



# Gold Reserve Inc.

NR-11-02

## **GOLD RESERVE INC. COMMENTS ON RECENT MARKET ACTIVITY**

**SPOKANE, WASHINGTON June 13, 2011**

**Gold Reserve Inc.** (TSX:GRZ – NYSE-Amex:GRZ) At the request of Market Surveillance, on behalf of the Toronto Stock Exchange, Gold Reserve is issuing this press release to confirm that it is not aware of any material corporate developments which would account for the recent increase in its stock price and trading volume.

The Company's international arbitration against the Republic of Venezuela regarding the illegal expropriation of its Venezuelan properties is proceeding well but there are no material developments with respect to the case at this time. The Company is also pursuing possible settlement of the arbitration but no assurances can be given at this time that it will be successful in reaching a settlement. The time table remains intact with Gold Reserve required to submit its reply on July 15, 2011 to Venezuela's counter memorial. The hearing on the merits is still scheduled for February 6, 2012.

The Company is continuing to pursue the sales of equipment that was purchased for the Brisas project. Sales of this equipment will allow us to work with the Company's note holders on a possible restructuring or retirement of the notes.

Gold Reserve is also pursuing other new opportunities in the mining industry but has nothing to report at this time.

Please visit our website at [www.goldreserveinc.com](http://www.goldreserveinc.com) under Investor Relations: SEDAR Filings or SEC Filings.

## **FORWARD-LOOKING STATEMENTS**

*This release contains forward-looking statements that 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 outcomes, financial results, performance, or*

*achievements of Gold Reserve to be materially different from our estimated outcomes, 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 our arbitration under the Additional Facility Rules of the International Centre for Settlement of Investment Disputes of the World Bank, in Washington D.C. to determine compensation claimed by us resulting from our claims against the Venezuelan government and its agents and agencies; corruption and uncertain legal enforcement; political and social instability; 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 Venezuela including changes in laws and legal regimes; the result or outcome of the litigation regarding the enjoined hostile takeover bid for us; impact of currency, metal prices and metal production volatility; our dependence upon the abilities and continued participation of certain key employees; the value of our 5.50% senior subordinated convertible notes due on June 15, 2022 and potential volatility of our Class A common shares (also referred to herein as "Common Shares"), including potential dilution as a result of the conversion of the convertible notes into our common shares by either us or the holder; the prospects for exploration and development of alternative projects by us; and risks normally incident to the exploration, development and operation 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 those factors outlined in the "Cautionary Statement Regarding Forward-Looking Statements" and "Risks Factors" contained in Gold Reserve's filings with the Canadian provincial securities regulatory authorities and U.S. Securities and Exchange Commission, including Gold Reserve's Annual Information Form and Annual Report on Form 10-K for the year ended December 31, 2010, filed with the Canadian provincial securities regulatory authorities and U.S. Securities and Exchange Commission, respectively.*

**FOR FURTHER INFORMATION:**

Internet – [www.goldreserveinc.com](http://www.goldreserveinc.com)

**Company Contact**

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