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PHASE TWO DRILLING COMPLETED ON HUDSON'S RARE EARTH PROJECT IN GREENLAND | RESOURCE MODELLING COMMENCED

Vancouver, BC - **HUDSON RESOURCES INC.** ("Hudson" – TSX Venture Exchange "HUD") is pleased to announce that it has completed the second phase of drilling at the Sarfartoq Rare Earth Element (REE) project in Greenland. A total of 3,000m of diamond core drilling was completed on the ST19, ST24 and ST1 targets. Together with the phase one program, a total of 8,000 meters of diamond core drilling was completed in 2010. Drilling at ST1 focused on defining the rare earth bodies to assist in the preparation of a resource model. Drill samples are being shipped to Canada with results expected within six weeks.

Hudson has engaged Ronald Simpson P.Geo. of GeoSim Services Inc to complete an independent resource estimation of the ST1 Zone. This NI43-101 compliant resource estimate will be the first carried out on the project. It is anticipated to be completed before the end of the year. A site inspection was conducted by Mr. Simpson in early September in anticipation of preparing the resource estimate.

James Tuer, President of Hudson, commented as follows: "We are extremely pleased with the productivity and success of our 2010 field season. With the success in finding wide zones of REE mineralization, the drill program was increased by 60% from 5,000m to 8,000m. We also conducted a trenching program at ST1 to help delineate the zone at surface. Going forward, we have outlined an aggressive plan to define an economic resource at ST1 and will be commencing metallurgical testwork in the last quarter of 2010. We plan to initiate engineering studies in 2011 subject to complete results from this year's program. The ST1 zone is expected to be just the first of several REE deposits discovered on the property as we continue our programs on this largely unexplored carbonatite complex."

Mineralogical work conducted by Dr. Peter Le Couteur on 20 samples suggests that the rare earths are present in carbonatite as the REE-fluorocarbonate minerals bastnasite- (Ce), synchysite-(Ce), synchysite-(Nd) and minor monazite-(Ce). Bastnasite is the principal ore mineral at the Mountain Pass REE Mine in California.

Drill core is logged and sampled in the field and split core is shipped to Vancouver for processing at ALS Chemex. A strict QA/QC program is followed which includes the use of elemental standards, duplicates and blanks. In cases where the entire hole has not been sampled, only significant drill intersections of carbonate mineralization were sampled. Core was split in the field with half of the core being sent to ALS Chemex and the remaining half left on-site for future reference. All samples are analyzed 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 rare earth elements.

The Sarfartoq rare earth project is located within 20 km of tidewater and only 60 km from Greenland's international airport. The project is owned 100% by Hudson. The Company is well-financed with current working capital of approximately \$3.5 million and sufficient funds to cover all exploration and G&A obligations into 2011.

Dr. Peter Le Couteur 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 in respect of the Sarfartoq REE Project.

ON BEHALF OF THE BOARD OF DIRECTORS

"James Tuer"

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