



GABRIEL RESOURCES LTD.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025

(UNAUDITED)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3) (a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor. The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

The accompanying unaudited interim financial statements of Gabriel Resources Ltd. for the nine months ended September 30, 2025, have been prepared by the management of the Company and approved by the Company's Audit Committee and the Company's Board of Directors.

The accompanying unaudited interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

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Gabriel Resources Ltd.

Condensed Consolidated Interim Statements of Financial Position (unaudited)

(Expressed in thousands of Canadian dollars unless otherwise specified)

	As at	September 30,	December 31,
	Note(s)	2025	2024
		\$	\$
ASSETS			
Current assets			
Cash		1,724	999
Other receivable		94	68
Prepaid expenses and supplies	3	177	1,042
		1,995	2,109
Non-current assets			
Restricted cash		75	71
Property and equipment		-	74
		75	145
TOTAL ASSETS		2,070	2,254
LIABILITIES			
Current liabilities			
Trade and other payables	4	2,209	1,937
Resettlement liabilities	5	600	609
Arbitral costs order	6	15,925	14,805
Other current liabilities	7	416	2,198
		19,150	19,549
Non-current liabilities			
Deferred arbitration fees	8	4,576	4,790
		4,576	4,790
TOTAL LIABILITIES		23,726	24,339
SHAREHOLDERS' DEFICIENCY			
Share capital	9	1,041,605	1,037,384
Other reserves	9	161,445	157,315
Accumulated deficit		(1,229,564)	(1,221,673)
Currency translation adjustment		758	1,049
Equity deficit attributable to shareholders of the Company.		(25,756)	(25,925)
Non-controlling interest	9	4,100	3,840
TOTAL SHAREHOLDERS' DEFICIENCY		(21,656)	(22,085)
TOTAL LIABILITIES AND SHAREHOLDERS' DEFICIENCY		2,070	2,254
Corporate information and continuance of operations	1		
Commitments	12		
Segmented information	14		
Subsequent events	7, 9		

These unaudited condensed consolidated interim financial statements were approved for issue by the Board of Directors and signed on its behalf by:

/s/ Anna El-Erian Director

/s/ James Lieber Director

See accompanying notes to these unaudited condensed consolidated interim financial statements.

Gabriel Resources Ltd.

Condensed Consolidated Interim Statements of Loss and Comprehensive Loss (unaudited)

(Expressed in thousands of Canadian dollars, except per share data, unless otherwise specified)

	Note(s)	For the three months ended		For the nine months ended	
		September 30, 2025 \$	September 30, 2024 \$	September 30, 2025 \$	September 30, 2024 \$
Expenses					
Corporate, general and administrative	10	1,799	2,193	5,988	7,598
Depreciation		48	3	60	9
Interest in arbitral costs order	6	158	196	482	425
Share-based payments (recovery)	7	(4)	-	2	(787)
Total expenses		(2,001)	(2,392)	(6,532)	(7,245)
Other income (expenses)					
Doubtful debt (expense) recovery		-	(5)	39	(41)
Interest income		-	14	50	51
Finance costs	7	(76)	-	(244)	-
Foreign exchange loss		(646)	(268)	(808)	(463)
Provision for litigation	7	(396)	-	(396)	-
Total other income (expenses)		(1,118)	(259)	(1,359)	(453)
Net loss		(3,119)	(2,651)	(7,891)	(7,698)
Other comprehensive income (loss)					
Items that may be reclassified subsequently to profit or loss:					
Currency translation adjustment		(18)	78	(31)	45
Total other comprehensive loss		(18)	78	(31)	45
Loss and comprehensive loss		(3,137)	(2,573)	(7,922)	(7,653)
Net loss attributable to:					
Equity holders of the parent		(3,119)	(2,651)	(7,891)	(7,698)
Total		(3,119)	(2,651)	(7,891)	(7,698)
Total comprehensive loss (income) attributable to:					
Equity holders of the parent		(3,209)	(2,566)	(8,182)	(7,643)
Non-controlling interests	9	72	(7)	260	(10)
Total		(3,137)	(2,573)	(7,922)	(7,653)
Basic and diluted loss per share for the period attributable to common shareholders (\$ per common share)		(0.00)	(0.00)	(0.04)	(6.72)
Weighted average number of common shares outstanding - basic and diluted		245,287,830	1,256,300	205,018,894	1,145,794

See accompanying notes to these unaudited condensed consolidated interim financial statements.

Gabriel Resources Ltd.

Condensed Consolidated Interim Statements of Changes in Shareholders' Equity (Deficiency) (unaudited)
(Expressed in thousands of Canadian dollars, except for share data, unless otherwise specified)

		Share capital		Other reserves	Accumulated deficit	Currency translation adjustment	TOTAL	Non-controlling interest	TOTAL
	Note(s)	#	\$	\$	\$	\$	\$	\$	\$
Balance as of December 31, 2024		125,629,984	1,037,384	157,315	(1,221,673)	1,049	(25,925)	3,840	(22,085)
Shares issued for cash - private placement	9	96,864,930	3,201	3,119	-	-	6,320	-	6,320
Share issue costs	9	-	(91)	(78)	-	-	(169)	-	(169)
Shares issued for debt settlement	7, 9	43,946,956	1,111	1,089	-	-	2,200	-	2,200
Loss and comprehensive loss		-	-	-	(7,891)	(291)	(8,182)	260	(7,922)
Balance as of September 30, 2025		266,441,870	1,041,605	161,445	(1,229,564)	758	(25,756)	4,100	(21,656)
Balance as of December 31, 2023		103,597,700	1,032,948	157,419	(1,210,808)	1,087	(19,354)	3,847	(15,507)
Shares issued for cash - private placement	9	22,012,250	4,344	-	-	-	4,344	-	4,344
Shares issued for cash - exercise of stock options	9	20,100	54	-	-	-	54	-	54
Reclassification of grant-date fair value on exercise of stock options	9	-	38	(38)	-	-	-	-	-
Share-based compensation	9	-	-	(66)	-	-	(66)	-	(66)
Loss and comprehensive loss		-	-	-	(7,698)	(45)	(7,743)	10	(7,733)
Balance as of September 30, 2024		125,630,050	1,037,384	157,315	(1,218,506)	1,042	(22,765)	3,857	(18,908)

See accompanying notes to these unaudited condensed consolidated interim financial statements.

Gabriel Resources Ltd.

Condensed Consolidated Interim Statements of Cash Flows (unaudited)

(Expressed in thousands of Canadian dollars unless otherwise specified)

	Note(s)	For the nine months ended	
		September 30, 2025 \$	September 30, 2024 \$
Cash flow from (used in)			
OPERATING ACTIVITIES			
Loss		(7,891)	(7,698)
Adjustments for items not affecting cash:			
Interest on loan payable	7	33	-
Depreciation		60	9
Doubtful debt expense (recovery)		(39)	42
Interest on arbitral costs order	6	482	425
Share-based payments (recovery)	7	2	(787)
Effects of currency exchange rate changes		458	450
Net changes in non-cash working capital items:			
Other receivable		22	(46)
Prepaid expenses and supplies		867	(1,109)
Trade and other payables		207	232
Other current liabilities		396	-
Resettlement liabilities		(49)	-
Cash flow used in operating activities		(5,452)	(8,482)
INVESTING ACTIVITIES			
Proceeds from disposal of property, plant and equipment		96	-
Purchase of property and equipment		(33)	(4)
Cash flow provided by (used in) investing activities		63	(4)
FINANCING ACTIVITIES			
Proceeds on exercise of options	9	-	54
Proceeds on issuance of common shares, net of cash share issue costs	9	6,151	4,344
Cash flow provided by financing activities		6,151	4,398
Effects of exchange rate changes on cash		(37)	33
Increase (decrease) in cash		725	(4,055)
Cash, beginning of period		999	4,611
Cash, end of period		1,724	556
Supplemental cash flow information			
Fair value of warrants issued		4,130	-
Shares issued for debt settlement		2,200	-
Cash paid for income taxes		-	-
Cash paid for interest		-	-

See accompanying notes to these unaudited condensed consolidated interim financial statements.

Gabriel Resources Ltd.

Notes to the Condensed Consolidated Interim Financial Statements (unaudited)

For the Nine Months Ended September 30, 2025

(Expressed in thousands of Canadian dollars, except for share data, unless otherwise specified)

1. CORPORATE INFORMATION AND CONTINUANCE OF OPERATIONS

Gabriel Resources Ltd. (“Gabriel” or the “Company”) is a Canadian entity listed on the TSX Venture Exchange (“Exchange”) under the symbol “GBU.V”, with its common shares publicly traded. The Company’s registered address is Suite 200 – 204 Lambert Street, Whitehorse, Yukon, Canada Y1A 1Z4.

For over two decades, Gabriel has been engaged in permitting and developing the Roşia Montană gold and silver project in Romania (the “Project”). The exploitation license for the Project (“License”) was held by Roşia Montană Gold Corporation S.A. (“RMGC”), a Romanian entity in which Gabriel maintains an 80.69% equity interest. The remaining 19.31% is held by Minvest Roşia Montană S.A. (“Minvest RM”), a Romanian state-owned mining company.

Gabriel and its subsidiaries (the “Group”) invested over US\$700 million in the development of the Project, including the delineation of two significant mineral deposits in the Bucium area near Rosia Montana: the epithermal gold and silver Rodu-Frasin deposit and the porphyry copper-gold Tarniţa site (the “Bucium Projects”).

On July 21, 2015, the Company and its wholly-owned subsidiary, Gabriel Resources (Jersey) Limited (“Gabriel Jersey”) initiated arbitration proceedings (the “ICSID Arbitration”) before the World Bank’s International Centre for Settlement of Investment Disputes (“ICSID”) against the Romanian State (the “Respondent”). Gabriel sought compensation for losses and damages resulting from the Romanian State’s treatment of its investments in Romania, which allegedly violated bilateral investment protection treaties.

Key milestones in the ICSID Arbitration and Annulment Proceedings have been previously disclosed in the Company’s quarterly and annual filings, available at www.sedarplus.ca. These Financial Statements reflect the Group’s primary focus on the ICSID Arbitration and the Annulment Proceedings. Adjustments have been made, where appropriate, to incorporate the impact of the Arbitral Decision (defined below).

- **Arbitral Decision**

On March 8, 2024, the presiding Arbitral Tribunal (the “Tribunal”) rendered its final decision in the ICSID Arbitration, dismissing the claims brought against the Romanian State by Gabriel. The ruling was issued by a two-to-one majority, with one arbitrator dissenting. Additionally, the Tribunal awarded the Respondent reimbursement for costs incurred during the proceedings (the “Arbitral Decision”).

The Arbitral Decision included a cost order of approximately US\$10 million, requiring the Respondent to be reimbursed for half of the legal fees and expenses incurred in the ICSID Arbitration (“Costs Order”). The amount payable accrues simple interest from the date of the Arbitral Decision at the 3-month US Treasury rate.

- **Enforcement of Costs Order by the Respondent**

On April 4, 2024, the Company announced that the Government of Romania had requested the Claimants to settle the Costs Order and expressed its intent to pursue enforcement action. Subsequently, the Romanian State sought precautionary measures to restrict the sale or transfer of the shares held by Gabriel Jersey in Roşia Montană Gold Corporation S.A. (“RMGC”), a subsidiary of the Company (“RMGC Shares”), pending settlement of the Costs Order (the “Precautionary Seizure”).

The Company considers the Precautionary Seizure to be premature and procedurally flawed. In response, Gabriel Jersey and RMGC have initiated legal proceedings before the Romanian courts to challenge its enforcement and seek its annulment.

Gabriel Resources Ltd.

Notes to the Condensed Consolidated Interim Financial Statements (unaudited)

For the Nine Months Ended September 30, 2025

(Expressed in thousands of Canadian dollars, except for share data, unless otherwise specified)

1. CORPORATE INFORMATION AND CONTINUANCE OF OPERATIONS (CONTINUED)

- **Enforcement of Costs Order by the Respondent (continued)**

On July 11, 2024, the Bucharest Court of Appeal dismissed Gabriel Jersey's claim seeking the annulment of the Precautionary Seizure. Although Gabriel Jersey subsequently appealed this ruling, the High Court of Cassation and Justice (Romania's Supreme Court) ultimately upheld the Court of Appeal's decision, dismissing Gabriel Jersey's petition to annul the precautionary attachment. Notwithstanding, Gabriel remains committed to vigorously challenging the Precautionary Seizure and any related enforcement actions through legal proceedings and will continue to defend its rights and interests in Romania and other jurisdictions.

- **Annulment Application**

On July 5, 2024, Gabriel and Gabriel Jersey submitted an application under Article 52 of the ICSID Convention, outlining the grounds for annulment of the Arbitral Decision (the "Annulment Proceedings"). Among other requests, the Annulment Application sought a provisional stay of enforcement of the Award (including the Costs Order) until the Ad-hoc Committee of ICSID ruled on the matter (the "Stay of Enforcement"). On July 12, 2024, the Acting Secretary-General of ICSID registered the Annulment application and formally notified the parties of the provisional Stay of Enforcement.

- **Appointment of Ad-Hoc Committee**

An annulment action is adjudicated by the Ad-hoc Committee, a three-member panel of arbitrators appointed by the Chairman of the Administrative Council of ICSID. On October 8, 2024, the Chairman appointed an Ad-hoc Committee comprising Dr. Eduardo Zuleta (Colombian) as President, alongside Prof. Lawrence Boo (Singaporean) and Prof. Dr. Maxi Scherer (German).

- **Stay of Enforcement**

As noted above, ICSID granted a provisional Stay of Enforcement on July 12, 2024.

On October 9, 2024, the Claimants (known for this purpose as "Applicants") requested the Ad-hoc Committee to continue the Stay of Enforcement until the annulment proceedings prescribed by the ICSID Convention ("Annulment Proceedings") concluded (the "Stay Request"). The Ad-hoc Committee subsequently decided to maintain the Stay of Enforcement until it had had an opportunity to review the parties' written submissions on the Stay Request. Following an agreed schedule, the parties submitted their comments on the Stay Request.

On January 21, 2025, the Ad-hoc Committee issued a decision confirming that it would maintain the Stay of Enforcement, conditional upon Gabriel providing security.

On March 7, 2025, the Ad-hoc Committee rejected the Applicants' proposed security arrangements and directed them to provide, within 30 days, a guarantee from a bank or a demonstrably solvent third party covering the Costs Order, including accrued interest. The Committee emphasized that failure to provide a satisfactory guarantee within this timeframe would result in the automatic revocation of the Stay of Enforcement. The Applicants subsequently requested a 30-day extension to secure the guarantee, which was partially granted. The Committee allowed an additional 15 days beyond the original April 7, 2025, deadline to obtain a third-party bank guarantee for the full amount of the Costs Order in accordance with its directives. The provision of this guarantee is not a condition for pursuing the Annulment Application.

As Gabriel was unable to meet the condition imposed by the Ad-hoc Committee, the Stay of Enforcement was lifted effective April 25, 2025. As a result, the Respondent may pursue additional enforcement measures related to the Cost Award. There is no assurance that such actions against the Group's assets will not adversely affect the Company's financial condition and operations.

Gabriel Resources Ltd.

Notes to the Condensed Consolidated Interim Financial Statements (unaudited)

For the Nine Months Ended September 30, 2025

(Expressed in thousands of Canadian dollars, except for share data, unless otherwise specified)

1. CORPORATE INFORMATION AND CONTINUANCE OF OPERATIONS (CONTINUED)

• **Procedural Calendar**

On February 3, 2025, the Ad-hoc Committee held its first session with the parties via video conference (the “First Session”). The First Session focused on procedural matters governing the Annulment Proceedings, including discussions on a draft procedural calendar.

On February 11, 2025, the Ad-hoc Committee issued Procedural Order No. 1 (“PO1”), which, among other provisions, established a procedural calendar for the Annulment Proceedings. The Procedural Calendar outlines specific deadlines for the filing of submissions by the parties throughout 2025, culminating in a two-day hearing scheduled for late January 2026.

The Procedural Calendar (as amended) outlines the following key dates for the Annulment Proceedings.:

- | | |
|-----------------------------------------------------------|-------------------------------------------------|
| - April 3, 2025 | Gabriel’s Memorial on Annulment (filed) |
| - July 7, 2025 | Romania’s Counter-Memorial on Annulment (filed) |
| - September 1, 2025 | Gabriel’s Reply on Annulment (filed) |
| - November 3, 2025 | Romania’s Rejoinder on Annulment (filed) |
| - January 22-23, 2026
(with January 24, 2026 reserved) | Hearing on the Annulment |

A summary of the procedural aspects of the ICSID Arbitration, together with copies of the parties’ substantive pleadings and the Procedural Orders issued by the Tribunal, are available on the ICSID’s website.

• **European Commission Request to Intervene**

On 15 July 2025, the European Commission (the “Commission”) filed an application, pursuant to ICSID Arbitration Rule 37(2)2 (the “Application”), requesting that the Ad-Hoc Committee grant the Commission leave to intervene in the Annulment Proceedings. Following consideration of the parties’ written observations on the Application, the Ad-Hoc Committee issued Procedural Order No. 2 on August 25, 2025 denying the Commission’s Application. On 15 September 2025, the Commission requested the Ad-Hoc Committee to reconsider its decision and admit the Commission as a non-disputing party. On October 1, 2025, the Ad-Hoc Committee issued Procedural Order No. 3 denying the Commission’s request for reconsideration.

• **Rejection of Request for Extension of the Roşia Montană Exploitation License**

In March 2024, Roşia Montană Gold Corporation S.A. (“RMGC”) submitted an application to the Romanian National Agency for Mineral Resources (“NAMR”) requesting a five-year extension of the exploitation license (the “License Extension Application”), a right to which RMGC is legally entitled under Romanian law.

On June 20, 2024, RMGC was notified that NAMR had rejected the License Extension Application (the “NAMR Decision”).

On July 22, 2024, RMGC formally challenged the NAMR Decision by filing an administrative complaint with both NAMR and the Romanian Government. On August 22, 2024, NAMR—now rebranded as the National Regulatory Authority for Mining, Petroleum, and Geological Storage of Carbon Dioxide—issued a decision rejecting the complaint as unfounded.

The Company strongly believes that the justifications provided by NAMR are pretextual. As a result, Gabriel and RMGC have initiated litigation to defend and reinstate their legal rights.

Gabriel Resources Ltd.

Notes to the Condensed Consolidated Interim Financial Statements (unaudited)

For the Nine Months Ended September 30, 2025

(Expressed in thousands of Canadian dollars, except for share data, unless otherwise specified)

1. CORPORATE INFORMATION AND CONTINUANCE OF OPERATIONS (CONTINUED)

Going Concern

As of September 30, 2025, the Company had working capital deficiency of \$17.2 million (December 31, 2024 – \$17.4 million) and accumulated deficit of \$1,230 million (December 31, 2024 – \$1,221 million).

The Company continues to carefully manage its cash resources and financial obligations to support the ongoing costs of the Annulment Proceedings and general working capital requirements. Excluding the Costs Order and amounts allocated for Annulment-related legal fees, based on the Company's cash and cash equivalents as of September 30, 2025, and considering a fee agreement deferring payment of certain ICSID Arbitration costs, the Company believes it has sufficient liquidity to fund general working capital needs and other material estimated costs associated with advancing the Annulment Proceedings through December 2025.

Accordingly, the Company will need to secure additional funding to continue pursuing the Annulment Proceedings and to support general working capital requirements. The adverse Arbitral Decision, the NAMR Decision, and the termination of the Stay of Enforcement have significantly increased uncertainty regarding the Company's ability to obtain financing, while also making the terms of such funding more onerous for both the Annulment Proceedings and the continuation of the Company's significantly curtailed operations.

Despite the Company's historical and recent fundraising efforts, there is no assurance that sufficient additional financing will be available at any time or, if available, that it can be secured on terms and within a timeframe that meets the Company's needs.

These events and conditions indicate material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. As a result, the Company may be unable to realize its assets or discharge its liabilities in the normal course of business.

The Financial Statements do not reflect adjustments to the carrying values of assets or liabilities, reported expenses, or consolidated statement of financial position classifications that would be necessary if the Company were unable to continue as a going concern. Such adjustments could be material.

Share Consolidation

On February 13, 2025, the Company completed a consolidation of its issued and outstanding common shares on the basis of one post-consolidation common share for ten pre-consolidation common shares (the "Share Consolidation"). The exercise price and number of common shares issuable pursuant to the exercise of any outstanding convertible securities, including incentive stock options and warrants, were also adjusted in accordance with the Share Consolidation. The numbers of outstanding securities and other relevant information including but not limited to price per share, and exercise prices of convertible securities presented in the Financial Statements have been retroactively adjusted accordingly, unless otherwise specified.

Gabriel Resources Ltd.

Notes to the Condensed Consolidated Interim Financial Statements (unaudited)

For the Nine Months Ended September 30, 2025

(Expressed in thousands of Canadian dollars, except for share data, unless otherwise specified)

1. CORPORATE INFORMATION AND CONTINUANCE OF OPERATIONS (CONTINUED)

Financing

- On September 12, 2025, the Company completed the first tranche of a non-brokered private placement, issuing 26,659,886 units at a price of C\$0.105 per unit, for gross proceeds of C\$2.8 million. Each unit consisted of one common share in the capital of the Company and one common share purchase warrant. Each warrant entitles the holder to acquire one additional common share at an exercise price of C\$0.14 per share on or before September 12, 2030.
- On November 12, 2025, the Company completed the second tranche of the non-brokered private placement, issuing 10,781,571 units at a price of C\$0.105 per unit, for gross proceeds of C\$1.13 million. Each unit consisted of one common share in the capital of the Company and one common share purchase warrant. Each warrant entitles the holder to acquire one additional common share at an exercise price of C\$0.14 per share on or before September 12, 2030.

2. MATERIAL ACCOUNTING POLICIES AND BASIS OF PREPARATION

Statement of compliance to International Financial Reporting Standards

The Financial Statements have been prepared in accordance with IFRS Accounting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”). These financial statements comply with International Accounting Standard 34, Interim Financial Reporting.

Basis of presentation

The Financial Statements include the accounts of Gabriel and its subsidiaries. This interim financial report does not include all of the information required of a full annual financial report and is intended to provide users with an update in relation to events and transactions that are significant to an understanding of the changes in financial position and performance of the Company since the end of the last annual reporting period. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Company for the year ended December 31, 2024.

These condensed consolidated interim financial statements were approved by the Board of Directors and authorized for issuance on November 28, 2025.

New accounting standards issued and not yet effective

The IASB has issued IFRS 18, Presentation and Disclosure in Financial Statements, replacing IAS 1, Presentation of Financial Statements. IFRS 18 introduces revised requirements for presenting and disclosing financial information, with the objective of improving consistency and comparability across entities. The updates include the definition of subtotals in the statement of profit or loss, such as operating profit and profit before financing and income taxes. Furthermore, it requires the disclosure of management-defined performance measures (MPMs), which are subtotals not specified by IFRS but represent management's view of performance. In addition, IFRS 18 enhances the principles of aggregation and disaggregation to ensure that material information is not obscured. This new standard is effective for annual reporting periods beginning on or after January 1, 2027, with early application permitted. The Company is currently evaluating the potential effects of IFRS 18 on its financial statements. Although the adoption of IFRS 18 is expected to improve the presentation and disclosure of financial information, it is not anticipated to have a material impact on the Company's financial position or performance.

Gabriel Resources Ltd.

Notes to the Condensed Consolidated Interim Financial Statements (unaudited)

For the Nine Months Ended September 30, 2025

(Expressed in thousands of Canadian dollars, except for share data, unless otherwise specified)

2. MATERIAL ACCOUNTING POLICIES AND BASIS OF PREPARATION (CONTINUED)

New accounting standards issued and not yet effective (continued)

In May 2024, the IASB issued narrow-scope amendments to the classification and measurement requirements in IFRS 9, Financial Instruments, and disclosures in IFRS 7, Financial Instruments: Disclosures. The amendments clarify the classification of financial assets with environmental, social and corporate governance linked features, and other similar contingent features, including how to assess the contractual cash flow characteristics. The amendments also provide clarification that the derecognition date for a financial asset or financial liability settled through electronic payment systems should be the settlement date. Furthermore, for financial liabilities settled, in full or in part, in cash using an electronic payment system, an entity is permitted to make an accounting policy election to derecognize the liability before settlement date if certain conditions are met. In addition, the IASB introduced additional disclosure requirements to enhance transparency for investors regarding investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features. The amendments are effective for annual reporting periods beginning on or after January 1, 2026. Earlier adoption is permitted for certain amendments. The Company is currently assessing the potential impact of the narrow scope amendments.

3. PREPAID EXPENSES AND SUPPLIES

	September 30, 2025	December 31, 2024
	\$	\$
ICSID Arbitration-related costs	-	950
Corporate insurance	123	75
Others	54	17
	177	1,042

4. TRADE AND OTHER PAYABLES

	September 30, 2025	December 31, 2024
	\$	\$
Trade payables	1,260	450
Payroll liabilities	138	781
Accruals and other payables	811	706
	2,209	1,937

Accruals and other payables primarily reflect the work performed in connection with the ICSID Arbitration up to the date of the consolidated statement of financial position. These amounts include accrued costs related to the arbitration process, as well as expenditures associated with advancing strategic initiatives both before and after the arbitration award.

5. RESETTLEMENT LIABILITIES

RMGC previously operated a program for purchasing homes in the Project area. Under the resettlement program, residents were given two options: they could either accept the sale proceeds and relocate to a location of their choice or exchange their properties for newly constructed homes at a designated resettlement site developed by RMGC. For those who opted for the resettlement site alternative, the Company recorded a resettlement liability to account for the anticipated construction costs of the new homes. As of September 30, 2025, and December 31, 2024, the resettlement liability balance was \$0.6 million.

Gabriel Resources Ltd.

Notes to the Condensed Consolidated Interim Financial Statements (unaudited)

For the Nine Months Ended September 30, 2025

(Expressed in thousands of Canadian dollars, except for share data, unless otherwise specified)

6. ARBITRAL COSTS ORDER

	\$
Balance, December 31, 2024	14,805
Interest	482
Effect of movements on exchange rates	638
Balance, June 30, 2025	15,925

The Company recognized the principal amount of the Costs Order (Note 1) at the exchange rate as of September 30, 2025, incorporating the applicable simple interest from the date of the Arbitral Decision, calculated at the 3-month U.S. Treasury rate.

7. OTHER CURRENT LIABILITIES

	September 30, 2025	December 31, 2024
	\$	\$
Short-term loans	-	2,180
Deferred shares units ("DSUs")	20	18
Provision for litigation	396	-
	416	2,198

Short-term loans

	\$
Balance, December 31, 2024	2,180
Interest	33
Units issued for settlement (Note 9)	(2,200)
Effect of movements on exchange rates	(13)
Balance, September 30, 2025	-

On November 29, 2024, the Company entered into loan agreements (the "Shareholders' Loan Agreements") with certain shareholders, totaling \$2.2 million (US\$1.5 million) (the "Shareholders' Loan").

The Shareholders' Loan ranked senior to any unsecured indebtedness of the Company, bearing interest at a rate of 12% per annum and were to mature on the earlier of: (i) the first anniversary of the date of the Shareholders' Loan; (ii) the date falling five business days following the completion of a private placement of securities; or (iii) upon the occurrence of an event of default (as such terms was defined in the Shareholders' Loan Agreements).

During the nine months ended September 30, 2025, the Company issued 43,946,956 units (Note 9) to settle the Shareholders' Loan, which amounted to \$2,200 (US\$1.54 million) (the "Debt Settlement").

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7. OTHER CURRENT LIABILITIES (CONTINUED)

DSUs

	Number of DSUs	Price per share (\$)	Fair value (\$'000)
Balance as of December 31, 2024	185,000	\$0.10	18
Change in fair value	-		2
Balance as of June 30, 2025	185,000	\$0.11	20

The Company has a DSU plan under which qualifying participants receive certain compensation in the form of DSUs. The Company is required to remeasure outstanding DSUs at each reporting period based on the market price of the Company's common shares.

As of September 30, 2025, the fair value of DSUs was \$20 (December 31, 2024 – \$18). As a result, a change in fair value of \$2 was recognized as a share-based payments in the consolidated statements of loss and comprehensive loss for the nine months ended September 30, 2025 (September 30, 2024 – a recovery of \$721).

Provision for litigation

During the nine months ended September 30, 2025, RMGC received a final adverse judgment in connection with a long-running property damage claim brought by a local family in Roşia Montană relating to alleged historical construction activities. RMGC has been ordered to pay €150,000 in damages, plus approximately €101,000 in accrued interest and legal costs.

Management has reached an agreement with the claimants to suspend enforcement until mid-2026, with the objective of achieving a more favorable overall resolution.

As of September 30, 2025, the Company recognized a litigation provision of \$396 (€251,000).

8. DEFERRED ARBITRATION FEES

As of September 30, 2025, an amount of \$4.6 million (US\$3.3 million) (December 31, 2024 – \$4.8 million (US\$3.3 million)) remains due under a fee agreement related to certain ICSID Arbitration costs incurred prior to the Arbitral Decision. Initially, payment was deferred until six months after the award; however, this deferral has since been extended, and no repayment will be required until up to 90 days following the conclusion of the annulment process initiated by the Company.

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9. SHARE CAPITAL

Authorized share capital

Unlimited number of common shares without par value

Unlimited number of preferred shares, issuable in series, without par value.

Issued share capital

As of September 30, 2025, and December 31, 2024, the Company had 266,441,870 and 125,629,984 post-consolidated common shares issued and outstanding, respectively.

As of September 30, 2025, and December 31, 2024, no preferred shares were issued or outstanding.

During the nine months ended September 30, 2025

- The Company completed a private placement of 114,152,000 units, at a price of C\$0.05 per unit. Of these:
 - 70,205,044 units were issued for cash proceeds of \$3,510; and
 - 43,946,956 units were issued for Debt Settlement (Note 7).

Each Unit consists of:

- One common share in the capital of the Company.
- One common share purchase warrant, entitling the holder to acquire one common share at an exercise price of C\$0.065 per share on or before March 6, 2030.
- One contingent value right ("CVR"), granting the holder, subject to certain limitations and exclusions, a pro rata share of up to 65% of any proceeds received by the Company and/or its affiliates from settlements or arbitral awards irrevocably made in their favor in relation to future arbitration claims concerning the Company's investment rights in Romania (Note 1).

In addition, the Company incurred share issuance costs of \$137.

For accounting purposes, the Company allocated the fair value of \$5.7 million for the 114,152,000 units based on the fair value of the common shares, warrants, and contingent value rights ("CVRs") attached to each unit. The Company estimated the grant date fair value of the warrants using the Black-Scholes option pricing model with the following weighted average assumptions:

- | | |
|---------------------------|---------|
| - Risk-free interest rate | 2.66% |
| - Expected life | 5 years |
| - Expected volatility | 199% |
| - Expected dividend yield | 0% |

Regarding the fair value of the CVRs, given the uncertainties surrounding the arbitration claims, the Company determined that the fair value of the CVRs is \$nil.

As a result, the Company allocated the fair value of 114,152,000 units, net of share issuance costs, as follows: \$2.82 million to common shares, \$2.77 million to warrants, and \$nil to CVRs.

Gabriel Resources Ltd.

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9. SHARE CAPITAL (CONTINUED)

Issued share capital (continued)

During the nine months ended September 30, 2025 (continued)

- As discussed in Note 1, on September 12, 2025, the Company completed the first tranche of a non-brokered private placement, issuing 26,659,886 units at a price of C\$0.105 per unit, for gross proceeds of C\$2.8 million. Each unit consisted of one common share in the capital of the Company and one common share purchase warrant. Each warrant entitles the holder to acquire one additional common share at an exercise price of C\$0.14 per share on or before September 12, 2030.

In addition, the Company incurred share issuance costs of \$22.

For accounting purposes, the Company allocated the fair value of \$2.8 million for the 26,659,886 units based on the fair value of the common shares and warrants attached to each unit. The Company estimated the grant date fair value of the warrants using the Black-Scholes option pricing model with the following weighted average assumptions:

- Risk-free interest rate	2.69%
- Expected life	5 years
- Expected volatility	200%
- Expected dividend yield	0%

As a result, the Company allocated the fair value of 26,659,886 units, net of share issuance costs, as follows: \$1.4 million to common shares and \$1.38 million to warrants.

During the nine months ended September 30, 2024

- The Company completed a private placement of 22,012,250 common shares at a price of C\$0.20 per share, for gross proceeds of \$4.4 million.
- 20,100 stock options were exercised for proceeds of \$54. The Company also reclassified the grant date fair value of the exercised options, amounting to \$38, from other reserves to share capital.

Subsequent to September 30, 2025

- As discussed in Note 1, on November 12, 2025, the Company completed the second tranche of the non-brokered private placement, issuing 10,781,571 units at a price of C\$0.105 per unit, for gross proceeds of C\$1.13 million. Each unit consisted of one common share in the capital of the Company and one common share purchase warrant. Each warrant entitles the holder to acquire one additional common share at an exercise price of C\$0.14 per share on or before September 12, 2030.

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9. SHARE CAPITAL (CONTINUED)

Warrants

The changes in warrants during the nine months ended September 30, 2025, and 2024, are as follows:

	September 30, 2025		September 30, 2024	
	Number outstanding (in thousands)	Weighted average exercise price (\$)	Number outstanding (in thousands)	Weighted average exercise price (\$)
Balance, opening	-	-	10,745	6.08
Issued	140,812	0.08	(10,745)	6.08
Balance, closing	140,812	0.08	-	-

The following summarizes information about warrants outstanding as of September 30, 2025:

Expiry date	Exercise price (\$)	Number outstanding (in thousands)	Estimated grant date fair value (\$ '000)	Weighted average remaining contractual life (in years)
March 6, 2030	0.065	65,637	1,579	4.43
April 4, 2030	0.07	19,977	483	4.51
May 19, 2030	0.07	28,538	697	4.64
September 12, 2030	0.14	26,660	1,372	4.95
		140,812	4,131	4.58
Weighted average exercise price (\$)		0.08		

Share Options

The Company has implemented a stock option plan (the "Option Plan"), under which the maximum number of post-consolidated common shares issuable is fixed at 5,977,800. The estimated fair value of share options is amortized using graded vesting over the period in which the options vest. For share options that vest on a single date, either upon issuance or upon achieving specific milestones, their fair value is amortized using graded vesting over the anticipated vesting period. Certain share option grants include performance-based vesting conditions. The fair value of these options, which vest upon milestone achievement, will be recognized and expensed over their estimated vesting period. Adjustments resulting from recalculations of estimated vesting periods are recorded in the consolidated statement of loss and comprehensive loss.

The changes in stock options during the nine months ended September 30, 2025, and 2024, are as follows:

	September 30, 2025		September 30, 2024	
	Number outstanding (in thousands)	Weighted average exercise price (\$)	Number outstanding (in thousands)	Weighted average exercise price (\$)
Balance, opening	2,263	3.89	3,201	4.51
Exercised	-	-	(20)	2.71
Expired	(332)	4.00	(879)	6.17
Forfeited	-	-	(39)	4.00
Balance, closing	1,931	3.87	2,263	3.89

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9. SHARE CAPITAL (CONTINUED)**Share Options (continued)**

The following summarizes information about stock options outstanding and exercisable as of September 30, 2025:

Expiry date	Exercise price (\$)	Number of options outstanding and exercisable (in thousands)	Weighted average remaining contractual life (in years)
August 11, 2026	6.50	7	0.86
December 14, 2026	4.30	335	1.21
July 19, 2027	2.80	8	1.80
July 21, 2027	2.80	8	1.81
December 24, 2028	3.10	290	3.24
January 10, 2029	3.60	495	3.28
August 13, 2029	4.30	15	3.87
January 15, 2030	4.60	585	4.30
April 3, 2030	4.90	4	4.51
August 26, 2030	4.60	4	4.91
January 14, 2031	2.20	35	5.29
June 7, 2031	3.00	16	5.69
July 5, 2031	3.00	19	5.76
August 6, 2031	2.80	44	5.85
October 11, 2031	2.40	24	6.03
January 6, 2032	1.95	30	6.27
May 31, 2032	2.40	12	6.67
		1,931	3.45
Weighted average exercise price (\$)		3.86	

Subsequent to September 30, 2025

- On November 18, 2025, the board of directors approved the adoption of a new 20% fixed stock option plan (the "Plan") to replace the Company's existing fixed stock option plan. The Plan is subject to approval of the shareholders of the Company at the annual and special meeting of shareholders to be held on December 18, 2025 (the "2025 AGM") in accordance with the policies of the Exchange, as well as the final acceptance of the Exchange.
- On November 18, 2025, the board of directors also granted a total of 38,656,240 incentive stock options ("Options") to certain directors and officers of the Company pursuant to the Plan. Each Option is exercisable for one common share of the Company at an exercise price of \$0.075 per share for a period of five years from the date of grant. The Options will vest six months from the date of grant. The grant of Options is subject to the approval of disinterested shareholders of the Company at the 2025 AGM in accordance with the policies of the Exchange.

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9. SHARE CAPITAL (CONTINUED)**Non-controlling interest**

	\$
Opening	3,840
Effect of movements on exchange rates	260
Ending	4,100

10. CORPORATE, GENERAL AND ADMINISTRATIVE

	For the three months ended		For the nine months ended	
	September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
	\$	\$	\$	\$
External communications	-	-	-	14
Finance, audit, accounting, and compliance	164	264	656	953
ICSID Arbitration-related costs	437	717	1,723	2,034
Information technology	11	73	66	216
Legal	17	77	62	420
Office rental and utilities	20	19	73	88
Other	32	26	66	260
Personnel	961	784	2,883	2,599
Project obligations and community relations*	13	75	29	331
Property taxes	136	124	396	534
Travel and transportation*	8	34	34	149
	1,799	2,193	5,988	7,598

* These balances include expenses incurred with related parties (Note 11).

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11. RELATED PARTY TRANSACTIONS

Key management personnel include those persons having the authority and responsibility of planning, directing, and executing the activities of the Group. The Company has determined that its key management personnel consist of the Company's officers and directors.

The Group had related party transactions with associated persons or corporations, which were undertaken in the normal course of operations as follows:

- a) In July 2015, the Company entered into a services agreement with SC Total Business Land SRL ("TBL"), a Romanian entity controlled by current and former employees of RMGC, including the Company's Chief Executive Office ("CEO"). TBL was established following the Company's initiation of the ICSID Arbitration, with the objective of providing specialized services—such as archaeology, land planning and surveying, permitting, environmental assessment, and digital solutions—to the Romanian market. This arrangement allowed the Group to significantly reduce its cost base while ensuring compliance with its License obligations.

The services agreement with TBL is terminable by either party with 30 days' notice and covers the provision of manpower to RMGC, primarily for real estate maintenance on RMGC-owned land and buildings, preservation of historical structures, underground works, document management, and other administrative functions. The agreement was terminated on December 31, 2024. For the nine months ended September 30, 2024, related charges amounted to less than \$0.1 million.

- b) In December 2015, RMGC entered into an agreement with TBL to lease office space in Alba Iulia at a fixed rate. This agreement was terminated in May 2024. In April 2024, the Group entered into a new agreement for the sub-lease of office space in Bucharest, including the recharging of applicable rent and utilities costs. For the nine months ended September 30, 2025, such recharges by RMGC amounted to less than \$0.1 million (September 30, 2024: less than \$0.1 million).

- c) In October 2020, TBL entered into an amended lease agreement with RMGC, originally established in August 2018, for the use of vehicles owned by TBL in RMGC's operations. The agreement also includes the recharge of tax, insurance, and maintenance-related costs incurred by TBL to RMGC. The lease term is 12 months and automatically renewable unless it is terminated by either party. For the nine months ended September 30, 2025, no costs were incurred on this agreement (September 30, 2024: less than \$0.1 million).

Total compensation of key company personnel for the nine months ended September 30, 2025 and 2024 is as follows:

	September 30, 2025	September 30, 2024
	\$	\$
Management fees ⁽¹⁾	948	997
Directors' fees ⁽¹⁾	359	247
	1,307	1,244

- 1) 20% of the fees are deferred, as discussed in Note 13.

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12. COMMITMENTS

The following table provides a summary of the Group's contractual commitments, including scheduled payments due over the next five years and thereafter:

	Total (\$)	Year 2025 (\$)	Year 2026 (\$)	Year 2027 (\$)	Year 2028 (\$)	Year 2029 (\$)	Thereafter (\$)
Operating lease commitments							
Surface concession rights ⁽¹⁾	907	7	35	35	35	35	760
Lease agreements ⁽²⁾	35	35	-	-	-	-	-
Others	20	5	2	2	2	2	7
	962	47	37	37	37	37	767

- 1) RMGC holds concession agreements with the Local Councils of Roşia Montană and Abrud, granting exploitation rights to properties located in and around one of the Project's proposed open pits. These agreements have approximately 30 years remaining, with an annual payment of approximately \$35,000 (Romanian leu equivalent).
- 2) The Group has entered into lease agreements for various premises over different periods. The annual rental obligations comprise a fixed minimum rent, along with applicable taxes, maintenance costs, and, in certain instances, utility expenses.

13. CONTINGENT LIABILITIES

The Company has several contingent liabilities, including the following:

- **Litigation:** Except for the arbitration discussed in Note 1, the Company is involved in litigation matters and claims arising in the ordinary course of business (the "Other Litigation"). While the potential liability associated with these pending claims cannot be estimated or predicted with certainty, management does not consider the Company's exposure to the Other Litigation to be material to the financial statements.
- **CVRs:** On February 19, 2025, the Company announced the 2025 Financings, which included the issuance of 114,152,000 CVRs (Note 9). Each CVR entitles the holder, subject to certain limitations and exclusions, to a pro rata share of up to 65% of any proceeds received by the Company and/or its affiliates from settlements or arbitral awards irrevocably made in their favor in connection with future arbitration claims concerning the Company's investment rights in Romania.
- **Arbitration Value Rights ("AVRs"):** The Company has issued 95,625 AVRs, which entitle the holders to a share of proceeds from any settlement or arbitral award irrevocably made in favor of the Company and/or any of its affiliates in connection with the ICSID Arbitration claim. The entitlements are structured as follows:
 - **55,000 AVRs:** Holders are entitled to a pro rata share of 7.5% of any such proceeds, subject to a maximum aggregate entitlement of \$175 million among all holders of these AVRs.
 - **40,625 AVRs:** Holders are entitled to a pro rata share of 5.54% of any such proceeds, subject to a maximum aggregate entitlement of \$129.3 million among all holders of these AVRs.

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13. CONTINGENT LIABILITIES (CONTINUED)

- **Key Employee Engagement Plan (“KEEP”)**: In 2016, the Company established the KEEP, an arbitration-focused retention and incentive program designed to ensure the long-term participation and motivation of the Group’s personnel, including executive management, employees, non-executive directors, and other contributors, in pursuing the ICSID Arbitration through to a successful recovery. KEEP is structured as a trust, established by the Gabriel and Gabriel Jersey as settlors, pursuant to a trust agreement dated July 2016, as amended. Under its terms and conditions, in the event that an arbitral award is rendered in favor of the Company or a settlement is accepted in connection with the ICSID Arbitration proceedings, the Company will facilitate a cash payment to the KEEP trust.

Following the receipt of proceeds awarded to the Company, including any non-monetary consideration, the Company will facilitate a payment to the KEEP trust. This payment will be made after deducting any applicable taxes, whether payable or required to be withheld by the Company or by law, and will be calculated as follows:

- 7.5% of the first US\$500 million of proceeds.
 - 2.5% of any proceeds exceeding US\$500 million.
- **Deferred Salary Initiative (“DSI”)**: Effective February 1, 2022, certain employees of the Group agreed to a 20% reduction in their base salary under the DSI. The Company holds a contingent liability to compensate certain affected employee with an amount equivalent to 150% of their accumulated Deferred Salary, payable under the following conditions: i) within 60 days following the receipt of any proceeds received by the Company and/or its affiliates pursuant to a settlement or arbitral award irrevocably made in its favor in relation to the ICSID Arbitration claim, provided such proceeds are sufficient to fully satisfy the aggregate accumulated Deferred Salary; or ii) within 90 days following a change of control of the Company. Similarly, effective April 1, 2022, the Company’s directors agreed to defer 20% of their fees under the same terms. Accruals of deferred salary under the DSI ceased for directors as of October 1, 2024 and for management as of December 1, 2024 (collectively the “Cease Date of DSI”). After the Cease Date of DSI, the Company accrues no further obligations under the DSI.

14. SEGMENTED INFORMATION

The Group’s operating segments are presented in a manner consistent with the internal reporting provided to the Chief Operating Decision-Maker (“CODM”), who is responsible for resource allocation and performance assessment. The CODM has been identified as the Company’s CEO.

The Group comprises two operating segments:

- **Romania** – This segment includes the Romanian operating company, which was historically engaged in the exploration, evaluation, and development of precious metal mining projects within the country.
- **Corporate** – This segment consists of all other entities within the Group that do not fall under the Romanian operating company.

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14. SEGMENTED INFORMATION (CONTINUED)

The segmental report is outlined as follows:

Reportable items in the unaudited condensed consolidated interim statements of loss:

	For the three months ended September 30,					
	2025			2024		
	Romania (\$)	Corporate (\$)	Total (\$)	Romania (\$)	Corporate (\$)	Total (\$)
Interest received	-	-	-	-	14	14
Depreciation	48	-	48	-	3	3
Reportable segment net loss	1,497	1,622	3,119	1,197	1,454	2,651

	For the nine months ended September 30,					
	2025			2024		
	Romania (\$)	Corporate (\$)	Total (\$)	Romania (\$)	Corporate (\$)	Total (\$)
Interest received	-	50	50	-	51	51
Depreciation	60	-	60	3	6	9
Reportable segment net loss	3,054	4,837	7,891	3,208	4,490	7,698

Reportable items in the unaudited condensed consolidated interim statements of financial position:

As of:	September 30, 2025			December 31, 2024		
	Romania (\$)	Corporate (\$)	Total (\$)	Romania (\$)	Corporate (\$)	Total (\$)
Current assets	222	1,773	1,995	140	1,969	2,109
Non-current assets	75	-	75	141	4	145
Total liabilities	(2,159)	(21,567)	(23,726)	(1,161)	(23,178)	(24,339)

15. CAPITAL MANAGEMENT

The Group's objective when managing capital is to safeguard the Group's ability to continue as a going concern, fund its planned activities and commitments, and retain financial flexibility to respond to unforeseen future events and circumstances. The Group manages and makes adjustments to its capital structure based on the level of funds on hand and anticipated future expenditures. In order to maintain or adjust the capital structure, the Group has, when required, raised additional capital. The Group has not paid dividends, nor returned capital to shareholders to date. With the exception of minimum capital requirements pursuant to general company law, the Group is not subject to any other externally imposed capital requirements.

16. FINANCIAL INSTRUMENTS

Except for deferred arbitration fees, the carrying values of the financial instruments presented in the table below closely approximate their fair values, as the instruments have a relatively short time to maturity. For deferred arbitration fees, fair value measurement considers the uncertainty in settlement timing. Since the expected cash flows and settlement dates cannot be reliably predicted, the deferred arbitration fees are recorded at their carrying amount as of the reporting date. The balance reflects the actual amount outstanding without further fair value assessment, representing management's best estimate based on available information and prevailing market conditions.

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16. FINANCIAL INSTRUMENTS (CONTINUED)

	September 30, 2025		Amortized	
	\$	FVTPL	costs	FVTOCI
		\$	\$	\$
FINANCIAL ASSETS				
ASSETS				
Cash	1,724	-	1,724	-
Other receivable	94	-	94	-
Restricted cash	75	-	75	-
FINANCIAL LIABILITIES				
LIABILITIES				
Trade and other payables	(2,209)	-	(2,209)	-
Resettlement liabilities	(600)	-	(600)	-
Arbitral costs order	(15,925)	-	(15,925)	-
Other current liabilities	(416)	-	(416)	-
Deferred arbitration fees	(4,576)	-	(4,576)	-

	December 31, 2024		Amortized	
	\$	FVTPL	costs	FVTOCI
		\$	\$	\$
FINANCIAL ASSETS				
ASSETS				
Cash	999	-	999	-
Other receivable	68	-	68	-
Restricted cash	71	-	71	-
FINANCIAL LIABILITIES				
LIABILITIES				
Trade and other payables	(1,937)	-	(1,937)	-
Resettlement liabilities	(609)	-	(609)	-
Arbitral costs order	(14,805)	-	(14,805)	-
Other current liabilities	(2,198)	-	(2,198)	-
Deferred arbitration fees	(4,790)	-	(4,790)	-

Financial instruments recorded at fair value on the Financial Statements are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. The three levels of the fair value hierarchy are as follows:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

Level 3: Inputs that are not based on observable market data.

As of September 30, 2025, and December 31, 2024, there were no financial assets or liabilities measured and recognized in the statement of financial position at fair value that would be categorized as Level 1, 2 and 3 in the fair value hierarchy above.

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16. FINANCIAL INSTRUMENTS (CONTINUED)

Financial risk management

Credit risk

Credit risk represents the potential for unexpected losses should a counterparty to a financial instrument fail to fulfill its contractual obligations. The Company manages this risk through a combination of counterparty ratings and established credit limits.

The Group's credit risk is primarily attributable to cash and cash equivalents that are held on short-term overnight deposit with the major Canadian banks and loan receivable.

Cash at bank and on hand earns interest at floating rates based on prevailing daily deposit rates. These funds are readily accessible and are maintained at reputable financial institutions with strong credit standings.

To mitigate exposure to domestic Romanian banks, the Group centralizes custody, control, and management of surplus cash resources generated outside Romania. Transfers from the corporate office to the Romanian subsidiary are made strictly based on near-term cash needs, reducing risk associated with local banking institutions. As of September 30, 2025, and December 31, 2024, the Group held \$0.01 million in unrestricted cash and cash equivalents within Romanian banks.

The Group holds limited cash balances in the United Kingdom with a major UK bank to fund corporate activities.

Liquidity risk

As of September 30, 2025, the Group has no active sources of operating cash flows and does not have sufficient liquidity to finance the development of the Project or the long-term activities necessary to see the ICSID Arbitration through to its conclusion, including the Annulment Proceedings. Consequently, the Company will require additional future funding, as discussed in Note 1.

Market risk

The significant market risks to which the Company is exposed are interest rate risk, currency risk, other price risk, and commodity price risk.

- *Interest rate risk*

The Group maintains a short-term investment horizon, typically less than three months, for its cash and cash equivalents. Given this approach, the Group is only marginally exposed to capital erosion should interest rates rise and lead to a decline in the value of fixed-yield investments. The Group's primary objective in managing cash and cash equivalents is to mitigate credit risk. As such, it has opted to prioritize capital preservation over yield generation.

A 1% change in interest rates on cash and cash equivalents outstanding as of September 30, 2025, would result in an approximately \$0.01 million change to the Company's loss for the nine months ended September 30, 2025.

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16. FINANCIAL INSTRUMENTS (CONTINUED)

Financial risk management (continued)

Market risk (continued)

- **Foreign currency risk**

The Group's functional and presentation currency is the Canadian dollar. Its activities expose it to fluctuations in foreign exchange rates, as it holds monetary assets and liabilities denominated in Romanian leu ("RON"), US dollars ("US\$"), UK pounds sterling ("£"), and Euros ("€"). As a result, the Group is subject to exchange rate variations affecting both its functional and presentation currency.

The Group maintains cash and cash equivalents in multiple currencies, making it susceptible to market volatility as foreign currency balances are revalued first to the entity's functional currency and subsequently to the Group's presentation currency. Accordingly, foreign exchange gains or losses may be reported during periods of economic and market fluctuations.

To mitigate exposure, the Group seeks to maintain the majority of its cash and cash equivalents in United States dollars and Canadian dollars.

The Company had the following balances in foreign currency as of September 30, 2025:

	CA\$	US\$	£	€	RON
Cash	7	1,232	-	-	36
Other receivable	-	-	-	-	296
Restricted cash	-	-	-	-	234
Trade and other payables	(371)	(330)	(67)	(60)	(3,622)
Resettlement liabilities	-	-	-	-	(1,866)
Arbitral costs order	-	(2,540)	-	(1,240)	(32,514)
Other current liabilities	(20)	-	-	(250)	-
Deferred arbitration fees	-	(3,306)	-	-	-
	(384)	(4,944)	(67)	(1,550)	(37,436)
Rate to convert to \$1.00 CA\$	1.00	1.38	1.83	1.58	0.32
Equivalent to CA\$	(384)	(6,844)	(123)	(2,452)	(12,028)

Based on the net exposures as of September 30, 2025, and assuming all other variables remain constant, a 1% appreciation or depreciation of the CA\$ against the US\$, £, €, and RON would result in an increase or decrease in comprehensive loss of approximately \$0.2 million.