



Hudson Resources Limited

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27 May 2011

Company Announcements
Australian Securities Exchange Limited
20 Bridge Street
Sydney NSW 2000

Dear Sirs,

Re: Chairman's Address

As required by ASX Listing Rule 3.13.3 we have attached a copy of the Chairman's Address to be presented at today's Annual General Meeting of Members of the Company.

Yours faithfully,

A handwritten signature in black ink, appearing to read "D.L.H.", written over a light blue circular stamp.

D L Hughes
Secretary

2010 HUDSON RESOURCES LIMITED (HRS) ANNUAL GENERAL MEETING

Address by Peter Meers Chairman HRS

Good morning ladies and gentlemen

On behalf of your Directors I am pleased to present the annual report of the Company for the twelve months ended 31 December 2010.

The net consolidated operating loss of Hudson Resources Limited (the Company) was \$816,000 compared to a profit of \$157,000 in 2009.

Shareholder value of investment in the Company was substantially increased in 2010 through with the highlights being:-

1. An increase in share price to \$0.36 (31 December 2010) compared with \$0.27 (31 December 2009). As at today the Company share price has settled at this level.
2. The net tangible assets of the consolidated entity increased in 2010 to \$33.2 million
3. Strategically the Company has developed itself into an attractive resource origination focussed on coal, bauxite, gold and sorbent clays with growing market capitalisation growth and advancement in each of these mineral sectors.

The assessed intrinsic market value of the Company assets at 31 December 2010 was \$57 million equating to \$0.50 per share.

4. The underlying net profit of the Company (excluding Tiaro Coal Limited – exploration expenditure) was \$452,000 in 2010 as compared to \$459,000 in 2009.

The year saw the continuing development of the Company's strategic direction to focus and concentrate on commercial deposits of bauxite and coal in combination with the Company's long term involvement in mining of sorbent clay and continuing research for development of its sorbent clays and diatomite resources. Additionally the Company successfully spun out its interest in gold through the successful listing of Sovereign Gold Company Limited on the ASX on 3 December 2010.

At the centre of the Company's strategy was to originate and own tenements prospective for bulk minerals of high valued coals and bauxite as well as non-ferrous and precious metals, which now includes the company's interest in gold.

At the same time the Company continues to seek ways develop both directly and indirectly opportunities to expand the use of its sorbent clays i.e. attapulgitite and

diatomite raw ore mineralization to increase off-take revenue and deliver high asset valuation on reserves..

The combination of utilizing cash flow from off take of raw ore from existing mining operations to support exploration plays positions the Company with a unique strategy amongst comparable mining peers.

The Company continues to improve and increase underlying value of the Company for shareholders as evidenced in the following achievements brought to fruition during the year:

1. The Company's investment in Australian Bauxite Limited (ASX: ABZ) is offering high share value growth.

Following ABZ successful listing on the ASX on 24 December 2009 its current share price has risen 245% which ranked it as the 4th most successful IPO in 2009.

Underlying ABZ share performance are its key value drivers:

- 32 tenements covering 7,940 square kilometers in NSW, Queensland and Tasmania nearby good freight & utilities infrastructure.
- JORC Inferred Resource – 61Mt in 2 exploration tenements from areas less than 15% of current identified target areas.
- High quality gibbsite bauxite with excellent alumina to silica ratios.

The prospects and potential for substantial value accretion for the Company shareholders through this investment look highly promising.

2. The Company's retains a substantial shareholder in Tiaro Coal Limited (ASX :TCM)

TCM through majority controlled joint ventures holds significant exploration tenements over Tiaro Coal Measures and applications for exploration over areas of the Burrum Coal Measures both located in southern Queensland near Maryborough.

TCM exploration activities are within an increasing recognized coking and PCI metallurgical coals province in Queensland.

In the Tiaro Coal Measures intense exploration work over the past 4 years has narrowed the potential prospective area to 15 coal bearing targets covering a combined area of approximately 150 square kilometers.

Key deliverables for set by TCM in 2011 are:

- delineation of a inferred JORC resource within targets in Tiaro Coal Measure;
- achieve grant of exploration permits over areas in the Burrum Coal Measures and thereafter accelerate drilling exploration work; and
- increase and diversify coal exploration opportunities to new geographically areas with complementary good infrastructure and utilities.

A joint venture with Guilford Coal Limited has been announced for a new thermal coal play in north Galilee Coal Basin near Pentland. TCM has a 40% interest in this joint venture.

Successful outcomes of TCM objectives will drive excellent share value growth for the Company's investment

3. The Company is the major shareholder of Sovereign Gold Company Limited (ASX:SOC)

SOC hold four exploration permits and 5 explorations over highly prospective gold bearing targets covering 2,646 square kilometres in NSW.

The geological structure of the target gold bearing structure was in recent years identified as a large intrusion related gold system and similar structures in Australia and overseas have hosted significant gold resources in excess of 1,000,000 ounces.

The Company's directors feel the investment in SOC offers exciting value opportunities for shareholders.

4. The sales of attapulgite ore transported from the Company's 100% owned mine at Lake Nerramyne Western Australia were 36,000 tonnes in 2010 compared to 39,000 tonnes in the corresponding period in 2009.
5. The Company's research and development activities have been refocused.

A research and development program currently being completed with world recognized testing authorities is providing encouragement in the use of the Company's sorbent minerals as a slow release medium and carrier for additives capable for commercial applications in broadacre agriculture

and the horticulture industries.

The directors are confident that the Company has created a substantial platform on which to consolidate and advance shareholder value during 2011.

Directors would like to thank management, staff and our consultants for their work over the past year and look forward to the delivery of planned initiatives in the year ahead.

Peter J Meers
Chairman
27 May 2011