GOLD RESERVE INC
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PROSPECTUS

GOLD RESERVE INC.

**$37,308,000 11% Senior Subordinated Convertible Notes due 2015,
Up to $6,754,086 11% Senior Subordinated Interest Notes due 2015 and
Up to 10,659,424 Class A Common Shares**

On June 18, 2014, we consummated the restructuring of approximately $25.3 million aggregate principal amount of our outstanding 5.50% Senior Subordinated Convertible Notes due 2014 ("2014 Notes"). In connection with the restructuring, we issued approximately $25.3 million aggregate principal amount of 11% Senior Subordinated Convertible Notes due 2015 (the "Modified Notes"). Simultaneously with the issuance of the Modified Notes, we issued $12.0 million aggregate principal amount of 11% Senior Subordinated Convertible Notes due 2015 (the "New Notes" and together with the Modified Notes, the "2015 Notes") having the same terms as the Modified Notes, other than CUSIP number and issue price. Interest on the 2015 Notes accrues and is capitalized quarterly and is payable in a new series of 11% Senior Subordinated Interest Notes due 2015 (the "Interest Notes" and together with the 2015 Notes, the "Notes"). Interest on the Interest Notes is also payable in additional Interest Notes.

This prospectus covers resales from time to time by the selling securityholders named under "*Selling Securityholders*" (the "Selling Securityholders") of any or all of the 2015 Notes held by the Selling Securityholders, any or all of the Interest Notes held by, or to be issued to, the Selling Securityholders and any Class A common shares, no par value (the "Class A Common Shares"), issuable upon conversion of the 2015 Notes. The Notes and the Class A Common Shares are referred to collectively herein as the "Securities." The restructuring of the 2014 Notes and the simultaneous issuance of the New Notes is collectively referred to herein as the "Restructuring and New Notes Sale."

The Securities may be offered from time to time by the Selling Securityholders through ordinary brokerage transactions, in negotiated transactions or otherwise, at market prices prevailing at the time of sale or at negotiated prices and in other ways as described in the "*Plan of Distribution*."

We will not receive any proceeds from the sale of these Securities. See "*Use of Proceeds*."

The Notes bear interest at a rate of 11% per annum. Interest on the Notes accrues and is capitalized quarterly and is payable on June 30, September 30, December 31 and March 31 of each year. Interest on the Notes is payable in Interest Notes. The Notes will mature on December 31, 2015.

Holders of the 2015 Notes may convert their 2015 Notes into 285.71 Class A Common Shares per $1,000 principal amount of indebtedness evidenced by the 2015 Notes (which is equivalent to a conversion price of $3.50 per share), subject to adjustment upon the occurrence of certain events. The Interest Notes are not convertible into our Class A Common Shares or any other security. The Notes are our general unsecured obligations and rank equal in right of payment to all of our existing and future senior indebtedness, and senior in right of payment to our future subordinated debt. The Notes are currently evidenced by physical certificates held in the names of the Selling Securityholders. In connection with the filing of the registration statement of which this prospectus forms a part, we intend to request that the Notes become eligible for deposit with The Depository Trust Company ("DTC"). If and when the Notes have been made eligible with DTC, the Notes will be evidenced by one or more global notes deposited with a custodian for and registered in the name of a nominee of DTC. Beneficial interests in the global notes will be shown on, and transfers thereof will be effected through, records maintained by DTC and its direct and indirect participants.

Our Class A Common Shares are listed for trading on the TSX Venture Exchange (the "TSXV") under the symbol "GRZ.V" and trade on the OTCQB under the symbol "GDRZF." On September 29, 2014, the closing sale prices of the Class A Common Shares as reported by the TSXV and OTCQB were Cdn $4.30 and $3.88, respectively. Our Class A Common Shares have full voting, dividend and liquidation rights. We do not intend to apply for a listing of the Notes on any securities exchange or for inclusion of the Notes in any automated quotation system.

An investment in the Securities is speculative and involves a high degree of risk. See "*Risk Factors*" beginning on page 12. You should read this document and the documents incorporated by reference into this prospectus before you invest.

Neither the Securities and Exchange Commission (the "SEC") nor any state securities commission has approved or disapproved of these Securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

The Securities are being offered to investors in the United States of America, other than in the states of Montana, New Hampshire and North Dakota and the District of Columbia.

The date of this prospectus is October 2, 2014.

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ABOUT THIS PROSPECTUS

This prospectus is part of a registration statement on Form F-3 that we filed with the SEC with respect to $37,308,000 aggregate principal amount of 2015 Notes, up to $6,754,086 aggregate principal amount of Interest Notes and up to 10,659,424 Class A Common Shares which may be offered and sold from time to time in one or more offerings by the Selling Securityholders named in the section "*Selling Securityholders*."

This prospectus only provides you with a general description of the Securities that the Selling Securityholders may sell or offer. Each time a Selling Securityholder sells Securities, if required, we will provide a prospectus supplement or amendment containing specific information about the offering. Any such prospectus supplement or amendment may include a discussion of any risk factors or other special considerations that apply to that offering. The prospectus supplement or amendment may also add, update or change the information in this prospectus or in the documents that we have incorporated into this prospectus by reference. To the extent that any statement made in a prospectus supplement or amendment conflicts with statements made in this prospectus, the statements made in the prospectus supplement or amendment will be deemed to modify or supersede those made in this prospectus.

The rules of the SEC allow us to incorporate by reference certain information into this prospectus. Before purchasing any of the Securities, you should carefully read this prospectus, especially the information discussed under "*Risk Factors*," and any prospectus supplement or amendment together with the additional information incorporated by reference herein. See "*Incorporation by Reference*" for a description of the documents from which information is incorporated and "*Where You Can Find More Information*" to learn how to obtain a copy of such documents.

You should rely only upon the information contained in, or incorporated by reference into, this document. Neither we nor any Selling Securityholder have authorized any other person to provide you with different information. No other person is authorized to give any information or to represent anything not contained or incorporated by reference in this prospectus. You must not rely on any unauthorized information or representation. This prospectus is an offer to sell only the Securities offered hereby, but only under circumstances and in jurisdictions where it is lawful to do so. You should assume that the information appearing in this document is accurate only as of the date on the front cover of this document. Our business, financial condition, results of operations and prospects may have changed since that date.

Unless the context requires otherwise, reference in this prospectus to:

· "we," "us," "our," "Gold Reserve," the "registrant" or the "Company" refers to Gold Reserve Inc. and its subsidiaries

- "$", "U.S. $," or "U.S. dollars" in this document refer to U.S. dollars
- "Cdn $" or "Canadian dollars" refer to Canadian dollars
- "Securities Act" refers to the U.S. Securities Act of 1933, as amended
- "Exchange Act" refers to the U.S. Securities Exchange Act of 1934, as amended

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

The information presented or incorporated by reference in this document contains both historical information and "forward-looking statements" (within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act) or "forward looking information" (within the meaning of applicable Canadian securities laws) (collectively referred to herein as "forward looking statements") that may state our intentions, hopes, beliefs, expectations or predictions for the future.

Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by us at this time, are inherently subject to significant business, economic and competitive uncertainties and contingencies that may cause our actual financial results, performance, or achievements to be materially different from those expressed or implied herein and many of which are outside our control. Some of the material factors or assumptions used to develop forward-looking statements include, without limitation, the uncertainties associated with: the arbitration proceedings under the Additional Facility Rules of the International Centre for Settlement of Investment Disputes ("ICSID") against the Bolivarian Republic of Venezuela seeking compensation in the arbitration for all of the loss and damage resulting from Venezuela's wrongful conduct (Gold Reserve Inc. v. Bolivarian Republic of Venezuela (ICSID Case No. ARB(AF)/09/1)) (the "Brisas arbitration"), actions by the Venezuelan government, economic and industry conditions influencing the future sale of the Brisas Project (as defined herein) and the related equipment and conditions or events impacting our ability to fund our operations or service our debt.

Forward-looking statements involve risks and uncertainties, as well as assumptions that may never materialize, prove incorrect or materialize other than as currently contemplated which could cause our results to differ materially from those expressed or implied by such forward-looking statements. The words "believe," "anticipate," "expect," "intend," "estimate," "plan," "may," "could" and other similar expressions that are predictions of or indicate future events and future trends, which do not relate to historical matters, identify forward-looking statements. Any such forward-looking statements are not intended to provide any assurances as to future results.

Numerous factors could cause actual results to differ materially from those in the forward-looking statements, including without limitation:

- the outcome of our arbitration against the Bolivarian Republic of Venezuela, including any settlement or collection of our Award (as defined herein);
- continued servicing or restructuring of our notes, convertible notes or other obligations as they come due;
- prospects for exploration and development of other mining projects by us;

- equity dilution resulting from the conversion of the convertible notes in part or in whole to Class A Common Shares;
- value, if any, realized from the disposition of the remaining Brisas Project related assets;
- ability to maintain continued listing on the TSXV or continued trading on the OTCQB;
- competition with companies that are not subject to, or do not follow, Canadian and U.S. laws and regulations;
- corruption, uncertain legal enforcement and political and social instability;
- our current liquidity and capital resources and access to additional funding in the future if required;
- regulatory, political and economic risks associated with foreign jurisdictions including changes in laws and legal regimes;
- currency, metal prices and metal production volatility;

- adverse U.S., Canadian and/or Mexican tax consequences;
- abilities and continued participation of certain key employees; and
- risks normally incident to the exploration, development and operation of mining properties.

This list is not exhaustive of the factors that may affect any of our forward-looking statements. See "*Risk Factors*."

Investors are cautioned not to put undue reliance on forward-looking statements, whether in this document, other documents periodically filed or furnished with the SEC or other securities regulators or presented on our website. Forward-looking statements speak only as of the date made. All subsequent written and oral forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by this notice. We disclaim any intent or obligation to update publicly or otherwise revise any forward-looking statements or the foregoing list of assumptions or factors, whether as a result of new information, future events or otherwise, subject to our disclosure obligations under applicable rules promulgated by the SEC. Investors are urged to read our filings with U.S. and Canadian securities regulatory authorities, which can be viewed online at www.sec.gov and www.sedar.com, respectively.

WHERE YOU CAN FIND MORE INFORMATION

We are subject to the periodic reporting and other informational requirements of the Exchange Act. Under the Exchange Act we are required to file or furnish annual and special reports and other information with the SEC. As a foreign private issuer under the Exchange Act, we are exempt from rules under the Exchange Act prescribing the furnishing and content of proxy statements, and our officers, directors and principal shareholders are exempt from reporting and short-swing profit recovery provisions contained in Section 16 of the Exchange Act. We are also exempt from Regulation FD.

You may read and copy any of the reports, statements, or other information we file or furnish with the SEC at the SEC's Public Reference Section at 100 F Street, N.E., Washington, D.C. 20549 at prescribed rates. Information on the operation of the Public Reference Room may be obtained by calling the SEC at 1-800-SEC-0330. The SEC filings are also available to the public from commercial document retrieval services and are available at the Internet website maintained by the SEC at www.sec.gov.

These reports and other information filed or furnished by us with the SEC are also available free of charge at our website at www.goldreserveinc.com, under our "Investor Relations" tab. Our website also contains filings made with the Canadian securities regulatory authorities, which can also be accessed at www.sedar.com.

The information contained in our website is not incorporated by reference and does not constitute a part of this prospectus.

INCORPORATION BY REFERENCE

We have filed with the SEC a registration statement on Form F-3 under the Securities Act covering the Securities offered by this prospectus. This prospectus does not contain all of the information that you can find in our registration statement and the exhibits to the registration statement. Statements contained in this prospectus as to the contents of any contract or other document referred to are not necessarily complete and in each instance such statement is qualified by reference to each such contract or document filed or incorporated by reference as an exhibit to the registration statement.

The SEC allows us to "incorporate by reference" the information we file or furnish with them. This means that we can disclose important information to you by referring you to other documents that are legally considered to be part of this prospectus, and later information that we file or furnish with the SEC will automatically update and supersede the

information in this prospectus. We incorporate by reference into this prospectus the following documents:

- Our annual report on Form 40-F, for our fiscal year ended December 31, 2013 filed on April 29, 2014;

- Our reports on Form 6-K furnished on April 29, 2014, May 1, 2014, May 5, 2014, May 7, 2014 (two reports), May 23, 2014 (no interim financial information incorporated by reference is audited), June 10, 2014, June 20, 2014, June 26, 2014, July 23, 2014, July 28, 2014, August 12, 2014, August 29, 2014 (no interim financial information incorporated by reference is audited), September 9, 2014, September 19, 2014, September 23, 2014 and September 25, 2014;

- The description of our Capital Stock set forth in our report on Form 6-K furnished on September 19, 2014;

- The description of the Class A Common Share purchase rights set forth in our report on Form 6-K furnished on September 19, 2014;

- Our Articles of Continuance and By-law No. 1 contained in Exhibits 99.1 and 99.2, respectively, to our report on Form 6-K furnished on September 19, 2014; and

- All other reports filed pursuant to Section 13(a) or 15(d) of the Exchange Act since the end of the fiscal year covered by the Form 40-F mentioned above.

In particular, we incorporate by reference our audited financial statements included in Exhibit 99.2 to our Annual Report on Form 40-F for the fiscal year ended December 31, 2013.

In the event of conflicting information in these documents, the information in the latest filed documents should be considered correct.

In addition, any future filings made with the SEC under the Exchange Act after the date of this prospectus and prior to the termination of the offering of the Securities made under this prospectus, and any future reports on Form 6-K furnished by us to the SEC during such period or portions thereof that are identified in such forms as being incorporated into the registration statement of which this prospectus forms a part, shall be considered to be incorporated in this prospectus by reference and shall be considered a part of this prospectus from the date of filing of such documents.

You may obtain copies of any of these filings as described below, through the SEC or through the SEC's Internet website, or through our website as described in "*Where You Can Find More Information.*" Documents incorporated by reference are available without charge, excluding all exhibits unless an exhibit has been specifically incorporated by reference into this prospectus, by requesting them in writing or by telephone to:

Mary E. Smith
Gold Reserve Inc.,
926 W. Sprague Avenue, Suite 200
Spokane, Washington 99201
Tel: 509-623-1500

RECENT EVENTS

Brisas Arbitration Award

In October 2009, we filed a Request for Arbitration with ICSID against the Bolivarian Republic of Venezuela seeking compensation for all of the loss and damage resulting from the Venezuelan government's wrongful conduct, including its expropriation of the Brisas Project, a gold and copper project located in the Kilometer 88 mining district of the State of Bolivar in south-eastern Venezuela (the "Brisas Project"), and our Choco 5 property. Our claim included the full market value of the legal rights to develop the Brisas Project as of the date of the tribunal's decision, the value of the Choco 5 property and interest on the claim calculated since the loss. Our claim totaled approximately $2.1 billion, which included interest of approximately $400 million. On September 22, 2014, the tribunal announced that it had awarded the Company $740.3 million (the "Award") in connection with the Brisas arbitration. Payment of the Award is due and payable immediately with any unpaid amounts accruing interest at a rate of LIBOR plus 2% per annum.

Continuance to Alberta

Effective September 9, 2014, the legal domicile of the Company was changed from the Yukon, Canada to Alberta, Canada pursuant to a continuance (the "Continuance") of the Company under the *Business Corporations Act* (Alberta) (the "ABCA"). The Continuance was effected through a continuance resolution, approved by the Company's shareholders on September 5, 2014, which authorized the Company to continue under the ABCA as if it had been incorporated under such statute. As a result of the Continuance, the Company continues as the same legal entity, other than its domicile has changed. In addition, following the Continuance, the Company continues its same business and operations and shareholders continue to hold the same number of Class A Common Shares, equity units (including Class B common shares) or other securities of the Company as they currently hold, with the same rights and obligations, as the case may be, attaching thereto, except that the Company is now organized in Alberta, Canada.

PROSPECTUS SUMMARY

The following summary highlights certain information contained elsewhere in this prospectus and in the documents incorporated by reference herein. It does not contain all the information that may be important to you. You should carefully read this prospectus and the documents incorporated by reference herein, before deciding to invest in our securities.

The Company

We are incorporated under the laws of Alberta, Canada and are engaged in the business of acquiring, exploring and developing mining projects. We are an exploration stage company incorporated in 1998 under the laws of Yukon, Canada and are the successor issuer to Gold Reserve Corporation, which was incorporated in 1956. On September 9, 2014, we changed our legal domicile from the Yukon, Canada to Alberta, Canada. From 1992 to 2008 we focused substantially all of our management and financial resources on the development of the Brisas Project. The Brisas Project and our Choco 5 property (also located in Venezuela) were expropriated by the Venezuelan government in 2008. On September 22, 2014, the ICSID tribunal announced an Award to the Company in the amount of $740.3 million in connection with the Brisas arbitration relating to such expropriations. See "*Recent Events Brisas Arbitration Award*."

As of June 30, 2014 (the last business day of our most recently completed second fiscal quarter), less than 50% of our outstanding voting securities were directly or indirectly held of record by residents of the U.S. Because the share ownership percentage of U.S. residents of the Company is less than 50% and we are organized under Canadian law, namely, the ABCA, we are a "foreign private issuer" pursuant to Rule 3b-4 under the Exchange Act. We previously reported as a foreign private issuer for many years prior to our annual report on Form 10-K for the fiscal year ended December 31, 2009, as during 2009 our shareholder composition changed such that more than 50% of our outstanding voting securities were directly or indirectly held of record by residents of the U.S. and greater than one-half of our management and directors were U.S. residents. As of June 30, 2011, we returned to foreign private issuer reporting for administrative ease and as a cost-savings measure.

Our administrative office is located at 926 West Sprague Avenue, Suite 200, Spokane, WA 99201, U.S.A. and our telephone and fax numbers are (509) 623-1500 and (509) 623-1634, respectively.

Relationship to Selling Securityholders

Except as otherwise disclosed in this prospectus, the Selling Securityholders do not have, and within the past three years have not had, any position, office or other material relationship with us.

In the second quarter of 2012, certain of the Selling Securityholders or their affiliates, and certain other holders of the Company's convertible notes, entered into a restructuring agreement (the "2012 Restructuring Agreement") with the Company. During the fourth quarter of 2012, pursuant to the 2012 Restructuring Agreement, we consummated the restructuring of $101.3 million of our $102.3 million total aggregate principal amount of 5.50% Senior Subordinated Convertible Notes due June 15, 2022 (the "Original Notes"). In connection with the 2012 restructuring, we paid approximately $33.8 million in cash and issued approximately $42.2 million in equity (representing 12,412,501 Class A Common Shares at $3.40 per share), approximately $25.3 million aggregate principal amount of 2014 Notes (convertible into Class A Common Shares under certain circumstances at $4.00 per share) and a contingent value right distributed pro-rata to the participating holders totaling 5.468% of any award or settlement of our Brisas arbitration. Pursuant to the 2012 Restructuring Agreement, the Selling Securityholders or their affiliates received a total of 12,406,913 Class A Common Shares, 2014 Notes in the aggregate principal amount of approximately $25.3 million, cash in the amount of approximately $32.7 million and 5.465% contingent value rights.

During the third quarter of 2013, we closed a private placement (the "2013 Private Placement") for gross proceeds of approximately $5.25 million. Pursuant to the 2013 Private Placement, we issued 1,750,000 units of securities of the Company (each a "Unit") at a price of $3.00 per Unit. Each Unit comprised one Class A Common Share and one-half of one Class A Common Share purchase warrant, with each whole warrant exercisable by the holder for a period of two years after its issuance to acquire one Class A Common Share at a price of $4.00 per share. Certain of the Selling Securityholders or their affiliates participated in the 2013 Private Placement.

On June 18, 2014, we consummated the Restructuring and New Notes Sale pursuant to a subordinated note restructuring and note purchase agreement, dated as of June 18, 2014 (the "2014 Restructuring Agreement"), among us, certain holders of the 2014 Notes and the purchasers of the New Notes. Pursuant to the 2014 Restructuring Agreement, we extended the maturity date of approximately $25.3 million aggregate principal amount of our 2014 Notes from June 29, 2014 to December 31, 2015 and issued $12.0 million aggregate principal amount of New Notes also maturing December 31, 2015. We paid with respect to the New Notes, a fee of 2.5% of the principal (or approximately $0.3 million) in the form of an original issue discount ("OID") and with respect to the 2014 Notes, a cash extension fee of 2.5% of the principal (or approximately $0.6 million). See "*Description of the Notes*" for a discussion of the terms of the 2015 Notes and the Interest Notes.

See "*Selling Securityholders*" for the amount of each of the Securities beneficially owned by the Selling Securityholders prior to this offering, the amount of each of the Securities being registered for resale, as well as the percentage of each class of Securities that each Selling Securityholder will own after the completion of this offering.

The Offering

Class A Common Shares to be offered by the Selling Securityholders	10,659,424 Class A Common Shares that are issuable upon the conversion of our 2015 Notes held by the Selling Securityholders.
OTCQB Symbol for Class A Common Shares	GDRZF
TSXV Symbol for Class A Common Shares	GRZ.V
Notes to be offered by the Selling Securityholder	$37,308,000 aggregate principal amount of 11% Senior Subordinated Convertible Notes due 2015, which amount includes $25,308,000 aggregate principal amount of Modified Notes and $12,000,000 aggregate principal amount of New Notes. The Modified Notes and the New Notes were issued under different CUSIP numbers and are not, and in the future will not be, fungible with each other or considered part of the same issue for federal income tax purposes.
	Up to $6,754,086 aggregate principal amount of 11% Senior Subordinated Interest Notes due 2015, which amount represents the greatest aggregate principal amount of Interest Notes that may be issued under the Indenture (as defined herein) in connection with the regular payment of interest on the 2015 Notes and previously issued Interest Notes on or prior to the maturity date of the Notes.
Maturity Date of the Notes	December 31, 2015, unless earlier repurchased or converted (if applicable).
Interest Payment Dates of the Notes	June 30, September 30, December 31 and March 31 of each year.
Interest	11% per annum accruing and capitalizing quarterly. Interest will be computed on the basis of a 360-day year comprised of twelve (12) 30-day months.
Ranking	The Notes are our general unsecured obligations.
Conversion Rights	Holders may convert their 2015 Notes at their option on any day to and including the business day immediately preceding the maturity date into our Class A Common Shares at the conversion rate of $3.50 per share, subject to adjustment in certain circumstances. The

Interest Notes are not convertible into our Class A Common Shares or any other security.

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Trustee and Paying Agent	U.S. Bank National Association is the Trustee and paying agent. Computershare Trust Company of Canada is the Co-Trustee.
DTC Eligibility	The Notes are currently evidenced by physical certificates held in the names of the Selling Securityholders. In connection with the filing of the registration statement of which this prospectus forms a part, we intend to request that the Notes become eligible for deposit with DTC. If and when the Notes have been made eligible with DTC, the Notes will be evidenced by one or more global notes deposited with a custodian for and registered in the name of a nominee of DTC. Beneficial interests in the global notes will be shown on, and transfers thereof will be effected through, records maintained by DTC and its direct and indirect participants. See "*Description of the Notes—Global note, book-entry form*."
Listing and Trading of Notes	The Notes will not be listed on any securities exchange.
Governing Law	The Indenture and the Notes provide that they will be governed by, and construed in accordance with, the laws of the State of New York.
Terms of the Offering	Each Selling Securityholders will determine when and how it will sell the Securities offered in this prospectus.
Use of Proceeds	We will not receive proceeds from the resale of the Securities by the Selling Securityholders. However, we did receive proceeds from the sale of the New Notes when originally offered in June 2014. We also received proceeds from the sale of the Original Notes when originally offered in 2007. See "*Use of Proceeds*."
Risk Factors	See "*Risk Factors*" beginning on page 12 and other information included in this prospectus or incorporated by reference herein for a discussion of factors you should consider before deciding to invest in the Securities.

RISK FACTORS

Set out below are certain risk factors that could materially adversely affect our future business, operating results or financial condition. Investors should carefully consider these risk factors and the other risk factors and information in this prospectus, including under "Cautionary Note Regarding Forward-Looking Statements" and our filings with the SEC. These filings include our annual report on Form 40-F for the year ended December 31, 2013 filed with the SEC on April 29, 2014, which is incorporated by reference in this prospectus, our reports on Form 6-K subsequently furnished to the SEC of which we have determined to incorporate by reference into this prospectus, and the other documents incorporated by reference in this prospectus, before making investment decisions involving the Securities.

Risks Related to Our Arbitration Proceedings

Failure to collect the Award issued in connection with the Brisas arbitration could materially adversely affect the Company.

In October 2009, we filed a Request for Arbitration with ICSID against the Bolivarian Republic of Venezuela seeking compensation for all of the loss and damage resulting from the Venezuelan government's wrongful conduct, including its expropriation of the Brisas Project and our Choco 5 property. Our claim included the full market value of the legal rights to develop the Brisas Project as of the date of the tribunal's decision, the value of the Choco 5 property and interest on the claim calculated since the loss. Our claim totaled approximately $2.1 billion, which included interest of approximately $400 million. On September 22, 2014, the tribunal announced that it had awarded the Company $740.3 million in connection with the Brisas arbitration. Payment of the Award is due and payable immediately with any unpaid amounts accruing interest at a rate of LIBOR plus 2% per annum. While we continue to analyze the lengthy text of the Award, the Company has commenced steps to pursue the recognition and collection of the Award against the Venezuelan government. The Venezuelan government has a limited right to apply for annulment of the Award on certain grounds. Although the Award has been granted, there is no assurance that we will be successful in collecting the Award from the Venezuela government and/or any collection process may be time consuming or expensive. Failure to collect the Award would materially adversely affect the Company, including our ability to service debt and our ability to maintain sufficient liquidity to operate as a going concern (see "*Risks Related to the Business*").

We do not know when our arbitration proceedings against Venezuela, including the collection of the Award, will be completed.

We understand that numerous pending arbitration actions are being pursued against Venezuela at this time before the ICSID (See ICSID website at icsid.worldbank.org/ICSID/) and further understand that Venezuela has reportedly settled and/or made full or partial payment for damages to a limited number of claimants. ICSID Arbitrations are

non-public proceedings and, as a result, we have no specific information regarding the actual amounts paid or what percentage such payments represented of the original claim against Venezuela or the timing of such payments.

The tribunal held an oral hearing on the merits with the parties in February 2012 and the parties submitted post-hearing briefs in March, May and June 2012 as requested by the tribunal. In July 2012, the tribunal issued a procedural order requesting both parties to submit further expert reports addressing certain valuation issues. The expert initial and reply reports for both parties were filed May 24 and June 28, 2013, respectively, and on August 5, 2013 the parties filed final comments on the expert reports. On October 15 and 16, 2013, the tribunal held an oral hearing focused on the additional expert evidence requested in its previous procedural order. Subsequent to the October oral hearing the tribunal issued post-hearing procedural instructions and the parties submitted post-hearing briefs on December 23, 2013. Pursuant to an April 30, 2014 request by the tribunal, both parties submitted their legal and technical costs in late May 2014. In July 2014, the tribunal declared the proceedings in the Brisas arbitration closed. On September 22, 2014, the tribunal announced that it had awarded the Company $740.3 million in connection with the Brisas arbitration.

Payment of the Award is due and payable immediately with any unpaid amounts accruing interest at a rate of LIBOR plus 2% per annum. While we continue to analyze the lengthy text of the Award, the Company has commenced steps to pursue the recognition and collection of the Award against the Venezuelan government. The Venezuelan government has a limited right to apply for annulment of the Award on certain grounds. As a result of the foregoing, and based on the uncertain nature of arbitration under investment treaties, we do not have a basis upon which to estimate the likelihood of collection of the Award or any portion thereof (or settlement with the government of Venezuela in lieu of collection such Award) or, if we are successful in collecting the Award from, or settling with, the Venezuelan government, the timing or amount for such collection or settlement. Accordingly, there can be no assurances that the Award will be collected or settled within any specific or reasonable period of time or that we will receive any or all of the Award (or any such settlement).

Risks Related to the Notes

Our ability to generate the cash needed to pay principal amounts on the Notes and service any other debt depends on many factors, some of which are beyond our control.

Our ability to generate cash from operations to meet scheduled payments or to refinance our debt will depend on our financial and operating performance which, in turn, is subject to the business risks described in this prospectus. Some of these risks are beyond our control. If our cash flow and capital resources are insufficient to fund our operational or debt service obligations, we may be forced to reduce or to delay capital expenditures, sell assets, seek to obtain additional equity capital or restructure our debt.

Unless and until we successfully collect all or a portion of the Award from the Venezuelan government (or otherwise settle with the Venezuelan government) or acquire and/or develop other operating properties which provide positive cash flow, we may not have the ability to repurchase the Notes in cash upon the occurrence of a fundamental change, or to pay cash upon the conversion of 2015 Notes, as required by the Indenture.

We will be required to make an offer to repurchase the Notes upon the occurrence of a fundamental change as described under "*Description of the Notes*." We may not have sufficient funds to repurchase the Notes in cash or to make the required repayment at such time or have the ability to arrange necessary financing on acceptable terms.

A fundamental change may also constitute an event of default or require prepayment under, or result in the acceleration of the maturity of, our other indebtedness outstanding at the time. Our ability to repurchase the Notes in cash or make any other required payments may be limited by law or the terms of other agreements relating to our indebtedness outstanding at the time. Our failure to repurchase the Notes or pay cash or issue our Class A Common Shares in respect of conversions, if applicable, when required would result in an event of default with respect to the

Notes.

Your right to receive payments on the Notes is subordinated to certain future indebtedness which may be incurred.

The Indenture governing the Notes, as modified by the Second Supplemental Indenture (as defined herein), prohibits us from (i) pledging, hypothecating, transferring or otherwise disposing of or encumbering our Mining Data (as defined herein) or any Arbitration Award (as defined herein) (or permitting any subsidiary to take any of the foregoing actions) or (ii) incurring any additional indebtedness that ranks equal in right of payment or senior in right of payment to the Notes (or permitting any subsidiary to incur any indebtedness), subject to certain exceptions, including the issuance in the future of Interest Notes, in each case without the consent of holders of not less than 75% in aggregate principal amount of the outstanding 2015 Notes and Interest Notes, voting together as a single class. Notwithstanding the foregoing restrictions, to the extent we incur certain indebtedness which may be senior to the Notes and/or secured by a lien on substantially all of our assets, including, but not limited to, the pledge of all rights, properties, equipment or all or a portion of the capital stock of certain of our subsidiaries holding such assets, the Notes also would be effectively subordinated to such indebtedness and other secured debt to the extent of the collateral securing the indebtedness. As a result, upon any distributions to our creditors in a bankruptcy, liquidation or reorganization or similar proceeding relating to us or our property, the lenders of such indebtedness would have the right to be paid in full before any payment could be made with respect to the Notes. Accordingly, all or a substantial portion of our assets could be unavailable to satisfy the claims of the holders of Notes.

The Notes are effectively subordinated to all liabilities of our subsidiaries.

All or a substantial portion of the indebtedness we may incur could be incurred and/or guaranteed by our subsidiaries. None of our subsidiaries has guaranteed or otherwise become obligated with respect to the Notes. Accordingly, our right to receive assets from any of our subsidiaries upon such subsidiary's bankruptcy, liquidation or reorganization and the right of holders of the Notes to participate in those assets, is effectively subordinated to claims of that subsidiary's creditors, including trade creditors.

The ability of our subsidiaries and other interests to pay dividends and make other payments to us may be restricted by, among other things, applicable corporate and other laws and regulations as well as agreements to which our subsidiaries may become a party.

We could incur substantially more debt and may take other actions which may affect our ability to satisfy our obligations under the Notes.

Subject to the limitations described under the risk factor entitled " *Your right to receive payments on the Notes is subordinated to certain future indebtedness which may be incurred*" and certain other anti-layering limitations, we will not be restricted under the terms of the Notes or the Indenture from incurring or guaranteeing additional indebtedness, including secured debt. In addition, the covenants applicable to the Notes do not require us to achieve or maintain any minimum financial results relating to our financial position or results of operations. We may incur additional substantial debt in the future. In addition, such additional indebtedness could contain covenants that, among other things, restrict our ability to sell assets, incur additional secured indebtedness, engage in mergers or consolidations and engage in transactions with affiliates. We could also be required to comply with specified financial ratios and terms. Our ability to recapitalize, incur additional debt that may contain covenants and take a number of other actions that are not limited by the terms of the Notes or the Indenture could have important consequences to holders of Notes, including:

- impairment of our ability to obtain additional financing for working capital, capital expenditures, acquisitions or general purposes and our ability to satisfy our obligations with respect to the Notes;

- dedication of a substantial portion of our cash flow from operations to payments on our indebtedness, which would reduce the availability of cash flow to fund our operations, working capital and capital expenditures; and

- limitation of our flexibility to adjust to changing market conditions and ability to withstand competitive pressures, and increased vulnerability to a downturn in general economic conditions or our business that could impair our ability to carry out capital spending that is necessary or important to our business strategy.

In addition, we are not restricted from paying dividends to our shareholders or repurchasing Class A Common Shares by the terms of the Notes.

Some significant restructuring transactions may not constitute a fundamental change, in which case we would not be obligated to offer to repurchase the Notes.

Upon the occurrence of a fundamental change, we will be required to make an offer to repurchase the Notes. The fundamental change provisions, however, will not afford protection to holders of the Notes in the event of certain transactions. For example, certain leveraged recapitalizations, refinancings, restructurings, or acquisitions initiated by us may not constitute a fundamental change requiring us to make an offer to repurchase the Notes, even though any of these transactions could increase the amount of our indebtedness, or otherwise adversely affect our capital structure or any credit ratings, thereby adversely affecting the holders of the Notes.

Upon the occurrence of a fundamental change and in connection with your right to require us to repurchase the Notes, we may satisfy our obligations through the issuance of our Class A Common Shares.

You may not receive cash for Notes you hold in connection with our offer to repurchase the Notes upon the occurrence of a fundamental change or in connection with your right to require us to repurchase the Notes if we elect to satisfy our obligations by issuing to you Class A Common Shares. The number of Class A Common Shares we will issue will depend on the market price of our Class A Common Shares at the time. Because the value of the Class A Common Shares we may issue upon the occurrence of a fundamental change or in connection with your right to require us to repurchase the Notes will be determined prior to the settlement of the shares, you will bear the risk that the value of the Class A Common Shares may decrease between the time the price is set and settlement.

Upon conversion of the 2015 Notes, we will have the option to deliver cash in lieu of some or all the Class A Common Shares to be delivered upon conversion, the amount of cash to be delivered per 2015 Note being calculated on the basis of average prices over a specified period, and you may receive less proceeds than expected.

Upon conversion of the 2015 Notes, we will have the option to deliver cash in lieu of some or all the Class A Common Shares to be delivered upon conversion. As described below under "*Description of the Notes—Conversion rights,*" the amount of cash to be delivered per 2015 Note will be equal to the number of Class A Common Shares in respect of which the cash payment is being made multiplied by the average of the Daily VWAP (as defined herein) price of the Class A Common Shares on the corresponding Bloomberg screen for the ten (10) trading days commencing one (1) day after (x) the date of our notice of election to deliver all or part of the conversion consideration in cash if we have not given notice of redemption or (y) the conversion date, in the case of conversion following notice of redemption specifying our intention to deliver cash upon conversion. Accordingly, upon conversion of a 2015 Note, holders might not receive any Class A Common Shares and, if the above-referred prices decline over the 10-day period, they might receive less proceeds than expected. Our failure to convert the 2015 Notes into cash or a combination of cash and Class A Common Shares upon exercise of a holder's conversion right in accordance with the provisions of the Indenture would constitute a default under the Indenture. In addition, a default under the Indenture could lead to a default under future agreements governing our indebtedness. If, due to a default,

the repayment of related indebtedness were to be accelerated after any applicable notice or grace periods, we may not have sufficient funds to repay such indebtedness and the Notes.

The adjustment to the conversion rate for 2015 Notes converted in connection with a specified corporate transaction may not adequately compensate you for any lost value of your 2015 Notes as a result of such transaction.

If a specified corporate transaction that constitutes a fundamental change occurs, under certain circumstances we will increase the conversion rate by a number of additional Class A Common Shares for 2015 Notes converted in connection with such specified corporate transaction. The increase in the conversion rate will be determined based on the date on which the specified corporate transaction becomes effective and the price paid per Class A Common Share in such transaction, as described below under "*Description of the Notes—Conversion rate adjustments.*" The adjustment to the conversion rate for 2015 Notes converted in connection with a specified corporate transaction may not adequately compensate you for any lost value of your 2015 Notes as a result of such transaction.

The conversion rate of the 2015 Notes may not be adjusted for all dilutive events.

The conversion rate of the 2015 Notes will be subject to adjustment for certain events, including, but not limited to, the issuance of dividends on our Class A Common Shares, the issuance of certain rights or warrants, subdivisions, combinations, distributions of share capital, indebtedness or assets, cash dividends and certain issuer tender or exchange offers as described under "*Description of the Notes*." However, the conversion rate will not be adjusted for other events, such as a third-party tender or exchange offer, an issuance of Class A Common Shares for cash or an issuance of options pursuant to our incentive plans, that may adversely affect the trading price of the 2015 Notes, if any, or the Class A Common Shares. An event that adversely affects the value of the 2015 Notes may occur, and that event may not result in an adjustment to the conversion rate.

The Notes may not have an active market and their price may be volatile. You may be unable to sell your Notes at the price you desire or at all.

There is no existing trading market for the Notes and we will not have any obligation to list the Notes at any time. As a result, there can be no assurance that a liquid market will develop or be maintained for the Notes, that you will be able to sell any of the Notes at a particular time (if at all) or that the prices you receive if or when you sell the Notes will be above their initial offering price. We do not intend to list the Notes on any national securities exchange or the TSX. In addition, the Modified Notes and the New Notes were issued under different CUSIP numbers and are not, and in the future will not be, fungible with each other or considered part of the same issue for federal income tax purposes. The Interest Notes are also a different series of securities than the Modified Notes and New Notes. As a result, the markets for the Modified Notes, the New Notes and the Interest Notes, if any, will be less liquid than if all such Notes were fungible with each one another.

The Notes may not be rated or may receive a lower rating than anticipated.

We do not intend to seek a rating on the Notes. However, if one or more rating agencies rates the Notes and assigns the Notes a rating lower than the rating expected by investors, or reduces their rating in the future, the market price of the Notes and our Class A Common Shares could be harmed.

If you hold 2015 Notes, you will not be entitled to any rights with respect to our Class A Common Shares, but you will be subject to all changes made with respect to our Class A Common Shares.

If you hold 2015 Notes, you will not be entitled to any rights with respect to our Class A Common Shares (including, without limitation, voting rights and rights to receive any dividends or other distributions on our Class A Common Shares, other than any extraordinary distribution that our board of directors designates as payable to the holders of the 2015 Notes), but if you subsequently convert your 2015 Notes into Class A Common Shares, you will be subject to all changes affecting the Class A Common Shares. You will have rights with respect to our Class A Common Shares only if and when we deliver Class A Common Shares to you upon conversion of your 2015 Notes and, to a limited extent, under the conversion rate adjustments applicable to the 2015 Notes. For example, in the event that an amendment is proposed to our charter documents requiring shareholder approval and the record date for determining the shareholders of record entitled to vote on the amendment occurs prior to delivery of Class A Common Shares to you, you will not be entitled to vote on the amendment, although you will nevertheless be subject to any changes in the powers or rights of our Class A Common Shares that result from such amendment.

In the future, we intend for the Notes to be held in book-entry form and, if the Notes are held in book-entry form, you will be required to rely on the procedures and the relevant clearing systems to exercise your rights and remedies.

The Notes are currently evidenced by physical certificates held in the names of the Selling Securityholders. In connection with the filing of the registration statement of which this prospectus forms a part, we intend to request that the Notes become eligible for deposit with DTC. If and when the Notes have been made eligible with DTC, the Notes will be exchanged for book-entry interests evidenced by one or more global notes deposited with a custodian for and registered in the name of a nominee of DTC. Beneficial interests in the global notes will be shown on, and transfers thereof will be effected through, records maintained by DTC and its direct and indirect participants. Unless and until such book-entry interests in the Notes are again exchanged for physical notes, owners of the book-entry interests will not be considered owners or holders of Notes. Instead, the common depository, or its nominee, will be the sole holder of the Notes. Payments of principal, interest and other amounts owing on or in respect of the Notes in global form will be made to the paying agent, which will make payments to DTC. Thereafter, such payments will be credited to DTC participants' accounts that hold book-entry interests in the Notes in global form and will thereafter be credited by such participants to indirect participants. Unlike holders of the Notes themselves, owners of book-entry interests will not have the direct right to act upon our solicitations for consents or requests for waivers or other actions from holders of the Notes. Instead, if you own a book-entry interest, you will be permitted to act only to the extent you have received appropriate proxies to do so from DTC or, if applicable, a participant. We cannot assure you that procedures implemented for the granting of such proxies will be sufficient to enable you to vote on any requested actions on a timely basis.

We may not be able to refinance the Notes if required or if we so desire.

We may need or desire to refinance all or a portion of the Notes or any other future indebtedness that we incur on or before the maturity of the Notes. There can be no assurance that we will be able to refinance any of our indebtedness or incur additional indebtedness necessary on commercially reasonable terms, if at all.

The ownership of our existing shareholders could be significantly diluted if our convertible notes are converted to Class A Common Shares or if we do not have the ability to repurchase our convertible notes in cash or pay cash upon their conversion.

In May 2007, the Company issued $103.5 million aggregate principal amount of Original Notes that mature on June 15, 2022. During the fourth quarter of 2012, we consummated the restructuring of $101.3 million of our then outstanding $102.3 million aggregate principal amount of Original Notes. In connection with the 2012 restructuring, we paid approximately $33.8 million in cash and issued approximately $42.2 million in equity (representing 12,412,501 Class A Common Shares at $3.40 per share), approximately $25.3 million aggregate principal amount of 2014 Notes that mature on June 29, 2014 (convertible into Class A Common Shares under certain circumstances at

$4.00 per share) and a contingent value right distributed pro-rata to the participating note holders totaling 5.468% of any award or settlement of our Brisas arbitration.

On June 18, 2014, we consummated the Restructuring and New Notes Sale pursuant to the 2014 Restructuring Agreement. Pursuant to the 2014 Restructuring Agreement, we restructured almost all of our $25.3 million aggregate principal amount of 2014 Notes and issued an additional $12.0 million aggregate principal amount of New Notes to certain of the Selling Securityholders or their affiliates. The approximately $37.3 million aggregate principal amount of 2015 Notes mature on December 31, 2015 (convertible into Class A Common Shares under certain circumstances at $3.50 per share). Any Interest Notes issued, or to be issued in the future, in connection with the payment of interest on the 2015 Notes and previously issued Interest Notes also mature on December 31, 2015 but are not convertible for our Class A Common Shares or any other security. As of September 29, 2014, we had outstanding approximately $38.4 million aggregate principal amount of convertible notes of which approximately $37.3 million aggregate principal amount are 2015 Notes and approximately $1 million aggregate principal amount are Original Notes. If all of such convertible notes were converted to Class A Common Shares, an additional 10.8 million Class A Common Shares would be issued, thereby diluting the ownership of existing shareholders.

Risks Related to the Class A Common Shares

Failure to develop or further invest in our La Tortuga property (or acquire or invest in another mining project) could adversely affect future results including continued listing of our Class A Common Shares on the TSXV and/or the continued trading of our Class A Common Shares on the OTCQB.

We are required to maintain compliance with the TSXV listing rules. No assurances can be given that we will be able to maintain compliance with the TSXV Company Manual and, as a result, could be subject to loss of our listing and future delisting actions.

A delisting of our Class A Common Shares from the TSXV (or any inability to continue to trade on the OTCQB) could negatively impact us by: (i) reducing the liquidity and market price of our Class A Common Shares; (ii) reducing the number of investors willing to hold or acquire our Class A Common Shares, which could negatively impact our ability to raise equity or other financing; (iii) limiting our ability to use a registration statement to offer and sell freely tradable securities, thereby preventing us from accessing the public capital markets; (iv) impairing our ability to provide equity incentives to our employees; and (v) impairing our ability to pay holders of our convertible notes Class A Common Shares in lieu of cash upon certain terms and conditions under the Indenture in connection with a fundamental change.

The price and liquidity of our Class A Common Shares may be volatile.

The market price of our Class A Common Shares may fluctuate based on a number of factors, some of which are beyond our control, including:

- the result of the Brisas arbitration and litigation proceedings, including any settlement or collection of our Award;
- the restructuring and continued servicing of our notes, convertible notes or other obligations as they come due;
- economic and political developments in Venezuela;
- our operating performance and financial condition;

- continued listing of our Class A Common Shares on TSXV and trading on the OTCQB;
- the public's reaction to announcements or filings by ourselves or other companies;
- the price of gold and copper and other metal prices, as well as metal production volatility;
- the arrival or departure of key personnel; and
- acquisitions, strategic alliances or joint ventures involving us or other companies.

The effect of these and other factors on the market price of the Class A Common Shares has historically made our share price volatile and suggests that our share price will continue to be volatile in the future.

We may issue additional Class A Common Shares, debt instruments convertible into Class A Common Shares or other equity-based instruments to fund future operations.

We issued the 2015 Notes to restructure certain of our existing convertible notes and to provide us with additional working capital. We cannot predict the size of any future issuances of securities, or the effect, if any, that future issuances and sales of our securities will have on the market price of our Class A Common Shares. Any transaction involving the issuance of previously authorized but unissued shares, or securities convertible into shares, will result in dilution, possibly of a substantial nature, to present and prospective holders of shares and in certain circumstances could result in a change of control.

We do not intend to pay any cash dividends in the foreseeable future.

We have not declared or paid any dividends on our Class A Common Shares since 1984. We intend to retain earnings, if any, to finance the growth and development of our business and do not intend to pay cash dividends on the Class A Common Shares in the foreseeable future. Any return on an investment in our Class A Common Shares will come from the appreciation, if any, in the value of the Class A Common Shares. The payment of future cash dividends, if any, will be reviewed periodically by our board of directors and will depend upon, among other things, conditions then existing including earnings, financial condition and capital requirements, restrictions in financing agreements, business opportunities and conditions and other factors.

Risks Related to the Business

Operating losses are expected to continue.

We have no commercial production at this time and, as a result, we have not recorded revenue or cash flows from mining operations and have experienced losses from operations for each of the last five years, a trend we expect to continue unless and until we are able to collect all or a portion of the Award from the Venezuelan government (or otherwise settle with the Venezuelan government) and/or we acquire or invest in an alternative project and achieve commercial production.

We may not have sufficient liquidity to operate as a going concern if we are unable to successfully address our funding requirements.

Our consolidated financial statements are prepared on a going concern basis, which contemplate the realization of assets and settlement of liabilities in the normal course of business as they come due.

As of June 30, 2014, the Company had financial resources comprised of cash, cash equivalents and marketable securities totaling approximately $10.6 million and Brisas Project related equipment, which is being marketed for sale, with an estimated fair value of approximately $19.0 million. The Company's short-term financial obligations included accounts payable and accrued expenses due in the normal course of approximately $0.9 million. On June 18, 2014, we consummated the Restructuring and New Notes Sale pursuant to which we restructured almost all of our $25.3 million aggregate principal amount of 2014 Notes and extended the maturity date of such notes to December 31, 2015 and issued an additional $12.0 million aggregate principal amount of New Notes to certain of the Selling Securityholders or their affiliates that also mature on December 31, 2015.

On September 22, 2014, the ICSID tribunal announced that it had awarded the Company $740.3 million in connection with the Brisas arbitration. Payment of the Award is due and payable immediately with any unpaid amounts accruing interest at a rate of LIBOR plus 2% per annum. While we continue to analyze the lengthy text of the Award, the Company has commenced steps to pursue the recognition and collection of the Award against the Venezuelan government. The Venezuelan government has a limited right to apply for annulment of the Award on certain grounds. As a result, although the Award has been granted, there is no assurance that we will be successful in collecting the Award from the Venezuela government and/or any collection process may be time consuming and expensive. Failure to collect the Award (or otherwise settle with the Venezuelan government) would materially adversely affect the Company, including our ability to service debt and our ability to maintain sufficient liquidity to operate as a going concern. In addition to pursuing the completion of the Brisas arbitration, we are also continuing our efforts to dispose of the remaining Brisas Project related assets and consider other debt and equity funding alternatives as may be required in the future.

Our future funding efforts may be adversely impacted by 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.

Industry competition for new properties could limit our ability to grow in the future.

There is strong competition from other mining companies in connection with the acquisition of future properties considered to have commercial potential. Many of these companies have greater financial resources, operational experience and technical capabilities. As a result, we may be unable to acquire additional mining properties, thereby limiting future growth.

Failure to retain and attract key personnel could adversely affect us.

We are dependent upon the abilities and continued participation of key personnel to manage the Brisas arbitration and identify, acquire and develop new opportunities. Substantially all key management personnel have been employed by us for over 15 years. The loss of key employees (in particular those long time key management personnel possessing important historical knowledge related to the Brisas Project which is relevant to the Brisas arbitration) or an inability to obtain personnel necessary to execute our plan to acquire and develop a new project could have a material adverse effect on our future operations.

Risks inherent in the mining industry could adversely impact future operations.

Exploration for gold and other metals is speculative in nature, involves many risks and frequently is unsuccessful. As is customary in the industry, not all prospects will be positive or progress to later stages (e.g., the feasibility and permitting stages), therefore, management can provide no assurances as to the future success of its efforts to acquire, explore, develop or operate another mining property. Exploration programs entail risks relating to location, metallurgical processes, governmental permits and regulatory approvals and the construction of mining and processing facilities. Development can take a number of years, requiring substantial expenditures and there is no assurance that we will have, or be able to raise, the required funds to engage in these activities or to meet our obligations with respect to the exploration properties in which we may acquire an interest. Any one or more of these factors or occurrence of other risks could cause us not to realize the anticipated benefits of an acquisition of properties or companies.

As a foreign private issuer in the United States, we are subject to different U.S. securities laws and rules than a domestic U.S. issuer.

We are a foreign private issuer under the Exchange Act and, as a result, are exempt from certain rules under the Exchange Act. The rules we are exempt from include the proxy rules that impose certain disclosure and procedural requirements for proxy solicitations. In addition, we are not required to file periodic reports and financial statements with the SEC as frequently, promptly or in as much detail as U.S. companies with securities registered under the Exchange Act. We are not required to comply with Regulation FD, which imposes certain restrictions on the selective disclosure of material information. Moreover, our officers, directors and principal shareholders are exempt from the reporting and short-swing profit recovery provisions of Section 16 of the Exchange Act and the rules under the Exchange Act with respect to their purchases and sales of our Class A Common Shares.

U.S. Internal Revenue Service designation as a "passive foreign investment company" may result in adverse U.S. tax consequences to U.S. Holders.

U.S. taxpayers should be aware that we have determined that we were a "passive foreign investment company" (a "PFIC") under Section 1297(a) of the U.S. Internal Revenue Code (the "Code") for the taxable year ended December 31, 2013, and that we may be a PFIC for all taxable years prior to the time the Company has income from production activities. We do not believe that any of the Company's subsidiaries were PFICs as to any shareholder of the Company for the taxable year ended December 31, 2013, however, due to the complexities of the PFIC determination detailed below, we cannot guarantee this belief and, as a result, we cannot determine that the Internal Revenue Service (the "IRS") would not take the position that certain subsidiaries are not PFICs. The determination of whether the Company and any of its subsidiaries will be a PFIC for a taxable year depends, in part, on the application of complex U.S. federal income tax rules, which are subject to differing interpretations. In addition, whether the Company and any of its subsidiaries will be a PFIC for any taxable year generally depends on the Company's and its subsidiaries' assets and income over the course of each such taxable year and, as a result, cannot be predicted with certainty as of the date of this prospectus. Accordingly, there can be no assurance that the Company and any of its subsidiaries will not be a PFIC for any taxable year.

For taxable years in which the Company is a PFIC, any gain recognized on the sale of the Company's Class A Common Shares and any "excess distributions" (as specifically defined) paid on the Company's Class A Common Shares must be ratably allocated to each day in a U.S. taxpayer's holding period for the Class A Common Shares. The amount of any such gain or excess distribution allocated to prior years of such U.S. taxpayer's holding period for the Class A Common Shares generally will be subject to U.S. federal income tax at the highest tax rate applicable to ordinary income in each such prior year, and the U.S. taxpayer will be required to pay interest on the resulting tax liability for each such prior year, calculated as if such tax liability had been due in each such prior year.

Alternatively, a U.S. taxpayer that makes a timely and effective "QEF election" generally will be subject to U.S. federal income tax on such U.S. taxpayer's pro rata share of the Company's "net capital gain" and "ordinary earnings" (calculated under U.S. federal income tax rules), regardless of whether such amounts are actually distributed by the Company. For a U.S. taxpayer to make a QEF election, the Company must agree to supply annually to the U.S. taxpayer the "PFIC Annual Information Statement" and permit the U.S. taxpayer access to certain information in the event of an audit by the U.S. tax authorities. We will prepare and make the statement available to U.S. taxpayers, and will permit access to the information. As a possible second alternative, a U.S. taxpayer may make a "mark-to-market election" with respect to a taxable year in which the Company is a PFIC and the Class A Common Shares are "marketable stock" (as specifically defined). A U.S. taxpayer that makes a mark-to-market election generally will include in gross income, for each taxable year in which the Company is a PFIC, an amount equal to the excess, if any, of (a) the fair market value of the Class A Common Shares as of the close of such taxable year over (b) such U.S. taxpayer's adjusted tax basis in such Class A Common Shares.

There are material tax risks associated with holding and selling or otherwise disposing the Notes and Class A Common Shares.

There are material tax risks associated with holding and selling or otherwise disposing the Notes and Class A Common Shares, which are described in more detail under the heading "—*Taxation*." Each prospective investor is urged to consult its own financial advisor, legal counsel or accountant regarding the tax consequences to him or her with respect to the ownership and disposition of the Notes and Class A Common Shares.

It may be difficult to bring certain actions or enforce judgments against the Company and/or its directors and executive officers.

Investors in the U.S. or in other jurisdictions outside of Canada may have difficulty bringing actions and enforcing judgments against us, our directors or executive officers based on civil liability provisions of federal securities laws or other laws of the U.S. or any state thereof or the equivalent laws of other jurisdictions of residence. We are organized under the laws of Alberta, Canada. Some of our directors and officers, and some of the experts named from time to time in our filings, are residents of Canada or otherwise reside outside of the U.S. and all or a substantial portion of their and our assets, may be located outside of the U.S. As a result, it may be difficult for investors in the U.S. or

outside of Canada to bring an action in the U.S. against our directors, officers or experts who are not resident in the U.S. It may also be difficult for an investor to enforce a judgment obtained in a U.S. court or a court of another jurisdiction of residence predicated upon the civil liability provisions of Canadian security laws or U.S. federal securities laws or other laws of the U.S. or any state thereof against us or those persons.

CAPITALIZATION AND INDEBTEDNESS

The following table sets forth our capitalization and indebtedness as of August 31, 2014. The amounts shown below are unaudited and represent management's estimate. The information in this table should be read in conjunction with and is qualified by reference to the consolidated financial statements and notes thereto and other financial information incorporated by reference into this prospectus.

	As at August 31, 2014 (U.S. dollars)
Cash, cash equivalents and marketable securities	$8,931,380
Borrowings:	
Short-term borrowing	
Long-term borrowing	33,510,802
Total borrowing	33,510,802
Equity:	
Common Shares and equity units	289,301,780
Contributed Surplus	10,920,870
Warrants	543,915
Stock options	19,796,958
Accumulated deficit	(327,067,661)
Accumulated other comprehensive loss	(48,660)
Total shareholders' deficit	(6,552,798)
Total Capitalization	$26,958,004
Shares issued and outstanding	
Class A Common Shares, without par value	76,076,686
Equity Units	961
	76,077,647

USE OF PROCEEDS

We will not receive proceeds from the resale of the Securities by the Selling Securityholders. However, we did receive proceeds from the sale of the New Notes when originally offered in June 2014. We also received proceeds from the sale of the Original Notes when originally offered in 2007.

The Selling Securityholders will pay all underwriting discounts, selling commissions, stock transfer taxes, and costs and expenses of legal and other professional advisors incurred by them in disposing of the Securities in secondary offerings. We will bear all other costs, fees and expenses incurred in effecting the registration of the Securities covered by this prospectus, including, without limitation, all registration and filing fees and fees and expenses of our counsel and accountants.

EXPENSES

We will incur the following expenses in connection with the registration of the Securities offered by the Selling Securityholders:

Legal Fees and Expenses	$30,000
Accounting Fees and Expenses	$7,500
SEC Registration Fee	$5,676
Printing Expenses	$1,000
TOTAL	$44,176

All amounts shown are estimates, except for the amount of the SEC registration fee. Any selling commissions, brokerage fees, applicable transfer taxes, and fees and disbursements of counsel for the Selling Securityholders are payable by the Selling Securityholders.

PRICE RANGE FOR CLASS A COMMON SHARES AND THE NOTES

Our Class A Common Shares are traded in Canada on the TSXV under the symbol "GRZ.V" and on the OTCQB under the symbol "GDRZF." Prior to February 1, 2012, our Class A Common Shares were traded on the Toronto Stock Exchange. Prior to March 15, 2013, our Class A Common Shares were traded in the United States on the NYSE MKT (previously named NYSE Amex) under the symbol "GRZ." The following table sets forth, for the fiscal year, quarter or month indicated, the high and low sales prices of our Class A Common Shares as reported on the TSXV, NYSE MKT or OTCQB, as applicable.

The annual high and low sales prices for our Class A Common Shares for the five most recent full financial years are:

Year	TSXV/TSX		NYSE MKT		OTCQB	
	High	Low	High	Low	High	Low
2013	Cdn $ 3.78	Cdn $ 2.50	$ 3.48	$ 2.48	$ 3.60	$ 2.42
2012	4.60	2.70	4.53	2.68	N/A	N/A
2011	3.10	1.61	3.14	1.66	N/A	N/A
2010	1.84	0.76	1.84	0.71	N/A	N/A
2009	1.79	0.51	1.73	0.48	N/A	N/A

The high and low sales prices for our Class A Common Shares each full financial quarter for the two most recent full financial years and any subsequent periods are:

Quarter	TSXV/TSX		**NYSE MKT/OTCQB**[1]	
	High	Low	High	Low
2014				
Third Quarter (through September 29, 2014)	Cdn $ 4.96	Cdn $ 3.35	$ 4.48	$ 3.22
Second Quarter	3.80	3.00	3.52	2.72
First Quarter	4.31	3.30	3.94	2.99
2013				
Fourth Quarter	Cdn $ K.78	Cdn $ K.26	$ 3.60	$ 3.14
Third Quarter	3.66	2.95	3.50	2.75
Second Quarter	3.57	2.80	3.50	2.66
First Quarter (through March 14 for NYSE MKT)	3.35	2.50	3.48	2.42
2012				
Fourth Quarter	Cdn $ K.50	Cdn $ J.70	$ 3.54	$ 2.70
Third Quarter	4.19	2.75	4.11	2.88
Second Quarter	4.60	3.26	4.53	3.15

First Quarter	3.99	2.73	3.98	2.68

(1) The high and low for the second, third and fourth quarter of 2013 are the sale prices on the OTCQB, all previous quarters are the sale prices on the NYSE MKT.

The high and low sales prices for our Class A Common Shares for each month for the most recent six months are:

	TSXV/TSX		OTCQB	
	High	Low	High	Low
2014				
September (through September 29, 2014)	Cdn $ 4.96	Cdn $ 4.13	$4.48	$3.74
August	4.90	4.16	4.30	3.80
July	4.89	3.35	4.37	3.22
June	3.73	3.33	3.45	3.05
May	3.80	3.15	3.52	2.85
April	3.77	3.00	3.42	2.72
March	3.89	3.30	3.46	2.99

On September 29, 2014, the closing price for the Class A Common Shares was Cdn $4.30 per share on the TSXV and $3.88 per share on the OTCQB. As of June 30, 2014, there were a total of 76,059,186 Class A Common Shares and 961 Class B common shares issued and outstanding. The combined number of holders of Class A Common Shares and Class B common shares of record on September 29, 2014 was approximately 736. As of September 29, 2014, based on information received from our transfer agent and other service providers, we believe our common shares are owned beneficially by approximately 7,000 shareholders.

There is no established reporting system or trading market for trading in our Notes. However, quotations of prices for our Notes are available. To the extent that the Notes are traded, prices of the Notes may fluctuate widely depending on trading volume, the balance between buy and sell orders, prevailing interest rates, our operating results and the market for similar securities. As of September 29, 2014, there was approximately $37.3 million aggregate principal amount of the 2015 Notes, which amount included approximately $25.3 million aggregate principal amount of Modified Notes and $12 million aggregate principal amount of New Notes, approximately $0.1 million aggregate principal amount of the Interest Notes and approximately $1 million aggregate principal amount of Original Notes outstanding. The Modified Notes and the New Notes were issued under different CUSIP numbers and are not, and in the future will not be, fungible with each other or considered part of the same issue for federal income tax purposes. The 2015 Notes and the Interest Notes are represented by physical notes held in the names of the Selling Securityholders as set forth below under "*Selling Securityholders*." DTC is the sole record holder of the Original Notes.

RATIO OF EARNINGS TO FIXED CHARGES

The following table sets forth our ratio of earnings to fixed charges for the periods indicated.

	June 30,	Year Ended December 31,				
	2014	2013	2012	2011	2010	2009
Ratio of earnings to fixed charges (a):	(1.47)	(1.85)	(0.88)	(2.52)	(2.26)	(1.96)

(a) Ratio of earnings to fixed charges is calculated by dividing earnings, as defined, by fixed charges, as defined. For this purpose, "earnings" means net income (loss) from operation plus income (loss) from equity investees, fixed charges and amortized capital interest less interest capitalized. For this purpose, "fixed charges" means interest expensed and capitalized, amortized premiums, discounts and capitalized expenses related to indebtedness and estimated interest within rental expense.

DESCRIPTION OF CLASS A COMMON SHARES

We are authorized to issue an unlimited number of Class A Common Shares of which 76,076,686 Class A Common Shares were issued and outstanding at September 29, 2014. Shareholders are entitled to receive notice of and attend all meetings of shareholders with each Class A Common Share held entitling the holder to one vote on any resolution to be passed at such shareholder meetings. Shareholders are entitled to dividends if, as and when declared by our board of directors. Upon our liquidation, dissolution or winding up, shareholders are entitled to receive our remaining assets available for distribution to shareholders. The Class A Common Shares include associated Class A Common Share purchase rights under our Shareholder Rights Plan Agreement, as amended and restated. Those rights are described in our report on Form 6-K that was furnished on September 19, 2014, which is incorporated by reference into this prospectus.

In February 1999, Gold Reserve Corporation became our subsidiary. Generally, each shareholder exchanged its Gold Reserve Corporation shares for an equal number of our Class A Common Shares. For tax reasons, certain U.S. holders elected to receive equity units in lieu of our Class A Common Shares. An "equity unit" is comprised of one Gold Reserve Inc. Class B common share and one Gold Reserve Corporation Class B common share, is substantially equivalent to a Class A Common Share and is generally immediately convertible into a Class A Common Share. Unless otherwise noted, general references to common shares of the Company include Class A Common Shares and equity units as a group. At September 29, 2014, there were 961 equity units outstanding.

Effective September 9, 2014, the legal domicile of the Company was changed from the Yukon, Canada to Alberta, Canada pursuant to the Continuance. Following the Continuance, shareholders continue to hold the same number of Class A Common Shares, equity units (including Class B common shares) or other securities of the Company as they currently hold, with the same rights and obligations, as the case may be, attaching thereto, except that the Company is now organized in Alberta, Canada.

Adjustments will be made in the event of certain corporate transactions, such as, but not limited to, a subdivision or consolidation of the common shares or reorganization, reclassification of the capital, or merger or amalgamation with any other company.

DESCRIPTION OF THE NOTES

The 2015 Notes and the outstanding Interest Notes were issued, and Interest Notes issued in the future will be issued, under the second supplemental indenture, dated as of June 18, 2014 (the "Second Supplemental Indenture"), among us, as issuer, U.S. Bank National Association, as trustee (the "Trustee"), and Computershare Trust Company of Canada, as Co-Trustee (the "Co-Trustee"). The second supplemental indenture amends the indenture, dated as of May 18, 2007 (the "Original Indenture"), among us, the Trustee, as successor trustee to The Bank of New York Mellon (f/k/a The Bank of New York) and the Co-Trustee, as successor Co-Trustee to BNY Trust Company of Canada, as previously amended and supplemented by the first supplemental indenture, dated as of December 4, 2012 (the "First Supplemental Indenture"), among us, the Trustee and the Co-Trustee, and as further amended and supplemented by the third supplemental indenture, dated as of September 24, 2014 (together with the Original Indenture, the First Supplemental Indenture and the Second Supplemental Indenture, the "Indenture"), among us, the Trustee and the Co-Trustee.

The following description is a summary of the material provisions of the Notes and the Indenture and does not purport to be complete, and this summary is qualified in its entirety by the Indenture and the Notes, including the definition of certain terms used in the Indenture. We urge you to read the Indenture and the Notes because the Indenture and the Notes, and not this description, defines your rights as a holder of the Notes. You should refer to all of the provisions of the Indenture, including the definitions of certain terms used in those agreements. The terms of the Notes include those stated in the Indenture and those made part of the Indenture by reference to the Trust Indenture Act of 1939, as amended. The indenture, including the forms of 2015 Note and Interest Note contained therein, is specifically incorporated herein by reference. You may request a copy of the Indenture from us.

As used in this "*Description of the Notes*" section, references to "we," "our," "us" or "the Company" refer solely to Gold Reserve Inc. and not to our subsidiaries.

General

The Notes are unsecured obligations and rank (1) subordinate in right of payment to future unsubordinated indebtedness for the construction and development of the Brisas Project, and will be effectively subordinate to the extent of the collateral securing such indebtedness, (2) subordinate to senior secured bank indebtedness in right of payment, and will be effectively subordinate to the extent of the collateral securing such indebtedness, (3) subordinate in right of payment to any guarantee of the indebtedness described in (1) or (2) by us or any of our subsidiaries for the period that the guarantee is in effect, (4) equal in right of payment to any of our other existing and future unsecured and unsubordinated indebtedness and (5) senior in right of payment to all of our future subordinated debt; provided, that any indebtedness issued after the date of the Second Supplemental Indenture must be incurred in accordance with the terms of the Indenture, including the restrictions included in the Second Supplemental Indenture. Subject to the modifications set forth in the Second Supplemental Indenture, the Modified Notes represent a corresponding principal

amount of indebtedness under the 2014 Notes. However, the Notes are effectively subordinated to all future secured debt to the extent of the security on such other indebtedness and to all existing and future obligations of our subsidiaries. As of September 29, 2014, we had approximately $38.5 million aggregate principal amount of outstanding long-term indebtedness and our subsidiaries had no outstanding indebtedness, other than intercompany indebtedness and trade payables. See "*Risk Factors*."

The 2015 Notes are convertible into our Class A Common Shares, as described more fully under "*—Conversion rights*" below. The Interest Notes are not convertible into our Class A Common Shares or any other security.

The Notes are issued only in denominations of $1,000 and integral multiples of $1.00 above that amount. The Notes mature on December 31, 2015, unless earlier converted (if applicable), redeemed or repurchased. The Notes and any other securities previously issued under the Indenture will be treated as a single class for all purposes of the Indenture, including waivers, amendments and redemptions; provided, that notwithstanding the foregoing, in any instance in which the Notes are treated or affected differently from the other securities, whether directly or indirectly, including but not limited to waivers, amendments and redemptions, the Notes shall be treated as a separate class for purposes of the Indenture. We may also from time to time repurchase Notes in open market purchases, if in the future we list the Notes for trading on a national securities exchange, or negotiated transactions without prior notice to holders, subject to the limitations set forth in the Indenture.

Neither we nor any of our subsidiaries are subject to any financial covenants under the Indenture. In addition, except as set forth below under " *Other negative covenants*," neither we nor any of our subsidiaries are restricted under the Indenture from paying dividends, incurring debt, granting security or issuing or repurchasing our securities, entering into transactions with our affiliates or paying senior, other equally ranking or subordinated indebtedness prior to paying our obligations under the Notes.

The holders of the Notes are not afforded protection under the Indenture in the event of a leveraged transaction or a change in control of us except to the extent described under "*—Offer to purchase upon a fundamental change*," and "*—Conversion rate adjustments*."

The Notes are currently represented by physical certificates held in the names of the Selling Securityholders. In connection with the filing of the registration statement of which this prospectus forms a part, we intend to request that the Notes become eligible for deposit with DTC. If and when the Notes have been made eligible with DTC, the Notes will be evidenced by one or more global notes deposited with a custodian for and registered in the name of a nominee of DTC. There can be no assurances that we will be successful in our request that the Notes are DTC eligible. There is no service charge for registration of transfer or exchange of the Notes. We may, however, require holders to pay a sum to cover any tax or other governmental charge payable in connection with certain transfers or exchanges.

Payments on the Notes; paying agent and registrar

We pay principal of physical notes at the office or agency designated by us in the Borough of Manhattan, The City of New York. We have designated the corporate trust office of U.S. Bank National Association, the Trustee under the Indenture, at 100 Wall Street, Suite 1600, New York, New York 10005 as our paying agent and registrar and its office in New York, New York as a place where Notes may be presented for payment or for registration of transfer. We may, however, change the paying agent or registrar without prior notice to the holders of the Notes, and we may act as paying agent or registrar. If and when the Notes are eligible for deposit with DTC and are held in global form registered in the name of or held by DTC or its nominee, we intend to pay principal of Notes in immediately available funds to DTC or its nominee, as the case may be, as the registered holder of such global note. Interest will be payable

on the Notes in Interest Notes. Not later than three (3) business days prior to the relevant interest payment date, we will deliver to the Trustee an order to authenticate and deliver such Interest Notes. We intend that interest on the Notes will be payable (x) with respect to Notes represented by a global note, by issuing and having authenticated a new global note representing the Interest Note in an amount equal to the amount of interest payable for the applicable interest period (each global note to be rounded up to the nearest $1.00) and (y) with respect to Notes represented by physical notes, by issuing and having authenticated Interest Notes represented by physical notes in an aggregate principal amount equal to the amount of interest payable for the applicable period (each physical note to be rounded up to the nearest $1.00), and the Trustee will, at our request, authenticate and deliver such physical notes for original issuance to the holders on the relevant regular record date, as shown in the security register. If the Notes are eligible for DTC, then following the issuance of a new global note representing the Interest Notes as a result of an interest payment, the global note will bear interest from and after the relevant date of issue. Any Interest Notes issued as physical notes will be dated as of the applicable interest payment date and will bear interest from and after such date.

Interest

The notes bear interest at a rate of 11% per annum. Interest accrues and is capitalized quarterly and is payable on June 30, September 30, December 31 and March 31. The first interest payment was made on June 30, 2014.

Interest is paid to the person in whose name a Note is registered at the close of business on June 15, September 15, December 15 and March 15, as the case may be and whether or not a business day, immediately preceding the relevant interest payment date. Interest on the Notes is computed on the basis of a 360-day year composed of twelve (12) 30-day months.

Conversion rights

Holders of the 2015 Notes may convert their 2015 Notes, in whole or in part, initially at a conversion rate of 285.71 Class A Common Shares per $1,000 principal amount of 2015 Notes (equivalent to a conversion price of $3.50 per share) at any time prior to the close of business on the business day immediately preceding the final maturity date of the 2015 Notes, subject to prior repurchase of the 2015 Notes. The Interest Notes are not convertible into our Class A Common Shares or any other security.

Upon conversion of a 2015 Note, we will have the option to deliver Class A Common Shares, cash or a combination of cash and Class A Common Shares for the 2015 Notes surrendered as set forth below. The Trustee will initially act as conversion agent. The conversion rate and the applicable conversion price in effect at any given time are referred to as the "applicable conversion rate" and the "applicable conversion price," respectively, and will be subject to adjustment as described below. A holder may convert fewer than all of such holder's 2015 Notes so long as the 2015 Notes converted have a principal amount of $1,000 or an integral multiple of $1.00 in excess thereof.

We will have the option to deliver cash in lieu of some or all of the Class A Common Shares to be delivered upon conversion of the 2015 Notes. We will give notice of our election to deliver part or all of the conversion consideration in cash to the holder converting the 2015 Notes within two (2) business days of our receipt of the holder's notice of conversion. The amount of cash to be delivered per 2015 Note will be equal to the number of Class A Common Shares in respect of which the cash payment is being made multiplied by the average of the Daily VWAP prices of the Class A Common Shares for the ten (10) trading days commencing one (1) day after (a) the date of our notice of election to deliver all or part of the conversion consideration in cash if we have not given notice of redemption or (b) the conversion date, in the case of conversion following notice of redemption specifying our intention to deliver cash upon conversion. "Daily VWAP" means the per share volume-weighted average price as displayed under the heading "Bloomberg VWAP" on Bloomberg page "GRZ"<equity>"VAP" in respect of the period from 9:30 am to 4:00 pm (New York City time) on such trading day (or if such volume-weighted average price is unavailable, the market value

of one Class A Common Share on such trading day on the TSXV or otherwise as our board of directors determines in good faith using a volume-weighted method); provided that after the consummation of a fundamental change in which the consideration is comprised entirely of cash, "Daily VWAP" means the cash price per Class A Common Share received by holders of our Class A Common Shares on such fundamental change.

If we elect to deliver cash in lieu of some or all of the Class A Common Shares issuable upon conversion of the 2015 Notes, we will make the payment, including delivery of the Class A Common Shares, through the conversion agent, to holders surrendering 2015 Notes no later than the fourteenth (14^{th}) business day following the conversion date. Otherwise, we will deliver the Class A Common Shares, together with any cash payment for fractional shares, as described below, through the conversion agent no later than the fifth (5^{th}) business day following the conversion date.

We may not deliver cash in lieu of any Class A Common Shares issuable upon a conversion date (other than in lieu of fractional shares) if there has occurred and is continuing an event of default under the Indenture, other than an event of default that is cured by the payment of the conversion consideration.

If we call 2015 Notes for redemption, a holder of 2015 Notes may convert the 2015 Notes only until the close of business on the business day immediately preceding the redemption date unless we fail to pay the redemption price. If a holder of 2015 Notes has submitted the 2015 Notes for purchase upon a fundamental change, a holder of 2015 Notes may convert the 2015 Notes only if that holder withdraws the purchase election made by that holder.

Upon conversion, you will not receive any separate payment for accrued and unpaid interest and additional amounts (as defined herein), if any, unless such conversion occurs between a regular record date and the interest payment date to which it relates. We will not issue fractional Class A Common Shares upon conversion of 2015 Notes. Instead, we will pay cash in lieu of fractional shares based on the last reported sale price of the Class A Common Shares on the trading day prior to the conversion date.

Our delivery to you of Class A Common Shares, cash, or a combination of cash and Class A Common Shares, as applicable, together with any cash payment for any fractional share, into which a 2015 Note is convertible, will be deemed to satisfy our obligation to pay:

- the principal amount of the 2015 Note; and

- accrued and unpaid interest and additional amounts, if any, to, but not including, the conversion date.

As a result, accrued and unpaid interest and additional amounts, if any, to, but not including, the conversion date will be deemed to be paid in full rather than cancelled, extinguished or forfeited.

Notwithstanding the preceding paragraph, if 2015 Notes are converted after 5:00 p.m., New York City time, on a regular record date for the payment of interest, holders of such 2015 Notes at 5:00 p.m., New York City time, on such record date will receive the interest and additional amounts, if any, payable on such 2015 Notes on the corresponding interest payment date notwithstanding the conversion. 2015 Notes, upon surrender for conversion during the period from 5:00 p.m., New York City time, on any regular record date to 9:00 a.m. New York City time, on the immediately following interest payment date must be accompanied by (i) payment of an amount equal to the principal amount of Interest Notes and additional amounts that the holder is to receive on the 2015 Notes or (ii) the written election of the holder to offset the payment otherwise required pursuant to clause (i) against the principal amount of Interest Notes and additional amounts that the Holder is to receive on the 2015 Notes. However, no such payment need be made:

- if we have specified a redemption date that is after a record date and on or prior to the corresponding interest payment date;