



Cătălin Drulă  
President  
Union Save Romania (USR)  
Sos. Pavel D. Kiseleff, nr. 55, vila 4  
Sector 1, Bucharest  
011343  
Romania

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Ontario Securities Commission  
20 Queen Street West  
22nd Floor, Box 55  
Toronto, Ontario  
M5H 3S8  
Canada

Dear Madam, Dear Sir,

On behalf of the Union Save Romania (USR), a Romanian political party, I am writing to express our deep concern over recent **events that have potentially impacted the integrity of the financial markets**, particularly in relation to Gabriel Resources Ltd., a company listed on the Toronto Stock Exchange.

Gabriel Resources Ltd. was up until recently engaged in litigation against the Romanian government, seeking billions in damages for the halting of a gold mining project in Romania. On January 31st, 2024, **information was leaked by Romania's government** indicating that Romania would lose this trial and be liable for billions in damages.<sup>1</sup> Information spread in all the press and prompted a significant surge in trading volumes and an increase in the stock price of Gabriel Resources Ltd. (TSXV:GBU), driven by speculative trading based on the anticipated unfavorable outcome for Romania. Transaction volumes increased twenty-fold, while the stock price almost doubled.<sup>2</sup>

This caused Gabriel Resources Ltd. issued a press release on February 2<sup>nd</sup>, 2024, in which it stated that it is not aware of any decision by the Tribunal or the timing thereof and awaits further communication from the Tribunal in this regard.<sup>3</sup> However, **Mr. Marcel Ciolacu, Romania's prime minister, was undeterred and continued to claim regularly that Romania would lose the trial and that the only question remained how much it was liable to pay.**

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<sup>1</sup> <https://www.digi24.ro/stiri/actualitate/justitie/surse-romania-pierde-procesul-cu-gabriel-resources-pentru-rosia-montana-ar-trebuie-sa-platim-cel-putin-2-miliarde-de-dolari-2670795>

<sup>2</sup> <https://money.tmx.com/en/quote/GBU>

<sup>3</sup> [https://money.tmx.com/quote/GBU/news/4893614768802097/Share\\_Price\\_Movement](https://money.tmx.com/quote/GBU/news/4893614768802097/Share_Price_Movement)



On the February 24<sup>th</sup>, 2024, during a political rally, Mr. Ciolacu stated **Romania would be liable for Rosia Montana either USD 2 billion or USD 6 billion.**<sup>4</sup> According to Tradeville, one of Romania's leading stockbrokers, Gabriel Resources Ltd. (TSXV:GBU) is the seventh largest stock by value in Romanian portfolios.<sup>5</sup> This information underscores the profound impact that fluctuations in Gabriel Resources Ltd.'s stock price can have on Romanian investors, many of whom are directly affected by the market's reaction to the Prime Minister's statements. Even on the eve of the ruling, on March 7<sup>th</sup>, 2024, Mr. Ciolacu called for a **national referendum to ascertain whether to pay up the damages that would be awarded or start the controversial mining project instead.**<sup>6</sup>

However, on March 8<sup>th</sup>, 2024, the tribunal announced its decision, which contrary to the leaked information, ruled in favor of Romania, stating that the country would not be required to pay any damages to Gabriel Resources Ltd. (TSXV:GBU).<sup>7</sup> This unexpected turn of events will have a **profound impact on the stock price of Gabriel Resources Ltd. (TSXV:GBU)**, potentially leading to significant financial losses for investors who acted on the previously leaked information.

Given the sequence of these events and the potential manipulation of market sentiment based on unverified information, we respectfully **request that the Ontario Securities Commission undertake a thorough investigation into this matter.** The investigation should aim to determine whether the premature release of false information regarding the trial's outcome constitutes market manipulation or has otherwise negatively impacted the integrity of the market, in violation of section 126.2, subsection (1) of the Ontario Securities Act.<sup>8</sup>

We believe that Romanian government officials knew the statements they were making were in fact **false and misleading** or, at the very least, **were not required to be stated.** Furthermore, pursuant to clause (b) of the aforementioned subsection, we believe these statements would reasonably be expected to have a **significant effect on the market price** of Gabriel Resources Ltd.'s stock (TSXV:GBU).

The USR is committed to transparency, integrity, and the rule of law, and we believe that these principles should extend to the conduct of financial markets. **We are prepared to provide any further assistance or information required** for your investigation and look forward to your swift action in addressing this issue.

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<sup>4</sup> <https://www.youtube.com/watch?v=mUjoabD6pHE>

<sup>5</sup> <https://www.zf.ro/burse-fonduri-mutuale/surpriza-gabriel-resources-compania-detine-proiectul-rosia-montana-22152791>

<sup>6</sup> <https://www.euronews.ro/articole/marcel-ciolacu-as-face-referendum-daca-e-oportun-sa-scoatam-aurul-de-la-rosia-mon>

<sup>7</sup> <https://icsid.worldbank.org/cases/case-database/case-detail?CaseNo=ARB/15/31>

<sup>8</sup> **Misleading or untrue statements**

126.2 (1) A person or company shall not make a statement that the person or company knows or reasonably ought to know,

(a) in a material respect and at the time and in the light of the circumstances under which it is made, is misleading or untrue or does not state a fact that is required to be stated or that is necessary to make the statement not misleading; and

(b) would reasonably be expected to have a significant effect on the market price or value of a security, derivative or underlying interest of a derivative.



Ensuring the **fairness and integrity of financial markets** is crucial for maintaining investor confidence and the orderly functioning of capital markets. We trust in your dedication to upholding these values and safeguarding the interests of investors and the broader public.

Thank you for your attention to this important matter.

Sincerely,

Cătălin Drulă  
President  
Union Save Romania (USR)