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**HUDSON 5 TONNE BULK METALLURGICAL SURFACE SAMPLE GRADES 2.5% TREO
- SARFARTOQ RARE EARTH PROJECT, GREENLAND**

Vancouver, BC - **HUDSON RESOURCES INC.** (the "Company") – (TSX Venture Exchange "HUD"; OTCQX "HUDRF") is pleased to announce that assays from a five tonne bulk metallurgical sample, collected on surface at the ST1 Zone, graded 2.5% Total Rare Earth Oxides (TREO). Neodymium oxide averaged 20% of total REO's.

James Tuer, Hudson's President, stated, "The extraction of the five tonne metallurgical sample is very exciting for several reasons. Firstly, it confirms the presence of a significant amount of high-grade rare earth material at surface. Secondly, and possibly more importantly, it provides a sufficient quantity of material for us to take the metallurgy through to pilot scale testing. This sample will be incorporated into our updated resource model which we expect to have out in the first quarter of 2012."

"As well, mineralogical studies conducted on the bulk sample have confirmed that the rare earths are hosted within a distinct "red" ankerite mineral in the ST1 body which contains bastnaesite and monazite REEs. Our metallurgical studies are focused on defining a process to extract these common rare earth bearing minerals from the bulk material."

AVERAGE TOTAL RARE EARTH OXIDES (PARTS PER MILLION)

TREO	La2O3	Ce2O3	Pr2O3	Nd2O3	Sm2O3	Eu2O3	Gd2O3
24,979	5,153	12,585	1,464	5,055	407	82	110
Tb2O3	Dy2O3	Ho2O3	Er2O3	Tm2O3	Yb2O3	Lu2O3	Y2O3
10.4	36.6	3.2	1.3	0.3	0.6	0.2	69.8

The sample was randomly bagged in the field and approximately 700kg was shipped by air to the GeoAnalytical Laboratories of the Saskatchewan Research Council (SRC) in Saskatoon, Saskatchewan. The balance of the sample was sent by ground and has now been received by the SRC. The initial 700kg sample was crushed and blended by the SRC and four separate samples assayed by lithium metaborate fusion, followed by dissolution in dilute HNO₃ and ICP-MS analysis. A portion of the bulk sample material was shipped to Ancaster Ontario for processing at Activation Laboratories Ltd. (Actlabs) using lithium borate fusion, acid dissolution and ICP-MS analysis. Actlabs processed two separate assays. The results presented in this press release represent the average of the results from the two labs.

Metallurgical testwork of the ST1 Zone material is ongoing at Hazen Research in Colorado, and the Saskatchewan Research Council (SRC) in Saskatoon. Both SRC and Hazen are conducting flotation tests. The entire metallurgical program is being directed by Dr. John Goode who has more than 40 years experience in rare earth and resource projects.

Recent metallurgical testwork from SRC has demonstrated successful extraction of rare earths utilizing acid baking and leaching. Test work showed that two hours of baking, at 220°C and approximately one tonne of acid per tonne of mineralized feed (concentrate) recovers 94% of the TREO.

Magnetic testwork and mineralogical studies are ongoing under the direction of Dr. Peter LeCouteur, P.Eng. With respect to the bulk sample, three hand specimens were examined microscopically with the objective of quantifying the rare earth element (REE) minerals present in the material. Samples were examined in polished thin section by light microscope and minerals of interest analyzed on an AMRAY 1810 scanning electron microscope ("SEM") equipped with an EDAX "Genesis" energy dispersive X-ray analyzer ("EDX" analyses). Key findings are as follows:

- The 2011 Safartoq bulk sample is a slightly oxidized surface sample of ferrocarbonatite of the “ST1 Zone” and consists mostly of Ca-Mg-Fe carbonates.
- The only REE minerals identified in the bulk sample are: REE phosphate monazite-(Ce), REE fluorocarbonate bastnäsite-(Ce), and Ca fluorocarbonate synchysite-(Ce)
- The proportion of the three REE minerals varies from sample to sample but overall it is estimated that about 50-70% of the REE are carried by monazite, 30-50 % by bastnasite, and <5% by synchysite.
- The hematized “red” ankerite contains +95% of the rare earth minerals and is distinct in colour from the other minerals present as it is pigmented with iron oxide.
- About 90% of REE particles fall in a size range of 10 to 300 microns in length. All the REE minerals occur as fine-grained single crystals that range from about 5 microns to 80 microns long and as shapeless aggregates of such crystals that are generally from 50 to 500 microns across but occasionally up to 1 mm across.

Sarfartoq Project Background

Hudson recently released the results of a Preliminary Economic Assessment (PEA) completed by Wardrop, A Tetra Tech Company (Tetra Tech). Their Study shows a Net Present Value of \$616M and an Internal Rate of Return of 31.2 % with a 2.7 year pay-back period. The Study was based on the Company’s 43-101 compliant inferred resource of 14.1Mt at 1.5% TREO at the ST1 Zone. The ST1 Zone represents one of the industry’s highest ratios of neodymium and praseodymium to TREO, totaling 25%, based on the inferred resource. It 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. A total 16,514m over 71 holes were drilled in 2011 and these results have not yet been incorporated into either the resource estimate or the PEA.

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. The Company is currently well financed with approximately \$12.5 million in working capital.

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.

ON BEHALF OF THE BOARD OF DIRECTORS

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