

## HUDSON DRILL RESULTS CONFIRM HIGH GRADE RARE EARTH ZONES ON THE GREENLAND SARFARTOQ CARBONATITE PROJECT

Vancouver, BC - HUDSON RESOURCES INC. ("Hudson" – TSX Venture Exchange "HUD") is pleased to report that drill results from the company's 2009 exploration program at the Sarfartoq Rare Earth Element (REE) Project in western Greenland confirm the potential of a major new REE discovery.

Nine drill holes totaling 1,331 metres of reconnaissance drilling were completed in three target areas on the company's 100% owned Sarfartoq license. Three holes (355 m) were completed on the ST40 target, four holes (573 m) on the ST1 target and two holes (402 m) on the ST19 target. All three target areas underwent surface exploration earlier in the year and yielded significant REE results (refer to press releases dated August 11, 2009 and September 17, 2009).

Complete assay results are available on the Company's website. Highlights are as follows:

- ST1**
- 50.25m of 2.19% TREO including 9.55m of 3.98% TREO in Hole SAR09-04
  - 29.90m of 1.38% TREO including 12.45m of 2.18% TREO in Hole SAR09-05
  - 63.10m of 1.02% TREO including 11.95m of 1.50% TREO in Hole SAR09-06
  - Neodymium oxide and praseodymium oxide average over 25% of the TREO
- ST40**
- 10.22m of 1.36% TREO in Hole SAR09-03
  - Neodymium oxide and praseodymium oxide average over 54% of the TREO
  - Europium oxide averages 1.3% of the TREO
- ST19**
- 16.00m of 1.02% TREO with several smaller intersections of more than 1% TREO

Drill Hole	Area	Length (m)	From (m)	To (m)	Width (m)	TREO% <sup>1</sup>	Nd <sub>2</sub> O <sub>3</sub> +Pr <sub>2</sub> O <sub>3</sub> <sup>2</sup> TREO	Eu <sub>2</sub> O <sub>3</sub> <sup>2</sup> TREO
SAR09-01	ST-40	105.50	46.05	47.10	1.05	1.24%	52.4%	1.2%
			80.70	84.50	3.80	0.99%	23.3%	0.5%
SAR09-02	ST-40	122.00	119.75	120.25	0.50	1.60%	52.0%	0.9%
SAR09-03	ST-40	128.10	92.20	102.42	10.22	1.36%	54.3%	1.3%
SAR09-04	ST-1	131.15	61.35	111.60	50.25	2.19%	24.7%	0.3%
			incl. 66.60	82.10	15.50	2.65%	24.5%	0.3%
			incl. 90.35	109.55	19.20	3.23%	25.0%	0.4%
SAR09-05	ST-1	149.50	100.00	109.55	9.55	3.98%	22.1%	0.3%
			incl. 25.75	55.65	29.90	1.38%	27.0%	0.5%
			incl. 43.20	55.65	12.45	2.18%	27.2%	0.4%
SAR09-06	ST-1	137.30	101.05	121.75	20.70	1.67%	21.9%	0.4%
			incl. 61.40	124.50	63.10	1.02%	25.9%	0.5%
			incl. 62.05	74.00	11.95	1.50%	29.8%	0.6%
SAR09-07	ST-1	155.60	100.00	112.00	12.00	1.33%	24.2%	0.5%
			incl. 86.50	87.20	0.70	2.43%	21.6%	0.3%
SAR09-08	ST-19	201.30	134.80	136.50	1.70	3.10%	23.0%	0.4%
			156.00	172.00	16.00	1.02%	17.6%	0.3%
SAR09-09	ST-19	201.30	No significant values above 0.80%					

Note: 1. All elements reported by ALS Chemex in parts per million (ppm). Total Rare Earth Oxides (TREO%) are converted using atomic weights based on the formula REE<sub>2</sub>O<sub>3</sub>.  
2. Neodymium and Praseodymium and Europium oxide expressed as a percentage of total rare earth oxides.

“These initial drill results confirm that the Sarfartoq Project has the potential to host several rare earth deposits” stated James Tuer, Hudson’s President. “We are very pleased with the grade and thickness of the intercepts, particularly at ST1, which suggests the potential for a high-grade, large tonnage, near surface body. The results of ST40 also confirm the high proportion of neodymium encountered on surface. The fact that these two zones may be joined over a distance of 2.5km is extremely encouraging. While the two holes (8 and 9) drilled into ST19 did not reach the targeted high-grade zone consistent with some of our highest REE surface sample assays, strong mineralization of 1.0% TREO over 16m demonstrates the presence of widely spread mineralization in the project area. We are planning to move ahead aggressively in 2010 with an expanded drill program, geophysical surveying and metallurgical testwork to allow us to rapidly advance this exciting project.”

Each hole intersected highly altered granodiorite gneisses with a stockwork of carbonate veins and carbonatite dykes and intrusive breccias that form the outer margin of the carbonatite complex. Coarse-grained iron-rich carbonatite bodies were intersected at both ST1 and ST40 drill holes and they host the highest grade REE’s mineralization. The rare earth minerals are associated with hematite and calcite masses and preliminary mineralogical studies have identified REE phosphates and REE fluorocarbonates.

## **TARGET AREAS**

**ST1** – is a 1000m by 500m radiometric anomaly located 3km west of ST40. Four holes were drilled in ST1, which is located on a well-exposed hillside. Two holes were drilled from the top of the feature and two were drilled from the creek bed below and into the feature. All four holes intercepted varying amounts (between 1.7m and 63.1m) of mineralised iron-rich carbonatite. Each hole was separated by an average distance of 175m (see map on Hudson’s website for details).

Further drilling is required to confirm the geological model associated with the higher-grade intersections. Hudson management is extremely encouraged that the wide intersections support a large tonnage potential in the area.

**ST40** – Three holes were drilled in ST40 to test a well-defined radiometric anomaly measuring approximately 1000m by 250m. At the heart of the anomaly, nine sub-crop rock samples were collected within an area measuring 125m by 100m. Seven of the surface samples produced assays ranging from 2.5% to 5.3% TREO.

All three holes intersected weak to strong alteration associated with a stockwork of carbonate veins showing evidence of multiple hydrothermal events. A mineralized coarse-grained iron-rich carbonatite body was intersected in SAR09-03 and SAR09-02 - 150 meters apart. In Hole SAR09-03 this body is 10.22m thick (estimated true width) starting at 92.20m.

The carbonatite body at ST40 is unique in that neodymium and praseodymium comprise a high proportion (greater than 54%) of the TREO content. As well, the halo of altered rocks in proximity to the iron-rich carbonatite demonstrates this unique distribution. Neodymium oxide, together with praseodymium oxide, averaged 7425 ppm and europium oxide averaged 180 ppm over the 10.22m intersection from hole SAR09-03.

Neodymium is one of the more valuable rare earths, as it is a key component in neodymium-iron-boron super magnets used in motors for wind turbines, hybrid cars, and other green technologies. Neodymium oxide currently trades for approximately US\$20/kg. Similarly, europium is amongst the least abundant of the rare-earth elements and is a critical component in flat panel display technology. Europium oxide currently trades for around US\$500/kg.

ST40 and ST1 appear to be linked by the iron rich oxidation and carbonatite dykes with REE mineralization (0.5% to 2.0% TREO) that can be followed from the ST40 to the ST1 area. This could provide over 2.5 km of potentially favourable rocks. The samples between ST1 and ST40 are intriguing because they also contain an average of 1.4% niobium oxide ( $Nb_2O_5$ ) which could be related to niobium intersected in Hole 4 of ST1 (1.6m of 1.2%  $Nb_2O_5$ ). Niobium oxide currently trades for approximately US\$45/kg.

**ST19** – This area is located on the southern extension of the outer ring structure approximately 10km south of ST1 and ST40. It lies within a large radiometric anomaly approximately 2500m by 500m along a very steep valley with excellent rock exposure. A 450m by 125m sub-area located along the base of a 150m cliff produced some of the highest REE assays (up to 8.9% TREO) of the program.

In order to test this zone, two drill holes (SAR09-08 and SAR09-09,) were drilled from the top of the North Cliff at steep angles to the South. The collars are 350 meters apart. These holes failed to intersect the higher mineralized zones. Hole SAR09-08 intersected significant hematite alteration with associated carbonate veins including 16m of 1.01% TREO. A key priority of the 2010 drilling program will be to establish drilling sites at the base of the canyon wall to test the high-grade surface anomalies.

A strict QA/QC program was followed which includes the use of elemental standards, duplicates and blanks. All drill core was split in the field. Half of the core was sent to ALS Chemex for analysis. The remaining half was left on-site for future reference. All samples were analyzed by ALS Chemex in Vancouver, BC, using lithium borate fusion, acid dissolution and ICP-MS analysis (ALS method ME-MS81h). According to ALS Chemex, this procedure solubilizes most minerals, including refractory species, and provides the most quantitative analysis for many elements, including the REE.

Mineralogical studies are currently being conducted on the core and surface samples by Dr. Peter Le Couteur and are expected to be completed shortly.

Dr. Danielle Giovenazzo reviewed this press release and is a qualified person under National Instrument 43-101. Dr. Giovenazzo was on site and managed the drilling program and QA/QC programs.

ON BEHALF OF THE BOARD OF DIRECTORS

*“James Tuer”*

James Tuer, President

**For further information:**

James Tuer, President

Ph: 604-628-5002 or 604-688-3415

tuer@hudsonresources.ca

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