

**HUDSON RESOURCES REPORTS SIGNIFICANT RARE EARTH MINERAL RESOURCE ESTIMATE AT SARFARTOQ: 14 MILLION TONNES AVERAGING 1.51% TREO, INCLUDING 40.6 MILLION KG NEODYMIUM OXIDE**

Vancouver, BC - **HUDSON RESOURCES INC.** (“Hudson” or “the Company” – TSX-V: “HUD”, OTCQX: “HUDRF”), is pleased to announce the initial National Instrument 43-101 compliant mineral resource estimate of 14.1M tonnes averaging 1.51% total rare earth oxides (TREO) for the ST1 Zone on its’ 100% owned Sarfartoq Rare Earth Element (REE) Project in Greenland. The resource estimate was prepared by GeoSim Services Inc. of Vancouver. A Technical Report will be filed on SEDAR within 45 days.

James Tuer, Hudson’s President, stated, “We are very pleased to be able to announce our first 43-101 compliant resource estimate on our Greenland REE project. Within a period of 18 months, Hudson has defined a significant inferred resource at the ST1 Zone containing over 40 million kilograms of neodymium oxide. The ST1 Zone remains open for expansion with further drilling and is just one of several zones with established REE potential on our 100% owned concession. With this resource model in hand, and metallurgical test-work expected to be completed in the first half of 2011, we will work to rapidly advance the project under Greenland’s streamlined permitting process and will undertake a Preliminary Economic Assessment in 2011.”

Based on this resource estimate, and due to the fact that the deposit remains open along strike and down dip, Hudson plans to undertake higher-density diamond drilling commencing in May of 2011 with the objective of upgrading the resource to indicated status and increasing tonnage. Furthermore, the resource estimate has confirmed that the ST1 Zone represents one of the industries highest ratios of neodymium and praseodymium to TREO totaling 25%. A Preliminary Economic Assessment is planned for 2011. Since the project is located near tidewater it is ideally situated to provide REEs to both the North American and European markets.

Neodymium is a key component in neodymium-iron-boron (NdFeB) magnets, one of the most widely used REE applications, with a projected shortage as early as 2015 (Source: IMCOA/Roskill Presentation, November 2010, Hong Kong). A neodymium oxide price of US\$32.49 per kilogram was used in the model. The current FOB China price is US\$88.50 per kilogram (Source: Metal-Pages.com).

The following table presents the inferred mineral resource estimate for the ST1 Zone at a range of cut-off grades with the base case in bold face. The selected base case cut-off grade of 0.8% TREO is considered consistent with other mineral deposits of similar characteristics, scale and location.

**Table 1. ST1 Zone Inferred Mineral Resource<sup>1</sup>**

COG <sup>2,3</sup> %TREO <sup>4</sup>	Tonnes (000,s)	% TREO <sup>4</sup>	% La <sub>2</sub> O <sub>3</sub>	% Ce <sub>2</sub> O <sub>3</sub>	% Pr <sub>2</sub> O <sub>3</sub>	% Nd <sub>2</sub> O <sub>3</sub>	% Sm <sub>2</sub> O <sub>3</sub>	% Gd <sub>2</sub> O <sub>3</sub>	% Eu <sub>2</sub> O <sub>3</sub>	% Dy <sub>2</sub> O <sub>3</sub>	% Y <sub>2</sub> O <sub>3</sub>
0.5	15,216	1.445	0.302	0.723	0.085	0.277	0.026	0.020	0.006	0.002	0.005
0.6	14,641	1.481	0.310	0.741	0.087	0.283	0.027	0.020	0.006	0.002	0.005
0.7	14,310	1.500	0.314	0.751	0.088	0.287	0.027	0.021	0.006	0.002	0.005
<b>0.8</b>	<b>14,058</b>	<b>1.514</b>	<b>0.317</b>	<b>0.757</b>	<b>0.088</b>	<b>0.289</b>	<b>0.028</b>	<b>0.021</b>	<b>0.006</b>	<b>0.002</b>	<b>0.005</b>
0.9	13,840	1.524	0.320	0.763	0.089	0.291	0.028	0.021	0.006	0.002	0.005
1.0	13,554	1.536	0.322	0.769	0.090	0.293	0.028	0.021	0.006	0.002	0.005
1.5	7,155	1.746	0.379	0.878	0.100	0.321	0.030	0.023	0.007	0.002	0.006

1. The resource estimate is classified as Inferred Mineral Resources as defined by CIM and referenced in NI 43-101. A Technical Report with the estimate will be filed on SEDAR within 45 days.
2. COG – Cut-off Grade
3. GeoSim considers a cut-off grade of 0.8% TREO to be reasonable in preliminary estimation of potentially economic resources extractable by open pit methods.
4. TREO - Total Rare Earth Oxides refers to the elements lanthanum through lutetium plus yttrium expressed as oxides in the form REE<sub>2</sub>O<sub>3</sub>.

The mineral resource was estimated using the inverse distance squared method constrained by an optimized pit shell. Block dimensions were 10 metres by 10 metres horizontal and 10 metres vertical. Grade estimation was based on analyses of core samples from 19 diamond drill holes (4,737 metres) completed between September 2009 and September 2010. Assays were composited in two metre down-hole intervals. It was concluded from statistical analysis of the raw sample data that grade capping or special treatment of outliers was not warranted.

Wireframe models of the major lithologies were developed to constrain the grade estimate and for assigning density values. The density values were assigned to the major lithologies based on 470 specific gravity measurements of drill core.

Assumptions used for pit optimization were:

- A three year trailing average for REE prices (per kilogram). La<sub>2</sub>O<sub>3</sub> \$12.53; Ce<sub>2</sub>O<sub>3</sub> \$10.80; Pr<sub>2</sub>O<sub>3</sub> \$31.66; Nd<sub>2</sub>O<sub>3</sub> \$32.49; Sm<sub>2</sub>O<sub>3</sub> \$7.71; Gd<sub>2</sub>O<sub>3</sub> \$7.91; Eu<sub>2</sub>O<sub>3</sub> \$506.09; Dy<sub>2</sub>O<sub>3</sub> \$152.25; Y<sub>2</sub>O<sub>3</sub> \$22.05.
- General & Administration, Processing and Ore Mining costs of \$150/tonne.
- Waste mining costs of \$4.00/tonne.
- A recovery of 80% has been assumed and will be revised when metallurgical test results are available.

The ST1 Zone is a carbonatite hosted rare earth deposit. Mineralogical work is being managed by Dr. Peter Le Couteur, of North Vancouver. Recent analyses on the ST1 material suggests that the rare earths, comprised of synchysite-(Ce), synchysite-(Nd) bastnasite-(Ce) and monazite-(Ce), are found only in the hematized (iron rich) portions of the carbonatite material. As a result, Hudson is undertaking tests to determine if magnetic separation will be an effective method to generate a preliminary concentrate.

Dr. Michael Druucker is a qualified person as defined by National Instrument 43-101 and reviewed the preparation of the scientific and technical information in this press release.

Ronald G. Simpson, B.Sc., P,Geo., President of Geosim Services Inc., is an independent Qualified Person as defined by NI 43-101 and is responsible for the resource estimate on the ST1 Zone and has verified the data disclosed in this release.

ON BEHALF OF THE BOARD OF DIRECTORS

***“James Tuer”***

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**Forward Looking Statements**

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