



RENEWAL ANNUAL INFORMATION FORM
of
GABRIEL RESOURCES LTD.

Suite 1501 - 110 Yonge Street

Toronto, Ontario

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May 16, 2003

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ITEM 1: PRELIMINARY NOTES

Incorporation of Financial Statements

Incorporated by reference into this Renewal Annual Information Form are the Consolidated Financial Statements of Gabriel Resources Ltd. ("Gabriel") for the years ended December 31, 2002 and 2001. All financial information in this Renewal Annual Information Form is prepared in accordance with generally accepted accounting principles in Canada.

Date of Information

All information in this Renewal Annual Information Form is as of May 1, 2003 unless otherwise indicated.

Currency and Exchange Rates

All dollar amounts in this Renewal Annual Information Form are expressed in Canadian dollars unless otherwise indicated. Gabriel's accounts are maintained in Canadian dollars. All references to "U.S. dollars" or to "US\$" are to U.S. dollars.

The following table sets forth the rate of exchange for the Canadian dollar, expressed in United States dollars in effect at the end of the periods indicated, the average of exchange rates in effect on the last day of each month during such periods, and the high and low exchange rates during such periods based on the noon rate of exchange as reported by the Bank of Canada for conversion of Canadian dollars into United States dollars.

<u>Canadian Dollars to U.S. Dollars</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
Rate at end of period.....	0.6331	0.6297	US\$0.6668
Average rate for period	0.6368	0.6457	US\$0.6733
High for period	0.6546	0.6695	US\$0.6921
Low for period	0.6124	0.6242	US\$0.6417

The noon rate of exchange on May 1, 2003, as reported by the Bank of Canada for the conversion of Canadian dollars into United States dollars was Canadian \$1.00 equals US\$0.7048.

Metric Equivalents

For ease of reference, the following factors for converting Imperial measurements into metric equivalents are provided:

<u>To convert from Imperial</u>	<u>To metric</u>	<u>Multiply by</u>
Acres	Hectares	0.404686
Feet	Metres	0.30480
Miles	Kilometres	1.609344
Tons	Tonnes	0.907185
Ounces (troy)/ton	Grams/Tonne	34.2857

Glossary of Mining Terms

The following is a glossary of certain mining terms used in this Renewal Annual Information Form.

Adit	A horizontal or nearly horizontal passage driven from the surface for the working of a mine.
Breccia	A coarse grained clastic rock, composed of angular broken rock fragments held together by a mineral cement or in a fine-grained matrix. It may originate as a result of talus accumulation, explosive igneous processes, collapse of rock material, or faulting.
Crosscut	A mine working which is driven horizontally and at right angles to an adit, drift or level.
Dacite	A fine-grained extrusive rock with the same general composition as andesite, but having a less calcic plagioclase and more quartz, quartz andesite, extrusive equivalent of granodiorite and quartz diorite.
Deposit	Mineral deposit is a term used to designate a natural occurrence of a useful mineral, in sufficient extent and degree of concentration to invite exploitation.
diamond drill	A type of rotary drill in which the cutting is done by abrasion rather than percussion. The cutting bit is set with diamonds and is attached to the end of the long hollow rods through which water is pumped to the cutting face. The drill cuts a circular channel around a core which can be recovered to provide a more or less continuous and complete columnar sample of the rock penetrated.
Drive	To excavate horizontally, or at an inclination, as in a drift, adit or entry for exploration, development or working of a deposit.
Epithermal	A term applied to hydrothermal mineral deposits formed at shallow depths from ascending solutions of moderate temperatures and occurring mainly in veins.
g/t	Grams per tonne.
Grade	The relative quantity or the percentage of mineral or metal content in a deposit.
Halo	Circular or crescentic distribution about the source or origin of a mineral, ore, mineral association, or petrographic nature.
hydrothermal	A term pertaining to hot water, especially with respect to its action in dissolving, re-depositing, and otherwise producing mineral changes within the Earth's crust.

indicated mineral resource	That part of a mineral resource for which quantity, grade or quality, densities, shape and physical characteristics can be estimated with a level of confidence sufficient to allow the appropriate application of technical and economic parameters, to support mine planning and evaluation of the economic viability of the deposit. The estimate is based on detailed and reliable exploration and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes that are spaced closely enough for geological and grade continuity to be reasonably assumed.
inferred mineral resource	That part of a mineral resource for which quantity and grade or quality can be estimated on the basis of geological evidence and limited sampling and reasonably assumed, but not verified, geological and grade continuity. The estimate is based on limited information and sampling gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes.
Intrusive	A body of igneous rock formed by magma penetrating or intruding into or between other rocks, but solidifying before reaching the surface; in contrast to lavas or tuffs which are extruded upon the surface.
Kriging	In the estimation of ore resources or reserves by geostatistical methods, the use of a weighted, moving average approach both to account for the estimated values of spatially distributed variables, and also to assess the probable error associated with the estimates. The method recognizes that samples are not independent and that spatial continuity between samples exist.
measured mineral resource	That part of a mineral resource for which quantity, grade or quality, densities, shape, physical characteristics are so well established that they can be estimated with confidence sufficient to allow the appropriate application of technical and economic parameters, to support production planning and evaluation of the economic viability of the deposit. The estimate is based on detailed and reliable exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes that are spaced closely enough to confirm both geological and grade continuity.
mineral reserve	The economically mineable part of a measured or indicated mineral resource demonstrated by at least a preliminary feasibility study. This study must include adequate information on mining, processing, metallurgical, economic and other relevant factors that demonstrate, at the time of reporting, that economic extraction can be justified. A mineral reserve includes diluting materials and allowances for losses that may occur when material is mined.
mineral resource	A concentration or occurrence of natural, solid, inorganic or fossilized organic material in or on the Earth's crust in such form and quantity and of such a grade or quality that it has reasonable prospects for economic extraction. The location, quantity, grade, geological characteristics and continuity of a mineral resource are known, estimated or interpreted from specific geological evidence and knowledge.

mineralization	Rock containing an undetermined amount of materials or metals.
Mtpa	Millions of tonnes per annum
National Instrument 43-101	National Instrument 43-101 entitled “Standards of Disclosure for Mineral Projects”.
open-pit mine	An excavation for removing minerals which is open to the surface.
Porphyry	An igneous rock of any composition that contains conspicuous phenocrysts in a fine-grained ground mass.
probable mineral reserve	The economically mineable part of an indicated, and in some circumstances a measured mineral resource demonstrated by at least a preliminary feasibility study. This study must include adequate information on mining, processing, metallurgical, economic, and other relevant factors that demonstrate, at the time of reporting, that economic extraction can be justified.
proven mineral reserve	The economically mineable part of a measured mineral resource demonstrated by at least a preliminary feasibility study. This study must include adequate information on mining, processing, metallurgical, economic and other relevant factors that demonstrate, at the time of reporting, that economic extraction is justified.
room and pillar mining	A method of mining flat-lying ore deposits in which the mined-out areas, or rooms, are separated by pillars of approximately the same size.
Stockwork	A mineral deposit consisting of a three-dimensional network of irregular veinlets closely enough spaced that the whole mass can be mined.
Stope	An underground excavation from which ore has been extracted.
Tailings	The gangue and other refuse material resulting from the washing, concentration or treatment of ground ore.

ITEM 2: CORPORATE STRUCTURE

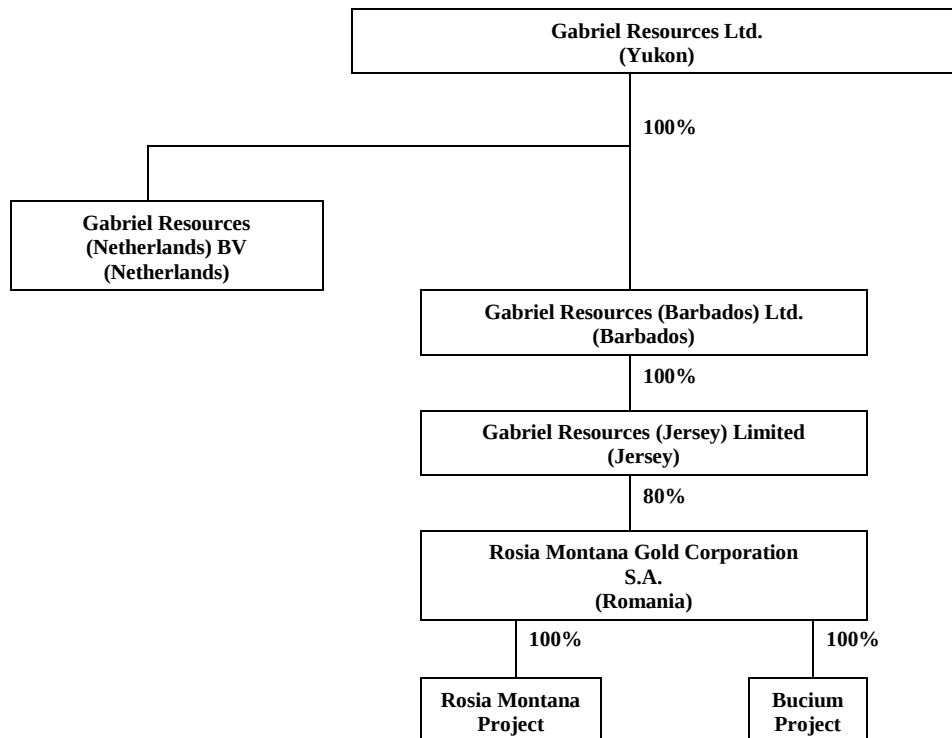
Name and Incorporation

Gabriel Resources Ltd. (“Gabriel”) was incorporated on July 18, 1986 under the laws of British Columbia under the name “PIC Prospectors International Corporation.” The authorized capital of Gabriel at that time consisted of 50,000,000 common shares without par value. On August 22, 1994, Gabriel changed its name to “Starx Resource Corp.” and consolidated its share capital on a four old for one new share basis. On April 11, 1997, Gabriel was continued under the laws of the Yukon Territory and changed its name to “Gabriel Resources Ltd.”. At that time, Gabriel’s authorized share capital was amended to authorize an unlimited number of common shares without par value. In June 2000, Gabriel completed a corporate reorganization by way of statutory plan of arrangement, resulting in the creation of a new public company, European Goldfields Ltd., the common shares of which are listed on the Canadian Venture Exchange. In connection with the reorganization, Gabriel’s authorized capital was amended to authorize an unlimited number of common shares without par value and an unlimited number of preferred shares, issuable in series, without par value.

Gabriel’s registered office is located at Suite 200 Financial Plaza, 204 Lambert Street, Whitehorse, Yukon, Y1A 3T2 and its executive offices are located at Suite 1501 - 110 Yonge Street, Toronto, Ontario, M5C 1T4. Gabriel, through its subsidiaries, maintains administrative and field offices in Alba Iulia and in Rosia Montana, Romania.

Subsidiaries

The following corporate chart sets forth all of Gabriel’s subsidiaries, their jurisdictions of incorporation, the percentage of voting securities or ownership held by Gabriel and the principal mineral resource properties owned by each of them:



ITEM 3: GENERAL DEVELOPMENT OF THE BUSINESS

Business of Gabriel

Gabriel, together with its subsidiaries, is engaged in the acquisition, exploration and development of precious and base metals mineral resource properties in Romania.

On April 11, 1997, Gabriel acquired all of the issued and outstanding shares of Gabriel Resources (Jersey) Limited (“Gabriel Jersey”), a private Jersey company, from the shareholders of Gabriel Jersey, in consideration of the issuance by Gabriel of 15,000,000 common shares of Gabriel to the shareholders of Gabriel Jersey. As a result, Gabriel Jersey became a wholly owned subsidiary of Gabriel and Gabriel indirectly acquired interests in the Rosia Montana and Bucium properties in Romania.

In June 1997, Gabriel Jersey entered into an incorporating contract and articles of association with Regia Antonoma a Cuprulni Deva, now named Minvest S.A. (“Minvest”), a Romanian state-owned mining company, and three other Romanian state-owned companies, to form Rosia Montana Gold Corporation S.A. (“RM Gold”), formerly named Euro Gold Resources S.A., a Romanian joint stock company, to act as an incorporated joint venture to pursue the exploration and development of the Rosia Montana and Bucium properties. Gabriel Jersey originally held a 65% interest in RM Gold, with Minvest holding a 33.8% interest and the three Romanian minority shareholders collectively holding a 1.2% interest in RM Gold. Gabriel Jersey had the ability to increase its interest in RM Gold to 80% by preparing, at its cost, a pre-feasibility study on the Rosia Montana project and delivering it to RM Gold, which it did in December 1999. Gabriel Jersey holds pre-emptive rights on the remaining 20% interest in RM Gold.

In December 1997, Gabriel acquired 100% of the issued and outstanding shares of Castle Europa Ltd. (“Castle Europa”), which at the time owned a 60% interest in Deva Gold S.A. (“Deva Gold”), a Romanian joint stock company formed to act as the incorporated joint venture to pursue the exploration and development of the Certej and Zlatna projects in Romania. Minvest held a 38.5% interest in Deva Gold and three other Romanian minority shareholders collectively held a 1.5% interest in Deva Gold at the time. Castle Europa was able to increase its interest in Deva Gold to 80% by preparing and delivering, at its cost, a prefeasibility study on the Certej project to Deva Gold. Castle Europa held pre-emptive rights on the remaining 20% interest in Deva Gold.

In June 1998, a new Romanian mining law came into force and effect providing for, among other things, the granting of exploration and exploitation concessions to both Romanian and foreign entities. Minvest, as the title holder to the Rosia Montana, Bucium, Certej and Zlatna projects, made application under the new mining law to the Romanian government for an exploration concession in the case of the Bucium project, and exploitation concessions in the case of the Rosia Montana, Certej and Zlatna projects, all of which applications were approved. The formal exploitation concession for the Rosia Montana project was granted to Minvest in December 1998 and came into force and effect in June 1999, the formal exploration concession for the Bucium project was granted to Minvest in April 1999 and came into force and effect in May 1999 and the formal exploitation concessions for the Certej and Zlatna projects were granted in June 1999. In October 1999, Deva Gold acquired the Bolcana and Baita-Craciunesti projects in Romania.

In December 1999, Gabriel received a positive pre-feasibility study on the Rosia Montana Project and delivered it to RM Gold, thereby increasing its interest in RM Gold to 80%.

In June 2000, Gabriel completed a corporate reorganization by way of statutory plan of arrangement (the “Arrangement”), resulting in the creation of a new public company, European

Goldfields Ltd. ("European Goldfields"), the common shares of which are listed on the Canadian Venture Exchange under the trading symbol EGU. Pursuant to the Arrangement, Gabriel continued to hold the Rosia Montana and Bucium projects while Deva Gold, together with the Certej, Zlatna, Bolcana and Baita-Craciunesti projects and \$2 million in cash, were transferred to European Goldfields.

During the period from early 2000 through early 2003 Gabriel undertook the preparation of two definitive feasibility studies together with the basic engineering phase of development of a large scale open pit mine at the Rosia Montana project in Romania.

Romania

General Information

Romania, located in south-east Central Europe, north of the Balkan Peninsula, is an emerging European democracy. Romania is bordered by the Republic of Moldova, the Ukraine, Bulgaria, Hungary, the former Yugoslavia and the Black Sea. Romania has an area of approximately 238,391 square kilometres and a population of approximately 23 million. The capital city is Bucharest, which has a population of approximately 2,400,000. Mountains, hills and plains each cover about one-third of the country's area. Forests still cover approximately 28% of the country.

Government Organization

The Romanian nation-state was born in 1859 through the union of Wallachia and Moldavia, and in 1918, at the end of World War I, all the territories inhabited by Romanians united and formed Greater Romania. After World War II, together with the other Central and East European states, Romania came under the Soviet sphere of influence.

After a long period of communist rule, ending in the revolution of 1989, the new Romanian Constitution was approved by Parliament on November 21, 1991, which proclaimed Romania a parliamentary democracy. The Parliament has two houses, the Chamber of Deputies and the Senate, and members of each house are elected by universal vote to a four-year term. The President, also elected to a four-year term, is the Supreme Commander of the Armed Forces and Chairman of the Supreme Defence Council. The President nominates a candidate for the office of Prime Minister, while the Cabinet members must be endorsed by Parliament in a vote of confidence.

Mining Law

A new Romanian mining law came into force and effect on March 27, 2003, which provides that all mineral resources are administered by the National Agency for Mineral Resources ("NAMR"). The following are some of the more important aspects of the mining law:

Mineral Ownership

All mineral resources located in Romania and in the portion of the continental shelf of the Black Sea adjoining Romania belong to the State of Romania. Mineral rights in Romania are acquired by way of prospecting permit, exploration concession or exploitation concession granted by NAMR. Under the mining law, an exploration or exploitation concession is a property-related right, distinct and independent from the ownership of the land on and under which it is located, even when both belong to the same person. The rights granted by an exploration or exploitation concession are exclusive to the holder, chargeable, defensible against third parties and are transferable with the consent of NAMR.

Exploration Concessions

An exploration concession may be obtained for a maximum period of five years, with a renewal right of a maximum of three years. After the first years, the exploration concession may be reduced upon the request of the titleholder and with the consent of the NAMR. An annual fee of 100,000 lei (approximately US\$2.94) per square kilometre is payable to the Government of Romania. The annual fee doubles two years after the issue of the concession and quintuples after four years. The holder of an exploration concession must provide NAMR with semi annual and annual reports of all exploration activities conducted on an exploration concession. Exploration concessions confer on the holder the exclusive right to explore for any of the mineral substances lying within the perimeter of the concession. Exploration concessions may be converted into exploitation concessions at any time upon the preparation of and approval by NAMR of a feasibility study, a mine plan, an environmental impact assessment, and environmental rehabilitation plan and a social impact assessment.

Exploitation Concessions

An exploitation concession is granted for an initial term of a maximum of 20 years and is renewable for successive five year periods. An annual fee of 25,000,000 lei (approximately US\$735) per square kilometre is payable to the Government of Romania. Holders of exploitation concessions must pay to the Government of Romania a gross production royalty, ranging from 2% to 10%) depending on the particular type of mineral resource being extracted, on all production. Exploitation concessions confer on the holder the right to explore, exploit, process, refine and trade all mineral substances (except oil, gas and radioactive substances) lying within the perimeter of, and subject to, the concession. In addition, exploitation concessions confer on the holder the right to obtain the right to use the surface of the land and available water to undertake mining activities.

Taxes

Under Romania's general tax laws, companies are taxed at the rate of 25%. There are no restrictions on the repatriation of capital, dividends or profits. Additional benefits attributed to mining activities as conveyed through the mining law, include an exemption for customs duties for the term of the concession license.

Disadvantaged Zone

The Rosia Montana and Bucium projects are located in a "Disadvantaged Zone" created by the Romanian government in October 1999. The Disadvantaged Zone has a ten-year life commencing in October 1999 and may, under certain circumstances, be extended. Assuming the Rosia Montana Project were to be placed into commercial production by Gabriel in 2005, it would not be subject to income tax during the first five years of its mine life. The Disadvantaged Zone also eliminates the 19% value added tax and all customs duties for a period of 10 years, which will immediately benefit the project through the development, construction and commissioning phases, and would benefit the project during operations for consumables such as grinding media and cyanide.

Environmental Laws

In January 2003 the Romanian Government enacted an updated environmental law and associated regulations regarding the preparation of environmental impact assessments ("EIA") for industrial projects, in order to harmonize its environmental laws and regulations with those of the European Union. The new laws will enable Gabriel to apply for and receive an integrated approval for all environmental aspects of the development and operation of the Rosia Montana Project, as well as to ensure appropriate public

participation in the permitting process, consistent with the European Union's current practice. The EIA for the Rosia Montana project is currently under preparation and is scheduled for submission to the Romanian Government during the third quarter of 2003. In October 2002, the project description was submitted to the Romanian Government as the initial step in the EIA process. Environmental matters are administered by the Ministry of Waters and Environmental Protection.

ITEM 4: NARRATIVE DESCRIPTION OF THE BUSINESS

Overview

Gabriel has two mineral projects located in Romania. Of the two projects, the Rosia Montana project is the most advanced and can be considered a development stage project. Gabriel has completed the exploration, final feasibility and basic engineering phases of development for a new open pit mine at Rosia Montana. Gabriel is presently undertaking the resettlement and relocation of a significant portion of the village of Rosia Montana as well as the environmental and other permitting processes for the new mine development. Gabriel's current development schedule contemplates beginning construction of the new mine in the third quarter of 2004 with commercial production currently scheduled for the second half of 2006. During the three most recently completed fiscal years, Gabriel has expended approximately \$56 million on the Rosia Montana project.

Gabriel's other Romanian property, the Bucium project, can be considered an advanced stage exploration project and does not have any proven and probable reserves. During the three most recently completed fiscal years, Gabriel has expended approximately \$2.5 million on the Bucium project.

Romanian Projects

Gabriel's two Romanian projects are located in the historic "Golden Quadrilateral" area of Romania. This famous mining district in the Apuseni and Metaliferi Mountains of Transylvania covers an area of approximately 500 square kilometres immediately to the north of the City of Deva. The Golden Quadrilateral has been Europe's most important goldfield since pre-Roman times, a period of over 2,000 years.

Geology and Mineralization of Romania

Romania consists of four major areas where Mesozoic and older rocks are exposed: the Southern Carpathians, the Eastern Carpathians, the Apuseni Mountains and Dobrogea. Late Tertiary sedimentary rocks cover areas between these older massifs and rest on older rocks in the Pannonian and Transylvanian Basins and in the Scythian and Moesian Platforms. The Carpathian orogenic belt forms a continuous convex east arc through Romania, however, this arc was created through a series of structural events which began in the Triassic era.

The Southern Carpathians consist of three structural and paleogeographic units, which have been deformed during the Carpathian orogeny by a series of thrust and nappe structures. The deformation is considered to have occurred during the late Cretaceous to early Triassic eras.

The Eastern Carpathians consist of two main paleogeographic and structural units; an inner crystalline zone and an outer flysch zone. The sediments are of shallow marine to non-marine origin and are similar to lithologies exposed in the Southern Carpathians. The various sedimentary units have been thrust and deformed into a series of nappes. The nappes were created in early Cretaceous times. The flysch zone is also strongly deformed into a series of nappes. Deformation occurred over a long period,

probably from early Cretaceous times to the late Holocene. Deep focus earthquakes are still recorded, suggesting that thrusting is still active but is in its late stages.

The Apuseni Mountains are a group of mountains in central Romania, north of the Southern Carpathians and west of the Transylvanian Basin. The mountains consist of two different structural elements, the Northern Apuseni and Southern Apuseni Mountains. Rocks in the Northern Apuseni Mountains consist of Mesozoic shallow marine and non-marine sedimentary rocks overlying Precambrian and Paleozoic sedimentary and metamorphic rocks. A series of thrust faults cut through the rocks, associated with a set of nappes, and were created during late Cretaceous times.

The Southern Apuseni Mountains consist of several large bodies of mafic and rare ultramafic rocks, which are interpreted to represent a Middle Jurassic ophiolite sequence, along with thick sequences of flysch and molasse sediments of late Jurassic to late Cretaceous age. It appears that several different sedimentary basins have been juxtaposed by a long sequence of Cretaceous structural events.

In the southeastern area of Romania, a low group of mountains are termed the Dobrogea area. The area can be divided into four northwest trending structural zones, each bounded by faults with probable significant displacements. The Pannonian and Transylvanian Basins are superposed on the various elements of the Carpathian Orogen. The Basins represent post tectonic basins, probably created by extensional forces in the Middle to Late Tertiary.

Three main areas of Tertiary volcanic rocks are present in Romania: the Baia Mare area in the North, the Muntii Calimani-Harghita area in the east and the Apuseni Mountains in west-central Romania. Volcanism in all three areas is predominantly calc alkaline.

All three areas appear to have a similar sequence of eruptive events which have been divided into three cycles. The first cycle of volcanism appears to be of lower to middle Tortonian age, initially consisting of eruptive andesite and rhyolitic ignimbrite, followed by andesite and ending with rhyodacitic units. The rocks are commonly intercalated with volcanogenic sediments and were hydrothermally altered by later igneous events.

Rocks of the second cycle outcrop extensively and are characterized by a sequence which began with andesite and dacite, followed by a very thick sequence of quartz andesite and ended with pyroxene andesite. The sequence was erupted from the late Tortonian era and into the early Pannonian. Much of the mineralization currently being exploited in Romania is related to the middle and later stages of this cycle. Important deposits of copper, lead, zinc, gold, silver and mercury were deposited during this second cycle of Tertiary volcanism.

The third and final cycle is characterised by the eruption of pyroxene andesite, basaltic andesite and quartz andesites. The volcanism continued into the Quaternary era.

Gold-silver mineralization and copper (gold-silver) mineralization occurs throughout the Southern Apuseni Mountains in an area termed the Golden Quadrilateral. Three major northwest trending belts of mineralization have been identified: The Rosia Montana and Bucium properties form part of the northernmost belt in the Golden Quadrilateral area.

A wide variety of mineralization styles and host lithologies have been identified at all four properties. The main types of mineralization identified to date are: disseminated and stockwork gold-silver mineralization; vein hosted gold-silver mineralization and porphyry copper-gold mineralization. Disseminated and stockwork gold-silver mineralization has been intersected in a wide variety of lithologies including dacite, dacitic breccia, mixed diatreme breccias, volcanogenic sediments and black

shales. Vein hosted gold-silver deposits are hosted in all the exposed lithologies within the Rosia Montana and Bucium properties, and elsewhere within the Golden Quadrilateral. Porphyry copper-gold style mineralization is associated with sub-vertical andesitic intrusives in the Bucium property.

Rosia Montana Project

Ownership Interest

Gabriel holds an 80% interest in the Rosia Montana project through its majority owned Romanian subsidiary RM Gold. The Rosia Montana project consists of one exploitation concession covering approximately 4,282 hectares.

Pursuant to an exploitation concession license (the "License") dated December 21, 1998, as amended, between the NAMR, Minvest and RM Gold, an exploitation license was issued by NAMR to Minvest as titleholder and to RM Gold as the affiliated company. In October 2000, title to the License was transferred from Minvest to RM Gold such that RM Gold is the titleholder and Minvest is the affiliated company. As an affiliated company, Minvest is entitled to continue its current small scale mining operations at Rosia Montana until RM Gold makes a production decision to develop a large scale open pit mine at Rosia Montana. The License has an initial term of 20 years and is renewable for successive five year periods. Minvest is responsible for all development activities, including environmental liabilities, associated with its current mining operations, and RM Gold is responsible for carrying out and funding all exploration and development activities associated with the redevelopment of Rosia Montana.

If Gabriel proceeds to develop a new large scale mining operation at Rosia Montana, then the Constitutive Act of RM Gold provides that Gabriel will be entitled to recover 100% of all expenditures, including pre-incorporation expenditures, incurred on the Rosia Montana project prior to production, before dividends are paid to the shareholders of RM Gold.

Location and Access

The Rosia Montana property is located approximately 85 kilometres from the regional centre of Deva. Access is excellent via sealed roads from Deva, through the towns of Brad and Abrud to the village of Rosia Montana. The village of Rosia Montana and the town of Abrud are the two main centres, housing staff and associated infrastructure for the Rosia Montana project.

Project Geology

The Golden Quadrilateral mining district is located in the Apuseni and Melaliferi Mountains of Transylvania, which is part of the Carpatho-Balkan province of the Alpine-Himalayan gold belt. The mining district covers an area of approximately 12.5 square kilometres immediately to the north of the city of Deva.

At Rosia Montana, a series of dacitic sub-volcanic intrusives and associated volcanic vent breccias and volcanogenic sediments have been emplaced into a sequence of Cretaceous sediments, predominantly black shales and Tortonian (Miocene) fine to medium grained sediments and tuffaceous grits. The dacitic, porphyritic intrusives are of Neogene age.

The dacitic bodies appear to have been intruded vertically into the sedimentary sequence and have then spread laterally along at least one stratigraphic boundary. Spatially associated with the dacitic intrusives (both internally and along the intrusive boundaries), are subvertical breccia pipes which are

interpreted to represent diatremes. The deposits on the Rosia Montana property are surrounded by an extensive zone of intense hydrothermal alteration, dominantly argillic alteration and silification. The three dimensional geometry of the Rosia Montana area is relatively well established due to the extensive network of underground development which has been undertaken since 1918.

Mineralization

The gold-silver mineralised zones outlined to date at Rosia Montana are epithermal to mesothermal, low sulphur systems. Gabriel has confirmed that potentially deleterious minerals, such as antimony, arsenic and telluride minerals, are not present in appreciable levels within the Rosia Montana project.

There are numerous styles of mineralization and host lithologies at the Rosia Montana project and it has been noted that the gold-silver mineralization transgresses lithological boundaries. The following associations have been identified:

- (i) *Sub-vertical breccia pipes within dacitic intrusives.* This style of mineralization is hosted in sub-vertical pipes with breccia fragments of mixed lithologies. The breccias are intensely altered (dominantly silicification and argillic alteration) and contain low to moderate amounts of disseminated fine grained sulphides, both within the matrix and in the breccia fragments. These breccia pipes may have a significant component of tectonic brecciation.
- (ii) *Dacite hosted disseminated gold-silver mineralization.* These are wide zones of disseminated sulphides hosted within breccia zones of the dacitic porphyries. Gold and silver mineralization is associated with sulphides which are predominantly pyrite.
- (iii) *Mixed Breccia and dacite hosted deposits.* Within the Cirnic dacite deposit, gold-silver mineralization is hosted by both internal mixed lithology breccias and within dacites. Within the overall Cirnic massif, five zones have been identified as being sites of intensive historical exploration and development, including Cantaliste, Corhuri, Napoleon-Corhuri, Napoleon and Piatra Corbuli.
- (iv) *Gold-silver mineralised quartz veins within dacites.* A large number of gold-silver mineralised veins hosted within dacitic intrusives have been identified and mined, particularly during the era of the Roman and Austro-Hungarian Empires. The veins are generally steeply dipping and are up to one metre wide.
- (v) *Disseminated and vein hosted gold-silver mineralization within the vent breccia and sediments.* Significant gold-silver mineralization has also been identified, hosted within Tortonian volcanogenics, and to a lesser extent within Cretaceous shales. Sediment hosted, disseminated gold-silver mineralization has not been extensively explored for to date.
- (vi) *Quartz vein hosted gold-silver mineralization hosted within vent breccia.* The quartz vein hosted gold-silver mineralization at Orlea and Tarina has been exploited from Roman times. Series of steeply dipping quartz veins, generally less than one metre wide, have been developed within fine to medium grained volcanogenic sediments.

Mining and Exploration History

The Rosia Montana project has been mined from pre-Roman times. Artifacts, headstones and delivery contracts have been recovered both in and near workings dating from the time of the Roman invasion in 105-106 AD. Four principal periods of mining activity are evident at Rosia Montana:

- (i) Pre and post Roman era
- (ii) Medieval Period
- (iii) Austro-Hungarian Empire era — End of 17th Century to 1918.
- (iv) Current era — 1959 to present.

There is historical evidence of ancient gold mining activity at Rosia Montana dating back to 131 AD, during the Roman occupation of Dacia. The Roman era workings consist of elongated surface pits and underground voids or 'glory holes' locally termed Coranda. During Dacian and Roman times (up to 200 AD), mining took place both from the surface and underground. It appears that higher grade quartz veins and high grade portions of the breccia pipes at the Cetate and Cirnic deposits were exploited initially from the surface and then underground.

The district reached maximum development and peak production during the period of the Austro-Hungarian Empire (from the end of the 17th Century until 1918). Several hundred kilometres of underground openings, mainly adits, were developed during this period. The great majority of mining was carried out by underground methods, commonly room and pillar and open unsupported stopes, as found in both the Cetate and Cirnic deposits. During this time an extensive network of adits and horizontal drives were developed. Numerous minor underground stopes have been intersected during more recent underground exploration. Workings from the Austro-Hungarian Empire cover a vertical range of approximately 400 metres.

During the last century, mining has been undertaken by both underground and surface methods. Initially mining was carried out by underground methods including development along individual quartz veins and by room and pillar mining. In 1970, Minvest commenced open pit mining on the Cetate deposit in part extracting unmined material and also recovering remnant ore located in pillars from previous room and pillar mining. Underground mining by Minvest ceased in 1985 and all further production at Rosia Montana has taken place from the Cetate open pit. The open pit initially focused on the Cetate mixed breccia but has been extended to the south-west to access material hosted in dacite adjacent to the mixed breccia. Mining continues to exploit the mixed breccia which forms the pit floor. To date, mining of the open pit has removed approximately the upper 120 metres of Cetate hill.

Minvest continues to conduct small scale open pit mining operations at Rosia Montana.

Exploration has also been carried out by Minvest and by the recently privatised Romanian state-owned exploration company, Minexfor S.A. ("Minexfor"). During the 1970's and 1980's exploration at Rosia Montana was principally carried out by the following methods: surface and underground surveying; surface and underground drilling; rock chip sampling; and underground development by way of adits, drives and cross-cuts. The pace of exploration was greatly reduced during the late 1980's and 1990's due to budgetary constraints following the 1989 revolution in Romania.

Pre-Feasibility Study

In December 1999, Gabriel received a positive pre-feasibility study (the “Pre-Feasibility Study”) prepared by Pincock Allen & Holt, of Denver on the Rosia Montana project. The Pre-Feasibility Study presented a base case, considering a 10 Mtpa operation encompassing measured and indicated resources existing at that time and an alternate case, which considered a 10 Mtpa operation incorporating measured, indicated and inferred resources existing at that time. Both cases considered owner mining and contract mining scenarios. Following receipt of the Pre-Feasibility Study, Gabriel decided to proceed with the preparation of definitive feasibility study on the Rosia Montana project.

Definitive Feasibility Studies

In August 2001, Gabriel received the first of two positive definitive feasibility studies coordinated and compiled by GRD Minproc Limited (“Minproc”) of Perth, Western Australia on the Rosia Montana project. Gabriel, Minproc, Resource Service Group Pty. Ltd. (“RSG”) of Perth, Western Australia, Knight Piesold Limited (“KP”) of Vancouver, British Columbia and Ashford, England and Planning Alliance of Toronto, Ontario undertook the work necessary for the preparation of the two studies. The first study contemplated a plant throughput of 20 Mtpa whereas the second study contemplated a plant throughput of 8 Mtpa. The two studies addressed all aspects relevant to the demonstration of both the technical and economic viability of the development of a large scale open pit mine and processing plant at Rosia Montana. Following receipt of the two studies, Gabriel decided to proceed to the basic engineering phase of development of the Rosia Montana project.

Basic Engineering

SNC Lavalin Engineers & Constructors Inc. (“SNC”) was engaged by Gabriel in October 2001 to undertake the basic engineering phase of development (the “Basic Engineering”) of the Rosia Montana project in order to produce a control estimate sufficient to provide the basis for the detailed engineering and pre-construction phases of development, to engineer and cost additional items identified in the definitive feasibility study of August 2001, as well as to support project debt financing of the Rosia Montana project.

Determination of Optimum Plant Capacity

SNC’s initial assignment was to determine an optimal plant capacity between the two cases considered by the definitive feasibility studies. Based upon proven equipment sizing and an initial capital cost limit provided by Gabriel, SNC concluded that a nominal plant throughput of 13 Mtpa was a suitable rate. Gabriel’s subsequent financial analysis indicated that such a plant capacity provided an appropriate blend of strong project economics and capital cost parameters. SNC then proceeded to undertake and complete the Basic Engineering.

A summary of the technical and economic aspects of the Rosia Montana project derived from the Basic Engineering are set forth below:

Plant Throughput	13.3 Mtpa	
Reserves	10.6 Moz Gold 52.3 Moz Silver	
Mine Life	16.4 Years	
Average Annual Gold Production	<u>Initial 60 Months</u>	<u>Life of Mine</u>
	679,000	533,000

Initial Capital Cost (Millions)	US\$437		
Working Capital (Millions)	US\$16		
Sustaining Capital (Millions)	US\$123		
	<u>Initial 60 Months</u>	<u>Life of Mine</u>	
Cash Operating Costs (Per Ounce)	107	144	
Total Cash Costs (Per Ounce)	115	152	
Total Production Costs (Per Ounce)	174	221	
	<u>Gold Price</u>		
	<u>US\$300</u>	<u>US\$350</u>	<u>US\$400</u>
Internal Rate of Return	14.6%	20.4%	35.5%
Net Present Value (Millions) (0%)	622	970	1,319
Net Present Value (Millions) (5%)	273	483	693
Pay Back Period (Years)	3.9	3.0	2.6

Resources

During 2002 Gabriel undertook an infill and grade control drill program consisting of 21,457 metres of reverse circulation drilling in 247 holes to further delineate and upgrade the resource within the proposed pits for the initial seven (7) years of mining. This program was designed and supervised by RSG Global ("RSG") of Perth, Western Australia. Upon completion of the program, RSG prepared an updated resource estimate.

Using a 0.6g/t gold cutoff, a 20 X 20 X 10 metre block size and ordinary kriging, the updated resource estimate is set forth below.

<u>Category Of Resource</u>	<u>Tonnes</u>	<u>Grade (g/t)</u>		<u>Contained Ounces</u>	
		<u>Gold</u>	<u>Silver</u>	<u>Gold</u>	<u>Silver</u>
Measured	135,253,000	1.58	8.7	6,900,000	37,800,000
Indicated	171,492,000	1.13	4.6	6,200,000	25,400,000
Total M&I:	306,745,000	1.33	6.4	13,100,000	63,200,000
Inferred	52,936,000	0.99	3.7	1,700,000	6,200,000

Resource Report

In a report entitled "Rosia Montana Project - Resource Estimation" dated December 2002 (the "Resource Report"), prepared by RSG Global ("RSG") of Perth, Western Australia, RSG calculated the updated resource estimate and classified it into measured, indicated and inferred resources in accordance with the definitions adopted by the Canadian Institute of Mining, Metallurgy and Petroleum in 2000, as set forth in National Instrument 43-101, using a variety of cut-off grades. RSG is an independent exploration, mining and resource consulting firm.

Qualified Person

Dr. Julian Barnes, BSC (Hons), PhD, of RSG is the qualified person (as defined in National Instrument 43-101) responsible for the Resource Report. Dr. Barnes and RSG were also responsible for

the design and supervision of the drilling and channel sampling programs which formed the basis of the resource estimate. Dr. Barnes and RSG corroborated the data collection, including sampling, analytical and quality control data, on which the resource estimate is based and prepared the resource model and estimate.

Resource Data Base

The updated resource estimate contained in the Resource Report is based upon a total of 151,943 metres of sampling, comprising 63,920 metres of reverse circulation and 28,439 metres of surface and underground diamond drilling in 695 holes, together with 59,584 metres of underground channel sampling.

Reserves

Using a variable gold cut-off grade strategy, from 0.62g/t to 0.94 g/t, and a US\$300 gold price and a US\$4.50 silver price, the updated proven and probable reserve estimate is set forth below.

<u>Proven and Probable Reserves</u>					
		<u>Grade (g/t)</u>		<u>In Situ Metal (ounces)</u>	
<u>Category</u>	<u>Tonnes</u>	<u>Gold</u>	<u>Silver</u>	<u>Gold</u>	<u>Silver</u>
Proven	110,398,000	1.76	9.5	6,200,000	33,800,000
Probable	107,557,000	1.27	5.4	4,400,000	18,500,000
Total:	217,955,000	1.52	7.5	10,600,000	52,300,000

Reserve Report

In a report entitled “Mine Plan, Mine Capital and Operating Costs – Rosia Montana Project” dated February 2003 (the “Reserve Report”), prepared by Independent Mining Consultants, Inc. (“IMC”) of Tucson, Arizona, IMC prepared the reserve estimate and classified it into proven and probable reserves in accordance with the definitions adopted by the Canadian Institute of Mining, Metallurgy and Petroleum in 2000, as set forth in National Instrument 43-101. IMC is an independent exploration, mining and resource consulting firm.

Qualified Person

John Marek P. E. is the qualified person (as defined in National Instrument 43-101) responsible for the Reserve Report. Mr. Marek and IMC were also responsible for the design of the mine plan and the estimation of initial capital costs and operating costs.

Exploration Potential

The deposits at Rosia Montana have not yet been fully delineated and remain open in three directions and at depth. Significant gold mineralization also exists on the Bucium property, immediately to the southeast of and contiguous with Rosia Montana. A number of areas of existing inferred resources at Rosia Montana remain to be upgraded and a number of areas remain to be tested for the existence of additional resources, including areas to the north of the valley, east of Cirnic, to both the east and west of Orlea, between Orlea and Carpeni, to the south at Howie, as well as at depth. Delineation of additional

resources, and their upgrading to reserves, would provide the potential to extend the current mine life of the Project.

Proposed Mining Operations

Mining - Mining Method

The Rosia Montana project will be operated as a large scale, bulk tonnage, conventional open-pit mine using an owner-operated fleet of 19.5 square metre hydraulic face shovels and 150 tonne haul trucks for primary production. As reserves are distributed among four principal deposits, being Cetate, Cîrnic, Orlea and Jig, located in close proximity to one another and straddling the Rosia Montana valley, mining will occur in four separate open pit mine sites. The mine has been designed to operate 24 hours a day, 7 days a week.

Mining - Throughput

Mining is based on an average ore mining rate of 13.3 Mtpa over a mine life of 16.4 years. The current mine plan contemplates a cutoff strategy pursuant to which the mine is operated for the first six (6) years of production at cutoff grades that are higher than the traditional breakeven point. This strategy results in the head grades for the first four (4) years of production being in excess of 2 g/t gold. The mine plan produces a mine operating life of 14 years through the selection, production and processing of higher grade material in the initial years of operation, while stockpiling lower grade material. Once active mining operations cease after year 14, the 31.9 million tonne stockpile of lower grade material will be reclaimed and processed for an additional three years of process plant operation. As the mine plan schedules the Cîrnic pit to be mined out prior to the Cetate pit, the Cîrnic pit will be backfilled in the later years of the mine life.

Mining - Mine Scheduling

Mining is scheduled to commence at Cetate and Cetate, as they are situated closest to the process plant and together comprise the majority of the proven and probable reserves. Mining at Cîrnic will be completed in year 10 with Cetate continuing for the remainder of the mine life. Mining at Orlea and Jig will begin in year 8 of the mine life. All pits will use bench heights of 15 metres, will have average overall pit slope angles of between 40 and 50 degrees and extend to a maximum depth of between 220 metres and 260 metres.

Mining - Waste

A total of approximately 261.5 million tonnes of waste material will be removed from the four open pits during the mine life of the project, giving a life of mine average waste/ore stripping ratio of 1.20 to 1. The operational mine plan involves the use of approximately 35 million tonnes of mine waste rock in the construction of the tailings management facility. All additional waste will be deposited on one of the two principal waste dumps, being the Corna waste dump located south of Cîrnic, and the Cetate waste dump, located to the west of Cetate during the initial 9 years of mine life. Starting in year 10, the Cîrnic pit will be backfilled with all waste material.

Mining - Metal Production

The Rosia Montana project will produce an average of 533,000 ounces of gold per year over the life of the mine, ranging from 766,000 ounces of gold per year early in the life of the mine to 450,000 ounces of gold per year later in the mine life. In addition, an average of 1.84 million ounces of silver will

be produced per year as a by-product over the life of the mine, ranging from 0.7 million ounces to 2.6 million ounces per year.

Process Plant

The process facilities selected as a result of metallurgical testwork include conventional coarse crushing, SAG and ball mill grinding, gravity concentration and carbon in leach ("CIL") recovery. Run of mine material will be transferred from a stockpile directly into the gyratory crusher, and then into the grinding and classification circuit consisting of a SAG mill, 2 ball mills and a pebble crusher. Primary and secondary gravity recovery of free gold by in line pressure jigs will be followed by a full CIL circuit consisting of nine tanks to handle an average 1,625 tonnes per hour throughput. Two elution circuits will generate eluate for treatment by electrowinning, with precious metals to be recovered in dore bars. Tailings slurry will be washed for cyanide recovery prior to discharge to the tailings management facility. A cyanide destruct circuit, utilizing the SO₂ / air process, eliminates the concerns associated with discharging cyanide into the TMF and the addition of a plant to treat acid rock drainage provides additional environmental safeguards.

The process plant has been designed to operate 7 days per week, 24 hours per day.

The process plant will be located on the side of a ridge between the Salistei valley and the Rosia Montana valley. This location was chosen for its proximity to the Cîrnic and Cetate pits, which provide the majority of the proven and probable reserves, as well as its proximity to the tailings management facility to be situated in the Corna valley. The Rosia Montana project is well serviced from an infrastructure perspective as it is situated in a region with existing large mines. The project is accessible by paved roads and has adequate power and water supply nearby.

Tailings Management Facility

A total of approximately 218 million tonnes of treated tailings from the process plant will be pumped to a tailings management facility (the "TMF") with a design capacity of 250 million tonnes, situated in the Corna valley and located immediately to the southwest of Cîrnic.

The construction of the tailings management facility has been separated into two components, the tailings basin and the tailings embankment. The TMF will generally require one additional lift for each year of active mine operations. The TMF will utilize a centerline method of construction which was developed in accordance with all internationally and Romanian accepted standards in order to provide a zero discharge facility for the safe and environmentally stable storage of process tailings. The design for the TMF has been certified by independent Romanian dam experts and specialists and has also been subjected to a third party review by Montgomery Watson Harza, of Denver, Colorado, an independent international consulting firm specializing in tailings dam design and construction.

The water balance analysis of the tailings facility indicates that it will be in water deficit under most climatic conditions as long as run-off from the pits and waste dump is managed. The tailings management facility will therefore not need to discharge water to the environment except after the occurrence of an extreme storm event. At all times there will be adequate storage capacity for ongoing operations in the tailings management facility to contain the run-off from a probable maximum precipitation event. In the event of an extreme storm event, however, the excess water will either be stored in the tailings management facility for future use in the process plant or treated to acceptable standards and released.

Initial Capital Costs

Initial capital costs for the development of a new mine will be approximately US\$437 million, comprised of approximately US\$53 million for the mining equipment and fleet necessary to conduct mining operations, US\$146 million in process plant and infrastructure costs, US\$78 million in tailings management facility costs, which include US\$29 million of pre-production mining costs reflecting in large part the material to be used in the construction of the TMF, US\$18 million in environmental costs to accommodate necessary water management dams and storm water ponds, US\$32 in engineering procurement and construction management ("EPCM") costs, US\$63 million in village resettlement costs and US\$47 million in owners' costs. Included in the overall total initial capital costs is a contingency of approximately US\$43 million. Total sustaining and deferred capital over the life of mine will be approximately US\$123 million.

Operating Costs

Cash operating costs, after silver credits and before government royalties, are anticipated to average US\$144 per ounce of gold over the life of the mine. Total cash costs, including government royalties, are expected to average US\$152 per ounce of gold. All per ounce calculations of costs have been made in accordance with the guidelines established by the Gold Institute.

Community Development Program

In order to undertake the development of a new mine at the Rosia Montana project, an estimated 2,000 residents in the villages of Rosia Montana and Corna must be relocated. In 2001, Gabriel prepared a resettlement action plan (the "RAP") in accordance with all relevant World Bank Group/IFC guidelines and policies regarding involuntary resettlement. The RAP is the document in which Gabriel details the procedures it will follow and the actions that it will take to mitigate adverse effects, compensate losses and provide development benefits to persons and communities affected by the development of the new mine. The RAP outlines eligibility criteria for affected parties, establishes rates of compensation for lost assets, and describes levels of assistance for relocation and reconstruction of affected households. In addition, any owners of properties which currently fall below minimum Romanian standards will receive compensation to at least such minimum standards.

Under the RAP, all affected persons will be entitled to choose from one of the following two options:

- Resettlement, which is the receipt of a new parcel of land with a home chosen from a range of models developed by Gabriel at one of three locations; or
- Relocation, which is the receipt of monetary compensation for the value of their current property and the ability to move wherever they choose.

All relocation and resettlement packages were developed by Gabriel after extensive consultation with Romanian specialists in valuing buildings and structures as well as residential, farm and forest lands. In addition, all packages comply with relevant World Bank Group/IFC policies guidelines which require compensation be provided on a full replacement cost basis.

After discussions with the World Bank Group and the IFC during mid 2002, Gabriel elected to update, upgrade and improve its original RAP in order to bring it into more detailed compliance with all relevant World Bank Group/IFC guidelines and policies. The updated RAP was completed and published by Gabriel on January 31, 2003.

Three resettlement sites, two of which are in the immediate vicinity of Rosia Montana, have been identified and selected by Gabriel based upon a range of detailed evaluation criteria and discussions with local residents and county councils. Gabriel has acquired one of the sites and is currently in the process of acquiring the two additional sites in order to initiate the construction of new residences for those individuals wishing to resettle.

Archaeological Discharge Program

In order to undertake the development of a new mine at Rosia Montana, Gabriel must conduct an extensive program of archaeological investigations in order to ensure that all valuable historical relics in the area are uncovered and preserved. The archaeological site investigations at Rosia Montana represent the largest archaeological program presently being undertaken in Romania. One of the principal benefits from these programs has been the significant development of modern archaeological finding techniques within Romania, as well as fostering cooperation and exchanges between international and Romanian archaeologists.

Gabriel conducted archaeological discharge programs during 2001 and 2002 and as of the end of 2002, the Romanian Minister of Culture had issued two archaeological discharge certificates to Gabriel for all of the principal areas necessary to commence construction of the new mine. During 2003, additional archaeological investigations will be undertaken on the Jig and Orlea areas, which are currently scheduled to enter into production later in the mine's life. Extensive documentation detailing the results of the discharge programs has been compiled as a result of these investigations

Gabriel contracted with the National Museum of History of Romania to coordinate and undertake these archaeological investigations and discharge programs. The National Museum in turn sub-contracted with archaeological specialists from museums throughout Romania and abroad, including the Toulouse University in France, the National Union Museum of Alba Iulia, the Design Centre for the National Cultural Heritage of Bucharest, the Institute for Archaeology and Art History of Cluj-Napoca and the Dacian and Romanian Civilization Museum of Deva.

Permitting

Gabriel will be required to obtain all relevant permits, approvals and authorizations in order to proceed with the development of a new open pit mine at the Rosia Montana project. Gabriel is currently preparing an environmental impact assessment ("EIA") of the Rosia Montana project, which will address all environmental aspects of the construction, operation and ultimate closure and rehabilitation of the mine development. The EIA will be submitted to the Romanian Minister of Environment for review and approval and will form the basis of the negotiation of an environmental agreement with the Government of Romania allowing the development of the project to proceed.

The EIA is being prepared by internationally and Romanian recognized experts in accordance with all Romanian laws and regulations, European Union directives and World Bank Group policies and guidelines. The purpose of the EIA is to ensure that environmental and social considerations are included throughout all phases of the project, including development, construction, operation and closure. During the EIA process, the positive and negative impacts of the proposed development are identified and management plans developed to maximize the positive impacts and minimize the negative impacts

Proposed Development Activities for 2003

During 2003, development activities to be undertaken in connection with the Rosia Montana project will include continuation of the community development program, together with advancing the

environmental and other permitting activities associated with the project. An EPCM contractor will be retained to provide necessary detailed engineering services to support the permitting process, with the balance of the detailed engineering necessary for the project being completed during 2004.

Bucium Project

Ownership Interest

Gabriel holds an 80% interest in the Bucium project through RM Gold. The Bucium project consists of one exploration concession covering approximately 4,000 hectares. Pursuant to an exploration concession license dated April 6, 1999 between NAMR, Minvest and RM Gold, an exploration concession license was issued to Minvest as titleholder and was then transferred by Minvest to RM Gold as titleholder. The license has an initial term of 5 years, with the right to extend for an additional three years. Gabriel has expenditure commitments of US\$5,000,000 over the initial five year term, with a remaining commitment of US\$2,984,435 million as of December 31, 2002 to be funded prior to May 2004. In April 2001 RM Gold relinquished 50% of the 8,000 hectares forming the original concession in accordance with the provisions of the old Mining Law (Romania). Under the new Mining Law (Romania) Gabriel has option as to whether it will relinquish additional areas of the concession.

Location and Access

The Bucium project is located approximately 5 kilometers south of the Rosia Montana project. Access to the Bucium project is the same as that for the Rosia Montana project.

Project Geology

The Bucium area is located on a dacitic-andesitic subvolcanic intrusive complex with a higher proportion of andesitic intrusives than at the Rosia Montana project. Like the Rosia Montana project, the Bucium project area is surrounded by a major hydrothermal alteration halo, which comprises silicification and advanced argillic alteration. Strong hydrothermal alteration haloes surround all the deposits outlined to date at Bucium. Northeast-southwest, north-south and northwest-southeast oriented fractures appear to exert a strong control on the localisation of both mineralization and hydrothermal alteration.

From a regional perspective, the Rosia Montana-Bucium area contains a sequence of Aptian to Maestrichian sediments, predominantly fine to medium grained into which Neogene and Quaternary volcanic suites have been intruded and extruded. The following four major lithological units form the Neogene to Quaternary volcanics: dacite; quartz andesite; andesite; and basalt. In addition to subvolcanic intrusives, volcanics, pyroclastics and contact breccias and explosive breccias have been mapped. Associated with the above lithologies are Miocene (Badenian) volcano-sedimentary units, including mixed lithology breccias.

In the southern part of the Bucium project, the host rocks are subvolcanic intrusive quartz andesite and andesites. To the north, however, dacitic units predominate.

At the northern end of the Bucium project a sequence of intensely hydrothermally altered dacitic pyroclastic breccias is intercalated with dark brown breccias probably developed from marls, locally referred to as "Glam". The two units overlie Cretaceous sediments. The Cretaceous sediments locally consist of fine grained calcareous grits and calcarenites along with minor mixed breccias. The breccias appear to be developed at the contact with the intensely altered pyroclastics and probably represent hydrothermal alteration products.

Mineralization

Two main styles of mineralization have been identified to date in the Bucium project, epithermal to mesothermal gold-silver mineralization and mesothermal copper-gold mineralization. The predominant style for gold-silver mineralization at the property is a series of sub-parallel quartz-sulphide veins separated by strong to intensely altered wall rock. Porphyry copper-gold mineralization has been identified at Bucium Tarnita where drilling of a subvertical andesitic plug has returned broad zones of copper mineralization. The microfractured andesite contains partings, fractures and veinlets of chalcopyrite associated with intense hydrothermal alteration.

The gold-silver mineralization intersected at the northern end of the property is hosted in a set of northerly striking, westerly dipping, quartz veins. The veins dip between 30 east to 50 east. The quartz veins are up to one metre thick and are spaced between 10 to 100 metres apart. The host pyroclastic breccia and "Glam" is intensely altered with disseminated sulphides, silicification and advanced argillic alteration.

At the southern end of the Bucium volcanic complex, there is a series of at least 12 sub-parallel veins dipping steeply west. The main vein, which was reportedly extensively mined by surface methods during the Roman era, was apparently up to 20 metres wide at the southern-most end. The main vein has also been extensively mined by underground methods during recent times. The remainder of the veins are generally less than one metre wide and outcrop over a 900 metre wide zone. Along the eastern side of the Bucium volcanic complex, a series of steeply dipping epithermal quartz veins have been developed, which contain gold, copper, lead, zinc and germanium.

At Rodu-Frasin in the north eastern part of the Bucium project, gold-silver mineralization is hosted within rhyo-dacites in the case of Frasin and associated phreato-magmatic breccias in the case of Rodu. Mineralization is associated with quartz-adularia alteration, which has been overprinted by a carbonate-illitic clay-base metal lower temperature alteration suite.

Mining and Exploration History

The early history of exploration on the Bucium project is similar to that of the Rosia Montana project. Surface excavations from the Roman era still exist and mining activities continued throughout the period of the Austro-Hungarian Empire. Mining activities restarted following the end of World War II and throughout the 1960's, 1970's and 1980's, Minexfor carried out an extensive programme of exploration. The revolution of 1989 halted exploration and the pace of exploration during the 1990's was greatly reduced due to budgetary constraints. The main methods of exploration included underground development (exploration drives and crosscuts), surface and underground diamond drilling along with surface pitting and trenching. Vertical surface diamond drillholes have been drilled by Minexfor to depths exceeding 1200 metres.

Exploration Activities of Gabriel

Field exploration activities undertaken by Gabriel during 2000 consisted of approximately 12,580 metres of underground channel sampling at Bucium-Tarnita, Rodu-Frasin, Izbicoara and Corabia. Preliminary metallurgical sampling and studies were conducted at Bucium-Tarnita and geological mapping and modelling, airborne magnetics, aerial photography and drill planning and permitting were also undertaken. A total of approximately 23,889 pulps from Minexfor's exploration drill program in the 1980's were acquired for re-assaying in 2001 from the Bucium-Tarnita deposit. During 2001 underground and surface channel sampling and geological mapping was expanded on the Rodu-Frasin project and by 2002 a total of 9,888 underground and surface channel samples had been collected at Rodu-Frasin.

Exploration field work conducted by Gabriel during 2002 consisted of underground and surface channel sampling and geological mapping, including the Rodu-Frasin, Contu and Arama-Argint prospect areas. The total number of channel samples at Rodu-Frasin was expanded to 29,781. In addition preliminary metallurgical test work was conducted and 26 drill holes completed for a total of 4,746 metres of drilling at Rodu-Frasin. Regional mapping, geochemical sampling and evaluation was expanded into the Botes, Poieni, Haracai and Vipere areas.

The Bucium project does not have proven and probable reserves and proposed programs are an exploratory search for proven and probable reserves.

Work Programs and Budget for 2003

Gabriel's work programs and budgets for the Bucium project in 2003 include surface and underground geological mapping and channel sampling and bulk density determinations for geological modelling, pulp re-assaying, surface drilling and possible preliminary resource calculations for the Rodu-Frasin target. The program will also include completion metallurgical studies, petrological studies and possible mine scoping studies. The budget for these programs is approximately US\$ 976,000 and will be funded by Gabriel from working capital.

Rosia Poieni Project

Gabriel has entered into an exclusive option agreement until August 2003 with Minvest, pursuant to which Gabriel has the exclusive right to review all geological, technical and operating data and information regarding the Rosia Poieni open pit mine. Gabriel is in the process of evaluating all such information which, together with the additional drill testing and metallurgical test work currently being undertaken by Gabriel, will enable it to make a decision whether to proceed to negotiate the terms and conditions of the acquisition of an interest in the project.

The Rosia Poieni porphyry copper-gold deposit is located approximately 3 kilometres to the north-east of Gabriel's 80% owned Rosia Montana gold project. Minvest is presently conducting small scale open pit mining operations at the Rosia Poieni project to produce and market copper concentrate.

Sampling and Analysis

Assay Laboratories

SGS-Analabs Pty. Ltd., an independent assay laboratory based in Perth, Australia, performs all assays for Gabriel at its laboratory in Gura Rosiei, Romania. Check samples are sent to SGS-Analab's laboratory in Welshpool, Western Australia for assaying. The Welshpool laboratory has certification to ISO 9002 with Quality Assurance Services, which is a division of Standards Australia.

Check assays are also performed by ALS Chemex Ltd's laboratory in North Vancouver, B.C. Canada. ALS Chemex Ltd. is ISO 9002 certified and registered.

Sample Procedures

Gabriel's diamond core drilling sample procedures include daily core identifying, logging and photographing, followed by marking out into 1 metre lengths and then splitting into halfcore using a diamond saw with one-half of the core being submitted to the assay laboratory. Core is stored in indoor facilities at Gura Rosiei.

Gabriel's reverse circulation drilling sample procedure includes daily geological logging of samples, collection of samples every metre with duplicate samples every 20 metres, weighing of samples followed by passing samples through a riffle splitter.

Gabriel's surface and underground channel sampling procedures includes geological and structural mapping, collection of continuous samples along a sampling line with every metre of samples identified, weighed and placed in callico bags and having a maximum weight of 2.5 kilograms. Standard dimensions of each sample are 3x5x100 centimetres. Duplicates are collected every 20 metres.

The entire channel sample, generally weighing between 2.5 and 3.5 kilograms is sent to the laboratory. The entire sample is pulverized and a 300 gram split is taken for assay purposes, with the remainder being stored.

Analytical Methods

All surface and underground channel samples, reverse circulation samples and diamond drill core samples are assayed for gold at SGS-Analabs' Gura Rosiei laboratory using a standard fire assay technique with a 50 gm charge and an atomic absorption spectrometry (AAS) finish. Analysis for silver, copper, lead and zinc are also determined at the Gura Rosiei laboratory using an acid digestion and (AAS) finish. Selected sample suites are assayed for other elements at SGS-Analabs' Australian laboratory. Samples are also sent to SGS-Analabs' laboratory at Welshpool, Western Australia and to ALS-Chemex's laboratory in North Vancouver, B.C. for check assays as part of Gabriel's quality control program.

Employees

As at December 31, 2002, Gabriel and its subsidiaries had approximately 251 employees and contract workers located in Canada and Romania, with the overwhelming majority being in Romania. Gabriel also engages a number of contractors to supply work on specific projects. None of Gabriel's employees are organized and Gabriel considers its employee and contractor relations to be good.

Risk Factors

The following risk factors apply to the business of Gabriel:

Foreign Country and Political Risk

All of Gabriel's property interests are located in Romania and consequently Gabriel is subject to certain risks, including currency fluctuations and possible political or economic instability in that country which may result in the impairment or loss of mineral concessions or other mineral rights, and mineral exploration and mining activities may be affected in varying degrees by political stability and government regulations relating to the mining industry. Any changes in regulations or shifts in political attitudes are beyond its control and may adversely affect its business and its ability to develop its mineral projects. Operations may be affected in varying degrees by government regulations with respect to restrictions on production, price controls, export controls, foreign exchange controls, income taxes, expropriation of property, environmental legislation and permitting and mine safety.

Exploration and Mining Risks

The business of exploring for minerals and mining involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines. At present, none of Gabriel's properties, other than Rosia Montana, have proven and probable reserves. Fires, power outages, labour disruptions,

flooding, explosions, cave-ins, land slides and the inability to obtain suitable or adequate machinery, equipment or labour are other risks involved in the operation of mines and the conduct of exploration programs. Gabriel has relied and may continue to rely, upon consultants and others for operating expertise. Substantial expenditures are required to establish reserves through drilling, to develop metallurgical processes, to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralised deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis. The economics of developing gold and other mineral properties is affected by many factors including the cost of operations, variations of the grade of ore mined, fluctuations in the price of gold or other minerals produced, costs of processing equipment and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection. In addition, the grade of mineralization ultimately mined may differ from that indicated by drilling results and such differences could be material. Depending on the price of gold or other minerals produced, Gabriel may determine that it is impractical to commence or continue commercial production.

Financing Risks

Gabriel has limited financial resources, no source of operating cash flow and no assurance that additional funding will be available for further exploration and development of its projects. Although Gabriel has been successful in the past in obtaining financing through the sale of equity securities, there can be no assurance that it will obtain adequate financing in the future or that the terms of such financing will be favourable.

Environmental and other Regulatory Requirements

Gabriel's activities are subject to environmental regulations promulgated by government agencies from time to time. Environmental legislation generally provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry operations, such as seepage from tailings disposal areas, which would result in environmental pollution. A breach of such legislation may result in the imposition of fines and penalties. In addition, certain types of operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a manner which means stricter standards, and enforcement, fines and penalties for non-compliance are more stringent. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and directors, officers and employees. The cost of compliance with changes in governmental regulations has a potential to reduce the profitability of operations.

Gabriel's current exploration activities, including any development activities and commencement of production on its properties, require permits from various governmental authorities and such operations are and will be governed by laws and regulations governing prospecting, development, mining, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters. Companies engaged in exploration activities and in the development and operation of mines and related facilities generally experience increased costs, and delays in production and other schedules as a result of the need to comply with applicable laws, regulations and permits. There can be no assurance that all permits which may be required for exploration, construction of mining facilities and conduct of mining operations will be obtainable on reasonable terms or on a timely basis, or that such laws and regulations would not have an adverse effect on any mining project that Gabriel may undertake. Management of Gabriel believes that

Gabriel is in substantial compliance with all material laws and regulations which currently apply to its activities.

Failure to comply with applicable laws, regulations, and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations and, in particular, environmental laws.

Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on Gabriel and cause increases in capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties.

Community Development

In order to develop the Rosia Montana project, Gabriel will be obliged to relocate and resettle the communities within the Rosia Montana and Corna valleys, including associated houses, social facilities and other structures. Gabriel has developed a RAP which conforms to the existing World Bank Group/IFC guidelines and policies, as well as to Romanian legal requirements, and Gabriel is proceeding to implement the RAP and to negotiate with the affected communities. However, there is no certainty that the RAP will be carried out within the time frame and within the range of costs currently estimated by Gabriel.

Limited Experience with Development-Stage Mining Operations

Gabriel has limited experience in placing resource properties into production, and its ability to do so will be dependent upon using the services of appropriately experienced personnel or entering into agreements with other major resource companies that can provide such expertise. There can be no assurance that Gabriel will have the necessary expertise available when and if its resource properties are placed into production.

Estimates of Mineral Reserves and Resources and Production Risks

The mineral reserve and resource estimates contained in this Renewal Annual Information Form are estimates only and no assurance can be given that any particular level of recovery of minerals will in fact be realized or that an identified reserve or resource will ever qualify as a commercially mineable (or viable) deposit which can be legally and economically exploited. In addition, the grade of mineralization ultimately mined may differ from that indicated by drilling results and such differences could be material. Production can be affected by such factors as permitting regulations and requirements, weather, environmental factors, unforeseen technical difficulties, unusual or unexpected geological formations and work interruptions. Short term factors, such as the need for orderly development of deposits or the processing of new or different grades, may have an adverse effect on mining operations and on the results of operations. There can be no assurance that minerals recovered in small scale laboratory tests will be duplicated in large scale tests under on-site conditions or in production scale operations. Material changes in reserves or resources, grades, stripping ratios or recovery rates may affect the economic viability of projects. The estimated reserves and resources described in the documents incorporated by

reference herein should not be interpreted as assurances of mine life or of the profitability of future operations.

Mineral Prices

The mineral exploration and development industry in general is intensely competitive and there is no assurance that, even if commercial quantities of proven and probable reserves are discovered, a profitable market may exist for the sale of same. Factors beyond Gabriel's control may affect the marketability of any substances discovered. Mineral prices have fluctuated widely, particularly in recent years. The marketability of minerals is also affected by numerous other factors beyond Gabriel's control, including government regulations relating to price, royalties, allowable production and importing and exporting of minerals, the effect of which cannot accurately be predicted.

Uninsured Risks

In the course of exploration, development and production of mineral properties, certain risks, and in particular, unexpected or unusual geological operating conditions including rock bursts, cave-ins, fire, flooding and earthquakes may occur. It is not always possible to fully insure against such risks as a result of high premiums or other reasons. Should such liabilities arise, any future profitability could be reduced or eliminated and result in increasing costs and a decline in the value of Gabriel's securities.

Competition

Gabriel competes with many international companies that have substantially greater financial and technical resources for the acquisition of mineral concessions as well as for the recruitment and retention of qualified employees.

Share Price Fluctuations

In recent years, the securities markets in Canada have experienced a high level of price and volume volatility, and the market price of securities of many companies, particularly those considered development stage companies, have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. In particular, the per share price of Gabriel's common shares fluctuated from a high of \$6.15 to a low of \$2.60 within the 12 month period preceding the date hereof. There can be no assurance that continual fluctuations in price will not occur.

Title Matters

The acquisition of title to mineral concessions in Romania is a detailed and time consuming process. Title to and the area of mining concessions may be disputed. While Gabriel has diligently investigated title to all mineral concessions and, to the best of its knowledge, title to all properties is in good standing, this should not be construed as a guarantee of title. Title to the properties may be affected by undisclosed and undetected defects.

Repatriation of Earnings

Currently there are no restrictions on the repatriation from Romania of earnings to foreign entities. However, there can be no assurance that restrictions on repatriation of earnings from Romania will not be imposed in the future.

Dividends

All of Gabriel's available funds will be invested to finance the growth of its business and, therefore, investors cannot expect to receive a dividend on its common shares in the foreseeable future.

Enforcement of Civil Liabilities

As substantially all of the assets of Gabriel and its subsidiaries are located outside of Canada, and certain of its directors and officers are resident outside of Canada, it may be difficult or impossible to enforce judgements granted by a court in Canada against the assets of Gabriel or its subsidiaries or its directors and officers residing outside of Canada.

Currency Fluctuations

Gabriel's operations in Romania are subject to foreign currency fluctuations and such fluctuations may materially affect its financial position and results.

Dependence On Key Management

Gabriel's development to date has largely depended and in the future will continue to depend on the efforts of key management. Loss of any of these people could have a material adverse effect on Gabriel or its business.

ITEM 5: SELECTED CONSOLIDATED FINANCIAL INFORMATION

Annual Information

The following tables set forth selected consolidated financial information of Gabriel for, and as of the end of, each of the last three fiscal years ended December 31, 2002. This financial information is derived from the audited consolidated financial statements of Gabriel. The selected consolidated financial information should be read in conjunction with those financial statements and the notes thereto.

Selected Consolidated Financial Information

	Year ended December 31		
	(audited)		
	<u>2002</u>	<u>2001</u>	<u>2000</u>
Income Statement Data			
Loss	7,460,667	5,657,733	3,335,818
Loss per share	0.07	0.07	0.05
Balance Sheet Data			
Working Capital	54,860,376	33,228,058	3,339,284
Total assets	137,348,053	77,821,025	38,008,967
Long term debt	Nil	Nil	Nil
Shareholders' Equity	132,832,718	76,168,863	35,396,157

Dividends

Gabriel has not paid any dividends on its common shares since its incorporation, nor has it any present intention of paying dividends, as it anticipates that all available funds will be used to undertake exploration and development programs on its mineral properties as well as the acquisition of additional mineral properties.

ITEM 6: MANAGEMENT'S DISCUSSION AND ANALYSIS

Gabriel is a Canadian company with active mining development and exploration programs in Romania. Gabriel's principal asset is its 80% owned Rosia Montana gold project which has economic reserves in excess of 10 million ounces. The basic engineering phase of this project was completed in the first quarter of 2003 and commencement of construction is targeted for the third quarter of 2004 with initial gold production scheduled in the second half of 2006.

Results of Operations

The results of operations for the year ended December 31, 2002 were comprised primarily of activities related to the completion of the basic engineering phase, advancement of the resettlement and relocation program, archaeological discharge, permitting and preparation of the environmental impact assessment ("EIA") for the Rosia Montana project. Exploration activities were also undertaken on the Bucium concession and at Rosia Poieni under a property option.

The results of operations are summarized in the following tables:

\$ Cdn	2002 1 st Quarter	2002 2 nd	2002 3 rd	2002 4 th
Income Statement				
Loss	989,703	1,838,964	2,124,668	2,507,332
Loss per share	0.01	0.02	0.02	0.02
Balance Sheet				
Working Capital	84,176,018	78,400,640	65,681,325	54,860,376
Total Assets	133,644,810	137,109,182	137,740,973	137,348,053
Statement of Cash Flows				
Investments in exploration and development	3,940,703	6,776,581	12,946,955	10,542,805
Cash flow from financing activities	56,002,511	2,983,686	2,541,413	2,596,912

\$Cdn	2001 1 st Quarter	2001 2 nd	2001 3 rd	2001 4 th Quarter
Income Statement				
Loss	734,605	2,051,313	1,207,141	1,664,674
Loss per share	0.01	0.02	0.01	0.03
Balance Sheet				
Working Capital	4,203,170	(603,558)	6,005,726	33,228,058

Total Assets	39,999,665	39,548,723	47,207,974	77,821,025
Statement of Cash Flows				
Investments in exploration and development	2,288,077	2,985,365	2,520,103	2,924,069
Cash flow from financing activities	3,879,582	--	10,330,316	31,870,541

During 2002, Gabriel spent approximately \$34.2 million on its Romanian mineral properties, compared with \$10.7 million in 2001. The increased cost of \$23.5 million reflects a material increase in activity on the project, including substantial completion of basic engineering and an increased emphasis on the resettlement and relocation program. In 2002, \$15.7 million was expended on basic engineering, in-fill drilling and an optimization study as compared to \$5.7 million in 2001 expended on the feasibility study. In 2002 \$8.1 million was spent on the resettlement and relocation program which includes \$3.1 million in property payments to residents while in 2001 these expenditures were minimal and included in the feasibility costs. In addition, Gabriel incurred on-site overhead costs and permitting related costs of \$8.1 million in 2002 versus \$3.7 million in 2001 due primarily to the establishment of a new head office in-country, addition of personnel and overall higher levels of activity. Gabriel also spent \$2.3 million in 2002 on exploration versus \$0.9 million in 2001 in part due to the acquiring of the Rosia Poieni property option and the \$1.2 million in related expenditures incurred for the initial drilling program and property evaluation.

For the year ended December 31, 2002, Gabriel incurred a loss of \$7.5 million or \$0.07 per share, versus a loss of \$5.7 million or \$0.07 per share in 2001 representing an increase of 32% year-over-year. This increase is due to a number of factors, including a 28% increase in professional fees including the evaluation of a proposed secondary stock exchange listing and a 33% increase in corporate payroll costs attributable to the hiring of several new personnel and the attendant increase in travel costs year over year.

Interest income in 2002 was higher than in 2001 due to higher cash balances.

The 138% increase in project financing costs primarily relates to the use of the project finance advisor for the full year in 2002 as opposed to a partial year in 2001 as well as direct Gabriel costs related to travel.

Gabriel continues to incur losses as it has no operating revenue which will continue until such time as a production decision, completion of project financing and ultimate construction of the Rosia Montana project has been completed and commercial production has commenced.

Liquidity and Capital Resources

As at December 31, 2002, Gabriel had working capital of \$54.9 million versus \$33.2 million as at December 31, 2001. In March, Gabriel completed a non-brokered private placement by issuing 16,040,000 common shares at a price of \$3.50 per share for net proceeds of \$56.0 million. Working capital levels are significantly higher in 2002 as compared to the prior year due to this financing effort.

In 2003 the project financing efforts will focus on mandating a syndicate of commercial banks and commencing bank due diligence. However, given the most recent construction timetable, the closing of a debt financing is now not anticipated until commencement of mine construction in mid 2004.

Gabriel does not presently have sufficient funds on hand to complete the planned expenditures for 2003 to maintain the current project timetable. Gabriel requires additional financing during the second half of 2003 to complete the 2003 initiatives. Any significant delays in raising these funds could have a

material impact on the present construction timetable while additional funding will be required to be raised in the early part of 2004 when project debt draw down commences.

Gabriel is currently reviewing a variety of potential sources of funding for the project with a view to arranging the most appropriate financing package to advance the project. The increased capital costs detailed in the February 2003 engineering update have increased Gabriel's equity financing requirement. Gabriel continues to believe that it will be able to raise both its share of the financing, through equity or alternative financing instruments including a potential joint venture arrangement, as well as the project debt financing necessary to enable the ultimate development of the Rosia Montana project to proceed. However, due to the many uncertainties related to the mining industry, the recently released increase in capital costs, the financial markets in general and the nature of Gabriel as a single asset company there can be no assurances that funds will be available as and when required. Failure to arrange adequate financing on a timely basis could lead to delays in the project timetable.

2003 Outlook

Gabriel has now determined that the Rosia Montana village resettlement sites will commence construction in the second half of 2003 and the initial mine site construction to commence in the second half of 2004 pending the arrangement of sufficient financing.

Gabriel will continue to focus its priorities on the resolution and removal of key project risks by focusing on permitting, the village community development program, detailed engineering, equity raising and project financing.

ITEM 7: MARKET FOR SECURITIES

Gabriel's common shares are listed and posted for trading on The Toronto Stock Exchange under the symbol GBU.

ITEM 8: DIRECTORS AND OFFICERS

The names, municipalities of residence, positions or offices held with Gabriel and principal occupation of the directors and officers of Gabriel as of May 16, 2003 are as follows:

Name, Position and Municipality of Residence⁽¹⁾	Principal Occupation⁽¹⁾	Director/Officer since
Ronald Grossman ⁽²⁾⁽³⁾⁽⁴⁾⁽⁵⁾ New York, New York Director	President of RG Advisory Services, Inc. (a consulting company) since 1995.	January 31, 2002
Oyvind Hushovd ⁽⁶⁾ Oakville, Ontario Chairman and Chief Executive Officer	Chairman and Chief Executive Officer of Gabriel since March 2003; President and Chief Executive Officer of Falconbridge Ltd. (a mining company) from 1996 to February, 2002	November 19, 2002

Name, Position and Municipality of Residence ⁽¹⁾	Principal Occupation ⁽¹⁾	Director/Officer since
Simon Lawrence Toronto, Ontario Vice President - Corporate Development	Vice President, Corporate Development of Gabriel from January 2000 to present; broker/mining analyst with ABN Amro (a financial institution) from January 1997 to December 1999; broker/mining analyst with HSBC James Capel (a financial institution) from October 1995 to December 1996	January 1, 2000
Paul Martin Etobicoke, Ontario Chief Financial Officer	Chief Financial Officer of Gabriel from March 2000 to present; Vice President Corporate Finance of TVX Gold Inc. (a mining company) from January 1995 to July 1999.	March 1, 2000
James McClements ⁽²⁾⁽³⁾⁽⁴⁾⁽⁵⁾ Denver, Colorado Director	Chief Investment Officer of Resource Capital Fund L.P. (an investment fund) from April 1998 to present; Senior Vice President of Rothschild Denver Inc. (a commercial lender) from July 1994 to March 1998.	December 16, 1998
Paul J. Morgan ⁽²⁾⁽³⁾⁽⁶⁾ Littleton, Colorado Director	President and Chief Executive Officer of Goldbelt Resources Ltd. (a mineral exploration company) from March 1, 1999 to present; Managing Director and Chief Executive Officer of Southern Titanium N.L. (a mining company) from February 2001 to June 30, 2002; President and Chief Executive Officer of Regal Petroleum Ltd. (an oil & gas company) from January 1999 to June 2000.	April 11, 1997
Trevor Moss Toronto, Ontario Vice President Projects	Vice President, Projects & Project Director Rosia Montana of Gabriel from June 2002 to present; Senior Project Director of Kvaerner E&C (an engineering and construction company) from 2000 to July 2002; Project Manager of Barrick Gold Corporation (a mining company) during 2000; Project Director of Cyprus Amax Minerals Company (a mining company) from 1996 to 2000.	June 12, 2002
Gary O'Connor Deva, Romania Vice President - Exploration	Vice President, Exploration of Gabriel from August 2000 to present; Country Manager of Gabriel from May 2000 to July 2000; District Manager and Director; PT Mine Serve International (affiliate of Freeport-McMoran Copper and Gold Inc.) from February 1996 to May 2000.	August 23, 2000

Name, Position and Municipality of Residence⁽¹⁾	Principal Occupation⁽¹⁾	Director/Officer since
Mike Steyn Alba Iulia, Romania Vice President – Community Development	Vice President, Community Development of Gabriel from June 2002 to present; General Manager - Romania of Gabriel from April 2002 to June 2002, Regional Manager of Gold Fields Ghana Limited (a mining company) from June 2000 to March 2002; Relocation Manager and Legal Officer of Gold Fields Ghana Limited from February 1995 to December 1999.	June 12, 2002
Ovidiu Tender Timisoara, Romania Director	Principal of Tender S.A. (a conglomerate) since 1991.	January 31, 2002
Frank D. Wheatley ⁽⁴⁾⁽⁵⁾ North Vancouver, British Columbia Director, Vice-President, General Counsel and Secretary	Vice-President, General Counsel and Secretary of Gabriel from October 2000 to present; Secretary of Gabriel from April 1999 to present; President and Chief Operating Officer of Gabriel from April 1999 to October 2000; Independent Consultant from August 1998 to April 1999; Vice President, Legal Affairs of Eldorado Gold Corporation (a mining company) from April 1996 to July 1998; a lawyer with Smith Lyons Torrance Stevenson & Mayer (a law firm) prior to April 1996.	April 18, 1999

Notes:

- (1) The information as to place of residence and principal occupation, not being within the knowledge of Gabriel, has been furnished by the respective directors individually.
- (2) Member of the Audit Committee.
- (3) Member of Compensation Committee.
- (4) Member of Corporate Governance Committee.
- (5) Member of Finance Committee.
- (6) Member of Technical, Environmental Health & Safety Committee.

Each of the directors of Gabriel, except Oyvind Hushovd, has been a director since the last annual meeting of Gabriel, and each of their respective terms will expire at the next annual general meeting of Gabriel.

As of May 1, 2003, directors and officers of Gabriel own or control approximately 8,514,034 common shares of Gabriel representing approximately 7.46% of the issued and outstanding shares of Gabriel.

No director or officer of Gabriel, or a shareholder holding a sufficient number of shares of Gabriel to affect materially the control of Gabriel, is or within the 10 years before the date of this Renewal Annual Information Form has been, a director or officer of any other corporation that, while that person was acting in that capacity, was the subject of a cease trade or similar order, or an order that denied such corporation access to any exemptions under Canadian securities legislation, for a period of more than 30 consecutive days, or became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise

with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of such corporation. The foregoing information, not being within the knowledge of Gabriel, has been furnished by the respective directors, officers and any control shareholder of Gabriel individually as of May 16, 2003.

No director or officer of Gabriel has been the subject of any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority or, except as hereafter set out, has been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor in making an investment decision. The foregoing information, not being within the knowledge of Gabriel, has been furnished by the respective directors and officers of Gabriel individually as of May 16, 2003.

No director or officer or a shareholder holding a sufficient number of shares of Gabriel to affect materially the control of Gabriel, or a personal holding company of any such persons, has, during the ten years preceding the date of this Renewal Annual Information Form, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or was subject to or instituted any proceedings, arrangement, or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold his or her assets. The foregoing information, not being within the knowledge of Gabriel, has been furnished by the respective directors, officers and any control shareholder of Gabriel individually as of May 16, 2003.

Gabriel's directors and officers may serve as directors or officers of other companies or have significant shareholdings in other resource companies and, to the extent that such other companies may participate in ventures in which Gabriel may participate, the directors of Gabriel may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. In the event that such a conflict of interest arises at a meeting of Gabriel's directors, a director who has such a conflict will abstain from voting for or against the approval of such participation or such terms. From time to time several companies may participate in the acquisition, exploration and development of natural resource properties thereby allowing for their participation in larger programs, permitting involvement in a greater number of programs and reducing financial exposure in respect of any one program. It may also occur that a particular company will assign all or a portion of its interest in a particular program to another of these companies due to the financial position of Gabriel making the assignment. In accordance with the laws of the Yukon Territory, the directors of Gabriel are required to act honestly, in good faith and in the best interests of Gabriel. In determining whether or not Gabriel will participate in a particular program and the interest therein to be acquired by it, the directors will primarily consider the degree of risk to which Gabriel may be exposed and its financial position at that time.

The directors and officers of Gabriel are aware of the existence of laws governing the accountability of directors and officers for corporate opportunity and requiring disclosures by the directors of conflicts of interest and Gabriel will rely upon such laws in respect of any directors' and officers' conflicts of interest or in respect of any breaches of duty by any of its directors and officers. All such conflicts will be disclosed by such directors or officers in accordance with the *Business Corporations Act* (Yukon) and they will govern themselves in respect thereof to the best of their ability in accordance with the obligations imposed upon them by law. The directors and officers of Gabriel are not aware of any such conflicts of interests.

ITEM 9: ADDITIONAL INFORMATION

Additional information, including directors' and officers' remuneration and indebtedness, principal holders of Gabriel's securities, options to purchase securities and interests of insiders in material transactions, where applicable, is contained in Gabriel's Management Proxy Circular in respect of its most recent annual meeting of shareholders that involved the election of directors. Additional financial information is available in Gabriel's comparative audited consolidated financial statements together with the auditor's report thereon for its most recently completed fiscal year.

A copy of this Renewal Annual Information Form, Gabriel's Management Proxy Circular for its most recent annual meeting and the financial statements (including any interim statements from the past fiscal year) may be obtained upon request from the Secretary of Gabriel. A reasonable fee for copying may be charged if the request is made by a person who is not a registered security holder of Gabriel.