

GOLD RESERVE INC  
Form 6-K  
May 13, 2008

## FORM 6-K

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

REPORT OF FOREIGN PRIVATE ISSUER PURSUANT TO RULE 13a-16 OR 15d-16 OF THE SECURITIES EXCHANGE ACT OF 1934

**For the Month of May 2008**

Commission file number 001-31819

## GOLD RESERVE INC.

Address of Principal Executive Offices: .....926 West Sprague Avenue  
Suite 200  
Spokane, Washington 99201

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F. Form 20-F  Form 40-F .

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934: Yes  No .

If  Yes is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b):

Filed with this Form 6-K are the following, which are incorporated herein by reference:

99.1 Notice of Annual and Special Meeting of Shareholders and Information Circular

99.2 Form of Proxy

99.3 Annual Report

Certain statements included herein, including those that express management's expectations or estimates of our future performance or concerning the Brisas Project or the Choco 5 exploration 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

## Edgar Filing: GOLD RESERVE INC - Form 6-K

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.

## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

GOLD RESERVE INC.  
(Registrant)

By: s/ Robert A. McGuinness  
Vice President Finance & CFO  
May 13, 2008

### Exhibit Index

The following are filed as exhibits to this Form 6-K:

<u>Exhibit Number</u>	<u>Description</u>
99.1	Notice of Annual and Special Meeting of Shareholders and Information Circular
99.2	Form of Proxy
99.3	Annual Report

---

### **Exhibit 99.1 Notice of Annual and Special Meeting of Shareholders and Information Circular**

---

#### **GOLD RESERVE INC.**

926 W. Sprague Avenue, Suite 200,  
Spokane, WA 99201

#### **NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS**

NOTICE IS HEREBY GIVEN that an Annual and Special Meeting (the Meeting) of the holders of Class A common shares and Class B common shares (collectively, the Shareholders) of GOLD RESERVE INC. (the Company) will be held at the Spokane Club, located at 1002 W. Riverside, Spokane, Washington USA, on Tuesday, the 10th day of June, 2008 at 9:30 a.m. (Pacific daylight time) for the following purposes:

- 1) To elect directors of the Company to hold such positions until the next annual meeting of Shareholders or until their successors are elected and have qualified;
- 2) To appoint auditors of the Company and to authorize the directors of the Company to fix their remuneration;

## Edgar Filing: GOLD RESERVE INC - Form 6-K

- 3) To approve the issuance of 100,000 Class A common shares of the Company for purchase by the KSOP Plan;
- 4) To consider and, if deemed advisable approve, with or without variation, a resolution approving the adoption of the Venezuelan Equity Incentive Plan (the Venezuelan Plan );
- 5) To receive the financial statements of the Company for the year ended December 31, 2007, together with the report of the auditors thereon; and
- 6) To conduct any other business as may properly come before the meeting or any adjournment thereof.

Shareholders who are unable to attend the Meeting or any adjournment or postponement thereof in person and who wish to ensure that their shares will be voted are requested to complete, sign and mail the enclosed form of proxy to Proxy Services, C/O Computershare Trust Company N.A., P.O. Box 43102, Providence, RI 02940-5068 not later than the close of business on the business day immediately preceding the Meeting or any adjournment thereof. A form of proxy, management information circular and a copy of the Company's Annual Report accompany this notice. The specific details of the matters proposed to be put before the Meeting are set forth in the accompanying Information Circular.

The Board of Directors has fixed the close of business on May 2, 2008 as the record date for the determination of Shareholders entitled to notice of the meeting and any adjournment or postponement thereof.

DATED this 23<sup>rd</sup> day of April, 2008

BY ORDER OF THE DIRECTORS

Rockne J. Timm  
Chief Executive Officer

---

2

---

**GOLD RESERVE INC.**

**INFORMATION CIRCULAR**

(Containing information as of April 23, 2008)

### **MANAGEMENT SOLICITATION OF PROXIES**

This Management Information and Proxy Circular is furnished in connection with the solicitation of proxies by the management of GOLD RESERVE INC. (the Company) to be voted at the Annual and Special Meeting of Shareholders of the Company (the Meeting) to be held on Tuesday, the 10th day of June, 2008 at 9:30 a.m. (Pacific daylight time), at the Spokane Club located at 1002 W. Riverside, Spokane, Washington and at any adjournment or postponement thereof, for the purposes set forth in the accompanying Notice of Annual and Special Meeting of Shareholders. The solicitation of proxies will be primarily by mail but proxies may also be solicited personally or by telephone by employees of the Company. Employees will not receive any extra compensation for such activities. The Company may pay brokers, nominees or other persons holding shares of the Company in their name for others for their reasonable charges and expenses in forwarding proxies and proxy materials to beneficial owners of such shares, and obtaining their proxies. The Company may also retain independent proxy solicitation agents to assist in the solicitation of proxies for the Meeting. The cost of all solicitations of proxies will be borne by the Company. Except where otherwise stated, the information contained herein is given as of the 23rd day of April, 2008.

Unless otherwise indicated, all currency amounts referred to herein are stated in U.S. dollars.

### **APPOINTMENT AND REVOCATION OF PROXIES**

The individuals named in the enclosed form of proxy are directors or officers of the Company. **A Shareholder submitting a proxy has the right to appoint a person or company, who need not be a Shareholder, to represent the Shareholder at the Meeting other than the**

## Edgar Filing: GOLD RESERVE INC - Form 6-K

persons designated in the form of proxy furnished by the Company. To exercise this right, the Shareholder may insert the name of the desired representative in the blank space provided in the proxy or may submit another appropriate form of proxy.

The completed proxy must be deposited at the office of Proxy Services, C/O Computershare Trust Company N.A., P.O. Box 43102, Providence, RI 02940-5068, not later than the close of business on the business day preceding the day of the Meeting or any adjournment or postponement thereof, or with the Chairman of the Meeting immediately prior to the commencement of the Meeting or any adjournment or postponement thereof, otherwise the instrument of proxy will be invalid.

You may revoke or change your proxy at any time before it is exercised at the Meeting. In the case of Shareholders appearing on the registered shareholder records of the Company, a proxy

---

may be revoked at any time prior to its exercise by sending or depositing a written notice of revocation or another signed proxy bearing a later date to the Secretary of the Company at its principal executive office located at 926 W. Sprague Avenue, Suite 200, Spokane, Washington 99201. You may also revoke your proxy by giving notice or by voting in person at the Meeting.

Shareholders appearing in the name of a bank, broker or other nominee should follow the instructions provided by their bank, broker or nominee in revoking their previously voted shares.

### EXERCISE OF DISCRETION BY PROXIES

**The shares represented by the proxy will be voted or withheld from voting in accordance with the instructions of the Shareholder on any ballot that may be called for and, if the Shareholder specifies a choice with respect to any matter to be acted upon, the shares will be voted accordingly. In the absence of such choice being specified, such shares will be voted for the matters specifically identified in the Notice of Annual and Special Meeting of Shareholders accompanying this management information circular (the Information Circular).**

The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the Notice of Annual and Special Meeting of Shareholders and with respect to other matters which may properly be brought before the Meeting. At the time of printing this Information Circular, the management of the Company knows of no such amendments, variations or other matters to come before the Meeting other than the matters referred to in the Notice of Annual and Special Meeting of Shareholders.

In February 1999, the Gold Reserve Corporation became a subsidiary of the Company, the successor issuer. For the purposes of disclosure in this Information Circular, references to the Company prior to February 4, 1999 are references to Gold Reserve Corporation.

### VOTING RIGHTS AND PRINCIPAL SHAREHOLDERS

The Company's issued and outstanding shares consist of Class A common shares (each, a Class A Share) and Class B common shares (each, a Class B Share). Unless otherwise noted, references to Common Shares in this Information Circular include both Class A Shares and Class B Shares. Holders of Common Shares (collectively, the Shareholders) are entitled to one vote per share and will vote as a single class on all matters to be considered and voted upon at the Meeting or any adjournment thereof. As of April 23, 2008, there were 55,761,192 issued and outstanding Class A Shares and 1,071,599 issued and outstanding Class B Shares for a total of 56,832,791 Common Shares eligible to vote.

The Company has set the close of business on May 2, 2008 as the record date for the Meeting. The Company will prepare a list of Shareholders of record at such time. Shareholders will be entitled to vote the shares then registered in their name at the Meeting except to the extent that (a) the holder has transferred the ownership of any of his shares after that date, and (b) the transferee of those shares produces properly endorsed share certificates, or otherwise establishes that he owns the shares, and demands, not later than 10 days before the Meeting, that the transferee's name be included in the list of persons entitled to vote at the Meeting, in which case the transferee will be entitled to vote his shares at the Meeting or any adjournment thereof.

2

---

To the knowledge of the directors and senior officers of the Company, as of April 23, 2008, the only person, firm or corporation that beneficially owned, directly or indirectly, or exercised control or direction over more than 10% of the voting rights attached to the Common Shares was:

Shareholder Name	Number of Common Shares Held (1)	Percentage of Shares Issued (2)
------------------	-------------------------------------	------------------------------------

## Edgar Filing: GOLD RESERVE INC - Form 6-K

Tradewinds Global Investors

10,472,572

17.2%

- (1) Information as to shareholdings has been provided to the Company by the Shareholder as of March 31, 2008.
- (2) As of March 31, 2008 Tradewinds Global Investors held 6,329,866 Class A Common Shares and upon conversion of the convertible notes an additional 4,142,706 Class A Common Shares would be issued.

A quorum for the transaction of business at any meeting of the Shareholders shall be holders of at least one-third (1/3) of the outstanding Common Shares present in person or represented by proxy. Except as otherwise stated in this Information Circular, the affirmative vote of the holders of a majority of the Common Shares present at the Meeting, in person or by proxy, is required to approve all items presented in this Information Circular.

### VOTING BY NON-REGISTERED SHAREHOLDERS

Only registered Shareholders or the persons they designate as their proxies are permitted to vote at the Meeting. In many cases, however, the Common Shares owned by a person (a non-registered holder ) are registered either: (a) in the name of an intermediary (an Intermediary ) that the non-registered holder deals with in respect of the Common Shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered registered savings plans, registered retirement income funds, registered education savings plans and similar plans); or (b) in the name of a clearing agency (such as The Canadian Depository for Securities Limited) of which the Intermediary is a participant.

In accordance with the requirements of National Instrument 54-101 of the Canadian Securities Administrators, the Company has distributed copies of this Information Circular and the accompanying notice of meeting and form of proxy (collectively, the Meeting Materials ) to the clearing agencies and Intermediaries for onward distribution to non-registered holders of Common Shares.

Intermediaries are required to forward the Meeting Materials to non-registered holders unless a non-registered holder has waived the right to receive them. Very often, Intermediaries will use service companies to forward the Meeting Materials to non-registered holders. Generally, non-registered holders who have not waived the right to receive the Meeting Materials will either:

- (a) be given a form of proxy which has already been signed by the Intermediary (typically by a facsimile stamped signature), which is restricted as to the number and class of securities beneficially owned by the non-registered holder but which is not otherwise completed. Because the Intermediary has already signed the form of proxy, this form of proxy is not required to be signed by the non-registered holder when submitting the proxy. In this case, the non-registered

3

---

holder who wishes to vote by proxy should otherwise properly complete the form of proxy and deliver it as specified above under the heading Appointment and Revocation of Proxies ; or

- (b) be given a form of proxy which is not signed by the Intermediary and which, when properly completed and signed by the non-registered holder and returned to the Intermediary or its service company, will constitute voting instructions (often called a Voting Instruction Form ) which the Intermediary must follow.

Typically, the non-registered holder will also be given a page of instructions which contains a removable label containing a bar code and other information. In order for the form of proxy to validly constitute a Voting Instruction Form, the non-registered holder must remove the label from the instructions and affix it to the Voting Instruction Form, properly complete and sign the Voting Instruction Form and submit it to the Intermediary or its services company in accordance with the instructions of the Intermediary or its service company.

In either case, the purpose of this procedure is to permit non-registered holders to direct the voting of the Common Shares they beneficially own. **Should a non-registered holder who receives either form of proxy wish to vote at the Meeting in person, the non-registered holder should strike out the persons named in the form of proxy and insert the non-registered holder's name in the blank space provided. Non-registered holders should carefully follow the instructions of their Intermediary, including those regarding when and where the form of proxy or Voting Instruction Form is to be delivered.**

### BUSINESS OF THE MEETING

**Item 1 Election of Directors**

The articles of the Company provide that the Board of Directors (the Board) shall consist of a minimum of 3 and a maximum of 15 directors, with the actual number of directors to be determined from time to time by the Board. The Company's Board presently consists of seven members.

The Board held 4 formal meetings during 2007 at which attendance, in person or by phone, averaged 89%. Various matters were considered and approved by written resolution during the year. The Board also held several informal meetings throughout the year.

The by-laws of the Company provide that each director shall be elected to hold office until the next annual meeting of the Company's Shareholders or until their qualified successors are elected. All of the current directors' terms expire the date of the Meeting and it is proposed by management that each of them be re-elected to serve another term.

The following table and notes thereto states the names of each person proposed to be nominated by management for election as a director, the province or state and country in which he is ordinarily resident, his age, all offices of the Company now held by him, his principal occupation, the period of time for which he has been a director of the Company and the number of Common Shares beneficially owned by him, directly or indirectly, or over which he exercises control or direction, as at the date hereof.

4

The persons named in the accompanying form of proxy intend to vote for the election of these nominees unless otherwise directed. Management does not contemplate that the nominees will be unable to serve as directors.

Proposed Nominee and Position in the Company	Age	Principal Occupation	Director Since	Number of Common Shares Beneficially Owned as of April 23, 2008 <sup>(1)</sup>
Rockne J. Timm <sup>(2)</sup> <sup>(3)</sup> <sup>(6)</sup> Washington, USA Chief Executive Officer and Director	62	Chief Executive Officer of the Company. Mr. Timm is also a Director and President of both MGC Ventures, Inc. and Great Basin Energies, Inc.	March 1984	1,621,251
A. Douglas Belanger <sup>(2)</sup> <sup>(3)</sup> <sup>(6)</sup> Washington, USA President and Director	54	President of the Company. Mr. Belanger is also a Director and Executive Vice President of both Great Basin Energies, Inc. and MGC Ventures, Inc.	August 1988	1,943,636
James P. Geyer Washington, USA Senior Vice-President and Director	56	Senior Vice President of the Company. Mr. Geyer is also a Director of Thompson Creek Metals Company Inc.	June 1997	445,823
James H. Coleman, Q.C. <sup>(2)</sup> <sup>(3)</sup> <sup>(6)</sup> Alberta, Canada Non-Executive	57	Senior Partner of the law firm of Macleod Dixon LLP of Calgary, Alberta. He is also a Director of various public companies including	February 1994	352,050

Edgar Filing: GOLD RESERVE INC - Form 6-K

Chairman and Director		Great Basin Energies, Inc. and MGC Ventures, Inc.		
Patrick D. McChesney (2) (3)(5) Washington, USA Director	58	Controller of Foothills Auto Group. He is also a Director of Great Basin Energies, Inc. and MGC Ventures, Inc.	August 1988	161,157
Chris D. Mikkelsen (2) (3) (4) (5) Washington, USA Director	56	Principal in McDermid, Mikkelsen & Secrest, P.S. (a certified public accounting firm). Mr. Mikkelsen is also a Director of Great Basin Energies, Inc. and MGC Ventures, Inc.	June 1997	374,041
Jean Charles Potvin (4) (5) Ontario, Canada Director	54	Director, Chairman and Chief Executive Officer of Tiomin Resources Inc.	November 1993	220,604

(1) Includes Common Shares issuable pursuant to options exercisable as of April 23, 2008 or exercisable within 60 days of April 23, 2008 as follows: Mr. Timm, 532,500; Mr. Belanger, 492,500; Mr. Geyer, 204,168; Mr. Coleman, 205,000; Mr. McChesney, 130,000; Mr. Mikkelsen, 130,000; and Mr. Potvin, 130,000. These numbers also include unvested, restricted shares held by each of the directors that carry full voting rights as follows: Mr. Timm 102,500 shares, Mr. Belanger 92,500 shares, Mr. Geyer 61,875 shares, Mr. Coleman 12,000 shares, Mr. McChesney 12,000 shares, Mr. Mikkelsen 12,000 shares, and Mr. Potvin 12,000 shares.

(2) Messrs. Timm, Belanger, Coleman, McChesney, and Mikkelsen are directors of Great Basin Energies, Inc., which owns 491,192 Common Shares, or 0.9% of the outstanding Common Shares. The foregoing individuals beneficially own 10.3%, 7.3%, 2.9%, 2.3%, and 1.8%, respectively, of the outstanding common shares of Great Basin Energies, Inc. and may be deemed indirectly to have an interest in the Company through their respective

5

management positions and/or ownership interests in Great Basin Energies, Inc. Each of the foregoing individuals disclaims any beneficial ownership of the Common Shares owned by Great Basin Energies, Inc.

(3) Messrs. Timm, Belanger, Coleman, McChesney, and Mr. Mikkelsen are directors of MGC Ventures, Inc., which owns 258,083 Common Shares, or 0.5% of the outstanding Common Shares. The foregoing individuals beneficially own 11.5%, 11.7%, 4.8%, 3.8%, and 2.9%, respectively, of the outstanding common shares of MGC

Ventures, Inc. and may be deemed indirectly to have an interest in the Company through their respective management positions and/or ownership interests in MGC Ventures, Inc. Each of the foregoing individuals disclaims any beneficial ownership of the Common Shares owned by MGC Ventures, Inc.

(4) Member of the Compensation Committee.

(5) Member of the Audit Committee.

(6) Member of the Executive Committee.

Each of the foregoing nominees has held his present principal occupation with his current employer or other positions with the same firm throughout the last five years, with the exception of Mr. McChesney, who in addition to assuming his current position with Foothills Auto

## Edgar Filing: GOLD RESERVE INC - Form 6-K

Group, was controller for Remtech, Inc. in 2004 and 2005, and was president of LMO Test Systems, Inc. from March 1996 until December 2005.

**If you complete and return the attached form of proxy, your representative at the Meeting, or any adjournment or postponement thereof, will vote your shares FOR the election of the nominees set out herein unless you specifically direct that your vote be withheld.**

### Item 2 Appointment of Auditors

It is proposed that the firm of PricewaterhouseCoopers LLP be re-appointed by the Shareholders as independent certified public accountants to audit the financial statements of the Company for the year ending December 31, 2008 and that the Board be authorized to fix the auditors remuneration. PricewaterhouseCoopers LLP were first appointed auditors of the Company in 1992.

**Unless such authority is withheld, the persons named in the accompanying proxy intend to vote FOR the re-appointment of PricewaterhouseCoopers LLP as auditors of the Company until the next annual meeting of the Company's Shareholders, or until their successors are duly appointed, at a remuneration to be fixed by the Board.**

### Item 3 Approval of the Purchase of Class A Shares by the KSOP Plan

The Company's subsidiary, Gold Reserve Corporation, maintains a retirement plan, the KSOP Plan, for eligible employees. The annual contribution to the KSOP Plan participants is formula-driven based on a percentage of compensation and is used to allocate Class A Shares purchased by the KSOP Plan. For a more detailed description of the KSOP Plan, see Executive Compensation KSOP Plan .

As of December 31, 2007, 22,246 Class A Shares remained in the KSOP Plan to be allocated to KSOP Plan participants, representing less than 0.04% of the issued and outstanding Common Shares of the Company at that time.

On March 12, 2008, the Board approved, subject to Shareholder approval, the issuance of 100,000 Class A Shares for purchase by the KSOP Plan at a price of US \$4.95 (Cdn. \$4.93) per

6

---

Class A Share, which represented the closing market price on the Toronto Stock Exchange (the TSX ) (converted to US \$) on March 11, 2008 of the Class A Shares.

Assuming the resolution approving the purchase of Class A Shares by the KSOP Plan is approved, 122,246 Class A Shares, representing approximately 0.2% of the issued and outstanding Common Shares, would be available for allocation to KSOP Plan participants.

In order for the acquisition of Class A Shares by the KSOP Plan to comply with certain requirements of the TSX, this resolution must be approved by a majority of the votes cast on such resolution, other than votes attaching to Common Shares beneficially owned by insiders of the Company eligible to participate in the KSOP Plan or associates of such insiders. In the event this resolution is approved by the holders of at least a majority of the votes cast on this resolution at the Meeting, in person or by proxy by disinterested Shareholders, it will be deemed approved but will remain subject to the policy limitations of the TSX with respect to the number of Class A Shares that may be allocated to directors and executive officers.

As of April 23, 2008, based on the information available to the Company, a total of 3,116,722 Common Shares, or 5.5% of the Company, were held by insiders or their associates eligible to participate in the KSOP Plan.

Approval of this resolution in compliance with the rules of the TSX will enable the allocation of Class A Shares pursuant to the employee stock ownership component of the KSOP Plan to eligible participants in compliance with the TSX's limitations on awards to such persons pursuant to share compensation arrangements.

The following resolution in respect of the issuance of Class A Shares for the KSOP Plan will be proposed at the Meeting:

BE IT RESOLVED THAT:

1. The issuance of 100,000 Class A Shares for purchase by the KSOP Plan at a price of US \$4.95 (Cdn. \$4.93) be and is hereby approved, and
- 2.



## Edgar Filing: GOLD RESERVE INC - Form 6-K

Any officer or director of the Company be and is hereby authorized for and on behalf of the Company to execute and deliver all such instruments and documents and to perform and do all such other acts and things as may be deemed advisable in such individual's discretion for the purpose of giving effect to this resolution.

**The Board has determined that the issuance to the KSOP Plan of 100,000 Class A Shares is in the best interests of the Company and recommends that the Shareholders vote in favor of the resolution authorizing such issuance.**

**The persons named in the accompanying proxy intend to vote FOR the approval of the authorization to issue 100,000 Class A Shares to the KSOP Plan unless otherwise directed.**

7

---

### **Item 4 Adoption of the Venezuelan Equity Incentive Plan**

At the Meeting, Shareholders will be asked to consider, and if deemed advisable approve, with or without variation, a resolution approving the adoption of the Venezuelan Equity Incentive Plan (the "Venezuelan Plan") for employees and consultants of the Company's subsidiaries. The Venezuelan Plan permits the grant of stock options, stock appreciation rights and restricted stock.

The purpose of the Venezuelan Plan is to advance the interests of the Company and its subsidiaries and promote continuity of management by encouraging and providing its employees and consultants in Venezuela with the opportunity to acquire an equity interest in the Company and to participate in the increase in shareholder value as reflected in the growth in the price of the Company's shares and by enabling the Company's subsidiaries to attract and retain the services of employees, and consultants upon whose judgment, interest, skills, and special effort the successful conduct of its operations is largely dependent.

On April 10, 2008, the Board approved the Venezuelan Plan (subject to Shareholder and stock exchange approvals) whereby options are granted at the current fair market value of the underlying shares of the Company. The total number of shares subject to issuance under the Venezuelan Plan, whether in the form of restricted stock, options, or stock appreciation rights, or any combination thereof, shall be 10% of the Corporation's outstanding shares, from time to time. The Venezuelan Plan is administered by the Board and the committee of the Board to which it may delegate authority. As at April 23, 2008, no options have been granted under the Venezuelan Plan.

### **Insiders of the Company and its subsidiaries are not eligible to participate in the Venezuelan Plan.**

As of April 23, 2008, employees and consultants who would be considered eligible to participate in the Venezuelan Plan held 1,056,947 stock options in the Company's 1997 Equity Incentive Plan, as amended in 2006. If the Venezuelan Plan is approved these options would be transferred, retaining their current status, to the Venezuelan Plan.

Options, stock appreciation rights ("SARs") and restricted stock granted under the Venezuelan Plan are generally granted at the fair market value of the Class A Shares. The fair market value is defined as: subject to any applicable stock exchange rules, the volume weighted average trading price, expressed in the United States Dollar equivalent of the Stock, calculated by dividing the total value by the total volume of Stock on the principal market for the five trading days immediately preceding the relevant date

The principal market is the stock exchange where the majority of the trading volume and value of the Stock occurs over the last twelve-month period.

A SAR entitles the holder of the related option, upon exercise of the SAR, to surrender such option or any portion thereof to the extent unexercised, and to receive payment of an amount determined by multiplying (i) the excess of the Fair Market Value of the Class A Shares immediately preceding the date of exercise of such SAR over the option price under the related option, by (ii) the number of shares as to which such SAR has been exercised. Notwithstanding the foregoing, the agreement evidencing the SAR may limit in any manner the amount payable with respect to any SAR. Payment may be made by the Company in the form of Class A common shares, cash or a combination of Class A common shares and cash. Each option grant is

8

---

limited to a maximum duration of 10 years from the time it is granted and the vesting period is discretionary.

## Edgar Filing: GOLD RESERVE INC - Form 6-K

Restricted shares issued under the Venezuelan Plan may be subject to restrictions imposed by the Board, including restrictions on the sale, transfer, pledge or assignment of such shares. During the period of restriction, persons holding restricted shares granted pursuant to the Venezuelan Plan may exercise full voting rights and be entitled to all dividends and other distributions paid with respect to such shares.

The Venezuelan Plan provides the following for termination of employment with regard to the options outstanding at the date of termination:

*Retirement.* Any then outstanding and vested options under the Venezuelan Plan may be exercised at any time prior to the earlier of the expiration date of the outstanding options or 12 months after the date of retirement.

*For Cause.* Any then outstanding options become null and void.

*Involuntary Termination of Employment.* Any then outstanding options that are vested at the time of termination may be exercised at any time prior to the earlier of the expiration date of the vested outstanding options or 30 days after the date of termination.

*Voluntary Termination of Employment.* Any then outstanding options that are vested at the time of termination may be exercised at any time prior to the earlier of the expiration date of the vested outstanding options or 90 days after the date of termination.

The Board may, at any time and from time to time, modify, amend, suspend or terminate the Venezuelan Plan without Shareholder approval in any respect. Amendments to the Venezuelan Plan shall be subject to stockholder approval to the extent required to comply with any rules and regulations of any stock exchange on which the Shares are listed.

The full text of the resolution approving the amendment is attached to this Information Circular as found below. To be effective, the approval of the Venezuelan Plan must be given by resolution of the Shareholders. In order to be effective, the resolution must receive the affirmative vote of a majority of the votes cast by Shareholders present in person or represented by proxy at the Meeting.

**The Board recommends that Shareholders vote in favor of the resolution approving the Venezuelan Plan.**

**Unless such authority is withheld, it is the intention of the persons named in the accompanying proxy to vote the shares represented thereby in favor of approval of the Venezuelan Plan.**

9

---

The following resolution in respect of the approval of the Venezuelan Plan will be proposed at the Meeting:

BE IT RESOLVED THAT:

1. The Venezuelan Equity Incentive Plan be approved effective April 10, 2008; and
2. Any officer or director of the Company be and is hereby authorized for and on behalf of the Company to execute and deliver all such instruments and documents and to perform and do all such other acts and things as may be deemed advisable in such individual's discretion for the purpose of giving effect to this resolution.

### **Item 5 Consolidated Financial Statements**

A copy of the consolidated financial statements of the Company for the year ended December 31, 2007 and the report of the auditors on the consolidated financial statements are included in the Annual Report and will be submitted to the Meeting. Copies of the consolidated financial statements can also be obtained on [www.sedar.com](http://www.sedar.com).

10

---

## **EXECUTIVE COMPENSATION**

### **Summary Compensation Table**

## Edgar Filing: GOLD RESERVE INC - Form 6-K

The following table sets forth the compensation paid by the Company to the Chief Executive Officer, the Chief Financial Officer and to each of the next three most highly compensated executive officers of the Company who were serving in such capacities at December 31, 2007 (the Named Executive Officers ).

Name and Principal Position	Year	Annual Compensation		Other Annual Compensation (\$)	Long Term Compensation			All Other Compensation (\$)(3)
		Salary \$	Bonus		Awards	Payouts		
					Securities Under Options/SARs Granted (#) (2)	Restricted Shares Or Restricted Share Units (\$)	LTIP Payouts (\$)	
Rockne J. Timm	2007	250,000	395,308 <sup>(1)</sup>	-	300,000	-	-	44,995
Chief Executive Officer	2006	250,000	100,700 <sup>(1)</sup>	-	250,000	-	-	38,763
	2005	250,000	80,000	-	-	-	-	42,000
Robert A. McGuinness	2007	140,000	134,579 <sup>(1)</sup>	-	62,500	-	-	44,995
Vice President Finance and CFO	2006	140,000	57,500	-	100,000	-	-	34,800
	2005	140,000	47,500	-	-	-	-	37,500
A. Douglas Belanger	2007	225,000	364,108 <sup>(1)</sup>	-	275,000	-	-	44,995
President	2006	225,000	96,525	-	250,000	-	-	38,763
	2005	225,000	62,500	-	-	-	-	42,000
James P. Geyer	2007	200,000	272,955 <sup>(1)</sup>	-	200,000	-	-	44,995
Senior Vice President	2006	200,000	74,025	-	150,000	-	-	38,763
	2005	200,000	55,000	-	-	-	-	42,000
Douglas E. Stewart	2007	149,000	169,772 <sup>(1)</sup>	-	-	-	-	-