



**COPPER  
CONNECTS US**

**VALUES  
CONNECT US**

**SUSTAINABILITY  
CONNECTS US**

**OUR PEOPLE  
CONNECT US**

# HUDBAY

**Q1 2023 RESULTS PRESENTATION**  
May 9, 2023

**HUDBAY**



# CAUTIONARY INFORMATION

This presentation contains forward-looking information within the meaning of applicable Canadian and United States securities legislation. All information contained in this presentation, other than statements of current and historical fact, is forward-looking information. Often, but not always, forward-looking information can be identified by the use of words such as “plans”, “expects”, “budget”, “guidance”, “scheduled”, “estimates”, “forecasts”, “strategy”, “target”, “intends”, “objective”, “goal”, “understands”, “anticipates” and “believes” (and variations of these or similar words) and statements that certain actions, events or results “may”, “could”, “would”, “should”, “might” “occur” or “be achieved” or “will be taken” (and variations of these or similar expressions). All of the forward-looking information in this presentation is qualified by this cautionary note. Forward-looking information is not, and cannot be, a guarantee of future results or events. Forward-looking information is based on, among other things, opinions, assumptions, estimates and analyses that, while considered reasonable by the company at the date the forward-looking information is provided, inherently are subject to significant risks, uncertainties, contingencies and other factors that may cause actual results and events to be materially different from those expressed or implied by the forward-looking information. The risks, uncertainties, contingencies and other factors that may cause actual results to differ materially from those expressed or implied by the forward-looking information are described under the heading “Risk Factors” in our most recent annual information form for the year ended December 31, 2022 and our management’s discussion and analysis for the quarter ended March 31, 2023. Should one or more risk, uncertainty, contingency or other factor materialize or should any factor or assumption prove incorrect, actual results could vary materially from those expressed or implied in the forward-looking information. Accordingly, you should not place undue reliance on forward-looking information. Hudbay does not assume any obligation to update or revise any forward-looking information after the date of this presentation or to explain any material difference between subsequent actual events and any forward-looking information, except as required by applicable law.

This presentation contains certain financial measures which are not recognized under IFRS, such as adjusted net earnings (loss), adjusted net earnings (loss) per share, adjusted EBITDA, net debt, cash cost, sustaining and all-in sustaining cash cost per pound of copper produced, cash cost and sustaining cash cost per ounce of gold produced and combined unit operating costs. For a detailed description of each of the non-IFRS financial performance measures used in this presentation, please refer to Hudbay’s management’s discussion and analysis for the quarter ended March 31, 2023 available on SEDAR at [www.sedar.com](http://www.sedar.com) and EDGAR at [www.sec.gov](http://www.sec.gov).

The technical and scientific information contained in this presentation related to all the material mineral projects has been approved by Olivier Tavchandjian, P. Geo, Hudbay’s Senior Vice-President, Exploration and Technical Services. Mr. Tavchandjian is a qualified person pursuant to NI 43-101. All amounts in this presentation are in U.S. dollars unless otherwise noted.

# Q1 2023 CONSOLIDATED RESULTS

## ON TRACK TO ACHIEVE CONSOLIDATED 2023 PRODUCTION & CASH COST GUIDANCE

- Consolidated copper production of 22.6k tonnes in Q1; lower due to planned copper grades in Peru
- Consolidated gold production of 47.2k ounces in Q1 tempered by lower grades in Peru offset by higher throughput and recoveries in Snow Lake
- Consolidated cash costs of \$0.85/lb and sustaining cash cost of \$1.83/lb improved QoQ
- Q1 Adj. EPS of \$0.00 and adj. EBITDA of \$102M
- Focused on ensuring free cash flow generation and continued financial discipline in 2023
- Reaffirmed full year 2023 consolidated production and cash cost guidance**

### KEY RESULTS SUMMARY

		Q1 2023	Q4 2022	Q1 2022
<b>Production<sup>1</sup></b>				
Copper	kt	22.6	29.3	24.7
Gold	koz	47.2	53.9	54.0
Silver	koz	702.8	795.0	784.4
Zinc	kt	9.8	6.3	22.3
Cash cost <sup>2</sup>	\$lb/Cu	\$0.85	\$1.08	\$1.11
Sustaining cash cost <sup>2</sup>	\$lb/Cu	\$1.83	\$2.21	\$2.29
All-in sustaining cash cost <sup>2</sup>	\$lb/Cu	\$2.07	\$2.41	\$2.54
EPS	\$/sh	\$0.02	(\$0.07)	\$0.24
Adj. EPS <sup>3</sup>	\$/sh	\$0.00	\$0.01	\$0.02
Adj. EBITDA <sup>3</sup>	\$M	\$101.9	\$124.7	\$110.2
Operating cash flow <sup>4</sup>	\$M	\$85.6	\$109.1	\$77.6
Cash	\$M	\$255.6	\$225.7	\$213.4

1.Contained metal in concentrate and doré.

2.Cash cost, sustaining cash cost and all-in sustaining cash cost per pound of copper produced, net of by-product credits. All-in sustaining cash cost includes sustaining capital expenditures, capitalized exploration, royalties, corporate G&A and regional costs.

3.For information on adjustments made to each of these metrics, please refer to the detailed reconciliation tables in the news release or MD&A for each reporting period.

4.Operating cash flow before changes in non-cash working capital.



# PERU OPERATIONS REVIEW

## STEADY AND CONSISTENT COPPER PRODUCTION

- Successfully navigated complex Peru environment to ensure steady operations at Constancia
- Copper and gold production were lower than Q4 due to the processing of lower-grade stockpiles to conserve fuel, impacting grade and recoveries
- Pampacancha mined grades of 0.49% Cu and 0.52 g/t Au early in Q1; high stripping period at Pampacancha tracking slightly ahead of schedule
- Q1 unit costs decreased by 16% from Q4 due to lower mining costs
- Cash costs of \$1.36/lb and sustaining cash costs of \$2.12/lb were consistent with Q4, with lower mining costs and capitalized exploration offset by lower copper production

### SUMMARY OF PERU OPERATING STATISTICS

	Q1 2023	Q4 2022	Q1 2022
Constancia ore mined (million tonnes) <sup>1</sup>	3.4	5.6	6.9
Pampacancha ore mined (million tonnes) <sup>1</sup>	0.9	3.8	0.8
Strip ratio <sup>2</sup>	1.84	0.97	1.10
Ore milled (million tonnes)	7.7	7.8	7.2
Copper grade milled	0.33%	0.41%	0.31%
Gold grade milled (g/t)	0.08	0.12	0.08
Silver grade milled (g/t)	3.69	3.93	3.26
Molybdenum grade milled	0.01%	0.01%	0.01%
Copper recovery	81.7%	85.1%	85.3%
Gold recovery	56.8%	69.6%	59.8%
Silver recovery	60.7%	66.5%	66.9%
Molybdenum recovery	34.8%	37.7%	21.1%
Copper contained in conc. (kt)	20.5	27.0	19.2
Gold contained in conc. (koz)	11.2	20.9	10.8
Silver contained in conc. (koz)	552.2	655.3	505.6
Molybdenum contained in conc. (t)	289	344	207
Combined unit operating costs (\$/tonne) <sup>3,4,5</sup>	\$11.47	\$13.64	\$12.37
Cash cost (\$/lb) <sup>4,5</sup>	\$1.36	\$1.34	\$1.54
Sustaining cash cost (\$/lb) <sup>4,5</sup>	\$2.12	\$2.09	\$2.27

1.Reported tonnes for ore mined are based on mine plan assumptions and may not reconcile fully to ore milled.

2.Strip ratio is calculated as waste mined divided by ore mined.

3.Reflects combined mine, mill and G&A costs per tonne of ore milled. Unit costs reflect the deduction of expected capitalized stripping costs.

4.Excludes approximately \$0.7 million, or \$0.09 per tonne, of COVID-related costs during the three months ended December 31, 2022 and \$2.3 million, or \$0.32 per tonne, during the three months ended March 31, 2022.

5.Combined unit operating cost, cash cost and sustaining cash cost per pound of copper produced, net of by-product credits, are non-IFRS financial performance measures with no standardized definition under IFRS. For further information, please see the "Non-IFRS Financial Performance Measures" section of this news release.

# MANITOBA OPERATIONS REVIEW

## GROWING GOLD PRODUCTION

- Gold, zinc and silver production increased in Q1 with higher grades and throughput, while copper decreased
- Key initiatives to support higher production levels at Lalor achieved 4,800 tonnes per day in late March and throughout April
- New Britannia mill achieved consistent production of 1,590 tonnes per day in Q1
- Unit operating costs decreased by 10% compared to Q4 as a result of higher throughput and production efficiency initiatives
- Cash costs increased slightly QoQ due to lower by-product credits and higher G&A. Sustaining cash costs declined with lower sustaining capital

## SUMMARY OF MANITOBA OPERATING STATISTICS

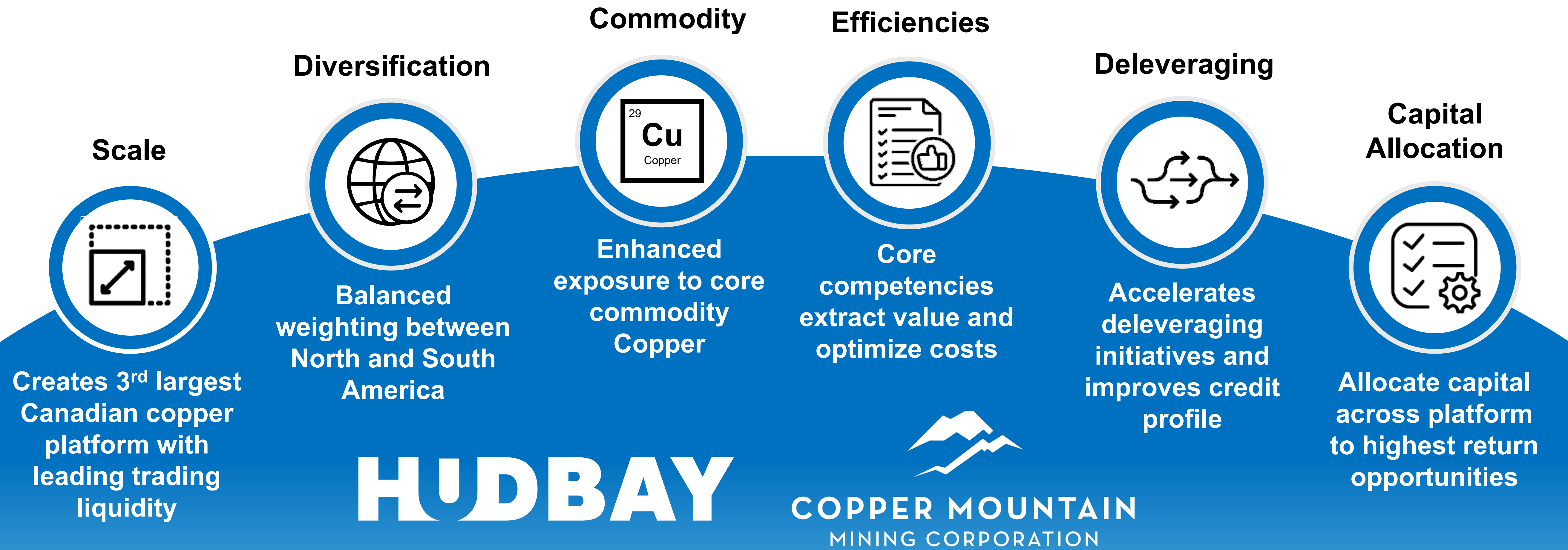
	Q1 2023	Q4 2022	Q1 2022 <sup>3</sup>
Ore mined (kt)	373.6	369.5	386.8
Ore milled (kt)	385.7	345.5	397.3
Copper grade milled	0.60%	0.73%	0.82%
Zinc grade milled	3.31%	2.31%	4.24%
Gold grade milled (g/t)	3.99	3.98	3.87
Silver grade milled (g/t)	19.1	20.4	23.2
Copper recovery – concentrate	88.8%	89.2%	87.5%
Zinc recovery – concentrate (Stall)	84.4%	90.1%	85.7%
Gold recovery – concentrate	62.0%	58.8%	58.4%
Silver recovery – concentrate	58.8%	56.1%	60.0%
Copper contained in conc. (kt)	2.0	2.3	2.9
Zinc contained in conc. (kt)	9.8	6.3	13.5
Gold contained in conc. and doré (koz)	36.0	33.1	35.2
Silver contained in conc. and doré (koz)	150.6	139.8	187.7
Combined unit operating costs (C\$/tonne) <sup>1</sup>	\$216	\$241	\$176
Gold Cash cost (\$/oz) <sup>2</sup>	\$938	\$922	\$416
Gold Sustaining cash cost (\$/oz) <sup>2</sup>	\$1,336	\$1,795	\$1,187

1. Reflects combined mine, mill and G&A costs per tonne of ore milled.

2. Combined unit cost, cash cost, sustaining cash cost per ounce of gold produced, net of by-product credits, are non-IFRS financial performance measures with no standardized definition under IFRS. For further information, please see the "Non-IFRS Financial Reporting Measures" section of this news release.

3. Q1 2022 represents Snow Lake operations only, except for cost metrics, which include past-producing Flin Flon operations.

# ON-STRATEGY COMBINATION WITH COPPER MOUNTAIN TO CREATE A PREMIER AMERICAS-FOCUSED COPPER PRODUCER





# HUDBAY EXPECTS \$30 MILLION OF ANNUAL OPERATING EFFICIENCIES AND SYNERGIES

## Key Similarities Between Copper Mountain Mine and Constancia

- ✓ Large-Scale, Open Pit Operations
- ✓ High-Grade Satellite Deposit
- ✓ Copper with Au / Ag By-Products
- ✓ Built Within 3 Years of Each Other

### Similar Sized

- ✓ Haul Trucks
- ✓ Shovels

## Hudbay Can Apply its Constancia Operating Framework to Unlock Efficiencies<sup>2</sup>

### Crusher

Leading maintenance & operating practices at Constancia

**+25%**

Crushing Circuit Availability

### Excavators

Smaller shovels at Constancia consistently move more material

**+30%**

Tonnes moved per operating hour

### Mill

Constancia is consistently exceeding nameplate capacity

**+5%**

Process Plant Availability

### Haul Trucks

Same size trucks consistently move more material at Constancia

**+5%**

Tonnes hauled per load


Source: Company filings.  
1. Pre-tax annual synergies achieved over the course of 3 years.  
2. Figures represent operating KPI deltas between Constancia and Copper Mountain.



# PRIORITY PIPELINE OPPORTUNITIES

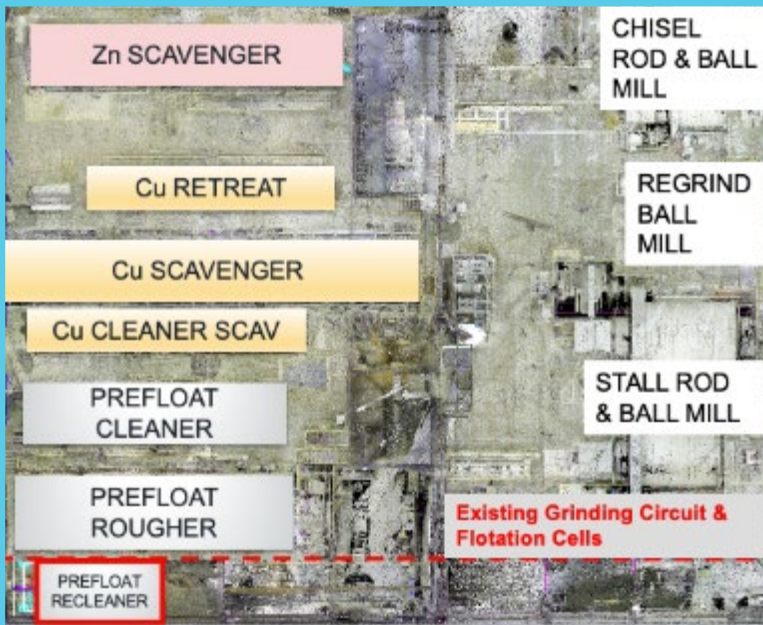
1

**Operation Enhancements**



**Copper Mountain Steady State**

*Unlocking Copper Mountain's full potential from current operations*




**Recovery Programs**

*Increase recoveries at Stall and Constanica to extract more per tonne processed*


2

**Brownfield Expansion**



**Maria Reyna & Caballito**

*Potential high-grade satellite deposits for Constanica*




**Copper Mountain Expansion**

*Enhance economies of scale and cash flow*


3

**Greenfield Development**



**Copper World Complex**

*High-quality copper project with flexible, two-phase development plan*



**Mason Project**

*Large, open pit copper project with significant land package*

**Portfolio Optimization**

*Explore value-enhancing initiatives across the portfolio*

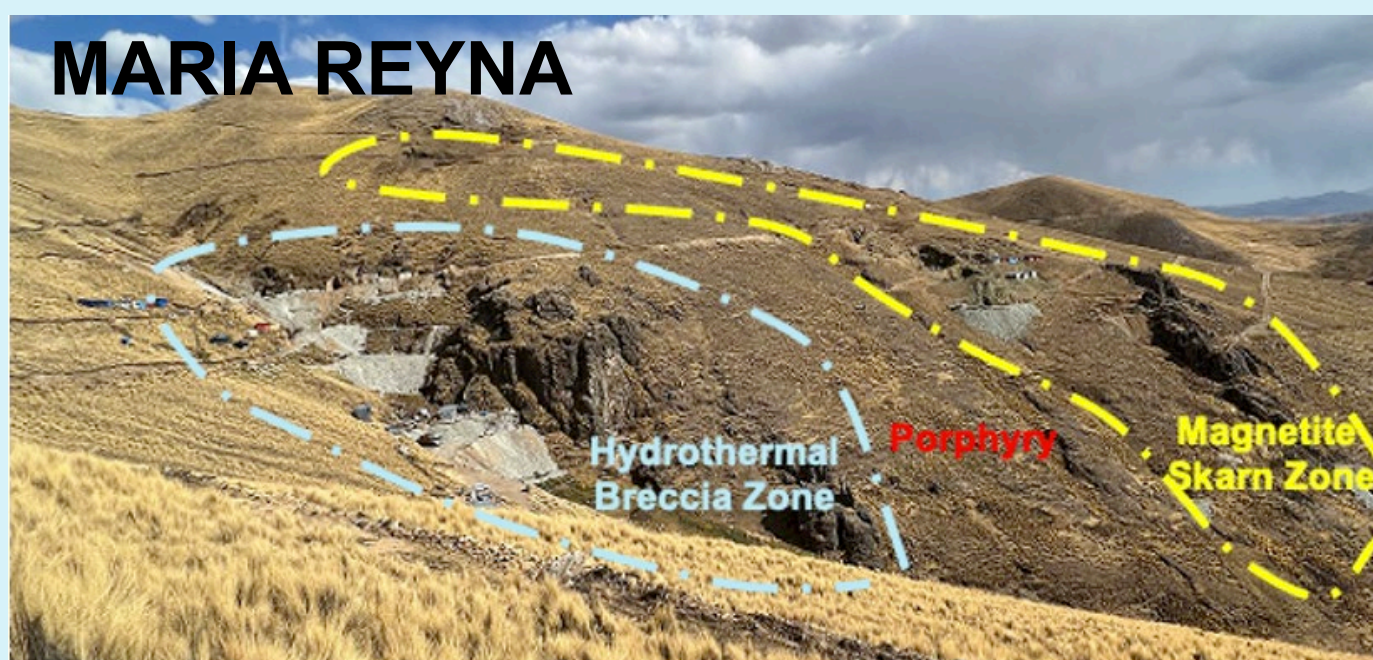
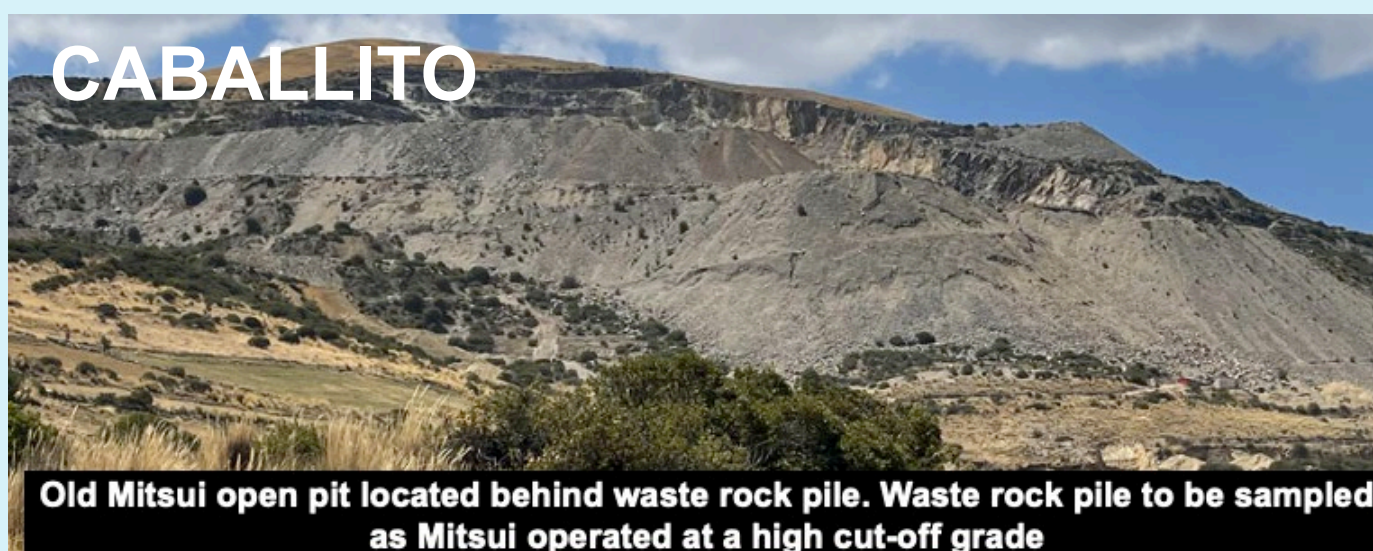


# KEY 2023 EXPLORATION INITIATIVES – CONSTANCIA SATELLITES & LALOR DEEP

## CABALLITO & MARIA REYNA

### Caballito – Skarn and Porphyry Mineralization

- Located ~5km from Constancia
- Mitsui mined high grade copper sulfides rich with chalcopyrite and bornite at Caballito until the early 1990s
- USGS survey estimates historical resource of 91Mt at 2.3% Cu

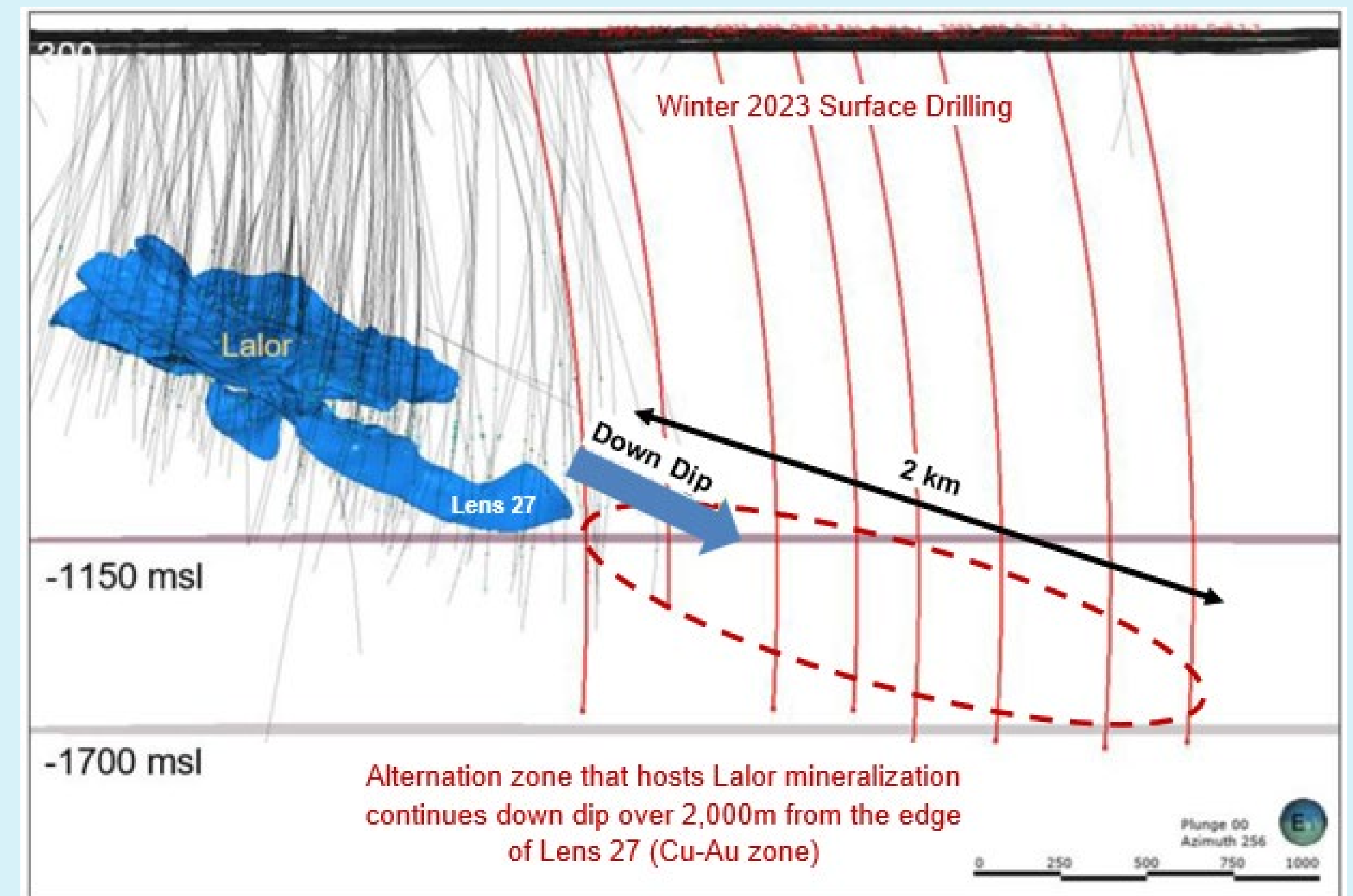


### Maria Reyna – Skarn and Breccia Mineralization

- Located ~10km from Constancia
- Three types of mineralization – skarn, hydrothermal breccia and porphyry
- Small-scale artisanal mining reported producing 2-6% Cu ore from high grade magnetite skarns and hydrothermal breccia

## LALOR DEEP TARGETS

- 5 drill rigs tested the down-dip gold and copper extensions of the Lalor deposit; assays are pending
- Program includes 12 holes and over 20,000 m of drilling with a combination of surface and borehole EM surveys





# LEADING CLIMATE CHANGE INITIATIVES

COMMITTED TO FURTHER IMPROVE OUR LOW-CARBON FOOTPRINT

↓50%

lower absolute Scope 1 and Scope 2 emissions from existing operations by 2030

Net Zero

total emissions by 2050

Scope 3

emissions reporting to be introduced in the near-term

New Projects

and acquisitions will be assessed against corporate emissions targets

## CONSTANCIA POWER PURCHASE AGREEMENT

↓40%

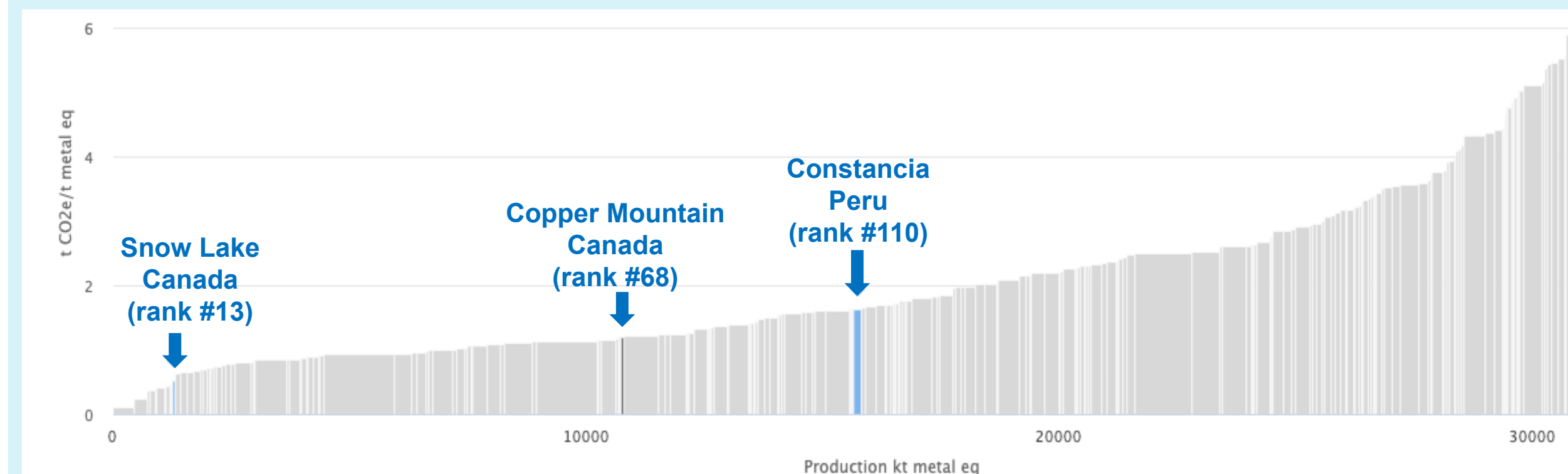
Lower company Scope 1 and Scope 2 emissions



### ENGIE Energía Perú

- 10-year Power purchase agreement signed and comes into effect in January 2026
- Provides access to 100% renewable energy supply at Constancia operations
- Reduces total company-wide Scope 1 and Scope 2 greenhouse gas ("GHG") emissions by 40% during the life of the contract
- Positioning to achieve 2030 climate change target of a 50% reduction in Scope 1 and Scope 2 GHG emissions

## COPPER MOUNTAIN ACQUISITION



**Copper Mountain is implementing a variety of technological improvements and innovations to reduce GHG emissions**

- ✓ Increasing use of fleet electrification
- ✓ Electric trolley assist haulage
- ✓ Investigating alternative fuels

- Further improve carbon footprint with integration of Copper Mountain leading GHG initiatives
- Ability to apply these initiatives to Constancia and Copper World

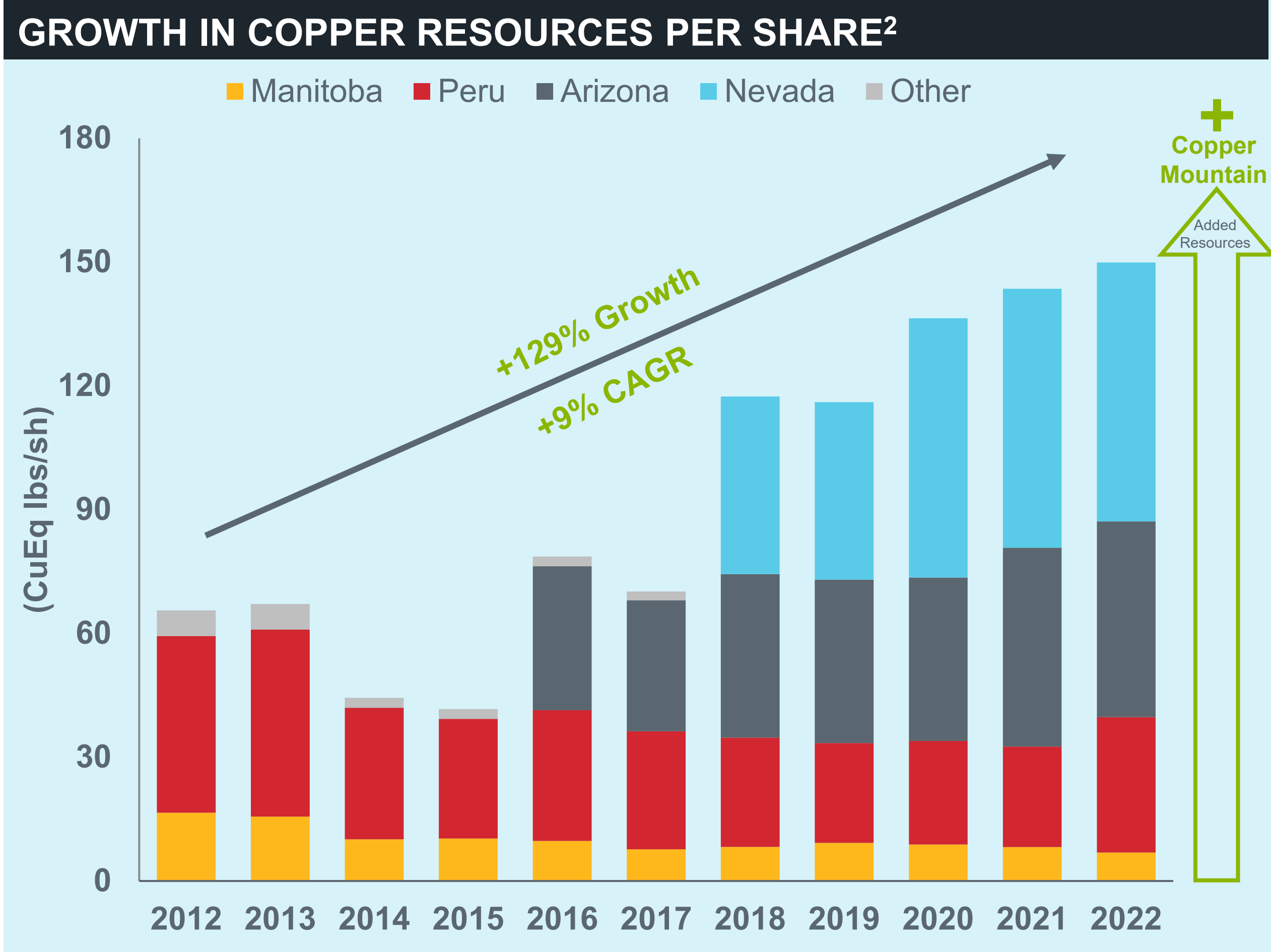
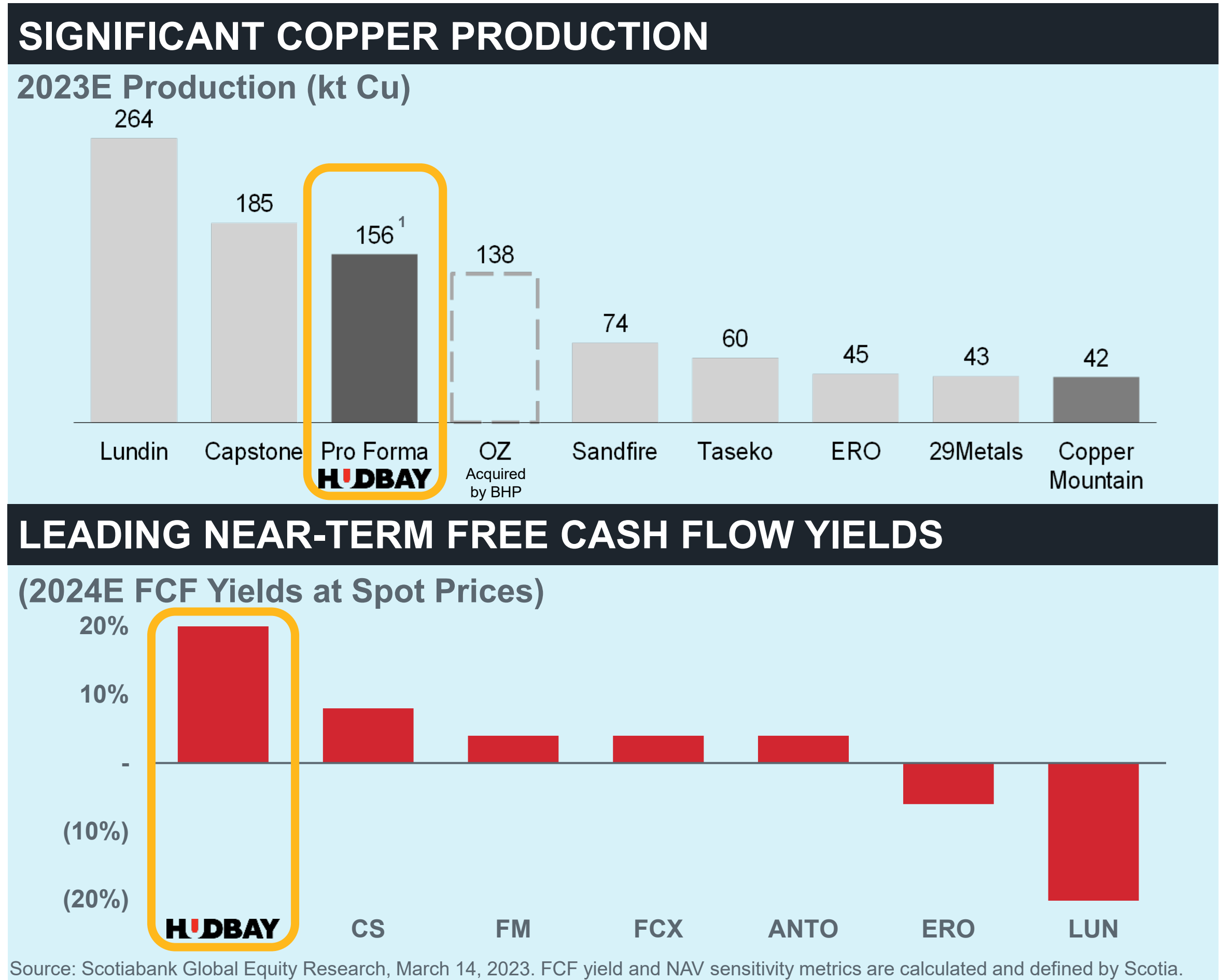
Source: CRU International Global GHG Scope 1 and Scope 2 Emissions Curve for copper producers. Curve shows a total of 282 operating copper assets.



# HUDBAY COPPER GROWTH PIPELINE

LEADING FREE CASH FLOW GROWTH AND SIGNIFICANT COPPER RESOURCE OPTIONALITY

- Low-cost profile expected to generate significant near-term cash flow growth with a high-quality organic pipeline



1. Sourced from full year 2023 consensus estimates for each of CMMC and HBM; transaction is expected to closed at the end of June 2023.  
2. Excludes depletion from production. The following metals price assumptions were applied to reserves for purposes of calculating copper equivalent:\$3.60/lb Cu, \$1.20/lb Zn, \$1,650/oz Au, \$22.00/oz Ag and \$11.00/lb Mo. Does not include impact of precious metal streams, as applicable.





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