



Gold Reserve Inc.

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BRISAS PROGRESS REPORT

SPOKANE, WASHINGTON April 20, 2004

Gold Reserve Inc. (TSX: GRZ – AMEX:GRZ) is pleased to report on the status and work being performed at its Brisas gold and copper project located in Southeastern Venezuela.

Kvaerner Metals U.S. Inc., a subsidiary of the international engineering and construction services group Aker Kvaerner, along with Vector Colorado LLC and Pincock Allen & Holt are making substantial progress with their work associated with our bankable feasibility study.

Kvaerner is currently evaluating a wide range of possible plant throughput tonnages ranging from 20,000 to 70,000 tonnes per day. The base case established in our “pre-feasibility study” utilized 50,000 tonnes per day throughput, resulting in an estimated 362,000 ounces of annual gold production. Early estimates using plant throughput of 70,000 tonnes per day, result in approximately 500,000 ounces of gold production per year.

SGS Lakefield Research Canada expects to complete the flotation phase of the 700 tonne bulk sample later this month. The objective of this test is to confirm gold and copper recoveries utilizing flotation and generate sufficient gold-copper concentrate for testing utilizing the pressure oxidation process. Early flotation results are confirming improved gold and copper recoveries compared to test work completed during the pre-feasibility study.

Also, Kvaerner is evaluating an optimum processing plant by studying three processing plant alternatives. Each alternative commences with crushing, grinding and flotation of sulfide concentrates and continues by 1) direct shipment of the gold-copper concentrates to an off-site smelter, 2) processing of concentrates through a high temperature pressure oxidation (HTPOX) process to produce copper cathodes on-site, and 3) processing concentrates through the Cominco Engineering Services Limited (CESL) process to also produce copper cathodes on-site. The feasibility study will fully evaluate two of the three processing options and the Company expects to make a decision during May as to the preferred alternatives.

Doug Belanger, President of the Company, said, “We anticipate test results for HTPOX and CESL may be quite similar, however HTPOX is a commercially proven process. Also, as a result of significantly reduced long-term concentrate treatment and refining charges and other potential benefits, the bankable feasibility study may ultimately conclude that processing concentrates at an off-site smelter is the most economic alternative for the development of the

Brisas project. The dynamics of the project have been significantly improved with the rise in copper prices, with copper comprising as much as 30% of estimated project revenues.”

The latest phase of development drilling at Brisas will be completed in approximately two weeks. The drilling program, originally scheduled for 11,500 meters, has been increased to 15,000 meters and the updated Brisas resource and reserve model is expected to be finalized in approximately 2 months. Drilling at Brisas to-date totals over 180,000 meters. Mineral reserves in our pre-feasibility study were calculated using \$325 per ounce gold and \$ 0.85 per pound copper and it is anticipated that the final feasibility study will use \$350 per ounce of gold and \$0.95 per pound of copper with a sensitivity analysis at various prices for gold and copper.

“The primary objectives of the drilling program were to further develop the down dip extension and the southern extension of the ore body and to reclassify within the current open pit design, inferred ore tonnes to measured and indicated category for incorporation into the feasibility study. We are extremely pleased with the current results and believe that we have achieved our objectives,” said Doug Belanger.

Doug Belanger also said, “The gold and copper mineralization is contained in the Brisas alluvial and hard rock mining titles or concessions granted to the Company by the Ministry of Energy and Mines. Early last year the Ministry of Energy and Mines approved our operating plan for Brisas. This approval is necessary under the mining law to obtain the Environmental Impact Permit from the Ministry of Environment so that construction and operations can take place. The Company is preparing the Environmental Impact Study and this should be formally submitted to the Ministry of Environment in the near future.”

Gold Reserve expects to complete the Brisas bankable feasibility study later this year and make a production decision by the end of the year.

Information regarding Gold Reserve Inc. is located at www.goldreserveinc.com

Certain statements included herein, include those that express management’s expectations or estimates of our future performance, constitute “forward looking statements” within the meaning of the United States Private Securities Litigation Reform Act of 1995. Forward looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by management 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 risk factors 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. These are discussed in greater detail in Gold Reserve’s filings with the U.S. Securities and Exchange Commission at www.sec.gov and the Annual Information Form and other reports filed with Canadian provincial securities commissions at www.sedar.com. Gold Reserve expressly disclaims any intention or obligation to update or revise any forward looking statement whether as a result of new information, events or otherwise.

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