



Gold Reserve Inc.

NR-07-05

GOLD RESERVE INC. ANNOUNCES CONCURRENT PUBLIC OFFERINGS OF COMMON SHARES AND CONVERTIBLE NOTES

May 7, 2007 - Gold Reserve Inc. (TSX:GRZ – AMEX:GRZ) announced today that it has filed preliminary short form prospectuses with Canadian securities regulators and related registration statements with the U.S. Securities and Exchange Commission under the U.S.–Canada multi-jurisdictional disclosure system relating to proposed concurrent public offerings of 16,000,000 of its Class A common shares and US\$75 million aggregate principal amount of its senior subordinated convertible notes. The Company has granted the underwriters an option for a period of 30 days to purchase up to an additional 2,400,000 Class A common shares and an option for a period of 13 days to purchase up to an additional US\$11,250,000 aggregate principal amount of its senior subordinated convertible notes, in each case, to cover over-allotments, if any. Neither offering is contingent on the completion of the other.

The Company intends to use the net proceeds from the offerings to fund construction activities, equipment purchases and ongoing development of its Brisas project.

J.P. Morgan Securities Inc. and RBC Capital Markets are acting as joint book running managers for the common share offering and the notes offering with Cormark Securities Inc. acting as co-manager.

Preliminary short form prospectuses relating to these securities have been filed with each of the provincial securities regulatory authorities in Canada, except Québec, and registration statements under the U.S.–Canada multi-jurisdictional disclosure system have been filed with the U.S. Securities and Exchange Commission, but have not yet become effective. These securities may not be sold nor may offers to buy be accepted prior to the time the registration statements become effective. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any state or province in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or province.

Copies of the prospectuses relating to the shares and notes may be obtained from the underwriters or their respective U.S. or Canadian affiliates as follows: J.P. Morgan Securities Inc. at National Statement Processing, Prospectus Library, 4 Chase Metrotech Center, CS Level, Brooklyn, NY 11245, telephone:

718-242-8002; RBC Capital Markets - in Canada, call 416-842-5345, in the U.S., RBC Capital Markets Corporation, Attention: Prospectus Department, One Liberty Plaza, 165 Broadway, New York, NY, 10006, U.S.A. (fax requests - 212-428-6260); or Cormark Securities Inc. - in Canada, call 416-943-6405, in the U.S., call 1-800-461-2275.

Certain statements included herein, including 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.

FOR FURTHER INFORMATION:

A. Douglas Belanger, President
926 W. Sprague Ave., Suite 200
Spokane, WA 99201 USA
Tel. (509) 623-1500
Fax (509) 623-1634