



Gold Reserve Inc.

NR-07-06

GOLD RESERVE INC. ANNOUNCES PRICING OF CONCURRENT CROSS-BORDER PUBLIC OFFERINGS

May 15, 2007 - Gold Reserve Inc. (TSX:GRZ – AMEX:GRZ) announced today that it has entered into underwriting agreements in connection with concurrent cross-border public offerings of US\$90,000,000 aggregate principal amount of its 5.50% Senior Subordinated Convertible Notes due 2022 ("Convertible Notes") and 12,800,000 Class A common shares ("Common Shares") at US\$5.80 per share (Cdn\$6.42 per share) for aggregate gross proceeds to the Company of US\$164,240,000. Aggregate net proceeds from the offerings are expected to be approximately US\$154,775,000, after deducting underwriting fees and estimated offering expenses.

The Company has also granted to the underwriters an option for a period of 13 days to purchase up to an additional US\$13,500,000 principal amount of its Convertible Notes and an option for a period of 30 days to purchase up to an additional 1,920,000 Common Shares, in each case, to cover over-allotments, if any.

The Convertible Notes are being offered and sold at their stated principal amount (US\$1,000 per Convertible Note) and will have a semi-annual cash interest coupon of 5.50% per year. Each US\$1,000 principal amount of Convertible Notes will be convertible at the option of the holder into 132.626 Common Shares, subject to adjustment, representing an initial conversion price of US\$7.54.

The closing of the offerings is expected to occur on May 18, 2007. Neither offering is contingent on the completion of the other.

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

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

Copies of the prospectuses relating to the Convertible Notes and the Common Shares 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.

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 jurisdiction in which such offer,

solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

The Company has been engaged in the business of exploration and development of mining projects since 1956, and is presently focusing its management and financial resources on its most significant asset, the Brisas gold and copper project, located in Bolivar State, Venezuela.

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:

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