



**British Columbia
Securities Commission**

QUARTERLY AND YEAR END REPORT

FORM 51-901F

(Previously Form 61)

ISSUER DETAILS NAME OF ISSUER		FOR QUARTER ENDED	DATE OF REPORT Y M D	
GFM RESOURCES LIMITED		2003/12/31	2003 05 10	
ISSUER'S ADDRESS				
SUITE 2000 - 1066 WEST HASTINGS STREET				
CITY	PROVINCE	POSTAL CODE	ISSUER'S FAX	ISSUERS TELEPHONE NO
VANCOUVER	BC	V6E 3X2	604-806-6112	604-806-6110
CONTACT PERSON		CONTACT'S POSITION		CONTACT TELEPHONE NO
SALVADOR MIRANDA		Office administrator		604-806-6110
CONTACT EMAIL ADDRESS		WEB SITE ADDRESS		
info@gfm-resources.com		n/a		

CERTIFICATE

The three schedules required to complete this Quarterly Report are attached and the disclosure contained therein has been approved by the Board of Directors. A copy of this Quarterly Report will be provided to any shareholder who requests it.

DIRECTOR'S SIGNATURE	PRINT FULL NAME	DATE SIGNED Y M D
➤ (Signed): "José Antonio Rivero"	JOSÉ ANTONIO RIVERO	2003 05 10
DIRECTOR'S SIGNATURE	PRINT FULL NAME	DATE SIGNED Y M D
➤ (Signed): "Roberto Rivero"	ROBERTO RIVERO	2003 05 10

GFM RESOURCES LIMITED

SCHEDULE B

To accompany the interim Audited financial statements
for the fiscal year ended December 31, 2003

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1. ANALYSIS OF EXPENSES AND DEFERRED COSTS:

DEFERRED EXPENDITURES: NIL; the Company did not incur any deferred expenses or costs during the period.

EXPLORATION EXPENSES: NIL

GENERAL AND ADMINISTRATIVE EXPENSES: During period, \$41,354 was spent on general administration of the Company, as follows:

<u>Cash expenses</u>	<u>Amount</u>	<u>Percentage</u>
Administration and accounting	21,950	36.75%
Audit expenses	4,250	7.11%
Legal expenses	12,348	20.67%
Filing fees	3,770	6.31%
Transfer agent fees	4,849	8.12%
TSX sustaining fees	2,550	4.27%
Officer rent	6,600	11.05%
Other office expenses	2,780	4.65%
Promotion and news dissemination	637	1.07%
	<u>59,734</u>	<u>100.00%</u>
<u>Non-cash expenses (gains)</u>		
Unrealized foreign exchange	(18,878)	
Amortization expense	<u>498</u>	
	<u>(18,380)</u>	
Total Expenses	<u>41,354</u>	

2. RELATED PARTY TRANSACTIONS

During the period, the majority shareholder, Grupo Ferrominero, S.A. de C.V. ("Grupo") advanced \$56,908 to be used in working capital and to enable the Company to meet its obligations.

During the period, \$12,125 in office administration and accounting fees, and \$3,300 in office rent were paid to a company owned by a former Officer of the Company. These reflects the amounts paid during the portion of the fiscal year when this person was an Officer.

Please also refer to Note #7 of the audited financial statements for the fiscal year.

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3. SUMMARY OF SECURITIES ISSUED AND OPTIONS GRANTED DURING THE PERIOD

- A. Securities issued during the period: NIL
- B. Options granted during the period: NIL.
- C. Warrants granted during the period: NIL

Please also refer to Note # 5 to the audited financial statements for the fiscal year.

4. SUMMARY OF SECURITIES AT THE END OF THE REPORTING PERIOD:

- A. Authorized and issued share capital:

Class of shares	Par value	Authorized number	Issued amount	Issued value
Common	No	Unlimited	6,185,016	\$ 1,572,452

- B. Options and warrants outstanding at the end of the period:

Options Outstanding & Exercisable	Weighted average exercise price	Date granted	Expiry date	Weighted average remaining contractual life
270,000	\$0.25	2002-06-26	2005-06-25	1.48 (yr)

Note: During the period, 50,000 options were forfeited without being exercised due to the resignation on December 31, 2002, of the former Corporate Secretary of the Company. A further 100,000 were forfeited without being exercised as one of the ceased to be a Director of the Company after its last annual general meeting. No warrants are outstanding at the end of the period.

- C. Shares in escrow: 750,000 shares; subject to pooling: NIL.

Please also refer to Note #5 to the audited financial statements for the fiscal year.

5. DIRECTORS AND OFFICERS

<u>Directors</u>	<u>Officers</u>
Bernardo Canales	
Lizardo Galván	
José Antonio Rivero	Chairman, President and Chief Executive Officer
Roberto Rivero	Chief Financial Officer and Corporate Secretary

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SCHEDULE C

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Description of business: Please refer to Note #1 and #2 to the audited financial statements for the period.

Discussion of Operations and Financial Conditions:

As the Company was unable to meet Tier 2 Maintenance Requirements by January 2, 2003, the deadline imposed by the TSX Venture Exchange, trading of the Company's shares was suspended from that date.

However, as many other listed companies that had been deemed "Inactive", effective August 18, 2003 the shares of the Company resumed trading on the newly created NEX Board of the TSX Venture Exchange, and subject to its policies and rules.

During the period, Management has continued to actively explore financing opportunities together with its controlling shareholder, Grupo Ferrominero S.A. de C.V. ("Grupo"). Grupo, through Compañía Minera Autlán S.A. de C.V. ("Autlan") remains active in manganese operations in Mexico and South America and continues to have access to a broad portfolio of resource properties, which will be reviewed by Management of the Company for potential acquisition and exploration, assuming financing is available.

On June 20, 2003, the Company held its annual and special general meeting of shareholders. As announced by press release dated June 18, 2003, Messrs. Bernardo Canales, Lizardo Galván, José Antonio Rivero and Roberto Rivero were elected to the Board. New to the Board is Mr. Roberto Rivero, who is also Director and General Manager of GFM Electronics S.A. de C.V., a Mexican company in the business of distribution of electronic components, partially owned by Grupo.

Shareholders also approved the appointment of Ellis Foster Chartered Accountants as auditors of the Company for the ensuing year.

Subsequent to the meeting the Directors appointed Mr. José Antonio Rivero as President, Chief Executive Officer and Chairman, and Mr. Roberto Rivero as Chief Financial Officer and Corporate Secretary. The Audit Committee of the Company is now comprised of Messrs. José Antonio Rivero, Bernardo Canales and Lizardo Galván

As announced by press release dated March 12, 2003, the Company submitted an application to the TSX Venture Exchange to convert an escrow agreement that was signed between the Company, its majority shareholder Grupo Ferrominero, S.A. de C.V. ("Grupo"), and the Company's transfer agent, Computershare Trust Company of Canada (formerly Montreal Trust of Canada) on October 9, 1997, whereby 750,000 shares in Grupo's name would remain in escrow, with release conditions based upon certain performance considerations under the rules of the then Vancouver Stock Exchange.

At the annual and special meeting of its shareholders the Company obtained the required disinterested shareholder approvals to amend this escrow agreement to a time-release basis under the provisions of

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TSX Policy 5.4 for a Tier 2 company, and to extend the term of the current escrow agreement. Regulatory approval was received and the release timetable was published by news release dated August 22, 2003, and is reproduced on Note #5(c) to the audited financial statements for fiscal year 2003.

Subsequent events:

Subsequent to the end of the period, the Company has received further cash advances of \$32,498 (US\$25,000) from Grupo.

Financings, Principal Purposes and Milestones

As described above, Grupo has continued to finance the company to enable it to meet all its obligations by funding \$56,908 during the period, and \$32,498 subsequent to the end of the period.

Liquidity and Solvency

As at the end of the period, there was working capital deficit of \$134,459. Given the present level of ongoing obligations and expenses, the Company must rely on the continued financial support from Grupo in order to meet its operational obligations for the foreseeable future.

On behalf of the board of Directors

GFM RESOURCES LIMITED

(Signed): "José Antonio Rivero"

José Antonio Rivero
Chairman, President and Chief Executive Officer

The Company has entered into no investor relations contracts. Shareholder and investor inquiries may be directed to Mr. Salvador Miranda at (604) 806-6110, fax: (604) 806-6112, or email: info@gfm-resources.com.