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**HUDSON REPORTS HIGH GRADE RARE EARTH ASSAYS FROM 2012 DRILL PROGRAM ON THE SARFARTOQ PROJECT IN GREENLAND**

Vancouver, BC - **HUDSON RESOURCES INC.** (the “Company”) – (TSX Venture Exchange “HUD”; OTCQX “HUDRF”) is pleased to announce the 2012 drill results for the Sarfartoq light rare earth element (“REE”) project in Greenland. A total of 5,555 meters of diamond core drilling was completed in connection with rare earth exploration and development. Nineteen holes were drilled in the vicinity of the ST1 Zone resource. The other four were exploration holes drilled on the south side of the carbonatite at the ST24 target. Complete drill results are presented in Table 2 below and a map of the drill locations will be available on the Company’s website.

**2012 Drill Program Highlights:**

- Sixteen drill holes surrounding and infilling the ST1 Zone resource area contained high-grade intersections including:
  - 6 meters of 6.05% TREO (SAR12-03)
  - 6 meters of 4.91% TREO (SAR12-01)
  - 8 meters of 4.61% TREO (SAR12-15)
  - 6 meters of 4.34% TREO (SAR12-15)
- Wide zones of neodymium mineralization at ST1 continue to demonstrate the high proportion of neodymium that has been outlined in the resource.
- Drill results confirm continuation of high-grade mineralization at depth.

James Tuer, Hudson’s President, stated, “We are very pleased with the results from our 2012 drill program. We have continued to demonstrate that the mineralization extends to the northeast and have intersected some of our highest-grade material as we move in that direction. Drilling to the south confirmed that the mineralization continues at depth with a high ratio of neodymium to total rare earth oxides at 23%. We expect that these results will increase the overall grade and tonnage of the resource when they have been incorporated into the resource model”.

“Going forward, our efforts at the ST1 Zone will focus on defining the metallurgical flow sheet as we have already outlined a sufficiently large and potentially economic deposit. We expect to have our flow sheet completed by the end of the second quarter of this year. This is a relatively low-cost exercise but it is critical in demonstrating the viability of a REE deposit.”

“The bulk of the Company’s capital budget for 2013 will be focused on our White Mountain anorthosite project, where the Company has made substantial progress in a relatively short time. We expect to have significant updates on this project over the next several months.”

The ST1 Zone at Sarfartoq represents one of the industry’s highest ratios of neodymium and praseodymium to TREO, averaging 25%, based on the inferred resource. Based on the latest resource model, the ST1 Zone contains over 27 million kilograms of neodymium oxide and 8 million kilograms of praseodymium oxide, which are the key components in permanent magnets and the fastest growing sector of the rare earths industry.

**Table 1: 2012 High-Grade Intercepts of Neodymium and Praseodymium Oxide.**

Hole ID	From (m)	To (m)	Intersection <sup>1</sup> (m)	TREO	(Nd+Pr)2O3 (kg/t)
<b>ST-1 North</b>					
SAR12-01	141	147	6	4.91%	9.9
SAR12-03	126	132	6	6.05%	11.4
SAR12-04	148	154	6	3.86%	8.2

<b>ST1 South</b>					
SAR12-05	352	358	6	3.23%	7.1
SAR12-07	386	406	20	2.36%	5.5
<b>ST1 Infill</b>					
SAR12-06	192	212	20	3.16%	6.7
SAR12-20	92	100	8	3.90%	7.8
SAR12-21	45	55	10	2.39%	5.3
SAR12-22	146	174	28	1.85%	5.2
	276	296	20	2.35%	5.7
<b>ST1 North Extension</b>					
SAR12-15 <sup>2</sup>	163	169	6	4.34%	7.2
	275	283	8	4.61%	6.7
SAR12-18 <sup>2</sup>	154	168	14	3.00%	4.8
	200	208	8	3.48%	4.8
SAR12-19 <sup>2</sup>	46	52	6	3.11%	5.2

**Note 1.** The 2012 drill holes at ST1 were generally drilled at an azimuth of approximately 310 degrees and a dip of between 45 and 65 degrees. As a result, true widths are estimated to be 80% to 95% of reported intersections. An estimate of the true width for holes SAR12-01, 02, 04, 05, and 19 can not be determined until the resource has been updated.

**Note 2.** These results were previously published on September 24, 2012.

**Note 3.** Neodymium Oxide (Nd<sub>2</sub>O<sub>3</sub>) currently trades for \$82.50/kg and Praseodymium Oxide (Pr<sub>2</sub>O<sub>3</sub>) trades for \$90/kg FOB China (ref: Industrial Minerals on line, January 15, 2013).

**Table 2: Complete 2012 Sarfartoq Drill Results**

Hole ID	Area	From (m)	To (m)	Intersection (m)	TREO	(Nd+Pr) Oxide /TREO	(Nd+Pr) Oxide (kg/t)
SAR12-01	ST-1 N	137.00	151.00	14.00	3.49%	20.1%	7.02
	incl	141.00	147.00	6.00	4.91%	20.1%	9.87
SAR12-02	ST-1 S	192.00	194.00	2.00	3.03%	25.2%	7.63
	and	302.00	304.00	2.00	2.14%	22.8%	4.87
SAR12-03	ST-1 N	126.00	140.00	14.00	4.26%	18.8%	8.02
	incl	126.00	132.00	6.00	6.05%	18.9%	11.42
	and	156.00	158.00	2.00	2.36%	18.7%	4.40
SAR12-04	ST-1 N	138.00	158.00	20.00	2.35%	20.4%	4.78
	incl	148.00	154.00	6.00	3.86%	21.2%	8.17
SAR12-05	ST-1 S	82.00	86.00	4.00	1.53%	27.8%	4.26
	and	270.00	272.00	2.00	2.11%	24.4%	5.15
	and	332.00	372.00	40.00	1.68%	25.6%	4.31
	incl	352.00	358.00	6.00	3.23%	22.0%	7.10
	and	418.00	448.00	30.00	1.17%	30.0%	3.51
	incl	420.00	428.00	8.00	1.82%	34.6%	6.31
SAR12-06	ST-1 Infill	172.00	174.00	2.00	2.76%	20.4%	5.63

Hole ID	Area	From (m)	To (m)	Intersection (m)	TREO	(Nd+Pr) Oxide /TREO	(Nd+Pr) Oxide (kg/t)
	and	184.00	220.00	36.00	2.15%	21.6%	4.65
	incl	192.00	212.00	20.00	3.16%	21.2%	6.70
SAR12-07	ST-1 S	360.00	406.00	46.00	1.73%	26.2%	4.55
	incl	386.00	406.00	20.00	2.36%	23.5%	5.53
SAR12-08	ST-1N	156.00	160.00	2.00	0.41%	36.9%	1.50
SAR12-09	ST-24	No significant results					
SAR12-10	ST-1N	23.00	25.00	2.00	2.42%	16.6%	4.03
	and	31.70	33.33	1.63	6.22%	16.0%	9.97
	and	94.00	96.00	2.00	3.85%	19.5%	7.52
	and	204.00	206.00	2.00	2.09%	17.6%	3.67
SAR12-11	ST-24	No significant results					
SAR12-12	ST-1N	189.00	191.00	2.00	2.21%	19.4%	4.28
	and	233.00	235.00	2.00	4.73%	19.0%	8.98
SAR12-13	ST-24	22.00	24.00	2.00	2.15%	16.3%	3.52
SAR12-14	ST-24	No significant results					
SAR12-15	ST-1 North Extension	90.00	100.00	10.00	3.42%	16.0%	5.47
	and	163.00	177.00	14.00	2.74%	16.9%	4.64
	incl	163.00	169.00	6.00	4.34%	16.7%	7.24
	and	233.00	287.00	54.00	2.11%	15.7%	3.32
	incl	243.00	251.00	8.00	2.54%	16.6%	4.22
	and	257.00	269.00	12.00	2.91%	15.8%	4.60
	and	275.00	283.00	8.00	4.61%	14.5%	6.66
SAR12-16	ST-1 S	Failed to reach target depth					
SAR12-17	ST-1 S	Failed to reach target depth					
SAR12-18	ST-1 North Extension	38.00	40.00	2.00	2.28%	17.3%	3.93
	and	48.00	56.00	8.00	2.59%	17.2%	4.46
	and	82.00	90.00	8.00	1.65%	17.9%	2.95
	and	116.00	124.00	8.00	2.29%	16.5%	3.77
	and	154.00	168.00	14.00	3.00%	16.1%	4.84
	and	200.00	208.00	8.00	3.48%	13.9%	4.85
SAR12-19	ST-1 North Extension	46.00	52.00	6.00	3.11%	17.6%	5.25
	and	134.00	136.00	2.00	2.57%	17.6%	4.53
	and	148.00	150.00	2.00	2.89%	13.6%	3.93
	and	156.00	158.00	2.00	2.46%	16.4%	4.03
	and	160.00	162.00	2.00	4.62%	13.2%	6.08
	and	172.00	174.00	2.00	2.18%	14.6%	3.19
	and	198.00	200.00	2.00	2.70%	15.7%	4.23
SAR12-20	ST-1 Infill	74.00	104.00	30.00	2.18%	16.1%	4.69
	incl	78.00	84.00	6.00	2.66%	21.5%	5.72
	and	92.00	100.00	8.00	3.90%	20.1%	7.85
	and	160.00	172.00	12.00	2.38%	22.3%	5.32

Hole ID	Area	From (m)	To (m)	Intersection (m)	TREO	(Nd+Pr) Oxide /TREO	(Nd+Pr) Oxide (kg/t)
SAR12-21	ST-1 Infill	37.00	59.00	22.00	1.79%	22.2%	3.97
	incl	45.00	55.00	10.00	2.39%	22.2%	5.30
SAR12-22	ST-1 Infill	42.00	300.00	258.00	1.15%	27.3%	3.15
	incl	52.00	56.00	4.00	1.41%	30.9%	4.35
	incl	142.00	296.00	154.00	1.57%	26.4%	4.13
	incl	146.00	174.00	28.00	1.85%	28.2%	5.21
	and	224.00	296.00	72.00	1.87%	25.4%	4.74
	incl	276.00	296.00	20.00	2.35%	24.2%	5.69
SAR12-23	ST-1 Infill:	Hole abandoned after 23m due to mechanical failure					

**Note:** All measurements are in meters. All elements reported by Actlabs are in parts per million (ppm) and have been converted to % oxide. Total Rare Earth Oxides (TREO) refers to the elements lanthanum through lutetium plus yttrium expressed as oxides in the form REE<sub>2</sub>O<sub>3</sub>

Drill core was logged and sampled in the field and split core was shipped to North Vancouver, BC for processing at ALS Canada Ltd. A strict QA/QC program was followed, which includes the use of elemental standards, duplicates and blanks. In cases where the entire hole was not 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 stored on-site for future reference. All samples were analyzed using lithium borate fusion, acid dissolution and ICP-MS analysis.

The Sarfartoq REE project is located within 20 km of tidewater and only 60 km from Greenland's international airport at Kangerlussuaq. The project is owned 100% by Hudson. The Company remains well financed with approximately \$7 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.

ON BEHALF OF THE BOARD OF DIRECTORS

***"James Tuer"***

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