FORM 6-K

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

REPORT OF FOREIGN PRIVATE ISSUER PURSUANT TO RULE 13a-16 OR 15d-16
OF THE SECURITIES EXCHANGE ACT OF 1934

For the Quarter Ended June 30, 1999

GOLD RESERVE INC.

Address Of Principal Executive Offices: 926 West Sprague Avenue
Suite 200
Spokane, Washington 99201

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 X Form 40-F ___

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 X

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

GOLD RESERVE INC.
June 30, 1999
Interim Financial Report

FORWARD LOOKING STATEMENTS

The information presented in or incorporated by reference in this interim financial report includes both historical information and "forward-looking statements" (within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) relating to the future results of Gold Reserve Inc. (the "Company"), which involve risks and uncertainties. Except where the context indicates otherwise, "Company" means Gold Reserve Inc. and its predecessor Gold Reserve Corporation.

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

- actual reserves varying considerably from estimates presently made,
- metals prices and metal production volatility,
- concentration of operations and assets in Venezuela,
- regulatory, political and economic risks associated with Venezuelan operations,
- inability to obtain adequate funding for future development of the Brisas property,
- dependence upon the abilities and continued participation of key employees,
- other uncertainties normally incident to the operation and development of mining properties.

Investors are cautioned not to put undue reliance on forward-looking statements, and should not infer that there has been no change in the affairs of the Company since the date of this interim financial report that would warrant any modification of any forward-looking statement made in this document or other documents filed periodically with securities regulators.

All subsequent written and oral forward-looking statements attributable to the Company or persons acting on its behalf are expressly qualified in their entirety by this notice. The Company disclaims any intent or obligation to update publicly these forward-looking statements, whether as a result of new information, future events or otherwise.

OPERATIONS OVERVIEW

The Company's Brisas property, a gold and copper deposit, is located in the Kilometer 88 mining district in the State of Bolivar, southeastern Venezuela. Exploration and development activities on the Brisas property, which commenced in 1992, have included surface mapping and geochemical sampling, assaying, petrology, mineral studies and metallurgical sampling as well as approximately 160,000 meters of drilling comprised of 750 holes.

The Brisas property is presently estimated to contain a total mineral resource of 8.71 million ounces of gold and approximately 1.06 billion pounds of copper (based on 0.5 gram per tonne gold equivalent cut-off), which is contained within an area approximately 1,900 meters long and 500 to 900 meters wide. Scattered drill holes to the west of the main body of the deposit demonstrate that mineralization continues for an unknown distance down dip to the west and to the north. Mineralized areas have also been intersected below the current deposit.

The extensive data compiled by the Company, which serves as the basis of its pre-feasibility study, has been closely scrutinized by its consultants. Behre Dolbear & Company, Inc. ("Behre Dolbear") originally audited the Company's data collection procedures in 1997. In 1998, Behre Dolbear completed an additional audit of the Company's modeling and reserve methodology and in early 1999 verified the published reserve estimates. In total, Behre Dolbear's audits have concluded that technical data collection procedures meet or exceed accepted industry standards; assay laboratories provide reliable and acceptable results; the database compiled by the Company is of a quality appropriate for utilization in a reserve study suitable for obtaining financing; estimating techniques used were an accurate representation for the reserves; drill hole spacing was sufficient to generate future estimates of proven and probable reserves; the database was correct and reliable; the reserve risk for the project is low and there is upside potential for additional reserves at the Brisas property because the mineralization can be extrapolated with quite high confidence beyond the current drilling in the down dip direction and to the north.

The mineral resource based on 0.5 gold equivalent cut-off grade is summarized in the following tables:

Au Eq Cutoff Grade	Measured kt	Measured Au (g/t)	Measured Cu (%)	Indicated kt	Indicated Au (g/t)	Indicated Cu (%)	Inferred kt	Inferred Au (g/t)	Inferred Cu (%)	Total kt	Total Au (g/t)	Total Cu (%)
0.50	33,386	0.833	0.136	258,286	0.738	0.128	72,623	0.723	0.145	364,296	0.744	0.132

Au Eq Cutoff Grade	Measured** Au oz.	Measured** Cu lb.	Indicated** Au oz.	Indicated** Cu lb.	Inferred** Au oz.	Inferred** Cu lb.	Total** Au oz.	Total** Cu lb.
0.50	0.894	100	6.128	729	1.688	232	8.710	1,061

** in millions

Audited reserve estimates contained in the most recent pre-feasibility supplement have been prepared in accordance with reporting requirements of applicable Canadian Securities Commissions and calculated using $300 per ounce of gold and $0.80 per pound of copper (and $3.30/tonne revenue cutoff). The most current estimate is as follows:

Class	Reserve tonnes (thousands)	Au Grade (g/t)	Cu Grade (%)	Au ounces (thousands)	Cu pounds (thousands)	Waste tonnes (thousands)	Total tonnes (thousands)	Strip Ratio
Pit design using $300/oz Au and $0.80/lb Cu								
Proven	30,504	0.857	0.140	841	94,166			
Probable	192,566	0.764	0.132	4,728	560,484			
Total	223,070	0.776	0.133	5,569	654,650	321,763	544,833	1.44

The Company continues its work to complete a feasibility study on the Brisas property. The most recent supplement to the pre-feasibility study, which was originally completed in 1998, contemplates the implementation of on-site copper processing using the Cominco Engineering Services Limited (CESL) technology. The CESL process utilizes an autoclave for pressure oxidation of the concentrates followed by a series of leaching sequences to recover the copper and gold. Implementation of the CESL process would eliminate significant transportation costs for the copper gold concentrates to an off-site smelter and improve the Brisas project economics.

Current cost estimates (U.S. Dollars), in accordance with the Gold Institute guidelines, result in cash operating costs of $177 per ounce of gold net of copper revenues (using $0.80 per pound copper and the CESL process). Total after-tax costs are estimated at $262 per ounce of gold (including operating costs, working capital, initial capital and life of mine capital net of copper revenues less sunk costs). Costs for the Brisas project are determined net of copper revenues. As a result, the price of copper is a significant factor in determining net production costs.

The proposed plant is presently expected to cost between $350 and $400 million and process an estimated 55,000 tonnes per day, yielding an average annual production of as much as 355,000 ounces of gold and 43 million pounds of copper, over a mine life of 13 years. Construction of the planned facility is expected to take approximately 18 to 24 months, with commissioning and achievement of commercial production expected shortly thereafter. The Brisas property economics and plant design are subject to the results of the final feasibility study which management expects to complete in 2000.

Management's operational focus continues to be obtaining the required permits, securing additional sites required for process facilities, infrastructure, waste deposition and the completion of the final feasibility study. In addition, continuation or completion of metallurgical testing, geotechnical and hydrological investigations, electrical power supply and development and condemnation drilling will occur prior to completion of the final feasibility study. It is estimated that an additional $3 to $4 million will be spent for completion of the final feasibility study.

YEAR 2000 READINESS

Management has made an assessment of its requirements regarding Year 2000 issues. This assessment focused on three major areas; (1) internal systems under the control of the Company; (2) systems of third party suppliers or contractors; and (3) systems maintained by governmental agencies and major public and private service providers located in Venezuela. The Company's present business operations are not dependent upon sophisticated information systems. The Company does not have any material relationships with third party suppliers at this time. Future material third party relationships are expected to be evaluated as to the level of Year 2000 readiness. The Company is not aware of any published reports documenting the Year 2000 compliance efforts and progress of such governmental agencies and major public and private service providers located in Venezuela. Compliance-related failures of future material third-party suppliers and contractors providing services directly to the Company or failures related to governmental agencies and public and private service providers within Venezuela could be significant and could cause an interruption of business that could be material to the Company. Based on the current information available, the significance of Year 2000 difficulties which might be experienced by others outside the Company's control, the magnitude of future business disruption, if any, and the costs of such disruption cannot be determined at this time. Management's ongoing evaluation of Year 2000 readiness is expected to cost less than $10,000.

REORGANIZATION

In February 1999, the shareholders of Gold Reserve Corporation (a U.S. corporation) approved a plan of reorganization whereby Gold Reserve Corporation became a subsidiary of Gold Reserve Inc.(a Canadian corporation), the successor issuer. The primary purpose of the formation of a Canadian parent was to expand the Company's profile among Canadian investors who generally are significant investors in resource companies. Gold Reserve Corporation previously made filings with the U.S. Securities and Exchange Commission and The Toronto Stock Exchange along with the applicable Canadian Securities Commissions. After the reorganization, a shareholder of Gold Reserve Inc. continued to own an interest in the business, through subsidiary companies, that in aggregate is essentially the same as before the reorganization.

FINANCIAL OVERVIEW

Because the reorganization discussed above did not take place until February 1999, the financial statements that are presented in this interim financial report are those of Gold Reserve Corporation as of December 31, 1998 and for the three and six months ended June 30, 1998 and those of Gold Reserve Inc. as of and for the three and six months ended June 30, 1999. The financial position of the consolidated group subsequent to the reorganization was substantially the same as prior to the reorganization.

The December 31, 1998 balance sheet is derived from the audited consolidated financial statements as set forth in the Company's 1998 Form 20-F. You are urged to refer to the notes to those audited consolidated financial statements which apply to these interim financial statements at June 30, 1999 and are not repeated here. The financial information given in the accompanying unaudited financial statements reflects all normal, recurring adjustments which, in the opinion of management, are necessary for a fair presentation for the periods reported.

The total financial resources of the Company, cash plus current and long-term investments (primarily consisting of highly liquid US treasury and agency obligations, approximated $21.0 million as of June 30, 1999. (All amounts are stated in U.S. Dollars).

	June 30, 1999	December 31, 1998
Cash and equivalents	$ 2,927,845	$ 2,848,189
Marketable securities current	15,047,972	15,531,922
Marketable securities- non-current	2,996,267	5,194,359
	$20,972,084	$23,574,470

Overall the total financial resources of the Company decreased by approximately $2.6 million during the first six months of 1999, primarily the result of cash utilized by operations of approximately $1.0 million and investment in property, plant and equipment of approximately $1.6 million.

The overall budgeted corporate expenditures for 1999, net of estimated interest income of approximately $1 million, is estimated at $4.3 million. Of that amount, approximately $2.1 million will be spent on the Brisas property, primarily towards the further completion of the feasibility study. The remaining budgeted expenditures relate to general corporate activities including on-going exploration activities other than on the Brisas property. Management anticipates that its combined cash and investment position will be sufficient to cover estimated operational and capital expenditures (excluding estimated mine construction costs) associated with the remainder of 1999 and all of 2000.

Whether and to what extent additional or alternative financing options are pursued by the Company depends on a number of important factors, including the price of gold, if and when mine development activities are commenced on the Brisas property, management's assessment of the financial markets, the potential acquisition of additional properties or projects and the overall capital requirements of the consolidated corporate group. Future construction costs and development expenses, and the cost of placing the Brisas property or additional future properties into production, if warranted, are expected to be financed by a combination of the sale of additional common stock, bank borrowings or other means. Management however, does not plan to raise funds through the sale of equity or debt for the next 18 to 24 months.

Consolidated net loss for the three and six months ended June 30, 1999 amounted to $299,243 and $1,195,233 or $0.01 and $0.05 per share, respectively, compared to consolidated net loss of $456,786 and $1,222,325 or $0.02 and $0.05 per share, respectively, for the same periods in 1998. The change in net loss is primarily attributable to decreased interest income from lower levels of invested funds, partially offset by reduced expenditures.

CONSOLIDATED BALANCE SHEETS
June 30, 1999 and December 31, 1998 (unaudited)

U.S. Dollars	June 30, 1999	December 31, 1998
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 2,927,845	$ 2,848,189
Marketable securities	15,047,972	15,531,922
Deposits, advances and other	404,047	461,684
Accrued interest	343,221	456,418
Total current assets	18,723,085	19,298,213
Property, plant and equipment, net	42,537,832	41,038,160
Marketable securities	2,996,267	5,194,359
Other	1,335,955	1,388,302
Total assets	$65,593,139	$66,919,034
LIABILITIES		
Current Liabilities:		
Accounts payable and accrued expenses	$ 627,970	$ 785,754
Note payable - KSOP	150,000	414,771
Total current liabilities	777,970	1,200,525
Minority interest in consolidated subsidiaries	1,022,375	1,005,237
Total liabilities	1,800,345	2,205,762
SHAREHOLDERS' EQUITY		
Serial preferred stock, without par value	--	--
Common shares, without par value	91,372,817	101,661,054
Equity units	10,298,221	--
Less, common shares held by affiliates	(403,331)	(403,331)
Accumulated deficit	(37,324,913)	(36,129,680)
KSOP debt guarantee	(150,000)	(414,771)
Total shareholders' equity	63,792,794	64,713,272
Total liabilities and shareholders' equity	$65,593,139	$66,919,034

CONSOLIDATED STATEMENT OF OPERATIONS
For the Three and Six Months Ended June 30, 1999 and 1998 (unaudited)

	Three Months Ended		Six Months Ended	
	1999	1998	1999	1998
OTHER INCOME				
Interest	$ 305,951	$ 321,001	$ 592,069	$ 680,258
EXPENSES				
General and administrative	280,230	314,715	1,010,888	980,607
Technical services	130,110	189,560	322,194	386,395
Corporate communications	68,669	108,836	146,409	236,799
Legal and accounting	69,385	63,348	194,348	151,212
Foreign currency loss	40,501	85,146	85,242	111,020
Interest	5,218	6,302	11,083	17,531
Minority interest in net income of consolidated subsidiaries	11,081	9,880	17,138	19,019
	605,194	777,787	1,787,302	1,902,583
Net loss	$ (299,243)	$ (456,786)	$(1,195,233)	$(1,222,325)
Net loss per share - basic and diluted	$ (0.01)	$ (0.02)	$ (0.05)	$ (0.05)
Weighted average common shares outstanding	22,731,200	22,518,961	22,731,022	22,480,680

CONSOLIDATED STATEMENT OF CASH FLOWS
For the Six Months Ended June 30, 1999 and 1998 (unaudited)

U.S. Dollars	1999	1998
Cash Flows from Operating Activities:		
Net loss	$(1,195,233)	$(1,222,325)
Adjustments to reconcile net loss to net cash used by operating activities:		
Depreciation	20,607	20,867
Amortization of premium on held-to-maturity securities	30,042	50,837
Foreign currency loss	85,242	111,020
Minority interest in net income of consolidated subsidiaries	17,138	19,019
Changes in current assets and liabilities:		
Decrease in litigation settlement held in escrow	--	4,500,000
Net decrease (increase) in current assets	170,834	(17,882)
Decrease in settlement payable	--	(4,500,000)
Net increase in current liabilities	(157,784)	(188,479)
Net cash used by operating activities	(1,029,154)	(1,191,179)
Cash Flows from Investing Activities:		
Proceeds from maturities of marketable securities	6,000,000	13,056,187
Purchase of marketable securities	(3,348,000)	(8,160,385)
Purchase of property, plant and equipment	(1,605,521)	(1,429,925)
Other	52,347	92,156
Net cash provided by investing activities	1,098,826	3,558,033
Cash Flows from Financing Activities:		
Proceeds from issuance of common shares	9,984	54,705
Net cash provided by financing activities	9,984	54,705

CONSOLIDATED STATEMENT OF CASH FLOWS, CONTINUED
For the Six Months Ended June 30, 1999 and 1998 (unaudited)

U.S. Dollars	1999	1998
Change in Cash and Cash Equivalents:		
Net increase in cash and cash equivalents	$ 79,656	$ 2,421,559
Cash and cash equivalents - beginning of period	2,848,189	12,524,125
Cash and cash equivalents - end of period	$ 2,927,845	$14,984,684

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.

GOLD RESERVE INC.

By: s/ Robert A. McGuinness

Vice President Finance & CFO

August 5, 1999