

# HUDBAY MINERALS INC.

Consolidated Balance Sheets  
(In thousands of US dollars)

	Dec. 31, 2023	Dec. 31, 2022
<b>Assets</b>		
Current assets		
Cash and cash equivalents	\$ 249,794	\$ 225,665
Trade and other receivables	203,429	113,182
Inventories	207,334	155,012
Prepaid expenses and other current assets	6,289	20,106
Other financial assets	4,102	1,063
Taxes receivable	2,300	9,153
	673,248	524,181
Receivable	12,157	13,329
Inventories	24,450	50,725
Other financial assets	7,089	9,799
Intangibles and other assets	52,453	49,841
Property, plant and equipment	4,316,006	3,552,430
Deferred tax assets	151,946	125,638
Goodwill	75,285	—
	\$ 5,312,634	\$ 4,325,943
<b>Liabilities</b>		
Current liabilities		
Trade and other payables	\$ 239,149	\$ 211,467
Taxes payable	53,441	4,051
Other liabilities	30,035	46,806
Other financial liabilities	42,235	33,301
Gold prepayment liability	55,901	71,208
Lease liabilities	28,902	16,156
Deferred revenue	87,672	64,658
	537,335	447,647
Other financial liabilities	51,720	52,446
Lease liabilities	61,433	44,863
Long-term debt	1,287,536	1,184,162
Deferred revenue	330,848	404,880
Pension obligations	6,010	3,262
Other employee benefits	101,849	86,340
Environmental and other provisions	321,912	279,240
Deferred tax liabilities	407,152	251,294
	3,105,795	2,754,134
<b>Equity</b>		
Share capital	2,240,233	1,780,774
Reserves	30,177	26,538
Retained earnings	(173,599)	(235,503)
Equity attributable to owners of the Company	2,096,811	1,571,809
Non-controlling interest	110,028	—
	\$ 5,312,634	\$ 4,325,943

# HUDBAY MINERALS INC.

## Consolidated Income Statements

(Unaudited and in thousands of US dollars, except per share amounts)

	Three months ended December 31,		Year ended December 31,	
	2023	2022	2023	2022
Revenue	\$ 602,189	\$ 321,196	\$ 1,690,030	\$ 1,461,440
Cost of sales				
Mine operating costs	283,621	172,112	905,812	846,937
Depreciation and amortization	121,812	79,408	391,657	337,615
	405,433	251,520	1,297,469	1,184,552
Gross profit	196,756	69,676	392,561	276,888
Selling and administrative expenses	11,354	10,076	39,228	33,986
Exploration expenses	10,969	5,124	29,276	34,511
Other expenses	10,570	18,545	38,308	32,586
Re-evaluation adjustment - environmental obligation	33,952	13,490	(11,416)	(133,460)
Impairment - Arizona	—	—	—	94,956
Results from operating activities	129,911	22,441	297,165	214,309
Net interest expense on long term debt	20,317	16,933	76,202	67,663
Accretion on streaming arrangements	6,597	7,018	26,291	27,778
Changes in fair value of financial instruments	9,493	6,830	14,053	942
Other net finance costs	12,522	5,947	28,789	22,111
Net finance expense	48,929	36,728	145,335	118,494
Profit (loss) before tax	80,982	(14,287)	151,830	95,815
Tax expense	47,454	3,154	82,287	25,433
Profit (loss) for the period	\$ 33,528	\$ (17,441)	\$ 69,543	\$ 70,382
Attributable to:				
Owners of the Company	\$ 30,717	\$ (17,441)	\$ 66,367	\$ 70,382
Non-controlling interest	2,811	—	3,176	—
Profit (loss) for the period	\$ 33,528	\$ (17,441)	\$ 69,543	\$ 70,382
Profit (loss) earnings per share				
Basic and diluted	\$ 0.10	\$ (0.07)	\$ 0.22	\$ 0.27
Weighted average number of common shares outstanding:				
Basic	349,093,563	261,958,145	310,845,281	261,858,531
Diluted	349,183,923	261,958,145	310,953,110	262,217,528

# HUDBAY MINERALS INC.

Consolidated Statements of Cash Flows  
(Unaudited and in thousands of US dollars)

	Three months ended December 31,		Year ended December 31,	
	2023	2022	2023	2022
Cash generated from operating activities:				
Profit (loss) for the period	\$ 33,528	\$ (17,441)	\$ 69,543	\$ 70,382
Tax expense	47,454	3,154	82,287	25,433
Items not affecting cash:				
Depreciation and amortization	122,230	79,736	393,068	339,063
Share-based payment expenses	3,245	3,890	7,357	2,064
Net interest expense	48,929	36,728	145,335	118,494
Inventory adjustments	1,402	7	2,308	3,553
Amortization of deferred revenue and variable consideration	(26,480)	(10,439)	(77,309)	(73,188)
Re-evaluation adjustment - environmental obligation	33,952	13,490	(11,416)	(133,460)
Pension and other employee benefit payments, net of accruals	1,241	163	6,962	1,545
Impairment - Arizona	—	—	—	94,956
Decommissioning and restoration payments	(902)	(2,811)	(2,069)	(15,460)
Other	15,595	8,975	8,683	(2,043)
Taxes paid	(33,666)	(6,304)	(54,755)	(39,610)
Operating cash flow before change in non-cash working capital	246,528	109,148	569,994	391,729
Change in non-cash working capital	(17,462)	(22,766)	(93,144)	96,074
	229,066	86,382	476,850	487,803
Cash used in investing activities:				
Acquisition of property, plant and equipment	(81,055)	(88,817)	(281,099)	(308,960)
Community agreements	(3,259)	(3,860)	(10,705)	(37,491)
Cash and cash equivalents, acquired in acquisitions, net of cash paid	—	—	10,959	—
Proceeds from disposal of investments	—	2,250	53	1,919
Proceeds from disposition of property, plant and equipment	219	9	874	4,101
Change in restricted cash	126	(100)	126	(49)
Interest received	1,431	1,404	8,010	2,810
	(82,538)	(89,114)	(271,782)	(337,670)
Cash used in financing activities:				
(Repayments) net proceeds from revolving credit facilities	(30,000)	—	100,000	—
Principal repayments on Copper Mountain bonds	(59,693)	—	(143,000)	—
Premium paid on redemption of Copper Mountain bonds	(2,188)	—	(3,021)	—
Proceeds on flow-through shares, net of share issuance cost	14,424	—	14,424	—
Interest paid on long-term debt	(37,828)	(31,875)	(73,988)	(63,750)
Financing costs	(3,498)	(3,120)	(12,212)	(12,272)
Change in restricted cash debt service account	5,890	—	3,669	—
Lease payments	(7,812)	(6,545)	(25,216)	(35,770)
Equipment financing payments	(881)	—	(1,861)	—
Gold prepayment proceeds	(20,294)	(17,379)	(26,722)	(71,714)
Payment of deferred Rosemont acquisition	—	—	(10,000)	(10,000)
Net proceeds from exercise of stock options	67	339	190	1,253
Share issuance costs	—	—	(188)	—
Dividends paid	—	—	(4,463)	(4,047)
	(141,812)	(58,580)	(182,388)	(196,300)
Effect of movement in exchange rates on cash	(139)	860	1,449	843
Net increase (decrease) in cash and cash equivalents	4,577	(60,452)	24,129	(45,324)
Cash and cash equivalents, beginning of the period	245,217	286,117	225,665	270,989
Cash and cash equivalents, end of the period	\$ 249,794	\$ 225,665	\$ 249,794	\$ 225,665

<sup>1</sup> Includes disbursements for share based compensation, restructuring, changes in non-current assets and liabilities and amortization of community agreements.

# HUDBAY MINERALS INC.

Consolidated Statements of Comprehensive Income  
(Unaudited and in thousands of US dollars)

	Three months ended December 31,		Year ended December 31,	
	2023	2022	2023	2022
Profit (loss) for the period	\$ 33,528	\$ (17,441)	\$ 69,543	\$ 70,382
Other comprehensive income:				
Item that will be reclassified subsequently to profit or loss:				
Recognized directly in equity:				
Net gain (loss) on translation of foreign currency balances	23,515	2,527	9,227	(17,666)
	23,515	2,527	9,227	(17,666)
Items that will not be reclassified subsequently to profit or loss:				
Recognized directly in equity:				
Gold prepayment revaluation	(100)	(276)	(192)	512
Tax effect	27	73	51	(135)
Remeasurement - actuarial (loss) gain	(9,848)	19,747	(8,056)	45,083
Tax effect	(935)	(4,405)	(276)	(2,249)
	(10,856)	15,139	(8,473)	43,211
Other comprehensive income net of tax, for the period	12,659	17,666	754	25,545
Attributable to:				
Owners of the Company	\$ 41,213	\$ 225	\$ 67,245	\$ 95,927
Non-controlling interest	4,974	—	3,052	—
Total comprehensive income for the period	\$ 46,187	\$ 225	\$ 70,297	\$ 95,927