



NEWS RELEASE

Hudbay Provides Business Update

3/20/2020

TORONTO, March 20, 2020 (GLOBE NEWSWIRE) -- Hudbay Minerals Inc. ("Hudbay" or the "company") (TSX, NYSE: HBM) today provided an update on the status of its operations and business preparedness plans in light of the COVID-19 coronavirus pandemic. The company has been closely monitoring the status of the virus outbreak and the rapidly changing environment at all of its operations. Company-wide business preparedness plans were activated earlier this month as part of the company's crisis management protocols. In response to the challenging environment in Peru following the Peruvian government's recent declaration of a state of emergency, the company has commenced a temporary and orderly shutdown of operations at Constancia, as described in more detail below.

"It is an uncertain time, but we remain vigilant and ready to respond to the ever-changing environment to ensure we protect all of our stakeholders and the continuity of our business," said Peter Kukielski, Hudbay's President and Chief Executive Officer.

The Peruvian government declared a state of emergency on March 15th requiring non-essential businesses to be shut down for 15 days, and subsequently clarified that mining operations could continue in certain circumstances during this period. The company has been actively managing the situation and the Constancia mine continued to operate, and concentrate transportation activities continued this week, including a vessel that completed loading yesterday at the port of Matarani. However, the state of emergency has rapidly changed the environment, causing the manufacturing and transport of critical supplies to be suspended. As such, with the limited availability of certain critical mining supplies, the company has initiated a temporary and orderly shutdown of operations at Constancia. The shutdown process is expected to continue over the next three days. A smaller workforce will be maintained to oversee critical aspects of the operation, with the overarching goal of facilitating a quick and efficient ramp up back to normal levels once the regional situation improves. The Constancia team continues to be focused on the health and safety of its workforce and to actively engage with local stakeholders to ensure effective implementation of the business preparedness plan. The company also expects the government processes related to Consulta Previa and

permitting applications to be deferred during this state of emergency.

In Manitoba, Hudbay's mines continue to operate and ship concentrate and zinc metal. At this point, Manitoba remains a low-risk jurisdiction with no known cases of COVID-19 in northern Manitoba. However, the Manitoba team is actively managing the evolving situation and implementing the business preparedness plan, including planning activities in the event the company needs to reduce or cease operations or construction activities in the future.

Hudbay continues to prudently manage its liquidity position and currently has more than \$300 million in cash and cash equivalents. The company proactively amended its credit facilities in February 2020 to provide additional near-term flexibility and is evaluating a variety of liquidity and capital spending options if the current environment persists. The company has the ability to defer a majority of its 2020 growth capital expenditures at Pampacancha and the New Britannia gold mill and will continue to monitor the macro-environment and adjust its spending programs as necessary.

Hudbay's business preparedness planning is overseen by its crisis management teams, both at the corporate level and the business unit level, and it addresses the evaluation, coordination, communication and implementation of these plans. The company's preparedness planning addresses business continuity and contingency planning for operational disruptions and is reinforced by daily executive committee meetings, frequent employee communication with regular updates, and close monitoring of employee health status together with increased screening by site medical teams. Plans include recommendations from local health authorities, such as travel restrictions, promoting social distancing and increased hygiene practices, implementing self-isolation practices and increased sanitization of offices and employee common areas.

Forward-Looking Information

This news release contains forward-looking information within the meaning of applicable Canadian and United States securities legislation. Forward-looking information includes, but is not limited to, expectations regarding the impact of the COVID-19 coronavirus outbreak on the company's operations and financial performance, the impact and duration of the planned shutdown of operations in Peru, and the ability for the company to manage its financial and liquidity position. 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 material factors or assumptions that Hudbay identified and were applied by the company in drawing conclusions or making forecasts or projections set out in the forward-looking information include, but are not limited to, the expected timing for Peru to lift its state of emergency, the availability of spending reductions and liquidity options and the expected impact of the COVID-19 coronavirus.

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 may include, but are not limited to, risks generally associated with the mining industry, such as economic factors (including future commodity prices, currency fluctuations, energy prices and general cost escalation), risks associated with the COVID 19 coronavirus, the political situation in Peru, as well as the risks discussed under the heading "Risk Factors" in Hudbay's most recent Annual Information Form.

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 news release or to explain any material difference between subsequent actual events and any forward-looking information, except as required by applicable law.

About Hudbay

Hudbay (TSX, NYSE: HBM) is a diversified mining company primarily producing copper concentrate (containing copper, gold and silver) and zinc metal. Directly and through its subsidiaries, Hudbay owns three polymetallic mines, four ore concentrators and a zinc production facility in northern Manitoba and Saskatchewan (Canada) and Cusco (Peru), and copper projects in Arizona and Nevada (United States). The company's growth strategy is focused on the exploration, development, operation and optimization of properties it already controls, as well as other mineral assets it may acquire that fit its strategic criteria. Hudbay's vision is to be a responsible, top-tier operator of long-life, low-cost mines in the Americas. Hudbay's mission is to create sustainable value through the acquisition, development and operation of high-quality, long-life deposits with exploration potential in jurisdictions that support responsible mining, and to see the regions and communities in which the company operates benefit from its presence. The company is governed by the Canada Business Corporations Act and its shares are listed under the symbol "HBM" on the Toronto Stock Exchange, New York Stock Exchange and Bolsa de Valores de Lima. Further information about Hudbay can be found on www.hudbay.com.

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