

**FOR IMMEDIATE RELEASE**  
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## **HUDSON COMMENCES 2012 WORK PROGRAM IN GREENLAND**

Vancouver, BC - **HUDSON RESOURCES INC.** (the "Company") – (TSX Venture Exchange "HUD"; OTCQX "HUDRF") is pleased to announce the commencement of the 2012 exploration and development program at the company's Sarfartoq Rare Earth Element (REE) Project in Greenland. The objective of the program is threefold: (i) increase the "indicated" resource at the ST1 Zone; (ii) test several additional REE targets within the Sarfartoq Carbonatite Project; and (iii) continue with the baseline environmental data collection and socio-economic and environmental consultations needed to allow for the submission of an exploitation license application for the project in 2013.

James Tuer, Hudson's President, stated, "We are excited about the start of the 2012 field season. We are focusing on defining and growing the high grade rare earth zones discovered in 2011 which intersected significant zones of material grading up to 7% TREO. The plan is to expand the indicated resource at our flagship ST1 Zone and further define the metallurgical flow sheet which will allow us to initiate a pre-feasibility study later this year."

Hudson plans on completing approximately 10,000m of drilling in 2012. Two drills have initiated drilling on the ST1 Zone. Drilling is focusing on expanding the high grade zones intercepted in 2011 which included four meters of 7.2% TREO (SAR11-50) and eight meters of 6.5% TREO (SAR11-71) at the north end of the ST1 Zone. The drill core will be sent in batches to Canada for assaying.

The 43-101 report outlining the updated resource estimate for the Company's ST1 Zone, which includes the 2011 drill program has now been filed on Sedar. In total, 50 holes totalling 12,700 meters of drilling were included in the ST1 resource calculation. This resource estimate includes indicated resources of 5.9M tonnes averaging 1.8% total rare earth oxides (TREO) and inferred resources of 2.5M tonnes averaging 1.6% TREO for the ST1 zone, based on a 1.0% cut-off grade. Using a higher cut-off grade of 2.0% the resource includes over 1.6M indicated tonnes averaging 2.5% TREO.

A Preliminary Economic Assessment completed in 2011 by Wardrop, utilizing the 2011 resource model, demonstrated robust economics with a Net Present Value of \$616M at a 10% discount rate, pre-tax and a 2.7 year payback with a 21 year mine life. The rare earths at the ST1 Zone are hosted in bastnasite and monazite mineralization, which are the key minerals with proven extraction capabilities in the REE industry. Testwork at the Saskatchewan Research Council has demonstrated that recoveries of over 90% are achievable utilizing acid baking and leaching on the ST1 material.

The ST1 Zone contains one of the industry's highest ratios of neodymium and praseodymium to TREO, at 25%. Currently, the ST1 indicated resource contains over 26 million kilograms of neodymium and praseodymium oxide, which are the key components in permanent magnets and the fastest growth sector of the rare earths industry. Neodymium and praseodymium oxide are currently quoted about US\$115/kg, FOB China, and US\$85/kg, within China, according to [www.metal-pages.com](http://www.metal-pages.com). While these prices are much lower than peak prices last year, they are significantly higher than the \$15/kg prices that were quoted when the project was initiated in 2009.

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 well financed with approximately \$12 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 in respect of the Sarfartoq REE Project. 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.

ON BEHALF OF THE BOARD OF DIRECTORS

***"James Tuer"***

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**Forward-Looking Statements**

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