GFM RESOURCES LIMITED

(An exploration-stage company)

Form 51-102F1

Management's Discussion & Analysis

September 30, 2017

This Management's Discussion & Analysis ("MD&A") of GFM Resources Limited (the "Company") is for the nine months ended September 30, 2017, and up to the date of this report, and it should be read together with the condensed consolidated interim financial statements for the three and nine months ended September 30, 2017 and 2016 (the "Interim Statements") and with the annual audited consolidated financial statements for the year ended December 31, 2016 and 2015, and the related notes, which are prepared in accordance with International Financial Reporting Standards ("IFRS").

Unless otherwise indicated, all amounts are expressed in Canadian dollars.

1.- Date of this report: November 28, 2017.

2.- Overall performance and events

a) Description of business

GFM Resources Limited is an emerging mineral exploration company focused on the acquisition and development of high-potential exploration properties in Mexico and Latin America. Its shares are listed on the NEX Board of the TSX Venture Exchange ("TSX-V") under the symbol GFM.H. The Company was incorporated under the laws of British Columbia, Canada in 1987. During the year ended December 31, 2000, the Company continued its operation into the Yukon Territory, Canada, under the Business Corporation Act of Yukon, and registered as an extra-provincial company in British Columbia under the laws of British Columbia.

On June 30, 2017, Metallorum Holding, S.A.P.I. de C.V. ("Metallorum"), a private Mexican company controlled by Mr. José Antonio Rivero Larrea, a director of the Company, agreed to purchase 16,370,215 common shares of the Company owned by Compañía Minera Autlán, S.A.B. de C.V. ("Autlan"), in a private transaction at a price of $0.0161 per common share. Mr. Rivero Larrea controls both Autlan and Metallorum in approximately the same proportion and, accordingly, there was no change in control of the Corporation, as Mr. Rivero Larrea will continue to be the Corporation´s majority beneficial shareholder. This transaction was a result of a re-organization of Mr. Rivero Larrea's holdings.

Metallorum is in the business of acquiring, developing and operating precious metal projects and assets in Mexico and North America.

b) Financings

On March 1, 2007, the Company had entered into a convertible loan agreement (the "Convertible Loan") with Grupo Ferrominero, S.A. de C.V. ("Grupo", at that time the controlling entity of Autlan), and amended on September 30, 2007. Subsequently the ownership of the loan was transferred to Autlan. Under the terms of the Convertible Loan, Autlan would fund amounts from time to time to a maximum of $500,000 per year. Each advance would bear interest, commencing on the date of the advance, at the Prime Rate offered by the Company's bank on such date. The loan was repayable on demand.

Autlan had the right to convert the principal amount of each advance into units of the Company at the closing price of the Company's common shares on the TSX-V on the day before the advance (the "Conversion Price"). Each unit would consist of one common share and one common share purchase warrant if converted within one year of the advance, and into one common share only if converted after one year from the date of the advance. Each warrant would be exercisable for a period of one year from the date of the advance at the higher of the Conversion Price or the minimum exercise price permissible pursuant to TSX-V policies. The convertibility feature was restricted to a maximum of five years from the date of each advance.

In accordance with International Accounting Standard ("IAS 32"), *Financial Instruments: Presentation*, and IAS 39, *Financial Instruments: Recognition and Measurement*, the convertible loan had two components on the statement of financial position:

i) a liability component, calculated as the discounted value of the complete obligation to Autlan at the end of the five-year convertibility term, discounted at a rate equivalent to a commercial rate for the loan if it had no convertibility option; the discount rate used was 15%. The liability component also included the interest accrued to date and an accretion of the equity component; and

ii) an equity component, calculated as the difference between the discounted value of the complete obligation to Autlan and the principal amount owed.

On June 30, 2017, the Company and Autlan entered into a Debt Forgiveness Agreement (the "Forgiveness Agreement"), whereby Autlan forgave all of the outstanding debt pursuant to the Convertible Loan in the amount of $1,000,689, including principal and interest, and also the debt owed to Autlan by the Company's Mexican subsidiary, GFM Resources de México, S.A. de C.V. (the "Subsidiary") in the amount of approximately $641,000. As at June 30, 2017, the Company was debt free. The Forgiveness Agreement was entered into in anticipation of the acquisition by Metallorum of the Company shares previously held by Autlan. The equity portion of the convertible loan was charged to contributed surplus.

From January 1, 2017, and prior to the debt forgiveness on June 30, 2017, the Company received loan advances amounting to $55,000 from Autlan to fund its operations (2016 - $80,000). In addition, in the same period, the Subsidiary received $12,048 (2016: $12,460) to meet its local obligations.

Subsequent to Metallorum becoming the majority shareholder, the Company entered into the following loan agreements:

On November 17,2017, the Company entered into a loan agreement (the "Loan Agreement] Metallorum with effect from August 1, 2017. Under the terms of the Loan Agreement, Metallorum will make available to the Company a line of credit in up to USD $2,000,000 per year. Advances made under the Loan Agreement bear annual simple interest calculated on the London Interbank Offered Rate ("LIBOR") plus 2%, calculated daily on the outstanding balance. The principal outstanding, together with any accrued but unpaid interest will become due and payable on demand, but such demand shall not to be made unless the Company has sufficient funds to repay the loan. There are no convertibility features on this Loan Agreement. In the period from August 1 to September 30, 2017, the Company has borrowed $50,000 under the Loan Agreement, and has accrued interest of $270.

Also on November 17, 2017, Metallorum entered into a separate loan agreement with the Subsidiary (the "Subsidiary Agreement"), with effect from August 1, 2017. Under the terms of the Subsidiary Agreement, Metallorum will make available to the Subsidiary a line of credit in up to MXN $40,000,000 (approximately USD $2,000,000) per year. Advances made under the Subsidiary Agreement bear annual simple interest calculated on the Bank of Mexico's inter-bank loan rate (TIIE for its acronym in Spanish – *Tasa de Interés Interbancaria de Equilibrio*) plus 2%, calculated daily on the outstanding balance. The Subsidiary Agreement has a term of two years, which can be extended upon agreement of the parties. There are no convertibility features on this Subsidiary Agreement. In the period from August 1 to September 30, 2017, the Subsidiary has borrowed $12,624 under the Subsidiary Agreement, and has accrued interest of $99.

The following table summarizes the new loans with Metallorum:

	Principal received $	Accrued Interest $	Foreign exchange adjustment $	Total due $
Loan Agreement	50,000	270	1,153	51,423
Subsidiary Agreement	12,624	99	(308)	12,415
	62,624	369	845	63,838

Subsequent to September 30, 2017, the Company has received an additional $30,000 under the Loan Agreement, and approximately $100,600 under the Subsidiary Agreement.

c) Board of directors and officers

As at the date of this MD&A, the following are the directors and officers of the Company:

José Antonio Rivero Larrea	Director, Chairman of the Board	(Mexico)
José Antonio Rivero González	Director, President and Chief Executive Officer	(Mexico)
James Robertson, P.Eng.	Director, Audit Committee Chair	(Vancouver)
Erik C. Jurgensen	Director	(Mexico)
Horacio Alcocer *	Director	(Mexico)
Salvador Miranda	Chief Financial Officer & Corporate Secretary	(Vancouver)

* Mr Alcocer was elected to the board of directors at the last annual general meeting of the Company's shareholders celebrated on September 20, 2017.

d) Mineral exploration

On May 13, 2008, the Company entered into a formal Purchase and Sale Agreement (the "Property Agreement") to acquire from Grupo the "La Casita" mineral property, formerly known as El Rodeo property ("the Acquisition") in the State of Durango, Mexico.

The Company is keeping the property under care and maintenance, with related costs charged to the consolidated statement of income (loss). The conclusions from earlier exploration programs on the property indicated that further exploration would be merited. The Company is analyzing different possibilities for this property, as well as considering other mineral properties as possible acquisition targets.

On October 30, 2017, the Company into an exploration and evaluation agreement with Minera Auricup, S.de R.L. ("Auricup") for exclusive access to conduct exploration and evaluation of the merits of a mineral concession (the "Evaluation Agreement") of Auricup's Baviácora concession (the "Concession"), located in the state of Sonora, Mexico.

Under the terms of the Evaluation Agreement, the Company will pay for outstanding mineral rights of the Concession, will have exclusive access rights for a period of six months, and will obtain a minimum 15% ownership stake in the Concession. The starting of the six-month initial evaluation and exploration term is subject to Auricup negotiating the land access rights with the local communal land administration. If, for any reason, such access rights are not successfully negotiated within 120 days of the date of Evaluation Agreement, the Company has the option of demanding full repayment, or to obtain a similar stake in a different but equivalent mineral concession owned by Auricup. Should the initial exploration and evaluation under the present agreement be successful, the Company, at its sole option, has the exclusive right to negotiate an agreement to acquire a further interest in the Concession.

The Company paid the outstanding Concession's maintenance fees of MXN $1,431,671 (approximately $95,000) as consideration for the evaluation rights. The Company drew down on its Subsidiary Agreement for the Concession payment.

3.- Results of operations

a) Year-to-date:

	Nine months ended September 30				
	2017 $	**% of expenses**	2016 $	% of expenses	% change
Cash expenses					
Administration and accounting	**45,000**	**41.93%**	45,000	40.70%	0.00%
Audit and legal	**23,032**	**21.46%**	19,620	17.75%	17.39%
Property examination costs	**18,492**	**17.23%**	24,467	22.13%	-24.42%
Directors' fees	**9,000**	**8.39%**	9,000	8.14%	0.00%
Filing and transfer agent fees	**7,619**	**7.10%**	10,260	9.28%	-25.74%
Office and sundry	**4,166**	**3.88%**	2,202	1.99%	89.19%
	107,309	**99.99%**	110,549	99.99%	-2.93%
Non-cash (income) expenses					
Accretion of convertible loan	**35,246**		47,139		
Interest on loans	**12,346**		16,173		
Foreign exchange loss	**948**		493		
Forgiveness of debt	**(1,522,498)**		-		
	(1,473,958)		63,805		
Income (loss) for the period	**1,366,649**		(174,354)		
Exchange differences on translating foreign operations, net of tax	**(58,856)**		107,394		
Total comprehensive income (loss) for the period	**1,307,793**		(66,960)		

The significant amounts from the comparative periods were as follows:

- Administration and accounting consists of a monthly fee paid to a company controlled by the Chief Financial Officer of the Company.
- Audit and legal fees were comparable to those of the previous year.
- Property examination costs relate to the payment of mineral rights for the La Casita property. These costs, paid semi-annually every January and July, and denominated in Mexican pesos, increase every year for the duration of the concession. During the present year the Company decided to amortize these payments over each semester, thus showing a smaller figure for the current year as compared to the previous year, when the full amount was expensed on payment. Approximately and additional $6,000 of these costs will be amortized by December 31, 2017, thus making the annual expense comparable to the 2016 figure.
- Directors' fees: a monthly stipend is paid to a director of the Company in his capacity of Chair of the Audit Committee.
- Filing and transfer agent fees were lower with those of the same period in the prior year due to the deferral of the annual general meeting to the third quarter of 2017.
- Office and sundry expenses were higher due to preparation of annual general meeting.

- Interest expense and accretion on convertible loan amounts in both periods were due to related party on convertible loan (Note 6 to the Interim Statements). The amount for 2017 is smaller, as the convertible loan was forgiven on June 30, 2017, and thus only six months are accounted for instead of the nine of the prior year.
- Forgiveness of debt took place on June 30, 2017, as explained above. This generates a net income for the period. The Company has sufficient non-capital loss carry-forwards to absorb this resulting income for income tax purposes.

b) Most recent quarter:

	Three months ended September 30				
	2017	**% of**	2016	% of	
	$	**expenses**	$	expenses	% change
Cash expenses					
Administration and accounting	**15,000**	**39.20%**	15,000	36.28%	0.00%
Audit and legal	**10,084**	**26.35%**	5,849	14.15%	72.41%
Property examination costs	**6,464**	**16.89%**	11,998	29.02%	-46.12%
Directors' fees	**3,000**	**7.84%**	3,000	7.26%	0.00%
Filing and transfer agent fees	**2,240**	**5.85%**	5,096	12.33%	-56.04%
Office and sundry	**1,487**	**3.89%**	398	0.96%	273.62%
Total cash expenses	**38,275**	**100.02%**	41,341	100.00%	-7.42%
Non-cash expenses					
Foreign exchange loss	**1,117**		121		
Interest on loans	**369**		5,678		
Accretion of convertible loan	**-**		16,614		
Total non-cash expenses	**1,486**		22,413		
Income (loss) for the period	**(39,761)**		(63,754)		
Exchange differences on translating foreign operations, net of tax	**-**		22,034		
Total comprehensive income (loss) for the period	**(39,761)**		(41,720)		

The analysis of these expenses is consistent with the analysis made above for the year-to-date expenses.

Additional legal expenses were incurred during the last quarter as the Company is examining options going forward under its new majority shareholder.

Property examination costs were lower for the same reason as explained for the year-to-date discussion above, with $6,000 remaining to be amortized to December 31, 2017.

Filing and transfer agent fees were lower due to the deferral of the annual general meeting of shareholders to the third quarter.

Office expenses were higher also in relation to the preparation of the annual general meeting.

4.- Summary of quarterly results:

	Quarter ended (three-month figures) ($)							
	30-Sep 2017	30-Jun 2017	31-Mar 2017	31-Dec 2016	30-Sep 2016	30-Jun 2016	31-Mar 2016	31-Dec 2015
Loss before other expenses	(39,392)	(30,715)	(38,150)	(25,743)	(41,462)	(31,310)	(38,270)	(27,178)
Per share, basic and diluted	(0.00)	(0.00)	(0.00)	(0.00)	(0.01)	(0.00)	(0.00)	(0.00)
Income (loss) for the period	(39,761)	1,467,605	(61,195)	(48,703)	(63,754)	(52,501)	(58,099)	(47,529)
Per share, basic and diluted	(0.00)	0.08	(0.00)	(0.00)	(0.01)	(0.00)	(0.00)	(0.00)
Other comprehensive income (loss)	-	(8,804)	(50,052)	23,276	22,034	42,246	43,114	(13,129)
Per share, basic and diluted	-	(0.00)	(0.00)	0.00	0.00	0.00	0.00	(0.00)
Total comprehensive income (loss)	(39,761)	1,458,801	(111,247)	(25,427)	(41,720)	(10,255)	(14,985)	(60,658)
Per share, basic and diluted	(0.00)	0.08	(0.01)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
Total assets	233,816	9,682	6,374	12,984	34,738	21,903	6,769	8,885
Total liabilities	284,946	21,051	1,487,251	1,395,463	1,391,790	1,353,510	1,351,677	1,349,515
Shareholders' deficiency	(51,130)	(11,369)	(1,480,877)	(1,382,479)	(1,357,052)	(1,331,607)	(1,344,908)	(1,340,630)
Cash dividends declared	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

The June 30, 2017 quarter reflects the debt forgiveness by Autlan, which results in net income for the period, as explained above. This debt forgiveness reduces the total liabilities in a considerable amount, with the consequent reduction in shareholders' deficiency.

The amount of total assets has a strong correlation to the amount of cash in the bank, which is higher immediately after the reception of a loan advance.

5.- Liquidity and working capital

	September 30, 2017	December 31, 2016
	$	$
Cash and cash equivalents	**18,882**	10,636
Accounts receivable (Canadian GST)	**1,305**	1,098
Prepaid expenses and deposits	**1,433**	1,250
Due from related parties *	**206,196**	-
Advance payment of mineral concessions	**6,000**	-
Accounts payable and accrued liabilities	**(13,862)**	(15,934)
Amounts due to related parties *	**(207,246)**	(576,660)
Loans with related party	**(63,838)**	-
Liability component of convertible loan	**-**	(802,869)
Working capital deficiency:	**(51,130)**	(1,382,479)

Advance payments on mineral concessions reflects portion of the concession maintenance fees paid for the second semester of 2017 to be amortized by December 31, 2017.

The amounts due to and from related parties are explained in detail in Section 8 - *Transactions with Related Parties*, hereunder. The Loans with related parties were explained above in Section 2(b) under *Financings*.

Accounts payable and accrued liabilities include current payables, and accruals for audit, preparation of income tax return, annual filing fees and any unbilled but completed work.

* See Section 8, *Transactions with related parties*

6.- Capital resources

The Company's ability to raise additional funds from the equity markets will largely depend upon general market conditions, and the Company's ability to acquire new properties and to achieve certain exploration milestones. In order to attain these objectives and to meet its operational obligations, the Company will rely on the financial support from Metallorum. There can be no assurance the Company will be successful in achieving these goals and, accordingly, there is a material uncertainty casting significant doubt about the Company's ability to continue as a going concern.

7.- Off-balance sheet arrangements

There are no off-balance sheet arrangements, and no contingent liabilities or other obligations.

8.- Transactions with related parties

The following transactions with related parties took place:

Nine months ended September 30:	**2017** **$**	2016 $
Management fees paid to InterAmerica Consulting & Development Inc. ("InterAmerica"), a company controlled by Mr. Salvador Miranda, the Chief Financial Officer of the Company:	**45,000**	45,000
Office rent paid to InterAmerica:	**450**	450
Director's fees paid to Midas Management Inc. ("Midas"), a company controlled by Mr. James Robertson, a director of the Company and chairman of its audit committee:	**9,000**	9,000
Amounts advanced by Autlan under the convertible loan agreement (Note 6 to the Financial Statements):	**55,000**	118,000
Amounts provided by Autlan to the Company's subsidiary in order for it to pay for the mineral rights of La Casita, and meet other local obligations:	**10,943**	24,521
Interest accrued on Convertible Loan before forgiveness:	**11,977**	16,173
Debt forgiveness of liability component of Convertible Loan by Autlan, including interest	**1,522,498**	-
Debt forgiveness by Autlan of equity component of Convertible Loan charged to contributed surplus	**363,206**	-
Advances from Metallorum pursuant to the new Loan Agreement with Metallorum (Section 2(b) above)	**50,000**	-
Advances from Metallorum pursuant to the Subsidiary Agreement as explained in Section 2(b) above.	**12,624**	-
Interest accrued on Metallorum advances	**369**	-
Payment of mineral concessions on behalf of Soluciones y Reparaciones Domésticas, S.A. de C.V., a related party	**214,632**	-

Please refer to Section 2(b) above, under *Financings*, for additional information.

With respect to the last item on the table, also reflected in Section 5 above, *under Liquidity and working capital*, Soluciones y Reparaciones Domésticas, S.A. de C.V.("Soluciones"), a private Mexican company wholly owned by Metallorum, had entered into an agreement to acquire certain mineral concessions in Mexico from another affiliate company. However, Soluciones does not have the corporate capacity to hold mineral concessions and, therefore, requested the Subsidiary to hold these concessions on its behalf.

On November 17, 2017, the Subsidiary entered into a Mandate and Indemnity Agreement (the "Mandate") with Soluciones, with effect as of August 14, 2017, to hold such mineral concessions on behalf of Soluciones, with Soluciones having agreed to pay for and indemnify the Subsidiary for all costs and liabilities associated with the holding of the Concessions.

During the period ended September 30, 2017, the Subsidiary borrowed from Metallorum MXN \$3,002,273 (approximately \$214,632 at the date these funds were received by the Subsidiary) to pay for the outstanding maintenance fees for these concessions on behalf of Soluciones. The Subsidiary then invoiced Soluciones for the amount, which at September 30, 2017 translated to \$206,196, which is stated as due from related party on the Company's condensed consolidated interim statement of financial position. The Subsidiary received full repayment of this amount subsequent to September 30, 2017. The above-mentioned amount does not form part of the Subsidiary Loan, and was not interest-bearing.

The following amounts were due to related parties:

As at:	**September 30, 2017** $	December 31, 2016 $
Amounts owed to Grupo or to Autlan for services provided to the Company's Mexican subsidiary (denominated in Mexican pesos):	**-**	570,262
Amounts owed to Autlan pursuant to the convertible loan, including principal and accrued interest (note 6 to the Financial Statements):	**-**	933,712
Amounts owed to Metallorum pursuant to Loan Agreement	**51,423**	-
Amounts owed to Metallorum pursuant to Subsidiary Agreement	**12,415**	-
Amount owed to Metallorum pursuant to Mandate	**206,196**	-
Amounts due to InterAmerica in management fees and reimbursable expenses:	**-**	5,348
Director's fees owed to Midas:	**1,050**	1,050
	271,084	1,510,372

Management is of the opinion that these transactions have occurred in the normal course of operations and they are measured at the exchange amount, being the amount of consideration established and agreed to by the transacting parties.

9.- Proposed transactions

The proposed transaction as at the date of this MD&A is the entering into the Evaluation Agreement for Auricup's Baviácora project, as explained in Section 2(d) above.

10.- Financial instruments

The carrying value of cash and cash equivalents and accounts receivable approximate their fair value due to the short-term nature of these instruments. The fair value of accounts payable, due to related parties and the liability component of the convertible loan may be less than the carrying value due to liquidity risk (see Note 1 to the Interim Statements *Nature of Operations and Going Concern Uncertainty*). The Company determines the carrying amount of Convertible Loan by discounting the stream of future payments of interest and principal at the prevailing market rate for a similar liability that does not have an associated equity component.

The Company's financial instruments are exposed to certain financial risks. The risk exposures and the impact on the Company's financial instruments are summarized below.

Currency Risk

As at September 30, 2017, all of the Company's cash and cash equivalents were held either in Canadian dollars, US dollars or Mexican pesos. The Company incurs expenditures in Canada and Mexico, and as such is exposed to currency risk associated with these costs.

A change in the value of the Mexican peso by 10% relative to the Canadian dollar would affect the Company's working capital by approximately $8,000, and its net loss for the period by approximately $63,000 (considering the debt forgiveness).

Interest rate and credit risk

The Company has cash balances and significant debt owed to a majority shareholder. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks. The Company is not exposed to interest rate risk, as its loan instruments are subject to fixed interest rates.

Liquidity risk

The Company will depend on advances provided by Metallorum through the Loan Agreement and the Subsidiary Agreement. The liquidity risk relates to the low cash position and the dependence on these advances. See Note 1 to the Interim Statements for further discussion regarding liquidity risks.

11.- Management's responsibility over financial information

The Company's management is responsible for presentation and preparation of the quarterly and annual consolidated financial statements and the MD&A. The Interim Statements have been prepared in accordance with IFRS under International Accounting Standard 34, *Interim Financial Reporting* ("IAS 34").

The MD&A has been prepared in accordance with the requirements of securities regulators, including National Instrument 51-102 of the Canadian Securities Administrators ("CSA").

The quarterly and annual consolidated financial statements and information in the MD&A necessarily include amounts based on informed judgments and estimates of the expected effects of current events and transactions with appropriate consideration to materiality. In addition, in preparing the consolidated financial information we must interpret the requirements described above, make determinations as to the relevancy of information to be included, and make estimates and assumptions that affect reported information. The MD&A also includes information regarding the impact of current transactions and events, sources of liquidity and capital resources, operating trends, risks and uncertainties. Actual results in the future may differ materially from our present assessment of this information because future events and circumstances may not occur as expected.

12.- Risk factors.

Development-stage mineral exploration companies face a variety of risks and, while unable to eliminate all of them, the Company aims at managing and reducing such risks as much as possible.

Few exploration projects successfully achieve development due to factors that cannot be predicted or anticipated, and even one such factor may result in the economic viability of a project being detrimentally impacted such that it is neither feasible nor practical to proceed. The Company closely monitors its activities and those factors that could impact them, and employs experienced consulting to assist in its risk management and to make timely adequate decisions.

Title to mineral properties involves certain inherent risks due to the difficulties of determining the validity of certain claims, as well as the potential for problems arising from the frequently ambiguous conveyance history characteristic of many mineral properties. Regarding the properties under the option agreement described in Section 2, Metallorum has provided reasonable assurance that its mineral properties' titles are in good standing.

The price of the commodities being explored is also a significant risk factor, as a substantial decline in their price could result in a decision to abandon a specific project.

Environmental laws and regulation could also impact the viability of a project. The Company has ensured that it has complied with these regulations, but there can be changes in legislation outside the Company's control that could also add a risk factor to a project.

At the present time, the Company has no rights to a property of merit, and therefore its ability to raise capital is limited, having to rely on funding provided by Autlan in the past, and going-forward by Metallorum, to meet its obligations, including the search for a property of merit.

Finally, operating in a specific country has legal, political and currency risk that must be carefully considered to ensure their level is commensurate to the Company's assessment of the project.

13.- Forward-looking statements

Certain statements made, and information contained in this MD&A and elsewhere, constitute "forward-looking information" within the meaning of the Ontario Securities Act. Forward-looking statements are subject to a variety of risks and uncertainties which could cause actual events or results to differ from those reflected in the forward-looking statements, including, without limitation, risks and uncertainties relating to the interpretation of drill results and the estimation of mineral resources, the geology, grade and continuity of mineral deposits, the possibility that future exploration, development results will not be consistent with the Company's expectations, accidents, equipment breakdowns, title matters and surface access, labour disputes, the potential for delays in exploration activities, the potential for unexpected costs and expenses, commodity price fluctuations, currency fluctuations, failure to obtain adequate financing on a timely basis and other risks and uncertainties, including those described under Risk Factors in each MD&A.

In addition, forward-looking information is based on various assumptions including, without limitation, the expectations and beliefs of management, the assumed long-term price of gold, that the Company will receive required permits and access to surface rights, that the Company can access financing, appropriate equipment and sufficient labour and that the political environment within Mexico will continue to support the development of environmentally safe mining projects. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking statements. Accordingly, readers are advised not to place undue reliance on forward-looking statements.

15. - Other MD&A requirements

a) The Company, as a "venture issuer", is not required to prepare an Annual Information Form at this stage.

   Copies of all previously published financial statements, management discussions, meeting materials, etc., are available on the CSA's System for Electronic Document Analysis and Retrieval website at www.sedar.com. Other Company information is available on its website at www.gfm-resources.com.

b) Information pursuant to sections of National Instrument 51-102:

   i) Section 5.3: Please refer to Sections 3 and 4 above, and to the consolidated statements of income (loss) and comprehensive income (loss) included with the Interim Statements, and Notes 3 and 12 thereto.

   ii) Section 5.4: Share Capital: please refer to the condensed consolidated statement of changes in shareholders' deficiency and to Note 9 to the Interim Statements.

   As at the date of this MD&A, the Company has the following securities:

   - Common shares, issued and outstanding: 19,085,071.
   - Warrants and stock options: nil.

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