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HUDSON COMMENCES METALLURGICAL TESTWORK ON THE SARFARTOQ RARE EARTH PROJECT IN GREENLAND

Vancouver, BC - **HUDSON RESOURCES INC.** ("Hudson" or "the Company") – TSX Venture Exchange "HUD", OTCQX "HUDRF", is pleased to announce that metallurgical testwork has commenced on the ST1 Zone of the Company's Sarfartoq rare earth element (REE) project in western Greenland. The testwork is being conducted by Hazen Research Inc. in Golden, Colorado under the direction of Mr. Les Heymann, P. Eng. Mr. Heymann is a highly experienced consulting metallurgist with extensive experience in REE processing, including building and operating several REE plants in China. Results of the metallurgical test program are expected in the first half of 2011.

James Tuer, Hudson's President, stated, "We are very pleased to be commencing metallurgical testwork on the ST1 Zone. The results of this work will be an important component in our Preliminary Economic Assessment (the "PEA"), which we plan to initiate in the first half of 2011. The PEA, together with infill drilling and baseline environmental and additional engineering studies, will be included in an application for a 30 year mineral exploitation license with the Bureau of Minerals and Petroleum in Greenland, which we plan to file in 2012."

Hudson recently announced a NI 43-101 resource estimate for the Company's ST1 Zone, which defined 14.1M tonnes averaging 1.51% total rare earth oxides (TREO) using a cutoff of 0.8%. The ST1 Zone represents one of the industry's highest ratios of neodymium and praseodymium to TREO, totaling 25%. The ST1 Zone contains over 40 million kilograms of neodymium oxide, which is the key component in permanent magnets and the fastest growth sector of the rare earths industry. Neodymium oxide (FOB China) is currently selling for approximately US\$114/kg according to www.metal-pages.com.

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 mainly in the hematized (iron rich) portions of the carbonatite material. As a result, Hudson is undertaking tests to determine if magnetic separation and optical sorting could be an effective method to generate a preliminary concentrate.

Mineralogical work recently completed at the ST40 Zone, which, to date, assays the industry's highest known ratio of neodymium oxide to TREO at 45%, shows that the rare earths are present in synchysite and zhonghuacerite-(Nd). The only other known occurrence of zhonghuacerite is the Bayan Obo rare earth mine in China which is the world's largest REE mine. In 2009, Hudson intercepted 10.2m of 1.35% TREO in Hole SAR09-03 within the ST40 Zone, which included 0.63% neodymium oxide. The ST40 Zone is located three kilometers to the east of the ST1 Zone. Further drilling is planned on and between the ST40 and ST1 targets in 2011.

The Sarfartoq REE project is located within 20 km of tidewater and only 60 km from Greenland's international airport. The project is owned 100% by Hudson.

Dr. Michael Druecker 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

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Forward Looking Statements

Except for statements of historical fact, certain information contained herein constitutes forward-looking statements. Forward looking statements are usually identified by our use of certain terminology, including "will", "believes", "may", "expects", "should", "seeks", "anticipates", "has potential to", or "intends" or by discussions of strategy or intentions. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results or achievements to be materially different from any future results or achievements expressed or implied by such forward-looking statements. Forward-looking statements are statements that are not historical facts, and include but are not limited to, estimates and their underlying assumptions; statements regarding plans, objectives and expectations with respect to the effectiveness of the Company's business model; future operations, products and services; the impact of regulatory initiatives on the Company's operations; the size of and opportunities related to the market for the Company's products; general industry and macroeconomic growth rates; expectations related to possible joint and/or strategic ventures and statements regarding future performance.

Forward-looking statements used in this discussion are subject to various risks and uncertainties, most of which are difficult to predict and generally beyond the control of the Company. If risks or uncertainties materialize, or if underlying assumptions prove incorrect, our actual results may vary materially from those expected, estimated or projected. Forward-looking statements in this document are not a prediction of future events or circumstances, and those future events or circumstances may not occur. Given these uncertainties, users of the information included herein, including investors and prospective investors are cautioned not to place undue reliance on such forward-looking statements.

Hudson has used its best efforts to verify the information and facts in this press release, however, the reader is cautioned that certain facts may be inaccurate and/or may have changed.

The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.