

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER PURSUANT TO RULE 13A-16 OR 15D-16 OF THE SECURITIES EXCHANGE ACT OF 1934
For the month of August 2017

Commission File Number: 001-31819

Gold Reserve Inc.

(Exact name of registrant as specified in its charter)

999 W. Riverside Avenue, Suite 401

Spokane, Washington 99201

(Address of principal executive office)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by
Regulation S-T Rule 101(b)(1):

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by
Regulation S-T Rule 101(b)(7):

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the
Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes No

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b):

This Report on Form 6-K and the exhibits attached hereto are hereby incorporated by reference into Gold Reserve Inc.'s (the "Company") current Registration Statements on Form F-3 on file with the U.S. Securities and Exchange Commission (the "SEC").

The following exhibits are furnished with this Form 6-K:

99.1 June 30, 2017 Interim Consolidated Financial Statements

99.2 June 30, 2017 Management's Discussion and Analysis

99.3 Chief Executive Officer's Certification of Interim Filings

99.4 Chief Financial Officer's Certification of Interim Filings

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS AND INFORMATION

The information presented or incorporated by reference in this report contains both historical information and "forward-looking statements" (within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act) or "forward-looking information" (within the meaning of applicable Canadian securities laws) (collectively referred to herein as "forward-looking statements") that may state our intentions, hopes, beliefs, expectations or predictions for the future.

Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by us at this time, are inherently subject to significant business, economic and competitive uncertainties and contingencies that may cause our actual financial results, performance or achievements to be materially different from those expressed or implied herein and many of which are outside our control.

Forward-looking statements involve risks and uncertainties, as well as assumptions, including those set out herein, that may never materialize, prove incorrect or materialize other than as currently contemplated which could cause our results to differ materially from those expressed or implied by such forward-looking statements. The words "believe," "anticipate," "expect," "intend," "estimate," "plan," "may," "could" and other similar expressions that are predictions of or indicate future events and future trends, which do not relate to historical matters, identify forward-looking statements. Any such forward-looking statements are not intended to provide any assurances as to future results.

Numerous factors could cause actual results to differ materially from those described in the forward-looking statements, including, without limitation:

- delay or failure by Venezuela to make payments or otherwise honor its commitments under the Settlement Agreement, including with respect to the sale of the Mining Data;
 - the ability of the Company and Venezuela to (i) successfully overcome any legal, regulatory or technical obstacles to operate Siembra Minera and develop the Brisas Cristinas Project, (ii) obtain any remaining governmental approvals and (iii) obtain financing to fund the capital costs of the Brisas Cristinas Project;
 - risks associated with exploration, delineation of adequate resources and reserves, regulatory and permitting obstacles and other risks normally incident to the exploration, development and operation of mining properties including our ability to achieve revenue producing operations in the future;
 - local risks associated with the concentration of our future operations and assets in Venezuela, including operational, security, regulatory, political and economic risks;
 - our ability to resume our efforts to enforce and collect the Award, including the associated costs of such enforcement and collection effort and the timing and success of that effort, if Venezuela fails to make payments under the Settlement Agreement, it is terminated and further efforts to consummate the Settlement Agreement are abandoned;
 - pending the receipt of payments under the Settlement Agreement or otherwise, our continued ability to service our obligations as they come due and access future additional funding, when required, for ongoing liquidity and capital resources;
 - shareholder dilution resulting from future financings, if required;
 - our prospects in general for the identification, exploration and development of additional mining projects;
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- risks associated with the abilities and continued participation of key employees; and
- changes in U.S. and/or Canadian tax laws to which we are subject.

See “Risk Factors” contained in our Annual Information Form and Annual Report on Form 40-F filed on www.sedar.com and www.sec.gov, respectively for additional risk factors that could cause results to differ materially from forward-looking statements.

Investors are cautioned not to put undue reliance on forward-looking statements, and investors should not infer that there has been no change in our affairs since the date of this report that would warrant any modification of any forward-looking statement made in this document, other documents periodically filed with the U.S. Securities and Exchange Commission (the “SEC”) or other securities regulators or presented on the Company’s website. Forward-looking statements speak only as of the date made. All subsequent written and oral forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by this notice. We disclaim any intent or obligation to update publicly or otherwise revise any forward-looking statements or the foregoing list of assumptions or factors, whether as a result of new information, future events or otherwise, subject to our disclosure obligations under applicable U.S. and Canadian securities regulations. Investors are urged to read the Company’s filings with U.S. and Canadian securities regulatory agencies, which can be viewed online at www.sec.gov and www.sedar.com, respectively.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Dated: August 29, 2017

GOLD RESERVE INC. (Registrant)

By: /s/ Robert A. McGuinness
Robert A. McGuinness, its Vice President of Finance,
Chief Financial Officer and its Principal Financial and Accounting Officer

GOLD RESERVE INC.
June 30, 2017
Interim Consolidated Financial Statements
U.S. Dollars
(unaudited)

GOLD RESERVE INC.
CONSOLIDATED BALANCE SHEETS
(Unaudited - Expressed in U.S. dollars)

	June 30, 2017	December 31, 2016
ASSETS		
Current Assets:		
Cash and cash equivalents (Note 4)	\$ 72,436,128	\$ 35,747,049
Receivable from sale of mining data (Note 3)	59,000,000	-
Marketable securities (Notes 5 and 6)	426,126	541,216
Deposits, advances and other	483,887	153,916
Total current assets	132,346,141	36,442,181
Property, plant and equipment, net (Note 7)	12,050,793	12,046,496
Total assets	\$ 144,396,934	\$ 48,488,677
LIABILITIES		
Current Liabilities:		
Convertible notes and interest notes (Note 11)	\$ 33,000,000	\$ -
Income tax payable (Note 12)	15,847,604	-
Retention units payable (Note 10)	7,694,200	-
Contingent value rights (Notes 3 and 11)	1,931,654	-
Accounts payable and accrued expenses (Note 3)	3,703,725	691,409
Accrued interest	2,379	2,379
Total current liabilities	62,179,562	693,788
Convertible notes and interest notes (Note 11)	26,922,343	43,968,020
Contingent value rights (Notes 3 and 11)	-	1,012,491
Total liabilities	89,101,905	45,674,299
SHAREHOLDERS' EQUITY		
Serial preferred stock, without par value		
Authorized:	Unlimited	
Issued:	None	
Common shares	342,755,128	342,190,645
Class A common shares, without par value		
Authorized:	Unlimited	
Issued and outstanding:	2017...89,848,104	2016...89,710,604
Contributed surplus (Note 11)	25,723,900	25,723,900
Stock options (Note 10)	21,848,395	17,353,725
Accumulated deficit	(335,360,477)	(382,897,065)
Accumulated other comprehensive income	328,083	443,173
Total shareholders' equity	55,295,029	2,814,378
Total liabilities and shareholders' equity	\$ 144,396,934	\$ 48,488,677

Contingencies (Note 3)

The accompanying notes are an integral part of the interim consolidated financial statements.

Approved by the Board of Directors:

/s/ Patrick D. McChesney

/s/ James P. Geyer



GOLD RESERVE INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited - Expressed in U.S. dollars)

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2017	2016	2017	2016
OTHER INCOME (LOSS)				
Sale of mining data (Note 3)	\$ 99,000,000	\$ —	99,000,000	\$ —
Gain on disposition of marketable securities	—	—	—	48,300
Interest	14,766	10,794	29,798	12,906
Gain (loss) on settlement of debt (Note 11)	(10,492,564)	1,592	(10,492,564)	1,592
Foreign currency gain (loss)	524	(3,354)	(7,820)	(8,845)
	88,522,726	9,032	88,529,414	53,953
EXPENSES				
Corporate general and administrative (Notes 3 and 10)	2,079,889	742,925	6,115,593	1,490,634
Retention units (Note 10)	7,694,200	—	7,694,200	—
Contingent value rights (Notes 3 and 11)	919,163	—	919,163	—
Siembra Minera (Note 8)	338,450	—	1,900,278	—
Exploration	28,224	53,377	56,918	114,929
Legal and accounting	169,917	74,196	318,987	267,464
Arbitration and settlement (Note 3)	2,155,408	942,830	2,337,668	2,287,665
Equipment holding costs	157,084	274,334	312,110	483,801
Interest expense (Note 11)	2,841,512	2,558,883	5,490,305	4,969,267
	16,383,847	4,646,545	25,145,222	9,613,760
Net income (loss) before income tax expense	72,138,879	(4,637,513)	63,384,192	(9,559,807)
Income tax expense (Note 12)	(15,847,604)	—	(15,847,604)	—
Net income (loss) for the period	\$ 56,291,275	\$ (4,637,513)	\$ 47,536,588	\$ (9,559,807)
Net income (loss) per share				
Basic	\$ 0.63	\$ (0.06)	\$ 0.53	\$ (0.12)
Diluted	\$ 0.55	\$ (0.06)	\$ 0.50	\$ (0.12)
Weighted average common shares outstanding				
Basic	89,848,104	83,754,792	89,830,460	81,212,491
Diluted	106,679,440	83,754,792	106,728,057	81,212,491

GOLD RESERVE INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(Unaudited - Expressed in U.S. dollars)

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2017	2016	2017	2016
Net income (loss) for the period	\$ 56,291,275	\$ (4,637,513)	\$ 47,536,588	\$ (9,559,807)
Other comprehensive income (loss), net of tax:				
Items that may be reclassified subsequently to the consolidated statement of operations:				
Unrealized gain (loss) on marketable securities, net of tax of nil (Note 5)	(25,724)	54,887	(115,090)	187,668
Other comprehensive income (loss)	(25,724)	54,887	(115,090)	187,668
Comprehensive income (loss) for the period	\$ 56,265,551	\$ (4,582,626)	\$ 47,421,498	\$ (9,372,139)

The accompanying notes are an integral part of the interim consolidated financial statements.

GOLD RESERVE INC.
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
For the Six Months Ended June 30, 2017 and the Year Ended December 31, 2016
(Unaudited - Expressed in U.S. dollars)

	Common Shares		Contributed Surplus	Stock Options	Accumulated Deficit	Accumulated Other Comprehensive Income
	Number	Amount				
Balance, December 31, 2015	76,447,147	\$ 290,467,418	\$ 30,435,625	\$ 20,523,325	\$ (361,351,373)	\$ 69,078
Net loss					(21,545,692)	
Other comprehensive income						374,095
Stock option compensation				14,907		
Fair value of options exercised		3,184,507		(3,184,507)		
Common shares issued for:						
Private placement, net of costs	8,562,500	34,108,113				
Option exercises	2,286,500	4,175,875				
Note conversions (Note 11)	2,414,457	10,254,732	(4,711,725)			
Balance, December 31, 2016	89,710,604	342,190,645	25,723,900	17,353,725	(382,897,065)	443,173
Net income					47,536,588	
Other comprehensive loss						(115,090)
Stock option compensation (Note10)				4,661,778		
Fair value of options exercised		167,108		(167,108)		
Common shares issued for:						
Option exercises (Note 10)	137,500	397,375				
Balance, June 30, 2017	89,848,104	\$ 342,755,128	\$ 25,723,900	\$ 21,848,395	\$ (335,360,477)	\$ 328,083

The accompanying notes are an integral part of the interim consolidated financial statements.

GOLD RESERVE INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited - Expressed in U.S. dollars)

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2017	2016	2017	2016
Cash Flows from Operating Activities:				
Net income (loss) for the period	\$ 56,291,275	\$ (4,637,513)	\$ 47,536,588	\$ (9,559,807)
Adjustments to reconcile net income (loss) to net cash used in operating activities:				
Stock option compensation	244,958	3,601	4,661,778	11,781
Depreciation	1,250	1,512	2,447	3,129
Gain on sale of mining data	(99,000,000)	-	(99,000,000)	-
(Gain) loss on settlement of debt	10,492,564	(1,592)	10,492,564	(1,592)
Gain on disposition of marketable securities	-	-	-	(48,300)
Accretion of convertible notes	2,827,239	2,544,408	5,461,759	4,940,465
Changes in non-cash working capital:				
Net decrease (increase) in receivables, deposits and advances	93,125	146,346	(329,971)	289,343
Net increase (decrease) in payables and accrued expenses	27,449,659	(300,956)	27,473,283	(449,207)
Net cash used in operating activities	(1,599,930)	(2,244,194)	(3,701,552)	(4,814,188)
Cash Flows from Investing Activities:				
Proceeds from sale of mining data	40,000,000	-	40,000,000	-
Purchase of property, plant and equipment	(3,904)	-	(6,744)	(350,000)
Proceeds from disposition of marketable securities	-	-	-	48,300
Net cash provided by (used in) investing activities	39,996,096	-	39,993,256	(301,700)
Cash Flows from Financing Activities:				
Proceeds from the issuance of common shares	-	34,250,000	397,375	38,386,860
Financing fees	-	(141,887)	-	(141,887)
Settlement of debt	-	(2,408)	-	(2,408)
Net cash provided by financing activities	-	34,105,705	397,375	38,242,565
Change in Cash and Cash Equivalents:				
Net increase in cash and cash equivalents	38,396,166	31,861,511	36,689,079	33,126,677
Cash and cash equivalents - beginning of period	34,039,962	10,616,058	35,747,049	9,350,892
Cash and cash equivalents - end of period	\$ 72,436,128	\$ 42,477,569	\$ 72,436,128	\$ 42,477,569

The accompanying notes are an integral part of the interim consolidated financial statements.

GOLD RESERVE INC.
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in U.S. dollars)

Note 1. The Company and Significant Accounting Policies:

Gold Reserve Inc. ("Gold Reserve", the "Company", "we", "us", or "our") is engaged in the business of acquiring, exploring and developing mining projects and was incorporated in 1998 under the laws of the Yukon Territory, Canada and continued to Alberta, Canada in September 2014.

Gold Reserve Inc. is the successor issuer to Gold Reserve Corporation which was incorporated in 1956. A significant portion of our recent activities relate to the advancement of the Brisas Cristinas Project through Siembra Minera, the execution of the July 2016 Settlement Agreement, as amended, (the "Settlement Agreement") with Venezuela in regards to the payment of the Award and the acquisition of our Mining Data and past efforts related to the enforcement and collection of the September 2014 Award in connection with Venezuela's seizure of our mining project known as the Brisas Project. (See Note 8, Empresa Mixta Ecosocialista Siembra Minera, S.A. and Note 3, Arbitral Award Settlement and Associated Mining Data Sale).

Basis of Presentation and Principles of Consolidation. These interim consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles ("U.S. GAAP"). The statements principally include the accounts of the Company, Gold Reserve Corporation and two Barbadian subsidiaries formed to hold our interest in and operate Siembra Minera, as defined herein, (See Note 8, Empresa Mixta Ecosocialista Siembra Minera, S.A.). Siembra Minera is beneficially owned 55% by Venezuela and 45% by Gold Reserve. All subsidiaries are wholly owned. All intercompany accounts and transactions have been eliminated on consolidation. Our policy is to consolidate those subsidiaries where control exists. We have only one operating segment, the exploration and development of mineral properties. As these unaudited interim consolidated financial statements do not contain all of the disclosures required by U.S. GAAP for annual financial statements, they should be read in conjunction with the annual financial statements and related notes included in our Annual Report on Form 40-F for the year ended December 31, 2016.

Cash and Cash Equivalents. We consider short-term, highly liquid investments purchased with an original maturity of three months or less to be cash equivalents for purposes of reporting cash equivalents and cash flows. The cost of these investments approximates fair value. We manage the exposure of our cash and cash equivalents to credit risk by diversifying our holdings into major Canadian and U.S. financial institutions.

Exploration and Development Costs. Exploration costs incurred in locating areas of potential mineralization or evaluating properties or working interests with specific areas of potential mineralization are expensed as incurred. Development costs of proven mining properties not yet producing are capitalized at cost and classified as capitalized exploration costs under property, plant and equipment. Mineral property holding costs are charged to operations during the period if no significant exploration or development activities are being conducted on the related properties. Upon commencement of production, capitalized exploration and development costs would be amortized based on the estimated proven and probable reserves benefited. Mineral properties determined to be impaired or that are abandoned are written-down to the estimated fair value. Carrying values do not necessarily reflect present or future values.

Property, Plant and Equipment. Included in property, plant and equipment is certain equipment, the carrying value of which has been adjusted, as a result of impairment tests, to its estimated fair value of \$11.7 million and which is not being depreciated as it is not yet available for its intended use. The ultimate recoverable value of this equipment may be different than management's current estimate. We have additional property, plant and equipment which are recorded at cost less impairment charges and accumulated depreciation. Replacement costs and major improvements are capitalized. Maintenance and repairs are charged to expense as incurred. The cost and accumulated depreciation of assets retired or sold are removed from the accounts and any resulting gain or loss is reflected in operations. Furniture, office equipment and leasehold improvements are depreciated using the straight-line method over 5 to 10 years. The remaining property, plant and equipment are fully depreciated.

GOLD RESERVE INC.
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in U.S. dollars)

Impairment of Long Lived Assets. We review long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. If the sum of the expected future net cash flows to be generated from the use or eventual disposition of a long-lived asset (undiscounted and without interest charges) is less than the carrying amount of the asset, an impairment loss is recognized based on a determination of the asset's fair value. Fair value is generally determined by discounting estimated cash flows based on market participant expectations of those future cash flows, or applying a market approach that uses market prices and other relevant information generated by market transactions involving comparable assets.

Foreign Currency. The U.S. dollar is our (and our foreign subsidiaries') functional currency. Monetary assets and liabilities denominated in a foreign currency are translated into U.S. dollars at the rates of exchange in effect at the balance sheet dates. Non-monetary assets and liabilities are translated at historical rates and revenue and expense items are translated at average exchange rates during the reporting period, except for depreciation which is translated at historical rates. Translation gains and losses are included in the statement of operations.

Stock Based Compensation. We maintain the 2012 Equity Incentive Plan (the "2012 Plan") which provides for the grant of stock options to purchase our Class A common shares. We use the fair value method of accounting for stock options. The fair value of options granted to employees is computed using the Black-Scholes method as described in Note 10 and is expensed over the vesting period of the option. For non-employees, the fair value of stock based compensation is recorded as an expense over the vesting period or upon completion of performance. Consideration paid for shares on exercise of share options, in addition to the fair value attributable to stock options granted, is credited to capital stock. We also maintain the Gold Reserve Director and Employee Retention Plan (the "Retention Plan"). Each Unit (each, a "Retention Unit") granted under the Retention Plan to a participant entitles such person, under certain circumstances, to receive a cash payment equal to the fair market value of one Gold Reserve Class A common share on the date the Retention Unit was granted or on the date any such participant becomes entitled to payment, whichever is greater. Stock options and Retention Units granted under the respective plans become fully vested and exercisable upon a change of control.

Income Taxes. We use the liability method of accounting for income taxes. Deferred tax assets and liabilities are determined based on the differences between the tax basis of assets and liabilities and those amounts reported in the financial statements. The deferred tax assets or liabilities are calculated using the enacted tax rates expected to apply in the periods in which the differences are expected to be settled. Deferred tax assets are recognized to the extent that they are considered more likely than not to be realized.

Use of Estimates. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Net Income (Loss) Per Share. Basic net income (loss) per share is computed by dividing net income (loss) by the weighted average number of Class A common shares outstanding during each period. Diluted net income per share reflects the potentially dilutive effects of outstanding stock options and convertible notes. In periods in which a loss is incurred, the effect of potential issuances of shares under stock options and convertible notes would be anti-dilutive, and therefore basic and diluted losses per share are the same in those periods.

Convertible Notes. Convertible notes are initially recorded at estimated fair value and subsequently measured at amortized cost. The fair value is allocated between the equity and debt component parts based on their respective fair values at the time of issuance and recorded net of transaction costs. The equity portion of the convertible notes is estimated using the residual value method. The fair value of the debt component is accreted to the face value of the convertible notes using the effective interest rate method over the contractual life of the convertible notes, with the resulting charge recorded as interest expense.

Investments. We determine the appropriate classification of investments in equity securities at acquisition and reevaluate such classifications at each reporting date. Investments in incorporated entities in which the Company has the ability to exercise significant influence over the investee and the Company's ownership is between 20% and 50% are accounted for by the equity method.

GOLD RESERVE INC.
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in U.S. dollars)

Financial Instruments. Marketable equity securities are classified as available for sale with any unrealized gain or loss recorded in other comprehensive income. If a decline in fair value of a security is determined to be other than temporary, an impairment loss is recognized. Cash and cash equivalents, deposits and advances are accounted for at cost which approximates fair value. Accounts payable, convertible notes and interest notes are recorded at amortized cost. Amortized cost of accounts payable approximates fair value.

Contingent Value Rights. Contingent value rights ("CVRs") are obligations relating to a portion of the future proceeds of the Award against Venezuela and/or the sale of the Brisas Project technical mining data (the "Mining Data") that we previously compiled.

Note 2. New Accounting Policies:

Adopted in the year

In March 2016, the FASB issued ASU 2016-09, Compensation – Stock Compensation. The objective of this update is to simplify several aspects of the accounting for share-based payment transactions, including the income tax consequences, classification of awards as either equity or liabilities, and classification on the statement of cash flows. This update was effective for us January 1, 2017 and did not have an impact on our financial statements.

Recently issued accounting pronouncements

In January 2017, the FASB issued ASU 2017-01, Business Combinations. This update clarifies the definition of a business and adds guidance to assist entities with evaluating whether transactions should be accounted for as acquisitions (or disposals) of assets or businesses. This update is effective for us commencing with the annual period beginning after December 15, 2017 and interim periods within that annual period. We do not expect the adoption of this standard will have a significant impact on our financial statements.

In November 2016, the FASB issued ASU 2016-18, Statement of Cash Flows – Restricted Cash. This update requires that a statement of cash flows explain the change during the period in the total of cash, cash equivalents and amounts generally described as restricted cash or restricted cash equivalents. This update is effective for us commencing with the annual period beginning after December 15, 2017 and interim periods within that annual period. We do not expect the adoption of this standard will have a significant impact on our financial statements.

In August 2016, the FASB issued ASU 2016-15, Statement of Cash Flows – Classification of Certain Cash Receipts and Cash Payments. This update is intended to reduce the existing diversity in how certain cash receipts and cash payments are presented and classified in the statement of cash flows. This update is effective for us commencing with the annual period beginning after December 15, 2017 and interim periods within that annual period. We do not expect the adoption of this standard will have a significant impact on our financial statements.

In February 2016, the FASB issued ASU 2016-02, Leases. This update is intended to increase transparency and comparability among organizations by recognizing lease assets and lease liabilities on the balance sheet and disclosing key information about leasing arrangements. This update is effective for us commencing with the annual period beginning after December 15, 2018, including interim periods within that year. We do not expect the adoption of this standard will have a significant impact on our financial statements.

In January 2016, the FASB issued ASU 2016-01, Recognition and Measurement of Financial Assets and Financial Liabilities. The amendments in this update address certain aspects of recognition, measurement, presentation, and disclosure of financial instruments. This update is effective for us commencing with the annual period beginning after December 15, 2017. We do not expect the adoption of this standard will have a significant impact on our financial statements.

GOLD RESERVE INC.
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in U.S. dollars)

In May 2014, the FASB issued ASU 2014-09, Revenue from contracts with customers. This standard contains principles that an entity will apply to determine the measurement of revenue and timing of when it is recognized. The underlying principle is that an entity will recognize revenue to depict the transfer of goods or services to customers at an amount that the entity expects to be entitled to in exchange for those goods or services. This update is effective for us commencing with the annual period beginning after December 15, 2017. As we currently do not generate revenue from operations we do not expect the adoption of this standard will have a significant impact on our financial statements.

Note 3. Arbitral Award Settlement and Associated Mining Data Sale:

In October 2009, we initiated a claim (the "Brisas Arbitration") under the additional facility rules of the International Centre for the Settlement of Investment Disputes ("ICSID") of the World Bank to obtain compensation for the losses caused by the actions of Venezuela that terminated the Brisas Project.

In September 2014, the ICSID Tribunal granted us an Arbitral Award (the "Award") totaling (i) \$713 million in damages, plus (ii) pre-award interest from April 2008 through the date of the Award based on the U.S. Government Treasury Bill Rate, compounded annually totaling, as of the date of the Award, approximately \$22.3 million and (iii) \$5 million for legal costs and expenses, for a total, as of September 22, 2014, of \$740.3 million. The Award (less legal costs and expenses) accrues post-award interest at a rate of LIBOR plus 2%, compounded annually.

In July 2016, we signed a settlement agreement (the "Settlement Agreement") with Venezuela which contemplated payment of the Award (including interest) and the purchase of our mining data by Venezuela. The parties subsequently executed several amendments to the Settlement Agreement under which the payment schedule related to the Award and Mining Data was revised. Under the terms of the most recent amendment, Venezuela agreed to pay the Company \$797 million to satisfy the Award and \$240 million for the Mining Data for a total of approximately \$1.037 billion in installments over approximately 24 months. The first \$240 million received from Venezuela is, pursuant to the Settlement Agreement, related to the sale of the Mining Data. In addition, Venezuela irrevocably waived its right to appeal the February 2017 judgment issued by the Cour d'appel de Paris dismissing the annulment applications filed by Venezuela in respect of the Award, agreed to terminate all other proceedings seeking annulment of the Award and refrain from commencing or pursuing any further proceedings including those in France, England, Luxembourg and the United States, to seek any such annulment. The Company received the first payment under the agreement of \$40 million in June 2017 and two additional payments of \$29.5 million in July and August 2017 for a total of \$99 million which, according to the terms of the agreement, are allocated solely to the sale of the mining data.

Pursuant to a 2012 restructuring of convertible notes, we issued CVRs that entitle the holders to an aggregate of 5.468% of any future proceeds, net of certain deductions, actually received by us with respect to the Award and/or disposition of the Mining Data. The estimated amount due pursuant to the terms of the CVR as of June 30, 2017, based on income from the sale of the Mining Data of \$99 million net of deductions, is approximately \$1.9 million. (See Note 11, Convertible Notes and Interest Notes). The Board of Directors (the "Board") approved a bonus plan (the "Bonus Plan") in May 2012, which is intended to compensate the participants, including executive officers, employees, directors and consultants for their contributions related to the development of the Brisas Project to the construction stage and subsequent issuance of the environmental permit to commence construction of the Brisas Project; the manner in which the development effort was carried out allowing the Company to present a strong defense of its arbitration claim; the support of the Company's execution of the Arbitration Proceedings; and the on-going efforts to assist with positioning the Company in the collection of an award, sale of the Mining Data or enterprise sale. The bonus pool under the Bonus Plan is comprised of the gross proceeds collected or the fair value of any consideration realized related to such transactions less applicable taxes multiplied by 1% of the first \$200 million and 5% thereafter. The Bonus Plan is administered by a committee of independent directors who selected the individual participants in the Bonus Plan and fixed the relative percentage of the total pool to be distributed to each participant. Participation in the Bonus Plan by existing participants is fully vested, subject to voluntary termination of employment or termination for cause. The estimated amount due to participants pursuant to the terms of the Bonus Plan as of June 30, 2017 is \$0.8 million which is included in corporate general and administrative expense in the Consolidated Statements of Operations for the three and six months ended June 30, 2017. The Company also maintains the Gold Reserve Director and Employee Retention Plan (the "Retention Plan") (See Note 10, Stock Based Compensation Plans).

GOLD RESERVE INC.
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
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As a result of the receipt of proceeds from the disposition of the Mining Data, we made an obligatory offer to existing holders to redeem the 2018 Notes at a price equal to 120% of the principal amount of 2018 Notes outstanding. (See Note 11, Convertible Notes and Interest Notes and Note 13, Subsequent Events).

Our current plan is to distribute to our shareholders, in the most cost efficient manner, a substantial majority of any net proceeds, subject to applicable regulatory requirements regarding capital and reserves for operating expenses, accounts payable and income taxes, and any obligations arising as a result of the collection of the Award and/or sale of the Mining Data. Such obligations include payments pursuant to the terms of the Convertible Notes (if not otherwise converted), Interest Notes, CVRs, Bonus Plan and Retention Plan (all as defined herein). Contingent legal fees of approximately \$1.8 million became payable upon the collection of the Award and are included in accounts payable at June 30, 2017.

Note 4. Cash and Cash Equivalents:

	June 30, 2017	December 31, 2016
Bank deposits	\$ 42,781,822	\$ 1,122,542
Money market funds	29,654,306	34,624,507
Total	<u>\$ 72,436,128</u>	<u>\$ 35,747,049</u>

Note 5. Marketable Securities:

	June 30, 2017	December 31, 2016
Fair value at beginning of year	\$ 541,216	\$ 180,986
Dispositions, at cost	—	(96)
Realized gain	—	(60)
Impairment loss	—	(13,769)
Increase (decrease) in market value	(115,090)	374,155
Fair value at balance sheet date	<u>\$ 426,126</u>	<u>\$ 541,216</u>

The Company's marketable securities are classified as available-for-sale and are recorded at quoted market value with gains and losses recorded within other comprehensive income (loss) until realized or impaired. Realized gains and losses are based on the average cost of the shares held at the date of disposition. As of June 30, 2017 and December 31, 2016, marketable securities had a cost basis of \$98,043.

GOLD RESERVE INC.
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
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Note 6. Fair Value Measurements:

Accounting Standards Codification ("ASC") 820 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three broad levels: Level 1 inputs are quoted prices in active markets for identical assets or liabilities, Level 2 inputs are inputs other than quoted prices included within Level 1 that are directly or indirectly observable for the asset or liability and Level 3 inputs are unobservable inputs for the asset or liability that reflect the entity's own assumptions. The most observable level 2 inputs used for the convertible notes include the volume weighted average trading price of our common stock and the most recent observable trading history of the 2022 Notes, as defined in Note 11.

	Fair value June 30, 2017		Level 1		Level 2	
Marketable securities	\$	426,126	\$	426,126	\$	-
Convertible notes and interest notes	\$	51,148,557	\$	-	\$	51,148,557

	Fair value December 31, 2016		Level 1		Level 2	
Marketable securities	\$	541,216	\$	541,216	\$	-
Convertible notes and interest notes	\$	77,164,724	\$	-	\$	77,164,724

Note 7. Property, Plant and Equipment:

	Cost	Accumulated Depreciation	Net
June 30, 2017			
Machinery and equipment	\$ 11,677,534	\$ -	\$ 11,677,534
Furniture and office equipment	525,597	(503,317)	22,280
Leasehold improvements	42,169	(41,190)	979
Mineral property	350,000	-	350,000
	<u>\$ 12,595,300</u>	<u>\$ (544,507)</u>	<u>\$ 12,050,793</u>

	Cost	Accumulated Depreciation	Net
December 31, 2016			
Machinery and equipment	\$ 11,677,534	\$ -	\$ 11,677,534
Furniture and office equipment	519,832	(500,870)	18,962
Leasehold improvements	41,190	(41,190)	-
Mineral property	350,000	-	350,000
	<u>\$ 12,588,556</u>	<u>\$ (542,060)</u>	<u>\$ 12,046,496</u>

On March 1, 2016, we completed the acquisition of certain wholly-owned mining claims known as the LMS Gold Project (the "Property"), together with certain personal property for \$350,000, pursuant to a Purchase and Sale Agreement with Raven Gold Alaska Inc. ("Raven"), a wholly-owned subsidiary of Corvus Gold Inc. which was recorded as mineral property.

Raven retains a royalty interest with respect to (i) precious metals produced and recovered from the Property equal to 3% of net smelter returns on such metals (the "Precious Metals Royalty") and (ii) base metals produced and recovered from the Property equal to 1% of net smelter returns on such metals, provided that we have the option, for a period of 20 years from the date of closing of the acquisition, to buy back a one-third interest (i.e. 1%) in the Precious Metals Royalty at a price of \$4 million.

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Machinery and equipment consists of infrastructure and milling equipment intended for use on the Brisas Project. We continually evaluate our equipment to determine whether events or changes in circumstances have occurred that may indicate impairment has occurred. We review comparable market data for evidence that fair value less cost to sell is in excess of the carrying amount. In December 2016, based on market valuations for mining equipment which included the review of transactions involving comparable assets, we recorded a write-down of \$0.6 million to an estimated fair value.

Note 8. Empresa Mixta Ecosocialista Siembra Minera, S.A.:

In August 2016, we executed an agreement ("Mixed Company Agreement") with Venezuela for the formation of a jointly owned company ("Mixed Company") and in October 2016, together with Venezuela, we established Empresa Mixta Ecosocialista Siembra Minera, S.A. ("Siembra Minera"), the entity whose mission is to develop the Brisas Cristinas Project.

Siembra Minera is beneficially owned 55% by Corporacion Venezolana De Minería, S.A., a Venezuelan government corporation, and 45% by Gold Reserve and the parties will retain their respective interest in Siembra Minera in the event the agreed upon payments, pursuant to the Settlement Agreement, are not made by Venezuela. Siembra Minera holds the gold, copper, silver and other strategic mineral rights within Bolivar State, including the Brisas Cristinas Project, (each having a 40 year term comprised of 20 years with two 10 year extensions) and is, among other things authorized, via Presidential Decrees and Ministerial and Central Bank resolutions, to carry-on its business, pay a net smelter return royalty to Venezuela on the sale of gold, copper, silver and any other strategic minerals over the life of the project and provide net profits participation based on the sales price of gold per ounce. Siembra Minera has not recorded any expenses to date as its initial costs have been borne by the Company and Venezuela.

The Company's cumulative expenditures associated with Siembra Minera through June 30, 2017 amounted to approximately \$3.5 million, including approximately \$1.6 million in 2016 and \$1.9 million during the six months ended June 30, 2017. These expenditures included cash and non-cash compensation and other costs of consultants working on the project.

Note 9. KSOP Plan:

The KSOP Plan, adopted in 1990 for retirement benefits of employees, is comprised of two parts, (1) a salary reduction component, and a 401(k) which includes provisions for discretionary contributions by us, and (2) an employee share ownership component, or ESOP. Allocation of Class A common shares or cash to participants' accounts, subject to certain limitations, is at the discretion of the Board. There have been no Class A common shares allocated to the KSOP Plan since 2011. Cash contributions for plan year 2016 were approximately \$163,000. As of June 30, 2017, no contributions by the Company had been made for plan year 2017.

Note 10. Stock Based Compensation Plans:

Equity Incentive Plans

On June 27, 2012, the shareholders approved the 2012 Equity Incentive Plan (the "2012 Plan") to replace our previous equity incentive plans. On September 19, 2016, the Board approved an amendment and restatement of the 2012 Plan to increase the maximum number of shares issuable thereunder to 8,750,000, representing less than 10% of the issued and outstanding Class A Common Shares of the Company at such date. Such amendment was approved by the TSX Venture Exchange ("TSXV") on October 6, 2016.

As of June 30, 2017, there were 1,585,000 options available for grant. Grants are made for terms of up to ten years with vesting periods as required by the TSXV and as may be determined by a committee of the Board established pursuant to the 2012 Plan.

GOLD RESERVE INC.
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
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Stock option transactions for the six months ended June 30, 2017 and 2016 are as follows:

	2017		2016	
	Shares	Weighted Average Exercise Price	Shares	Weighted Average Exercise Price
Options outstanding - beginning of period	3,357,000	\$ 2.84	5,643,500	\$ 2.43
Options granted	5,277,500	3.15	-	-
Options exercised	(137,500)	2.89	(2,273,000)	1.82
Options expired	(1,469,500)	2.89	-	-
Options outstanding - end of period	7,027,500	\$ 3.06	3,370,500	\$ 2.85
Options exercisable - end of period	5,908,752	\$ 3.05	3,345,500	\$ 2.84

The following table relates to stock options at June 30, 2017:

Outstanding Options					Exercisable Options			
Exercise Price	Number	Weighted Average Exercise Price	Aggregate Intrinsic Value	Weighted Average Remaining Contractual Term (Years)	Number	Weighted Average Exercise Price	Aggregate Intrinsic Value	Weighted Average Remaining Contractual Term (Years)
\$1.92	875,000	\$1.92	\$752,500	3.94	875,000	\$1.92	\$752,500	3.94
\$2.69	125,000	\$2.69	11,250	9.84	31,250	\$2.69	2,813	9.84
\$3.00	250,000	\$3.00	-	0.95	250,000	\$3.00	-	0.95
\$3.15	5,027,500	\$3.15	-	9.63	4,002,502	\$3.15	-	9.63
\$3.45	125,000	\$3.45	-	0.56	125,000	\$3.45	-	0.56
\$3.89	100,000	\$3.89	-	0.56	100,000	\$3.89	-	0.56
\$3.91	215,000	\$3.91	-	6.79	215,000	\$3.91	-	6.79
\$4.02	310,000	\$4.02	-	7.07	310,000	\$4.02	-	7.07
\$1.92 - \$4.02	7,027,500	\$3.06	\$763,750	8.13	5,908,752	\$3.05	\$755,313	7.84

During the six months ended June 30, 2017 and 2016, the Company granted 5,277,500 and NIL stock options, respectively. In the first half of 2017 and 2016 approximately 0.1 million and 2.3 million outstanding options were exercised, respectively for net proceeds to the Company of approximately \$0.4 million and \$4.1 million, respectively. The Company recorded non-cash compensation expense during the six months ended June 30, 2017 and 2016 of \$4,661,778 and \$11,781, respectively for stock options granted in 2017 and prior periods.

The weighted average fair value of the options granted in the first six months of 2017 was calculated at \$1.04. The fair value of options granted was determined using the Black-Scholes model based on the following weighted average assumptions:

	2017
Risk free interest rate	1.22%
Expected term	2 years
Expected volatility	59%
Dividend yield	nil

The risk free interest rate is based on the US Treasury rate on the date of grant for a period equal to the expected term of the option. The expected term is based on historical exercise experience and projected post-vesting behavior. The expected volatility is based on historical volatility of the Company's stock over a period equal to the expected term of the option.

GOLD RESERVE INC.
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Retention Plan and Change of Control Agreements

The Company maintains the Gold Reserve Director and Employee Retention Plan. Each unit (the "Retention Units") granted to a participant entitles such person to receive a cash payment equal to the fair market value of one Gold Reserve Class A common share on the date the Retention Unit was granted or on the date any such participant becomes entitled to payment, whichever is greater. Units previously granted under the plan become fully vested upon: (1) collection of Award proceeds from the ICSID arbitration process and/or sale of mining data and our agreement to distribute a substantial majority of the proceeds to our shareholders or, (2) the event of a change of control. A "Change of Control", as it relates to the Retention Plan, has the same meaning as defined in the Change of Control agreements, as described below. As of June 30, 2017 an aggregate of 1,457,500 units have been granted to directors and executive officers of the Company and 315,000 units have been granted to other employees. In June 2017, as a result of the collection of proceeds related to the Mining Data, the Retention Units vested and the Company accrued a liability of \$7.7 million.

The Company also maintains change of control agreements with certain officers and employees. A Change of Control is generally defined as one or more of the following: the acquisition by any individual, entity or group, of beneficial ownership of the Company of 25 percent of the voting power of the outstanding Common Shares; a change in the composition of the Board that causes less than a majority of the current directors of the Board to be members of the incoming board; reorganization, merger or consolidation or sale or other disposition of all or substantially all of the assets of the Company; liquidation or dissolution of the Company; or any other event the Board reasonably determines constitutes a Change of Control. As of June 30, 2017, in the event of a change of control, the amount payable under these agreements was approximately \$8.1 million.

Note 11. Convertible Notes and Interest Notes:

The amount recorded as Convertible Notes and Interest Notes in the consolidated balance sheet as of June 30, 2017 is comprised of approximately \$44.1 million carrying value of 11% Senior Secured Convertible Notes due December 31, 2018 (the "2018 Convertible Notes"), \$5.5 million premium on 2018 Notes (as defined herein), approximately \$1.0 million of 2022 Convertible Notes (as defined herein) and approximately \$9.3 million of Interest Notes (as defined herein). The carrying value of the 2018 Convertible Notes is being accreted to face value using the effective interest rate method over the expected life of the 2018 Convertible Notes with the resulting charge recorded as interest expense. As of June 30, 2017, the Company had \$50.9 million face value of Convertible Notes and \$9.3 million face value of Interest Notes outstanding.

The 2018 Convertible Notes bear interest at a rate of 11% per year which is accrued quarterly and is payable in the form of new 11% Senior Secured Interest Notes due December 31, 2018 (the "Interest Notes" and, together with the 2018 Convertible Notes, the "2018 Notes") and payable in cash at maturity. Interest on the Interest Notes is also payable in additional Interest Notes. The 2018 Convertible Notes are convertible, at the option of the holder, into 333.3333 Class A common shares per \$1,000 principal amount (equivalent to a conversion price of \$3.00 per common share) at any time upon prior written notice to us. The Interest Notes are not convertible into our Class A common shares or any other security. We also have outstanding \$1.0 million aggregate principal amount of 5.50% Senior Subordinated Convertible Notes due June 15, 2022 (the "2022 Convertible Notes" and, together with the 2018 Convertible Notes, the "Convertible Notes") issued in May 2007 with a maturity date of June 15, 2022. The 2022 Convertible Notes bear interest at a rate of 5.50% per year, payable semiannually in arrears on June 15 and December 15 and, subject to certain conditions we may redeem, repurchase or convert the 2022 Convertible Notes into our Class A common shares at a conversion price of \$7.54 per common share.

In accordance with U.S. GAAP, we allocated the 2018 Convertible Notes between their equity and liability component parts based on their respective fair values at the time of issuance. The liability component was computed by discounting the stream of future payments of interest and principal at an effective interest rate of 27% which was the estimated market rate for a similar liability that does not have an associated equity component. The equity portion of the 2018 Convertible Notes was estimated using the residual value method at approximately \$18.2 million net of issuance costs which were allocated pro rata between the equity and liability components. The fair value of the liability component is accreted to the face value of the 2018 Notes using the effective interest rate method over the expected life of the 2018 Convertible Notes, with the resulting charge recorded as interest expense.

GOLD RESERVE INC.
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
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In June 2017, the Company gave notice to its noteholders that it would redeem \$27.5 million of 2018 Notes for cash equal to 120% of the outstanding principal amount of the notes to be redeemed for a total of \$33.0 million. As a result of this redemption, the Company recorded a \$10.5 million loss on settlement of debt consisting of \$5.5 million related to the 20% premium due on the 2018 Notes and approximately \$5.0 million of unamortized discount remaining on the 2018 Notes prior to the redemption. Subsequent to June 30, 2017, the Company gave notice that it would redeem all of the remaining 2018 Notes. (See Note 13, Subsequent Events). In the first six months of 2016, \$7.2 million face value of 2018 Convertible Notes were converted at a price of \$3.00 per share resulting in the issuance of 2.4 million Class A common shares.

Pursuant to a 2012 restructuring of convertible notes, we issued CVRs that entitle the holders to an aggregate of 5.468% of any future proceeds, net of certain deductions (including an income tax calculation and our then current obligations), actually received by us with respect to the Brisas Arbitration proceedings and/or disposition of the Mining Data related to the development of the Brisas Project. The estimated amount due pursuant to the terms of the CVR as of June 30, 2017, based on the income from the sale of the Mining Data of \$99 million net of deductions, is approximately \$1.9 million. The Company had previously recorded an accrual of approximately \$1.0 million related to the CVRs and as a result the CVR expense for the three and six months ended June 17, 2017 was approximately \$0.9 million.

Note 12. Income Tax:

Income tax expense for the six months ended June 30, 2017 and 2016 differs from the amount that would result from applying Canadian tax rates to net income (loss) before taxes. These differences result from the items noted below:

	2017	2016
Income tax (benefit) based on Canadian tax rates	\$ 15,846,048	\$ (2,389,952)
Increase (decrease) due to:		
Different tax rates on foreign subsidiaries	9,251,553	(90,118)
Non-deductible expenses	2,217,385	443,242
Change in valuation allowance and other	(11,467,382)	2,036,828
	<u>\$ 15,847,604</u>	<u>\$ —</u>

The Company recorded income tax expense of \$15.8 million and NIL for the six months ended June 30, 2017 and 2016, respectively. We have recorded a valuation allowance to reflect the estimated amount of the deferred tax assets which may not be realized, principally due to the uncertainty of utilization of net operating losses and other carry forwards prior to expiration. The valuation allowance for deferred tax assets may be reduced in the near term if our estimate of future taxable income changes. The components of the Canadian and U.S. deferred income tax assets as of June 30, 2017 and December 31, 2016 were as follows:

	Deferred Tax Asset	
	2017	2016
Net operating loss carry forwards	34,210,090	46,962,497
Property, Plant and Equipment	3,228,026	3,227,610
Capital loss carry forwards	425,813	15,411
Other	365,394	330,882
	<u>38,229,323</u>	<u>50,536,400</u>
Valuation allowance	(38,229,323)	(50,536,400)
Net deferred tax asset	<u>\$ —</u>	<u>\$ —</u>

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(Expressed in U.S. dollars)

At June 30, 2017, we had the following U.S. and Canadian tax loss carry forwards:

	U.S.	Canadian	Expires
\$	1,386,674	\$ —	2018
	1,621,230	—	2019
	665,664	—	2020
	896,833	—	2021
	1,435,774	—	2022
	1,806,275	—	2023
	2,386,407	—	2024
	3,680,288	—	2025
	4,622,825	2,013,042	2026
	6,033,603	3,735,944	2027
	4,360,823	14,239,714	2028
	1,769,963	13,495,082	2029
	2,159,079	16,672,424	2030
	3,216,024	18,669,255	2031
	3,041,866	5,416,162	2032
	5,532,290	6,965,008	2033
	1,933,918	10,034,585	2034
	2,099,507	13,024,098	2035
	3,770,594	15,485,243	2036
	—	17,089,802	2037
\$	<u>52,419,637</u>	<u>\$ 136,840,359</u>	

Note 13. Subsequent Events:

In June 2017, the Company gave notice of a partial redemption of its 2018 Notes and in the third quarter of 2017, the Company gave notice that it would redeem all of its remaining 2018 Notes. At June 30, 2017, the Company had a total of \$59.1 million face value of 2018 Notes outstanding. Of these notes, \$36.3 million were settled in cash and the Company paid an additional \$6.4 million in premium on redemption and \$0.2 million in interest to the redemption date. The remaining \$22.8 million 2018 Notes were converted to approximately 7.6 million Class A common shares. As of August 10, 2017, all of the Company's 2018 Notes had been redeemed for cash or converted to Class A common shares and the Company's remaining debt consisted of approximately \$1.0 million 2022 Convertible Notes.

In August 2017, The U.S. government moved to restrict the Venezuelan government's access to the U.S. financial markets. An executive order was issued barring, among other things, dealings in new bonds and stocks issued by the Venezuelan government and the state oil company. The Company is evaluating the impact of these and other restrictions, if any, on its dealings with the Venezuelan government.

GOLD RESERVE INC.
June 30, 2017
Management's Discussion and Analysis
U.S. Dollars
(unaudited)

Management's Discussion and Analysis of Financial Condition and Results of Operations

OVERVIEW

This Management's Discussion and Analysis of Financial Condition and Results of Operations, dated August 29, 2017 is intended to assist in understanding and assessing our results of operations and financial condition and should be read in conjunction with the June 30, 2017 interim consolidated financial statements and related notes.

EXPLORATION PROSPECTS

Siembra Minera

In August 2016, we executed an agreement ("Mixed Company Agreement") with Venezuela for the formation of a jointly owned company ("Mixed Company") and in October 2016, together with Venezuela, we established Empresa Mixta Ecosocialista Siembra Minera, S.A. ("Siembra Minera"), the entity whose mission is to develop the Brisas Cristinas Project.

Siembra Minera is beneficially owned 55% by Corporacion Venezolana De Minería, S.A., a Venezuelan government corporation, and 45% by Gold Reserve and the parties will retain their respective interest in Siembra Minera in the event the agreed upon payments, pursuant to the Settlement Agreement, are not made by Venezuela. Siembra Minera holds the gold, copper, silver and other strategic mineral rights within Bolivar State, including the Brisas Cristinas Project, (each having a 40 year term comprised of 20 years with two 10 year extensions) and is, among other things authorized, via Presidential Decrees and Ministerial and Central Bank resolutions, to carry-on its business, pay a net smelter return royalty to Venezuela on the sale of gold, copper, silver and any other strategic minerals over the life of the project and provide net profits participation based on the sales price of gold per ounce. Siembra Minera has not recorded any expenses to date as its initial costs have been borne by the Company and Venezuela.

The Company's cumulative expenditures associated with Siembra Minera through June 30, 2017 amounted to approximately \$3.5 million, including approximately \$1.6 million in 2016 and \$1.9 million during the six months ended June 30, 2017. In addition, the Company has entered contracts for further expenditures amounting to approximately \$1.4 million.

GR Engineering (Barbados) Inc. ("GR Engineering"), under a Technical Services Agreement, is providing engineering, procurement and construction services to Siembra Minera for a fee of 5% over all costs of construction and development and, thereafter, for a fee of 5% over operating costs during operations.

Brisas Cristinas Initial Scope of work

GR Engineering continues its work associated with the design and cost of two separate and concurrent processing plant scenarios. One is an oxide saprolite ore processing plant that would provide for a fast track production and cash flow. This is a smaller plant that could be constructed in less than a two year time frame. The other is a large scale processing plant for the sulfide saprolite and hard rock ores which would take longer to put into production. In this regard, GR Engineering has signed initial contracts totaling an estimated \$1.4 million with the following consultants initiating work on the Brisas Cristinas Project on a number of fronts:

- Roscoe Postle Associates Inc. (RPA) has commenced work on a NI 43-101 report and Preliminary Economic Assessment (PEA) which will include updated resource estimates and cost estimates;
- Samuel Engineering, Inc. is providing preliminary design and cost estimates on the oxide saprolite processing plant and is providing support to RPA on the large scale hard rock process plant design and related capital cost estimates;
- Tierra Group International, LTD is also providing preliminary design and cost estimates for the oxide saprolite processing plant tailings dam facility and is providing support to RPA on the large scale hard rock process plant tailings dam design and capital cost estimates;
- Ingenieria Caura, S.A. (Caura) is working on an Early Works Program (including earthwork, timber clearing and road building) along with various permitting applications which have been submitted to the government. In addition, Caura is preparing the Venezuela Environment Impact Statements (VEIS) for both the oxide saprolite and hard rock process plants;

- AATA International Inc. (AATA) has commenced work on an International Environmental and Social Impact Assessment (IESIA) for the hard rock processing plant. Prizma LLC. is providing support and assistance to Caura and AATA for the social aspects of the VEIS and IESIA;
- Global Resource Engineering (GRE) is providing support and assistance to Caura and AATA for the geochemistry and water quality aspects of the VEIS and IESIA; and
- Inversiones Alfamaq, C.A. an industrial company in Venezuela has been providing support services in Venezuela and will be working with GR Engineering and Siembra Minera to provide construction services for the early works at the project once the permits are received. In addition Alfamaq has already mobilized equipment to the site and has been instrumental in the anti-malaria program with smoker units going throughout the local communities to start to eradicate the source of the malaria.

The Company's current activities also include the drafting of an Engineering Procurement Construction Management ("EPCM") contract between GR Engineering and Siembra Minera, establishing offices in Caracas and Puerto Ordaz for operation and administrative functions, identifying and hiring administrative and operations personnel, providing incoming/outgoing transportation, preparing and implementing security policies, transportation and housing policies, hiring and training security staff and acquiring vehicles and office and field equipment. Concurrently, the Company has conducted meetings with Venezuelan government agencies for the development of a small miner and relocation plan, development of a social development plan for the region and commenced an anti-malaria program and campaign to combat the disease.

Brisas Cristinas Combined

The original Brisas and Cristinas properties are immediately adjacent to each other. We have determined that not only did the adjoining properties share one large, continuous mineral deposit, but developing and exploiting this mineralization in a combined project would have less impact on the environment than two separate projects, and as a result would create efficiencies and economies of scale that would enhance the combined project economics.

Multiple mineral resource estimates and feasibility studies (no longer current due to stale operating and capital cost estimates), have been completed on each individual property in the past and Siembra Minera is currently completing a new resource estimate on the combined properties by preparing a Preliminary Economic Assessment ("PEA") in accordance with National Instrument 43-101 - Standards of Disclosure for Mineral Projects ("NI 43-101").

We are confident that because of the previous studies on Brisas, the Brisas Cristinas Project has the potential to be a large open pit mining project. With the granting of the new Economic Zone which encompasses the original properties and has additional space for infrastructure and resource expansion totaling 18,950 hectares, our base plan is to combine the Brisas and Cristinas properties into one project and utilize the 2008 Brisas design and layout to eliminate the duplication of infrastructure facilities and staff from the previously independent project plans. One large project versus two smaller projects reduces the overall footprint or disturbed ground by 30 to 40% of the area from what was anticipated for the independently developed projects. As a result, it allows the down-dip expansion of the pit area for increased recovery of substantial additional potential mineral resources while significantly reducing related environmental impacts. The early works activities will commence on the original Brisas site due to the fact that much of what is in the first permit was already permitted by the government in 2007 and therefore are at an advanced stage, which will allow the government to fast track this early permitting.

Brisas Cristinas Location

The Brisas Cristinas Project is located in the Guyana region, in the Kilometer (Km) 88 gold mining district of Bolivar State in southeast Venezuela. The name Kilometer 88 for the district came from the area being located near the kilometer 88 marker of the road linking El Dorado (Km 0) with the Brazilian border (Pan American Highway or Highway 10). Las Claritas is the closest town to the property. The closest nearby large city is Puerto Ordaz situated on the Orinoco River near its confluence with the Caroní River. Puerto Ordaz is home to most of the major industrial facilities like the aluminum smelters and port facilities accessible to ocean-going vessels from the Atlantic Ocean via the Orinoco River, a distance of about 200 kilometers.

LMS Gold Project

On March 1, 2016, we completed the acquisition of certain wholly-owned mining claims known as the LMS Gold Project (the "Property"), together with certain personal property for \$350,000, pursuant to a Purchase and Sale Agreement with Raven Gold Alaska Inc. ("Raven"), a wholly-owned subsidiary of Corvus Gold Inc.

Raven retains a royalty interest with respect to (i) "Precious Metals" produced and recovered from the Property equal to 3% of "Net Smelter Returns" on such metals (the "Precious Metals Royalty") and (ii) "Base Metals" produced and recovered from the Property equal to 1% of Net Smelter Returns on such metals, provided that we have the option, for a period of 20 years from the date of closing of the acquisition, to buy back a one-third interest (i.e. 1%) in the Precious Metals Royalty at a price of \$4 million. The Property consists of 36 contiguous State of Alaska mining claims covering 61 km² in the Goodpaster Mining District situated approximately 25 km north of Delta Junction and 125 km southeast of Fairbanks, Alaska. The Property remains at an early stage of exploration and is the subject of a National Instrument 43-101 Technical Report entitled "Technical Report on the LMS Gold Project, Goodpaster Mining District, Alaska" dated February 19, 2016 prepared for us by Ed Hunter, BSc., P. Geo and Gary H. Giroux, M.A. Sc., P. Eng.

BRISAS ARBITRAL AWARD SETTLEMENT AND MINING DATA SALE

In October 2009, we initiated a claim (the "Brisas Arbitration") under the additional facility rules of the International Centre for the Settlement of Investment Disputes ("ICSID") of the World Bank to obtain compensation for the losses caused by the actions of Venezuela that terminated the Brisas Project. In September 2014, the ICSID Tribunal granted us an Arbitral Award (the "Award") totaling (i) \$713 million in damages, plus (ii) pre-award interest from April 2008 through the date of the Award based on the U.S. Government Treasury Bill Rate, compounded annually totaling, as of the date of the Award, approximately \$22.3 million and (iii) \$5 million for legal costs and expenses, for a total, as of September 22, 2014, of \$740.3 million. The Award (less legal costs and expenses) accrues post-award interest at a rate of LIBOR plus 2%, compounded annually.

In June 2017, we signed an amended settlement agreement with Venezuela which contemplated payment of the Award (including interest) and the purchase of our mining data by Venezuela. Under the terms of the agreement, Venezuela agreed to pay the Company \$797 million to satisfy the Award and \$240 million for the Mining Data for a total of approximately \$1.037 billion. The agreement included an initial installment of US \$40 million, 20 monthly payments of US \$29.5 million and three monthly payments of US \$40.8 million on or before the 10th day of each month starting in July 2017, with a final payment of US \$285 million scheduled to be paid on or before June 10, 2019. The first \$240 million received from Venezuela is, pursuant to the Settlement Agreement, related to the sale of the Mining Data. In addition, Venezuela irrevocably waived its right to appeal the February 2017 judgment issued by the Cour d'appel de Paris dismissing the annulment applications filed by Venezuela in respect of the Award, agreed to terminate all other proceedings seeking annulment of the Award and refrain from commencing or pursuing any further proceedings including those in France, England, Luxembourg and the United States, to seek any such annulment. Venezuela also agreed to place Venezuelan financial instruments with a face value of US \$350 million in trust as collateral for the future payments. As of August 29, 2017, the Company had received the first three payments under the agreement totaling \$99 million which, according to the terms of the agreement, are allocated solely to the sale of the mining data.

We have outstanding Contingent Value Rights ("CVRs"), which are obligations relating to a portion of the future proceeds of the Award against Venezuela and/or the sale of the Brisas Project technical mining data (the "Mining Data") that we previously compiled. The estimated amount due pursuant to the terms of the CVR as of June 30, 2017, based on income from the sale of the Mining Data of \$99 million net of deductions, is approximately \$1.9 million. (See Note 11 to the interim consolidated financial statements).

The Company maintains a bonus plan (the "Bonus Plan") which is intended to compensate the participants, including executive officers, employees, directors and consultants for their contributions to the Company. The estimated amount due to participants pursuant to the terms of the Bonus Plan as of June 30, 2017 is \$0.8 million which is included in corporate general and administrative expense in the Consolidated Statements of Operations for the three and six months ended June 30, 2017. (See Note 3 to the interim consolidated financial statements)

The Company maintains the Gold Reserve Director and Employee Retention Plan. Each unit (the "Retention Units") granted to a participant entitles such person to receive a cash payment equal to the fair market value of one Gold Reserve Class A common share on the date the Retention Unit was granted or on the date any such participant becomes entitled to payment, whichever is greater. In June 2017, as a result of the collection of proceeds related to the Mining Data, the Retention Units vested and the Company accrued a liability of \$7.7 million. The Company also maintains change of control agreements with certain officers and employees. As of June 30, 2017, in the event of a change of control, the amount payable under these agreements was approximately \$8.1 million. (See Note 10 to the interim consolidated financial statements).

Upon receipt of proceeds from the disposition of the Mining Data, the Company was obligated to give notice to its noteholders that it would redeem its outstanding 11% Senior Secured Convertible Notes due December 31, 2018 (the "2018 Convertible Notes") and its 11% Senior Secured Interest Notes due December 31, 2018 (the "Interest Notes" and, together with the 2018 Convertible Notes, the "2018 Notes") for an amount of cash equal to 120% of the 2018 Notes to be redeemed, plus unpaid interest to the redemption date. (See Notes 11 and 13 to the interim consolidated financial statements).

Subject to applicable regulatory requirements regarding capital and reserves for operating expenses, accounts payable and income taxes, and any obligations arising as a result of the collection of the Award or sale of the Mining Data, including CVRs, Bonus Plan and Retention Plan (all as defined herein) or undertakings made to a court of law, our current plans are to distribute to our shareholders, in the most cost efficient manner, a substantial majority of any net proceeds.

In August 2017, The U.S. government moved to restrict the Venezuelan government's access to the U.S. financial markets. An executive order was issued barring, among other things, dealings in new bonds and stocks issued by the Venezuelan government and the state oil company. The Company is evaluating the impact of these and other restrictions, if any, on its dealings with the Venezuelan government.

Financial Overview

Our recent operating results reflect the receipt of the first three payments pursuant to the terms of the Settlement Agreement and the impact of expenses associated with the completion of the Settlement Agreement, formation of Siembra Minera and its early development of the Brisas Cristinas Project, costs associated with the collection of proceeds from with the sale of the Mining Data, interest expense related to our debt and costs associated with maintaining our legal and regulatory obligations in good standing. Historically, our financial position has been influenced by the seizure of the Brisas Project by the Venezuelan government, legal costs related to obtaining the Award and efforts to enforce and collect it, restructuring of outstanding convertible notes in 2012, 2014 and 2015 and related interest expense.

We have no commercial production and, as a result, continue to experience losses from operations, a trend we expect to continue unless we, through Siembra Minera, successfully develop the Brisas Cristinas Project. Our net income for the three and six months ended June 30, 2017 is primarily the result of the collection of the first three payments under the Settlement Agreement.

Historically we have financed our operations through the issuance of common stock, other equity securities and debt. Siembra Minera will require substantial new funding in order to advance the Brisas Cristinas Project. The timing and amount of future investments in Siembra Minera are subject to available cash and/or future financings. We have one operating segment, the exploration and development of mineral properties.

Our longer-term funding requirements may be adversely impacted by financial market conditions, industry conditions, regulatory approvals or other unknown or unpredictable conditions and, as a result, there can be no assurance that additional funding will be available or, if available, offered on acceptable terms.

Liquidity and Capital Resources

At June 30, 2017, the Company had cash and cash equivalents of approximately \$72.4 million which represents an increase from December 31, 2016 of approximately \$36.7 million. The net increase was primarily due to receipt of the first (\$40 million) payment under the Settlement Agreement partially offset by cash used in operations as more fully described in the "Operating Activities" section below.

		2017		Change		2016
Cash and cash equivalents	\$	72,436,128	\$	36,689,079	\$	35,747,049

As of June 30, 2017, we had financial resources including cash, cash equivalents and marketable securities totaling approximately \$72.9 million, receivable from the sale of mining data of \$59 million, Brisas Project related equipment with an estimated net realizable value of approximately \$11.7 million (See Note 7 to the interim consolidated financial statements), short-term financial obligations including income tax payable, retention units payable, contingent value rights, accounts payable and accrued expenses of approximately \$29.2 million and convertible notes and interest notes of approximately \$60.2 million face value (See Notes 11 and 13 to the interim consolidated financial statements).

We have no revenue producing operations at this time and our working capital position is dependent upon receipt of payments under the Settlement Agreement and our cash burn rate and we may be required to seek additional sources of funding to ensure our ability to continue our activities in the normal course.

Operating Activities

Cash flow used in operating activities for the six months ended June 30, 2017 and 2016 was approximately \$3.7 million and \$4.8 million, respectively. Cash flow used in operating activities consists of net income (loss) (the components of which are more fully discussed below) adjusted for gains on investing activities and non-cash expense items primarily related to stock option compensation, accretion of convertible notes recorded as interest expense and certain non-cash changes in working capital.

Cash flow used in operating activities during the six months ended June 30, 2017 decreased from the prior comparable period primarily due to a decrease in cash paid for arbitration and settlement expense partially offset by expenses related to Siembra Minera.

Investing Activities

Cash flow from investing activities increased during the six months ended June 30, 2017 due to the receipt of the first payment of \$40 million from the sale of the Mining Data. During the six months ended June 30, 2016, the Company acquired the LMS Gold Project for \$0.35 million and recorded proceeds from the disposition of marketable securities of \$0.05 million. As of June 30, 2017, the Company held approximately \$11.7 million of Brisas project related equipment intended for future sale or use.

Financing Activities

During the six months ended June 30, 2017 and 2016, certain directors, officers, employees and consultants exercised approximately 0.1 million and 2.3 million outstanding options, respectively for net proceeds to the Company of approximately \$0.4 million and \$4.1 million, respectively. During the second quarter of 2016, the Company closed a non-brokered private placement with certain arm's length investors for gross proceeds of \$34.3 million (the "Private Placement"). Pursuant to the Private Placement, we issued 8,562,500 Class A common shares at a price of \$4.00 per share

Contractual Obligations

The following table sets forth information on the Company's material contractual obligation payments for the periods indicated as of June 30, 2017 (For further details see Note 11 to the interim consolidated financial statements):

	Payments due by Period				
	Total	Less than 1 Year	1-3 Years	4-5 Years	More Than 5 Years
Convertible Notes ¹	\$ 50,852,345	\$ 49,814,345	\$ -	\$ 1,038,000	-
Notes Premium	5,500,000	5,500,000	-	-	-
Interest Notes	9,311,621	9,311,621	-	-	-
Interest	285,450	57,090	114,180	114,180	-
	\$ 65,949,416	\$ 64,683,056	\$ 114,180	\$ 1,152,180	-

1 Includes \$49,814,345 principal amount of 11% Senior Secured Convertible Notes due December 31, 2018 (the "2018 Convertible Notes") and \$1,038,000 principal amount of 5.50% Convertible Notes due June 15, 2022 (the "2022 Convertible Notes").

The amounts shown above include the payments due as of June 30, 2017. As of August 10, 2017, all of the 2018 Notes had been converted to shares or redeemed. The amount recorded as convertible notes and interest notes in the consolidated balance sheet as of June 30, 2017 is comprised of approximately \$44.1 million carrying value of 2018 Convertible Notes, \$5.5 million premium on 2018 Notes, approximately \$1.0 million of 2022 Convertible Notes and Interest Notes of approximately \$9.3 million. The carrying value of convertible notes will be accreted to face value using the effective interest rate method over the expected life of the notes with the resulting charge recorded as interest expense. (See Notes 11 and 13 to the interim consolidated financial statements).

Results of Operations

Summary Results of Operations

	Three months			Six months		
	2017	2016	Change	2017	2016	Change
Other Income	\$88,522,726	\$ 9,032	\$88,513,694	\$88,529,414	\$ 53,953	\$88,475,461
Total Expenses	(16,383,847)	(4,646,545)	(11,737,302)	(25,145,222)	(9,613,760)	(15,531,462)
Net Income (loss) before tax	\$72,138,879	\$(4,637,513)	\$76,776,392	\$63,384,192	\$(9,559,807)	\$72,943,999

Consolidated net income (loss) before tax for the three and six months ended June 30, 2017 was approximately \$72.1 million and \$63.4 million, respectively compared to (\$4.6) million and (\$9.6) million in the comparable periods in 2016.

Other Income

	Three months			Six months		
	2017	2016	Change	2017	2016	Change
Sale of mining data	\$99,000,000	\$ —	\$99,000,000	\$99,000,000	\$ —	\$99,000,000
Gain on disposition of marketable securities	—	—	—	—	48,300	(48,300)
Interest	14,766	10,794	3,972	29,798	12,906	16,892
Gain (loss) on settlement of debt	(10,492,564)	1,592	(10,494,156)	(10,492,564)	1,592	(10,494,156)
Foreign currency gain (loss)	524	(3,354)	3,878	(7,820)	(8,845)	1,025
	<u>\$88,522,726</u>	<u>\$ 9,032</u>	<u>\$88,513,694</u>	<u>\$88,529,414</u>	<u>\$ 53,953</u>	<u>\$88,475,461</u>

As the Company has no commercial production at this time, other income is often variable from period to period. The increase in other income was primarily due to the sale of the Mining Data, partially offset by a loss on settlement of debt in 2017.

Expenses

Corporate general and administrative expense for the three and six months ended June 30, 2017 increased from the comparable periods in 2016 primarily due to increases in expense related to non-cash charges associated with the issuance of stock options, compensation expense and the bonus plan as a result of receiving payment related to the sale of the Mining Data. Retention units and contingent value rights became payable upon receipt of payment from the sale of mining data in 2017. Expenses associated with Siembra Minera totaled approximately \$0.3 million and \$1.9 million for the three and six months ended June 30, 2017. Expenses related to arbitration and settlement during the three months ended June 30, 2017 increased from the comparable period due to contingent legal fees that became due upon receiving payment under the Settlement Agreement. The decrease in equipment holding costs was due to refurbishment of the equipment in 2016. The increase in interest expense was due to an increase in accretion of convertible notes to face value. Overall, total expenses for the three and six months ended June 30, 2017 increased by approximately \$11.7 million and \$15.5 million, respectively, over the comparable periods in 2016.

	Three months			Six months		
	2017	2016	Change	2017	2016	Change
Corporate general and administrative	\$ 2,079,889	\$ 742,925	\$ 1,336,964	\$ 6,115,593	\$ 1,490,634	\$ 4,624,959
Retention units	7,694,200	—	7,694,200	7,694,200	—	7,694,200
Contingent value rights	919,163	—	919,163	919,163	—	919,163
Siembra Minera	338,450	—	338,450	1,900,278	—	1,900,278
Exploration	28,224	53,377	(25,153)	56,918	114,929	(58,011)
Legal and accounting	169,917	74,196	95,721	318,987	267,464	51,523
Arbitration and settlement	2,155,408	942,830	1,212,578	2,337,668	2,287,665	50,003
Equipment holding costs	157,084	274,334	(117,250)	312,110	483,801	(171,691)
Interest expense	2,841,512	2,558,883	282,629	5,490,305	4,969,267	521,038
Total expenses	<u>\$ 16,383,847</u>	<u>\$ 4,646,545</u>	<u>\$ 11,737,302</u>	<u>\$ 25,145,222</u>	<u>\$ 9,613,760</u>	<u>\$ 15,531,462</u>

SUMMARY OF QUARTERLY RESULTS

Quarter ended	6/30/17	3/31/17	12/31/16	9/30/16	6/30/16	3/31/16	12/31/15	9/30/15
Other Income (loss)	\$88,522,726	\$6,688	\$(554,106)	\$6,798	\$9,032	\$44,921	\$(541,993)	\$(1,662)
Net income (loss)								
before tax (1)	72,138,879	(8,754,687)	(6,400,329)	(5,585,556)	(4,637,513)	(4,922,294)	(6,389,066)	(3,581,046)
Per share	0.80	(0.10)	(0.08)	(0.06)	(0.06)	(0.06)	(0.08)	(0.05)
Fully diluted	0.70	(0.10)	(0.08)	(0.06)	(0.06)	(0.06)	(0.08)	(0.05)
Net income (loss) (1)	56,291,275	(8,754,687)	(6,400,329)	(5,585,556)	(4,637,513)	(4,922,294)	(6,389,066)	(3,581,046)
Per share	0.63	(0.10)	(0.08)	(0.06)	(0.06)	(0.06)	(0.08)	(0.05)
Fully diluted	0.55	(0.10)	(0.08)	(0.06)	(0.06)	(0.06)	(0.08)	(0.05)

(1) Net income (loss) from continuing and total operations attributable to owners of the parent.

In the second quarter of 2017 the Company recorded \$99.0 million of income related to the sale of its Mining Data and a \$10.5 million loss on settlement of debt. In the first quarter of 2017, other income (loss) consisted of interest income and foreign currency loss. In the fourth quarter of 2016, other income (loss) primarily consisted of a loss on write-down of property, plant and equipment partially offset by foreign currency gain. In the second and third quarters of 2016, other income (loss) consisted of interest income, gain (loss) on settlement of debt and foreign currency loss. Other income (loss) in the first quarter of 2016 was primarily related to gain on disposition of marketable securities. Other income (loss) in the fourth quarter of 2015 was primarily due to the restructuring of the 2018 Notes and the impairment of marketable securities. Other income (loss) in the third quarter of 2015 was a result of foreign exchange gain (loss).

In the second quarter of 2017 the Company recorded net income associated with the collection of proceeds related to the sale of its Mining Data offset partially by the loss on settlement of debt. In the first quarter of 2017, net loss increased primarily as a result of non-cash stock option compensation expense of \$4.4 million partially offset by a \$1.2 million decrease in arbitration and settlement costs. In the fourth quarter of 2016, net loss increased as a result of a loss on write-down of property, plant and equipment as well as an increase in costs associated with employee compensation and director fees. In the third quarter of 2016, net loss increased mainly as a result of increased expenses related to increased efforts to settle the Award and the incurrence of costs associated with the formation of Siembra Minera. Net loss in the second quarter of 2016 decreased as a result of a decrease in arbitration enforcement and collection and legal and accounting expense. In the first quarter of 2016, net loss decreased after the loss had increased in the fourth quarter of 2015 due to the restructuring of the 2018 Notes. This 2016 decrease was partially offset by an increase in costs associated with efforts to settle the Award. The decrease in net loss during the third quarter of 2015 was primarily due to a decrease in arbitration enforcement and collection costs.

Off-Balance Sheet Arrangements

The Company is not a party to any off-balance sheet arrangements that have, or are reasonably likely to have, a current or future material effect on the Company's financial condition, changes in financial condition, revenues, expense, results of operations, liquidity, capital expenditures or capital resources.

Exhibit 99.3 Chief Executive Officer's Certification of Interim Filings

**Form 52-109F2
Certification of interim filings – full certificate**

I, Rockne J. Timm, Chief Executive Officer of Gold Reserve Inc., certify the following:

1. I have reviewed the interim financial report and interim MD&A (together, the “interim filings”) of Gold Reserve Inc. (the “issuer”) for the interim period ended June 30, 2017.
2. Based on my knowledge, having exercised reasonable diligence, the interim filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by the interim filings.
3. Based on my knowledge, having exercised reasonable diligence, the interim financial report together with the other financial information included in the interim filings fairly present in all material respects the financial condition, financial performance and cash flows of the issuer, as of the date of and for the periods presented in the interim filings.
4. The issuer's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as those terms are defined in National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings*, for the issuer.
5. Subject to the limitations, if any, described in paragraphs 5.2 and 5.3, the issuer's other certifying officer and I have, as at the end of the period covered by the interim filings
 - (a) designed DC&P, or caused it to be designed under our supervision, to provide reasonable assurance that
 - (i) material information relating to the issuer is made known to us by others, particularly during the period in which the interim filings are being prepared; and
 - (ii) information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
 - (b) designed ICFR, or caused it to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP.
- 5.1 The control framework the issuer's other certifying officer and I used to design the issuer's ICFR is the Committee of Sponsoring Organizations of the Treadway Commission (COSO) 2013 framework.
- 5.2 N/A
- 5.3 N/A
6. The issuer has disclosed in its interim MD&A any change in the issuer's ICFR that occurred during the period beginning on January 1, 2017 and ended on June 30, 2017 that has materially affected, or is reasonably likely to materially affect, the issuer's ICFR.

Date: August 29, 2017

/s/Rockne J. Timm

Rockne J. Timm
Chief Executive Officer

Exhibit 99.4 Chief Financial Officer's Certification of Interim Filings

**Form 52-109F2
Certification of interim filings – full certificate**

I, Robert A. McGuinness, Chief Financial Officer of Gold Reserve Inc., certify the following:

1. I have reviewed the interim financial report and interim MD&A (together, the “interim filings”) of Gold Reserve Inc. (the “issuer”) for the interim period ended June 30, 2017.
2. Based on my knowledge, having exercised reasonable diligence, the interim filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by the interim filings.
3. Based on my knowledge, having exercised reasonable diligence, the interim financial report together with the other financial information included in the interim filings fairly present in all material respects the financial condition, financial performance and cash flows of the issuer, as of the date of and for the periods presented in the interim filings.
4. The issuer's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as those terms are defined in National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings*, for the issuer.
5. Subject to the limitations, if any, described in paragraphs 5.2 and 5.3, the issuer's other certifying officer and I have, as at the end of the period covered by the interim filings
 - (a) designed DC&P, or caused it to be designed under our supervision, to provide reasonable assurance that
 - (i) material information relating to the issuer is made known to us by others, particularly during the period in which the interim filings are being prepared; and
 - (ii) information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
 - (b) designed ICFR, or caused it to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP.
- 5.1 The control framework the issuer's other certifying officer and I used to design the issuer's ICFR is the Committee of Sponsoring Organizations of the Treadway Commission (COSO) 2013 framework.
- 5.2 N/A
- 5.3 N/A
6. The issuer has disclosed in its interim MD&A any change in the issuer's ICFR that occurred during the period beginning on January 1, 2017 and ended on June 30, 2017 that has materially affected, or is reasonably likely to materially affect, the issuer's ICFR.

Date: August 29, 2017

/s/Robert A. McGuinness
Robert A. McGuinness
Chief Financial Officer

