



Gold Reserve Inc.

NR-08-09

GOLD RESERVE REPORTS ON OFFER FROM RUSORO MINING LTD.

SPOKANE, WASHINGTON August 27, 2008

Gold Reserve Inc. (TSX:GRZ – AMEX:GRZ) announced that it received an unsolicited non-binding expression of interest from Rusoro Mining Ltd. (“Rusoro”) (CDNX:RML.V) to complete a 100% business combination by issuing two shares of Rusoro for each share of Gold Reserve.

The Board of Directors of the Company reviewed the expression of interest and unanimously determined that it is inadequate and not in the best interests of the Company’s shareholders.

Doug Belanger, President of Gold Reserve, stated, “This highly conditional expression of interest attributed a \$90 million value to Gold Reserve’s equity, which the Board determined was inadequate and not in the best interests of shareholders. For example, the expression of interest did not take into account Gold Reserve’s current financial position, and gave little value for our Company’s proven and probable reserves of 10.2 million ounces of gold and 1.4 billion pounds of copper, the mobile CAT equipment, the equipment currently being manufactured, the extensive intangibles attached to the Brisas Project and the value of the Choco 5 exploration property. Our objective is to enhance shareholder value and in that regard we are always willing to discuss any potential opportunities to achieve that objective.”

The offer letter and the Company’s response are available at www.goldreserveinc.com .

For the Company’s periodic TSX (SEDAR) or SEC (Edgar) filings please visit our website at www.goldreserveinc.com under the Investor Relations section. .

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.

On Behalf of the Board of Directors

Gold Reserve Inc.

A. Douglas Belanger, President

Certain statements included herein, including those that express management's expectations or estimates of our future performance concerning the Brisas Project 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 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 Inc. 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, concentration of operations and assets in Venezuela; corruption and uncertain legal enforcement; requests for improper payments; regulatory, political and economic risks associated with Venezuelan operations (including changes in previously established legal regimes, rules or processes); the ability to obtain or maintain the necessary permits or additional funding for the development of the Brisas Project; in the event 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) significantly differ or change as a result of actual results in our expected construction and production at the Brisas Project (including capital and operating cost estimates); 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; 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 the Company'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 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.

FOR FURTHER INFORMATION:

Internet – www.goldreserveinc.com

Investor Information

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