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## **PRESS RELEASE**

### **GFM SIGNS FORMAL OPTION AGREEMENT WITH GEOLOGIX FOR LA CASITA PROPERTY**

Vancouver, BC, August 25, 2008.

**GFM Resources Limited** (TSXV: GFM.H, "GFM" or "the Company") is pleased to announce that, further to a Letter of Intent announced in January of 2008, a formal agreement to option its 1,472 hectare La Casita property - Los Arados claim group to Geologix Explorations Inc. (TSXV: GIX, "Geologix") has been executed.

"The signing of this agreement is a major milestone for the Company", said Mr. Roman Friedrich, GFM's President and CEO. "Bringing a partner such as Geologix adds considerable value to the Company's strategy of acquiring properties in Mexico which are worthy of advanced exploration spending and potential development by either GFM or joint venture partners. We look forward to further growth in our exploration portfolio through our continuing affiliation with our major Mexican shareholder."

#### **The Property**

The property is located in central Durango State, 40 kilometres (km) north of Geologix's San Agustin project and 5.5 km southwest of the town of Rodeo in Durango, Mexico.

Information compiled by Geologix for La Casita shows gold mineralization in the 1 gram per ton (g/t) gold range occurs sporadically in an area roughly 2 km long by 1.25 km wide within Tertiary felsic volcanic and subvolcanic units that contain stockwork quartz veinlets and disseminated pyrite. The highest gold values are associated with stockwork quartz veinlets in rhyolitic volcanics and tuffs as well as in rhyolite dikes.

Based on Geologix's and GFM's sampling, numerous untested drill targets exist in areas of shallow alluvium and post-mineral cover. These, and other prospective targets, will be tested during an initial drilling program subsequent to completion of geological mapping, sampling, and geophysics.

Geologix has advised that its rock-chip sampling on the claim group has returned assays up to 1.84 g/t gold and 247 g/t silver in silicified stockwork and breccia zones hosted in subvolcanic rhyolites found on the property. Colluvium and post mineral volcanics commonly mantle the gold-bearing rhyolites at La Casita-Los Arados, especially along the northeast flank of a prominent peak on the property called Cerro Colorado. In that zone, scattered rhyolite outcrops have returned assays of more than 1 g/t gold along a northwest trending corridor for at least 950 metres. A similar corridor of gold mineralization occurs a kilometre southeast of Cerro Colorado and trends east northeast along the south flank of a rhyolite ridge called Cerra La Amarilla. That zone is at least 1000 metres long.

## **The Agreement**

In order to acquire a 60% interest in La Casita, Geologix will:

1. Pay GFM the sum of US \$650,000 in cash over a period of up to four years as follows:

a.	On signature of a definitive agreement	US \$50,000	(paid)
b.	On or before the first anniversary thereof	US \$100,000	
c.	On or before the second anniversary thereof	US \$125,000	
d.	On or before the third anniversary thereof	US \$150,000	
e.	On or before the fourth anniversary thereof	US \$225,000	
	Total	US \$650,000	
  
2. Fund 100% of an exploration program totalling US \$1,875,000, as follows:

a.	On or before the first anniversary	US \$125,000
b.	On or before the second anniversary	US \$250,000
c.	On or before the third anniversary	US \$500,000
d.	On or before the fourth anniversary	US \$1,000,000
	Total	US \$1,875,000

Geologix will maintain the mineral concessions in good standing over the term of the option, and will have the right to accelerate the schedule of payments and work expenditures to earn its 60% interest.

Once Geologix has earned its 60% interest in La Casita, a joint venture between Geologix and GFM will be formed. The Operator will be Geologix. The Operator over the following three years must propose a minimum annual US \$625,000 joint venture budget to remain as operator. The joint venture committee may decide to spend less over the period. Both parties may elect to contribute to the proposed budget or have their interest diluted.

A feasibility study may be proposed by the Operator, or by the other party if the Operator fails to do so, within three months of the end of the three-year joint venture period. If one of the parties elects not to participate in the funding of the feasibility study, the other party will earn an additional 11% interest in the joint venture by the completion of a positive feasibility study. If the feasibility study recommends taking the property into production and one of the parties does not elect to participate, the other party will earn a further 9% interest.

### **About GFM**

GFM Resources Limited is a Canadian public company engaged in the business of mineral exploration in Mexico; its shares are listed on the NEX Board of the TSX Venture Exchange under the symbol GFM.H. The Company's majority shareholder is Compañía Minera Autlán S.A.B. de C.V., a company listed on the Mexico City stock exchange and active in manganese and ferroalloy operations in Mexico, in turn controlled by Grupo Ferrominero, S.A. de C.V., a private Mexican holding company that also controls other companies in domains such as electronics and investment banking. For more information please visit [www.gfm-resources.com](http://www.gfm-resources.com).

### **About Geologix**

Geologix Explorations Inc. is a mineral exploration company focused on acquiring, exploring and developing gold properties in North and South America. The Company has a wealth of experience in the mining industry taking early stage exploration prospectus to final feasibility and ultimately to production.

For further information contact Mr. Roman Friedrich, President and Chief Executive Officer, at (604) 633-9295

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