FORM 27

SECURITIES ACT
(British Columbia)

MATERIAL CHANGE REPORT UNDER SECTION 85(1) OF THE ACT

1. Reporting Issuer

Full name of the Issuer:

GABRIEL RESOURCES LTD. ("Gabriel")

The address of the principal office in Canada of the reporting issuer is as follows:

Suite 1001 - 543 Granville Street
Vancouver, B.C.
V6C 1X8

PHONE: (604) 602-9303

2. Date of Material Change

August 26, 1999

3. Press Release

The date and place(s) of issuance of the press release issued pursuant to Section 85(1) of the Act are as follows:

August 27, 1999

The Press Release was released to the Vancouver Stock Exchange, being the only exchange upon which the shares of the Issuer are listed, and through various other approved public media.

4. Summary of Material Change(s)

A summary of the nature and substance of the material change is as follows:

Gabriel has announced the following update on its corporate and technical activities:

(a) the second phase equity financing of CDN$1.2 million completed for a total of CDN$5.7 million;

(b) new high grade zone of gold mineralization has been identified at the Igre-Jig-Vaidoaia deposit at Rosia Montana;

(c) the expansion of existing Rosia Montana, Certej and Zlatna mining licenses;

(d) the granting of a new mining license for Bolcana Project; and

(e) the granting of a new exploration license for area adjacent to Bolcana mining license.

5. Full Description of Material Change

(a) **Second Phase of Equity Financing Completed**

Private Placement of Units

Gabriel announced that it has completed the second phase of a non-brokered private placement to Albion Holdings Limited ("Albion") of 1,186,000 units (the "Units") of Gabriel at a price of CDN$1.00 per Unit for gross proceeds to Gabriel of CDN$1,186,000. Together with the first phase which closed on August 13, 1999, Gabriel has raised a total of CDN$5.7 million in equity financing. Each Unit consists of one common share (a "Share") and one half of a non-transferable common share purchase warrant (a "Warrant"). Each whole Warrant will be exercisable to acquire an additional common share (a "Warrant Share") at any time on or before 4:00 p.m. (Vancouver time) on August 26, 2000 at an exercise price of CDN$1.20 per Warrant Share and thereafter until 4:00 p.m. (Vancouver time) on August 26, 2001 at an exercise price of CDN$1.40 per Warrant Share.

The Units are subject to a hold period and may not be traded in British Columbia until December 27, 1999, except as permitted by the *Securities Act* (British Columbia) and the rules and regulations made thereunder.

Albion is a private company that is indirectly wholly owned by Mr. V. Frank Timis, the Chairman and Chief Executive Officer of Gabriel. Albion directly owns 9,665,000 common shares of Gabriel, representing approximately 22% of the issued and outstanding common shares of Gabriel. In addition, Albion owns 8,245,428 common share purchase warrants of Gabriel. Mr. Timis directly owns 2,000 common shares of Gabriel and holds options to acquire 1,060,000 common shares of Gabriel. Albion acquired the Units under the private placement for investment purposes. Except for a potential third phase of the non-brokered private placement, Albion has no present intention to acquire additional securities of Gabriel.

(b) **New High Grade Zone of Gold Mineralization at Rosia Montana**

Gabriel has completed an initial program of surface and limited underground channel sampling of all accessible outcrops and underground levels at the Igre-Jig-Vaidoiai deposit at Rosia Montana. A total of 3000 samples have been taken and the significant results from this program are set forth in the attached table.

The mineralization in this area occurs in intensely fractured dacite, andesite, volcaniclastics sediments and Cretaceous shales. High gold-silver grades are characterized by zones of intense fracturing and persuasive silification. Breccia zones are common and vary from matrix supported to clast supported. The strike and depth extent of mineralization is open and will be defined with drilling programs scheduled for the year 2000.

(c) **Expansion of Existing Mining Licenses at Rosia Montana, Certej and Zlatna**

The boundaries of the mining licenses for each of the Rosia Montana, Certej and Zlatna projects have been expanded to include extensions to known mineralization on each project.

At Rosia Montana, the mining license has been expanded from 12 square kilometres to approximately 21.2 square kilometres to include extensions to mineralization identified during Gabriel's previous underground channel sampling and drilling programs at Rosia Montana.

The Certej project license area has been increased from 10 square kilometres to approximately 40.5 square kilometres to include the area surrounding the Magura gold vein deposit and to incorporate tailings and waste dumps situated in the Certej area.

At the Zlatna project, the mining license has been expanded from 47.7 square kilometres to approximately 97 square kilometres to include the additional known gold, copper and silver deposits of Runculet, Valea Tisei, Dealul Mormintul, Timpoiele and three tailings and waste dumps located in the vicinity of the smelter at Zlatna.

(d) **New Mining License for Bolcana Project**

Gabriel has been granted a mining license for the Bolcana copper-gold prophyry project covering 6 square kilometres immediately adjacent to the western boundary of the Certej project. In addition, Gabriel has been granted an exploration license of approximately 10.5 square kilometres incorporating the gold-silver deposits of Troita, Baita and Cracinnesti located adjacent to the Bolcana project. This exploration license has been granted to Minvest S.A. and is presently in the process of being transferred to Gabriel’s Romanian subsidiary Deva Gold S.A. The Bolcana mining license has an initial term of twenty years with successive five year renewals, whereas the Troita exploration license has a five year term with the right to a three year renewal.

(e) **<u>Bucium Exploration License Transferred to Euro Gold</u>**

The transfer of the exploration license for the Bucium Project from Minvest S.A. to Gabriel's Romanian subsidiary Euro Gold Resources S.A. has now been completed.

6. Reliance on Section 85(2) of the Act

Not Applicable

7. Omitted Information

Not Applicable

8. Senior Officer

The following senior officer of the Issuer is knowledgeable about the material change and may be contacted by the Commission at the following telephone number:

Frank D. Wheatley, President and Chief Operating Officer

PHONE: (604) 602-9303

9. Statement of Senior Officer

The foregoing accurately discloses the material change(s) referred to herein.

DATED at Vancouver, British Columbia, this 30th day of August, 1999.

"Frank D. Wheatley"
Frank D. Wheatley
President and Chief Operating Officer

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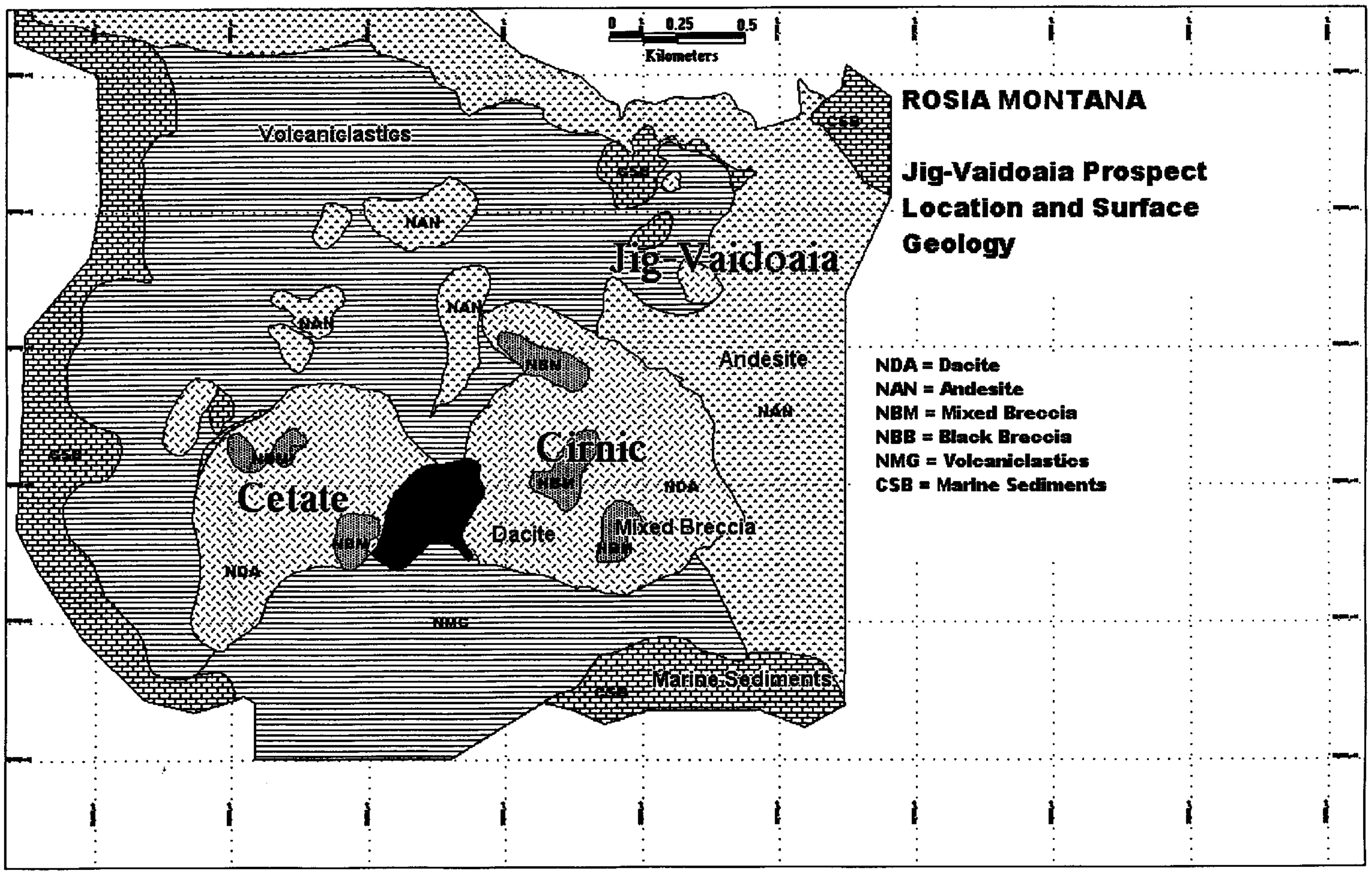
ROSIA MONTANA
Jig-Vaidoaia Prospect
Location and Surface
Geology
NDA = Dacite
NAN = Andesite
NBM = Mixed Breccia
NBB = Black Breccia
NMG = Volcaniclastics
CSB = Marine Sediments
0 0.25 0.5
Kilometers
Volcaniclastics
Jig-Vaidoaia
Andesite
Cirnic
Celate
Dacite
Mixed Breccia
Marine Sediments
NAN
NDA
NBM
NMG
CSB

JIG-VAIDOAIA Surface Sampling Program Significant Intersections >5m and/or >2g/t Au Fire Assay Analysis						
Drive	From (m)	To (m)	Interval (m)	Grade Au g/t	Grade Ag g/t	Comments
VOA001	0	14	14	1.94	44	
VOA001	16	22	6	2.01	11	
VOA001	25	34	9	2.11	37	
VOA001	43	55	12	1.25	12	
VOA001	57	86	29	2.39	29	
VOA001	87	91	4	2.43	28	
VOA002	0	2	2	3.12	22	
VOA004	0	8	8	2.54	6	
VOA005	1	33	32	2.78	8	
VOA006	0	5	5	3.63	15	
VOA007	4	18	14	5.78	9	1m @ 46.00g/t Au
VOA008	0	5	5	3.66	12	
VOA008	9	24	15	1.76	8	
VOA009	0	20	20	2.12	7	
VOA010	0	13	13	1.70	5	
VOA010	17	30	13	2.14	4	
VOA011	9	16	7	1.82	5	
VOA011	19	22	3	2.24	9	
VOA012	0	8	8	2.52	15	
VOA012	10	14	4	2.78	17	
VOA012	18	24	6	5.67	25	1m @ 12.20g/t Au
VOA012	25	57	32	2.65	11	
VOA013	0	2	2	5.05	22	
VOA013	4	27	23	2.38	49	
VOA014	0	17	17	3.96	153	
VOA020	0	7	7	2.07	8	
VOA021	0	21	21	11.74	119	2m @ 52.10g/t Au
VOA025	0	3	3	12.75	215	1m @ 21.20g/t Au
VOA025	7	15	8	3.41	33	
VOA025	17	22	5	3.20	28	
VOA026	0	5	5	7.77	171	1m @ 15.70g/t Au
VOA027	0	27	27	4.38	67	1m @ 17.50g/g Au
VOA028	0	9	9	2.82	44	
VOA029	0	33	33	2.83	78	
VOA035	4	11	7	17	7	1m @ 44.50g/t Au
VOA037	29	34	5	1.02	7	
VOA039	10	15	5	1.47	5	
VOA039	25	34	9	1.51	4	
VOA039	47	52	5	1.45	4	
VOA039	108	113	5	2.98	9	
VOA039	118	126	8	1.50	8	
VOA039	128	133	5	1.05	8	
VOA040	0	1	1	2.29	17	
VOA040	3	9	6	2.17	10	
VOA041	0	4	4	2.12	6	

Drive	From (m)	To (m)	Interval (m)	Grade Au g/t	Grade Ag g/t	Comments
VOA041	6	12	6	1.61	5	
VOA045	0	5	5	1.34	7	
VOA056	15	23	8	2.14	9	
VOA056	24	29	5	1.52	7	
VOA057	10	14	4	7.64	9	1m @ 22.80g/t Au
VOA057	20	38	18	3.81	9	1m @ 25.70g/t Au
VOA060	0	1	1	2.19	7	
VOA060	6	9	3	2.84	20	
VOA060	20	27	7	1.45	36	
VOA062	6	7	1	2.61	46	
VOA063	1	2	1	2.77	11	
VOA065	0	1	1	7.62	6	
VOA065	5	8	3	2.71	15	
VOA067	0	14	14	3.02	84	
VOA068	0	11	11	2.67	68	
VOA069	0	18	18	2.62	72	
VOA070	0	13	13	4.95	116	1m @ 18.20g/t Au
VOA071	0	5	5	1.12	6	
VOA071	7	17	10	1.56	6	
VOA072	0	8	8	1.96	23	
VOA074	0	14	14	2.59	6	
VOA092	2	11	9	1.82	15	
VOA093	0	2	2	3.07	8	
VOA093	17	18	1	2.71	7	
VOA093	28	35	7	2.51	7	
VOA093	37	40	3	2.05	7	
VOA093	42	48	6	1.11	5	
VOA094	0	4	4	2.38	76	
VOA098	0	10	10	2.60	35	
VOA099	3	8	5	2.26	51	
VOA105	22	23	1	9.50	3	
VOA107	3	4	1	2.07	3	
VOA108	6	8	2	46.95	20	
VOA108	18	21	3	4.91	2	
VOA108	22	23	1	5.05	2	
VOA111	6	13	7	5.59	193	
VOA112	17	21	4	3.62	18	
VOA112	25	26	1	2.68	29	
VOA112	37	39	2	2.10	109	
VOA112	41	46	5	1.79	104	
VOA113	0	7	7	2.54	109	
VOA114	0	12	12	6.98	80	4m @ 16.38g/t Au
VOA114	14	18	4	2.68	18	
VOA118	0	21	21	3.41	8	1m @ 23.60g/t Au
VOA202	0	1	1	2.76	56	
VOG015	0	3	3	3.71	11	
VOG015	6	36	30	3.99	8	1m @ 33.20g/t Au
VOG016	0	16	16	2.29	14	
VOG017	0	17	17	7.11	12	1m @ 77.20g/t Au

Drive	From (m)	To (m)	Interval (m)	Grade Au g/t	Grade Ag g/t	Comments
VOG017	20	32	12	2.41	25	
VOG018	0	35	35	3.22	21	
VOG019	4	5	1	2.69	7	
VOG022	0	2	22	4.05	29	1m @ 29.60g/t Au
VOG023	0	7	7	2.92	21	
VOG024	0	9	9	3.22	11	
VOG050	19	24	5	1.90	12	
VOG050	81	82	1	4.34	86	
VOG051	2	5	3	2.24	11	
VOG075	0	12	12	2.70	25	
VOG076	0	16	16	3.94	23	
VOG077	0	21	21	2.77	20.7	
VOG077	23	30	7	1.93	10	
VOG078	0	18	18	2.12	17	
VOG079	0	13	13	2.46	16	
VOG080	0	6	6	4.03	14	1m @ 16.80g/t Au
VOG081	0	11	11	3.20	12	
VOG082	0	6	6	2.72	6	
VOG083	1	7	6	2.23	7	
VOG085	4	25	21	2.14	10	
VOG091	0	16	16	2.10	9	
VOA225	9	10	1	2.35	6	
VOA226	9	10	1	2.77	4	
VOA202	2	3	1	3.25	12	