

HUDSON RESOURCES INC.

Management Discussion and Analysis (Form 51-102F1)

**For the three and nine months ended December 31, 2008
Information is as of February 26, 2009 unless otherwise stated**

Note to Reader

The following management discussion and analysis of the financial performance and results of operations for Hudson Resources Inc. ("Hudson" or the "Company") for the three and nine months ended December 31, 2008, should be read in conjunction with the Company's annual audited financial statements and notes thereto for the fiscal year ended March 31, 2008 together with the notes thereto, as well as, the Company's previous financial and MD&A reports. The material herein, as of February 26, 2009, updates the information as of November 28, 2008 contained in the MD&A of that report.

The accompanying financial statements and related notes have been prepared in accordance with Canadian generally accepted accounting principles. These statements, together with the following management discussion and analysis dated February 26, 2009 are intended to provide investors with a reasonable basis for assessing the financial performance of the Company as well as forward-looking statements relating to the potential future performance.

Forward-Looking Information

This discussion includes certain statements that may be deemed "forward-looking statements." All statements in this discussion, other than statements of historical facts that address future production, reserve potential, exploration drilling, exploration activities and events or developments that the Company expects, are forward-looking statements. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, exploitation and exploration successes, continued availability of capital and financing, and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements.

GENERAL

The Company is a junior mineral exploration company listed on the TSX Venture Exchange and engaged in the acquisition, exploration and development of mineral properties. It has not yet determined whether its properties contain mineral reserves that are economically recoverable. The recoverability of the amounts shown for resource assets is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of its properties, and upon future profitable production or proceeds from the disposition of the properties. The Company's ability to continue its operations is dependent on its ability to secure additional financing, and while it has been successful in doing so in the past, there can be no assurance it will be able to do so in the future. In order to continue developing its mineral properties, management is actively pursuing such additional sources of financing; however, in the event this does not occur, there is doubt about the ability of the Company to continue as a going concern. The financial statements and discussion and analysis of the financial condition, changes in financial condition and results of operations of the Company for the periods ended December 31, 2008 and 2007 do not include the adjustments that would be necessary should the Company be unable to continue as a going concern.

The amount of the Company's administrative expenditures is related to the level of financing and exploration activities that are being conducted, which in turn may depend on the Company's recent exploration experience and prospects, as well as the general market conditions relating to the availability of funding for exploration-stage resource companies. Consequently, the Company does not acquire properties or conduct exploration work on them on a pre-determined basis and as a result there may not be predictable or observable trends in the Company's business activities and comparisons of financial operating results with prior years may not be meaningful.

All dollar amounts are in Canadian Dollars unless otherwise indicated.

Overall Performance

Hudson is a mineral exploration company that, since 2002, has focused its exploration activities on the search for diamonds in the Sarfartoq region of western Greenland. The Company also has Niobium, Uranium, Tantalum and Rare Earth Element prospects that it is pursuing in Greenland.

The Company is currently actively exploring in six contiguous exploration licenses totaling approx 1,400 square kilometers in the Sarfartoq region, near Kangerlussuaq, Greenland. All of its exploration licenses are 100% held by the Company.

Since the Company is in the exploration phase of its development, its results are primarily determined by its administrative expenses net of interest income. The Company's net loss from operations for the nine months ended December 31, 2008 totaled \$709,586, a loss of \$0.02 per share. In the comparative nine month period ended December 31, 2007, the Company's loss was \$616,688 or \$0.02 per share.

This loss, an increase of \$93,898 from the prior period, was primarily the result of a significant decrease in interest income of \$114,560 as a result of significantly reduced cash resources and lower interest rates. A net positive change in foreign exchange costs accounted for \$7,550 in expense reductions. Filing fees were significantly higher by \$14,280 primarily due to the conversion of the note related to a bridge loan from Teck Cominco Ltd. ("Teck"). Management fees were higher by 18% over the previous period, but have remained the same over the past year. Director's fees have been cancelled for the time being. Stock-based compensation costs were reduced by 10%, or \$31,256, due to timing issues.

The loss for the three-month period ended December 31, 2008 was \$239,059, compared with \$180,607 in the three months ended December 31, 2007. The increase was primarily the result of an increase in non-cash stock-based compensation of 54% or \$32,703, filing of \$14,471, foreign exchange of \$11,884, and Management fees of \$12,549. These were offset somewhat by reduced audit and legal fees of \$8,528, and the suspension of director's fees accounting for \$11,000.

Assets increased by \$1,492,644 in the nine-month period, from \$14,302,717 at March 31, 2008 to \$15,795,361 at December 31, 2007. The most significant changes in assets were a \$1,895,634 reduction in cash and a \$3,430,546 increase in resource properties. In order to fund the 2008 program, Hudson raised funds using a bridge loan from Teck. This loan was subsequently converted into equity as discussed in Note 6. Proceeds from this financing were used to fund the Company's ongoing exploration program, including the upgrade and operation of the on-site diamond recovery plant and to cover operating expenses.

General and administrative expenses decreased 3%, from \$744,717 in the nine months ended December 31, 2007 to \$723,055 in the nine months ended December 31, 2008. This decrease of \$21,662 is primarily attributable minor variances in a number of areas as discussed above.

General and administrative expenses increased by 32%, from \$180,607 in the three months ended December 31, 2007 to \$239,059 in the three months ended December 31, 2008. This increase of \$58,452 is attributable to stock-based compensation related to the vesting of previously issued stock options, shareholder communication costs, management fee increases and foreign exchange losses.

Interest income was \$13,469 for the nine months ended December 31, 2008 (2007 – \$128,029). Interest income for the three months ended December 31, 2008 was \$916, compared with \$40,182 in the comparative period in 2007. The decrease in both periods is due to the depletion of cash balances due to capital expenditures over the periods. Funds were invested in short term, secure term deposits until required for exploration.

Stock-based compensation expense of \$306,827 for the nine months ended December 31, 2008 (2007 - \$338,083) accounted for approximately 42% of the Company's total general and administrative expenses as compared to 45% in the period ending December 31, 2007. In the three months ended December 31, 2008, stock-based compensation was \$93,267 (2007 - \$60,564), which represents 39% of total general and administrative expenses for that period. Stock-based compensation is a non-cash expense provision that may not reflect reality. The Company uses the Black-Scholes option valuation model to calculate the fair value of share purchase options at the date of grant. Option pricing models require the input of highly subjective assumptions, including the

expected price volatility. Changes in these assumptions can materially affect the fair value estimate and, therefore, the existing models do not necessarily provide a reliable single measure of the fair value or expense calculation of the Company's share purchase options.

Exploration Update

Since the previous Exploration Update provided in the Company's MD&A report dated November 28, 2008, Hudson successfully completed the evaluation of the 2008 bulk sample and reported results on the Sarfartoq Carbonatite Complex.

The Company demonstrated that the Garnet Lake dike large, high quality diamonds. The 2008 bulk sample program processed 499 dry tonnes of kimberlite through the Company's on-site DMS plant and yielded 78.26 carats. There were 23 diamonds in the 0.25 to 1.0 carat range, including an exceptional 0.95 carat amber coloured diamond. A high proportion of the diamonds recovered were high quality, inclusion free stones. The program was successful in liberating 80% more stones in the 0.10 to 0.25 carat range than in the 2007 sample. To date, over 108 carats have been recovered from the dike. This latest sample continues to demonstrate a coarse diamond distribution that suggests larger stones are likely to be found with larger sample sizes.

Even with improved crushing mechanics introduced into the plant in 2008, approximately 15% of the diamonds recovered were found to have significant amounts of kimberlite adhering to the stones. This implies that a significant number of un-liberated diamonds are still reporting to the tails instead of the concentrate when processed through the DMS plant cyclone. Diamond liberation and higher recoveries continue to be a challenge with the competent Garnet Lake kimberlite and work is planned during 2009 to further address this issue.

DIAMOND RECOVERIES FROM GARNET LAKE

Kimberlite Sample	Sample Wt. (dry tonnes)	Total Number of Diamonds by Sieve Size (mm)						Carats	Cts/ht
		+0.85	+1.18	+1.70	+2.36	+3.35	+4.75		
GBF-08-Pit 1 ¹ .	437	135	636	235	83	7		72.5	16.6
GBF-08-Pit 2 ² .	62	9	70	14	4	1		5.76	9.3
GBF-07-Pit 1 ³ .	109	18	97	30	14	2	1	18.36	16.8
GBF-06-Pit 1 ⁴ .	47	240	114	22	5	1	1	12.07	25.7

Notes:

1. GBF-08-Pit 1 represents the main sample processed in 2008 from the main pit at Garnet Lake. The sample was crushed at -12mm, -6mm and -4mm. Twenty-three percent of the sample was completed at the -4mm screen size. The same results were grossed up to match the complete sample weight. Approx. fifteen percent of the diamonds had significant kimberlite adhering to the stones. Hudson estimates that depending on particle size, there was only a 10% to 25% chance of these stones reporting to the concentrate suggesting a significant population of diamonds reporting to the tails as a result of incomplete liberation. Stones sizes have been estimated based on visual examination and resized accordingly.
2. GBF-08-Pit 2 represents kimberlite that was collected from an exposed area 1.2km southeast of the main pit. No third crush was employed with this sample.
3. GBF-07-Pit 1 represents the complete 2007 dry sample weight that was processed by x-ray and grease at the SRC. The sample has been reorganized to account for the broken 4 ct diamond.
4. GBF-07-Pit 1 represents the initial sample processed at SGS Lakefield. Bottom screen sizes had a much finer tolerance than the Company's field DMS plant, which operates at commercial tolerances. This accounts for significant increase in small stone recoveries from the initial sample.

The samples were processed by the GeoAnalytical Laboratories at the Saskatchewan Research Council ("SRC"), Saskatoon, Saskatchewan, an independent laboratory. SRC is accredited to the ISO/IEC 17025 standard by the Standards Council of Canada as a testing laboratory for specific tests. The circuit was comprised of a Flow Sort twin pass x-ray unit followed by a grease table. The material was first sized over a vibrating screen into 0.85-3mm, 3-6mm and 6-12mm size fractions. Concentrate from the Flow Sort goes directly into a locked container, which is opened in a secured picking room for hand sorting. The Flow sort tailings pass over the grease table in order to capture any diamonds missed by the x-ray unit. The Grease table concentrate is then placed into a secure cage for overnight degreasing then moved to a secure hand sorting room. Dr. Karen Hanghøj was in charge of the collection of the samples in Greenland and managed the chain of custody from the field to the SRC.

The Company also completed limited work on the Sarfartoq Niobium-Uranium-Tantalum-REE Project, which has demonstrated the ability to generate very significant contained mineral values. The Sarfartoq Project has produced some of the highest known niobium intercepts and includes highly elevated uranium and tantalum assay values.

The first surface rock sample result received from the SRC GeoAnalytical Laboratories ("SRC"), Saskatoon, Saskatchewan and confirmed the presence of highly anomalous niobium (40.32% Nb₂O₅), uranium (1.02% U₃O₈) and tantalum (0.91% Ta₂O₅), along with elevated levels of several rare earth elements.

The second surface rock sample, collected along strike from occurrence SU1 on the Sarfartoq Carbonatite Complex confirmed the very high-grade nature of this target. Assays are as follows:

	Nb ₂ O ₅ (Niobium)	U ₃ O ₈ (Uranium)	Ta ₂ O ₅ (Tantalum)	REE (Rare Earth Elements)
SU1 Sample 2	35.7 %	1.19 %	0.53 %	0.70 %
SU1 Sample 1	40.3 %	1.02 %	0.91 %	0.63 %

The Sarfartoq Carbonatite Complex is unique in terms of the high niobium, uranium and tantalum concentrations, which are unusually high in comparison to any other such deposits throughout the world. It is one of the larger carbonatite complexes with approximate dimensions of 13 X 8 km. Hudson controls 100% of the property. It is located near tidewater and adjacent to very good potential hydroelectric sites.

The mineral of economic interest is pyrochlore, which is a niobium and tantalum oxide, and is also the main host for uranium and light rare earth elements on the Sarfartoq Project. Heavy-REE enrichment is encountered in a thorium-rich mineral within the Complex. Non-compliant NI 43-101 historical results from previous work on the Sarfartoq Project include a trench sample grading 14.4% Nb₂O₅ over 200 meters and a diamond drill hole averaging 12.13% Nb₂O₅ over 20 meters starting near surface.

There are over 30 radiometric targets identified on the Sarfartoq Project and a significant portion of the area is covered by disaggregated material, which the Company believes may be masking additional radiometric anomalies. The Company has outlined over a dozen drill ready niobium-uranium targets on the Sarfartoq Project.

The Sarfartoq carbonatite has been the focus of limited exploration activity since its discovery by government geologists in 1976. Hecla Mining completed a small initial drill program in 1989 followed more recently by New Millennium Resources (NMR) exploration activities from 2000 to 2002. A 2002 radiometric survey identified 30+ anomalies, which Hudson is currently reviewing.

Niobium is a rare exotic soft metal, which is corrosion resistant and highly conductive. It is widely used in the production of high-strength steel alloys, electronics and in the medical, nuclear and aerospace industries. Tantalum is an essential component in capacitors for the electronics industry. Current Nb₂O₅ prices are in the range of US\$10-14 per pound and Ta₂O₅ prices are estimated in the range of US\$30-45 per pound. Rare earth elements (REE) are a group of materials that have unique magnetic, fluorescent and chemical properties and are indispensable in the production of items such as laptops, hybrid vehicles, autocatalysts, LCD televisions and energy efficient lighting.

The Sarfartoq samples were analyzed at the GeoAnalytical Laboratories of the Saskatchewan Research Council (SRC) in Saskatoon, Saskatchewan. The facilities used for the analysis operate in accordance with ISO/IEC 17025:2005 (CAN-P-4E). The samples were analyzed using SRC's ISO/IEC 17025:2005-accredited U₃O₈ method. The rare earth samples were fused in lithium metaborate, then dissolved in dilute HNO₃. Individual tantalum and niobium results were analysed using total HF digestion.

RISKS AND UNCERTAINTIES

The Company is subject to a number of risk factors due to the nature of its business and the present stage of development. The following risk factors should be considered:

General

The Company is a junior mineral exploration company listed on the TSX Venture Exchange and engaged in the acquisition, exploration and development of mineral properties. It has not yet determined whether its properties contain mineral reserves that are economically recoverable. The recoverability of the amounts shown for resource assets is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of its properties, and upon future profitable production or proceeds from the disposition of the properties. The Company's ability to continue its operations is dependent on its ability to secure additional financing, and while it has been successful in doing so in the past, there can be no assurance it will be able to do so in the future. In order to continue developing its mineral properties, management is actively pursuing such additional sources of financing; however, there can be no certainty that such additional financing will be obtained. The Financial Statements and discussion and analysis of the financial condition, changes in financial condition and results of operations of the Company for Q2 2008 and Q2 2007 do not include the adjustments that would be necessary should the Company be unable to continue as a going concern.

The amount of the Company's administrative expenditures is related to the level of financing and exploration activities that are being conducted, which in turn may depend on the Company's recent exploration experience and prospects, as well as the general market conditions relating to the availability of funding for exploration-stage resource companies. Consequently, the Company does not acquire properties or conduct exploration work on them on a pre-determined basis and as a result there may not be predictable or observable trends in the Company's business activities and comparisons of financial operating results with prior years may not be meaningful.

Trends

The Company's financial success is dependent upon the discovery of properties which could be economically viable to develop. Such development could take years to complete and the resulting income, if any, is difficult to determine. The sales value of any mineralization discovered by the Company is largely dependent upon factors beyond the Company's control, such as the market value of the products produced. Other than as disclosed herein, the Company is not aware of any trends, uncertainties, demands, commitments or events which are reasonably likely to have a material effect on the Company's sales or revenues, income from continuing operations, profitability, liquidity or capital resources, or that would cause reported financial information not necessarily to be indicative of future operating results or financial condition.

Competitive Conditions

The resource industry is intensively competitive in all of its phases. The Company competes with other mining companies for the acquisition of mineral claims and other mining interests as well as for the recruitment and retention of qualified employees and contractors and for mining equipment. There is significant and increasing competition for a limited number of diamond and other resource acquisition opportunities and as a result, the Company may be unable to acquire suitable producing properties or prospects for exploration in the future on terms it considers acceptable. The Company competes with many other companies that have substantially greater financial resources than the Company.

Environmental Factors and Protection Requirements

The Company currently conducts exploration and development activities in Greenland. All phases of the Company's operations are subject to environmental regulation in the jurisdictions in which it operates. Environmental legislation is evolving in a manner which requires stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations. There is no assurance that regulatory and environmental approvals will be obtained on a timely basis or at all. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of

operations or to preclude entirely the economic development of a property. Environmental hazards may exist on the properties which are unknown to the Company at present which have been caused by previous or existing owners or operators of the properties. The Company is currently engaged in exploration with limited environmental impact.

Mineral Exploration and Development

The Company's properties are in the exploration stage. Development of the Company's properties will only proceed upon obtaining satisfactory exploration results. Mineral exploration and development involve a high degree of risk and few properties which are explored are ultimately developed into producing mines. There is no assurance that mineral exploration and development activities will result in the discovery of a body of commercial diamonds on any of the Company's properties. Several years may pass between the discovery of a deposit and its exploitation. Most exploration projects do not result in the discovery of commercially mineralized deposits.

Operating Hazards and Risks

Mineral exploration involves many risks, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. The operations in which the Company has a direct or indirect interest will be subject to all the hazards and risks normally incidental to exploration, development and production of resources, any of which could result in work stoppages and damage to persons or property or the environment and possible legal liability for any and all damage. Fires, power outages, labour disruptions, flooding, explosions, cave-ins, land slides and the inability to obtain suitable or adequate machinery, equipment or labour are some of the risks involved in the operation of mines and the conduct of exploration programs. Although the Company will, when appropriate, secure liability insurance in an amount which it considers adequate, the nature of these risks is such that liabilities might exceed policy limits, the liability and hazards might not be insurable, or the Company might elect not to insure itself against such liabilities due to high premium costs or other reasons, in which event the Company could incur significant costs that could have a material adverse effect upon its financial condition

Economics of Developing Mineral Properties

Substantial expenditures are required to establish reserves through drilling, to develop processes to extract diamonds and to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that the funds required for development can be obtained on a timely basis. The marketability of any minerals acquired or discovered may be affected by numerous factors which are beyond the Company's control and which cannot be predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environmental protection. Depending on the price of minerals produced, the Company may determine that it is impractical to commence or continue commercial production.

Commodity Prices

The Company's revenues, if any, are expected to be in large part derived from the mining and sale of diamonds or interests related thereto. The price of diamonds has fluctuated widely, particularly in recent years, and is affected by numerous factors beyond the Company's control including international economic and political conditions, expectations of inflation, international currency exchange rates, interest rates, global or regional consumptive patterns, speculative activities, levels of supply and demand, increased production due to new mine developments and improved mining and production methods, availability and costs of diamond substitutes, diamond stock levels maintained by producers and others and inventory carrying costs. The effect of these factors on the price of diamonds, and therefore the economic viability of the Company's operations cannot accurately be predicted and, in almost all cases, are factors which the Company cannot change or influence.

Title

Although the Company believes that it has taken all reasonable legal and other actions to ensure that it has good title to the properties in which the Company has a material interest, there is no guarantee that title to such properties will not be challenged or impugned. The Company's mineral

property interests may be subject to prior unregistered agreements or transfers, and title may be affected by undetected defects.

Governmental Regulation

Operations, development and exploration on the Company's properties are affected to varying degrees by: (i) government regulations relating to such matters as environmental protection, health, safety and labour; (ii) mining law reform; (iii) restrictions on production, price controls, and tax increases; (iv) maintenance of claims; (v) tenure; and (vi) expropriation of property. There is no assurance that future changes in such regulations, if any, will not adversely affect the Company's operations. Changes in such regulations could result in additional expenses and capital expenditures, availability of capital, competition, reserve uncertainty, potential conflicts of interest, title risks, dilution, and restrictions and delays in operations, the extent of which cannot be predicted. If any of the Company's projects are advanced to the development stage, those operations will also be subject to various laws and regulations concerning development, production, taxes, labour standards, environmental protection, mine safety and other matters. In addition, new laws or regulations governing operations and activities of mining companies could have a material adverse impact on any project in the mine development stage that the Company may possess.

Management and Directors

The Company is dependent on a relatively small number of directors and officers: James Tuer, Jim Cambon, John Ferguson, Robert Chase and John Hick. The loss of any of one of those persons could have an adverse affect on the Company. The Company does not maintain key person insurance on any of its management.

Conflicts of Interest

Certain officers, directors and advisors of the Company are officers and/or directors of, or are associated with, other natural resource companies that acquire interests in mineral properties. Such associations may give rise to conflicts of interest from time to time. The directors are required by law, however, to act honestly and in good faith with a view to the best interests of the Company and its shareholders and to disclose any personal interest which they may have in any material transaction which is proposed to be entered into with the Company and to abstain from voting as a director for the approval of any such transaction.

Limited Operating History: Losses

As the Company is still in the exploration phase of its development, it has experienced losses in all years of its operations. There can be no assurance that the Company will operate profitably in the future, if at all. As at December 31, 2008, the Company's deficit was \$3,345,204.

Price Fluctuations: Share Price Volatility

In recent years, the securities markets in the United States and Canada have experienced a high level of price and volume volatility, and the market price of securities of many mineral exploration companies have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. In particular, during the past 12 months, the Company's share price fluctuated from a high of \$1.20 to a low of \$0.07. There can be no assurance that continual fluctuations in price will not occur.

Shares Reserved for Future Issuance: Dilution

As at February 26, 2009, there were 2,645,000 stock options outstanding and 2,760,000 warrants outstanding pursuant to which shares may be issued in the future. This could result in further dilution to the Company's shareholders and pose a dilutive risk to potential investors.

RELATED PARTY TRANSACTIONS

During the three months ended December 31, 2008 and 2007, the Company incurred the following transactions with a company with a common director and with officers and Directors of the Company:

	<u>2008</u>	<u>2007</u>
Accounting and legal fees	\$ -	\$ 8,280
Directors' fees	-	11,000
Management fees	<u>81,300</u>	<u>68,751</u>
	<u>\$ 81,300</u>	<u>\$ 88,031</u>

These transactions were measured by the exchange amount, which is the amount agreed upon by the transacting parties.

SUBSEQUENT EVENTS

On February 3, 2009, Hudson completed a private placement of Units. A total of 5,520,000 Units ("Units") were issued at a price of \$0.10 per Unit. Each Unit is comprised of one fully paid and non-assessable common share (a "Share") in the capital of the Company and one-half of one transferable Common Share purchase warrant (a "Warrant"). Each whole Warrant entitles the holder thereof to purchase one additional Share (a "Warrant Share") in the capital of the Company up to August 3, 2010 at an exercise price of \$0.20 per Warrant Share. Both the Common Shares issued as part of the Units and any Common Shares issued upon exercise of the Warrants are subject to a hold period, which expires on June 4, 2009.

There are no other material subsequent events that have not been discussed in this report or the financial statements for the period ended December 31, 2008.

COMMITMENTS

The Company has made certain commitments in the course of running its business. In addition to office lease commitments disclosed in the Company's financial statements, the most notable commitment is the annual exploration commitment on the Company's exploration licenses in Greenland. Commitments can be reduced and/or eliminated by dropping and/or reducing licenses by the end of each calendar year. Based on work done to date and work to be completed to the end of 2008, Hudson believes that it has met all of the expenditure commitments required under its licence agreements with the Bureau of Minerals and Petroleum of Greenland.

SUMMARY OF QUARTERLY INFORMATION

The following table sets forth a comparison of revenues and earnings for the previous eight quarters ending with December 31, 2008. Financial information is prepared in accordance with GAAP and is reported in Canadian \$.

	<u>Dec-31</u> <u>2008</u>	<u>Sep-30</u> <u>2008</u>	<u>Jun-30</u> <u>2008</u>	<u>Mar-31</u> <u>2008</u>	<u>Dec-31</u> <u>2007</u>	<u>Sep-30</u> <u>2007</u>	<u>Jun-30</u> <u>2007</u>	<u>Mar-31</u> <u>2007</u>
Interest Income	\$916	\$812	\$11,741	\$24,472	\$39,714	\$62,009	\$25,826	\$14,197
Net loss	\$(238,143)	\$(221,959)	\$(250,297)	\$(341,144)	\$(140,425)	\$(207,653)	\$(268,445)	\$(261,965)
Net loss per share	(\$0.01)	(\$0.01)	(\$0.01)	(\$0.01)	(\$0.00)	(\$0.01)	(\$0.01)	(\$0.01)

No Cash dividends have been declared or paid since the date of incorporation and the Company has no present intention of paying dividends on its common shares. The Company anticipates that all available funds will be invested to finance the growth of its business.

The net loss for each period is primarily composed of administration costs. All revenue for the Company is interest income.

Interest income is dependent upon interest rates and the amount of financing raised each year by the Company. Interest rates will vary due to market conditions and the Company has no control over the fluctuation of rates.

All of the above factors must be taken into consideration when comparing Total Revenues and Net Loss for each year.

LIQUIDITY AND CAPITAL RESOURCES

The Company has concluded its 2008 exploration and development program. With a recently completed private placement, the company anticipates that it will have sufficient cash to complete a minimal exploration program in Greenland for 2009. The Company will require additional financing in order to continue the exploration and subsequent development of the Company's properties in any significant way. The Company is reviewing joint ventures proposals as a viable means to conduct ongoing exploration without significantly diluting the Companies existing shareholders. The Company has limited financial resources and there is no assurance that additional funding will be available to allow the Company to fulfill its obligations on existing exploration properties. Failure to obtain additional financing could result in delay or indefinite postponement of further exploration and the possible, partial or total loss of the Company's interest in certain properties. The Company may, in the future, be unable to meet its obligations under agreements to which it is a party and consequently, the Company's interest in the properties subject to such agreements could be jeopardised.

The Company is dependent on raising funds by the issuance of shares or disposing of interests in its mineral properties (by options, joint ventures or outright sales) in order to finance further acquisitions, undertake exploration and development of mineral properties and meet general and administrative expenses in the immediate and long term. There can be no assurance that the Company will be successful in raising its required financing.

The Company's financial performance is dependent on many external factors. The Company expects that any revenues it may earn from its operations in the future will be from the sale of minerals. Both prices and markets for metals and minerals are cyclical, difficult to predict, volatile, subject to government price fixing and controls and respond to changes in domestic and international, political, social and economic environments. In addition, the availability and cost of funds for exploration, development and production costs are difficult to predict. These changes in events could materially affect the financial performance of the Company.

The Company had a working capital surplus at December 31, 2008 of (\$198,515) compared with a surplus of \$2,006,183 at March 31, 2008. Subsequent to the end of the quarter, the Company completed a \$552,000 equity financing. The Company has no material income from operations and any improvement in working capital results primarily from the issuance of share capital.

The Company invests its cash balances in term deposits with Canadian banks. It has no exposure to asset-backed securities.

FINANCIAL INSTRUMENTS

Fair value estimates of financial instruments are made at a specific point of time, based on relevant information about financial markets and specific financial instruments. At these estimates are subjective in nature, involving uncertainties and matter of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

The carrying value of cash and term deposits, accrued interest and amounts receivable, and accounts payable and accrued liabilities approximates their fair market value because of the short-term nature of these instruments.

OUTSTANDING SHARE DATA AS OF FEBRUARY 26, 2009:

Authorized and issued share capital:

Class	Par Value	Authorized	Issued
Common	No par value	Unlimited	41,091,266

There are currently 2,645,000 share purchase options outstanding entitling the holders thereof the right to purchase one common share for each option held as follows:

Number	Exercise Price	Expiry Date
543,167	\$0.60	December 1, 2009
923,333	\$0.50	January 4, 2011
58,500	\$0.60	January 4, 2011
100,000	\$0.80	February 3, 2011
100,000	\$0.80	April 26, 2011
450,000	\$1.00	June 15, 2012
<u>470,000</u>	\$0.51	April 8, 2013
<u>2,645,000</u>		

At March 31, 2008, there were 4,194,736 share purchase warrants, all of which expired by June 14, 2008. On February 3, 2009, 2,760,000 warrants were issued (exercisable at \$0.20 per share for a period of 18 months) in connection with the equity financing discussed above.

OTHER INFORMATION

The Company's website address is www.hudsonresources.ca. Other information relating to the Company may be found on SEDAR at www.sedar.com.

BY ORDER OF THE BOARD

"James Tuer"
James Tuer, President and Director

"Robert Chase"
Robert Chase, Director