

FORM 53-901F SECURITIES ACT (BRITISH COLUMBIA) MATERIAL CHANGE REPORT UNDER SECTION 85(1)

FORM 27 SECURITIES ACT (ALBERTA) MATERIAL CHANGE REPORT UNDER SECTION 118(1)

FORM 27 SECURITIES ACT (ONTARIO) MATERIAL CHANGE REPORT UNDER SECTION 75 (2)

(YUKON) MATERIAL CHANGE REPORT UNDER NATIONAL POLICY 40

FORM 27 SECURITIES ACT (QUEBEC) MATERIAL CHANGE REPORT UNDER SECTION 73 OF THE ACT

[NOTE: Every report required to be filed under the foregoing Acts shall be sent to the Commission in an envelope addressed to the Commission and marked "Continuous Disclosure"]

[NOTE: If this report is filed on a confidential basis, put at the beginning of the report in block capitals "CONFIDENTIAL ", and everything that is required to be filed shall be placed in an envelope to the Commission marked "CONFIDENTIAL"]

1. Reporting Issuer

Gabriel Resources Ltd. ("Gabriel")
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2. Date of Material Change

June 2, 2003

3. Press Release

The press release was dated June 2, 2003 and was released to The Toronto Stock Exchange and through various other approved public media.

4. Summary of Material Change

- 2003 Rosia Montana exploration drill program underway
- 2003 program designed to test previously unexplored extensions to existing resources and reserves
- Recent structural and geological re-interpretation of the geology at Rosia Montana, together with a review of historic drill results, suggest the presence of additional sediment hosted structurally controlled targets

5. Full Description of Material Change

New Zones and Styles of Mineralization Identified within Sediments

Recent structural and geological re-interpretation of the geology at Rosia Montana through the re-logging of historic drill core, together with detailed geological and structural field mapping, has confirmed the existence of significant zones of gold and silver mineralization within the host sediments. The

Cretaceous age sediments, which are dominantly comprised of shales with subordinate sandstones and conglomerates, occur adjacent to and beneath the dacite dome and associated phreato-magmatic breccia complexes previously identified as hosting the precious metal mineralization at Rosia Montana.

Re-logging and mapping has identified a number of quartz-carbonate veins and cemented breccias within the sediments beneath and adjacent to previously identified zones of mineralization. The breccias and veins contain coarse vugs and are considered to have been emplaced along major structures situated within the sediments. The mineralization is interpreted to have occurred due to the boiling of hydrothermal fluids, along structures cutting through the sediments and not via the diatreme complex as previously interpreted. As the importance of these zones was previously not recognized, a number of historic drill holes were stopped within zones of higher grade mineralization.

The sediment hosted zones of mineralization have been identified within the Tarina-Igre area as well as the Cetate-Gauri area of Rosia Montana and in all cases remains open in all directions. In addition, the Orlea and Jig zones are now considered to have their own structural controls and are not considered to be distal extensions of the Cirnic and Cetate systems. The Orlea and Jig deposits remain open in most directions.

Condemnation Drill Program Identifies Additional Zones of Mineralization

During 2002, Gabriel completed a 99 hole condemnation drill program on the Rosia Montana project, comprising a total of 15,070 metres of reverse circulation drilling and 142.5 metres of HQ size diamond drilling, for a total of 15,212.5 metres of drilling. This program was conducted adjacent to and peripheral to the Cetate and Cirnic deposits at Rosia Montana in order to condemn and sterilize plant infrastructure locations. Drill holes were drilled on a nominal 160 metre spaced grid and drilled as angle inclined holes generally at – 60 degrees on an east-west orientation.

This program identified five new main zones of significant new mineralization at Rosia Montana. These include Cirnic East, Gauri, the Nanului Valley, Cirnicel South and the Howie zones. The identification of this additional mineralization will not affect the current placement of new plant and infrastructure, as adjustments have already been made to the process plant location in order to accommodate the new zones of mineralization.

In the Cirnic East area, disseminated gold and silver mineralization is hosted within altered and pervasively silicified dacite and is situated east of the current Cirnic resource and outside the planned Cirnic open pit. This zone extends over a strike length of 300 metres, up to widths of 100 metres and is open to depth. The style of mineralization in the Cirnic East zone is similar to that containing reserves in the Cirnic and Cetate deposits at Rosia Montana, as well as to that recently discovered at the Frasin target within the Bucium exploration concession.

The gold-silver mineralization identified in the Gauri, Nanului Valley and Howie zones is hosted within pervasively silicified vent breccia situated on the contact with Cretaceous age shallow marine sediments. Mineralization is disseminated in style and appears to be preferentially located within more porous breccia units. The mineralization is similar in nature to that located in the Orlea and Carpeni zones of the current Rosia Montana resource and to recently discovered mineralization at Rodu in the Bucium exploration concession.

At Gauri, mineralization has been intersected over widths of over 100 metres, along a strike length of 250 metres and remains open at depth. The Howie zone has been intersected over a strike length of 150 metres, a width of 100 metres and also remains open at depth. The Nanului Valley zone is up to 25 metres wide and 100 metres long and is open down dip within an east plunging zone.

Gold and silver mineralization at Cîrnicel South is interpreted to be extensions of the Cîrnicel mineralization currently defined as reserves in the current Rosia Montana mine plan. The mineralization is hosted within pervasively silicified vent breccia and occurs as disseminations and within sub-horizontal zones seen to occur up to 25 metres wide and up to 300 metres south of the current Cîrnicel resource. All zones of newly intercepted mineralization are associated with strong quartz-adularia-illite (clay)-pyrite low sulphidation style epithermal alteration assemblages.

2003 Exploration Drill Program Underway

The 2003 Rosia Montana exploration drill program has begun and is designed to test the extensions of current resources and reserves, which remain open in most directions and at depth, as well as to test the extent and tenor of the newly recognized zones of precious metal mineralization within the sediments. The drill program consists of approximately 3,500 metres of diamond drilling and 6,000 metres of reverse circulation drilling. Drilling will commence on the Tarina-Igre and Orlea zones initially. In addition, Gabriel plans an additional 2,000 metres of condemnation drilling in the Corna valley and Carpeni areas during 2003 in connection with the placement of mine infrastructure.

Gary O'Connor is the qualified person, as defined in National Instrument 43-101, responsible for the design and supervision of the drilling programs undertaken at the Rosia Montana project. Mr. O'Connor is Gabriel's Vice President – Exploration.

SGS-Analabs Pty. Ltd., an independent assay laboratory based in Perth, Western Australia, performs all assays for Gabriel at its laboratory in Gura Rosiei, Romania.

6. **Reliance on Section 85 (2) of the *Securities Act* (British Columbia) or
Reliance on Section 118 (2) of the *Securities Act* (Alberta) or
Reliance on Section 75 (3) of the *Securities Act* (Ontario) or
Reliance on National Policy No. 40 (Yukon) or
Reliance on Section 73 of the *Securities Act* (Quebec)**

Not applicable

7. **Omitted Information**

Not applicable.

8. **Senior Officers**

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

Frank D. Wheatley
Vice-President and General Counsel
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9. **Statement of Senior Officer**

The foregoing accurately discloses the material change referred to herein.

DATED at Toronto, Ontario this 9th day of June, 2003.

“Frank D. Wheatley”

Frank D. Wheatley
Vice-President and General Counsel