MATERIAL CHANGE REPORT

Section 75 of the *Securities Act* (Ontario)
Section 85 of the *Securities Act* (British Columbia)
Section 146 of the *Securities Act* (Alberta)
Section 84 of the *Securities Act* (Saskatchewan)
Section 73 of the *Securities Act* (Quebec)
Section 81 of the *Securities Act* (Nova Scotia)
Section 75 of the *Securities Act* (Newfoundland and Labrador)

1. Reporting Issuer

Gabriel Resources Ltd. ("Gabriel")
1501 – 110 Yonge Street
Toronto, Ontario
M5C 1T4

Phone: (416) 955-9200

2. Date of Material Change

August 30, 2004

3. Press Release

The press release was dated August 30, 2004 and was released to The Toronto Stock Exchange and through various other approved public media.

4. Summary of Material Change

Gabriel has entered into a subscription agreement with Newmont Mining Corporation of Canada Limited ("NMCCL"), a subsidiary of Newmont Mining Corporation pursuant to which NMCCL will purchase, on a private placement basis, 15,000,000 units of Gabriel (the "Units") at a price of Cdn$1.65 per Unit, for aggregate gross proceeds to Gabriel of Cdn$24,750,000

5. Full Description of Material Change

Gabriel has entered into a subscription agreement (the "Subscription Agreement") with Newmont Mining Corporation of Canada Limited ("NMCCL"), a subsidiary of Newmont Mining Corporation ("Newmont"), pursuant to which NMCCL will purchase, on a private placement basis, 15,000,000 units of Gabriel (the "Units") at a price of Cdn$1.65 per Unit, for aggregate gross proceeds to Gabriel of Cdn$24,750,000. Each unit will consist of one common share of Gabriel and one common share purchase warrant. Each whole common share purchase warrant will entitle NMCCL to acquire one common share of Gabriel at a price of Cdn$2.00 at any time on or before December 31, 2005. The common shares comprised in the Units represent 10.2% of Gabriel's issued and outstanding common shares and if all the warrants are exercised, then

NMCCL would hold 18.6% of Gabriel's issued and outstanding common shares. The private placement is expected to close on or about September 13, 2004 and is subject to certain conditions including, but not limited to, the receipt of all necessary regulatory and Toronto Stock Exchange approvals.

The net proceeds of the private placement financing will be used to finance the continued development of Gabriel's 80% owned Rosia Montana gold project in Romania and for general corporate purposes.

The Subscription Agreement also provides, among other things, that so long as NMCCL owns not less than 10% of the outstanding commons shares of Gabriel, NMCCL will have the right to participate up to a maximum of 20% of any form of financing undertaken by Gabriel during the next five years. In addition, so long as NMCCL owns not less than 10% of the issued and outstanding common shares of Gabriel, it has offered to make its project development expertise, including technical, permitting and financial expertise, available for consultation to Gabriel to assist Gabriel with the development of the Rosia Montana project.

The securities being issued have not and will not be registered under and may not be offered or sold in the United States unless registered under the United States Securities Act of 1933 (the "1933 Act"), as amended, or an exemption from such registration requirements is available.

NMCCL will acquire the Units for investment purposes only and not for the purpose of influencing the control or direction of Gabriel, however, NMCCL will review its holdings from time to time and may increase or decrease its position as future circumstances dictate.

6. Reliance on Subsection 75 (3) of the Ontario Securities Act or Equivalent Provisions

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
Suite 1501 – 110 Yonge Street
Toronto, Ontario
M5C 1T4
(416) 955-9200

9. Statement of Senior Officer

The foregoing accurately discloses the material change referred to herein.

DATED at Toronto, Ontario this 30th day of August, 2004.

"*Frank D. Wheatley*"

Frank D. Wheatley
Vice-President and General Counsel