



GABRIEL
Roșia Montană
IN PARTNERSHIP

PRESS RELEASE

FOR IMMEDIATE RELEASE

TSX Trading Symbol: GBU

July 4, 2017

Gabriel Submits \$5.7 billion Arbitration Claim against Romania

Further to its announcement of June 29, 2017, Gabriel Resources Ltd. (“Gabriel” or the “Company”)¹ confirms that on June 30, 2017 it filed its statement of claim (the “Memorial”) against Romania before the World Bank’s International Centre for Settlement of Investment Disputes (“ICSID”), in accordance with the provisions of the Canada-Romania and UK-Romania bilateral investment treaties (together the “Treaties”). Gabriel seeks compensation for all of the losses it has incurred as a result of Romania’s breaches of the Treaties in an amount equivalent to \$5.7 billion².

For information on this press release, please contact:

Jonathan Henry
President & Chief Executive Officer
Mobile: +44 7798 801783
jh@gabrielresources.com

Notes to Editors

The move to arbitration follows exhaustive and diligent efforts by Gabriel to comply with all Romanian legal requirements in respect of the development of the Projects, complemented by the Company’s substantial contributions to the region’s social, environmental and historic preservation needs. Since January 2015, Gabriel has sought amicable resolution of this dispute.

As a member of the World Bank and a party to the ICSID Convention, Romania is bound by the terms of Treaties. Romania’s treatment of Gabriel and its investments has clearly breached its obligations set forth in the Treaties. The three-member tribunal constituted to hear the ICSID arbitration claim against Romania (“ICSID Arbitration Claim”) will determine the liability of Romania and any compensation due to Gabriel. The Memorial is subject to the confidentiality provisions of Procedural Order No.3 which can be found on the ICSID website³. Gabriel anticipates that the Memorial will be published in due course in accordance with those provisions and the determination of the Tribunal as appropriate.

By failing to comply with its obligations, the Romanian Government has caused harm to Romania’s national economy. Romania has sought, and badly needs, foreign direct investment. The Roșia Montană Project alone represented one of the largest proposed foreign direct investments in Romania, with the potential to contribute US\$24 billion⁴ into the country’s economy. The Romanian Government’s actions will likely be viewed with apprehension by prospective investors.

In addition to injecting badly needed economic stimulus into the poverty-stricken Apuseni region of Romania by providing crucially needed, long-term jobs, the Projects, if developed, were designed to help revive the area through desperately needed environmental clean-up and infrastructure investment. The Apuseni region, in which Roșia Montană is situated, has suffered, and continues to suffer, severe environmental degradation caused by historic and current State-owned mining operations. Through the utilization of modern mining technologies and a commitment to invest significantly in remediating pollution left behind by the State’s past unregulated mining operations, the Projects would have had a positive impact on the environment in and around Roșia Montană. Gabriel has also spent and committed more funds for preservation of cultural heritage than the Romanian Government has offered to this languishing region.

¹ The Company, and its wholly-owned subsidiary, Gabriel Resources (Jersey) Ltd. (“Gabriel Jersey”) are claimants in the arbitration claim. For the purposes of this release both the Company and Gabriel Jersey are designated as “Gabriel” or the “Company”.

² The claim, based on a damages assessment performed by an independent expert, seeks compensation in the amount of US\$4.4 billion, the Canadian dollar equivalent uses the closing foreign exchange rate on June 27.

³ <https://icsid.worldbank.org/en/Pages/cases/casedetail.aspx?CaseNo=ARB/15/31>

⁴ At an assumed gold price of US\$1,200/oz

About Gabriel

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

Since the grant of the License in June 1999, the Company has focused substantially all of its management and financial resources on the exploration, feasibility and subsequent development of the Roşia Montană Project. Despite the Company's fulfilment of its legal obligations and its development of the Roşia Montană Project as a high-quality, sustainable and environmentally-responsible mining project, using best available techniques, Romania has blocked and prevented implementation of the Projects without due process and without compensation. Accordingly, the Company's current core focus is the ICSID Arbitration Claim.

For more information please visit the Company's website at www.gabrielresources.com.

Forward-looking Statements

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

In this press release, forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Company at this time, are inherently subject to significant business, economic and competitive uncertainties and contingencies that may cause the Company's actual financial results, performance, or achievements to be materially different from those expressed or implied herein. Some of the material factors or assumptions used to develop forward-looking statements include, without limitation, the uncertainties associated with: the ICSID Arbitration Claim, actions by the Romanian Government, conditions or events impacting the Company's ability to fund its operations or service its debt, exploration, development and operation of mining properties and the overall impact of misjudgments made in good faith in the course of preparing forward-looking information.

Forward-looking statements involve risks, uncertainties, assumptions, and other factors including those set out below, that may never materialize, prove incorrect or materialize other than as currently contemplated which could cause the Company's results to differ materially from those expressed or implied by such forward-looking statements. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, identified by words or phrases such as "expects", "is expected", "anticipates", "believes", "plans", "projects", "estimates", "assumes", "intends", "strategy", "goals", "objectives", "potential", "possible" or variations thereof or stating that certain actions, events, conditions or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved, or the negative of any of these terms and similar expressions) are not statements of fact and may be forward-looking statements.

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

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

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

Investors are cautioned not to put undue reliance on forward-looking statements, and investors should not infer that there has been no change in the Company's affairs since the date of this press release that would warrant any modification of any forward-looking statement made in this document, other documents periodically filed with or furnished to the relevant securities regulators or documents presented on the Company's website. All subsequent written and oral forward-looking statements attributable to the Company or persons acting on its behalf are expressly qualified in their entirety by this notice. The Company disclaims any intent or obligation to update publicly or otherwise revise any forward-looking statements or the foregoing list of assumptions or factors, whether as a result of new information, future events or otherwise, subject to the Company's disclosure obligations under applicable Canadian securities regulations. Investors are urged to read the Company's filings with Canadian securities regulatory agencies including Gabriel's Annual Information Form for the year ended December 31, 2016, which can be viewed online at www.sedar.com. **ENDS**