Form **8937** (December 2017) Department of the Treasury Internal Revenue Service

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

OMB No. 1545-0123

Part I Reporting Issuer

1 Issuer's name: Hudbay Minerals Inc.			2 Issuer's employer identification number (EIN): N/A
3 Name of contact for additional information: Zun Lei Phyu	4 Telephone No. of contact: (416) 362-8181		5 Email address of contact: info@hudbayminerals.com
6 Number and street (or P.O. box if mail is not delivered to street address) of contact: 25 York Street, Suite 800			7 City, town, or post office, state, and ZIP code of contact: Toronto, Ontario M5J 2V5
8 Date of action: June 24, 2026	9 Classification and description: Common Shares		
10 CUSIP number: 443628102	11 Serial number(s): N/A	12 Ticker symbol: (TSX: HBM) (NYSE: HBM)	13 Account number(s): N/A

Part II Organizational Action

Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ See attached.

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ See attached.

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ See attached.

Part II **Organizational Action** *(continued)*

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶

See attached.

18 Can any resulting loss be recognized? ▶

See attached.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶

See attached.

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Signature ▶ Date ▶ August 5, 2026

Print your name ▶ Eugene Lei Title ▶ Chief Financial Officer

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
Firm's name ▶			Firm's EIN ▶	
Firm's address ▶			Phone no.	

Send Form 8937 (including accompanying statements) to: Department of the Treasury, Internal Revenue Service, Ogden, UT 84201-0054

Hudbay Minerals Inc.
Attachment to Form 8937

Disclaimer

This Form 8937 including all attachments or related documents do not constitute tax advice. None of the documents analyze any specific shareholder's facts and circumstances. Shareholders should seek independent counsel from qualified tax advisors regarding the U.S. tax consequences of the transaction described within this statement and its impact on their U.S. taxes

This Form 8937 and the analysis contained herein also does not address the U.S. federal, state, local or foreign tax consequences of the Arrangement (defined below) applicable to holders of options, warrants, or other convertible securities of ASCC (defined below). Holders of such options, warrants, or other convertible securities should consult their own tax advisors regarding the tax consequences of the Arrangement to them in light of their own personal circumstances.

Form 8937, Part II, Box 14: Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action.

On June 24, 2026, pursuant to a court-approved plan of arrangement under the laws of the Province of British Columbia, Hudbay Minerals Inc. ("**Hudbay**") acquired each issued and outstanding common share (collectively, the "**ASCC Shares**") of Arizona Sonoran Copper Company Inc. **("ASCC")** in exchange for 0.242 common shares of Hudbay (each a "**Hudbay Share**") (the "**Arrangement**"). No ASCC shareholder exercised its dissent rights.

No fractional Hudbay Shares were issued in connection with the Arrangement, and no cash was paid in lieu thereof. Any resulting fractional shares were rounded down to the nearest whole number of Hudbay Shares.

Additional information regarding the Arrangement can be found in the Management Information Circular of ASCC dated April 7, 2026 (the "**Circular**"), a copy of which is available at https://www.sedarplus.ca/csa-party/records/document.html?id=18e8fee4f51acac0985ce831133363a5f84e5a9b5780b724187d1eeb8916201.

Form 8937, Part II, Box 15: Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis.

Hudbay and ASCC intend to treat the exchange of ASCC Shares for Hudbay Shares pursuant to the Arrangement as part of a tax-deferred "reorganization" within the meaning of Section 368 of the Code. However, neither Hudbay nor ASCC has sought or obtained (or will seek or obtain) either a ruling from the IRS or an opinion of legal counsel regarding the tax consequences of the Arrangement. In addition, the qualification of the Arrangement as a reorganization depends on compliance with numerous technical requirements under Section 368 of the Code.

U.S. shareholders of ASCC are urged to consult their own tax advisors. Assuming that the Arrangement qualifies as a reorganization, the quantitative effect of the Arrangement on the basis of a U.S. taxpayer not in a special class of holders subject to special rules (as described further in the Circular; such taxpayer, a "U.S. Holder" as defined in the Circular), is as follows:

- No gain or loss will be recognized by a U.S. Holder.
- The aggregate tax basis of the Hudbay Shares that a U.S. Holder of ASCC Shares receives in exchange for its ASCC Shares will be the same as the aggregate tax basis of its ASCC Shares exchanged.

Further discussion of certain U.S. federal income tax consequences of the Arrangement can be found in the Circular under the heading, "Certain United States Federal Income Tax Consequences".

Form 8937, Part II, Box 16: Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates.

In the event the Arrangement is taxable for U.S. federal income tax purposes, for purposes of calculating fair market value, the fair market value of a Hudbay Share on June 24, 2026 is estimated to be US $24.21, which was the opening price for a Hudbay Share on the Toronto Stock Exchange on June 24, 2026 (as converted to U.S. dollars using the daily exchange rate published by the Bank of Canada on June 24, 2026).

Shareholders should consult their own tax advisors to determine whether they are required to recognize any gain and what measure of fair market value is appropriate.

Form 8937, Part II, Box 17: List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based.

The tax treatment described herein is based on Sections 354 and 368 of the Code.

Form 8937, Part II, Box 18: Can any resulting loss be recognized?

Assuming that the Arrangement qualifies as a reorganization within the meaning of Code Section 368, a U.S. Holder generally will not recognize any loss as a result of the receipt of Hudbay Shares in the Arrangement.

Form 8937, Part II, Box 19: Provide any other information necessary to implement the adjustment, such as the reportable tax year.

The Arrangement was effective on June 24, 2026. Consequently, the reportable taxable year of the holders of ASCC Shares for reporting the tax effect of the Arrangement will generally be the holder's taxable year that includes June 24, 2026.