

**NEWS RELEASE**

**HUDSON ANNOUNCES LARGEST GREENLAND DIAMOND FIND AND EXPANDS LICENCE AREA**

Vancouver, BC - **HUDSON RESOURCES INC.** (“Hudson” – TSX Venture Exchange “HUD”) is pleased to announce that a total of 120 diamonds greater than 106 microns in size were recovered from one sample location in West Greenland (see sieve results reported below). Of these diamonds, 9 are classified as macrodiamonds (defined as remaining on the +0.5 mm square mesh sieve). The three largest diamonds measured 1.90 X 1.70 x 1.42 mm; 1.98 X 1.34 X 0.98 mm; and 1.56 X 1.40 X 1.16 mm. This 107.9 kg kimberlite sample also contained another 31 microdiamonds in the 75 micron size fraction. The complete Caustic Fusion Diamond Report prepared by the SRC Geoanalytical Laboratories, including individual stone size and description, is available on the Company’s website ([www.hudsonresources.ca/files/srcreport.pdf](http://www.hudsonresources.ca/files/srcreport.pdf)).

The sample location has been named “Garnet Lake” because of the existence of visible garnets in the kimberlite matrix. The total Garnet Lake sample comprises a nodular rich selection of kimberlite (MHG9-5), a portion of matrix-dominant kimberlite (MHG9-7) and a representative kimberlite selection (MHG9-13) processed separately. Additionally, samples totalling 144.65 kg collected from 3 other localities were marginally diamondiferous yielding a total of 4 micro-diamonds. The remaining 184.05 kg of kimberlite processed from 3 other localities failed to reveal diamonds.

Kimberlite Sample	Weight (kg)	Diamonds in Square Mesh Sieve Sizes (microns)									Total Diamonds	Wt+ (milligrams)	Wt- (milligrams)
		+75	+106	+150	+212	+300	+425	+600	+850	+1180			
<b>Garnet Lake</b>													
MHG9-5	29.65	14	17	15	18	2	3	-	2	-	71	5.448	1.206
MHG9-7	21.20	9	4	6	3	3	1	1	1	-	28	3.769	0.500
MHG9-13	<u>57.05</u>	<u>8</u>	<u>11</u>	<u>9</u>	<u>11</u>	<u>5</u>	<u>6</u>	<u>1</u>	<u>-</u>	<u>1</u>	<u>52</u>	<u>8.393</u>	<u>1.303</u>
<b>Totals</b>	107.90	31	32	30	32	10	10	2	3	1	151	17.610	3.009

Notes: Wt+ refers to the weight of macrodiamonds (>500 microns)  
Wt- refers to the weight of microdiamonds (>75 microns and < 500 microns)

The Garnet Lake sample site is a narrow drainage leading north into a 200m x 175m lake. Kimberlite was found across a width of approximately 15m at the mouth of the lake and samples could be traced back at least 40m to the south. The kimberlite is closely constrained to the drainage basin. No other kimberlite was found in the immediate area outside the basin or upon surveying around the lake. It is believed therefore that the kimberlite has been frost heaved to the surface from a nearby in-situ source below. The Company intends to initiate a drill program to confirm the existence of buried in-situ kimberlite and to determine its extent.

The Garnet Lake samples and a nearby sample yielding two diamonds were collected from the Sarfartoq Exploration Licence area. Through a joint venture with New Millennium Resources NL, of Perth Australia, Hudson has an 80% interest in all minerals, except niobium and tantalum. It must meet minimum payments totalling \$1,000,000 over a 4 year period. It has already met its minimum requirements for 2004.

As a result of these findings, Hudson has made an application to acquire the remaining 89 sq km of open ground to the north of the Garnet Lake area. Hudson now has an interest in 1,580 sq km (390,425 acres) of exploration ground in the Sarfartoq region of West Greenland (52% of which is a 100% interest in the licensed and application areas and the balance representing an 80% interest in the mineral rights as described above).

“We are extremely pleased with the results from the Garnet Lake area” stated James Tuer, president of Hudson. “These results really confirm what we have always thought possible for the region – that it has the potential to host a world class diamond mine. The really exciting thing about the find at Garnet Lake is that it validates our belief that there should be further occurrences like this in the region based on the extent of the kimberlite indicator mineral chemistry found in the tills. We are currently undertaking work to determine the chemistry and geophysical response of this source in order to extrapolate it across the licence area. We expect to be in a position to initiate a drill program in February or March of 2005 when we can operate on the ice over the lakes.”

The samples were processed by the Geoanalytical Laboratories at the Saskatchewan Research Council (“SRC”), Saskatoon, Saskatchewan, an independent laboratory. SRC GeoAnalytical Laboratories is accredited to the ISO/IEC 17025 standard by the Standards Council of Canada as a testing laboratory for specific tests. Dr. Mark Hutchison, Trigon GeoServices Ltd., was in charge of the collection of the samples in Greenland and managed the chain of custody from the field to the SRC. He is co-ordinating the description and scientific interpretation of the finds in order to facilitate ongoing exploration and drilling. Dr. John Ferguson oversaw the program and is a qualified person under National Instrument 43-101.

BY ORDER OF THE BOARD OF DIRECTORS

***“James Tuer”***

James Tuer, President

This news release contains forward-looking statements regarding ongoing and upcoming exploration work and expected geology, geological formations and structures. Actual results may differ materially from those anticipated in these statements.

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