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TSX Venture NEX Board symbol: **GFM.H**

PRESS RELEASE

GFM ANNOUNCES \$170,000 PRIVATE PLACEMENT, RETAINS ENERGOLD DRILLING TO COMMENCE EXPLORATION WORK AT ATEXCACO

Vancouver, BC, March 16, 2006

GFM Resources Limited (TSXV-NEX: **GFM.H**, "the Company") is pleased to announce that it has received subscriptions for the sale (the "Private Placement") of 425,000 common shares (the "Shares") of the Company at a price of \$0.40 per Share for proceeds of \$170,000. Closing of the Private Placement is subject to the approval of the NEX. The Shares issued pursuant to the Private Placement will be subject to a four month hold period from the day of receipt of regulatory approval.

Proceeds from the Private Placement will be used to fund part of the exploration activities at the Atexcaco volcanogenic massive sulphide ("VMS") project located in the state of Puebla, central Mexico. The project is divided into two distinct project areas, Aire Libre and Guadalupe. The Aire Libre VMS deposit was mined in the period between 1887 and 1939 by the Teziutlán Copper Company and then Asarco, with total historical production reported to have been about 2.3 million tonnes at a grade of 14% zinc, 3-10% copper, 5% lead, 100 grams silver per tonne and 2 grams gold per tonne. The Guadalupe project, located approximately 10 kilometres northwest of Aire Libre, includes an exploration drift within which a VMS-style massive sulphide horizon is exposed, although there is no recorded production.

The Company has retained Canadian based Energold Drilling Corp. to carry out approximately 3,000 meters of diamond drilling on seven identified targets at depths ranging from 300 to 550 meters in the immediate vicinity of the Aire Libre mine.

REVIEW BY QUALIFIED PERSON

In August 2002, GFM engaged Mr. Chris Staargaard, P.Geo., as an independent consulting geologist to prepare a NI 43-101 compliant qualifying report on the Atexcaco VMS project and the proposed work program is based on the recommendations in his report. Mr. Staargaard has reviewed the contents of this news release and will serve as the Qualified Person as defined by NI 43-101.

Please refer to the Company's press release dated November 18, 2005, filed on SEDAR, for background information regarding the Atexcaco option agreement or at the Company's web site at www.gfm-resources.com

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 under the symbol **GFM.H**. The Company's majority shareholder, Grupo Ferrominero, S.A. de C.V. ("Grupo") is a private Mexican holding company that also controls Compañía Minera Autlán S.A. de C.V. ("Autlan"), a company listed on the Mexican Stock exchange and active in manganese and ferroalloy operations in Mexico and South America. Grupo also controls other companies in domains such as electronics and investment banking.

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THE TSX VENTURE EXCHANGE HAS NOT REVIEWED AND DOES NOT ACCEPT RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE.