

GOLD RESERVE INC.

February 15, 2022

IMPORTANT TAX NOTICE FOR U.S. SHAREHOLDERS

Special U.S. Federal Income Tax Filing Requirements Related to Your Investment in Gold Reserve Inc.

Because Gold Reserve Inc. ("GRI") is a Canadian corporation and more than 75% of its consolidated gross income is classified as passive income, the Internal Revenue Service ("IRS") considers it a passive foreign investment company ("PFIC") for the taxable year ended December 31, 2021. It is uncertain whether GRI will be considered a PFIC in subsequent years. GRI has not made, and does not expect to make, a determination as to whether its subsidiaries should be considered PFICs for the taxable year ended December 31, 2021. **You should consult your own tax advisor regarding GRI's status as a PFIC.**

The attached PFIC Annual Information Statement is being provided to you pursuant to the requirements of Treasury Regulations Section 1.1295-1(g)(1). The PFIC Annual Information Statement contains information to enable you, should you choose, to elect to treat GRI, the separate entity, as a qualified electing fund ("QEF"). The QEF election is made by completing and attaching Form 8621 to your federal income tax return filed by the due date of the return, as extended. A U.S. shareholder does not have to make this election for shares held in his or her IRA.

A U.S. shareholder who makes the QEF election for GRI is required to annually include in his or her income his or her pro rata share of GRI's ordinary earnings and net capital gains (but not the ordinary earnings or net capital gains of its subsidiaries). GRI, on a single entity basis, did not have ordinary earnings or net capital gains for its taxable year ended December 31, 2021, as determined under Section 1293(e) of the U.S. Internal Revenue Code ("Code").

If you have not made a valid and timely QEF election with respect to all of your GRI stock, you will be subject to the PFIC rules and GRI will be treated as a PFIC for the taxable year ended December 31, 2021 (notwithstanding that GRI has no ordinary earnings or net capital gains for 2021), and, as a result, you could be subject to adverse tax consequences. For example, if you recognize gain on the sale of your GRI stock or receive a distribution from GRI, you could be required to allocate such gain or distribution ratably over the time period during which you held the stock while GRI was a PFIC, and pay tax at the highest rate on ordinary income (rather than the long-term capital gain rate) in effect for each year to which the gain is allocated plus interest on the tax (collectively, the "Excess Distribution Rules").

Under Section 1298(f) of the Code and Treasury Regulation Section 1.1298-1, effective for taxable years ending on or after December 31, 2013, a U.S. person who directly or indirectly own shares in a PFIC ("U.S. shareholders") must file a Form 8621 with their annual U.S. federal income tax returns (or separately if they are not otherwise required to file a tax return) even if the U.S. shareholder is not required to recognize income under the PFIC rules in the relevant taxable year. There are exceptions to this annual reporting requirement for certain U.S. shareholders, including but not limited to, tax exempt U.S. shareholders, U.S. shareholders that hold small amounts (by value) of stock in PFICs for which they have not made a QEF election, and, for taxable years in which GRI does not qualify as a PFIC under Section 1297(a) of the Code, U.S. shareholders who have made valid and timely QEF elections with respect to all of their GRI stock. Each of these exceptions has a number of requirements that must be satisfied. **You should consult your own tax advisor regarding your specific reporting obligations.**

Form 8621 and instructions can be found at the IRS or your local library. They can also be found on the Internet at <https://www.irs.gov/forms-pubs/about-form-8621>. If you would like us to send you a form, please contact our office at 1-800-625-9550.

The above is for general information purposes only and does not purport to be a complete analysis or listing of all potential U.S. federal income tax considerations that may apply to you. We strongly urge you to consult your tax advisor for advice concerning the application of the U.S. federal income tax rules governing PFICs, QEFs, and purging elections to your own tax situation.

/s/ A. Douglas Belanger, President

PFIC Annual Information Statement for GRI

This Information Statement applies to the taxable year of GRI beginning on January 1, 2021, and ending on December 31, 2021.

The total ordinary earnings and net capital gains of GRI for the taxable year specified above are:

Ordinary earnings:	NONE
Net capital gains:	NONE
Your pro rata share of GRI's ordinary earnings is:	NONE
Your pro rata share of GRI's net capital gain is:	NONE
The amount of cash and the fair market value of other property distributed or deemed distributed to you during the taxable year specified above is:	NONE

GRI will permit you to inspect and copy its permanent books of account, records, and such other documents as may be maintained by GRI to establish that GRI's ordinary earnings and net capital gain, as provided in Section 1293(e) of the Code, are computed in accordance with U.S. income tax principles, and to verify these amounts and your pro rata share thereof.

Gold Reserve Inc.

Date: February 15, 2022

By: */s/ A. Douglas Belanger, President*