

GOLD RESERVE INC.

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

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that an Annual and Special Meeting (the "Meeting") of the holders of Class A common shares and Class B common shares ("Shareholders") of GOLD RESERVE INC. (the "Company") will be held at the Spokane Club, located at 1002 W. Riverside, Spokane, Washington USA, on Thursday, the 27th day of May, 2004 at 9:30 a.m. (Pacific daylight time) for the following purposes:

- 1) To elect members to the Board of Directors of the Company to hold such positions until the next annual meeting of Shareholders or until their successors are elected and have qualified;
- 2) To appoint auditors of the Company for the year ended December 31, 2004 and any interim period;
- 3) To authorize the issuance of up to 303,150 Class A common shares of the Company upon the exercise of compensation option securities previously granted to the underwriters of the Company's September 2003 private placement financing;
- 4) To approve the increase in options available to the 1997 Incentive Stock Option Plan by an additional 350,000;
- 5) To approve the issuance of 75,000 Class A common shares of the Company for purchase by the KSOP Plan; and
- 6) To conduct any other business as may properly come before the meeting or any adjournment thereof.

Shareholders who are unable to attend the Meeting or any adjournment thereof in person and who wish to ensure that their shares will be voted are requested to complete, sign and mail the enclosed form of proxy to Computershare Trust Company, Inc., P.O. Box 1596, Denver, Colorado 80201-9975 not later than the close of business on the business day immediately preceding the Meeting or any adjournment thereof. An Information Circular and a copy of the Annual Report accompany this notice. The specific details of the matters proposed to be put before the Meeting are set forth in the accompanying Information Circular.

DATED at the City of Spokane, in the State of Washington, USA this 9th day of April, 2004.

BY ORDER OF THE DIRECTORS

Rockne J. Timm
Chief Executive Officer

GOLD RESERVE INC.

INFORMATION CIRCULAR
(Containing information as of April 9, 2004)

MANAGEMENT SOLICITATION OF PROXIES

This Information Circular and Proxy Statement is furnished in connection with the solicitation of proxies by the management of GOLD RESERVE INC. (the “Company”) to be voted at the Annual and Special Meeting of Shareholders of the Company (the “Meeting”) to be held on Thursday, the 27th day of May, 2004 at 9:30 a.m. (Pacific daylight time), at the Spokane Club located at 1002 W. Riverside, Spokane, Washington and at any adjournment thereof, for the purposes set forth in the accompanying Notice of Annual and Special Meeting of Shareholders. The solicitation of proxies will be primarily by mail but proxies may also be solicited personally or by telephone by regular employees of the Company. Employees will not receive any extra compensation for such activities. The Company may pay brokers, nominees or other persons holding shares of the Company in their name for others for their reasonable charges and expenses in forwarding proxies and proxy material to beneficial owners of such shares, and obtaining their proxies. The Company may also retain independent proxy solicitation agents to assist in the solicitation of proxies for the Meeting. The cost of all solicitations of proxies will be borne by the Company. Except where otherwise stated, the information contained herein is given as of the 9th day of April, 2004.

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

APPOINTMENT AND REVOCATION OF PROXIES

The individuals named in the enclosed form of proxy are Directors or Officers of the Company. **A Shareholder submitting a proxy has the right to appoint a person, who need not be a Shareholder, to represent the Shareholder at the Meeting other than the persons designated in the form of proxy furnished by the Company. To exercise this right, the Shareholder may insert the name of the desired representative in the blank space provided in the proxy or may submit another appropriate form of proxy.** The completed proxy must be deposited at the office of Computershare Trust Company, Inc., P.O. Box 1596, Denver, Colorado 80201-9975, not later than the close of business on the business day preceding the day of the Meeting or any adjournment thereof, or with the Chairman of the Meeting immediately prior to the commencement of the Meeting or any adjournment thereof, otherwise the instrument of proxy will be invalid.

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

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

EXERCISE OF DISCRETION BY PROXIES

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

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

THE REORGANIZATION

In February 1999, Gold Reserve Corporation became a subsidiary of Gold Reserve Inc., the successor issuer (the "Reorganization"). Generally, each shareholder of Gold Reserve Corporation received one Gold Reserve Inc. Class A common share (a "Class A Share") for each common share owned of Gold Reserve Corporation. Certain U.S. holders elected, for tax reasons, to receive equity units (an "Equity Unit") in lieu of Class A Shares. An Equity Unit, comprised of one Gold Reserve Inc. Class B common share (a "Class B Share") and one Gold Reserve Corporation Class B common share, is substantially equivalent to a Class A Share and is generally immediately convertible into Class A Shares. Equity Units are not listed for trading on any stock exchange, but subject to compliance with applicable federal, provincial and state securities laws, may be transferred.

Unless otherwise noted, general references to common shares of the Company (the "Common Shares") include Class A Shares and Class B Shares as a combined group. After the Reorganization, a shareholder continued to own an interest in the business that in aggregate was essentially the same as before the Reorganization.

For the purposes of disclosure in this Information Circular, references to the Company prior to February 4, 1999 are references to Gold Reserve Corporation.

VOTING RIGHTS AND PRINCIPAL SHAREHOLDERS

The Company's issued and outstanding shares consist of Class A Shares and Class B Shares. Holders of Class A Shares and holders of Class B Shares are entitled to one vote per share and will vote as a single class on all matters to be considered and voted upon at the Meeting or any adjournment thereof. References to Common Shares in this Information Circular include both Class A Shares and Class B Shares, as applicable. As of April 9, 2004, there were 27,816,258 issued and outstanding Class A Shares and 1,237,880 issued and outstanding Class B Shares for a total of 29,054,138 shares eligible to vote.

The Company has set the close of business on April 20, 2004 as the record date for the Meeting. The Company will prepare a list of Shareholders of record at such time. Holders of Common Shares will be entitled to vote the shares then registered in their name at the Meeting except to the extent that (a) the holder has transferred the ownership of any of his shares after that date, and (b)

the transferee of those shares produces properly endorsed share certificates, or otherwise establishes that he owns the shares, and demands, not later than 10 days before the Meeting, that the transferee's name be included in the list of persons entitled to vote at the Meeting, in which case the transferee will be entitled to vote his shares at the Meeting or any adjournment thereof.

To the knowledge of the Directors and senior officers of the Company, as of April 9, 2004, no person, firm or corporation beneficially owned, directly or indirectly, or exercised control or direction over more than 10% of the voting rights attached to the Common Shares.

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

BUSINESS OF THE MEETING

Item 1 – Election of Directors

The Company's Board of Directors (the "Board") presently consists of seven members. All Directors presently serve until the next annual meeting of the Company's Shareholders or until their successors are elected and have qualified.

The following table states the name of each person proposed to be nominated by management for election as a Director and the number of Common Shares beneficially owned by him, directly or indirectly, or over which he exercises control or direction, as at the date hereof.

Proposed Nominee	Number of Common Shares Beneficially Owned as of April 9, 2004 ⁽¹⁾
Rockne J. Timm ⁽²⁾⁽³⁾	1,519,878
A. Douglas Belanger ⁽²⁾⁽³⁾	1,425,982
James P. Geyer	471,451
James H. Coleman ⁽²⁾⁽³⁾	202,750
Patrick D. McChesney ⁽²⁾⁽³⁾	218,362
Chris D. Mikkelsen ⁽²⁾⁽³⁾⁽⁴⁾	292,000
Jean Charles Potvin	109,934

(1) Includes for each individual shares issuable pursuant to presently exercisable options for Common Shares as of April 9, 2004 or options exercisable within 60 days of April 9, 2004 as follows: Mr. Timm, 696,700; Mr. Belanger, 573,955; Mr. Geyer, 284,209; Mr. Coleman, 155,416; Mr. McChesney, 132,385; Mr. Mikkelsen, 109,778; Mr. Potvin, 100,612.

(2) Messrs. Timm, Belanger, Coleman, McChesney, and Mikkelsen are Directors of Great Basin Energies, Inc., which owns 516,720 Common Shares, or 1.8% of the outstanding Common Shares. The foregoing individuals beneficially own 9.4%, 6.1%, 2.4%, 1.6%, and 1.3%, respectively, of the outstanding Common Shares of Great Basin Energies, Inc. and may be deemed indirectly to have an interest in the Company through their respective management positions and/or ownership interests in Great Basin Energies, Inc. Each of the foregoing individuals disclaims any beneficial ownership of the Common Shares owned by Great Basin Energies, Inc.

- (3) Messrs. Timm, Belanger, Coleman, McChesney, and Mr. Mikkelsen are Directors of MGC Ventures, Inc., which owns 276,642 Common Shares, or 1.0% of the outstanding Common Shares of the Company. The foregoing individuals beneficially own 10.6%, 10.5%, 4.3%, 3.3%, and 2.3% respectively, of the outstanding Common Shares of MGC Ventures, Inc. and may be deemed indirectly to have an interest in the Company through their respective management positions and/or ownership interests in MGC Ventures, Inc. Each of the foregoing individuals disclaims any beneficial ownership of the Common Shares owned by MGC Ventures, Inc.
- (4) Excludes 81,141 Common Shares of which Mr. Mikkelsen is trustee for the benefit of members of Mr. Timm's family. Mr. Mikkelsen disclaims any beneficial ownership of the 81,141 Common Shares.

The persons named below will be presented for election at the Meeting as management's nominees and the persons named in the accompanying form of proxy intend to vote for the election of these nominees unless otherwise directed. Management does not contemplate that the nominees will be unable to serve as Directors.

The following table and notes thereto states the names of each person proposed to be nominated by management for election as a Director, the country in which he is ordinarily resident, his age, all offices of the Company now held by him, his principal occupation and the period of time for which he has been a Director of the Company.

Proposed Nominee	Age	Principal Occupation	Director Since
Rockne J. Timm ⁽³⁾ USA	58	Chief Executive Officer of the Company. Mr. Timm is also a Director and President of both MGC Ventures, Inc. and Great Basin Energies, Inc.	March 1984
A. Douglas Belanger ⁽³⁾ USA	50	President of the Company. Mr. Belanger is also a Director and Executive Vice President of both Great Basin Energies, Inc. and MGC Ventures, Inc.	August 1988
James P. Geyer USA	51	Senior Vice President of the Company.	June 1997
James H. Coleman ⁽³⁾ Canada	53	Non-Executive Chairman of the Board of the Company and a senior Partner of the law firm of Macleod Dixon of Calgary, Alberta. He is also a Director of various public companies including Great Basin Energies, Inc. and MGC Ventures, Inc.	February 1994
Patrick D. McChesney ⁽²⁾ USA	54	President of both Logue McDonald Automation, Inc. and LMO Test Systems, Inc. He is also a Director of Great Basin Energies, Inc. and MGC Ventures, Inc.	August 1988
Chris D. Mikkelsen ⁽¹⁾⁽²⁾ USA	52	Principal in McDirmid, Mikkelsen & Secrest, P.S., (a certified public accounting firm). Mr. Mikkelsen is also a Director of Great Basin Energies, Inc. and MGC Ventures, Inc.	June 1997
Jean Charles Potvin ⁽¹⁾⁽²⁾ Canada	50	Director, Chairman and Chief Executive Officer of Tiomin Resources Inc.	November 1993

- (1) Compensation Committee
(2) Audit Committee
(3) Executive Committee

Each proposed nominee has been a Director of the Company since the applicable date indicated in the above table. Each of the foregoing nominees has held his present principal occupation with his current employer or other positions with the same firm throughout the last five years.

Item 2 – Appointment of Auditors

It is proposed that the firm of PricewaterhouseCoopers LLP be appointed by the Shareholders as independent certified public accountants to examine the financial statements of the Company for the year ending December 31, 2004. A representative of PricewaterhouseCoopers LLP is expected to be present at the Meeting and will be available to respond to appropriate questions.

Unless such authority is withheld, the persons named in the accompanying proxy intend to vote for the reappointment of PricewaterhouseCoopers LLP as auditors of the Company until the next annual meeting of the Company, or until their successors are duly appointed, at a remuneration to be fixed by the Board. PricewaterhouseCoopers LLP were first appointed auditors of the Company in 1992.

Item 3 – Issuance of Shares Upon Exercise of Underwriters' Compensation Option Securities

In connection with the Company's Cdn. \$14.1 million private placement (the "Private Placement") which closed on September 26, 2003, the Company agreed pursuant to the terms of an underwriting agreement dated September 26, 2003 (the "Underwriting Agreement") to issue to the underwriters of the Private Placement, Orion Securities Inc. and Sprott Securities Inc. (collectively, the "Underwriters"), 202,100 non-assignable options (the "Compensation Options") as partial consideration for the services provided to the Company by the Underwriters in connection with the Private Placement. Shareholders of the Company are being asked to pass a resolution authorizing the Company to issue up to 303,150 Class A common shares of the Company that could be issued in connection with the exercise of the Compensation Options and related underlying securities as described below in more detail.

If approved by Shareholders, each Compensation Option would be exercisable by the Underwriters until its expiry date of March 28, 2005 for one unit ("Compensation Unit") of the Company at an exercise price of Cdn. \$3.64 per Compensation Unit. Each Compensation Unit would be comprised of one Class A common share of the Company and one-half of one warrant ("Compensation Warrant"). In turn, each Compensation Warrant would entitle the holder thereof to acquire one Class A common share of the Company at an exercise price of Cdn. \$5.25 per share up to March 28, 2005. An aggregate of 303,150 Class A common shares of the Company could be issued in connection with the exercise of the Compensation Options (as to 202,100 shares) and Compensation Warrants (as to 101,050 shares) (collectively, the "Compensation Shares"). The Company would receive an aggregate of Cdn. \$735,644 if the Compensation Options were exercised in full and an additional Cdn. \$530,512.50 if the Compensation Warrants were exercised in full. The Compensation Options were priced in the context of the market at the time of the Private Placement. The Compensation Warrants have the same exercise price as the warrants issued to investors in connection with the Private Placement in accordance with the rules of The Toronto Stock Exchange (the "TSX").

Pursuant to the rules of the TSX, a TSX listed company is generally prohibited, without first obtaining shareholder approval, from issuing pursuant to private placement transactions during any six-month period in excess of 25% of the number of shares of the issuer which are

outstanding (on a non-diluted basis) prior to giving effect to such transactions. Pursuant to the Private Placement, the Company issued the maximum amount of shares allowable without needing to obtain shareholder approval other than with respect to the Compensation Shares that may be issuable pursuant to the exercise of the Compensation Options and the Compensation Warrants.

In the event that Shareholders do not approve the issuance of the Compensation Shares, the Company is obligated pursuant to the terms of the Underwriting Agreement to pay to the Underwriters a cash fee equal to the value of the Compensation Options as of the date of the Meeting. The value of the Compensation Options will be calculated based on a pre-determined formula based on the Black-Scholes valuation method. Based on the closing price of the Class A common shares on March 26, 2004 (Cdn. \$5.60), the Company would be obligated to pay the Underwriters a cash fee of Cdn. \$456,418 (the "Cash Fee") in the event Shareholders do not authorize the issuance of the Compensation Shares. The Company is permitted pursuant to the terms of the Underwriting Agreement, but subject to obtaining the prior approval of the TSX, to satisfy the Cash Fee by issuing Class A common shares of the Company at a price per share equal to the weighted average trading price of the shares during the five trading days immediately prior to the Meeting. Based on the closing trading price for the Class A common shares on March 26, 2004 and assuming that the trading volumes and prices immediately prior to March 26, 2004 are identical to those in the five-day period immediately prior to the Meeting, the Company would need to issue approximately 81,503 Class A common shares to the Underwriters in full satisfaction of the Cash Fee.

The persons named in the accompanying proxy intend to vote for the approval of the authorization to issue the Compensation Shares unless otherwise directed.

In order to pass the resolution authorizing the Company to issue the Compensation Shares, at least a majority of the votes cast at the Meeting must be voted in favour of the resolution. The following resolution in respect of the issuance of the Compensation Shares will be proposed at the Meeting:

"BE IT RESOLVED THAT:

1. The issuance of up to 303,150 Class A common shares in connection with the exercise of compensation options and underlying compensation warrants be and are hereby approved; and
2. Any officer or director of the Company be and is hereby authorized for and on behalf of the Company to execute and deliver all such instruments and documents and to perform and do all such other acts and things as may be deemed advisable in such individual's discretion for the purpose of giving effect to this resolution."

The board has determined that the issuance of the Compensation Shares is in the best interests of the Company and recommends that the Shareholders vote in favour of the resolution authorizing such issuance.

Item 4 – Amendment of the 1997 Equity Incentive Plan

The Company presently has one active stock option plan, the 1997 Equity Incentive Plan (the “Plan”), and predecessor plans that have been terminated, except for options previously issued under the predecessor plans that, as a result of forfeiture to the Company become subject to re-issue, shall be re-issued and administered pursuant to the Plan.

The Plan currently provides for the grant of both “incentive stock options” and “non statutory options” to purchase Class A Shares, stock appreciation rights (“SARs”), or up to 500,000 shares of restricted stock. To date, 323,500 shares of restricted stock have been granted and options, including options under the predecessor plans and the Plan, for the purchase of 3,236,624 Class A Shares are outstanding.

On February 27, 2004, the Board of the Company authorized an increase in the number of Common Shares reserved pursuant to the Plan, subject to regulatory and shareholder approval, by 350,000 Common Shares or approximately 1% of the issued and outstanding shares of the Company; 150,000 of these shares have been authorized for issuance as restricted stock grants. At the Meeting, the Shareholders of the Company will be asked to consider and, if deemed advisable, to approve an ordinary resolution to amend and increase the number of Common Shares reserved pursuant to the Plan.

The Board has acted to increase the number of available shares pursuant to the Plan for the following reasons: 1) the Company will be required to hire additional qualified personnel to advance the development of the Brisas project, located in Venezuela and the Board believes that options will be a key compensation component; 2) the Company believes that compensating directors with stock options or restricted stock issued pursuant to the Plan instead of cash is in the best interest of the Company financially; and 3) the Board believes that awards of options pursuant to the Plan form a critical element of the Company’s compensation policy by both aligning the interests of the all employees, officers and directors with the long-term interests of Shareholders and providing reward and incentive for achieving enhanced shareholder value.

As of April 9, 2004, options for the purchase of 342,641 Class A Shares remained available for grant under the Plan. Assuming the resolution approving the amendment to the Plan is approved, 692,641 Common Shares would be available for issuance pursuant to the Plan. When adjusted to reflect the reduction of the number of shares available due to exercises of options previously granted and the issuance of restricted shares, the maximum number of Common Shares issuable under the Plan if the resolution approving the amendment to the Plan is approved would be 3,919,265 Common Shares, representing approximately 13.5% of the issued and outstanding Common Shares.

Approval of this item, for the purposes of complying with the TSX’s policy limitations, requires the affirmative vote of a majority of the Common Shares of the Company represented at the Meeting, in person or by proxy, held by persons who are neither directors, executive officers, or other insiders (or associates of insiders) of the Company. As of April 9, 2004, based on information available to the Company, a total of 3,233,410 Common Shares of the Company were held by directors, executive officers, or other insiders (or their associates) of the Company, representing 11.1% of the total outstanding at such date.

For further discussion of the terms and provisions of Plan, reference should be made to “Executive Compensation – Equity Incentive Plan” in this Information Circular.

The following is the form of ordinary resolution to be approved by the Shareholders at the Meeting: “

“BE IT RESOLVED THAT:

1. The amendment of the Plan to increase the number of Common Shares subject to the Plan by 350,000 Common Shares, of which 150,000 shares are authorized to be issued as restricted stock grants, is hereby ratified and approved;
2. The directors may revoke this resolution before it is acted upon without further approval of the Shareholders; and
3. Any officer or director is hereby authorized to execute and deliver any documents, instruments or other writings and to do all other acts as may be necessary or desirable to give effect to the foregoing resolution.”

The Board has determined that the Amendment of the 1997 Equity Incentive Plan is in the best interests of the Company and recommends that the Shareholders vote in favor of the resolution authorizing such amendment.

Item 5 – Approval of the Purchase of Class A Shares by the KSOP Plan

The Company maintains a retirement plan, the KSOP Plan, for eligible employees. The annual contribution to the KSOP Plan participants is formula driven based on a percentage of compensation and is used to allocate shares purchased by the KSOP Plan.

The Board approved the issuance of 75,000 Class A Shares for purchase by the KSOP Plan at a price of US \$3.41 (Cdn. \$4.56), which represents the closing market price on The Toronto Stock Exchange (converted to US \$) on February 23, 2004. As of December 31, 2003, 98,042 shares remained in the KSOP Plan to be allocated to Plan participants.

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

As of April 9, 2004, based on information available to the Company, a total of 2,115,193 shares, or 7% of the Company, were held by insiders, or their associates, eligible to participate in the KSOP Plan.

Approval of this resolution pursuant to the policies of the TSX will enable the Company to allocate the shares, pursuant to the employee stock ownership component of the plan, to eligible participants in compliance with the TSX’s limitations on awards to such persons pursuant to share compensation arrangements.

For a description of the KSOP Plan, see “KSOP Plan”.

The persons named in the accompanying proxy intend to vote for the approval of the authorization to issue 75,000 Class A Shares to the KSOP Plan unless otherwise directed.

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

“BE IT RESOLVED THAT:

1. The issuance of 75,000 Class A Shares for purchase by the KSOP Plan at a price of US \$3.41 (Cdn. \$4.56) be approved, and
2. Any officer or director of the Company is hereby authorized for and on behalf of the Company to execute and deliver all such instruments and documents and to perform and do all such other acts and things as may be deemed advisable in such individual’s discretion for the purpose of giving effect to this resolution.”

The Board has determined that the issuance to the KSOP Plan of 75,000 Class A Shares is in the best interests of the Company and recommends that the Shareholders vote in favor of the resolution authorizing such issuance.

EXECUTIVE COMPENSATION

Summary Compensation Table

The following table sets forth the compensation paid by the Company to the Chief Executive Officer and to each of the next three most highly compensated executive officers who were serving at December 31, 2003 (the “Named Executive Officers”).

Name and Principal Position	Year	Annual Compensation			Long Term Compensation			
		Salary \$	Bonus \$	Other Annual Compensation (\$)	Awards		Payouts	
					Securities Under Options/ SARs Granted (#) ⁽¹⁾	Restricted Shares Or Restricted Share Units (\$)	LTIP Payouts (\$)	All Other Compensation (\$) ⁽²⁾
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
Rockne J. Timm Chief Executive Officer	2003	\$195,000	-	-	696,700	-	-	\$42,000
	2002	195,000	-	-	696,700	-	-	31,144
	2001	195,000	-	-	696,700	-	-	25,500
A Douglas Belanger President	2003	175,000	-	-	573,955	-	-	39,040
	2002	175,000	-	-	573,955	-	-	29,000
	2001	175,000	-	-	573,955	-	-	25,500
James P. Geyer Senior Vice President	2003	175,000	-	-	284,209	-	-	39,040
	2002	175,000	-	-	284,209	-	-	29,000
	2001	175,000	-	-	284,209	-	-	25,500
Robert A. McGuinness Vice President Finance and CFO	2003	120,000	-	-	301,122	-	-	26,770
	2002	120,000	-	-	306,622	-	-	19,849
	2001	120,000	-	-	306,622	-	-	18,000

- (1) Consists of the number of shares issued to the Named Executive Officers pursuant to options held at the end of each reported period.
- (2) Consists of the dollar value of shares purchased under the Company’s KSOP Plan and allocated to the account of each Named Executive officer during 2003, 2002, and 2001 respectively as follows: Mr. Timm: 39,463 shares,

49,387 shares, 44,232 shares; Mr. Belanger: 36,681 shares, 45,988 shares, 44,232 shares; Mr. Geyer: 36,681 shares, 45,988 shares, 44,232 shares; and Mr. McGuinness: 25,153 shares, 31,476 shares, 31,223 shares.

Equity Incentive Plan

Key employees of the Company and its subsidiaries are eligible to receive grants under the 1997 Equity Incentive Plan (the "Plan"). An incentive option may be exercised during the lifetime of the optionee only by the optionee. At such optionee's death an option or any part thereof may only be transferable by such optionee's will or by the laws of descent and distribution.

Options, stock appreciation rights ("SARs") and restricted stock granted under the Plan are generally granted at the United States Dollar equivalent of the closing sales price of the Class A Shares on the day immediately preceding the grant date, as reported on the TSX. The Board or a committee of the Board is responsible for the administration of the Plan.

KSOP Plan

The Company also maintains a KSOP Plan for the benefit of eligible employees of the Company. The KSOP Plan consists of two components— a salary reduction component (401(k)) and stock ownership component (ESOP) and is available to all eligible employees of the Company who have been employed for a period in excess of one year and who have worked at least 1,000 hours during the year in which any allocation is to be made.

Contributions to the 401(k) component of the KSOP Plan are limited in each year to the total amount of salary reduction the employee elects to defer during the year, which is limited in 2004 to \$13,000 (\$16,000 limit for participants who are 50 or more years of age, or who turn 50 during 2004), special contributions by the Company equal to a percentage of the employee's compensation during the year, and discretionary contributions by the Company determined in each year by the Company. Employer allocations are made in the form of Class A common shares.

Total employer and employee annual contributions to an employee participating in both the 401(k) and ESOP components of the KSOP Plan are limited (in 2004) to a maximum of \$41,000 (\$44,000 limit for participants who are 50 or more years of age or who turn 50 during 2004). The annual dollar limit is an aggregate limit which applies to all contributions made under this plan or any other cash or deferral arrangements. For Plan year 2004 the Company has adopted a "Safe Harbor" contribution of 3% of eligible compensation.

Distributions from the KSOP Plan are not permitted before the participating employee reaches the age of 59, except in the case of death, disability, termination of employment by the Company or financial hardship. The employee stock ownership component of the KSOP Plan is qualified under Sections 421 and 423 of the U.S. Internal Revenue Code of 1986, as amended.

The Company allocated contributions to eligible KSOP Plan participants for plan years 2003, 2002 and 2001 were \$216,432, \$153,003 and \$133,304, respectively.

Options Granted For Shares of the Company to the Named Executive Officers During the Year Ended December 31, 2003

The following table sets forth information concerning grants of stock options to the Named Executive Officers pursuant to the rules and policies of the TSX and the American Stock Exchange in accordance with the provisions of the Regulations during the fiscal year ended December 31, 2003:

Name	Securities Under Options Granted	% of Total Options Granted to Employees in Fiscal year	Exercise or Base Price (\$/Security)	Market Value of Securities Underlying Options on Date of Grant (\$/Security) ⁽¹⁾	Expiration Date
Robert A. McGuinness	11,500	4.9%	\$4.14	\$4.14	October 28, 2008

(1) Based on the closing price on the TSX converted to US dollars at time of grant.

Aggregated Option Exercises During the Year Ended December 31, 2003 and Option Values as of December 31, 2003.

The following table sets forth all options financial year-end values for options granted to the Named Executive Officers of the Company.

Name	Securities Acquired on Exercise (#)	Aggregate Value Realized ⁽¹⁾	Unexercised Options/SARs at FY-End (#) Exercisable/ Unexercisable	Value of Unexercised in-the-Money Options/SARs at FY-End (\$) ⁽²⁾ Exercisable/ Unexercisable
(a)	(b)	(c)	(d)	(e)
Rockne J. Timm	-	-	696,700 / -	\$2,832,552 / -
A. Douglas Belanger	-	-	573,955 / -	2,333,571 / -
James P. Geyer	-	-	284,209 / -	1,155,741 / -
Robert A. McGuinness	17,000	\$58,967	301,122 / -	1,184,508 / -

- (1) The "Aggregate Value Realized", if applicable, was calculated by determining the difference between the market value of the securities acquired on the date of exercise (based on the closing price on the American Stock Exchange on the date of exercise, which approximates the closing price on the TSX also on the date of exercise) less the exercise price of the options exercised.
- (2) The "Value of Unexercised In-The-Money Options at FY-End" was calculated by determining the difference between the market value of the securities underlying the option at the end of the financial year and the exercise price of such options. At December 31, 2003, the closing price of the shares of common stock on the American Stock Exchange was \$4.87.

Report on Re-pricing of Options in Last Ten Completed Fiscal Years

During the last ten years the Shareholders approved two re-pricings of certain options held by the Named Executive Officers. The first re-pricing, dated April 3, 2000 and approved on June 2, 2000, was re-priced at a 25% premium to the market price of the Company's shares. The second re-pricing, dated December 20, 2000 and approved June 8, 2001, was re-priced at a 50% premium to the market price of the Company's shares and fifty-percent of all vested options, or immediately exercisable options, were unvested for the following twelve month time period. All re-priced options have five-year lives from the date of approval by shareholders. The following table details the re-pricing information for options held by Named Executive Officers for the last ten years:

10-YEAR TABLE OF OPTIONS AND SAR RE-PRICINGS

Name	Date of Re-pricing	Securities Under Options/SARs Re-priced Or Amended (#)	Market Price of Securities at Time of Re-pricing or Amendment (\$/Security)	Exercise Price at Time of Re-pricing or Amendment (\$/Security)	New Exercise Price (\$/Security)	Length of Original Option Term Remaining at Date of Re-pricing or Amendment
(a)	(b)	(c)	(d)	(e)	(f)	(g)
Rockne J. Timm	June 2, 2000	209,833	\$0.73	\$3.75	\$1.00	2.8 years
	June 8, 2001	27,200	0.47	1.13	0.72	1.7 years
		40,000	0.47	1.50	0.72	3.1 years
		50,000	0.47	2.59	0.72	2.2 years
		125,000	0.47	3.25	0.72	2.3 years
	244,667	0.47	3.75	0.72	2.2 years	
A. Douglas Belanger	June 2, 2000	172,652	0.73	3.75	1.00	2.8 years
	June 8, 2001	26,000	0.47	1.13	0.72	1.7 years
		30,000	0.47	1.50	0.72	3.1 years
		65,000	0.47	2.59	0.72	2.2 years
		50,000	0.47	3.25	0.72	2.3 years
	230,303	0.47	3.75	0.72	2.2 years	
James P. Geyer	June 2, 2000	84,736	0.73	3.75	1.00	2.8 years
	June 8, 2001	30,000	0.47	1.50	0.72	3.1 years
		64,209	0.47	2.59	0.72	2.2 years
		5,000	0.47	2.88	0.72	7.0 years
	100,264	0.47	3.75	0.72	2.2 years	
Robert A. McGuinness	June 2, 2000	92,207	0.73	3.75	1.00	2.8 years
	June 8, 2001	30,000	0.47	1.50	0.72	3.1 years
		68,417	0.47	2.59	0.72	2.2 years
	115,998	0.47	3.75	0.72	2.2 years	

Change of Control Agreements

The Company has entered agreements with each of the Named Executive Officers in order to induce them to remain employed by the Company in the event of a change of control (as defined in the agreements). In the event of a change in control, the Company has agreed with each of such Named Executive Officers to, among other things, continue their employment and, if their employment is terminated within seven months following the change in control (other than for cause, disability, retirement or death) or if the Named Executive Officer terminates his employment for good reason (as defined in the agreements) at any time within seven months following the change of control, such individual will be entitled to receive, among other things, two times his annual salary and KSOP contributions, an amount equal to all bonuses received

during the twelve months prior to the change of control, maintenance of health and insurance benefits for a period of 36 months and the buy-out of the cash value of any unexercised stock options if elected by the employee.

Report on Executive Compensation

The Company's compensation program was administered during 2003 by the Compensation Committee of the Board (the "Compensation Committee"), composed of Mr. Mikkelsen and Mr. Potvin. The function of the Compensation Committee of the Board in respect of such compensation matters during the year was to evaluate the Company's performance and the performance of its executive officers, approve cash and equity-based compensation of such executive officers and submit such approvals to the full Board for ratification. Compensation matters relating to the directors were administered by the full Board.

The goal of the compensation program is to attract, retain and reward employees and other key individuals who contribute to both the immediate and the long-term success of the Company. Contributions are largely measured subjectively, and are rewarded through cash and equity-based compensation vehicles.

The Company evaluates the extent to which strategic and business goals are met and measures individual performance, albeit subjectively, against development objectives and the degree to which teamwork and Company objectives are promoted. The Company strives to achieve a balance between the compensation paid to a particular individual and the compensation paid to other employees and executives having similar responsibilities within the Company. The Company also strives to ensure that each employee understands the components of his or her salary, and the basis upon which it is determined and adjusted.

The components of executive compensation are as follows:

Base Salary. The administration of the program requires the Compensation Committee to review annually the base salary of each executive officer of the Company and consider various factors, including individual performance; experience; time in position; future potential; responsibility; and the executive's current salary in relation to the executive salary range at other mining companies. These factors are considered subjectively and none are accorded a specific weight.

Bonuses. In addition to base salary the Compensation Committee from time-to-time recommends to the Board payments of discretionary bonuses to executives and selected employees. Such bonuses are based on the same criteria and determined in a similar fashion as described above. No bonuses were paid to executives in 2003.

Equity. The Compensation Committee from time-to-time recommends to the Board grants of options and/or restricted stock awards to executives and selected employees. In addition, the Compensation Committee annually determines the contribution by the Company to the KSOP Plan for allocation to individual participants. Participation in the KSOP Plan by individual employees, including officers, is governed by the terms of the KSOP Plan.

The Board approved in 1999 to enter employment contracts with its Named Executive Officers, although has not yet implemented these contracts. The Board did implement Change of Control Agreements during 2002 to continue the employment of the Named Executive Officers due to, among other things, the Named Executive Officers' familiarity and long standing involvement

with the Brisas project and the importance of their continued involvement in the on-going development of the Brisas project.

Chief Executive Officer's Compensation

The Company has not developed specific quantitative or qualitative performance measures or other specific criteria for determining the compensation of its chief executive officer, primarily because it does not yet have a producing mine or other operations from which such quantitative data can be derived. As a consequence, the determination of the chief executive officer's compensation in 2003 was largely subjective, and was based on the Company's progress in addressing its more immediate concerns, continued exploration, and identifying and analyzing new corporate opportunities.

The Company may develop quantitative, performance-oriented compensation measures for its chief executive officer and all other executive officers if its Venezuelan mining concessions are placed into production. The Company expects that such measures will take into account standard means of evaluating executive officer performance, such as revenues and earnings, the market price of the Common Shares, and the Company's relative success in bringing its concessions into production and in acquiring additional mining properties or concessions. The Company expects its equity-based compensation vehicles will be continued in future years, supplemented by cash compensation to the Company's employees and executive officers.

Compensation Committee of the Board
s/ Chris D. Mikkelsen
s/ Jean Charles Potvin

Compensation of Directors

Consistent with the Board's intent to have both Directors and management hold shares of the Company, non-employee Directors, Messrs. Coleman, McChesney, Mikkelsen and Potvin, were each granted 10,000 Class A Shares in December 2003 for services during the fiscal year ended December 31, 2003. The value of each share was US \$5.06.

Mr. Coleman, a senior partner in the law firm of Macleod Dixon, billed the Company approximately \$63,000, primarily for services related to his position as director of the Company, during the fiscal year ended December 31, 2003.

Directors of the Company received no additional compensation for serving on Board committees or for attendance at the Board or committee meetings.

The following table sets forth information concerning grants of stock options to the Directors pursuant to the rules and policies of the TSX and the American Stock Exchange in accordance with the provisions of the Regulations during the fiscal year ended December 31, 2003.

Name	Securities Under Options Granted	% of Total Options Granted to Employees in Fiscal year	Exercise or Base Price (\$/Security)	Market Value of Securities Underlying Options on Date of Grant (\$/Security) ⁽¹⁾	Expiration Date
Chris D. Mikkelsen	50,000	21.2%	\$1.56	\$1.56	May 19, 2008

(1) Based on the closing price on the TSX converted to US dollars at time of grant.

The following sets forth information concerning the exercise of stock options by the non-employee Directors during the fiscal year ended December 31, 2003:

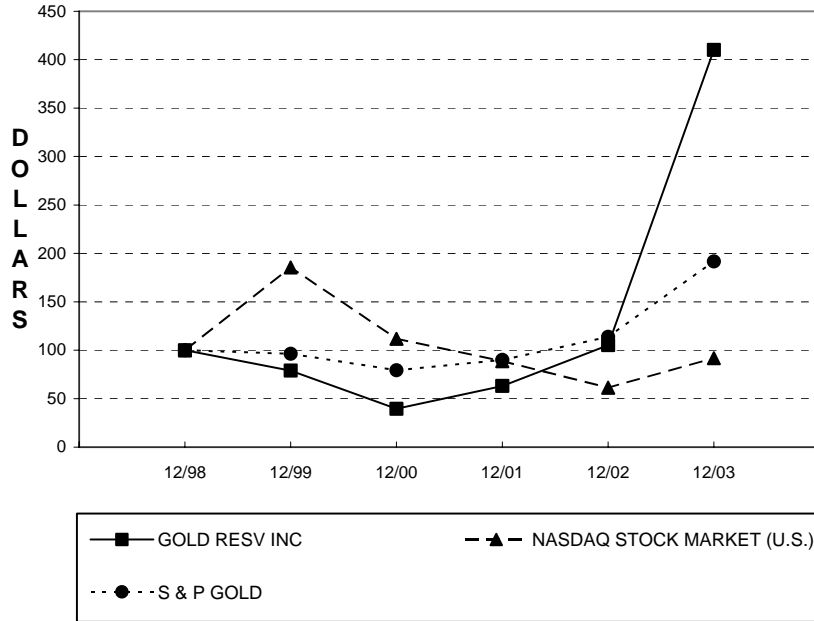
Name	Securities Acquired on Exercise (#)	Aggregate Value Realized ⁽¹⁾	Unexercised Options/SARs at FY-End (#) Exercisable/ Unexercisable	Value of Unexercised in-the-Money Options/SARs at FY-End (\$) ⁽²⁾ Exercisable/ Unexercisable
(a)	(b)	(c)	(d)	(e)
J. C. Potvin	50,000	\$122,000 ⁽³⁾	120,612 / -	486,016 / -
Patrick D. McChesney	10,000	34,686	132,385 / -	540,043 / -
James H. Coleman	80,000	381,700 ⁽³⁾	136,666 / -	548,342 / -
Chris D. Mikkelsen	35,000	152,110	97,278 / 25,000	374,091 / 82,750

- (1) The "Aggregate Value Realized", if applicable, was calculated by determining the difference between the market value of the securities acquired on the date of exercise (based on the closing price on the American Stock Exchange on the date of exercise, which approximates the closing price on the TSX also on the date of exercise) less the exercise price of the options exercised.
- (2) The "Value of Unexercised In-The-Money Options at FY-End" was calculated by determining the difference between the market value of the securities underlying the option at the end of the financial year and the exercise price of such options. At December 31, 2003, the closing price of the shares of common stock on the American Stock Exchange was \$4.87.
- (3) Based on the closing price on the American Stock Exchange on the date of exercise.

Performance Graph

The following chart compares the total cumulative shareholder return for \$100 invested in shares of the Company on December 31, 1998 with the cumulative total return of the Nasdaq Market and the S & P Gold and Precious Metals Mining Index.

COMPARISON OF 5 YEAR CUMULATIVE TOTAL RETURN*
 AMONG GOLD RESERVE CORPORATION, THE NASDAQ STOCK MARKET (U.S.) INDEX
 AND THE S & P GOLD INDEX



* \$100 invested on 12/31/98 in stock or index-including reinvestment of dividends. Fiscal year ending December 31.

Copyright © 2002, Standard & Poor's, a division of The McGraw-Hill Companies, Inc. All rights reserved.
www.researchdatagroup.com/S&P.htm

INDEBTEDNESS OF DIRECTORS, EXECUTIVE OFFICERS AND SENIOR OFFICERS OTHER THAN SECURITY PURCHASE PROGRAMS:

The following table sets forth the indebtedness to, or guaranteed or supported by, the Company or any of its subsidiaries, of each Director, executive officer, senior officer, proposed nominee for election as a Director and each associate of any such Director, officer or proposed nominee in respect of indebtedness to the Company since the beginning of the most recently completed financial year:

Name and Principal Position	Involvement of Issuer or Subsidiary	Largest Amount Outstanding During 2003 ⁽¹⁾	Amount Outstanding at April 9, 2004
Rockne J. Timm President and CEO and Director	Lender	\$23,500	\$23,500
James P. Geyer, Senior VP and Director	Lender	18,200	18,200
Robert A. McGuinness, VP Finance, CFO	Lender	⁽²⁾ 62,500	62,500

- (1) The indebtedness represents amounts loaned to these individuals by the Company. The Company holds Promissory Notes for each amount loaned at an interest rate of 4.57%.
- (2) Includes an outstanding loan of \$50,000, bearing interest at 5.2% and secured by a second mortgage on his residence.

INTEREST OF INSIDERS IN MATERIAL TRANSACTIONS

None of the Directors, officers of the Company, nor any person or corporation owning more than 10% or any class of voting securities of the Company, nor any associates or affiliate of any of them, had or has any material interest in any transaction since the commencement of the Company's last financial year or in any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries.

CORPORATE GOVERNANCE

The TSX requires listed corporations to disclose their approach to corporate governance. The Board believes that the Company's general approach, as summarized below, is substantially consistent with objectives reflected in the Report.

Mandate and Duties of the Board

The Board has ultimate responsibility for supervising the conduct of the Company's affairs and the management of its business. The principal objective of the Board is to protect and enhance Shareholder value over the long term. Although the Board has delegated to management responsibility for the day-to-day operations of the Company, the Board has ultimate responsibility for the stewardship of the Company.

The Board's duties include overseeing strategic planning, reviewing and assessing principal risks to the Company's business and approving risk management strategies, supervising and evaluating management, authorizing significant expenditures, ensuring timely and effective communication with Shareholders, and overseeing the Company's internal controls and information systems.

The Board's duties also include planning and monitoring activities of senior management. In considering and making appointments of senior management, the Board considers it appropriate, where relevant, to address succession and planning issues. In appointing senior management, the

Board considers as a necessary requirement of such appointments that such personnel be qualified to carry out the duties and responsibilities relating to the appointed positions and thus, apart from monitoring, assessing and providing feedback to senior management, the Board does not consider it necessary to engage in specifically training senior management.

The Board met in person twice and held 13 meetings by phone during 2003. Various matters were considered and approved by written resolution during the year.

Board Composition

The Report's Guidelines recommend that a majority of the Directors of the Company be "unrelated" Directors. An "unrelated" director is a director who is independent of management and is free from any interest and any business or other relationship which could, or could reasonably be perceived, to materially interfere with a director's ability to act with a view to the best interests of the corporation, other than the interests and relationships arising from shareholding. The Company's Board presently consists of seven members. The Board considers that four members are "unrelated" directors as defined in the Report's Guidelines. The remaining three members are currently executive officers of the Company. For the purposes of this discussion, a "related" director is a director who is not an unrelated director. All directors presently serve until the next annual meeting of the Company's Shareholders or until their successors are elected and have qualified.

The Board currently believes that seven directors, the current composition of the Board, represent an appropriate board size for the Company, having regard to the size and activities of the Company. The current composition of the Board provides, in the Board's view, an appropriate representation of senior management and outside directors.

Board Compensation

The Board reviews from time to time the compensation paid to the directors in order to ensure that directors are being adequately compensated for the duties performed and the obligations assumed by the directors.

Board Committees

The Board has delegated some of its authority to three committees of the Board. These are the Executive Committee, the Compensation Committee and the Audit Committee. The Board does not maintain a nominating committee or an orientation and education program for new directors as suggested by the Report or a committee to deal with corporate governance matters generally. Decisions regarding recruitment of new directors, assessment of current directors, succession planning and other corporate governance matters are made by the full Board. The Board is of the view that, given the size of the Company and the fact that a majority of the Board members are independent of management, these matters can be appropriately dealt with by the full Board. During 2003, the directors attended, in person or by phone, 92% of the meetings of the Board and Committees on which they served.

The Executive Committee, which is comprised of Rockne J. Timm (Chair), A. Douglas Belanger and James H. Coleman, meets in person or by phone on a regular basis. The Executive Committee supervises the business affairs of the Company between Board meetings, except for those matters assigned to the Compensation and Audit Committees. The Executive Committee is

composed of one unrelated director (Mr. Coleman) and two related directors (Messrs. Timm and Belanger).

The Compensation Committee, which met four times during 2003, in person and by phone, consists of Chris D. Mikkelsen (Chair) and Jean Charles Potvin, both of whom are unrelated directors. The Compensation Committee has responsibility with respect to approving and advising the full Board on compensation matters involving officers of the Company.

The Audit Committee, which met three times during 2003, in person and by phone, consists of Chris D. Mikkelsen (Chair), Jean Charles Potvin, and Patrick D. McChesney, all of whom are unrelated directors. The Audit Committee recommends to the Board a firm of independent certified public accountants to audit the annual financial statements, discusses with the auditors and approves in advance the scope of the audit, reviews with the independent auditors the financial statements and their audit report, reviews management's administration of the system of internal accounting controls, and reviews the Company's procedures relating to business ethics. The Board has delegated review of the quarterly financial statements to the Audit Committee prior to filing with regulatory agencies. The Audit Committee reports to the Board on its activities and findings.

Independence From Management

It is the Board's view that the Board operates and functions independently of management as required. The Board's independence from management is principally derived from the fact that four out of the seven Board members are unrelated and independent Directors.

Shareholder Communication

The Company communicates regularly with its Shareholders through annual and quarterly reports, as well as news releases and regulatory filings. In addition, the executive officers of the Company are responsible for addressing day-to-day Shareholder inquiries and other Shareholder communication issues.

Expectations of Management

The Board has delegated to the Chief Executive Officer responsibility for day-to-day management of the business and affairs of the Company, subject to compliance with directives and objectives established by the Board from time to time. The Board relies on management to provide the Board on a timely basis with information required by the Board to perform its duties.

Outside Advisors

The Company does not have in place any specific procedures pursuant to which an individual director may engage the services of an outside advisor at the expense of the Company. Any requests for the services of an outside advisor at the expense of the Company would be considered on a case by case basis by the Board.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Other than as set forth in this Information Circular, no person who has been a Director or senior officer of the Company at any time since the beginning of the last financial year, nor any associate or affiliate of any of the foregoing, has any material interest, directly or indirectly, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon.

ANY OTHER MATTERS

Management of the Company knows of no matters to come before the Meeting other than those referred to in the Notice of Annual and Special Meeting of Shareholders accompanying this Information Circular. However, if any other matters properly come before the Meeting, it is the intention of the persons named in the form of proxy accompanying this Information Circular to vote the same in accordance with their best judgment of such matters.

APPROVAL AND CERTIFICATION

The contents and sending of this Information Circular has been approved by the Board.

The forgoing contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it is made.

Dated at Spokane, Washington, this 9th day of April 2004.

Rockne J. Timm
Chief Executive Officer

Robert A. McGuinness
Vice President Finance and Chief Financial
Officer