Max Vaughan	102,500	1.85	2-Aug-17	102,500	—	—
	500,000	0.43	14-Dec-26	—	—	—
	500,000	0.40	10-Aug-25	150,000	19,500	1,500
	300,000	0.56	10-Dec-19	300,000	—	—
	200,000	0.79	2-Jan-19	194,444	—	—
	125,000	0.82	27-Sep-18	125,000	—	—
	400,000	1.76	14-Mar-18	400,000	—	—
	135,000	1.85	2-Aug-17	135,000	—	—
Richard Brown	500,000	0.43	14-Dec-26	—	—	—
	500,000	0.40	10-Aug-25	150,000	19,500	1,500
	400,000	0.56	10-Dec-19	400,000	—	—
	250,000	0.79	2-Jan-19	243,056	—	—
	125,000	0.82	27-Sep-18	125,000	—	—
	100,000	0.95	18-Jun-18	83,333	—	—
	250,000	1.76	14-Mar-18	250,000	—	—
	135,000	1.85	2-Aug-17	135,000	—	—
Dragos Tanase	400,000	0.43	14-Dec-26	—	—	—
	500,000	0.40	10-Aug-25	150,000	19,500	1,500
	400,000	0.56	10-Dec-19	400,000	—	—
	250,000	0.79	2-Jan-19	243,056	—	—
	375,000	0.82	27-Sep-18	375,000	—	—
	250,000	1.76	14-Mar-18	250,000	—	—
	72,000	1.85	2-Aug-17	72,000	—	—
	150,000	0.43	14-Dec-26	—	—	—
Nicolae Suciu	350,000	0.40	10-Aug-25	105,000	13,650	1,050
	150,000	0.56	10-Dec-19	150,000	—	—
	125,000	0.79	2-Jan-19	121,528	—	—
	125,000	0.82	27-Sep-18	125,000	—	—
	75,000	1.76	14-Mar-18	75,000	—	—
	75,000	1.85	2-Aug-17	75,000	—	—

Notes:

- (1) The values expressed in this column are based on the difference between the market value of the Shares underlying the Options as at December 31, 2016, being \$0.53, and the exercise price of the Option.
- (2) The values expressed in this column are based on the difference between the market value of the Shares underlying the Options as at May 17, 2017, being \$0.41, and the exercise price of the Option.

Share-based Awards

The following table illustrates the value of those outstanding Share-based awards that have vested in favour of NEOs as at December 31, 2016 and May 17, 2017.

<i>Name</i>	<i>Deferred or Restricted Share Units</i>	<i>Total number of Share-based awards</i>	<i>Number of vested Share-based awards</i>	<i>At December 31, 2016</i>	<i>At May 17, 2017</i>
				<i>Market or payout value of vested Share-based awards⁽¹⁾</i> (\$)	<i>Market or payout value of vested Share-based awards⁽²⁾</i> (\$)
Jonathan Henry	DSUs	422,243	422,243	223,789	173,120
	RSUs	n/a	n/a	n/a	n/a
Max Vaughan	DSUs	55,000	55,000	29,150	22,550
	RSUs	n/a	n/a	n/a	n/a
Richard Brown	DSUs	34,289	34,289	18,173	14,058
	RSUs	n/a	n/a	n/a	n/a
Dragos Tanase	n/a	n/a	n/a	n/a	n/a
Nicolae Suci	n/a	n/a	n/a	n/a	n/a

Notes:

- (1) The values expressed in this column are based on the market value of the Shares underlying the DSUs as at December 31, 2016, being \$0.53.
- (2) The values expressed in this column are based on the market value of the Shares underlying the DSUs as at May 17, 2017, being \$0.41.

Incentive Plan Awards – Value Vested or Earned during the Year

The following table provides information regarding the value vested or earned of incentive plan awards for each NEO for the financial year ended December 31, 2016.

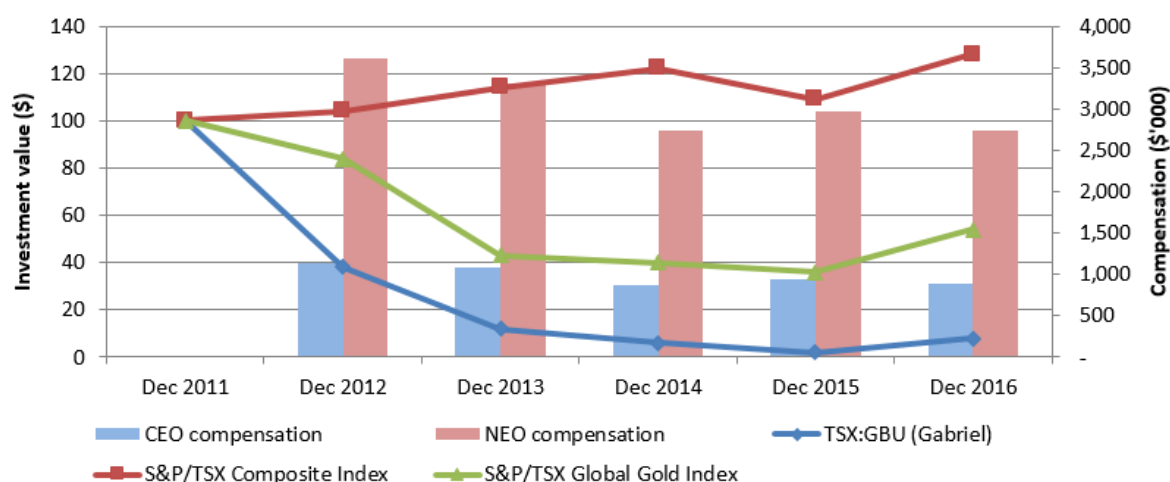
<i>Name</i>	<i>Option-based awards – Value vested during the year⁽¹⁾</i> (\$)	<i>Share-based awards – Value vested during the year⁽²⁾</i> (\$)	<i>Cash bonus awards for the year</i> (\$)	<i>Total value vested/earned during the year</i> (\$)
Jonathan Henry	26,000	—	—	26,000
Max Vaughan	26,000	—	—	26,000
Richard Brown	26,000	19,875	—	45,875
Dragos Tanase	26,000	—	78,273	104,273
Nicolae Suci	18,200	—	53,958	72,158

Notes:

- (1) Options – value vested during the year represents the aggregate dollar value that would have been realized in 2016 if Options had been exercised on the applicable vesting date. The value was determined by calculating the difference between the closing price on the TSX of the Shares underlying the Options on the vesting date and the exercise price of the Options times the number of Options vested.
- (2) The numbers in this column reflect the dollar value of the RSUs awarded to the NEO which vested during the year, valued at the share price at December 31, 2016 of \$0.53 as quoted on the TSX.

PERFORMANCE GRAPH

The following graph compares the annual change in the cumulative total shareholder return for \$100 invested in Shares on December 31, 2011 against the cumulative total shareholder return for the S&P/TSX Composite Index and S&P/TSX Gold Index for the five most recently completed financial years, assuming reinvestment of all dividends. In addition, the graph compares the total compensation for the Company's CEO and NEOs (including the CEO) for the five most recently completed financial years⁽¹⁾.



	Dec 2012	Dec 2013	Dec 2014	Dec 2015	Dec 2016
	(\$)	(\$)	(\$)	(\$)	(\$)
TSX: GBU (Gabriel) ⁽²⁾	38	12	6	2	8
S&P/TSX Composite Index ⁽²⁾	104	114	122	109	128
S&P/TSX Gold Index ⁽²⁾	84	43	40	36	54

Notes:

- (1) The CEO and NEO compensation is based on the information provided in the Summary Compensation Table of the management information circulars for each of the years 2012 to 2016.
- (2) Gabriel's share price is used as the measure for total shareholder return and, together with the index information expressed relative to a 2011 baseline, has been sourced from information at <http://web.tmxmoney.com>, under the symbols "GBU", "TSX" and "TTGD".

PROHIBITION ON HEDGING AND TRADING IN DERIVATIVES

Pursuant to Gabriel's policies, directors and officers are not permitted to purchase financial instruments for the purpose of, or otherwise engage in, hedging or other price protective transactions with respect to Options or other equity or equity related securities of the Company which are held, directly or indirectly, by the director or officer. In addition, no officer or director is permitted to engage in the short sale of securities, or sales of borrowed securities, of the Company.

TERMINATION AND CHANGE OF CONTROL BENEFITS

Benefits upon Termination or Change of Control

As of the date of this Circular, Gabriel has continuing employment agreements in place with each of the NEOs. The following table sets out a description of the termination and change of control benefits provided to each of the NEOs pursuant to the terms of the Company's incentive plans and their respective employment agreements with the Gabriel Group⁽¹⁾. Except as expressly noted in the table and accompanying footnotes below, each of the NEO's has the same termination and change of control benefits.

Type of Termination	Severance	Options	DSUs	RSUs	Other Benefits
Resignation⁽²⁾	<ul style="list-style-type: none"> None 	<ul style="list-style-type: none"> All vested Options as of effective date of resignation remain exercisable for a period of 90 days following that date. All unvested Options are cancelled. 	<ul style="list-style-type: none"> Entitlement to redeem outstanding DSUs within 90 day period commencing on the effective date of resignation. 	<ul style="list-style-type: none"> Entitlement to settle vested RSUs within 90 day period commencing on the effective date of resignation. All unvested RSUs are cancelled. 	<ul style="list-style-type: none"> None.
Termination for Cause⁽³⁾	<ul style="list-style-type: none"> None 	<ul style="list-style-type: none"> All vested Options as of date of termination remain exercisable for a period of 90 days following the date of termination. All unvested Options are cancelled. 	<ul style="list-style-type: none"> Entitlement to redeem outstanding DSUs within a 90 day period commencing on the date of termination. 	<ul style="list-style-type: none"> No entitlement to any RSU payout and all vested and unvested RSUs are cancelled. 	<ul style="list-style-type: none"> None.
Termination without Cause⁽³⁾	<p>The following severance payments are payable in the event of termination without Cause:</p> <ul style="list-style-type: none"> In the case of Mr. Henry and Mr. Brown, a payment equal to 12 months' base salary In the case of Mr. Vaughan, a payment equal to the aggregate of: (i) 18 months' base salary; and (ii) the average of the two prior years' bonus divided by 12 and multiplied by 18. In the case of Mr. Tanase, a payment equal to the aggregate of: (i) 24 months' base salary; and (ii) the average of the two prior years' bonus. In the case of Mr. Suci, a payment equal to 12 months' base salary. 	<ul style="list-style-type: none"> All outstanding Options will immediately vest and remain exercisable for a period of 90 days following the date of termination. 	<ul style="list-style-type: none"> Entitlement to redeem outstanding DSUs within a 90 day period commencing on the date of termination. 	<ul style="list-style-type: none"> All outstanding RSUs will immediately vest and NEO shall be entitled to settle RSUs within a 90 day period commencing on the date of termination. 	<ul style="list-style-type: none"> All medical and life insurance policies will continue in place for a period of up to one year for Mr. Henry and Mr. Brown and up to six months for Mr. Vaughan.

Type of Termination	Severance	Options	DSUs	RSUs	Other Benefits
Change of Control⁽³⁾	<p>In the case of Messrs. Henry, Vaughan and Brown, the following are payable in the event of (a) the involuntary termination of an NEO's employment within one year following a Change of Control event, or (b) the voluntary termination by the NEO of his employment within 60 days following the date which is 120 days after a Change of Control occurs:</p> <ul style="list-style-type: none"> a payment equal to the aggregate of: (i) two times base annual salary; and (ii) two times actual bonus averaged over the prior two years, with the bonus to include both the cash component and the cash equivalent as of the date of grant of any RSUs and DSUs comprising part of the bonus. In the case of Mr. Tanase, a payment equal to the aggregate of: (i) two times his base annual salary; and (ii) two times his actual bonus averaged over the prior two years. In the case of Mr. Suci, a payment equal to one times his base annual salary 	<ul style="list-style-type: none"> All outstanding Options will immediately vest and remain exercisable for a period of 90 days following a Change of Control event. 	<ul style="list-style-type: none"> Entitlement to redeem outstanding DSUs within a 90 day period following a Change of Control event. 	<ul style="list-style-type: none"> All outstanding RSUs will immediately vest and NEO shall be entitled to settle RSUs within a 90 day period following a Change of Control event. 	<ul style="list-style-type: none"> None.

Notes:

- (1) The employment agreements for Messrs. Henry, Vaughan and Brown are with RMGS. Mr. Tanase and Mr. Suci have employment agreements with RMGC.
- (2) Each of Messrs. Henry, Vaughan and Brown may resign on three months' written notice of resignation. The employment agreements of Messrs. Tanase and Suci contain no specific requirements in respect of notice of resignation.
- (3) "Cause" and "Change of Control" are defined in an NEO's employment agreement. The employment contract amendment agreements executed by Messrs. Henry and Brown in March and April 2017 respectively include a legally binding undertaking from the Company that the Company may not terminate the employment without Cause prior to the earlier of (i) completion of the Hearing and the filing of post-Hearing briefs in the ICSID Arbitration or (ii) the date on which the Claimants notify ICSID of the suspension by the Claimants for more than 12 months, or the abandonment by the Claimants, of the ICSID Arbitration pursuant to a decision of the Board. Save for the aforementioned, the employment agreement with each NEO may be terminated by RMGS or RMGC (as the case may be) with or without cause, in all cases without prior written notice.

Potential Payments upon Termination and Change of Control

The following table outlines the estimated value of the payments that the NEOs would have been entitled to receive in the event of (i) termination of their employment without ‘Cause’ on December 31, 2016 or (ii) a ‘Change of Control’ and a subsequent termination of their employment on December 31, 2016:

<i>Name</i>	<i>Termination without cause⁽¹⁾ (\$)</i>	<i>Following change in control⁽¹⁾ (\$)</i>	<i>Settlement of Share-based Awards⁽²⁾ (\$)</i>	<i>Exercise of Option-based Awards⁽²⁾ (\$)</i>
Jonathan Henry	1,370,557	1,430,147	223,789	—
Max Vaughan	603,343	804,458	29,150	—
Richard Brown	603,343	804,457	18,173	—
Dragos Tanase	716,363	716,363	—	—
Nicolae Suciu	247,814	247,814	—	—

Notes:

- (1) The exchange rate used to convert GBP to CAD was C\$1 = GBP 0.5594, and RON to CAD was C\$1 = RON 3.0643.
- (2) Value of DSUs and RSUs which would fully vest upon termination without cause or change of control, which are, at the election of the holder, payable in cash or Shares of the Company. These benefits are valued at the Share price at December 31, 2016 of \$0.53 as quoted on the TSX.
- (3) For clarity, the above table does not take into account the effects of the amended employment terms and compensation due to Messrs. Henry and Brown in respect of the employment contract amendment agreements entered into in March and April 2017 respectively.

PART VI

CORPORATE GOVERNANCE STATEMENT

INTRODUCTION

The Board and management believe that sound and effective corporate governance is essential to Gabriel's performance. Gabriel has adopted certain practices and procedures to ensure that effective corporate governance practices are followed and that the Board functions independently of management. In addition, the Corporate Governance and Compensation Committee of the Board (as previously defined in this circular "Committee") reviews Gabriel's corporate governance practices and procedures on a regular basis to ensure that they address significant issues of corporate governance.

The following statement sets out a description of Gabriel's corporate governance practices as approved by the Board and in accordance with the requirements set forth in National Instrument 58-101 — Disclosure of Corporate Governance Practices ("**NI 58-101**").

COMPOSITION OF THE BOARD

The names of Gabriel's proposed directors, together with their age and country of residence, year first elected as a director, principal occupation, other principal public company directorships and standing committee memberships are set out under the section entitled "*Nominees for Election*" in Part III of this Circular. The Board has two standing committees ("**Standing Committees**") as described in further detail below.

Majority Voting

The Board has adopted a policy requiring that any nominee for director who receives a greater number of votes "*withheld*" than votes "*for*" his or her election as a director shall submit his or her resignation to the Committee for consideration promptly following the meeting of shareholders. This policy applies only to uncontested elections. The Board will consider the recommendation of the Committee and determine whether to accept the resignation within 90 days of the applicable meeting of shareholders. A director who tenders his or her resignation will not participate in any meetings to consider whether the resignation shall be accepted. The Board will accept the resignation absent exceptional circumstances. Additional information may be found in the section entitled "*Business of the Meeting – Election of Directors*" in Part II of this Circular.

Board Interlocks

The Committee does not believe that it is necessary to set a formal limit on the number of its directors who serve on the same board of another public company, as this is only one measure of its assessment in order to ensure the independence of directors and their ability to act in the best interest of the Company.

The Committee considers public company board interlocks in the course of assessing each director's ability to serve as a director of the Company, and supports the disclosure of interlocks. As of the date of this Circular, there are no public company board interlocks among the Board members.

Details of all public company directorships held by each director are set out in the tables under the section entitled "*Nominees for Election*" in Part III of this Circular.

INDEPENDENCE OF BOARD MEMBERS

The Board reviews the independence of its members annually and has assessed the independence of each nominee for director. In determining independence, the Board examined and relied on the definitions of independence in NI 58-101 and NI 52-110 and, where appropriate, in the TSX Manual. In applying the independence criteria, the Board reviews and analyses the existence, materiality and effect of any relationships between Gabriel and each of its directors, either directly, through a family member or as a partner, shareholder or officer of another organization that has a relationship with Gabriel and determines in each case whether the relationships could, or could reasonably be perceived to, materially interfere with the director's ability to act independently of management or which could, in the view of the Board, be reasonably expected to interfere with the exercise of a member's independent judgement.

The Corporate Governance Guidelines of the Company provide that directors who are independent in the Board's determination (in light of all applicable securities laws, rules and regulations, including those of the stock exchange) must comprise a majority of the Board at all times. Six of the nine current members of the Board meet this definition of independence.

With the assistance of the Committee, the Board has considered the relationship to Gabriel of each of the nominee directors for election by the shareholders at the Meeting and has determined that a majority of the individuals nominated for election (being seven of the ten) are independent.

The following table sets out the nominees for election who are not considered to be independent and the reason why such determination has been made.

<i>Gabriel Board Member</i>	<i>Position Held</i>	<i>Reason for Not Independent Status</i>
Jonathan Henry	President and Chief Executive Officer	Mr. Henry is not independent due to his position as President and Chief Executive Officer of Gabriel.
Dag Cramer	Director	Mr. Cramer is not considered to be independent of the Company by virtue of his relationship with BSG Capital Markets PCC Limited which, as discussed under the section "Principal Holders of Voting Securities" in Part I of this Circular, holds a beneficial interest in 15.6% of the Shares.
David Kay	Director	Mr. Kay is not considered to be independent of the Company by virtue of his relationship with Tenor International & Commercial Arbitration Fund, a principal investor in the 2016 Private Placements.

Each of the Corporate Governance and Compensation Committee and Audit Committee are required to be and are comprised entirely of independent directors.

BOARD MANDATE

The Board supervises the conduct of the affairs of the Company directly and through its Standing Committees. In so doing, the Board endeavours to act always in the best interests of the Company. In addition, the Board recognizes the importance of the enhancement of both short and longer term value for all shareholders. In carrying out its responsibilities, the Board appoints the senior executives of the Company and meets with them on a regular basis to receive and consider reports on the Company's business. The Board holds regularly scheduled meetings, with additional meetings being held as required to consider particular issues or conduct specific reviews between regularly scheduled meetings.

The fundamental responsibility of the Board is to supervise the management of Gabriel's business and affairs with a view to sustainable value creation for all shareholders. The Board promotes fair reporting, including financial reporting, to shareholders and other interested persons as well as ethical and legal corporate conduct through an appropriate system of corporate governance, internal controls and disclosure controls.

The Board is, among other matters, responsible for the following:

- adopting a strategic planning process;
- reviewing risk identification and ensuring that procedures are in place for risk management;
- reviewing and approving annual operating plans and budgets;
- corporate social responsibility, ethics and integrity;
- succession planning, including the appointment of senior officers;
- delegation and general approval guidelines for management;
- monitoring financial reporting and management;
- reviewing corporate disclosure and communications;
- adopting measures for receiving feedback from stakeholders; and
- adopting key corporate policies designed to ensure that Gabriel and its directors, officers, employees, consultants and contractors comply with all applicable laws, rules and regulations and conduct business for and on behalf of Gabriel ethically and with honesty and integrity.

The Board has adopted a formal written mandate which clarifies these responsibilities and complements the written mandates of each of the Standing Committees. The full text of the mandate is set out in Appendix I. A copy can also be found on Gabriel's website at www.gabrielresources.com.

Strategic Planning

The Board works with management in developing the overall business strategy of the Company and the business plan(s) for achieving its objectives, which contribute to the overall objectives for the President and Chief Executive Officer. The Board receives regular updates from management regarding implementation of the business strategy.

Along with those matters which must by law be approved by the Board, key strategic decisions are also submitted by management to the Board for approval or discussion. In addition to approving specific corporate actions, the Board reviews and approves the reports issued to shareholders, including annual financial statements, as well as materials prepared for shareholders' meetings.

Directors are provided an opportunity to meet individually in work sessions with senior management to obtain further insight into the operations of the Company and its subsidiaries, and are involved on a regular basis in discussions with management. Each Standing Committee may engage outside advisors at the expense of the Company. Individual directors are also free to consult with members of senior management whenever so required and to engage outside advisors, at the expense of the Company, with the authorization of the Committee.

To ensure that the Board is able to discharge its responsibilities independently of management, the following structures and processes are in place:

- the independent directors are invited to meet separately from management and the non-independent directors following each meeting of the Board. In camera sessions are on each meeting agenda and the independent directors of the Board met without non-independent directors and management on several occasions during 2016; there are no members of management on the Board, other than the President and Chief Executive Officer of the Company;
- when appropriate, members of management, including the President and Chief Executive Officer, are not present for the discussion and determination of certain matters at meetings of the Board;
- the Audit Committee and the Corporate Governance and Compensation Committee consist entirely of directors who are independent;
- the President and Chief Executive Officer's compensation is considered, in his absence, by the Committee and by the Board at least once a year; and
- in addition to the Standing Committees of the Board, independent committees are appointed from time to time, when appropriate.

The Chairman of the Board

Mr. Hulley has been a member of the Board since 2006 and has held the position of Chairman of the Board since June 2010. As Chairman, Mr. Hulley is principally responsible for overseeing the operations and affairs of the Board. His responsibilities include leading, managing and organizing the Board, consistent with the approach to corporate governance adopted by the Board from time to time; confirming that appropriate procedures are in place to allow the Board to work effectively and efficiently and to function independently from management; acting as a liaison between the Board and senior management; encouraging effective communication between the Board and CEO; and ensuring that the Board and senior management understand their respective responsibilities and respect the boundaries between them.

Up until June 2013, Mr. Hulley was not considered independent of the Company due to his historical role acting as Interim President and Chief Executive Officer of the Company from March 2009 until June 19, 2010, during which time he received compensation from the Company for performing such role. During this period of 'non-independence' of the Chair and for three years thereafter, the Board appointed a lead independent director of the Board who was responsible for facilitating the functioning of the Board independently of management, including chairing sessions of the Board's independent directors, and ensuring that the directors formally had an independent leadership contact.

In June 2013, the Board re-evaluated the independence of Mr. Hulley in light of the expiration of the three year technical prohibition on his independence under applicable securities laws, rules and regulations. The Board unanimously concluded that Mr. Hulley should be considered independent and that, accordingly, there was no further requirement for a lead independent director of the Company.

Oversight of the President and Chief Executive Officer

The President and Chief Executive Officer is appointed by the Board and is responsible for managing Gabriel's affairs. His key responsibilities also involve articulating the vision for the Company, focusing on creating value for shareholders, and developing and implementing a strategic plan that is consistent with the corporate vision.

Annually the Board may set objectives for the CEO which align with the Company's strategic plan. The President and Chief Executive Officer is accountable to the Board and the Standing Committees to the Board. The Board conducts a formal review of his performance once per year.

The Board has established clear limits of authority over expenditure and other matters for the CEO and reviews such authorities periodically as required. The Board receives both formal and informal reports on Gabriel's operating activities as well as timely reports on certain non-operational matters, including insurance, legal, risk evaluation, corporate governance and financial matters.

Position Descriptions

The Board has adopted position descriptions for the Chairman of the Board and the CEO which set out their respective duties and responsibilities. These position descriptions are reviewed by the Board from time to time. Copies can be found on Gabriel's website at www.gabrielresources.com.

The Board has determined that, given the size of the Board and the fact that each Standing Committee has a comprehensive written charter, a written position description for the chairman of each Standing Committee is not required at this stage.

Risk Oversight

The Board oversees the identification of the principal risks of Gabriel's business and ensures that there are systems in place to effectively identify, monitor and manage them where prudent to do so.

The Board and its Standing Committees manage various types of risks as follows:

- *Audit Committee*: the Audit Committee monitors financial related risks, including risks relating to internal controls over financial reporting, the delegation of financial authority, and financial risk management policies. The Audit Committee also oversees the Company's disclosure controls and procedures, code of ethics and international business conduct policies.
- *Corporate Governance and Compensation Committee*: the Corporate Governance and Compensation Committee oversees risks related to corporate governance matters and compensation related risks, and retention and succession risks.

As part of its risk management governance system, the Board has overseen the development by management of a periodic risk review program which involves management undertaking an entity-wide process to identify, classify, assess and report on Gabriel's principal operational risks and the risk management strategies and systems being employed to monitor and manage such risks. This risk review program is reviewed by both the Audit Committee and the Board on a periodic basis.

In addition, members of the Board are encouraged to ask questions of management at Board and Standing Committee meetings, as well as throughout the year, to ensure that risks are appropriately identified, monitored and managed. The high level of engagement of Board members, as well as their extensive experience, contributes to the Board's risk oversight role. For a detailed explanation of the risks applicable to Gabriel and its businesses, see the section entitled "*Risk Factors*" in Part V of Gabriel's Annual Information Form dated March 29, 2017 ("**AIF**"), a copy of which is filed on SEDAR at www.sedar.com.

MEETINGS OF THE BOARD AND STANDING COMMITTEES OF THE BOARD

Scheduling and Frequency of Meetings

The Chairman of the Board, in consultation with the Corporate Secretary, has the responsibility of establishing a schedule for the meetings of the Board and its Standing Committees each year, which is approved by the Board. Board and Standing Committee meeting dates are established sufficiently in advance where possible (at least one year and longer if practical) to minimize conflict with other commitments on directors' schedules. Absent exceptional circumstances, the Board aims to meet a minimum of five times per year, typically every quarter and prior to or following the annual meeting of the shareholders. If, during the course of the year, circumstances require Board or Standing Committee action or consideration, additional meetings are called.

The Chairman of the Board works with the CEO to establish the agenda for each Board meeting. The chair of each Standing Committee, in consultation with the Corporate Secretary, determines the agenda for each Standing Committee meeting. Each Board member is free to suggest inclusion of items on any Board or Standing Committee agenda.

Directors are expected to review meeting materials in advance of meetings to encourage and facilitate discussion and questions. Board and Standing Committee meeting dates are established well in advance and directors are expected to be prepared for and attend all Board meetings and relevant Standing Committee meetings absent extenuating circumstances.

Meetings of the Board and Standing Committees in 2016

Between January 1, 2016 and December 31, 2016, the Board held 9 meetings, the Audit Committee met four times, each of the Corporate Governance Committee and the Compensation Committee met on one occasion before they were merged and on three further occasions as a merged entity. There were no meetings of the Finance Committee or the Technical Committee, which were disbanded with effect from July 1, 2016.

Attendance at Board and Standing Committee Meetings in 2016

The attendance records for all directors at meetings of the Board or its Standing Committees for the year ended December 31, 2016 are set out below.

	<i>NUMBER OF MEETINGS AND NUMBER OF MEETINGS ATTENDED⁽¹⁾</i>				
<i>Director</i>	<i>Board</i>	<i>Audit</i>	<i>Compensation⁽²⁾</i>	<i>Corporate Governance⁽²⁾</i>	<i>Overall Attendance</i>
Dag Cramer	7/9 (78%)	—	—	—	7/9 (78%)
Dr. Alfred Gusenbauer	5/9 (56%)	—	1/1 (100%)	2/4 (50%)	8/14 (57%)
Jonathan Henry	9/9 (100%)	—	—	—	9/9 (100%)
Keith Hulley⁽³⁾	9/9 (100%)	2/2 (100%)	—	—	11/11 (100%)
David Kay	3/3 (100%)				3/3 (100%)
Wayne Kirk	9/9 (100%)	4/4 (100%)	—	4/4 (100%)	17/17 (100%)
Igor Levental⁽³⁾	4/5 (80%)	—	—	1/1 (100%)	5/6 (83%)
William Natbony⁽³⁾	4/4 (100%)	2/2 (100%)			6/6 (100%)
David Peat	9/9 (100%)	4/4 (100%)	1/1 (100%)	—	14/14 (100%)
Walter Segsworth	9/9 (100%)	—	1/1 (100%)	3/3 (100%)	13/13 (100%)



Notes:

- (1) The table only shows attendance at Committee meetings for which a director is a Committee member, however, directors may and frequently do attend meetings of Committees of which they are not a member. Mr. Hulley, as Non-Executive Chairman of the Board, attends all Committee meetings on a non-compensated basis. Mr. Henry attends all Committee meetings on a non-compensated basis.
- (2) The Compensation Committee was merged with the Corporate Governance Committee with effect from July 1, 2016 and Mr. Peat ceased to be a committee member at that time.
- (3) Mr. Levental ceased to be a director of Gabriel on June 28, 2016. Mr. Natbony was appointed on June 28, 2016 and replaced Mr. Hulley as a member of the Audit Committee with effect from July 1, 2016

STANDING COMMITTEES OF THE BOARD

The Board has two Standing Committees. Each Standing Committee operates under a written charter that sets out its responsibilities and duties, qualifications for membership, procedures for committee member removal and appointment and reporting to the Board. The charters are reviewed annually by the relevant Standing Committee, which may make recommendations to the Board for changes. Copies of these charters can be found on Gabriel's website at www.gabrielresources.com.

The following table sets out the chairperson and members of each of the Standing Committees as at May 17, 2017:

<i>Director</i>	<i>Audit</i>	<i>Corporate Governance and Compensation</i>
Dag Cramer		
Dr. Alfred Gusenbauer		
Jonathan Henry		
Keith Hulley		
David Kay		
Wayne Kirk		
William Natbony		
David Peat		
Walter Segsworth		

 Chairperson of the Committee
 Member of the Committee

In addition to the responsibilities described elsewhere in this Part VI, the following provides a brief summary of the key functions, roles and responsibilities of each Standing Committee and its members.

Audit Committee

The Audit Committee is responsible for assisting the Board in fulfilling its oversight responsibilities in relation to, among other things:

- financial reporting and disclosure requirements;
- ensuring that an effective risk management and financial control framework has been implemented and tested by management of Gabriel; and
- external and internal audit processes.

As of May 17, 2017 the members of the Audit Committee were Messrs. Peat (Chair), Kirk and Natbony. The Board has determined that all of the Audit Committee members are independent (as set forth in National Instrument 52-110 – Audit Committees) and are financially literate as required by applicable securities legislation. Between January 1, 2016 and December 31, 2016, the Audit Committee met four times.

Information regarding the Audit Committee can be found under the section entitled "Audit Committee" in Part IX of the Company's AIF which can be found on SEDAR at www.sedar.com or on Gabriel's website at www.gabrielresources.com. Alternatively, a copy of the AIF can be obtained by security holders of the Company free of charge by contacting the Company Secretary at Gabriel Resources Ltd., c/o RM Gold (Services) Ltd., Central Court, 25 Southampton Buildings, London, WC2A 1AL, United Kingdom.

Corporate Governance and Compensation Committee

The Committee is responsible for assisting the Board in fulfilling its oversight responsibilities in relation to, among other things:

- developing corporate governance guidelines and principles for Gabriel;
- identifying individuals qualified to be nominated as members of the Board;
- structure and composition of Board committees;
- evaluating the performance and effectiveness of the Board;
- executive management succession and development;
- establishment of key human resources and compensation policies, including all incentive and equity based compensation plans;
- if deemed appropriate, establishment of corporate goals and objectives relevant to CEO compensation;
- evaluation of CEO's performance and determination of the CEO and senior executive compensation;
- evaluation of the performance of senior management; and
- compensation of directors.

Further details of the role of the Committee, and compensation consultants to the Committee, are set out under the section entitled "*Compensation Review Process*" in Part V of this Circular. As of May 17, 2017, the members of the Committee were Messrs. Kirk (Chair), Gusenbauer and Segsworth, each of whom is independent. Between January 1, 2016 and December 31, 2016, the Committee met four times.

SKILLS MATRIX

The Company considers that a board of directors with a diverse set of skills is better able to oversee the wide range of issues that arise in a company of Gabriel's complexity. The Committee therefore undertakes a quantitative survey every year to assess the Board's overall effectiveness and make sure its size and composition represent the quality and mix of skills needed to oversee management and Gabriel's business affairs. The mix of skills and experience of the Board in areas that are considered to be important to the business and operations of Gabriel are described below.

<i>Skill and Experience</i>	<i>Number of Directors</i>
Senior Executive Experience Experience as a senior officer or chair of a publicly listed company or major organization.	9
Other Directorships Current experience as a board member of a major organization (other than Gabriel - public, private, non-profit).	9
Mining Industry Experience Experience in a management, board or consulting role in mining operations, exploration or development.	7
Financial Expertise Senior financial officer of a publicly listed company or major organization or experience in financial accounting and reporting and corporate finance (familiarity with internal financial controls and IFRS).	3
Technical Expertise Experience with a leading mining or resource company with reserves, exploration and operations expertise.	3
Legal Expertise Experience as a lawyer either in private practice or in-house with a publicly listed company or major organization.	3
Environmental/Sustainable Development Expertise Understanding of and experience with corporate responsibility practices and the constituents involved in environmental/sustainable development policies.	4
European Experience Experience in a management, board or consulting role in conducting or overseeing business in Europe.	3
Government/Political Experience Experience in, or a good understanding of, the workings of governments, politics and public policy domestically and internationally.	6
Corporate Governance Expertise Knowledge of and experience with corporate governance requirements, practices and processes and the constituents involved in corporate governance policies.	9

The table below sets out the core skills and experience of individual members of the Board.

Skills and Experience	Dag Cramer	Dr. Alfred Gusenbauer	Jonathan Henry	Keith Hulley	David Kay	Wayne Kirk	William Natbony	David Peat	Walter Segsworth
Senior Executive Experience									
Other Directorship									
Mining Industry Experience									
Financial Expertise									
Technical Expertise									
Legal Expertise									
Environment/Sustainable Expertise									
European Experience									
Government/Political Experience									
Corporate Governance Expertise									

ASSESSMENT PROCESS

The Company has established an annual process ("**Evaluation Process**") whereby directors are provided with an opportunity to evaluate the effectiveness of the Board, the directors and the Standing Committees, and to identify areas where effectiveness can be improved or enhanced. The Evaluation Process is conducted by the Committee. The Evaluation Process carried out in the second quarter of 2017 showed that all individuals and Committees were effectively fulfilling their responsibilities.

The Evaluation Process involves the solicitation of input from individual directors through an annual assessment questionnaire completed by each member, which explores the directors' views and solicits feedbacks on, amongst other matters, (i) how well he or she believes the Board, the directors and the Committees are performing; (ii) the key competencies required by the Board and the extent to which these are served by the existing Board members; and (iii) their assessment of their own performance, including their availability and attendance, preparations, contributions, and knowledge and judgment. The Evaluation Process includes open-ended questions to allow directors to suggest improvement.

The results of the Evaluation Process are subsequently presented by the Committee to the Board and discussed by the Board. The Committee recommends to the Board any changes required to enhance performance based upon the Evaluation Process. The Chairman of the Committee also annually polls the directors regarding their assessment of the performance and suitability for re-nomination of the other directors (other than himself), and the Chairman of the Board polls the directors regarding the performance and suitability for re-nomination of the Chairman of the Committee.

ORIENTATION AND CONTINUING BOARD EDUCATION

Each new member of the Board participates in a formal orientation program. The orientation program includes in-person meetings with senior management on key business, financial, legal, permitting, government relations and operational topics central to Gabriel's business and operations. The orientation program also focuses on the role of the Board, its Standing Committees and its directors and new directors are provided with orientation materials describing the business of the Company, its corporate governance structure and related policies and information.

Key management and advisors are regularly invited to Board meetings to provide detailed presentations to the Board on significant developments and topics within their area of responsibility and expertise. A Directors' binder, which includes but is not limited to company information, corporate structure, position descriptions, board committee charters, principal corporate policies and relevant documentation describing Gabriel's current business activities, is updated and provided to the directors on a periodic basis. Legal counsel is made available to all directors to address any questions they may have on the role of the Board or its Standing Committees.

Continuing education is provided by management through presentations to the Board and Standing Committees. Directors are briefed regularly on strategic issues affecting the Company. Board members are encouraged to participate in continuing education relevant to their roles as directors and committee members. In addition, periodic presentations are provided by external legal counsel regarding recent developments in specific matters.

NOMINATION OF NEW DIRECTORS AND BOARD SIZE

The Committee is responsible for assessing the need for new directors, and the preferred experience and qualifications of new directors, taking into consideration the independence, age, skills and experience required for the effective conduct of the Gabriel's business. The Committee recommends candidates for initial Board membership and Board members for re-nomination. The skills matrix referred to above is used by the Committee to assist with its identification of the skills and experience required for nominees to the Board and recommendations are based upon character, integrity, judgment, business experience, record of achievement and skills or talents that would enhance the Board and overall management of the business and affairs of the Company.

The Committee maintains an understanding of the anticipated tenure of current directors, and the needs of the Board as a whole. Particular candidates are considered in light of the Board's current and anticipated needs. As described above, Board members complete annual assessment reports, and are polled regarding the performance of the other directors, which are reviewed by the Committee and its Chair respectively to ensure that the Board as a whole has the appropriate mix of skills and competence and to assist in placing Board members on Standing Committees where their expertise can best be utilized and also to identify skills and experience gaps important in identifying any new nominees to the Board.

In light of the circumstances under which the Company is now operating, including the significant change in focus of the Company, the Board has re-evaluated the appropriate size and composition of the Board and its Standing Committees in 2016. The proposed election of Ms. Stairs fulfils an ambition to bring more diversity to the Board whilst also bringing a mix of relevant legal and industry knowledge.

DIVERSITY AND GENDER REPRESENTATION

As described above, the Board has determined to put forward the existing nine directors of the Company, together with one further nominee for election as a new director, Ms. Janice Stairs.

While, as at the date of this document, the Company has no women on its Board and currently has no female executive officers, the Company has determined to put forward Ms. Janice Stairs for election as a director of the Company, and believes that diversity can enhance both the quality and effectiveness of company performance and can be an important aspect of effective corporate governance.

In identifying and nominating candidates for election to the Board or as executive officers, the Company is committed to maintaining a robust campaign to recruit the best qualified candidates whose appointments will be made based on merit, in the context of skills, experience, independence, knowledge and other qualities which the Company requires to be effective, with due regard for the benefits of diversity (including the level of representation of women on the Board and in executive officer positions).

Policies and Targets regarding the Representation of Women on the Board and in Executive Officer Positions

The Company has not adopted a written policy relating to the identification and nomination of women directors to the Board or in executive officer positions. The Board believes that this approach is appropriate for the current circumstances of the Company and a formal written policy is not necessary to achieve positive outcomes in Board and senior management gender diversity.

The Company has not adopted quotas or targets regarding gender representation on the Board or in executive officer positions. The Board does not believe that any candidate for a director nominee or an executive officer position should be chosen nor excluded solely or largely because of gender. In selecting a candidate, the Board focuses on skills, expertise and background that would complement the existing Board and/or the existing management team (as the case may be).

Selection of female candidates to the Board and to executive officer positions will be, in part, dependent upon the pool of female candidates with the necessary skills, knowledge and experience. As noted above, the ultimate decision will be based on merit and the contribution the chosen candidate will bring to the Company.

RETIREMENT POLICY AND TERM LIMITS

The Board has not adopted a mandatory retirement policy or term limits for directors. The Board believes that mandatory retirement and term limits may result in the loss of effective directors with deep knowledge of the Company. Instead, determination of a director's continued fitness for service as a member of the Board is assessed through the implementation of the Board and individual director assessment process outlined above.

SUCCESSION PLANNING AND EVALUATION OF OFFICERS

The Board ensures the continuity of executive management by overseeing succession planning. The Committee is specifically mandated to assist the Board in this regard, by ensuring that appropriate executive succession planning processes are in place and operating effectively for executives. The Committee also reviews significant changes to the organization's structure as they arise and their impact on executive roles.

Depending on the position at issue, the Audit Committee may also be involved in the periodic review of succession planning.

The Committee considers, and where deemed necessary undertakes, an annual review of the succession planning process and results for executive management and reports to the Board on these matters. As part of this annual process, the CEO reviews other executive management positions with the Committee.

The Committee assists the Board in monitoring the performance of the CEO by conducting an annual review of the CEO's performance against predetermined goals and criteria (including any goal of succession planning) and reporting to the Board, as well as recommending to the Board the total annual compensation of the CEO (see "*Compensation Discussion and Analysis*" in Part V of this Circular). The Committee also reviews with the CEO the performance of his direct reports and recommendations for their total compensation.

COMPENSATION OF DIRECTORS AND OFFICERS

The Board believes that compensation for directors and officers should be competitive with the compensation paid to directors and officers of comparable companies. The Committee reviews directors' compensation annually and makes recommendations to the Board. Directors who are employees of the Company or any of its affiliates do not receive any compensation for service as directors. Compensation paid to each director during 2016 is set out under "*Directors' Compensation for 2016 – Annual Director Compensation*" in Part IV of this Circular. Gabriel's executive compensation philosophy is described under "*Compensation Discussion and Analysis — Compensation Philosophy and Objectives*" in Part V of this Circular.

MINIMUM SHARE OWNERSHIP REQUIREMENTS

The Board has not established guidelines with respect to minimum share ownership requirements by directors or officers of the Company. As a significant portion of total remuneration is "at risk" and provided in the form of Options and/or RSUs or DSUs, which are intended to strengthen the alignment of management and shareholder interests, the Board has not considered it necessary to maintain minimum share ownership requirements for the Company's directors or officers.

COMMUNICATION/DISCLOSURE POLICY AND STAKEHOLDER FEEDBACK

Communications/Disclosure Policy

Gabriel has adopted a Corporate Disclosure Policy that establishes guidelines and standards for Gabriel's communications with shareholders, investment analysts, other stakeholders and the public generally. This policy includes measures to avoid selective disclosure of material information, and establishes internal processes for key public communications. The policy also addresses Gabriel's obligations for continuous and timely disclosure of material information and, together with Gabriel's Insider Trading Policy, sets governance standards together with requiring directors, officers, employees and contractors trading in Shares and other securities to comply with applicable law.

Gabriel has disclosure controls and procedures designed to ensure that material information relating to Gabriel is made known to its CEO and CFO. Gabriel has a Disclosure Committee, comprised of its CEO, CFO, CCO, Legal Counsel and Corporate Controller, and has designed and implemented due diligence procedures to support the financial reporting process and the certification of its financial reports by the CEO and CFO.

Gabriel interprets its operations for its shareholders and other stakeholders through a variety of channels, including its periodic financial reports, securities filings, news releases, website and industry forum presentations. Gabriel encourages and seeks stakeholder feedback through various channels including corporate communications and investor relations programs and through participation in the regulatory process. The Board, directly or through the activities of the Audit Committee, reviews and approves all quarterly and annual financial statements and related management's discussion and analysis, management information circulars, annual information forms and press releases containing significant new financial information, among others.

The Board is mandated to ensure systems are in place for communication with Gabriel's shareholders and other stakeholders. Gabriel currently maintains email and regular mail addresses for stakeholder feedback and questions. In addition, Gabriel encourages shareholders to attend Gabriel's annual meeting. The annual meeting provides a valuable opportunity to hear directly from Gabriel's management about the results of Gabriel's business and operations. Typically, Members of the Board are in attendance at annual meetings and are available to answer questions as appropriate.

Stakeholder Feedback

The Board recognizes that it is also important for the Board to communicate with shareholders, including organizations that represent or advise shareholders on matters of governance (collectively, "**Interested Parties**") and to that end, has consulted with management to develop a procedure to assist in managing inquiries directed to the Board or its members.

Interested Parties may communicate to the Board in writing to express their views on matters that are important to them by addressing their correspondence to the Board in care of the Corporate Secretary at Gabriel Resources Ltd., c/o RM Gold (Services) Ltd., Central Court, 25 Southampton Buildings, London WC2A 1AL, United Kingdom or via email at: ir@gabrielresources.com, subject line: Attention: Chairman of the Board c/o Corporate Secretary.

While the Board oversees management, it does not participate in the day to day business and affairs of Gabriel. The Board has instructed the Corporate Secretary to review all inquiries and, in his discretion, determine whether a response from the Board is appropriate or, if the inquiries relate to the day to day business and affairs of Gabriel, then to direct the inquiry to management for a response. All inquiries will receive a response from either the Board or management as appropriate. Records of all inquiries will be maintained by the Corporate Secretary.

CODE OF BUSINESS CONDUCT AND ETHICS

The Board expects all of Gabriel's directors, officers and employees to conduct themselves in accordance with the highest ethical and legal standards.

In addition to formal policies regarding anti-bribery and corruption, gifts and hospitality, and whistle blowing, the Board has adopted a Code of Business Conduct and Ethics ("**Code**") which applies to Gabriel's directors, officers, employees, consultants and contractors. The Code requires strict compliance with legal requirements and sets Gabriel's standards for the ethical conduct of our business. Topics addressed in the Code include policy matters, avoidance of conflicts of interest, compliance with applicable laws, codes and regulations, and procedures for employees and third parties to report concerns with respect to violations of the Code.

Directors are required to report promptly to the Board all actual, potential or perceived conflicts of interest regarding any matter under consideration. Directors may not participate in discussions, deliberations or decision-making in which they have a conflict of interest.

The Code is supported by detailed policy guidance and standards and a Code compliance program, under which every Gabriel director, officer, employee, consultant and, where appropriate, contractor is required to affirm that he or she understands the requirements of the Code and provide confirmation of his or her compliance with the Code during the preceding year.

The Board exercises stewardship over the Code in several respects. Ordinarily, the Code and related corporate policies are reviewed by management and the Board on an annual basis and, if appropriate, updated. Management reports to the Committee annually on this process and any changes are reviewed by the Committee. Any waivers of Code requirements for Gabriel's executive officers or members of the Board must be approved by the Board or appropriate Committee thereof and disclosed. No such waivers were granted in 2016.

Gabriel encourages directors, officers, employees, consultants and contractors to raise any policy breach and/or ethical concerns, without fear of retaliation.

Gabriel's "*Whistle Blowing Policy*" provides a means for Gabriel's directors, officers, employees, consultants and contractors to raise issues of concern confidentially to: (i) the Anti-Corruption Compliance Officer of the Company; (ii) the Chair of the Audit Committee; or (iii) the Head of Human Resources of RMGC.

As set out in Gabriel's Whistle Blowing Policy, an individual who, in good faith, reports a concern is protected from reprisal, such as dismissal, disciplinary action, retaliation or discrimination. Any issues of a serious nature are investigated by the Company's Anti-Corruption Compliance Officer, the Head of Human Resources of RMGC and/or the Audit Committee. The Audit Committee receives regular updates on activities relating to the Whistle Blowing Policy.

Gabriel provides additional specialized training for employees for matters governed by the Code, where it is determined such training would be beneficial. For example, the majority of employees involved with Gabriel's operations have been required to attend focused workshops, which address, among other items, compliance with anti-bribery and anti-corruption legislation.

Copies of the Code and Gabriel's Whistle Blowing Policy are available on the Company's website at www.gabrielresources.com.

PART VII

ADDITIONAL INFORMATION

DIRECTORS' AND OFFICERS' INSURANCE AND INDEMNIFICATION

Under policies purchased by Gabriel, insurance is in effect for the benefit of directors and officers of the Gabriel Group against liabilities incurred by them in their capacity as directors and officers. Gabriel is also insured under this policy in the event it is permitted or required by law to indemnify individual directors and officers.

In March 2017, Gabriel paid a premium of approximately \$222,000 for directors and officers insurance for the period ending January 31, 2018.

Gabriel's by-laws also provide for the indemnification of its directors and officers from and against liability and costs in respect of any action or suit against them in connection with the execution of their duties of office, subject to certain limitations. Gabriel has also entered into agreements with each of its directors and officers providing for indemnification and related matters.

INTERESTS OF DIRECTORS AND OFFICERS IN MATTERS TO BE ACTED UPON

Except as disclosed elsewhere in this Circular or in the press releases and material change report of the Company concerning the 2016 Private Placements, each as filed on SEDAR, no director or officer of Gabriel, or any associate or affiliate thereof or, to the knowledge of Gabriel, any person who beneficially owns, or controls or directs, directly or indirectly, 10% or more of the voting shares of Gabriel, or any associate or affiliate thereof had any material interest, direct or indirect, by way of beneficial ownership of Shares or otherwise, in any matter to be acted upon or in any transaction of Gabriel since January 1, 2016, or in any proposed transaction that has materially affected or will materially affect Gabriel or any of its subsidiaries.

SHAREHOLDER PROPOSALS FOR NEXT YEAR'S ANNUAL MEETING

The Yukon Business Corporations Act permits certain eligible shareholders of the Company to submit shareholder proposals to the Company, which proposals may be included in a management information circular relating to an annual meeting of shareholders. The final date by which the Company must receive shareholder proposals for the annual meeting of shareholders of the Company to be held in 2018 is February 16, 2018.

AVAILABILITY OF DOCUMENTS

Financial information for the year ended December 31, 2016 is provided in the audited consolidated financial statements and management discussion and analysis ("MD&A") of the Company.

A copy of the Company's annual report containing the audited consolidated financial statements and MD&A for the financial year ended December 31, 2016 was mailed on April 4, 2017 to all shareholders who requested a copy of such report through the completion and return of the mailing card provided by the Company in its last annual mailing. For those shareholders who did not request to receive a copy of the audited consolidated financial statements and MD&A, a copy is available upon request to the Company (see below) and can also be found on SEDAR at www.sedar.com or on the Company's website at www.gabrielresources.com.

The Company will provide to any person or corporation, upon request, one copy of any of the following documents: (i) this Circular; (ii) the Company's most recently filed audited consolidated financial statements, together with the accompanying report of the auditor; (iii) any interim financial statements of the Company that have been filed for any period after the end of the Company's most recently completed financial year; and (iv) the Company's Annual Information Form for the year ended December 31, 2016.

Copies of the above documents will be provided, upon request, by the Corporate Secretary at Gabriel Resources Ltd., c/o RM Gold (Services) Ltd., Central Court, 25 Southampton Buildings, London WC2A 1AL, United Kingdom, free of charge to security holders of the Company. Copies of these documents and other information relating to the Company are available on SEDAR at www.sedar.com and on the Company's website at www.gabrielresources.com.

CORPORATE ADDRESS

The Company's registered office is situated at Suite 200 - 204 Lambert Street, Whitehorse, Yukon Y1A 1Z4, Canada. The Company also maintains administrative offices in the United Kingdom at Central Court, 25 Southampton Buildings, London WC2A 1AL, and in Romania at 17 Herastrau Street, 1st District, 011981. Bucharest.

BOARD OF DIRECTORS' APPROVAL

The contents of this Circular and its sending to shareholders of the Company have been approved by the Board of Directors of Gabriel.

DATED as of May 17, 2017.

By Order of the Board of Directors

(Signed)

Richard Brown
Corporate Secretary

APPENDIX I

BOARD MANDATE

1 INTRODUCTION

- 1.1 The board of directors (the “Board”) of Gabriel Resources Ltd. (“Gabriel”) is elected by the shareholders of Gabriel and is responsible for the stewardship of Gabriel and its subsidiary companies. The purpose of this mandate is to describe the principal duties and responsibilities of the Board as well as some of the policies and procedures the Board will adopt in discharging its duties and responsibilities.

2 ROLE AND RESPONSIBILITIES OF THE BOARD

- 2.1 The role of the Board is to represent the shareholders of Gabriel, enhance and maximize shareholder value and conduct the business and affairs of Gabriel ethically and in accordance with the highest standards of corporate governance. The Board will promote fair reporting, including financial reporting, to shareholders and other interested persons, as well as ethical and legal corporate conduct through an appropriate system of corporate governance, internal controls and disclosure controls. The Board is ultimately accountable and responsible for providing independent, effective leadership in guiding the management of the business and affairs of Gabriel. The responsibilities of the Board include:

- adopting a strategic planning process;
- reviewing risk identification and ensuring that procedures are in place for risk management;
- reviewing and approval of annual operating plans and budgets
- corporate social responsibility, ethics and integrity;
- succession planning, including the appointment of senior officers;
- delegation and general approval guidelines for management;
- monitoring financial reporting and management;
- reviewing corporate disclosure and communications;
- adopting measures for receiving feedback from stakeholders; and
- adopting key corporate policies designed to ensure that Gabriel, its directors, officers, employees, consultants and contractors comply with all applicable laws, rules and regulations and conduct business for and on behalf of Gabriel ethically and with honesty and integrity.

- 2.2 The Board will delegate responsibility for the day-to-day management of Gabriel’s business and affairs to Gabriel’s senior officers and will review their performance.

- 2.3 The Board may delegate certain matters for which it is responsible to Board committees, presently consisting of the Audit Committee, Corporate Governance Committee, Compensation Committee, Finance Committee, and Technical Committee. The Board will, however, retain its oversight function and ultimate responsibility for these matters and all other delegated responsibilities.

3 STRATEGIC PLANNING PROCESS AND RISK MANAGEMENT

- 3.1 The Board will adopt a strategic planning process to establish objectives and goals for Gabriel's business and will review, approve and modify as appropriate the strategies proposed by senior management to achieve such objectives and goals. The Board will review and approve, at intervals that it deems appropriate, a strategic plan which takes into account, among other things, the opportunities and risks of Gabriel's business and affairs.
- 3.2 The Board, in conjunction with management, will identify the principal risks of Gabriel's business and will oversee management's implementation of appropriate systems to effectively monitor, manage and mitigate the impact of such risks.

4 CORPORATE SOCIAL RESPONSIBILITY, ETHICS AND INTEGRITY

- 4.1 The Board will provide leadership to Gabriel in support of its commitment to Corporate Social Responsibility, set the ethical tone for Gabriel and its management and foster ethical and responsible decision making by management. The Board will take all reasonable steps to satisfy itself of the integrity of the Chief Executive Officer and management and satisfy itself that the Chief Executive Officer and management create a culture of integrity throughout the organization.

5 SUCCESSION PLANNING, APPOINTMENT, SUPERVISION AND COMPENSATION

- 5.1 The Board will approve the succession plan for Gabriel, including the selection, appointment, supervision and evaluation of the Chief Executive Officer and the other senior officers of Gabriel, and will also approve the compensation of the Chief Executive Officer and the other senior officers of Gabriel.

6 DELEGATIONS AND APPROVAL AUTHORITIES

- 6.1 The Board will delegate to the Chief Executive Officer and senior management authority over the day-to-day management of the business and affairs of Gabriel. This delegation of authority will be subject to specified financial limits and any transactions or arrangements in excess of general authority guidelines will be reviewed by and be subject to the prior approval of the Board.

7 MONITORING OF FINANCIAL REPORTING AND MANAGEMENT

- 7.1 The Board will approve regulatory filings relating to financial reporting, including the annual audited financial statements, interim financial statements, the notes and management discussion and analysis accompanying such financial statements, quarterly and annual reports, management proxy circulars, annual information forms, prospectuses, and all capital investments, equity financings, borrowings and annual operating plans and budgets.
- 7.2 The Board will adopt procedures to ensure the integrity of internal controls and management information systems to ensure compliance with all applicable laws, rules and regulations, and to prevent violations of applicable laws, rules and regulations relating to financial reporting and disclosure, fraud against Gabriel and violations of its code of business conduct and ethics.

8 CORPORATE DISCLOSURE AND COMMUNICATIONS

- 8.1 The Board will ensure that all corporate disclosure complies with all applicable laws, rules and regulations and the rules and regulations of the stock exchanges upon which Gabriel's securities are listed. In addition, the Board will adopt procedures to ensure the Board receives feedback from security holders on material issues.

9 REVIEW OF MANDATE

- 9.1 The Corporate Governance Committee will annually review and assess the adequacy of this Mandate and recommend any proposed changes to the Board for consideration.

APPENDIX II

EQUITY COMPENSATION PLANS

PART A

SECURITIES AUTHORIZED FOR ISSUANCE

The following table sets forth information with respect to securities reserved for issuance under the Company's equity compensation plans as at May 17, 2017:

<i>Plan Category⁽¹⁾</i>	<i>Number of Shares to be issued upon the exercise of outstanding options/units (number)</i>	<i>Weighted- average exercise price of outstanding options (\$)</i>	<i>Number of Shares remaining available for future issuance under equity compensation plans⁽³⁾ (number)</i>
Option Plan	26,854,101	\$0.77	4,935,564
DSU Plan	2,446,304	n/a ⁽²⁾	854,731
RSU Plan	1,911,390	n/a ⁽²⁾	588,610
Equity compensation plans not approved by security holders	n/a	n/a	—
	31,211,795		6,378,905
Capable of further reserve for issuance under either Option or RSU Plans			854,578
Total	31,211,795	—	7,233,483

Notes:

- (1) The maximum number of Shares which may be reserved for issuance for all purposes under all equity based compensation arrangements of the Company (including the Option Plan, RSU Plan and DSU Plan) shall not exceed 10% of the Shares issued and outstanding from time to time, calculated on a non-diluted basis. As at May 17, 2017, this amounted to 38,445,278 Shares.
- (2) DSUs and RSUs do not require payment by the holder on redemption or settlement.
- (3) As at May 17, 2017 an aggregate of 37,590,700 securities had been reserved with the TSX for issuance under all of the Company's equity based compensation arrangements. Of this number, 31,211,795 securities had been allocated as awards to individuals under the Company's equity compensation plans. A further 854,578 Shares are capable of being reserved with the TSX before the Company reaches the maximum percentage (10%) of Shares allowable to be set aside (being equivalent to 38,445,278 Shares) in respect of issuance and exercise or redemption under the Option, RSU and DSU plans.

PART B

SUMMARY OF SHARE-BASED COMPENSATION PLANS

The following table sets out certain relevant disclosure with respect to the Company's Share-based compensation plans as at May 17, 2017:

	OPTION PLAN	DSU PLAN	RSU PLAN
Eligible participants	Any director, officer or employee of, or consultant to, Gabriel or of any subsidiary of Gabriel.	A director or senior officer of Gabriel designated by the Compensation Committee of Gabriel as eligible to participate in the DSU Plan.	Any director, officer or employee of, or consultant to, Gabriel or of any subsidiary of Gabriel.
Maximum number of securities issuable under each arrangement	<p>As at May 17, 2017, a total of 31,789,665 Shares have been reserved with the TSX for issue pursuant to the exercise of Options under the Option Plan.</p> <p>The maximum number of Shares which may be reserved for issuance under the Option Plan (and all Share compensation arrangements of the Company) is 10% of the issued and outstanding Shares (calculated on a non-diluted basis) from time to time.</p>	<p>A maximum of 5,000,000 DSUs may be issued under the DSU Plan.</p> <p>As at May 17, 2017, a total of 364,389 Shares had been issued pursuant to the redemption of DSUs and a further 1,334,576 DSUs had been cancelled.</p> <p>Accordingly, the maximum number of further Shares which may be issued from treasury pursuant to the redemption of DSUs under the DSU Plan is 3,301,035 (or such lower number as to ensure that Shares otherwise reserved for issuance under all Share compensation arrangements of the Company is no more than 10% of the issued and outstanding Shares (calculated on a non-diluted basis) from time to time).</p>	<p>As at May 17, 2017, a total of 2,500,000 Shares have been reserved with the TSX for issue pursuant to the settlement of RSUs under the RSU Plan.</p> <p>The maximum number of Shares which may be reserved for issuance pursuant to the settlement of RSUs under the RSU Plan (and all Share compensation arrangements of the Company) is 10% of the issued and outstanding Shares (calculated on a non-diluted basis) from time to time.</p> <p>.</p>

Maximum number of securities under each arrangement available to Insiders and their Associates	The maximum number of Shares (i) issuable to Insiders at any time and (ii) which may be issued to Insiders within a one year period, pursuant to the exercise of Options under the Option Plan (and all Share compensation arrangements of the Company) is 10% of the then issued and outstanding Shares (calculated on a non-diluted basis).	The maximum number of Shares (i) issuable to Insiders at any time and (ii) which may be issued to Insiders within a one year period, pursuant to the redemption of DSUs under the DSU Plan (and all Share compensation arrangements of the Company) is 10% of the then issued and outstanding Shares (calculated on a non-diluted basis).	The maximum number of Shares (i) issuable to Insiders at any time and (ii) which may be issued to Insiders within a one year period, pursuant to the settlement of RSUs under the RSU Plan (and all Share compensation arrangements of the Company) is 10% of the then issued and outstanding Shares (calculated on a non-diluted basis).
Maximum number of securities any one Insider and its Associates is entitled to receive	The maximum number of Shares which may be issued within a one-year period to any one Insider under all Share compensation arrangements of the Company is 5% of the then issued and outstanding Shares (calculated on a non-diluted basis).	The maximum number of Shares which may be issued within a one-year period to any one Insider under all Share compensation arrangements of the Company is 5% of the then issued and outstanding Shares (calculated on a non-diluted basis).	The maximum number of Shares which may be issued within a one-year period to any one Insider under all Share compensation arrangements of the Company is 5% of the then issued and outstanding Shares (calculated on a non-diluted basis).
Determination of exercise /redemption / settlement price	Exercise price is determined by the Board, provided that it cannot be less than the volume weighted average trading price of a Share as reported on the TSX for the five (5) trading days immediately preceding the day on which the relevant Option is granted.	The redemption price is the closing price of a Share on the TSX averaged over the five (5) consecutive trading days immediately preceding date of redemption.	The settlement price is the volume weighted average trading price of a Share as reported on the TSX for the five (5) trading days immediately preceding the date of settlement.

Term and vesting provisions	The Board has the authority to determine the term and vesting provisions of Options, provided that the term may not exceed ten (10) years.	No vesting conditions are attached to DSUs, however DSUs can only be redeemed after termination of service/employment, and, save as set out below, DSUs must be redeemed no later than ninety days following the date on which the termination of service/employment occurred. Notwithstanding the foregoing, a US grantee may elect a distribution date which is no earlier than the ninetieth day following termination of service or later than the last business day of the calendar year following the calendar year in which the termination of service occurs.	The Board has the authority to determine the term and vesting provisions of RSUs, provided that the term may not exceed five (5) years.
------------------------------------	--	---	---

<p>Procedure for amending the security based compensation arrangement, including whether shareholder approval is required for amendments.</p>	<p>The Board may revise the terms of the Plan or of any Option granted under the Plan, provided such amendment or revision: (i) is made in compliance with applicable law and does not require the approval of any regulatory body or the shareholders under law or the Option Plan; and (ii) does not materially adversely affect the rights of any option holder.</p> <p>Shareholder approval is required pursuant to the Option Plan to authorize:</p> <p>(a) any increase in the maximum number of Shares issuable under the Option Plan; (b) <u>any reduction to the exercise price of any outstanding Option</u>; (c) any extension to the expiry date of an outstanding Option benefiting an Insider; (d) any amendment to the limits on the maximum number of Shares which may be issued to Insiders; (e) the grant of an Option which has an expiry date of more than ten (10) years; and (f) any revision to the amendment provisions of the Option Plan.</p> <p>Amendments to the Option Plan which do not require shareholder approval include but are not limited to: (i) amendments to the vesting provisions of the Option Plan; (ii) amendments to the terms of any Options; (iii) amendments of the Option Plan or any Option to comply with any changes in requirements of any regulator or stock exchange to which the Company is subject; (iv) amendments of a “housekeeping” nature; and (v) amendments respecting the administration of the Option Plan.</p>	<p>Save as set out below, the Board has the authority to amend or suspend the plan without shareholder approval.</p> <p>The Board requires shareholder approval to: (i) increase the maximum number of DSUs issuable under the DSU Plan; (ii) amend the amendment provisions of the DSU Plan; and (iii) amend the definition of “Participant” under the DSU Plan.</p> <p>Amendments to the DSU Plan which do not require shareholder approval include but are not limited to: (i) amendments to reflect any changes in requirements of any regulator or stock exchange to which the Company is subject; (ii) amendments of a “housekeeping” nature including, but not limited to, of a grammatical or typographical nature; and (iii) amendments in respect of the administration of the DSU Plan.</p>	<p>Save as set out below, the Board has the discretion to amend the RSU Plan without shareholder approval.</p> <p>The Board requires shareholder approval to: (i) increase the maximum number of Shares issuable under the RSU Plan; (ii) extend the expiry date of any outstanding RSU; (iii) permit the grant of an RSU with an expiry date of more than five (5) years; (iv) remove or exceed the insider participation limits; and (v) amend the amendment provision of the RSU Plan.</p> <p>Amendments to the RSU Plan which do not require shareholder approval include but are not limited to: (i) amendments to the vesting provisions of the RSU Plan and any RSU award; (ii) amendments to the terms of any RSUs; (iii) amendments of the RSU Plan or any RSU to comply with any changes in requirements of any regulator or stock exchange to which the Company is subject; (iv) amendments of a “housekeeping” nature; and (v) amendments respecting the administration of the RSU Plan.</p>
--	---	--	--

Causes of cessation of entitlement including termination of employment	Unless as otherwise determined by the Board, all vested Options held by an option holder cease to be exercisable twelve (12) months after: (a) the date of termination of the Option holder's employment (with or without cause); (b) the date on which the Option holder ceases to be an eligible participant under the Option Plan; or (c) the date of the Option holder's death.	A DSU holder's right to participate in the DSU Plan terminates upon either: (a) the date of termination of the DSU holder's employment (with or without cause); (b) the date on which the DSU holder ceases to be a director; or (c) the date of the DSU holder's death, provided that a DSU holder shall be entitled to redeem his or her DSUs during the periods described above in the row entitled ' <i>Term and vesting provisions</i> '.	<p>In the case of a termination of an RSU participant's service with the Company by reason of (a) termination by the Company (other than for cause); or (b) the participant's death, the participant's unvested RSUs shall vest automatically, and at any time during the ninety (90) day period commencing on the date of such termination, the participant will be eligible to request that the Company settle his or her vested RSUs.</p> <p>In the case of a termination of an RSU participant's service by reason of voluntary resignation, the participant's unvested RSUs shall terminate automatically, and at any time during the ninety (90) day period commencing on the date of such termination, the participant will be eligible to request that the Company settle his or her vested RSUs.</p> <p>Upon a RSU participant's employment being terminated for cause, all RSUs held by the participant (vested and unvested) immediately terminate upon such termination date.</p>
Assignability	Not assignable or transferable.	Not assignable or transferable.	Not assignable or transferable.
Financial assistance provided by Gabriel to any participant to facilitate the purchase.	None.	None.	None.

Change of control provisions	<p>In the event of a change of control (as defined in the Option Plan and set out below), the Board may determine that all outstanding and unvested Options immediately vest and become exercisable in whole or in part by an Option holder.</p> <p>A change of control event under the Option Plan includes: (i) the sale by the Company of all or substantially all of its assets; (ii) acceptance by the holders of more than 30% of the Shares of any offer for all Shares (provided control of the Board also changes); (iii) the acquisition of ownership or control of more than 30% of the Shares (provided control of the Board also changes); (iv) the entering into of an agreement by the Company to merge, consolidate, restructure, amalgamate or initiate an arrangement into, or with, another corporation; (v) the approval by the Board or the shareholders to substantially liquidate the assets or wind-up the business of the Company; or (vi) individuals who were members of the Board immediately prior to a meeting of shareholders involving a contest for or an item of business relating to the election of directors, not constituting a majority of the Board following such election.</p>	None.	<p>In the event of a change of control (as defined in the RSU Plan and set out below), the Board may determine that all outstanding and unvested RSU immediately vest and become capable of settlement in whole or in part by an RSU holder.</p> <p>A change of control event under the RSU Plan includes: (i) the sale by the Company of all or substantially all of its assets; (ii) acceptance by the holders of more than 50% of the Shares of any offer for all Shares (provided control of the Board also changes); (iii) the acquisition of ownership or control of more than 50% of the Shares (provided control of the Board also changes); (iv) the entering into of an agreement by the Company to merge, consolidate, restructure, amalgamate or initiate an arrangement into, or with, another corporation; (v) the approval by the Board or the shareholders to substantially liquidate the assets or wind-up the business of the Company.</p>
Blackout extension	In the event Options granted pursuant to the Option Plan would otherwise expire during a blackout period, the expiry date for such Options shall be automatically extended to the tenth business day after the cessation of the relevant blackout period.	In the event DSUs granted pursuant to the DSU Plan would be redeemed during a blackout period, the redemption date for such DSUs shall be automatically extended to the tenth business day after the cessation of the relevant blackout period.	In the event RSUs granted pursuant to the RSU Plan would otherwise expire during a blackout period, the expiry date for such RSUs shall be automatically extended to the tenth business day after the cessation of the relevant blackout period.

Save as described in the Circular, no amendments were made to the terms and conditions of any outstanding equity-based awards during the year ended December 31, 2016.

PART C

AMENDMENTS TO OUTSTANDING SHARE-BASED AWARDS DURING 2016

During the course of 2016 and pursuant to the significant retrenchment programs implemented by the Gabriel Group during the course of 2016, the Board determined that certain employees and consultants of the Gabriel Group, who had been affected by such initiatives, would be permitted to exercise their respective Options at any point prior to the expiry date of such Options (ordinarily, the Board has required departing employees/consultants to exercise vested Options within a period of ninety days following the cessation of their employment or consultancy (as applicable)). The Board considered this action as appropriate in the circumstances in order to incentivize the employee/consultants to remain available to the Company if required. Such amendment did not require shareholder approval in accordance with the Option Plan. No terms of the Options were altered.



G A B R I E L

Rosia Montana

I N P A R T N E R S H I P