

GOLD RESERVE INC
Form 6-K
August 28, 2012

FORM 6-K

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Report of Foreign Private Issuer Pursuant to Rule 13a-16 or 15d-16 of the Securities Exchange Act of 1934

For the month of August 2012

Commission File Number: 001-31819

Gold Reserve Inc.

(Exact name of registrant as specified in its charter)

926 W. Sprague Avenue, Suite 200
Spokane, Washington 99201
(Address of principal executive offices)

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

Form 20-F x Form 40-F "

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1): "

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

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

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Yes No

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

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The following exhibits are furnished with this Form 6-K:

99.1 June 30, 2012 Interim Consolidated Financial Statements

99.2 June 30, 2012 Management's Discussion and Analysis

99.3 Chief Executive Officer's Certification of Interim Filings

99.4 Chief Financial Officer's Certification of Interim Filings

99.5 Gold Reserve Inc. Bonus Plan

Cautionary Statement Regarding Forward-Looking Statements

The information furnished under cover of this Form 6-K contains both historical information and forward-looking statements (within the meaning of Section 27A of the Securities Act, Section 21E of the Exchange Act and the Securities Act (Ontario)) that may state our intentions, hopes, beliefs, expectations or predictions for the future. In this report, 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. We caution that such forward-looking statements involve known and unknown risks, uncertainties and other risks that may cause our actual financial results, performance, or achievements of the Company to be materially different from our estimated future results, performance, or achievements expressed or implied by those forward-looking statements.

These 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 give any assurances as to future results. Numerous factors could cause actual results to differ materially from those in the forward-looking statements. Due to risks and uncertainties, including the risks and uncertainties identified in our Annual Information Form, actual results may differ materially from current expectations.

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

- outcome of our ICSID arbitration against the Bolivarian Republic of Venezuela;
- continued servicing or restructuring of our convertible notes or other obligations as they come due;
- equity dilution resulting from the conversion of the convertible notes in part or in whole to common shares;

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- value realized from the disposition of the remaining Brisas Project related assets;
- outcome of the litigation regarding the enjoined hostile takeover bid for us;
- ability to maintain continued listing on the NYSE MKT and/or the TSX Venture;
- 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;
- regulatory, political and economic risks associated with Venezuela including changes in laws and legal regimes;
- currency, metal prices and metal production volatility;
- adverse U.S and Canadian tax consequences;
- abilities and continued participation of certain key employees;
- prospects for exploration and development of other mining projects by us; and
- risks normally incident to the exploration, development and operation of mining properties.

Investors are cautioned not to put undue reliance on forward-looking statements, and investors should not infer that there has been no change in our affairs since the date of this report that would warrant any modification of any forward-looking statement made in this document, other documents filed periodically with securities regulators or documents presented on our website. 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 relevant securities regulators.

(Signature page follows)

SIGNATURE

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

Dated: August 28, 2012

GOLD RESERVE INC. (Registrant)

By: /s/ Robert A. McGuinness

Name: Robert A. McGuinness

Title: Vice President – Finance & CFO

Exhibit 99.1 Financial Statements (Unaudited)

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GOLD RESERVE INC.

(A Development Stage Enterprise)

CONSOLIDATED BALANCE SHEETS

(Expressed in U.S. dollars)

	June 30,	
	2012	Decem
ASSETS		
Current Assets:		
Cash and cash equivalents (Note 4)	\$ 30,548,624	\$
Assets held for sale (Note 7)		-
Marketable securities (Notes 5, 6)	611,477	
Deposits, advances and other (Note 12)	2,459,002	
Total current assets	33,619,103	
Property, plant and equipment, net (Note 7)	19,165,683	
Total assets	\$ 52,784,786	\$
LIABILITIES		
Current Liabilities:		
Accounts payable and accrued expenses	\$ 1,782,748	\$
Accrued interest	195,816	
Current portion - convertible notes (Notes 12, 14)	17,955,500	
Total current liabilities	19,934,064	
Convertible notes (Notes 12, 14)	67,491,500	
Total liabilities	87,425,564	
Measurement uncertainty (Note 1)		

SHAREHOLDERS' EQUITY

Serial preferred stock, without par value

Authorized: Unlimited

Issued: None

Common shares and equity units

246,296,902

244

Class A common shares, without par value

Authorized: Unlimited

Issued and outstanding: **2012...59,798,972** ~~**2011...59,043,972**~~

Equity Units

Issued and outstanding: 2012...500,236 2011...500,236

Contributed Surplus

5,171,603

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Stock options (Note 9)

18,937,131

17

Accumulated deficit

(304,813,634) (292,

Accumulated other comprehensive income (loss)	(232,780)
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Total shareholders' deficit

(34,640,778) (25,

Total liabilities and shareholders' deficit \$ **52,784,786** \$ **78**

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

Approved by the Board of Directors:

s/ Chris D. Mikkelsen

s/ Patrick D. McChesney

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GOLD RESERVE INC.

(A Development Stage Enterprise)

CONSOLIDATED STATEMENTS OF OPERATIONS

(Expressed in U.S. dollars)

	Three Months Ended June 30,		Six Months Ended June 30,		January 1,
	2012	2011	2012	2011	through June 30, 2012
OTHER INCOME					
Interest	\$ 12,614	\$ 42,753	\$ 13,844	\$ 86,801	\$ 372,970
Gain on disposition of marketable securities	—	313,477	7,373	511,668	1,021,692
Gain on sale of equipment	—	185,787	—	546,995	1,880,140
Gain on sale of subsidiaries (Note 10)	—	—	—	—	474,577
Gain on extinguishment of debt	—	—	—	—	1,304
Foreign currency loss	(8,476)	(25,448)	(7,163)	(21,862)	(22,241)
	4,138	516,569	14,054	1,123,602	3,728,442
EXPENSES					
Corporate general and administrative	1,984,731	1,621,381	4,320,474	4,325,742	14,234,958
Venezuelan operations	160,193	401,016	514,570	748,757	3,514,481
Equipment holding costs	203,879	474,256	560,411	938,561	3,796,846
Write-down of machinery and equipment	—	—	—	—	4,400,755
Corporate communications	284,114	196,754	494,083	379,974	1,640,446
Legal and accounting	496,591	215,431	597,979	302,939	1,562,806
Arbitration (Note 3)	179,684	2,810,820	2,866,863	3,145,845	15,815,869
	3,309,192	5,719,658	9,354,380	9,841,818	44,966,161
Loss before interest expense	(3,305,054)	(5,203,089)	(9,340,326)	(8,718,216)	(41,237,719)
Interest expense	(1,602,615)	(1,668,322)	(3,289,322)	(3,318,817)	(16,641,452)
Net loss for the period	\$ (4,907,669)	\$ (6,871,411)	\$ (12,629,648)	\$ (12,037,033)	\$ (57,879,171)
Net loss per share, basic and diluted	\$ (0.08)	\$ (0.12)	\$ (0.21)	\$ (0.20)	
Weighted average common shares outstanding	60,281,104	59,471,005	60,148,164	59,414,941	

GOLD RESERVE INC.

(A Development Stage Enterprise)

CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS

(Expressed in U.S. dollars)

	Three Months Ended June 30,		Six Months Ended June 30,		January 1,
	2012	2011	2012	2011	2010
					through
					June 30, 2012
Net loss for the period	\$ (4,907,669)	\$ (6,871,411)	\$(12,629,648)	\$(12,037,033)	\$ (57,879,171)
Other comprehensive income (loss), net of tax:					
Unrealized gain (loss) on marketable securities	(250,315)	(265,185)	(267,149)	(375,804)	1,066,137
Adjustment for realized gains included in net loss	—	(313,477)	(7,373)	(511,668)	(1,021,692)
Other comprehensive income (loss)	(250,315)	(578,662)	(274,522)	(887,472)	44,445
Comprehensive loss for the period	\$ (5,157,984)	\$ (7,450,073)	\$(12,904,170)	\$(12,924,505)	\$ (57,834,726)

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

GOLD RESERVE INC.

(A Development Stage Enterprise)

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

For the Six Months Ended June 30, 2012 and the Year Ended December 31, 2011

(Expressed in U.S. dollars)

	<u>Common Shares and Equity</u>			Contributed	Stock	Accumulated	Accumulated	Comprehensive	KSOP
	<u>Shares</u>	<u>Units</u>	<u>Amount</u>						
Balance, December 31, 2010	58,769,851	500,236	243,582,458	\$ 5,171,603	14,518,570	\$(268,571,593)		\$ 1,217,915	\$ (110,691)
Net loss						(23,612,393)			
Other comprehensive loss							(1,176,173)		
Stock option compensation					2,723,577				
Fair value of options exercised			98,869		(98,869)				
Common shares issued for:									
Option exercises (\$0.16/share avg.)	95,921		15,778						
Services (\$1.83/share avg.)	178,200		326,160						
KSOP allocation									110,691
Balance, December 31, 2011	59,043,972	500,236	244,023,265	5,171,603	17,143,278	(292,183,986)		41,742	-
Net loss						(12,629,648)			
Other comprehensive loss							(274,522)		
Stock option compensation					1,856,990				
Fair value of options exercised			63,137		(63,137)				
Common shares issued for:									
	78,340,069								

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Option exercises			81,925				
(\$1.56/share avg.)	52,500						
Services			2,128,575				
(\$3.03/share avg.)	702,500						
Balance, June 30,		500,236	\$		\$(304,813,634)	\$ (232,780)	\$ -
2012	59,798,972		246,296,902	\$ 5,171,603	18,937,131		

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

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GOLD RESERVE INC.

(A Development Stage Enterprise)

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Expressed in U.S. dollars)