



To the Stakeholders of the Roșia Montană Gold Corporation:

This Responsibility Report will serve as the 2009 Communication on Progress (“COP”) under the UN Global Compact (“UNGC”) for the Roșia Montană Gold Corporation (“RMGC”), which is 80 percent owned by Gabriel Resources Ltd. Gabriel is presently engaged in the development of its Rosia Montana gold mining project in Rosia Montana, Romania.

As CEO of Gabriel Resources, I wish to take the occasion of this COP to reiterate the support of both Gabriel and RMGC for the principles of the UN Global Compact. In some cases, UNGC principles – such as those concerning human rights, labour, and anti-corruption policies and protocols – have been fully integrated into Company operations, independent of local laws. In other instances, such as those UNGC principles concerning the environment, the practical aspect of honouring them comes only when mining operations begin. However, the Company has indicated – most notably in its Environmental Impact Assessment – its commitment to operating our Rosia Montana mine in an environmentally safe and responsible manner and in full compliance with both European and Romanian laws and regulations and international best practices.

This Communication on Progress describes the practical steps we are taking to implement the Global Compact principles. In conjunction with our commitment to the Global Compact, our actions in promoting sustainable development will actively advance several of the Millennium Development Goals, especially Goal 1 to eradicate extreme poverty and hunger, Goal 2 to achieve universal primary education, Goal 7 to ensure environmental sustainability, and Goal 8 to develop a global partnership for development.

Gabriel’s goal in developing our Rosia Montana Project is to set the benchmark for responsible mining. In 2008, we continued our efforts to benchmark our practices and policies against the upcoming ISO 26000 international standard for Social Responsibility. We want to ensure that by modeling our Corporate Social Responsibility (“CSR”) approach on the highest standards, we will be best positioned to fulfill our commitments – and to do so as the first company in the industry to comply with these new international standards.

Our steps in 2008 were a direct result of the re-evaluation we began in 2007, when we reassessed our approach to CSR, shifting from a top-down to bottom-up method – one that encourages community-grassroots input and development. In 2008 we introduced a new reporting approach, based on Key Performance Indicators. This new approach will make it easier for us to evaluate and report social and environmental progress over time and should ensure consistency in our reporting and communication.

2008 presented challenges as well. In our 2007 Communication on Progress, we reported the launch of Rosia Montana MicroCredit, a micro-lending institution chartered and capitalized by the Company to address the needs of the local community by providing support, training and micro-loans to local entrepreneurs. When the Romanian Government put the EIA review of our Project on hold, we had no choice but to reassess all of our community initiatives. While the attached Report – and the summary below – details the many Community Development Initiatives we were able to continue, we suspended our MicroCredit activities until such time as the government review recommences.

As we indicated in our 2008 COP, we understand that true sustainability is less about corporate contributions and more about building up a community's capability over time. For that reason, whenever possible, our engagement with the community takes place in partnership with community organizations and NGOs. Many of these efforts are detailed in the Responsibility Report; in this COP I highlight our general areas of activity:

- In 2008, we continued to maintain our focus on projects and programs that benefit youth. Our **Local Partnership for Education** – linking RMGC and Ovidiu Rom, one of Romania's leading educational non-governmental organizations (NGOs) – remains the cornerstone of our youth outreach. Launched in 2006 as a pilot summer school program involving 60 children, this partnership is now a year-round effort, improving the skills of local teachers and the educational opportunities of hundreds of local children. In 2008, our program served 40 teachers and more than 400 children.
- Our youth outreach extends beyond the classroom, through the **Youth Resource Centre (CERT)**, an initiative of the Rosia Montana Youth Partnership. In 2008, CERT's focus on skills and leadership training and student exchange activities ranged from dance and martial arts workshops, painting and puppet theatre, to foreign language and leadership training courses, and environmental awareness programs and actions.
- Our two-year-old **Rosia Montana Environmental Partnership (RMEP)** reached a milestone in 2007 when it formally became an NGO, paving the way for it to become self-sufficient in pursuing the interests of the community. In 2008, more than 2,000 local young people between 6 and 19 years of age, were involved in RMEP activities and campaigns, competitions and workshops aiming to improve knowledge on environmental protection, biodiversity and pollution prevention.
- Finally, our **Good Neighbour Program** was developed in late 2005 to help address the most immediate needs of the residents. As a community in a government-designated "Disadvantaged Zone", Rosia Montana has more than its share of isolated elderly, poor families and disadvantaged youth. In 2008, Good Neighbour volunteers in the program helped community members keep their homes warm during the winter; shoveled snow for the disabled and elderly; purchased groceries and provided transportation to the hospital when needed.


In 2008, our overall contributions to the community – at local, regional, national and international levels – were substantial, exceeding Cdn\$380,000, plus more than 10,600 hours of volunteer work performed by company employees for the community as part of our Good Neighbour Program.

Our Patrimony Department continued and expanded its emergency conservation efforts to preserve not only the officially-designated historic structures in Rosia village, but also a number of non-designated “vernacular” structures that help give the village its character. The Company’s work in this area is taking place in partnership with two local NGOs – ProRosia and Pro Dreptatea – which builds their capacity for community engagement. This effort continues in 2009 – a sign of the commitment we have made to preserving the village’s history and heritage.

In all instances and across all of our programs, we will continue to pursue dialogue with our stakeholders, to ensure that Company efforts reflect community concerns. To institutionalize that effort, we have established a Commitments Register, to record and track our interactions with our stakeholders, to ensure that commitments made are commitments kept.

On behalf of everyone with Gabriel Resources, I am pleased to submit this Report to our stakeholders as a sign of our continuing commitment to engagement, openness and social responsibility.

Signed,

A handwritten signature in dark ink, reading "Keith R. Hulley". The signature is written in a cursive style with a large, stylized 'K' and a trailing flourish at the end.

Chief Executive Officer
Gabriel Resources Ltd.

NOTE:

To make this Report as widely available to our stakeholders as possible, we are posting it on our web site, www.gabrielresources.com. It is also available in the village of Roşia Montană at the Roşia Montană Information Centre, and upon request via post or email.

Letter from the Chief Executive Officer

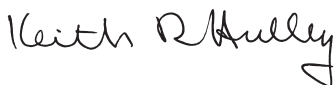
Commitment to the Community

2008 was a year of recommitment to the Rosia community – recommitment driven by a shared sense of the importance of advancing our Rosia Montana Project and making it a model for the kind of sustainable development that can result from mining done right.

Well before the first ounce of gold is mined, a company must make its commitment clear to the community around the mine to ensure that the social and economic impacts of the project are positive and sustainable. That is the responsibility of modern mining, and it is the focus we bring to the Rosia Montana Project (the “Project”).

In that spirit, we continued to develop our community programs. Through our partnership with representatives in the non-governmental organization (“NGO”) community, we continued to support the enrichment of formal and non-formal education in Rosia Montana’s schools. We moved forward on the construction of homes for resettled families in the new Recea neighbourhood. We also continued to work on obtaining the necessary permits to begin construction of the new village of Piatra Alba – a development that will combine modern amenities and traditional design. We re-evaluated each of our community programs to ensure that wherever possible we abandoned top-down preconceptions for a bottom-up approach that guarantees the sustainability of those activities that best serve the needs and aspirations of the community. This Report stands as proof of our commitment to promote sustainable development – and our efforts to integrate environmental, social and ethical values throughout the Company.

The pages that follow detail our programs, set out our philosophy, and provide an explanation of the standards we are embracing – along with the metrics we are putting in place to allow ongoing measurement of our performance. Taken together, this Report is a measure of our commitment to responsible mining – for the people of Rosia Montana and Romania as a whole.



Keith R. Hulley
Chief Executive Officer
May 12, 2009



GABRIEL
Rosia Montana
IN PARTNERSHIP

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Chapter 1: Gabriel Resources at a Glance

Our Approach to Sustainable Development

The Rosia Montana Project proposes a modern mine, designed to meet Romanian and European legislation and standards, using Best Available Techniques, as well as international management best practices. Our vision is to create value for all of our stakeholders by setting the benchmark for responsible mining.

One of the key elements of Gabriel's vision is that the Company provides a trigger to sustainable development within the communities in which it operates. We believe sustainable development practices ensure that our Company contributes to the long-term well-being of the community and society at large, measuring that impact not only in economic terms, but also from a social, environmental and ethical perspective.

The Business Case

Maximizing bottom-line performance is dependent on ensuring that our business remains viable, and that we maintain our license to operate and develop, and provide lasting benefits to our shareholders. Maximizing performance is also about recognizing the added value that can be realized by enhancing Project sustainability through the consideration of social, environmental, ethical and economic aspects.

By incorporating sustainable development practices into our enterprise, we enhance our long-term planning and viability. More precisely, we are able to:

- Keep our license to operate;
- Ensure identification of risks associated with our activities and adopt the most appropriate measures to mitigate them;
- Improve our performance and efficiency, as many key aspects of our business are linked to sustainability performance (for example, by being energy- or water-efficient, or by facilitating innovation, we could lower our costs and improve our gains); and
- Attract and retain a quality workforce (for example, by providing safe and healthy workplace conditions, employee development programs and a non-discriminatory environment, and respecting human rights and local culture, we improve our employee attraction and retention).

Beyond the Business Case

Many social and environmental benefits also result from incorporating sustainable practices. We can contribute to creating a sustainable community with an improved standard of living. In addition to creating greater economic value, we can help conserve biodiversity and build greater trust in the community.

Our Vision for Sustainable Development

Our vision is to create sustainable value for all of our shareholders, employees, host communities, business partners, and contractors and suppliers. Most importantly, we want to be a catalyst for Rosia Montana's development.

We strive to create value for our shareholders by adopting sound governance practices, open communication, and compliance with national and international best practices.

Our focus is on investing in and delivering long-term value, while also ensuring that we meet short-term needs.

Corporate Social Responsibility ("CSR") and Sustainable Development ("SD")

An organization that exhibits socially responsible behaviour is one that considers the interests of society and assumes responsibility for the impact of its activities on stakeholders and the environment in all of its dealings.

In developing the Rosia Montana Project, Gabriel strives to meet business objectives while also taking care of its civic responsibilities. This means going beyond the statutory obligation to comply with the law and taking further steps to create a healthy and stimulating working environment, improve the quality of life for the community, improve the existing environment and advocate for accountability.

CSR as a Means to Achieve SD

- By concentrating on education and capacity-building we are focusing on the future. Our social responsibility efforts will help foster the growth of the community, while not ignoring its short-term needs. This makes CSR the overarching tool for achieving sustainable development.
- By embracing responsible behaviour, the Company facilitates dialogue with stakeholders and redefines its relationships with public authorities and society alike.
- The Company's CSR policy complements social and environmental policies, as well as laws and regulations.
- Using reporting tools such as the upcoming ISO 26000, CSR improves transparency, traceability and verification of our corporate practices.
- CSR helps us to "walk the talk".

CSR Mission and Values

We strive to act as a responsible corporate citizen, one that is committed to building projects such as the Rosia Montana Project, together with the local community, for the benefit of all parties involved. We aim to contribute to the sustainability of improved livelihoods for the communities in which we operate.

We are committed to:

- Best practices in corporate governance as they affect all of our stakeholders: our employees, local communities, the economy at large, investors and partners;
- Sustainable, responsible development which extends through and beyond the life of our mining operations; and
- Operating ethically and responsibly, with respect for the safety, health and welfare of our employees and partners in the community.

Based on our values, we are focused on embedding Corporate Social Responsibility into all aspects of our operations. We have evolved a new approach to our CSR strategy, one that encourages community-based, grassroots development, rather than a top-down approach, and one that embraces the principles of sustainable development.

CSR Policy

- All CSR projects will be undertaken in partnership with local community members and will concentrate on the Project's immediate area of impact. If the skills and structures required do not exist in the area, capacity-building will take place.
- CSR projects are initiated in response to the needs expressed by the community.
- The Company intends to act in a transparent manner regarding the support it gives to projects.
- All CSR projects the Company supports must be directly linked to the Project itself.

Our Approach to Reporting

In 2008, we adopted a new reporting framework based on Key Performance Indicators in order to improve our accountability and transparency, to provide an easy-to-understand collation of data (easy to follow from year to year) and to effectively inform and engage our stakeholders. In addition, this framework is a management tool which will enhance our evaluation of the progress of our social and environmental initiatives, while also ensuring consistency in our communication.

This Responsibility Report is a supplement to our Annual Report and it outlines our performance against our targets for sustainability and corporate responsibility issues for the year ended December 31, 2008. The format is based on the upcoming ISO 26000 (www.iso.org), an international guideline for public and privately owned organizations. More than 400 experts from 87 countries, as well as many experts from leading worldwide organizations such as the European Commission, World Health Organization, United Nations Development Programme, Amnesty International, as well as various trade unions and employers' organizations, have been developing the ISO 26000 standards for Corporate Social Responsibility. When completed and published, ISO 26000 will outline a set of CSR principles affecting core issues ranging from human rights, environment, labour and consumer issues to fair operating practices and community involvement. This standard will provide strong guidance on implementing CSR principles and programs.

We have been reporting on our social and environmental performance and activities for three years. Over this time, we have developed and refined our responsibility and reporting approaches, consistent with our core beliefs and values, and will continue to do so as we move forward. In 2006/2007 we changed our responsibility approach from a top-down to a bottom-up method – one that encourages community-based, grassroots input and development. In 2007/2008 we introduced a new reporting approach, based on Key Performance Indicators. This new approach will make it easier for us to evaluate and report social and environmental progress over time and should ensure consistency in our communication.

Compliance

We base our sustainability practices on the upcoming ISO 26000 standards. Our aim is to make significant progress aligning with the standards, due to be issued by 2010.

In addition, we fully endorse a number of already existing national and international principles, including the International Council on Mining and Metal's 10 Principles for Sustainable Development (www.icmm.com) and the UN Global Compact's Ten Principles (www.unglobalcompact.org) in the areas of human rights, labour, environment and anti-corruption. We regularly file a COP (communication on progress) with the UN Global Compact. A detailed description of these and other standards we support is presented in the Our Public Commitments section, in the chapter Corporate Governance.

Our Engagement and Reporting

In order to improve our engagement efforts with respect to public reporting, beginning with this Report we are introducing a feedback form which we encourage all interested parties to use as a tool to communicate their concerns and opinions regarding this document, and also our sustainability practices, policies and philosophy. The feedback will be taken into consideration for our future activities and the 2009 Responsibility Report.

How it will be Made Available

This Report is a supplement to our Annual Report and it is available in both printed and online versions. The online report can be downloaded from our website, along with our previous Responsibility Reports and Annual Reports.

Managing Sustainability

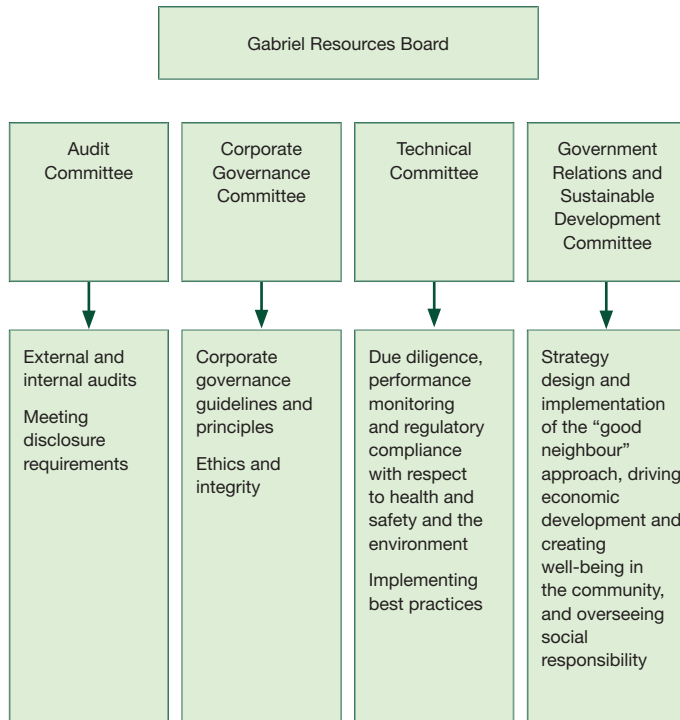
Structure and Responsibilities

Today the requirements for corporate accountability are greater than ever, with stakeholders demanding increasing transparency from the business environment. To meet these expectations, Gabriel has established a dedicated structure for sustainability, clear individual responsibilities and key governance principles.

The Board of Directors has six committees: Audit, Compensation, Corporate Governance, Finance, Technical, and Government Relations and Sustainable Development. All committees are comprised of directors deemed by the Board to be independent. The composition of the Board is described in detail on our website, at www.gabrielresources.com/investor-02.htm.

The Technical Committee of the Board oversees matters related to all stages of the mine, from exploration and construction through to operation and closure. It oversees due diligence in the development and implementation of systems and programs for the management of health, safety and the environment, ensuring the Company implements best-in-class practices. The Government Relations and Sustainable Development Committee's responsibility is to monitor social and environmental performance as well as compliance with applicable laws related to safety, social responsibility and the environment.

The diagram below illustrates how sustainability is integrated in four of the Board's committees, highlighting the responsibilities of each.



Stakeholder Engagement

Stakeholder dialogue is a continuous and strategic process to improve the Company's understanding of how the Project affects the local community and people. This process is of assistance, particularly in defining the value the Project can create and in incorporating stakeholder expectations into what we do and all aspects of our long-term planning.

Who are our Stakeholders?

We consider key stakeholders to be those people who may be affected by our operations (positively or negatively), those who have an interest in what we do, or those who have an influence on what we do. In order to engage them in dialogue, we first identified who they are, assessing their expectations of and concerns with our activities across the life cycle of the mine. In addition to key stakeholders, we also acknowledged the concerns of local minority groups, as well as other cultural factors deemed important.

Whether it is our shareholders, workforce, local residents or supporters of our business, we recognize that they all play a part as stakeholders who are core to our business. We also recognize those who are important influencers of our business. These include community organizations, governments and local and regional authorities, non-governmental organizations, business partners, media, industry associations and the investment community.

Stakeholders	Who they are	Main interests and concerns
Business partners and contractors	The organizations affected (directly and indirectly) by the approval of the Project (including those with which we work)	Financial stability Governance practices
Clergy	Churches and church representatives, religious associations	The impact that our Resettlement and Relocation Program will have on the local parish, cemeteries and churches
Community	Those people representing the local community near the proposed mine site	Mitigation of environmental and social impacts associated with the proposed Project Ensuring the sustainable development of the community (future increase in opportunities that can be maintained after mine closure): <ul style="list-style-type: none"> • Local employment • Business creation • Support for social programs • Environmental rehabilitation
Cultural associations	Regional and national institutions and associations responsible for preserving the country's cultural patrimony	The impact that the Resettlement and Relocation Program and Project development will have on the existing and potential national cultural patrimony
Employees	Our workforce includes some 200 Romanian employees, the majority of whom are from the local community	Employee working conditions and health and safety Career opportunities (training and learning) As many are based near the proposed mine site, they are concerned with local employment, business creation and infrastructure development (schooling, health care)
Industry organizations	Industry associations, commodity-specific associations and unions at the national and international level	Policy changes associated with the sector, from environmental legislation to safety standards and best practices

Stakeholders	Who they are	Main interests and concerns
International organizations	Environment, patrimony, education, public institutions, private organizations	Environmental and social impacts associated with the Project Sound governance practices Corporate Social Responsibility
Investment community	Financial analysts who advise existing and potential shareholders on the Company's performance	Good financial returns Strong performance Sound governance practices Corporate Social Responsibility
Local, regional and national authorities	Local, regional and national authorities	Project permitting and current legislation They establish the legislative and fiscal frameworks for operations related to the mining sector, issue licenses, approve and monitor closure plans They play a critical role in monitoring environmental and social performance
Media	Print, television and radio broadcasters	Updates related to the development of the project and stakeholder concerns and issues
NGOs	NGOs with which we collaborate are environmental, cultural, social and educational organizations, mostly at a local and regional level, though other national NGOs are interested in Company updates	Social and environmental impact and performance Ethics and governance policies
Shareholders	Individual and institutional investors in our Company	Company performance Project timeline Good governance practices Financial and non-financial risks
Suppliers	Businesses near our operations as well as international suppliers	Our supply agreements and payment processes The standards we require of our suppliers

Engagement

Every day members of the Company communicate with a variety of people from different backgrounds. Each interaction is an opportunity to listen, maintain and promote dialogue with stakeholders and address their concerns and aspirations. In 2008 the Company regularly interacted and achieved greater levels of engagement with employees and the local community, contractors, suppliers and shareholders.

The Company also maintained constant dialogue with those who are important influencers of the business, such as the investment community, governments, industry associations, unions, non-governmental organizations and the media.

Methods of Engagement

Throughout 2008, the Company embraced a wide range of engagement methods, both formal and informal, tailored to each category of stakeholders so as to facilitate dialogue and meet the aspirations of each group in the best possible way. An example of such customized engagement is presented in Chapter 5, where we detail the tools and opportunities provided for community involvement in the case of resettlement and relocation.

Several study visits were facilitated throughout the year, during which various cultural organizations, NGOs, members of the media and other individuals had the opportunity to spend time in the community and learn about the Project directly from the Company, residents or the opposing NGOs. Local activities and gatherings were organized in the community, as well as open houses at the newly-built relocation site. Numerous one-on-one engagements also occurred.



Consultation with the community regarding the construction of Piatra Alba village.

One-way communication methods were employed as well, such as press releases, publications in the local newspaper, regular disclosures, quarterly and annual reports and so on.

Stakeholders can always communicate with the Company by going to one of the information centres (a permanent one in Rosia Montana and five specifically established for the Strategic Environmental Assessment – see the Environment section for more details), or to our Community Relations Office in Rosia Montana. As well, stakeholders can approach the Company through the Grievance and Complaints mechanism, via mail, email or over the phone.

Trust and Transparency

We recognize the importance of relationship-building and the role played by accountability and transparency, not only for public reporting purposes but also with respect to successfully engaging stakeholders. Our policies with respect to sustainable development and business conduct promote a commitment to act with honesty and integrity in all of our activities, including stakeholder engagement.

Our Approach to Dialogue

Our approach to dialogue is based on the upcoming ISO 26000 standards, which state that stakeholders have the right to participate meaningfully in information-gathering, planning, direction-setting and decision-making regarding outcomes that will affect their lives.

The Benefits of Dialogue

The information we receive from stakeholders helps us to refine our activities, mitigate potential adverse impacts and strengthen positive impacts, in line with our sustainable development goals. In addition to encouraging dialogue with stakeholders, we encourage knowledge-sharing among ourselves: sharing lessons in this way, from individual relationships, is in effect strengthening our relationship with all stakeholders.

Chapter 2: Corporate Governance

Gabriel Resources intends to make the Rosia Montana Project the industry standard for mining developments in Europe and beyond. This not only means building the most technologically advanced, environmentally friendly and socially conscious mine to date – but doing so through an open, transparent and ethical process.

Our Business Conduct and Ethics Policies

We commit to the highest standards of governance. Our corporate culture promotes high ethical standards, personal integrity and respect for others.

As detailed in our Code of Business Conduct and Ethics and in our Foreign Corrupt Practices Policy, we strive to conduct our business with honesty, integrity and in accordance with legal and ethical standards. In 2008, all Company employees were reminded through presentations and discussions to comply with the Code at all times and to demonstrate good professional ethics when performing their duties. Topics such as the “no bribery” policy and respect for the environment and local culture were addressed during the discussions.

Our Public Commitments

Our commitment to sustainable development is demonstrated by our willingness to adopt and embrace key initiatives and processes that drive best practices. We recognize and support the following external initiatives:

- International Council on Mining and Metals, 10 Principles for Sustainable Development (www.icmm.com)
- International Cyanide Management Code (ICMC) (www.cyanidecode.org)
- International Finance Corporation (IFC) performance indicators for environmental and social protection (www.ifc.org)
- International Labour Organization (ILO) Declaration on Fundamental Principles and Rights to Work (www.ilo.org)
- Intergovernmental Panel on Climate Change – Best Available Techniques for the mining field (www.epa.ie)
- Organisation for Economic Co-operation and Development guidelines for multinational enterprises (www.oecd.org)
- United Nations Global Compact (www.unglobalcompact.org)
- World Bank and IFC guide for resettlement and relocation activities (www.ifc.org)

Transparency

With regards to our ethical, anti-corruption and transparency practices, in 2008 we continued to comply with the UN Global Compact (Principle 10) and ICMM principles (Principle 1) by being active participants and filing regular disclosures with the UNGC Communication on Progress (COP).

The adoption of the 10th principle of the UN Global Compact means that Gabriel not only avoids any form of corruption, such as bribery, but also develops policies to address corruption and seeks to be transparent in its activities. In addition, Principle 1 of the ICMM states that Gabriel should “*work with governments, industry and other stakeholders to achieve appropriate and effective public policy, laws, regulations and procedures that facilitate the mining, minerals and metals sector’s contribution to sustainable development within national sustainable development strategies*”.

UN Global Compact Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

ICMM Principle 1: Implement and maintain ethical business practices and sound systems of corporate governance.

All employees continue to receive training with respect to the Company Code of Conduct as part of our effort to promote ethical business behaviour. In addition, the Company also insists that all consultants, contractors and suppliers sign the Business Code of Conduct.

Litigations

A number of NGOs have initiated numerous legal challenges against local, regional and national Romanian regulatory authorities that have the administrative authority to grant permits, authorizations and approvals for any aspect of the exploration and development of the Project. The actions include both civil actions and criminal complaints and, in general, claim that the regulatory authorities are acting in violation of Romanian laws and ask for cancellation of the license, permit or approval.

The Company has intervened in the majority of these cases in order to ensure that the Romanian courts considering these actions are presented with a legally correct, fair and balanced analysis of how the various Romanian regulatory authorities' actions are in accordance with the relevant and applicable laws.

While we have designed the Project to follow all applicable laws to protect against further delays to the permitting process, multiple legal challenges brought forward by NGOs in Romania may continue to cause potential setbacks for the Project.

The Company continued the litigation in the form of an appeal against the decision whereby the Ministry of Environment and Sustainable Development suspended the procedure of obtaining the Environmental Impact Assessment (the "EIA") permit.

In September 2008, the Company initiated further litigation against the Ministry of Environment and Sustainable Development as a result of its refusal to issue the Safe Operation permits for the Project dams. The Bucharest Court of Appeal ruled in our favour in February 2009.

In December 2008, the High Court of Cassation and Justice decided the final and irrevocable annulment of the archaeological discharge Certificate No. 4. The Company received the written rationale for the ruling in the first quarter of 2009; it will remedy any errors identified by the Court and file a revised report to obtain a new archaeological discharge certificate.

The legal action against the Company seeking an order compelling the National Agency for Mineral Resources to annul the Rosia Montana exploitation concession license was rejected by the courts in February 2009.

Chapter 3: Our Economic Impact

Gabriel is committed to supporting the sustainable development of the local business environment and social projects. We promote spending on locally-based suppliers whenever possible. Local purchasing has priority in procurement, followed by regional and national purchasing.

Economic Value Generated and Distributed in the Community

Supplying Locally

In 2008, Gabriel spent approximately 67.8 million Ron (CAD 28.7 million)⁽¹⁾ on goods and services, out of which approximately 4.3 million Ron (CAD 1.8 million) went to small and medium-sized enterprises in the local community. These amounts exclude any expenses related to taxes, royalties or other similar obligations.

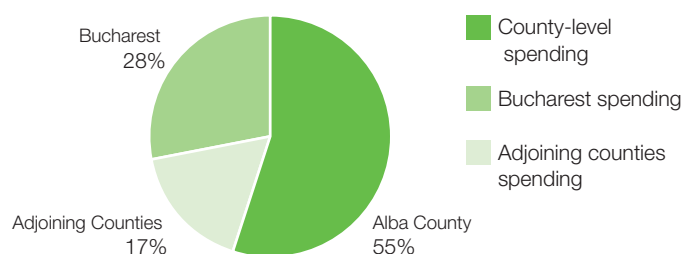
Our biggest contribution to the economy in 2008 relates to the Recea construction site. This 22-hectare residential neighbourhood, with modern infrastructure, generated about 25 million Ron (CAD 10.6 million) in spending last year at a county level.

Total regional spending in 2008 amounted to about 72% of total Company spending.

Description	Amount (Ron)
Local spending (Rosia Montana communa)	1,881,500
Community spending (adjoining area – Abrud, Campeni, etc., excluding the above Rosia Montana communa)	2,426,850
Total community	4,308,350
County level spending – Alba (excluding the above total community spending)	32,683,700
Regional spending (adjoining counties, excluding Alba)	11,585,750
Total regional spending	48,577,800
Bucharest	19,209,330
Total	67,787,130

(1) All conversions are made at the average exchange rate for 2008 of 2,358 Ron = 1 CAD, according to Bank of Canada statistics.

Breakdown of Company Spending in 2008



Stimulating Local Employment

From the same point of view, in supporting the development of the community close to the locations where we carry out our business, it is Gabriel's policy to promote local employment. In trying to obtain the skills required to conduct its business, Gabriel gives priority to residents and may even assist them in obtaining the necessary skills. Proof of this is our Vocational Training and Adult Education Program, which delivered no less than 50 training courses to more than 1,800 community members in 2007. The program is currently on hold due to the present stage of the Project, but Gabriel is committed to restarting it once the Project is back on track.

Taxation

Beyond the social and economic benefits to the community described in this Report, our investment in Romania includes the taxes we pay as a company and those we collect from employees on behalf of the government. In 2008, the Company paid about 48 million RON (CAD 20.5 million) in taxes and penalties.

The extractive industry requires significant investment for exploring and developing resources before production starts and before revenue is generated. It is during the production phase that payments include taxes on profits and royalties.

Rosia Montana Gold Corporation (RMGC) – Main taxes and penalties paid in 2008	
Description	Amount (Ron)
Corporate income tax and penalties from 2003 to 2007 ⁽¹⁾	36,009,317
Company payroll taxes	3,782,829
Employees' income tax and social security funds	4,340,322
Property taxes (land, buildings, vehicles)	2,477,658
Mining exploitation tax	597,070
VAT for previous years and penalties	470,398
Withholding taxes for foreign suppliers and penalties	314,157
Construction permits – State Inspectorate Alba Iulia	164,804
Construction permits – Alba Iulia City Hall	106,347
Total	48,262,901

(1) Income tax and penalties for the years 2003 to 2007 were contested in court by RMGC.

MicroCredit

In 2007, Gabriel launched Rosia Montana MicroCredit, a micro-financing institution chartered by the Company to address the needs of the community by providing support and financial services to small local entrepreneurs. In addition to consultancy and financial services, MicroCredit contributes to organizing training courses for both existing and first-time entrepreneurs.

In 2008, as a result of the Project being on hold, MicroCredit's activities were suspended. In light of the downturn in the global economy, tougher lending conditions are being imposed by troubled banks, and there are increasing numbers of unemployed. In such times small loans are crucial, especially for entrepreneurs in underprivileged areas. The microcredit facility can enable the local residents of Rosia Montana and its vicinity to engage in businesses that can generate income and provide opportunities to build wealth in the community.

Chapter 4: Our Employees

In 2008 we had a challenging year. The suspension of the Project's Environmental Impact Assessment review resulted in retrenchment, and employee layoffs led to dealing with new emotions such as uncertainty, low motivation and less team spirit among remaining employees. This poor atmosphere was further pressured by external opposition to the Project.

Retrenchment

What and When

2008 provided a test of the Company's commitment to its employees when the suspension of the Rosia Montana Project EIA review process made necessary a retrenchment of the Company's workforce.

During a meeting held in November 2007, the Board of Directors realized that – with portions of the Project unable to proceed during the suspension – it was necessary to scale back employment. A thorough review of all activities associated with the development of the Project was initiated, with a goal of reducing expenditures so as to ensure that we remain financially strong while working to restart the permitting process. As a result, in early December 2007 the Company announced its intention to suspend engineering as well as procurement of long-lead-time equipment and surface rights acquisition, along with a number of other activities. As part of the plan to scale back activities, the Company also announced its intention to lay off employees. This difficult decision was deemed the only available option that would ensure the Company's long-term viability to permit and build a modern mine.

As Gabriel Resources CEO Alan Hill put it at the time, “Most disappointing of all, is that we have reached the point where we can no longer employ people when we do not have work for them to do. As a result, we must let a lot of our staff go, as most of our activities have been stopped with the suspension of the Environmental Impact Assessment review process... This is a very painful decision for management to make, given the high value we place on our personnel – but it is the only choice at this moment.”

How we Arrived at this Situation

Ever since the Company’s inception in the Romanian market, wholehearted efforts have been made to advance the mining Project.

In September 2007, the Project’s EIA was suspended as a result of a decision made by the former Minister of Environment. The EIA is the key permitting approval required to begin the construction phase, and as a consequence of the suspension it became obvious that most of the Company’s activities had to be put on hold and that little work could be done on the development of the mine until the review process began again.

As a result of this decision, 168 full-time jobs had to be cut. One of the largest programs to be affected was the Company’s archaeological rescue program, which at its peak involved as many as 360 local residents of Rosia Montana during the active field phase each summer.

How the Process Developed

There were three staff meetings (at all operating locations), two open community meetings and a press conference. A comprehensive package of materials was developed to support the communication process, in order to better inform and support employees. Significant efforts were made to organize and coordinate a cross-departmental team.

When faced with the situation of laying off approximately half of one’s workforce, an employer usually has two options. At a minimum, it can simply choose to comply with the laws and regulations of the country in which it operates. The alternative is to go beyond the letter of the law and do whatever it takes to reach a mutually beneficial agreement. Considering the specifics of our situation, Gabriel chose to take the latter course.

During the negotiations, Company management collaborated with union representatives in order to understand the specific situation of each employee, not only with respect to their professional history, but also concerning any potential bank loans they may have taken out and whether they were supporting children, or had people in their care, and so on. By adopting this approach we chose to look beyond our legal responsibilities in order to focus on the issues and concerns most pressing for our employees.

Outcome: The Impact on Employees and Measures taken to Mitigate the Impact

The main reason for this decision is that Rosia Montana is situated at a significant distance from any other settlement and the majority of the community is economically dependent on our Company. In addition, we recognize the possibility that retrenchment could endanger people’s access to basic services such as medical care.

The following support opportunities were identified in cooperation with the union:

- The option to choose between early retirement and redundancy (from a payment perspective);
- Assistance in preparing retirement and unemployment claims and in submitting them to the authorities; and
- Assistance and one-on-one coaching for those interested in searching for new jobs (from assisting them in filling out applications to giving them customized training on how to approach a job interview and how to deal with labour legislation issues).

Details and general facts on current unemployment legislation, data on various training programs, advice for future employment, as well as contact details for assistance and support, both within and outside the Company (e.g., national, regional and local agencies for labour force unemployment), were incorporated in a booklet prepared by the Human Resources Department in cooperation with the union.

The innovative solution described above highlights our belief in corporate social responsibility and sustainable development, and our ongoing efforts to balance the economic, environmental and social concerns of today’s and future generations.

Current Situation

In March 2008 the three-month notice period (required by law) ended and the 168 laid-off employees were paid compensation – the individual amounts depended on how long they worked for the Company. In addition to their monthly unemployment benefits granted by the state, employees receive compensatory payments from the Company for two years. These payments cease if and when the retrenched employee is re-employed by the Company within the two-year compensation period.

Employee Development

Employee Policy

Our priority when filling open positions is to turn first to internal recruiting. We work to invest in our employees to give them tools for professional growth; when jobs open up in the Company, we attempt to offer that opportunity to current employees who are ready to advance.

In the case of external recruiting, we give employment opportunity priority to the communities closest to our operations where the skills are available, in compliance with

our sustainable development commitments. This means people from Rosia Montana and former Rosia Min employees, followed by people from Abrud, Bucium and Campeni. We may also assist people from local communities to obtain the skills required, if feasible. More precisely, more than 80% of our current employees are from the community and its vicinity.

Training

Motivated and proactive employees are the most valued resource of our Company. We recognize each person's capacity to contribute to achieving Company goals and we encourage everyone to adopt a "can do" attitude.

Knowledge is key to cultivating each employee's ability to contribute.

We understand that learning does not stop with the initial acquiring of a specific skill set. It is only through an ongoing process that progress can be made in ensuring the sustainable economic development of the community. Through our Vocational Training and Adult Education Program, we provide skills-based courses in the community for current and potential employees that include specialized retraining and business courses.

By opening employee and community access to knowledge, we are contributing to the creation of a sustainable community wherein other economic and human issues will find lasting solutions, such as a more equitable distribution of income, promotion of social fairness and ethics, and prevention of human rights abuses.

We try to motivate our employees by encouraging the achievement of both individual and Company goals. By affording them opportunities to develop their skills and enhance their career development, and by extending appreciation and recognition for work well done, we are creating a win-win situation from which the Company can only benefit.

Reward and Recognition

Every year we extend appreciation and recognition for work well done through a combination of financial and non-financial reward programs. The average Company salary is 1.5 times higher than the national average salary.

In our efforts to assess employee satisfaction, we track employee and management turnover. As of the end of 2008, employee turnover was 6.37%; management turnover 1.72%; overall Company turnover 5.96%. We recognize that this desirable ratio is due to a combination of factors: above market average salaries, the Company's commitment to the fair treatment of employees as well as a lack of opportunities in the Rosia Montana area, where unemployment is far higher than the Romanian national average.

In addition to performance, our Company rewards commitment. As such, additional days off and benefits, including compensatory payments, are granted to employees according to their length of service.

Fair Treatment and Ethics

To implement a fair process for identifying, attracting and selecting the people and talent necessary to grow our business, we ensure the equal treatment of applicants regardless of gender, age, race, ethnic origin and political or religious belief (or any other reason that can be considered a breach of human rights). We provide a work environment that enables all employees to be recruited and to pursue their careers free from any form of unwarranted discrimination. Our employment decisions are based only on skills, experience, knowledge, aptitude and ability.

The work environment we have created is based on equal opportunities and prohibits discrimination. As proof of the progress we made during 2008, even during a time of uncertainty regarding our Project, we did not record any cases of complaints or lawsuits regarding any kind of discriminatory action.

Occupational Health and Safety (OHS)

We are committed to protecting the health and safety of our employees, consultants and contractors, and of the people living and working in the areas where we operate. All employees are well acquainted with our safety policy and the safety legislation of Romania and are diligently trained in ensuring their own safety, as well as the safety of the people around them.

OHS Performance

In September 2008, there was an incident at the Aurora gallery in Rosia Montana, situated at 792 metres altitude. Rock slides in the working area led to mud and water spillage, destroying equipment and blocking access to the research area. Four geologists were at the scene during the incident. Though minor injuries were sustained, none of the workers needed medical treatment or hospitalization. Measures were taken to mitigate the risks of such an event happening in the future.

With respect to the Recea construction site, where up to 400 permanent workers were employed at one time, no OHS incidents were reported in 2008. This is a result of the close collaboration between the Company's OHS team and the contractor's, as well as the latter's ability to adopt the best practices championed by Gabriel. This ensured that proper training was in place, instruction was given and all safety measures taken. It also ensured that there was adequate monitoring at all times. These best practices implemented at the Recea construction site will be used for the future Piatra Alba resettlement, as well as for the Project we hope to be building soon.

Recea Construction Site – Safety Statistics for 2008			
Description	RMGC	Contractors	Total
RMGC employees and contractors (average number of people at the site per week) ⁽¹⁾	11	260	271
Total man-hours at week's end (average per week) ⁽¹⁾	476	12,285	12,761
Total project man-hours to date	24,273	626,547	650,820
Number of first aid injuries (FAI)	0	0	0
Number of medically treated injuries (MTI)	0	0	0
Number of lost-time injuries (LTI)	0	0	0
Number of days lost	0	0	0
Number of near miss incidents	2	105	107
Number of property or material damage incidents	0	4	4
Total number of incidents reported in 2008	2	109	111
Total inductions on site in 2008	13	1,256	1,269

(1) For full-time employees per week



Recea Safety Day: training in safety awareness – more than 300 employees attended.

OHS Training

Company employees are required to undertake training on health and safety. The frequency of these training sessions for specific categories of work depends on the risks associated with them. In 2008 we organized the following training sessions:

- Monthly – for underground workers such as geologists; in addition, refresher training was provided if the need arose (when changing the location of work, thus changing the risks faced);

- Monthly for drivers;
- Quarterly for security workers; in addition, they were given specialized training;
- Monthly for demolition workers;
- Quarterly for maintenance workers; and
- Every six months for office workers such as accountants.

Legal Compliance

With regard to human resources and organizational health and safety, we fully comply with the applicable legislation and are on track to implementing industry-specific best practices.

During 2008, we experienced three audits in the area of human resources, none resulting in fines or penalties:

- One performed by the National Agency for Fiscal Administration with respect to employee salaries;
- A PwC audit with respect to employee salaries; and
- A KPMG audit with respect to both employee salaries and personnel administration.

With respect to OHS, statutory compliance has been certified by labour authorities' inspections, which resulted in no fines.

Chapter 5: The Community

Gabriel is committed to fostering the sustainable development of the community with a comprehensive set of programs designed to improve living standards, addressing education, skills training, assistance for the elderly, health, job and business creation, and respect for the area's archaeological patrimony.

Of significant importance for 2008 is the advancement of the Recea construction work, begun in July 2007 for 130 families from the community that chose to resettle there.

Resettlement and Relocation Process

Buying the Land

The consultation and social impact assessment studies for resettlement began in 2000. The implementation of our property purchase program began in 2002 and continued until February 2008, when it was placed on hold due to the suspension of the EIA review process. The home purchase program is designed to comply with World Bank standards, on the "willing buyer/willing seller" model. To date, 98% of homeowners in the community have had their properties surveyed. Additional information can be found in the Annual Report accompanying this Responsibility Report.

To date, 98 properties still remain to be acquired in order for the Project to be built. Of the 794 properties purchased:

- 143 houses were uninhabited;
- 498 families chose to relocate (138 families relocated near the Project, i.e. 20 to 25 kilometres from the Project, 227 have relocated to Alba and Hunedoara counties – 70 to 80 kilometres away, and 64 families have relocated to counties such as Arad, Timisoara, Cluj and Bihor – 100 to 300 kilometres from the Project);
- 125 families are waiting for their homes to be finished at the Recea resettlement site; and
- 28 families are awaiting the new Piatra Alba village.

All the people waiting to be resettled, either in the new Recea neighbourhood or in Piatra Alba, are currently still living in their homes.

Resettlement and Relocation

As of the end of 2008, we had purchased 794 residential properties, offering the option of resettlement or relocation. Those wishing to sell their properties are free to move anywhere they choose with the proceeds or are eligible to purchase a new home at a discounted price in one of the two resettlement sites: one in Alba Iulia – a large town an hour away, and the other an entirely new community to be built in the Rosia Montana area – Piatra Alba. These two resettlement options were designed in accordance with the two distinct aspirations of the community: to remain in Rosia Montana (Piatra Alba relocation site) or to migrate to Alba Iulia, the most developed urban area in Alba County (Recea resettlement site). The Company undertook special measures to encourage people not to leave Rosia Montana, in order to maintain community cohesion and preserve local culture, by offering:

- To cover 25% of the construction price of a house in Piatra Alba;
- To cover 50% of the price of land acquired in Piatra Alba;
- That the houses to be built and the Central Area in Piatra Alba village be designed in agreement with the residents through an intensive consultation process; and
- At least one job per resettled family to be provided during the construction phase of the Project.

2008 Update on Recea Resettlement Site

Recea is a 22-hectare residential neighbourhood with modern infrastructure (roads, sewerage, water, drainage and power), built by the Company to EU standards. The estate will accommodate 170 land plots in all; at present, 125 homes are under construction. Construction commenced in July 2007 and is due to be completed in June 2009.

Highlights

All infrastructure was completed in December 2008 and approvals from utility providers were received.

We began the construction of 123 houses in November 2008.

The construction of 37 homes was completed in December 2008.

Update: Our goal is to have 125 houses completed by June 2009 and to hand them over to their new owners.



Recea houses: in November 2008 the infrastructure was completed and 123 houses were in various stages of completion.

Construction work has been ongoing for 18 months, with no lost-time injuries. Safety, health and environment procedures observe international standards, with training in safety systems and protective equipment given by the Company to all contractors. More than 1,400 personnel have worked on-site at some time during development.

The investment made by the Company in Recea throughout the construction period has a total value of about 48 million Ron (CAD 20.6 million), with more than 80% of that being spent directly in the business community of Alba and its surrounding areas.

2008 Update on Piatra Alba Resettlement Site

Development of the new Piatra Alba village is currently at the permitting stage, and the Company is aiming to begin construction in fall 2009. The design includes up to 200 new homes and modern amenities with traditional architecture. The village will include a community medical centre, a modern school and sports field, as well as several municipal and commercial buildings, and even wireless Internet for the entire mountain-top neighbourhood.



A 3-D view of the Piatra Alba Central Area.

Support Programs for Relocation and Resettlement

Those who resettle or relocate are not automatically better off when moving to the new property. An entire set of issues might appear during this transitional process. Because of this, the Company is providing a set of support programs to help families minimize any disturbance in their lives.

- *Preliminary assistance and orientation for families* – preliminary searches for schools, jobs, training, social and medical services;
- *Moving assistance and transportation* – two trips (sometimes more than two) for residents' family members, personal belongings, livestock, harvested and salvaged items. Assistance for registration at the new location (required documentation, connection of utilities etc.);
- *Assistance for restoration of livelihoods* – financial counselling; real estate and legal assistance in buying a new house and agricultural land in new locations; social services; job search services, professional training, educational fees; consultancy services for small business development; and
- As well, we continue to support the families by staying in touch, identifying issues, hosting social functions and establishing community networks.

Community Involvement

The Company consulted the community through every step of the process, giving it the opportunity to have its voice heard and taken into consideration. Such examples of communication and engagement are:

- *Gazetta*, a newsletter for announcing public meetings and providing feedback on decisions, etc.;
- Frequent community meetings called either by the Company or by community members;
- Constant interaction with each family to discuss people's feelings and opinions;
- Daily visits to the Community Relations department to allow informal dialogue and provide information on different topics, e.g., rules and procedures, information on the mining

Project, legal advice, whether properties are eligible for purchase, support for moving and relocation, etc.;

- Senior management meetings with community members on request;
- A formal grievance mechanism; and
- Resettlement site visits, open houses and community events.

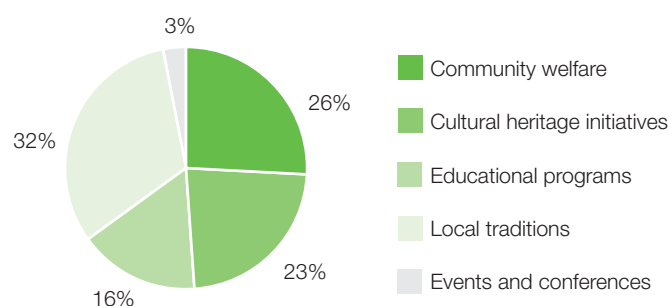
Community Initiatives

Our community initiatives address such issues as health, education, skills training, economic stability, job and business creation, as well as assistance to the community's elderly and isolated, and respect for the area's archaeological heritage.

In 2007, we changed the approach of our initiatives from top-down to bottom-up, in an effort to encourage capacity-building in the community. In 2008 we continued this approach, maintaining our long-term partnerships in the area, investing approximately 909,700 Ron (CAD 385,800) and achieving the following results:

- In 2008, we continued to collaborate in providing assistance to the elderly and those living in isolation on the outskirts of the community. Through the Good Neighbour Program, coordinated by the local NGO ProRosia, we provided voluntary transport for doctor's visits, snow shovelling, grocery delivery, medical and other types of assistance.
- We continued our educational partnership with OvidiuRom, involving more than 400 children and 40 teachers regionally. To mark the success of our long-term partnership, OvidiuRom has signed a Regional Partnership on Education with the county educational body.
- We supported other educational activities outside the classroom in partnership with local and national NGOs, among them the Rosia Montana Environmental Partnership (RMEP), CERT Apuseni, Leaders Romania and the Babes Bolyai Student Organization.
- We spent 213,656 Ron (CAD 90,610) in 2008 on our historical monuments maintenance and rehabilitation programs. Approximately 97,000 Ron (CAD 41,140) was allocated to the historical maintenance program, developed in partnership with ProDreptatea NGO, the rest being assigned for the rehabilitation of two historical monuments – houses 323 and 325 of Rosia Montana's Historical Centre. All these initiatives are part of our program to conserve, protect and promote the area's cultural heritage, a program on which the Company has already spent over 38.9 million Ron (CAD 16.5 million) and has budgeted a further 107.2 million Ron (CAD 43.9 million).

Community social investments in 2008



Community welfare	238,170 Ron
• Good Neighbour Program	and 10,650
• Health Education Program	volunteer hours
• Logistics and infrastructure repairs	
• Local transportation services	
• Community Centre	
• Internet café	
• Gym	
• Employees club	
Educational programs	147,695 Ron
• OvidiuRom education program	
• Environmental education programs with RMEP	
• Leaders Romania leadership courses	
• Educational games and activities organized by CERT Apuseni	
• Junior Summer University organized by the Babes Bolyai Student Organization	
• Computer courses for primary school children	
Local traditions	279,076 Ron
• Miner's Day	
• Community official celebrations	
• Christmas events and presents for children	
Cultural heritage initiatives	213,656 Ron
• Maintenance of historical monuments	
• Rehabilitation of House 323	
• Rehabilitation of House 325	
Events and conferences	31,103 Ron
Total	909,700 Ron (CAD 385,800) 10,650 hours

All programs and initiatives listed above are either developed in partnership with local NGOs or supported by the Company.

Local Partnerships for Education

The single most significant way we can focus on the future of the Rosia Montana community and strengthen its ability to secure its own long-term future is to focus on its youth. The Company supports the following initiatives.

- **OvidiuRom summer schools** – The cornerstone of our youth educational partnerships is the Local Partnership for Education, linking the Company and OvidiuRom, a leading national NGO whose mission is to promote equal opportunities by educating disadvantaged children. Its method relies on involving the business and social sectors alongside authorities so as to create a joint effort to reduce school abandonment by children. Begun in 2006 for about 60 children and 20 local teachers, the innovative teaching programs came to involve 40 teachers and more than 400 children from the region by 2008. This is a real community-led educational network designed to improve access to education, which already includes school inspectors, local councils, NGOs, schools and the business community.
- **Junior Summer University** – This program is designed to encourage and help orient high school students in choosing university studies. It facilitates access to information concerning university studies and simulates a real teaching environment; about 150 students participated in total, of which 15 were from the community.
- **Beyond the classroom** – the Company supports (financially and in-kind) various local NGOs, which have continued to prove their dedication to bettering the life of the community.
 - Through the **Rosia Montana Environmental Partnership (RMEP)**, local youth continued to benefit from environmental education and awareness programs and activities. In 2008, more than 2,000 local young people between six and 19 years of age were involved in activities and campaigns, competitions and workshops aiming to improve knowledge of environmental protection, biodiversity and pollution prevention. Among other things, the young people planted flowers and trees, cleaned parks and public spaces, built bird houses, wrote essays, implemented a paper collecting and recycling campaign in the community, and made collages out of waste products.
 - **CERT** is a popular resource centre for youth, with whom we have been partnering for more than three years. Its involvement with European Voluntary Service (a student exchange program) and its program activities, involving 280 local youth, continue to be a success. In 2008, it continued to provide dance and martial arts workshops, foreign language and leadership training courses, creative activities such as painting and puppet theatre, and environmental awareness programs and action.
 - **Leadership** camps in partnership with Leaders Romania were developed in the community. Thirty students and entry-level candidates were trained in leadership, stress management, project management, emotional intelligence and creativity. The training was combined with outdoor activities and innovative business simulations, which enriched students' experience and contributed to their professional development.



In December, primary and secondary school children in the community participated in an educational program organized by Rosia Montana Environmental Partnership and Gabriel, in partnership with 10 local schools. During this program, more than 340 students learned about excessive Christmas tree cutting and the impact of such actions on the environment. Knowing the importance of preserving cultural traditions, but also the importance of protecting our environment, each of these children "adopted" a baby Christmas tree. In total, the program succeeded in finding a family for all of the trees!

Local Partnerships for Community Support and Assistance

Company employees, in partnership with local NGOs, provided the following support throughout 2008:

- Logistics and technical support for various local events and activities;
- Plumbing and other infrastructure repairs in the community;
- Assistance in putting out accidental fires;
- Transportation services locally for residents and local schools;
- Assisting senior citizens in obtaining heating aid during the winter; and
- Supplying local NGOs and schools with materials and expertise.

All told, the support amounts to approximately 80,000 Ron in cash and materials (CAD 33,900) and 10,639 volunteer hours.

In 2008, local NGO ProRosia organized a program aimed at primary school children, promoting healthy daily behaviour and avoidance of health risks. The activities took the form of group exercises, games and simulations.

Some 110 children learned about individual and group hygiene, healthy living and eating, the transmission of diseases, and toxic substances and how they can affect our health. They also learned how exercise and sleep can help us stay healthy.

Good Neighbour Program

Begun in 2005 in partnership with ProRosia, local schools, churches and other NGOs, the Good Neighbour Program continued to provide support and social assistance to elderly and vulnerable people in the Rosia Montana community. Fully sponsored by Gabriel, the program helps isolated families, elderly or disabled residents and those with low incomes. Volunteers in the program helped community members keep their homes warm during the winter; shovelled snow for the disabled and elderly; purchased groceries and provided transportation to the hospital when needed.

Ten mobile phones were donated to isolated and ill people who are unable to travel by themselves. The idea behind the initiative was to help improve communication between them and their families, the hospital and the police and fire departments.

Company Volunteering

In all, more than 10,600 volunteer hours were spent in the community in 2008. Some employees helped provide assistance to those who needed it (through our social programs), some shared their expertise with local NGOs and some simply had fun taking part in various educational and cultural activities.

Preserving a Community Tradition

Miner's Day is traditionally one of the most important celebrations for the Rosia Montana community, as it gives miners the opportunity to celebrate their profession, together with their families. Traditionally the day is marked by barbecues and festivities including musical performances. 2008 was the third consecutive year that more than 3,000 people gathered in Miner Stadium in Rosia Montana to take part in the celebration, which featured an all-day concert involving many local and national artists, as well as games and activities for children.



Santa Claus (bearing a close resemblance to a Company employee) makes a visit during a Christmas celebration at the local kindergarten.

Community Cultural Heritage

As a consequence of the retrenchment process that the Company went through at the beginning of the year, the activities related to preserving the area's cultural heritage were reorganized. In 2008 the primary focus was on:

1. Preserving and restoring the historical monuments located in Rosia Montana's Historical Centre.
2. Archaeological overseeing of the construction site in Recea.
3. Emergency interventions for some buildings located in the Historical Centre to prevent degradation and collapse during the harsh winter.

1. In 2008 we continued the restoration work on House 325, a historical monument and the future Mining Museum, which began in 2007. This new Mining Museum, located in the Historical Centre, will include three main sections – geology, architecture, and history and ethnography. It will also include an underground exhibit and will facilitate public access to one of the galleries and to a series of full-scale replicas of the main types of mining works.

In addition, 11 houses situated in the Historical Centre of Rosia Montana were documented to be included in the restoration program.

2. From 2003 to 2007 proof of ancient human settlement – dating back to the Bronze Age but continuing through the Roman period and into the Middle Ages – was found on the Recea resettlement site. As a result, any roads, pipelines or houses to be built require ongoing archaeological overseeing on-site to prevent and minimize the potential impact outside the approved area.

The archaeological oversight was performed by the National Museum of Union/Alba Iulia in partnership with the Company's Patrimony department.

3. Emergency work for old buildings in Rosia Montana's Historical Centre entailed a thorough evaluation of the condition of the houses, and restoration priority was given to the most dilapidated properties. The process is scheduled over three phases. In 2008, the first phase focused on the immediate work that needed to be performed. Fifteen emergency works were started, 10 of which have already been completed, while five are still in progress. In 2009, we will continue with phases two and three, which focus on the medium and long term, involving maintenance, rehabilitation and restoration work. This means that in 2009 we will conclude our emergency intervention work for the 60 houses identified in points 1, 2 and 3 above. We will also detail our medium- and long-term action plan to restore and preserve 41 historical monument houses and more than 300 houses located in the protected area.

All the work was performed in partnership with local NGOs ProRosia and ProDreptatea.



House 325 – the future Mining Museum of Rosia Montana, currently being restored.



The future Historical Centre of Rosia Montana after the restoration.

Chapter 6: The Environment

Our Commitment to the Environment

Gabriel recognizes that the long-term sustainability of its business is dependent not only upon good relationships with employees and the community, but also good stewardship in the protection of the environment. To this end, we strive to:

- Integrate environmental considerations into all activities of the organization and ensure that employees fulfill their responsibilities in an environmentally sound manner;
- Establish and maintain a management system to identify, monitor, control and improve the environmental performance of our activities;
- Finance independent audits to assess environmental performance as part of our objectives and targets;
- Comply with all relevant Romanian and EU laws, regulations, reporting requirements and other obligations to which we subscribe, such as the EU Mine Waste Directive and EU Water Directive;
- Use Best Available Techniques (BAT) in all of our operations and activities in order to increase protection of the environment throughout all phases of the mine life and

ensure that sufficient financial resources are available to meet all environmental obligations and commitments, including reclamation;

- Implement an effective and transparent communication strategy to enhance dialogue with interested and affected parties on the environmental aspects of our activities and encourage public debate to promote environmental awareness and protection; and
- Work with national and international institutions and organizations to develop effective, cost-efficient and equitable measures to protect the environment.

Our Performance

In 2008, the Company initiated a number of efforts to assess and monitor its environmental impact.

During the EIA a quantitative risk analysis was performed. In 2008, an independent team analyzed this existing documentation and developed a quantitative risk analysis tree, which will help us develop an action plan to effectively communicate the risks of the Project. The next step will be to implement an APELL (awareness and preparedness for emergency at a local level) plan regarding the mining process, with our role being to explain what ought to be done in case of a mining emergency.

In 2008, we also:

- Started the forestry land-use change process to remove those surfaces of forest affected by the Piatra Alba relocation site. The procedure is at the stage of analyzing the documentation by the Ministry of Forest, Agriculture and Rural Development. Given that the Forestry Code changed in 2008, Company documentation must be adjusted in order to maintain compliance with the new rules.
- Developed the Standard Operating Procedure for soil monitoring.
- Developed the Standard Operating Procedure for environmental monitoring of the Recea relocation site.
- Elaborated the Standard Operating Procedure for land clearing for forestry land-use change.
- Handed over several plots of forested land to the Abrud Forestry Administration.

In 2008, we co-financed the program “Conservation Management of Mountain Habitats in Retezat National Park” as part of Natura 2000.

Because of soil degradation, landslides led to severe damage throughout the Retezat area. Through this

program, these severely damaged forest areas in the National Park are to be restored through reforestation and other ecological activities.

Hundreds of seedling trees have been transported to the area and are being planted.

Stakeholder Involvement

SEA (Strategic Environmental Assessment) Procedure for the Zonal Urbanism Plan

In 2008, the Company prepared for the start of the public participation process for the Strategic Environmental Assessment of the Zonal Urbanism Plan (PUZ) in our Environmental Report. This process is governed by the Espoo Convention for the environmental evaluation of potential transboundary impacts.

The SEA public participation process began on January 15, 2009. The information is available to the public for comment in the form of the Environmental Report, draft PUZ and the Non-Technical Summary, as well as various material describing the process. This material is available at six information centres and other public venues, as well as on the Internet.

In addition, four public meetings were held in March and April 2009 to facilitate further comment. The Company will provide feedback on the comments received during this process.

Participating authorities registered as stakeholders in this process include:

- Local and regional town halls and other authorities;
- The Ministry of Environment and other regional agencies for environmental protection;
- “Romanian Waters” National Administration;
- The county departments for:
 - Culture, Cults and National Patrimony
 - Soil and Agro-Chemistry Studies;
- The County Inspectorate for Emergencies; and
- The Department of Public Health.

The public debates were open to all stakeholders, including individuals and authorities from countries that have the potential of being affected, as well as stakeholders that are registered in accordance with the provisions of the Espoo Convention. After the debates, stakeholders were invited to send observations, comments and proposals until the deadline of April 3, 2009.

Strategies and Future Plans for Managing the Use and Conservation of Resources

Sustainable Land Use

Stripped soil will be stored in stockpiles, with topsoil piles separated from subsoil materials. The stockpiles will be built according to both national and international technical standards in order to prevent or reduce physical, chemical or biological impacts on the stored soil.

- The stockpiled soil will be used in the ecological reconstruction of the land during the closure and post-closure phase.
- To prevent soil pollution, all activities involved in stripping, stockpiling, controlling of soil quality during storage, ecological reconstruction of the soil cover and pollution control on the non-stripped areas of the Project site will be monitored and conducted under the guidance of a soil specialist.

Land occupied by Project activities will be rehabilitated for various types of land use, including forestry, agriculture and tourism, with the mix of functions to be determined in consultation with the local community.

Sustainable Water Use

Operational Criteria

In order to protect safe and sustainable water supplies, the Company is seeking to establish the following water management practices:

- Performing cleanups of all existing/historical water contamination in areas affected by the Project at no cost to the Romanian state;
- Clean runoff water will be diverted to discharge points further downstream;
- Protect structures, stockpiles and active areas (e.g., plant yard, offices or pits) from flood flows;
- Intercept and store contaminated runoff water for recycling within the mine process facility or for discharge into surface water receptors following treatment in accordance with regulatory water quality standards;
- Monitor and treat all waste water discharges into the environment throughout the life of the Project;
- Prevent the contamination of groundwater and surface water;
- Ensure water supply for the mine operation throughout the life of the Project, while minimizing the uptake of fresh water resources;

- Maintain a biological base flow along the Corna and Rosia streams; and
- Provide sustainable water management after the mine closure.

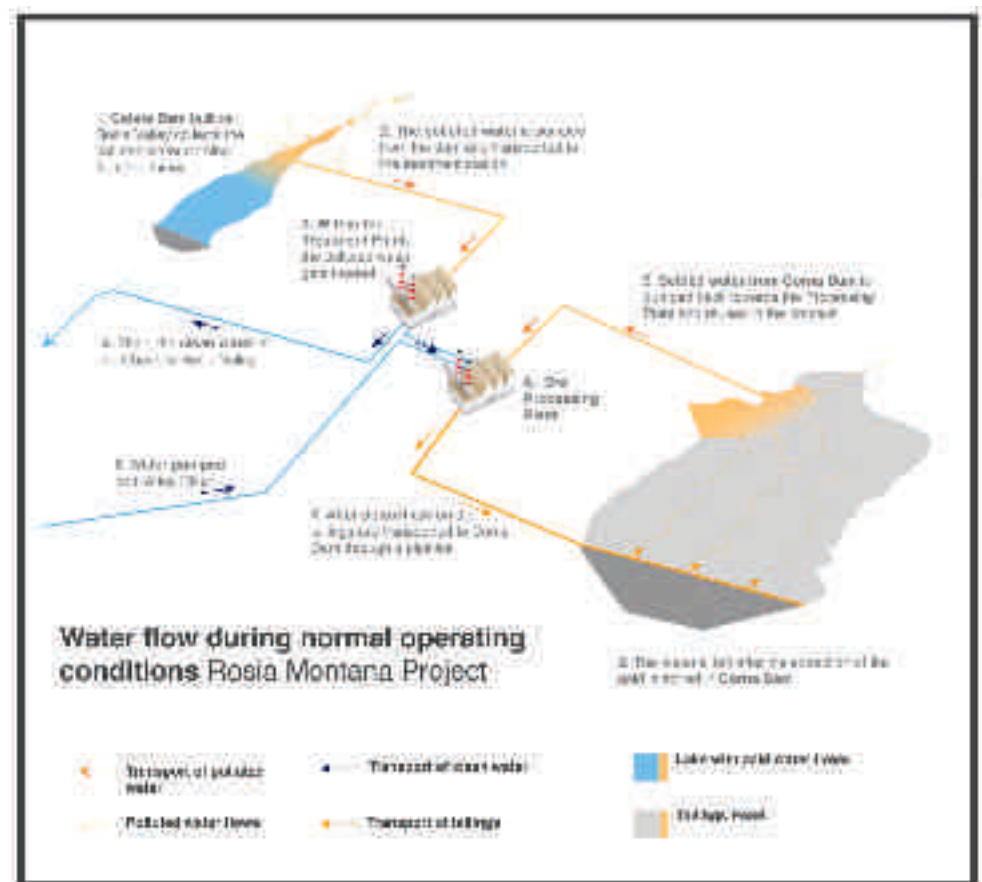
To protect against water contamination, the Company will construct engineered surface water diversion structures, catchment dams, pumpback systems, water treatment facilities, process water recycling systems, a fresh water supply system, and other water management systems or structures, all in accordance with best management practices (BMPs).

Overall Water Management Strategy

During the construction phase of the Project, BMPs will be applied to manage water at each specific construction location. The primary objective of the BMPs will be to control erosion and sediment runoff as close to the source as possible. BMPs will consist of controlled and sequenced earthwork activities; placement of sediment retention structures such as silt fences, berms, sediment ponds, riprap drainage channels and check dams; and the construction of sediment settling ponds to drop sediment before it enters a receiving stream.

Reusing our Water

Water from undisturbed areas will be routed around the mining facilities and discharged into the Rosia stream. This will assist in maintaining biological base flows in the Rosia stream and reduce the water that has to be actively managed by the Project.



As illustrated in the figure on the previous page, all polluted water from sources such as waste rock or open pits will be collected behind the Cetate Water Catchment dam (1) and pumped to the Treatment Plant (2), where the polluted water gets treated (3). Most of the plant effluent will be used to supply much of the water required for mineral processing (6). Alternatively, the effluent may be used to supplement flows in the Rosia or Corna valleys (4).

In the ore processing circuit, water will be reused (6–9). When the gold has been extracted, the remaining material is detoxified and then transported through a pipeline to the Corna Dam and stored there (7–8). At this point, the settled water (8) is pumped back to the Processing Plant and reused in the process (9).

Preserving and Restoring Ecosystems and the Natural Environment (Biodiversity)

To safeguard local ecosystems and biodiversity, the Company maintains three primary areas of focus:

- Ecological protection, restoration and rehabilitation;
- Habitat and wildlife monitoring; and
- Promoting a stewardship ethic.

Impacts on biodiversity resources will vary throughout the construction, operating and closure phases of the Project. As a result, the level of effort made in implementing management activities geared towards restoring and rehabilitating natural habitats must reflect needs at that point in the Project life cycle. Throughout the life of the Project, the following will be the primary focus of the Company's ecological restoration and rehabilitation activities:

- *Environmental Protection Zones (EPZs)*: Establishment of a network of EPZs that provide conservation for priority habitats, with an emphasis on protecting rare or unique habitats within the Project area. There are six areas of ecological significance in the surrounding area; development must be limited to the sites situated within the Project footprint.
- *Wildlife Corridors*: Establishment of a network of vegetated corridors within and between selected EPZs that allow for species migration. Prior to construction, existing and potential corridors will be identified, catalogued and prioritized for management during the operational phase. Preference will be given to existing links, such as wide hedgerows or riparian vegetation. The primary strategy will be to enhance the value of the corridors by planting suitable, habitat-adapted native shrub and tree species.
- *Riparian Planting*: The planting of native species along degraded stream banks and other watercourses that provide breeding habitat and migration corridors for wildlife and shade and nutrients to enhance stream quality.
- *Micro Habitats*: The installation of nest boxes for birds, roost boxes for bats, and habitat areas for reptiles and amphibians (e.g., decaying logs, pond coverage, basking areas).

- *Habitat Plots*: Habitat plots, mostly located within the EPZs, are managed as seed banks and nurseries for Project-affected plants.
- *Stream Rehabilitation*: The ability of degraded streams in the Project area to support healthy aquatic communities will be enhanced through the installation of riffles, runs and pools that promote oxygenation and habitat for aquatic biota.

Wastes

Extractive Waste

Mining operations produce extractive waste that must be managed. Extractive waste is defined by the Mine Waste Directive as follows: "Waste resulting from the prospecting, extraction, treatment and storage of mineral resources and the working of quarries."

In the Rosia Montana Project, extractive wastes include:

- Tailings;
- Waste rock;
- Acid rock drainage treatment sludge;
- In-pit/on-shore treatment sludge (using flooded Cetate pit as a settling pond);
- Soil (topsoil, subsoil, overburden).

The objectives of the waste management plan are to:

- Prevent or reduce waste production and its harmfulness;
- Encourage the recovery of extractive waste by means of recycling, reusing or reclaiming such waste where this is environmentally sound and in accordance with existing environmental standards to which we comply; and
- Ensure the safe disposal of the extractive waste, over the short and long term, in a manner that protects human health and the environment.

Non-Extractive Waste

Other waste which "is generated by the prospecting, extraction and treatment of mineral resources and the working of quarries, but which does not directly result from those operations" is called non-extractive waste.

Non-extractive waste in the Rosia Montana Project includes:

- Municipal and similar waste (sorted for recycling);
- Used oil;
- Lead-acid batteries;
- Non-lead-acid batteries;
- Waste aerosol containers;
- Hazardous demolition waste;
- Asbestos demolition waste;
- Reagent spill cleanup wastes (not including cyanide spill cleanup);

- Production packaging waste;
- Used electrical and electronic equipment;
- End-of-life vehicles;
- Used tires;
- Used oil filters;
- Inert production waste and inert construction and demolition waste; and
- Medical waste.

The non-extractive waste generated by the Project will be managed in compliance with the strategic principles and objectives presented and approved in the National Strategy for Waste Management (“NSWM”), according to which waste management costs should be covered by the generators of waste. The NSWM is based on resource protection (minimizing usage), the avoidance of waste generation, minimization of waste quantities, treatment for recovery, and treatment and disposal in environmentally sound conditions. Furthermore, waste will be treated or disposed of as close as possible to the site where it was generated and exports of hazardous waste will be made only to sites where appropriate disposal technologies are available and that are in observance of the conditions applying to the international waste trade.

It must be emphasized that mercury generated in the process is a sellable by-product and is therefore not treated as waste.

The Use of Cyanide

In large quantities, cyanide is harmful to humans and other living organisms. The Rosia Montana Project is conceived in such a way so as to ensure the highest level of safety for both employees and the environment, in all activities involving cyanide. These activities include transportation, storage, usage and detoxification.

In the modern processing plant that will be built, cyanide will be used in full compliance with national and European Union legislation, following international best practices. The processing plant will be equipped with sensors to detect cyanide or cyanide compound concentration levels so as to ensure efficient real-time monitoring. All stakeholders will be informed at all times of the main activities involving cyanide.

Transport under Two Locks

Sodium cyanide will be purchased in solid form and will be delivered in containers specially designed for cyanide transportation – special trucks with double-walled tanks that are extremely resistant. Each transport will be accompanied by an emergency intervention vehicle. To prevent leaks upon delivery, the solid cyanide will be dissolved in the tank and pumped directly into the storing and distribution system. It will not be handled in the open at any time. All the containers will be returned to the supplier in order to be reused, thus eliminating any potential problems related to their treatment and final storage.

Our Plan is Simple: Paying Attention from Day One until the Last Gold Bar

The Cyanide Management Plan of the Company complies with the International Cyanide Management Code (ICMC) (www.cyanidecode.org), recognized by the gold mining industry throughout the world. This Code includes best practices for cyanide management and relates to:

- Production;
- Transportation;
- Handling and storage;
- Operational and closure stages of the exploitation;
- Worker safety;
- Emergency response;
- Training; and
- Consulting and informing stakeholders.

The Company will work only with third parties that can prove that their work practices are safe and environmentally friendly.

We Will not Leave Cyanide Behind

In a modern mining project, most of the cyanide is used in the chemical processes related to the processing of the ore. Most of the remaining cyanide can and will be detoxified using a modern and efficient oxidation process. The small amounts of cyanide that will remain after this will transform naturally over time into a non-harmful substance. This process has been used in more than 80 mines throughout the world over the past 30 years. After detoxification, tailings with low cyanide content will be pumped into a specially-built tailings management facility.

The concentration of cyanide in the dam will be lower than the maximum limits imposed by the EU Mine Waste Directive. This Directive dates from 2008 and determines the European requirements and limitations for cyanide discharge. Those mines already in operation are required to gradually reduce their cyanide concentrations to 10 ppm (parts per million) by 2018 at the latest. New mines will have to meet these requirements from the beginning. The Rosia Montana mine will have a concentration of 5 ppm from day one.

Monitoring

If at any time the concentration of cyanide exceeds the safety level, an alarm will automatically sound, and the pumping systems will automatically shut down. In the case of a blackout, back-up electrical generators will kick in, which will ensure the system’s continuing functioning. Employees will receive individual protective equipment and full training covering all aspects of cyanide management.

Chapter 7: 2008 Performance Summary

Targets and Performance Scorecard

Target	Target details	2008 Performance
To achieve zero harm at the mine site during operations Zero fatalities Zero incidents Zero breaches of UN Declaration of Human Rights Legal compliance		
Accountability To fully comply with ISO 26000 by 2010 To respond to all concerns and grievances expressed by our stakeholders	Frequency of engagement by type and by stakeholder group; key topics and concerns raised through engagement; percentage of complaints/grievances answered/solved	We implemented a stakeholder engagement (SE) process based on Darzin, a tool aimed at improving the monitoring and reporting of SE-related activities. All key stakeholders and their main concerns were identified in 2008. The engagement methods used were tailored to each group according to their needs.
Governance To have no cases of bribery, corruption or breaches of confidentiality reported	How many employees were trained in anti-corruption policies and procedures; the number of confidentiality agreements signed; the number of recorded breaches	In 2008 all Company employees were trained in these issues; all Company employees signed confidentiality agreements and no breaches were recorded.
Health & Safety (H&S) To train all staff on H&S matters No work injuries/no car accidents To be legally compliant (fines and prosecutions)	Number of work injuries/car accidents The number of employees who have taken injury leave and the duration How much money was spent for H&S training and equipment per worker Number of checks performed by H&S inspectors, whether they resulted in fines, and in what amount	In 2008, there were two incidents: Rock slides took place at the Aurora gallery while four geologists were inside. A truck was turned on its side. Though minor lesions were recorded in the rock slide incident, no one was seriously injured. No leave was recorded as a result of work injuries. We had three H&S checks from different institutions that concluded with no fines being imposed.
Environment Energy and greenhouse gas targets Fresh water consumption target Waste minimization target Preserving biodiversity target Implementation of land management plans to improve beneficial use for all: <ul style="list-style-type: none"> • sustainable urban development – new village • land returned for reuse after excavation No incidents related to cyanide	Measuring quality of water, air and soil – now, during construction and afterwards Measuring the amount of fresh water used per tonne (plus recirculated) Cleaning up current water pollution (acid, infiltrations) Provide training on the 3 R policy: reduce, reuse, recycle Monitor changes in biodiversity Monitor: <ul style="list-style-type: none"> • land recently disturbed during the reporting period • land rehabilitated during the reporting period • land disturbed and not yet rehabilitated • percentage of brownfields reclaimed • percentage of land set aside for forestry • previously excavated land returned to use Report environmental rehabilitation costs, environmental monitoring results and compliance/status of RMGC commitments assumed at the EIA stage	We minimized the amount of energy consumed by our offices – closed some working spaces and reorganized the office space in order to best accommodate our current needs. We are currently implementing recycling/responsible use of paper in Company offices. While we acknowledge these targets are relevant to our environmental performance, the majority are not applicable given the current stage of the Project.

Targets and Performance Scorecard (continued)

Target	Target details	2008 Performance
Patrimony To protect and preserve identified cultural heritage in the area	Number of restored houses and costs incurred	Approximately 97,000 Ron was allocated for the maintenance of the most dilapidated houses in the Historical Centre. Fifteen emergency works were started, 10 of which were completed during the reporting period and five of which are still in progress. Approximately 117,000 Ron was invested in 2008 to continue the rehabilitation of two historical monuments – houses 323 and 325 of Rosia Montana's Historical Centre.
Employees To have no complaints made about breaches of economic, cultural or social rights To achieve a high degree of diversity within the Company and throughout our social programs To have no cases of employees "skipping" work	Number of incidents of discrimination and actions taken (how many lawsuits arose, if any) Breakdown of employees per category according to gender, age group and other indicators of diversity Percentage of employees receiving regular performance and career development reviews How many days of sick leave per employee per year (related to mining activities)	Zero incidents 196 employees: • 33.67% women and 66.33% men • 16.8% of employees less than 25 years old, 62.8% between 25 and 40 and 20.4% more than 40 years old Performance review so far has been made on an ad-hoc basis. There were no lost-time injuries (LTI) recorded in the reporting period.
Community To promote community health To promote community rights To answer all community concerns and grievances To build new homes – construction of Recea and Piatra Alba To minimize negative development impacts especially related to relocations (relocation monitoring reporting) To maximize positive development impacts – build capacity/empowerment/distribution of resources to the community/infrastructure To include volunteering and in-kind support in our community programs	Several community consultations or training sessions on health and safety Construction status of the two resettlement and relocation sites Number of properties sold; number of relocated people (all four categories) Services in place to assist people in restoring their lives Direct economic value generated and distributed locally through: • local purchasing • social programs (social partnerships and programs, sponsorships, donations and the archaeological program) Percentage of workforce employed from the community Amounts invested in public infrastructure (schools, hospitals, etc.) and maintenance Capacity-building training/workshops (education, skills enhancement) Business environment development – number of people who used the microcredit services and amounts granted; percentage of local NGOs that became sustainable (they currently receive no more than 50% of their funding from us) Volunteer – number of volunteer hours; percentage of employees participating in volunteer programs	No community meetings were held on health and safety; our training was aimed only at Company employees and contractors at the Recea construction site. During the reporting period all infrastructure for Recea was finished and 37 homes were completed. 794 residential properties were purchased; 498 families chose to relocate, 125 are waiting for houses in Recea, 28 are waiting for the construction of Piatra Alba. All the families that relocated received assistance during the transition period: orientation, counselling, moving assistance, social services, training, job search assistance, etc. During the reporting period: • local community spending was 4.3 million Ron (CAD 1.8 million) • county spending was approximately 37 million Ron (CAD 15.8 million) • community social programs spending was 909,700 Ron (CAD 385,800) 90% of employees are from the community. No investments were made in 2008 due to the "on hold" situation. During the reporting period, capacity-building initiatives were limited due to the Project status. The activity of MicroCredit was suspended temporarily. In 2008 we had: • one education workshop • one youth environment protection workshop • two leadership training sessions During the reporting period, we recorded 10,650 hours of volunteering for both skilled and unskilled work.

For more information

If you would like to receive more information on aspects related to the Project, please contact our:

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"I want to tell you that I am in favour of this investment and I am happy that Alba Iulia gains many young people following the RMGC Recea investment. Alba Iulia needs you, as does the entire county of Alba."

– Mircea Hava, Alba Iulia Mayor (referring to Recea)

"As union members, we always expect our employer to listen to people's concerns and help them as much as possible. Even in the most difficult times, when the company had to reduce the number of jobs due to project standby, we found compassion and support. Our union values a company that behaves like that."

– Cristian Albu, Union Leader

"In Rosia Montana, the environment has been destroyed by 2,000 years of unregulated mining. Modern environmental management, a part of modern mining, will restore the water quality and overall ecology that have been damaged, free of charge to the Romanian taxpayer and in line with Romanian and EU legislation."

"Like any parent, I want my children to live in a healthy, clean world. We are responsible people and we promote a responsible mining project."

– Horea Avram, Vice President, Environment, RMGC

"Knowing and observing environmental demands is not enough. We do more: we teach our children how important it is to respect and love nature. We have more than 2,000 children involved in such educational programs. RMGC staff volunteered to work with teachers in order to help children see that a sound environment is vital."

– Mariana Szekely, Rosia Montana Environmental Partnership Coordinator, RMGC

"We will give Rosia's inhabitants the opportunity to make their living doing what they do best – doing what their ancestors have always done: mining. They will enjoy modern mining! We are determined to bring life back to a community where unemployment made everything look hopeless. We trust we will turn Rosia Montana into a prosperous and joyful place."

– Dragos Tanase, Managing Director, RMGC

"We have revealed Rosia Montana's cultural heritage by bringing to light unknown archaeological discoveries, which otherwise might have remained hidden forever. We are aware of our responsibility to preserve our history for future generations."

– Adi Gligor, Sustainable Development Director, RMGC



GABRIEL
Rosia Montana
IN PARTNERSHIP

About Gabriel Resources Ltd.

Gabriel Resources Ltd. is a Canadian-based resource company committed to responsible mining and sustainable development in the communities in which it operates. Gabriel is engaged in the exploration and development of mineral properties in Romania and is presently developing its 80%-owned Rosia Montana gold project. For more information, please visit the Company's website at www.gabrielresources.com.

Savings derived from using post-consumer recycled fibre in lieu of virgin fibre:

- 13 trees preserved for the future
- 38 lbs. of waterborne waste not created
- 5,566 gallons of wastewater flow saved
- 616 lbs. of solid waste not generated
- 1,213 lbs. of net greenhouse gases prevented
- 9,282,000 BTUs of energy not consumed

Savings from use of emission-free wind-generated electricity:

- 616 lbs. of greenhouse gas emissions not generated

Displaces this amount of fossil fuel:

- 5,125 cubic feet of natural gas unused



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