



# Gold Reserve Inc.

NR-09-14

## **GOLD RESERVE NOTIFIES VENEZUELAN GOVERNMENT OF INVESTMENT DISPUTE**

**SPOKANE, Washington, April 21, 2009**

Gold Reserve Inc. (TSX:GRZ – NYSE-Amex:GRZ) announced today that it has notified the Bolivarian Republic of Venezuela of the existence of a dispute between the Company and the Venezuelan Government under both: (1) the Agreement between the Government of Canada and the Government of the Republic of Venezuela for the Promotion and Protection of Investments (“Canada – Venezuela Treaty”) and (2) the Agreement between the Government of Barbados and the Government of the Republic of Venezuela for the Promotion and Protection of Investments (“Barbados-Venezuela Treaty”).

This dispute has arisen primarily as a result of the Venezuelan Ministry of Environment's formal notification in May 2008 revoking the March 2007 permit or Authorization for the Affectation of Natural Resources for the Construction of Infrastructure and Services Phase of the Brisas Project. The Company has taken this action as a result of the Venezuelan Government's failure to reinstate the March 2007 authorization and the lack of any meaningful dialog to resolve the prolonged obstruction of our rights to the Brisas Project.

It is our intent to settle the dispute amicably. However, if the dispute is not settled amicably, the Company may file for international arbitration at anytime under the Barbados-Venezuela Treaty or after six months from the date of notification under the Canada-Venezuela Treaty. In the event the Company is compelled to file for international arbitration, we would make a claim for the fair market value of our investment at the time of the revocation which we believe was in excess of US\$5 billion. In May 2008, the time of the revocation, the price of gold and copper was \$880 per ounce and \$3.75 per pound, respectively.

Gold Reserve Inc. is a Canadian company, which holds the rights to the Brisas gold/copper project and the Choco 5 gold exploration property in Bolivar State, Venezuela.

### **FORWARD-LOOKING STATEMENTS**

*This release contains forward-looking statements that may state Gold Reserve's or its management's intentions, hopes, beliefs, expectations or predictions for the future. In this release, forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by management at this time, are inherently subject to significant business, economic and competitive uncertainties and contingencies.*

*We caution that such forward-looking statements involve known and unknown risks, uncertainties and other risks that may cause the actual financial results, performance, or achievements of Gold Reserve to be materially different from our estimated future results, performance, or achievements expressed or implied by those forward-looking statements.*

*Numerous factors could cause actual results to differ materially from those in the forward-looking statements, including without limitation: the outcome of any potential proceedings under the Venezuelan legal system or before arbitration tribunals as provided in investment treaties entered into between Venezuela, Canada and Barbados to determine the compensation due to Gold Reserve in the event that Gold Reserve and the Venezuelan government do not reach an agreement regarding construction and operation of the Brisas Project, or the Brisas Project is transferred to the Venezuelan government and the parties do not reach agreement on compensation; concentration of operations and assets in Venezuela; corruption and uncertain legal enforcement; requests for improper payments; competition with companies that are not subject to or do not follow Canadian and U.S. laws and regulations; regulatory, political and economic risks associated with Venezuelan operations (including changes in previously established laws, legal regimes, rules or processes); the ability to obtain, maintain or re-acquire the necessary permits or additional funding for the development of the Brisas Project; the result or outcome of the trial regarding Rusoro Mining Ltd.'s enjoined hostile takeover bid; significant differences or changes in any key findings or assumptions previously determined by us or our experts in conjunction with our 2005 bankable feasibility study (as updated or modified from time to time) due to actual results in our expected construction and production at the Brisas Project (including capital and operating cost estimates); the method and manner of our determination of reserves, risk that actual mineral reserves may vary considerably from estimates presently made; impact of currency, metal prices and metal production volatility; fluctuations in energy prices; changes in proposed development plans (including technology used); our dependence upon the abilities and continued participation of certain key employees; the prices, production levels and supply of and demand for gold and copper produced or held by Gold Reserve; the potential volatility of Gold Reserve's Class A common shares; the price and value of Gold Reserve's notes, including any conversion of notes into Gold Reserve's Class A common shares; the prospects for exploration and development of projects by Gold Reserve; and risks normally incident to the operation and development of mining properties.*

*This list is not exhaustive of the factors that may affect any of Gold Reserve's forward-looking statements. Investors are cautioned not to put undue reliance on forward-looking statements. All subsequent written and oral forward-looking statements attributable to Gold Reserve or persons acting on its behalf are expressly qualified in their entirety by this notice. Gold Reserve disclaims 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 its disclosure obligations under applicable rules promulgated by the U.S. Securities and Exchange Commission (the "SEC").*

*In addition to being subject to a number of assumptions, forward-looking statements in this release involve known and unknown risks, uncertainties and other factors that may cause actual results and developments to be materially different from those expressed or implied by such forward-looking statements, including the risks identified under "Important Note for U.S. Investors Concerning Resource Calculations" as well as the risks identified in the filings by Gold Reserve with the SEC and Canadian provincial securities regulatory authorities, including Gold Reserve's annual information form for the year ended December 31, 2008, dated March 31, 2009, and Gold Reserve's Annual Report on Form 20-F for the fiscal year ended December 31, 2008 filed with the SEC on March 31, 2009.*

**FOR FURTHER INFORMATION:**

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