

Exhibit 99.1

GOLD RESERVE INC.
March 31, 2018
Interim Consolidated Financial Statements
U.S. Dollars
(unaudited)

GOLD RESERVE INC.
CONSOLIDATED BALANCE SHEETS
(Unaudited - Expressed in U.S. dollars)

	March 31, 2018	December 31, 2017
ASSETS		
Current Assets:		
Cash and cash equivalents (Note 4)	\$ 132,606,002	\$ 137,672,718
Marketable securities (Note 5)	251,688	239,232
Deposits, advances and other	315,215	156,050
Total current assets	133,172,905	138,068,000
Property, plant and equipment, net (Note 6)	12,639,069	12,632,534
Total assets	\$ 145,811,974	\$ 150,700,534
LIABILITIES		
Current Liabilities:		
Accounts payable and accrued expenses (Note 3)	\$ 1,538,967	\$ 2,167,171
Income tax payable	7,299,222	1,263,438
Deferred income tax (Note 11)	12,240,374	18,402,483
Contingent value rights (Note 3)	1,882,758	3,097,193
Total current liabilities	22,961,321	24,930,285
Total liabilities	22,961,321	24,930,285
SHAREHOLDERS' EQUITY		
Serial preferred stock, without par value		
Authorized:	Unlimited	
Issued:	None	
Common shares	378,009,884	378,009,884
Class A common shares, without par value		
Authorized:	Unlimited	
Issued and outstanding:	2018...99,395,048	2017...99,395,048
Contributed surplus (Note 10)	20,625,372	20,625,372
Stock options (Note 9)	20,555,898	20,409,643
Accumulated deficit	(296,340,501)	(293,386,189)
Accumulated other comprehensive income	-	111,539
Total shareholders' equity	122,850,653	125,770,249
Total liabilities and shareholders' equity	\$ 145,811,974	\$ 150,700,534

Contingencies (Note 3)

The accompanying notes are an integral part of the interim consolidated financial statements.

Approved by the Board of Directors:

/s/ J.C. Potvin

/s/ James P. Geyer

GOLD RESERVE INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited - Expressed in U.S. dollars)

	Three Months Ended	
	March 31,	
	2018	2017
INCOME (LOSS)		
Interest income	\$ 21,088	\$ 15,032
Gain on marketable equity securities	12,456	-
Foreign currency loss	(1,947)	(8,344)
	31,597	6,688
EXPENSES		
Corporate general and administrative (Notes 3 and 9)	1,170,835	5,391,534
Siembra Minera Project (Note 7)	581,033	205,998
Exploration costs	-	28,694
Legal and accounting	433,803	149,070
Arbitration and settlement (Note 3)	36,635	182,260
Equipment holding costs	275,852	155,026
Interest expense (Note 10)	-	2,648,793
	2,498,158	8,761,375
Net loss before income tax expense	(2,466,561)	(8,754,687)
Income tax expense (Note 11)	(599,290)	-
Net loss for the period	\$ (3,065,851)	\$ (8,754,687)
Net loss per share, basic and diluted	\$ (0.03)	\$ (0.10)
Weighted average common shares outstanding, basic and diluted	99,395,048	89,812,621

GOLD RESERVE INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
(Unaudited - Expressed in U.S. dollars)

	Three Months Ended	
	March 31,	
	2018	2017
Net loss for the period	\$ (3,065,851)	\$ (8,754,687)
Other comprehensive loss, net of tax:		
Items that may be reclassified subsequently to the consolidated statement of operations:		
Loss on marketable equity securities, net of tax of nil (Note 2)	-	(89,366)
Other comprehensive loss	-	(89,366)
Comprehensive loss for the period	\$ (3,065,851)	\$ (8,844,053)

The accompanying notes are an integral part of the interim consolidated financial statements.

GOLD RESERVE INC.
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
For the Three Months Ended March 31, 2018 and the Year Ended December 31, 2017
(Unaudited - Expressed in U.S. dollars)

	Common Shares		Contributed Surplus	Stock Options	Accumulated Deficit	Accumulated Other Comprehensive Income
	Number	Amount				
Balance, December 31, 2016	89,710,604	\$ 342,190,645	\$ 25,723,900	\$ 17,353,725	\$ (382,897,065)	\$ 443,173
Net income	-	-	-	-	89,510,876	-
Other comprehensive loss	-	-	-	-	-	(331,634)
Stock option compensation (Note 9)	-	-	-	5,108,493	-	-
Fair value of options exercised	-	2,052,575	-	(2,052,575)	-	-
Common shares issued for:						
Option exercises (Note 9)	2,073,435	5,973,474	-	-	-	-
Note conversions (Note 10)	7,611,009	27,793,190	(5,098,528)	-	-	-
Balance, December 31, 2017	99,395,048	\$ 378,009,884	\$ 20,625,372	\$ 20,409,643	\$ (293,386,189)	\$ 111,539
Cumulative effect of accounting change (Note 2)	-	-	-	-	111,539	(111,539)
Net loss	-	-	-	-	(3,065,851)	-
Stock option compensation (Note 9)	-	-	-	146,255	-	-
Balance, March 31, 2018	99,395,048	\$ 378,009,884	\$ 20,625,372	\$ 20,555,898	\$ (296,340,501)	\$ -

The accompanying notes are an integral part of the interim consolidated financial statements.

GOLD RESERVE INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited - Expressed in U.S. dollars)

	Three Months Ended	
	March 31,	
	2018	2017
Cash Flows from Operating Activities:		
Net loss for the period	\$ (3,065,851)	\$ (8,754,687)
Adjustments to reconcile net loss to net cash used in operating activities:		
Stock option compensation	146,255	4,416,820
Depreciation	11,574	1,197
Gain on marketable equity securities	(12,456)	–
Accretion of convertible notes	–	2,634,520
Changes in non-cash working capital:		
Net increase in receivables, deposits and advances	(159,165)	(423,096)
Net increase (decrease) in payables and accrued expenses	(1,968,964)	23,624
Net cash used in operating activities	(5,048,607)	(2,101,622)
Cash Flows from Investing Activities:		
Purchase of property, plant and equipment	(18,109)	(2,840)
Net cash used in investing activities	(18,109)	(2,840)
Cash Flows from Financing Activities:		
Proceeds from the issuance of common shares	–	397,375
Net cash provided by financing activities	–	397,375
Change in Cash and Cash Equivalents:		
Net decrease in cash and cash equivalents	(5,066,716)	(1,707,087)
Cash and cash equivalents - beginning of period	137,672,718	35,747,049
Cash and cash equivalents - end of period	\$ 132,606,002	\$ 34,039,962
Supplemental Cash Flow Information:		
Cash paid for income taxes	\$ 725,615	\$ –

The accompanying notes are an integral part of the interim consolidated financial statements.

GOLD RESERVE INC.
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in U.S. dollars)

Note 1. The Company and Significant Accounting Policies:

Gold Reserve Inc. ("Gold Reserve", the "Company", "we", "us", or "our") is engaged in the business of acquiring, exploring and developing mining projects and was incorporated in 1998 under the laws of the Yukon Territory, Canada and continued to Alberta, Canada in September 2014.

Gold Reserve Inc. is the successor issuer to Gold Reserve Corporation which was incorporated in 1956. A significant portion of our recent activities relate to the advancement of the Siembra Minera Project, the execution of the July 2016 settlement agreement, (as amended, the "Settlement Agreement") with the Bolivarian Republic of Venezuela ("Venezuela") in regards to the payment of the Award and the acquisition of our Mining Data by Venezuela (See Note 3, Arbitral Award Settlement and Associated Mining Data Sale and Note 7, Empresa Mixta Ecosocialista Siembra Minera, S.A. ("Siembra Minera")).

Basis of Presentation and Principles of Consolidation. These interim consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles ("U.S. GAAP"). The statements principally include the accounts of the Company, Gold Reserve Corporation and three Barbadian subsidiaries formed to hold our equity interest in Siembra Minera which is beneficially owned 55% by Venezuela and 45% by Gold Reserve. Our investment in Siembra Minera is accounted for as an equity investment. All other subsidiaries are wholly owned. All intercompany accounts and transactions have been eliminated on consolidation. Our policy is to consolidate those subsidiaries where control exists. We have only one operating segment, the exploration and development of mineral properties. As these unaudited interim consolidated financial statements do not contain all of the disclosures required by U.S. GAAP for annual financial statements, they should be read in conjunction with the annual financial statements and related notes included in our Annual Information Form and Annual Report on Form 40-F for the year ended December 31, 2017.

Cash and Cash Equivalents. We consider short-term, highly liquid investments purchased with an original maturity of three months or less to be cash equivalents for purposes of reporting cash equivalents and cash flows. The cost of these investments approximates fair value. We manage the exposure of our cash and cash equivalents to credit risk by diversifying our holdings into major Canadian and U.S. financial institutions.

Exploration and Development Costs. Exploration costs incurred in locating areas of potential mineralization or evaluating properties or working interests with specific areas of potential mineralization are expensed as incurred. Development costs of proven mining properties not yet producing are capitalized at cost and classified as capitalized exploration costs under property, plant and equipment. Mineral property holding costs are charged to operations during the period if no significant exploration or development activities are being conducted on the related properties. Upon commencement of production, capitalized exploration and development costs would be amortized based on the estimated proven and probable reserves benefited. Mineral properties determined to be impaired or that are abandoned are written-down to the estimated fair value. Carrying values do not necessarily reflect present or future values.

Property, Plant and Equipment. Included in property, plant and equipment is certain equipment, the carrying value of which has been adjusted, as a result of impairment tests, to its estimated fair value of \$11.7 million and which is not being depreciated as it is not yet available for its intended use. The ultimate recoverable value of this equipment may be different than management's current estimate. We have additional property, plant and equipment which are recorded at cost less impairment charges and accumulated depreciation. Replacement costs and major improvements are capitalized. Maintenance and repairs are charged to expense as incurred. The cost and accumulated depreciation of assets retired or sold are removed from the accounts and any resulting gain or loss is reflected in operations. Furniture, office equipment and leasehold improvements are depreciated using the straight-line method over 5 to 10 years. The remaining property, plant and equipment are fully depreciated.

GOLD RESERVE INC.
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in U.S. dollars)

Impairment of Long Lived Assets. We review long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. If the sum of the expected future net cash flows to be generated from the use or eventual disposition of a long-lived asset (undiscounted and without interest charges) is less than the carrying amount of the asset, an impairment loss is recognized based on a determination of the asset's fair value. Fair value is generally determined by discounting estimated cash flows based on market participant expectations of those future cash flows, or applying a market approach that uses market prices and other relevant information generated by market transactions involving comparable assets.

Foreign Currency. The U.S. dollar is our (and our foreign subsidiaries') functional currency. Monetary assets and liabilities denominated in a foreign currency are translated into U.S. dollars at the rates of exchange in effect at the balance sheet dates. Non-monetary assets and liabilities are translated at historical rates and revenue and expense items are translated at average exchange rates during the reporting period, except for depreciation which is translated at historical rates. Translation gains and losses are included in the statement of operations.

Stock Based Compensation. We maintain an equity incentive plan which provides for the grant of stock options to purchase our Class A common shares. We use the fair value method of accounting for stock options. The fair value of options granted to employees is computed using the Black-Scholes method as described in Note 9 and is expensed over the vesting period of the option. For non-employees, the fair value of stock based compensation is recorded as an expense over the vesting period or upon completion of performance. Consideration paid for shares on exercise of share options, in addition to the fair value attributable to stock options granted, is credited to capital stock. Stock options granted under the plan become fully vested and exercisable upon a change of control.

Income Taxes. We use the liability method of accounting for income taxes. Deferred tax assets and liabilities are determined based on the differences between the tax basis of assets and liabilities and those amounts reported in the financial statements. The deferred tax assets or liabilities are calculated using the enacted tax rates expected to apply in the periods in which the differences are expected to be settled. Deferred tax assets are recognized to the extent that they are considered more likely than not to be realized.

Use of Estimates. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Net Income (Loss) Per Share. Basic net income (loss) per share is computed by dividing net income (loss) by the weighted average number of Class A common shares outstanding during each period. Diluted net income per share reflects the potentially dilutive effects of outstanding stock options and convertible notes. In periods in which a loss is incurred, the effect of potential issuances of shares under stock options and convertible notes would be anti-dilutive, and therefore basic and diluted losses per share are the same in those periods.

Convertible Notes. Convertible notes are initially recorded at estimated fair value and subsequently measured at amortized cost. The fair value is allocated between the equity and debt component parts based on their respective fair values at the time of issuance and recorded net of transaction costs. The equity portion of the convertible notes is estimated using the residual value method. The fair value of the debt component is accreted to the face value of the convertible notes using the effective interest rate method over the contractual life of the convertible notes, with the resulting charge recorded as interest expense.

Investments. We determine the appropriate classification of investments in equity securities at acquisition and reevaluate such classifications at each reporting date. Investments in incorporated entities in which the Company has the ability to exercise significant influence over the investee and the Company's ownership is between 20% and 50% are accounted for by the equity method.

Financial Instruments. Marketable equity securities are classified as available for sale with any gain or loss recorded in the statement of operations. If a decline in fair value of a security is determined to be other than temporary, an impairment loss is recognized. Cash and cash equivalents, deposits, advances and receivables are accounted for at cost which approximates fair value. Accounts payable, convertible notes, interest notes and contingent value rights are recorded at amortized cost. Amortized cost of accounts payable approximates fair value.

GOLD RESERVE INC.
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in U.S. dollars)

Note 2. New Accounting Policies:

Adopted in the year

In January 2016, the FASB issued ASU 2016-01, Recognition and Measurement of Financial Assets and Financial Liabilities. The amendments in this update address certain aspects of recognition, measurement, presentation, and disclosure of financial instruments. This update was effective for us January 1, 2018. The updated guidance resulted in a reclassification of \$0.1 million of unrealized holding gains and losses related to investments in marketable equity securities from accumulated other comprehensive income to accumulated deficit in the Balance Sheet upon adoption. Changes in the value of the Company's marketable equity securities are now recorded as income (loss) instead of other comprehensive income (loss).

In January 2017, the FASB issued ASU 2017-01, Business Combinations. This update clarifies the definition of a business and adds guidance to assist entities with evaluating whether transactions should be accounted for as acquisitions (or disposals) of assets or businesses. This update was effective for us January 1, 2018 and did not have an impact on our financial statements.

In November 2016, the FASB issued ASU 2016-18, Statement of Cash Flows – Restricted Cash. This update requires that a statement of cash flows explain the change during the period in the total of cash, cash equivalents and amounts generally described as restricted cash or restricted cash equivalents. This update was effective for us January 1, 2018 and did not have an impact on our financial statements.

In August 2016, the FASB issued ASU 2016-15, Statement of Cash Flows – Classification of Certain Cash Receipts and Cash Payments. This update is intended to reduce the existing diversity in how certain cash receipts and cash payments are presented and classified in the statement of cash flows. This update was effective for us January 1, 2018 and did not have an impact on our financial statements.

In May 2014, the FASB issued ASU 2014-09, Revenue from contracts with customers. This standard contains principles that an entity will apply to determine the measurement of revenue and timing of when it is recognized. The underlying principle is that an entity will recognize revenue to depict the transfer of goods or services to customers at an amount that the entity expects to be entitled to in exchange for those goods or services. This update was effective for us January 1, 2018 and did not have an impact on our financial statements.

Recently issued accounting pronouncements

In February 2016, the FASB issued ASU 2016-02, Leases. This update is intended to increase transparency and comparability among organizations by recognizing lease assets and lease liabilities on the balance sheet and disclosing key information about leasing arrangements. This update is effective for us commencing with the annual period beginning after December 15, 2018, including interim periods within that year. We are still in the process of evaluating the impact of this standard.

Note 3. Arbitral Award Settlement and Associated Mining Data Sale:

In October 2009 we initiated the Brisas Arbitration to obtain compensation for the losses caused by the actions of Venezuela that terminated our Brisas Project. September 22, 2014, we were granted an Arbitral Award (the "Award") totaling \$740.3 million. In July 2016, we signed the Settlement Agreement, subsequently amended, whereby Venezuela agreed to pay us \$792 million to satisfy the Award (including interest) and \$240 million for the purchase of our mining data related to the Brisas Project (the "Mining Data"). Pursuant to the Settlement Agreement, Venezuela agreed to make a payment of \$40 million (the "Initial Payment") followed by 23 monthly payments of \$29.5 million on or before the 15th day of each month starting in July 2017, with a final payment of approximately \$313.3 million scheduled to be paid on or before June 15, 2019. The first \$240 million received by Gold Reserve from Venezuela will be recorded as proceeds from the sale of the Mining Data.

Due to U.S. and Canadian Sanctions against Venezuela and the uncertainty of transferring the funds still on deposit in the Trust Account (See Note 4, Cash and Cash Equivalents) outside of Venezuela, the Board of Directors has only considered those funds actually received by the Company in its North American bank account as funds available for purposes of calculating the CVR and Bonus Plan cash distributions, however, the full amount due based on total payments to the Trust Account has been accrued as a payable in these financial statements.

GOLD RESERVE INC.
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in U.S. dollars)

We have Contingent Value Rights ("CVRs") outstanding that entitle the holders to an aggregate of 5.466% of proceeds associated with the collection of the Award, sale of mining data or an enterprise sale (the "Proceeds"), less amounts for certain specified obligations. The total estimated amount due pursuant to the terms of the CVRs as of March 31, 2018, (including those amounts remaining in the Trust Account) from the sale of the Mining Data was approximately \$1.9 million. The amount distributed during the three months ended March 31, 2018 based on amounts actually received in our North American bank account was approximately \$1.2 million.

We maintain a bonus plan (the "Bonus Plan") which is intended to compensate the participants, including executive officers, employees, directors and consultants for their past and present contributions to the Company. The bonus pool under the Bonus Plan is comprised of the gross proceeds collected or the fair value of any consideration realized related to such transactions less applicable taxes multiplied by 1% of the first \$200 million and 5% thereafter. The total estimated amount due pursuant to the terms of the Bonus Plan as of March 31, 2018 (including those amounts remaining in the Trust Account) from the sale of the Mining Data is approximately \$0.3 million. The amount distributed during the three months ended March 31, 2018 based on amounts actually received in our North American bank account was approximately \$0.3 million.

Following receipt of funds transferred from the Trust Account to our North American bank account and after applicable payments to CVR holders and Bonus Plan participants, we expect to distribute to our shareholders a substantial majority of any remaining amounts, subject to applicable regulatory requirements and retaining sufficient reserves for operating expenses, contractual obligations, accounts payable and income taxes, and any obligations arising as a result of the collection of the Award and/or sale of the Mining Data.

Note 4. Cash and Cash Equivalents:

	March 31, 2018	December 31, 2017
Bank deposits	\$ 52,681,792	\$ 39,649,888
Cash held in trust	58,880,292	88,500,000
Money market funds	21,043,918	9,522,830
Total	<u>\$ 132,606,002</u>	<u>\$ 137,672,718</u>

Payments made by Venezuela associated with the Settlement Agreement were initially deposited into a trust account for the benefit of the Company at Banco de Desarrollo Económico y Social de Venezuela ("Bandes Bank") (the "Trust Account"), a Venezuelan state-owned development bank. Under the trust agreement, the Company has the right to direct transfer of the funds to its bank account outside of Venezuela. Deposits held in the Trust Account as of the balance sheet date are recorded as cash and cash equivalents. Deposits made to the Trust Account subsequent to the balance sheet date but prior to the date of issuance of the consolidated financial statements are recorded as a receivable arising from the sale of the Mining Data to Venezuela as of the balance sheet date.

In August 2017, the U.S. government imposed financial sanctions targeting the Venezuelan government by issuing an executive order that prohibits U.S. persons from dealing in financing of greater than 30 days for the Venezuelan government, including any entity owned or controlled by the Venezuelan government (with respect to the state oil company and its subsidiaries, these restrictions prohibit financings of greater than 90 days). In addition, U.S. persons are prohibited from dealing in, among other things, bonds or equity issued by the Venezuelan government after the U.S. financial sanctions were imposed on August 25, 2017. These U.S. financial sanctions built on sanctions imposed by the U.S. government starting in March 2015 that prohibit various Venezuelan officials from traveling to the U.S., freeze any assets they may have in the U.S. and generally prohibit U.S. persons from doing business with them and any entity they own 50% or more. Subsequent to the U.S. actions, Canada imposed its own sanctions. Recently the U.S. government added several additional individuals to the sanctions list and prohibited U.S. persons from dealing in cryptocurrencies issued by the Venezuelan government. The U.S. and Canadian governments have been reported to be considering further sanctions (collectively, the "Sanctions"). The Sanctions, in addition to the political, economic and financial condition of Venezuela, have complicated the monthly transfer of funds from Venezuela to our North American bank account.

GOLD RESERVE INC.
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in U.S. dollars)

As of May 22, 2018, the Trustee had transferred a total of approximately \$142.1 million to our bank account with approximately \$45.4 million remaining in the Trust Account. The monthly payments pursuant to the Settlement Agreement from December 2017 and January through May 2018 totaling approximately \$177 million remain unpaid. (See Note 3, Arbitral Award Settlement and Associated Mining Data Sale).

Note 5. Marketable Securities:

	March 31, 2018	December 31, 2017
Fair value at beginning of year	\$ 239,232	\$ 541,216
Increase (decrease) in fair value	12,456	(301,984)
Fair value at balance sheet date	<u>\$ 251,688</u>	<u>\$ 239,232</u>

The Company's marketable securities are classified as available-for-sale and are recorded at quoted market value with gains and losses recorded in the Consolidated Statements of Operations. Gains and losses on securities sold are based on the average cost of the shares held at the date of disposition. As of March 31, 2018 and December 31, 2017, marketable securities had a cost basis of \$98,043.

Accounting Standards Codification ("ASC") 820 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three broad levels: Level 1 inputs are quoted prices in active markets for identical assets or liabilities, Level 2 inputs are inputs other than quoted prices included within Level 1 that are directly or indirectly observable for the asset or liability and Level 3 inputs are unobservable inputs for the asset or liability that reflect the entity's own assumptions. The fair values of the Company's marketable securities are based on Level 1 inputs.

Note 6. Property, Plant and Equipment:

	Cost	Accumulated Depreciation	Net
March 31, 2018			
Machinery and equipment	\$ 11,677,534	\$ —	\$ 11,677,534
Furniture and office equipment	583,382	(484,040)	99,342
Transportation equipment	489,560	(8,656)	480,904
Leasehold improvements	39,185	(7,896)	31,289
Mineral property	350,000	—	350,000
	<u>\$ 13,139,661</u>	<u>\$ (500,592)</u>	<u>\$ 12,639,069</u>
	Cost	Accumulated Depreciation	Net
December 31, 2017			
Machinery and equipment	\$ 11,677,534	\$ —	\$ 11,677,534
Furniture and office equipment	587,126	(503,216)	83,910
Transportation equipment	489,560	—	489,560
Leasehold improvements	39,185	(7,655)	31,530
Mineral property	350,000	—	350,000
	<u>\$ 13,143,405</u>	<u>\$ (510,871)</u>	<u>\$ 12,632,534</u>

GOLD RESERVE INC.
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in U.S. dollars)

Machinery and equipment consists of infrastructure and milling equipment intended for use on the Brisas Project. We continually evaluate our equipment to determine whether events or changes in circumstances have occurred that may indicate impairment has occurred. We review comparable market data for evidence that fair value less cost to sell is in excess of the carrying amount. We did not record any impairment write-downs of property, plant and equipment during the three months ended March 31, 2018 and 2017. During 2017, the Company purchased approximately \$0.5 million of transportation equipment that is intended to be used in the development of the Siembra Minera project.

Note 7. Empresa Mixta Ecosocialista Siembra Minera, S.A.:

In October 2016, together with an affiliate of the government of Venezuela, we established Empresa Mixta Ecosocialista Siembra Minera, S.A. ("Siembra Minera"). The primary purpose of this entity is to develop the Siembra Minera Project.

Siembra Minera is beneficially owned 55% by Corporacion Venezolana de Minería, S.A., a Venezuelan government corporation, and 45% by Gold Reserve. Siembra Minera holds certain gold, copper, silver and other strategic mineral rights contained within Bolivar State comprising the Siembra Minera Project (which has a 20 year term with two 10 year extensions) and is, among other things authorized, via Presidential Decrees and Ministerial resolutions, to carry on its business, pay a net smelter return royalty to Venezuela on the sale of gold, copper, silver and any other strategic minerals over the life of the project and provide net profits participation based on the sales price of gold per ounce. Pursuant to the Settlement Agreement, both parties will retain their respective interest in Siembra Minera in the event the settlement payments are not made by Venezuela.

On March 16, 2018, the Company announced the completion of a technical report for the Preliminary Economic Assessment for the Siembra Minera Project in accordance with National Instrument 43-101 Standards of Disclosure for Mineral Projects which included, among other information, resource estimates, pit design, mine plan, flowsheet design, design criteria, project layout, infrastructure requirements, capital and operating estimates. The Company has incurred the initial costs associated with the work so far completed on the Siembra Minera Project, which through March 31, 2018 amounted to a total of approximately \$9.7 million. These expenditures primarily include costs associated with consultants working on the Siembra Minera Project, which have been recognized in the Consolidated Statements of Operations.

Note 8. KSOP Plan:

The KSOP Plan, adopted in 1990 for retirement benefits of employees, is comprised of two parts, (1) a salary reduction component, and a 401(k) which includes provisions for discretionary contributions by us, and (2) an employee share ownership component, or ESOP. Allocation of Class A common shares or cash to participants' accounts, subject to certain limitations, is at the discretion of the Board. There have been no Class A common shares allocated to the KSOP Plan since 2011. Cash contributions for plan year 2017 were approximately \$234,000. As of March 31, 2018, no contributions by the Company had been made for plan year 2018.

Note 9. Stock Based Compensation Plans:

Equity Incentive Plans

The Company's equity incentive plan provides for the grant of stock options to purchase up to a maximum of 8,750,000 of our Class A common shares. As of March 31, 2018, there were 1,822,000 options available for grant. Grants are made for terms of up to ten years with vesting periods as required by the TSXV and as may be determined by a committee of the Board established pursuant to the equity incentive plan.

GOLD RESERVE INC.
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in U.S. dollars)

Stock option transactions for the three months ended March 31, 2018 and 2017 are as follows:

	2018		2017	
	Shares	Weighted Average Exercise Price	Shares	Weighted Average Exercise Price
Options outstanding - beginning of period	5,091,565	\$ 3.13	3,357,000	\$ 2.84
Options granted	-	-	5,152,500	3.16
Options exercised	-	-	(137,500)	2.89
Options expired	(237,000)	3.70	(1,469,500)	2.89
Options outstanding - end of period	4,854,565	\$ 3.10	6,902,500	\$ 3.07
Options exercisable - end of period	4,279,568	\$ 3.10	5,877,502	\$ 3.05

The following table relates to stock options at March 31, 2018:

Outstanding Options					Exercisable Options			
Exercise Price	Number	Weighted Average Exercise Price	Aggregate Intrinsic Value	Weighted Average Remaining Contractual Term	Number	Weighted Average Exercise Price	Aggregate Intrinsic Value	Weighted Average Remaining Contractual Term
				(Years)				(Years)
\$1.92	444,922	\$1.92	\$ 302,547	3.19	444,922	\$1.92	\$ 302,547	3.19
\$2.69	125,000	\$2.69	-	9.08	62,500	\$2.69	-	9.08
\$3.00	250,000	\$3.00	-	0.20	250,000	\$3.00	-	0.20
\$3.15	3,544,643	\$3.15	-	8.88	3,032,146	\$3.15	-	8.88
\$3.91	180,000	\$3.91	-	7.25	180,000	\$3.91	-	7.25
\$4.02	310,000	\$4.02	-	6.32	310,000	\$4.02	-	6.32
\$1.92 - \$4.02	4,854,565	\$3.10	\$ 302,547	7.69	4,279,568	\$3.10	\$ 302,547	7.53

During the three months ended March 31, 2018 and 2017, the Company granted NIL and 5.2 million stock options, respectively. In the first quarter of 2017, 0.1 million outstanding options were exercised for net proceeds to the Company of \$0.4 million. The Company recorded non-cash compensation expense during the three months ended March 31, 2018 and 2017 of \$0.1 million and \$4.4 million, respectively for stock options granted in 2017 and prior periods.

The weighted average fair value of the options granted in the first three months of 2017 was calculated at \$1.05. The fair value of options granted was determined using the Black-Scholes model based on the following weighted average assumptions:

Risk free interest rate	2017
Expected term	1.22%
Expected volatility	2 years
Dividend yield	59%
	nil

The risk free interest rate is based on the US Treasury rate on the date of grant for a period equal to the expected term of the option. The expected term is based on historical exercise experience and projected post-vesting behavior. The expected volatility is based on historical volatility of the Company's stock over a period equal to the expected term of the option.

GOLD RESERVE INC.
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in U.S. dollars)

Retention Plan and Change of Control Agreements

The Company maintains the Gold Reserve Director and Employee Retention Plan. Each unit (a "Retention Unit") granted to a participant entitles such person to receive a cash payment equal to the fair market value of one Gold Reserve Class A common share on the date the Retention Unit is granted or on the date any such participant becomes entitled to payment, whichever is greater. Units previously granted under the plan became fully vested upon the collection of proceeds from sale of the Mining Data and the Board of Director's agreement to distribute a substantial majority of the remaining proceeds to our shareholders. In June 2017, as a result of the collection of proceeds related to the sale of the Mining Data, the Retention Units vested and in the third quarter of 2017 the Company paid \$7.7 million to plan participants. As of March 31, 2018 there were no Retention Units outstanding.

The Company also maintains change of control agreements with certain officers and employees. A Change of Control is generally defined as one or more of the following: the acquisition by any individual, entity or group, of beneficial ownership of the Company of 25 percent of the voting power of the outstanding Common Shares; a change in the composition of the Board that causes less than a majority of the current directors of the Board to be members of the incoming board; reorganization, merger or consolidation or sale or other disposition of all or substantially all of the assets of the Company; liquidation or dissolution of the Company; or any other event the Board reasonably determines constitutes a Change of Control. As of March 31, 2018, in the event of a change of control, the amount payable under these agreements was approximately \$16.1 million. None of this amount has currently been recognized as a change of control is not considered probable at this time.

Note 10. Convertible Notes and Interest Notes:

In the third quarter of 2017, the Company settled all of its outstanding 11% Senior Secured Convertible Notes and Interest Notes due December 31, 2018 (the "2018 Notes"). Prior to settlement, the Company had a total of \$59.1 million face value of 2018 Notes outstanding. Of these notes, \$36.3 million were redeemed for cash and the Company paid an additional \$6.4 million related to a 20% premium due on the redeemed notes and \$0.2 million in interest to the redemption date. The remaining \$22.8 million 2018 Notes were converted to approximately 7.6 million Class A common shares. As a result of the redemption or conversion of 2018 Notes, the Company recorded a \$16.6 million loss on settlement of debt consisting of the \$6.4 million premium paid and approximately \$10.2 million of remaining unamortized discount. In October 2017, the Company redeemed for cash its remaining debt, which consisted of approximately \$1.0 million face value of 5.5% Senior Subordinated Convertible Notes due June 15, 2022 (the "2022 Convertible Notes").

Note 11. Income Tax:

On December 22, 2017, the U.S. government enacted comprehensive tax legislation commonly referred to as the Tax Cuts and Jobs Act (the "Tax Act") which made broad and complex changes to the U.S. tax code. The Tax Act established new tax laws including, but not limited to, a reduction of the U.S. federal corporate tax rate from 35% to 21% beginning in 2018.

Income tax expense for the years ended March 31, 2018 and 2017 differs from the amount that would result from applying Canadian tax rates to net loss before taxes. These differences result from the items noted below:

	2018		2017	
	Amount	%	Amount	%
Income tax benefit based on Canadian tax rates	\$ (616,658)	(25)	\$ (2,188,672)	(25)
Increase (decrease) due to:				
Different tax rates on foreign subsidiaries	52,269	2	(526,965)	(6)
Non-deductible expenses	30,919	1	1,819,837	21
Withholding tax	725,615	29	—	—
Change in valuation allowance and other	407,145	17	895,800	10
	<u>\$ 599,290</u>	<u>24</u>	<u>\$ —</u>	<u>—</u>

GOLD RESERVE INC.
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in U.S. dollars)

The Company recorded income tax expense of \$0.6 million and NIL for the three months ended March 31, 2018 and 2017, respectively. We have recorded a valuation allowance to reflect the estimated amount of the deferred tax assets which may not be realized, principally due to the uncertainty of utilization of net operating losses and other carry forwards prior to expiration. The valuation allowance for deferred tax assets may be reduced in the near term if our estimate of future taxable income changes. The components of the Canadian and U.S. deferred income tax assets and liabilities as of March 31, 2018 and December 31, 2017 were as follows:

	March 31, 2018	December 31, 2017
Deferred income tax assets		
Net operating loss carry forwards	\$ 35,159,013	\$ 35,964,366
Property, Plant and Equipment	3,227,602	3,227,745
Capital loss carry forwards	1,466,726	1,478,385
Other	157,500	204,209
	<u>40,010,841</u>	<u>40,874,705</u>
Valuation allowance	(39,854,089)	(40,662,538)
	<u>\$ 156,752</u>	<u>\$ 212,167</u>
Deferred income tax liabilities		
Cash held in trust	(12,364,861)	(18,585,000)
Other	(32,265)	(29,650)
Net deferred income tax liability	<u>\$ (12,240,374)</u>	<u>\$ (18,402,483)</u>

At March 31, 2018, we had the following Canadian tax loss carry forwards. Amounts are in U.S. dollars.

	Expires
\$ 2,027,252	2026
3,762,316	2027
14,340,235	2028
13,590,347	2029
16,790,118	2030
18,801,045	2031
5,454,395	2032
7,014,176	2033
10,105,421	2034
13,116,038	2035
15,594,556	2036
19,087,903	2037
952,249	2038
<u>\$ 140,636,051</u>	

GOLD RESERVE INC.
March 31, 2018
Management's Discussion and Analysis
U.S. Dollars
(unaudited)

Management's Discussion and Analysis of Financial Condition and Results of Operations

OVERVIEW

This Management's Discussion and Analysis of Financial Condition and Results of Operations, dated May 22, 2018 is intended to assist in understanding and assessing our results of operations and financial condition and should be read in conjunction with the March 31, 2018 interim consolidated financial statements and related notes. All dollar amounts herein are expressed in U.S. Dollars.

EXPLORATION PROSPECTS

Siembra Minera

In August 2016, we executed an agreement with the government of Venezuela to form a jointly owned company and in October 2016, together with an affiliate of the government of Venezuela, we established Siembra Minera, the entity whose purpose is to develop the Siembra Minera Project. Siembra Minera is beneficially owned 55% by Corporacion Venezolana de Minería, S.A., a Venezuelan government corporation and 45% by Gold Reserve.

The significant negotiated terms related to the formation of Siembra Minera and its development and operation of the Siembra Minera Project include:

- Siembra Minera holds certain gold, copper, silver and other strategic mineral rights within Bolivar State comprising approximately 18,950 hectares in an area located in the Km 88 gold mining district of southeast Bolivar State which includes the historical Brisas and Cristinas areas. The mineral rights held by Siembra Minera have a 20 year term with two 10 year extensions;
- Gold Reserve, under a Technical Services Agreement, is expected to provide engineering, procurement and construction services to Siembra Minera for a fee of 5% over all costs of construction and development and, thereafter, for a fee of 5% over operating costs during operations;
- Presidential Decrees, within the legal framework of the "Orinoco Mining Arc" (created on February 24, 2016 under Presidential Decree No. 2.248 as an area for national strategic development Official Gazette No. 40.855), will or have been issued to provide for tax and fiscal incentives for companies owned jointly with the government ("Mixed Companies") operating in that area that include exemption from value added tax, stamp tax, municipal taxes and any taxes arising from the contribution of tangible or intangible assets, if any, to the mixed companies by the parties and the same cost of electricity, diesel and gasoline as that incurred by the government or related entities;
- Gold price participation, in accordance with an agreed upon formula resulting in specified respective percentages based on the sales price of gold per ounce. For sales up to \$1,600 per ounce, net profits will be allocated 55% to Venezuela and 45% to us. For sales greater than \$1,600 per ounce, the incremental amount will be allocated 70% to Venezuela and 30% to us. For example, with sales at \$1,600 and \$3,500 per ounce, net profits will be allocated 55.0% –45.0% and 60.5% –39.5%, respectively;
- Payment of a special advantage to Venezuela of 3% of gross sales;
- Net smelter return royalty ("NSR") to Venezuela on the sale of gold, copper, silver and any other strategic minerals of 5% for the first ten years of commercial production, 6% for the next ten years;
- Income tax rate upon the commencement of commercial production of 14% for years one to five, 19% for years 6 to 10, 24% for years 11 to 15, 29% for years 16 to 20 and 34% thereafter;
- Authorization to export and sell concentrate and doré containing gold, copper, silver and other strategic minerals outside of Venezuela and maintain foreign currency balances associated with sales proceeds;
- Siembra Minera is expected to undertake initiatives to secure financing(s) to fund the anticipated capital costs of the Siembra Minera Project, which is expected to be in excess of \$2 billion. In order to facilitate the early startup of the pre-operation and construction activities, Venezuela agreed to advance \$110.2 million to Siembra Minera, which is expected to be repaid from the financing proceeds;
- Funds associated with future capital cost financings and sale of gold, copper and silver will be held in offshore US dollar accounts and dividends and profit distributions, if any, will be directly paid to the shareholders of Siembra Minera;

- All funds will be converted into local currency at the most favorable exchange rate offered by Venezuela to other entities to pay, as required, Venezuela income taxes and annual operating and capital costs denominated in Bolivars for the Siembra Minera Project;
- Venezuela agreed to use its best efforts to grant to Siembra Minera similar terms that would apply to the Siembra Minera Project in the event Venezuela enters into an agreement with a third party for the incorporation of a mixed company to perform similar activities with terms and conditions that are more favorable than the above tax and fiscal incentives;
- Venezuela will indemnify us and our affiliates against any future legal actions related to property ownership associated with the Siembra Minera Project;
- The parties will retain their respective interest in Siembra Minera in the event the settlement payments are not made by Venezuela; and
- The board of directors is comprised of seven individuals, of which four are appointed by Venezuela and three by us.

PRELIMINARY ECONOMIC ASSESSMENT

On March 16, 2018, the Company announced the results of a technical report for the PEA of the Siembra Minera Gold Copper Project in accordance with National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101"). The technical report in connection with the PEA (the "Siembra Minera Technical Report") prepared by Roscoe Postle Associates, Inc. ("RPA"), Samuel Engineering Inc. ("Samuel Engineering"), Tierra Group International, Ltd ("Tierra Group"), and AATA International, Inc. ("AATA") is available to the public at www.sedar.com and www.sec.gov, as well as, the Company's website at www.goldreserveinc.com. The summary section of the March 16, 2018 PEA of the Siembra Minera Project Report prepared in compliance with NI 43-101 is included in the Company's annual information form.

SIEMBRA MINERA PROJECT COMPLETED ACTIVITIES

The recent activities of the Company in relation to the Siembra Minera Project have included:

- Obtained the Permit to Effect for the Siembra Minera Project from the Venezuelan Ministry of the Environment on May 7, 2018;
- Participated in an inauguration ceremony which included the officials from the Ministry of the Environment, the Minister of Mines, the Bolivar State Governor and other high government officials to mark the formal commencement of activities on the Siembra Minera Project now that the Environmental Permit to Effect has been issued;
- Launched a number of social programs to improve the health care in the Siembra Minera Project area addressing the malaria problem with medicines and preventive measures, rehabilitation and upgrade of schools and sports courts located in the Project vicinity and generating engineering assessments for future upgrades to the local communities' water supply and sewage system infrastructure;
- Completed and published the Siembra Minera Technical Report with respect to the PEA as discussed above;
- Samuel Engineering provided preliminary design and cost estimates for the Small Plant and also provided support to RPA on the Large Plant with design and related capital cost estimates. The Small Plant is expected to complement the Large Plant for the early production of gold and generation of cash flow;
- Tierra Group provided preliminary design and cost estimates for the Small Plant tailings dam facility and also provided support to RPA on the Large Plant tailings dam design and capital cost estimates;
- Ingenieria Caura, S.A. ("Caura") outlined an Early Works Program (including earthwork, timber clearing and road building) along with various permitting applications which have been submitted to the government. In addition, Caura is preparing the Venezuela Environment Impact Statements ("VEIS") for both the Small and Large Plants;
- AATA is preparing to complete an International Environmental and Social Impact Assessment ("IESIA") for the Project utilizing input from the above consultants. This report will be instrumental in project financing of the Large Plant. Prizma LLC is providing support and assistance to Caura and AATA for the social aspects of the VEIS and IESIA;

- Global Resource Engineering is providing support and assistance to Caura and AATA for the geochemistry and water quality aspects of the VEIS and IESIA;
- Local contractors have provided support services working with Gold Reserve and Siembra Minera by mobilizing certain equipment to the site and assisting with the anti-malaria program with smoker units going throughout the local communities to assist with the eradication of the source of the malaria; and
- As a result of the PEA produced by RPA the business model was modified according to the new findings and capital and operating cost update. Also, a new Cash Flow Model was developed by RPA to represent separately both the Large and Small Plants.

The Company has incurred the initial costs associated with the work so far completed on the Siembra Minera Project, which through March 31, 2018 amounted to a total of approximately \$9.7 million. These expenditures primarily include costs associated with consultants working on the project, which have been recognized in the Consolidated Statements of Operations.

SIEMBRA MINERA PROJECT DEVELOPMENT

Siembra Minera is expected to continue to undertake initiatives to secure financing(s) to fund the anticipated capital cost of the Siembra Minera Project, which is expected to be in excess of \$2 billion. Concurrent with financing efforts, the next phase of the Project's development is expected to include detail design work for the Small Cyanidation Plant and related facilities along with the metallurgical testing to support the metallurgical process used in the Plant. Subject to appropriate funding we expect to initiate the feasibility study on the Large Flotation Plant and concurrent detailed engineering.

With the issuance of the Permit to Effect we expect to commence various on-site activities such as site clearing, construction of a temporary camp and warehouse facilities, drilling of dewatering and development drill holes, access roads on the property, opening of the quarry for construction aggregates and commencement of initial construction activities. Further permits and authorizations will be required to place the project into production which will be requested during this initial period of activity.

Proposals are currently being evaluated for a drilling program which will support the overall project development activities, water management wells, and test areas where additional resource potential is evident. Siembra Minera has established local management offices in Caracas and Puerto Ordaz which will support its plan to complete various geotechnical studies as well as environmental and social studies to augment and update previous work on the property. This work will support the generation of a pre-feasibility study for the small and large plant and generate an International Environmental & Social Impact Assessment (IESIA) for the support of the various operating and environmental permits that will be required for the project.

Siembra Minera also announced a number of social programs to improve the health care in the Siembra Minera Project area specifically addressing the malaria problem with medicines and preventive measures, rehabilitating and upgrading schools and sports courts located in the Project vicinity and generating engineering assessments for future upgrades to the local communities' water supply and sewage system infrastructure.

On May 11, 2018 an inauguration ceremony on the property was held to mark the formal commencement of activities now that the Environmental Permit has been issued. The ceremony was attended by officials from the Ministry of the Environment, the Minister of Mines, the Bolivar State Governor, the Commanders of the Army for Bolivar State and Commanders of the National Guard, along with representative of Sifontes Municipality, the surrounding communities and local labor leaders as well as representatives of Siembra Minera and the Company.

BRISAS ARBITRAL AWARD SETTLEMENT AND MINING DATA SALE

In October 2009, we initiated a claim (the "Brisas Arbitration") under the Additional Facility Rules of the ICSID of the World Bank to obtain compensation for the losses caused by the actions of Venezuela that terminated our Brisas Project in violation of the terms of the Treaty between the Government of Canada and the Government of Venezuela for the Promotion and Protection of Investments.

In September 2014, the ICSID Tribunal unanimously awarded us the Award totaling (i) \$713 million in damages, plus (ii) pre-award interest from April 2008 through the date of the Award based on the U.S. Government Treasury Bill Rate, compounded annually totaling, as of the date of the Award, approximately \$22.3 million and (iii) \$5 million for legal costs and expenses, for a total, as of September 22, 2014, of \$740.3 million. The Award (less legal costs and expenses) accrues post-award interest at a rate of LIBOR plus 2%, compounded annually for a total estimated Award as of the date of the Settlement Agreement of \$770 million.

In July 2016, we signed the Settlement Agreement, whereby Venezuela agreed to pay us the amount of the Award (including interest) and purchase our Mining Data. Under the terms of the Settlement Agreement, as amended, Venezuela agreed to pay the Company \$792 million to satisfy the Award and \$240 million for the purchase of the Mining Data for a total of approximately \$1.032 billion in monthly installments. The first \$240 million to be received by Gold Reserve from Venezuela is related to the sale of the Mining Data.

In addition, the Company agreed to suspend the legal enforcement of the Award until final payment is made by Venezuela and Venezuela irrevocably waived its right to appeal the February 2017 judgment issued by the Cour d'appel de Paris dismissing the annulment applications filed by Venezuela in respect of the Award and agreed to terminate all other proceedings seeking annulment of the Award. Pursuant to the Settlement Agreement, Venezuela agreed to make a payment of \$40 million (the "Initial Payment") followed by 23 monthly payments of \$29.5 million on or before the 15th day (previously the 10th day) of each month starting in July 2017, with a final payment of approximately \$313.3 million scheduled to be paid on or before June 15, 2019.

The terms of the Settlement Agreement also included Venezuela's obligation to make available to an escrow agent negotiable financial instruments, with a face value of at least \$350 million, partially guaranteeing the payment obligations to the Company. As of the date of this report, the collateral has not yet been provided to the escrow agent. The Company and Venezuela continue discussions regarding this matter.

Payments made by Venezuela associated with the Settlement Agreement were initially deposited into the Trust Account with Banesco Bank (the "Trustee"), a Venezuelan state-owned development bank. Under the Trust Agreement, the Company has the right to direct the transfer of the funds to its bank account outside of Venezuela. For financial statement purposes, deposits held in the Trust Account as of the balance sheet date are recorded as cash and cash equivalents and deposits made to the Trust Account subsequent to the balance sheet date but prior to the date of issuance of the consolidated financial statements are recorded as a receivable from sale of Mining Data.

On June 13, 2017, Venezuela deposited the Initial Payment of \$40 million into the Trust Account and subsequently made additional monthly installment deposits of \$29.5 million each from July through November, 2017 for a total of \$187.5 million. As of March 31, 2018 Venezuela had deposited approximately \$187.5 million to the Trust Account. Of this amount, approximately \$128.5 million had been transferred to the Company's bank account outside of Venezuela with the balance of approximately \$59 million remaining in the Trust Account. As of the date of this report the Trustee has transferred a total of approximately \$142.1 million to our North American bank account with approximately \$45.4 million remaining in the Trust Account. The monthly payments pursuant to the Settlement Agreement from December 2017 and January through May 2018 totaling approximately \$177 million remain unpaid.

Due to U.S. and Canadian Sanctions against Venezuela and the uncertainty of transferring the funds still on deposit in the Trust account outside of Venezuela, the Board of Directors has only considered those funds actually received by the Company in its North American bank account as funds available for purposes of calculating the CVR and Bonus Plan distributions, however, the full amount due based on total payments to the Trust Account has been accrued as a payable in the Consolidated Balance Sheets.

In August 2017, the U.S. government imposed financial sanctions targeting the Venezuelan government by issuing an executive order that prohibits U.S. persons from dealing in financing of greater than 30 days for the Venezuelan government, including any entity owned or controlled by the Venezuelan government (with respect to the state oil company and its subsidiaries, these restrictions prohibit financings of greater than 90 days). In addition, U.S. persons are prohibited from dealing in, among other things, bonds or equity issued by the Venezuelan government after the U.S. financial sanctions were imposed on August 25, 2017. These U.S. financial sanctions built on sanctions imposed by the U.S. government starting in March 2015 that prohibit various Venezuelan officials from traveling to the U.S., freeze any assets they may have in the U.S. and generally prohibit U.S. persons from doing business with them and any entity they own 50% or more. Subsequent to the U.S. actions, Canada imposed its own sanctions. Recently the U.S. government added several additional individuals to the sanctions list and prohibited U.S. persons from dealing in cryptocurrencies issued by the Venezuelan government. The U.S. and Canadian governments have been reported to be considering further sanctions (collectively, the "Sanctions"). The Sanctions, in addition to the economic and financial condition of Venezuela, have complicated the monthly transfer of funds from Venezuela to our North American bank account.

Pursuant to a 2012 restructuring of convertible notes, we issued Contingent Value Rights ("CVRs") that entitle the holders to an aggregate of 5.466% of proceeds associated with the collection of the Award, sale of mining data or an enterprise sale (the "Proceeds"), less amounts sufficient to pay or reserve for taxes payable, certain associated professional fees and expenses not to exceed \$10 million, any accrued operating expenses as of the date of the receipt of proceeds not to exceed \$1 million and the balance of any remaining Notes and accrued interest thereon (the "Net Proceeds"). We have been advised by a CVR holder that it believes that the Company's 45% interest in Siembra Minera represents "Proceeds" for purposes of the CVRs and as such it believes it is entitled to the value of 5.466% of that interest. For a variety of reasons, the Board of Directors does not agree with that position and believes it is inconsistent with the CVRs and the terms and manner upon which we reached settlement as to the Award with the Venezuelan government. We are in discussions with the CVR holder on this subject, all of which are preliminary and it is not possible at this time to know the outcome of this matter.

The Board of Directors approved a bonus plan (the "Bonus Plan") in May 2012, which was intended to compensate the participants, including executive officers, employees, directors and consultants for their contributions related to: the development of the Brisas Project; the manner in which the development effort was carried out allowing the Company to present a strong defense of its arbitration claim; the support of the Company's execution of the Brisas Arbitration; and the ongoing efforts to assist with positioning the Company in the collection of an award, sale of the Mining Data or enterprise sale. The bonus pool under the Bonus Plan is comprised of the gross proceeds collected or the fair value of any consideration realized related to such transactions less applicable taxes multiplied by 1% of the first \$200 million and 5% thereafter. The Bonus Plan is administered by a committee of independent directors. The committee selected the individual participants in the Bonus Plan and fixed the relative percentage of the total pool to be distributed to each participant. Participation in the Bonus Plan by existing participants is fully vested, subject to voluntary termination of employment or termination for cause.

As of March 31, 2018, the total estimated remaining amount due pursuant to the terms of the CVRs (including those amounts remaining in the Trust Account) from the sale of the Mining Data was approximately \$1.9 million. The amount distributed during the three months ended March 31, 2018 based on amounts actually received in our North American bank account was approximately \$1.2 million.

As of March 31, 2018, the total estimated remaining amount due pursuant to the terms of the Bonus Plan (including those amounts remaining in the Trust Account) from the sale of the Mining Data is approximately \$0.3 million. The amount distributed during the three months ended March 31, 2018 based on amounts actually received in our North American bank account was approximately \$0.3 million.

The Company maintains the Gold Reserve Director and Employee Retention Plan. Each unit (a "Retention Unit") granted to a participant entitles such person to receive a cash payment equal to the fair market value of one Gold Reserve Class A common share on the date the Retention Unit is granted or on the date any such participant becomes entitled to payment, whichever is greater. Units previously granted under the plan became fully vested upon the collection of proceeds from sale of the Mining Data and the Board of Director's agreement to distribute a substantial majority of the remaining proceeds to our shareholders. In June 2017, as a result of the collection of proceeds related to the sale of the Mining Data, the Retention Units vested and in the third quarter of 2017 the Company paid \$7.7 million to plan participants. As of March 31, 2018 there were no Retention Units outstanding.

Following receipt of funds transferred from the Trust Account to our North American bank account and after applicable payments to CVR holders and Bonus Plan participants, we expect to distribute to our shareholders a substantial majority of any remaining proceeds, subject to applicable regulatory requirements and retaining sufficient reserves for operating expenses, contractual obligations, accounts payable and income taxes, and any obligations arising as a result of the collection of the Award and/or sale of the Mining Data.

Financial Overview

Our overall financial position is influenced by the Settlement Agreement and the proceeds received thereunder, the settlement in the third quarter of 2017 of all of our outstanding notes and the ongoing payment of amounts due pursuant to the CVRs, Retention and Bonus Plans. Recent operating results continue to be impacted by expenses associated with the formation and start-up activities related to Siembra Minera, costs associated with the Settlement Agreement, interest expense related to our debt and costs associated with maintaining our legal and regulatory obligations in good standing.

Historically we have financed our operations through the issuance of common stock, other equity securities and debt. The timing of any future investments or transactions if any, and the amounts that may be required cannot be determined at this time and are subject to available cash, the continued collection, if any, of the proceeds associated with the sale of the Mining Data or collection of the Award and/or future financings, if any. We have only one operating segment, the exploration and development of mineral properties.

Our longer-term funding requirements may be adversely impacted by the timing of the collections of the amounts due pursuant to the Settlement Agreement, financial market conditions, industry conditions, regulatory approvals or other unknown or unpredictable conditions and, as a result, there can be no assurance that additional funding will be available or, if available, offered on acceptable terms.

Liquidity and Capital Resources

At March 31, 2018, we had cash and cash equivalents of approximately \$132.6 million (including cash of \$58.9 million held in trust) (See Note 4 to the consolidated financial statements), which represents a decrease from December 31, 2017 of approximately \$5.1 million. The net decrease was primarily due to cash used in operations as more fully described in the “Operating Activities” section below.

	2018	Change	2017
Cash and cash equivalents	\$ 132,606,002	\$ (5,066,716)	\$ 137,672,718

Subsequent to the balance sheet date the Trustee transferred an additional \$13.6 million out of the Trust Account for a total amount transferred to our North American bank account of approximately \$142.1 million. As of the date of this report, the balance of approximately \$45.4 million remains in the Trust Account.

As of March 31, 2018, we had financial resources including cash, cash equivalents and marketable securities totaling approximately \$132.9 million including \$58.9 million remaining in the Trust Account (See Note 4 to the consolidated financial statements), Brisas Project related equipment with an estimated net realizable value of approximately \$11.7 million (See Note 6 to the consolidated financial statements), and short-term financial obligations including income tax, contingent value rights, accounts payable and accrued expenses of approximately \$23.0 million.

We have no revenue producing operations at this time and our working capital position is dependent upon receipt of payments under the Settlement Agreement and our cash burn rate and we may be required to seek additional sources of funding to ensure our ability to continue our activities in the normal course.

Operating Activities

Cash flow used in operating activities for the three months ended March 31, 2018 and 2017 was approximately \$5.0 million and \$2.1 million, respectively. Cash flow used in operating activities consists of net loss (the components of which are more fully discussed below) adjusted for gains on investing activities and non-cash expense items primarily related to stock option compensation and certain non-cash changes in working capital.

Cash flow used in operating activities during the three months ended March 31, 2018 increased from the prior comparable period primarily due to an increase in cash paid for expenses related to Siembra Minera, expenses related to obligations resulting from the receipt of payments from the Trust Account pursuant to the Settlement Agreement and professional costs associated with legal and tax issues.

Investing Activities

Cash flow from investing activities increased during the three months ended March 31, 2018 due to an increase in purchases of property, plant and equipment. As of March 31, 2018, the Company held approximately \$11.7 million of Brisas Project related equipment intended for future sale or use (See Note 6 to the consolidated financial statements).

Financing Activities

During the three months ended March 31, 2017, certain directors, officers, employees and consultants exercised approximately 0.1 million outstanding options for net proceeds to the Company of approximately \$0.4 million. The Company did not have cash flows from financing activities during the three months ended March 31, 2018.

Contractual Obligations

We had no material contractual obligation payments as of March 31, 2018.

Results of Operations

Summary Results of Operations

	2018	2017	Change
Income	\$ 31,597	\$ 6,688	\$ 24,909
Total Expenses	(2,498,158)	(8,761,375)	6,263,217
Net loss before tax	\$ (2,466,561)	\$ (8,754,687)	\$ 6,288,126

Consolidated net loss before tax for the three months ended March 31, 2018 was approximately \$2.5 million representing a decrease of \$6.3 million over the comparable period in 2017.

Income

	2018	2017	Change
Interest income	\$ 21,088	\$ 15,032	\$ 6,056
Gain on marketable equity securities	12,456	–	12,456
Foreign currency loss	(1,947)	(8,344)	6,397
	\$ 31,597	\$ 6,688	\$ 24,909

As the Company has no commercial production at this time, other income is often variable from period to period. The increase in other income was primarily due to increases in interest income as a result of higher levels of cash, an increase in gain on marketable equity securities as a result of a change in accounting principle and a decrease in foreign currency loss.

Expenses

Corporate general and administrative expense for the three months ended March 31, 2018 decreased from the comparable period in 2017 primarily due to a decrease in expense related to non-cash charges associated with the issuance of stock options, partially offset by bonus plan expense. Expenses associated with the Siembra Minera Project increased from the prior periods as a result of the Company ramping up its activities related to the development of the project. Legal and accounting expenses increased as a result of increased professional fees associated with the Sanctions and efforts to collect the payments pursuant to the Settlement Agreement as well as advice regarding tax issues. The increase in equipment holding costs was due to the relocation of certain equipment in 2018. The decrease in interest expense was due to the redemption and conversion of convertible notes in the third quarter of 2017. Overall, total expenses for the three months ended March 31, 2018 decreased by approximately \$6.3 million from the comparable period in 2017.

	2018	2017	Change
Corporate general and administrative	\$ 1,170,835	\$ 5,391,534	\$ (4,220,699)
Siembra Minera Project	581,033	205,998	375,035
Exploration costs	–	28,694	(28,694)
Legal and accounting	433,803	149,070	284,733
Arbitration and settlement	36,635	182,260	(145,625)
Equipment holding costs	275,852	155,026	120,826
Interest expense	–	2,648,793	(2,648,793)
Total expenses	\$ 2,498,158	\$ 8,761,375	\$ (6,263,217)

SUMMARY OF QUARTERLY RESULTS (1)

Quarter ended	3/31/18	12/31/17	9/30/17	6/30/17	3/31/17	12/31/16	9/30/16	6/30/16
Income (loss)	\$31,597	\$(120,524)	\$82,289,038	\$88,522,726	\$6,688	\$(554,106)	\$6,798	\$9,032
Net income (loss)								
before tax (2)	(2,466,561)	(3,935,744)	65,135,602	72,138,879	(8,754,687)	(6,400,329)	(5,585,556)	(4,637,513)
Per share	(0.02)	(0.04)	0.68	0.80	(0.10)	(0.08)	(0.06)	(0.06)
Fully diluted	(0.02)	(0.04)	0.68	0.70	(0.10)	(0.08)	(0.06)	(0.06)
Net income (loss) (2)	(3,065,851)	7,698,845	34,275,443	56,291,275	(8,754,687)	(6,400,329)	(5,585,556)	(4,637,513)
Per share	(0.03)	0.08	0.36	0.63	(0.10)	(0.08)	(0.06)	(0.06)
Fully diluted	(0.03)	0.08	0.36	0.55	(0.10)	(0.08)	(0.06)	(0.06)

- (1) The information shown above is derived from our consolidated financial statements that have been prepared in accordance with U.S. generally accepted accounting principles.
- (2) Net income (loss) from continuing and total operations attributable to owners of the parent.

In the first quarter of 2018, other income increased as a result of a decrease in foreign currency loss. In the fourth quarter of 2017, other income decreased as the Company did not record any additional receipts from the sale of its Mining Data. In the third quarter of 2017, the Company recorded \$88.5 million of income related to the sale of its Mining Data and a \$6.1 million loss on settlement of debt. In the second quarter of 2017, the Company recorded \$99.0 million of income related to the sale of its Mining Data and a \$10.5 million loss on settlement of debt. In the first quarter of 2017, other income (loss) consisted of interest income and foreign currency loss. In the fourth quarter of 2016, other income (loss) primarily consisted of a loss on write-down of property, plant and equipment partially offset by foreign currency gain. In the second and third quarters of 2016, other income (loss) consisted of interest income, gain (loss) on settlement of debt and foreign currency loss.

In the first quarter of 2018, the Company recorded a net loss as the Company did not record any additional receipts from the sale of its Mining Data. In the fourth quarter of 2017, the Company recorded net income primarily as a result of an adjustment to income tax expense. In the second and third quarters of 2017, the Company recorded net income as a result of the deposit of funds by Venezuela into the Trust Account associated with the sale of its Mining Data partially offset by the loss on settlement of debt. In the first quarter of 2017, net loss increased primarily as a result of non-cash stock option compensation expense of \$4.4 million partially offset by a \$1.2 million decrease in arbitration and settlement costs. In the fourth quarter of 2016, net loss increased as a result of a loss on write-down of property, plant and equipment as well as an increase in costs associated with employee compensation and director fees. In the third quarter of 2016, net loss increased mainly as a result of increased expenses related to increased efforts to settle the Award and the incurrence of costs associated with the formation of Siembra Minera. Net loss in the second quarter of 2016 decreased as a result of a decrease in arbitration enforcement and collection and legal and accounting expense.

Off-Balance Sheet Arrangements

The Company is not a party to any off-balance sheet arrangements that have, or are reasonably likely to have, a current or future material effect on the Company's financial condition, changes in financial condition, revenues, expense, results of operations, liquidity, capital expenditures or capital resources.

Exhibit 99.3 Chief Executive Officer's Certification of Interim Filings

Form 52-109F2

Certification of interim filings – full certificate

I, Rockne J. Timm, Chief Executive Officer of Gold Reserve Inc., certify the following:

1. I have reviewed the interim financial report and interim MD&A (together, the “interim filings”) of Gold Reserve Inc. (the “issuer”) for the interim period ended March 31, 2018.
2. Based on my knowledge, having exercised reasonable diligence, the interim filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by the interim filings.
3. Based on my knowledge, having exercised reasonable diligence, the interim financial report together with the other financial information included in the interim filings fairly present in all material respects the financial condition, financial performance and cash flows of the issuer, as of the date of and for the periods presented in the interim filings.
4. The issuer's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as those terms are defined in National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings*, for the issuer.
5. Subject to the limitations, if any, described in paragraphs 5.2 and 5.3, the issuer's other certifying officer and I have, as at the end of the period covered by the interim filings
 - (a) designed DC&P, or caused it to be designed under our supervision, to provide reasonable assurance that
 - (i) material information relating to the issuer is made known to us by others, particularly during the period in which the interim filings are being prepared; and
 - (ii) information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
 - (b) designed ICFR, or caused it to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP.
- 5.1 The control framework the issuer's other certifying officer and I used to design the issuer's ICFR is the Committee of Sponsoring Organizations of the Treadway Commission (COSO) 2013 framework.
- 5.2 N/A
- 5.3 N/A
6. The issuer has disclosed in its interim MD&A any change in the issuer's ICFR that occurred during the period beginning on January 1, 2018 and ended on March 31, 2018 that has materially affected, or is reasonably likely to materially affect, the issuer's ICFR.

Date: May 22, 2018

/s/Rockne J. Timm

Rockne J. Timm

Chief Executive Officer

Exhibit 99.4 Chief Financial Officer's Certification of Interim Filings

Form 52-109F2 Certification of interim filings – full certificate

I, Robert A. McGuinness, Chief Financial Officer of Gold Reserve Inc., certify the following:

1. I have reviewed the interim financial report and interim MD&A (together, the “interim filings”) of Gold Reserve Inc. (the “issuer”) for the interim period ended March 31, 2018.
2. Based on my knowledge, having exercised reasonable diligence, the interim filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by the interim filings.
3. Based on my knowledge, having exercised reasonable diligence, the interim financial report together with the other financial information included in the interim filings fairly present in all material respects the financial condition, financial performance and cash flows of the issuer, as of the date of and for the periods presented in the interim filings.
4. The issuer's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as those terms are defined in National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings*, for the issuer.
5. Subject to the limitations, if any, described in paragraphs 5.2 and 5.3, the issuer's other certifying officer and I have, as at the end of the period covered by the interim filings
 - (a) designed DC&P, or caused it to be designed under our supervision, to provide reasonable assurance that
 - (iii) material information relating to the issuer is made known to us by others, particularly during the period in which the interim filings are being prepared; and
 - (iv) information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
 - (c) designed ICFR, or caused it to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP.
- 5.1 The control framework the issuer's other certifying officer and I used to design the issuer's ICFR is the Committee of Sponsoring Organizations of the Treadway Commission (COSO) 2013 framework.
- 5.2 N/A
- 5.3 N/A
6. The issuer has disclosed in its interim MD&A any change in the issuer's ICFR that occurred during the period beginning on January 1, 2018 and ended on March 31, 2018 that has materially affected, or is reasonably likely to materially affect, the issuer's ICFR.

Date: May 22, 2018

/s/Robert A. McGuinness
Robert A. McGuinness
Chief Financial Officer