

VANCOUVER, BRITISH COLUMBIA--(Marketwired - June 30, 2017) - [GFM Resources Ltd.](#) (the "Corporation") (NEX:GFM.H) is pleased to announce that it has entered into a Debt Forgiveness Agreement (the "Forgiveness Agreement") with its majority shareholder, Compañía Minera Autlán, S.A.B. de C.V. ("Autlan"), of Mexico, a public company in Mexico controlled by Mr. José Antonio Rivero Larrea, a director and the chairman of the Corporation, pursuant to which Autlan has cancelled all outstanding indebtedness owed by the Corporation to Autlan (the "Debt Cancellation").

As background for entering into the Forgiveness Agreement, on March 1, 2007, the Corporation entered into a Convertible Loan Agreement (the "Loan Agreement") with Grupo Ferrominero, S.A. de C.V. ("Grupo"), at that time Autlan's controlling shareholder. Under the terms of the Loan Agreement, Grupo 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 Corporation's bank on such date. The loan was repayable on demand. On September 30, 2007, an Amending Agreement was entered into whereby, should Grupo exercise its conversion right after one year from the date of the advance, then the principal amount of the advance would be converted only into common shares of the Corporation, instead of units consisting of one share and one share purchase warrant, and restricting the convertibility to a maximum of five years from each advance.

During the year ended December 31, 2010, the Corporation settled all of the principal amounts owed until then through the issuance of shares and warrants pursuant to the terms of the Loan Agreement and the Amending Agreement, ownership of the loan was transferred to Autlan, and all subsequent advances were provided to the Corporation by Autlan.

Under the terms of the Forgiveness Agreement, Autlan forgives an aggregate of \$1,663,644, corresponding to all principal amounts and accrued interest to this date, including the debt of the Corporation's Mexican subsidiary, GFM Recursos de México, S.A. de C.V., and thus the Corporation is debt-free as at this date. There are no further financial obligations from the Corporation to Autlan.

As the Corporation is listed on NEX, it is subject to TSX Venture Exchange Policy 5.9, which incorporates Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* ("MI 61-101"). The Debt Cancellation is not subject to the valuation requirements of MI 61-101. The NEX did not require the Company to obtain minority shareholder approval for the Debt Cancellation.

In addition, Metallorum Holding, S.A.P.I. de C.V. ("Metallorum"), a private Mexican company also controlled by Mr. Rivero Larrea, has agreed to purchase 16,370,215 common shares owned by Autlan in a private transaction at a price of \$0.0161 per common share. Mr. Rivero Larrea controls both Autlan and Metallorum, and accordingly there will be no change in control of the Corporation, as Mr. Rivero Larrea will continue to be the Corporation's majority beneficial shareholder in approximately the same proportion.

Subsequent to the completion of the sale of shares from Autlan to Metallorum, the Corporation will rely on the financial support of Metallorum to continue operations and meet its obligations. There is no guarantee that such support will be forthcoming.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this press release.

Contact

Salvador Miranda
Chief Financial Officer
(+1) 604 925 2839