GOLD RESERVE INC
Form POS AM
September 30, 2014

As filed with the Securities and Exchange Commission on September 30, 2014

Registration No. 333-197506

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

POST-EFFECTIVE AMENDMENT NO. 2

TO

FORM F-3

REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

GOLD RESERVE INC.

(Exact name of registrant as specified in its charter)

Alberta, Canada	**N/A**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification Number)

926 W. Sprague Avenue, Suite 200
Spokane, Washington 99201
Tel: (509) 623-1500

(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Rockne J. Timm
926 W. Sprague Avenue, Suite 200
Spokane, Washington 99201
Tel: (509) 623-1500

(Name, address, including zip code, and telephone number, including area code, of agent for service)

With copies to:

Albert G. McGrath, Jr.
Baker & McKenzie LLP
2300 Trammell Crow Center
2001 Ross Avenue
Dallas, Texas 75201
Tel: (214) 978-3028

Jonathan B. Newton

Baker & McKenzie LLP

700 Louisiana, Suite 3000

Houston, Texas 77002

Tel: (713) 427-5000

Approximate date of commencement of proposed sale to the public: From time to time on or after the effective date of this registration statement

If the only securities being registered on this Form are being offered pursuant to dividend or interest reinvestment plans, please check the following box.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, please check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a registration statement pursuant to General Instruction I.C. or a post-effective amendment thereto that shall become effective upon filing with the Commission pursuant to Rule 462(e) under the Securities Act, check the following box.

If this Form is a post-effective amendment to a registration statement filed pursuant to General Instruction I.C. filed to register additional securities or additional classes of securities pursuant to Rule 413(b) under the Securities Act, check the following box.

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act or until the registration statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

EXPLANATORY NOTE

This Post-Effective Amendment No. 2 to the Registration Statement on Form F-3 (File No. 333-197506) (as amended, this "Registration Statement") is being filed pursuant to Rule 414 of the Securities Act of 1933, as amended (the "Securities Act"), by Gold Reserve Inc., a public company organized under the laws of Alberta, Canada (the "Company"), to reflect a continuance of the Company under the *Business Corporations Act* (Alberta) (the "ABCA") whereby the legal domicile of the Company changed from the Yukon, Canada to Alberta, Canada, effective as of September 9, 2014 (the "Continuance"). 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. Pursuant to Rule 414 of the Securities Act, the Company is a successor issuer and hereby expressly affirms that the Registration Statement continues to be its own for all purposes of the Securities Act and the Securities Exchange Act of 1934, as amended. Registration fees were originally paid at the time of filing of the original Registration Statement.

The information in this prospectus is not complete and may be changed. The Selling Securityholders may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED SEPTEMBER 30, 2014

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 , 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

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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.
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