

News release

TSX – HBM
2009

HudBay Second Half 2006 Exploration Update

WINNIPEG, MANITOBA--(CCNMatthews - March 2, 2007) - HudBay Minerals Inc. (TSX:HBM) (HudBay) announces results from its second half 2006 exploration in northern Manitoba and Saskatchewan. Illustrations and previously released data are available at www.hudsonbayminerals.com.

During the second half of 2006, approximately 23,738 meters of diamond drilling in 39 surface drill holes was completed, with a focus on mineral deposit targets and structural targets. HudBay's subsidiary, Hudson Bay Exploration and Development Company Limited (HBED) managed the exploration in the Flin Flon Greenstone Belt and the majority of the exploration was funded by flow-through financing.

"Drill results continued to be encouraging at the Bur deposit and at the Talbot Lake deposit where one intersection was 12.44% copper over 9.65 meters," said Peter Jones, President & CEO. "For 2007 we have increased our total exploration program expenditure plans to \$37 million, making it one of the largest in Canada."

Exploration results reported in this release exclude results from exploration within HudBay operating mines and exploration at locations other than northern Manitoba and Saskatchewan. HudBay recently announced that its January 1, 2007 aggregate estimated mineral reserves and mineral resources increased compared to those at January 1, 2006, after taking into account 2006 ore production.

Mineral Deposit Targets

Bur Deposit

The Bur deposit is 22 kilometres from the Snow Lake concentrator. Drilling at the Bur deposit in the second half of 2006 improved the definition of mineralization. As a result of earlier drilling, HudBay announced in December 2006 plans to invest approximately \$8.5 million at the Bur deposit for additional in-fill diamond drilling, underground excavations to extract a 10,000 tonne ore sample, obtaining production permits as well as completion of a feasibility study. During the second half of 2006, 1,150 meters of drilling were completed. Notable intersections included:

- 3.25% Cu, 17.65% Zn over 1.21 meters in drill hole BZS015;
- 5.34% Cu, 4.99% Zn over 1.47 meters in drill hole BZS022;

Drilling will continue in 2007 as part of the \$8.5 million planned investment.

Talbot Lake Deposit

The Talbot Lake deposit is located 83 km from the Snow Lake concentrator.

In the second half of 2006, 7,084 meters were drilled in eleven holes. Ten of those holes intersected mineralization. The last drill hole of the program - hole TLS020, made a very encouraging intersection which assayed 11.16 grams/tonne gold, 184.37 grams/tonne silver, 12.44% copper and 3.50% zinc over 9.65 meters.

Other main zone intersections were:

- 1.09% Cu, 6.32% Zn over 1.69 meters in drill hole TLS010;
- 4.24% Cu, 0.59% Zn over 3.15 meters in drill hole TLS011;
- 0.62% Cu, 1.03% Zn over 1.72 meters in drill hole TLS012;
- 2.15% Cu, 1.68% Zn over 1.29 meters in drill hole TLS013;
- 0.10% Cu, 8.13% Zn over 0.74 meters in drill hole TLS014;
- 0.94% Cu, 0.53% Zn over 1.66 meters in drill hole TLS015;
- 0.61% Cu, 0.08% Zn over 1.20 meters in drill hole TLS016;

- 0.47% Cu, 0.40% Zn over 9.70 meters in drill hole TLS017;
- 0.60% Cu, 2.63% Zn over 2.09 meters in drill hole TLS018;
- TLS019 was abandoned

HudBay will follow up exploration of the significant mineralization intersected in drill hole TLS020 at the earliest opportunity.

Structural Targets

Chisel Target

Drilling continued at the previously mined Chisel and Photo Lake properties, and on targets related to the operating Chisel North mine. 5388 meters were drilled in 10 parent drill holes and two wedge cuts. Notable intersections included:

- 0.10% Cu, 3.34% Zn over 1.00 meter in drill hole CH0602;
- 0.13% Cu, 7.65% Zn over 0.69 meters in drill hole CH0602W1

Drill holes CH0603, CH0505, CH0606, CH0607, CH0608 and DUB166 tested Quantec Titan 24 deep penetrating geophysical anomalies identified in a survey completed in the first quarter of 2006. Although no notable assay intervals were intersected, CH0606 intersected 7.71 meters of massive pyrite from 531.71 to 539.42 meters coincident with a Titan 24 anomaly and also with the Chisel Mine horizon. Additional exploration is planned to test this mineralization in 2007.

Two drill holes, DUB165 and DUB167 tested targets below the now closed Photo Lake mine. There were no notable intersections in DUB165 however DUB167 intersected a wide interval of quartz-staurolite-biotite-chlorite gneiss with disseminated chalcopyrite (copper) stringer mineralization.

Flin Flon, Manitoba

2,130 meters were drilled in four holes testing the hanging wall stratigraphy and along the strike of the Flin Flon - 777 mine. There were no notable intersections.

Flin Flon, Saskatchewan

4,774 meters were drilled in five holes that tested a structurally repeated fault block of the Flin Flon mine stratigraphy located deep in the footwall of the Flin Flon mine, previously intersected by holes completed in 2005. There were no notable mineral intersections.

Geophysical Targets

738 meters were drilled in three holes east and south of Snow Lake to test geophysical anomalies. There were no notable intersections.

2007 Expenditure Plans(i)

Flin Flon Greenstone Belt

	(\$ millions)
Electromagnetic anomalies	8.5
Known deposits	4.5
Operating mines	4.0
Geophysics	3.0
Structural targets	3.0
Administration/miscellaneous	3.0
	26.0

Other Locations

Balmat District	4.0
Unallocated	7.0
	11.0

Total planned 2007 expenditure	\$37.0 million

(i) All expenditures are preliminary estimates and actual expenditures may vary depending on several factors

HudBay's exploration properties include approximately 380,000 hectares in the prolific Flin Flon Greenstone Belt of Manitoba and Saskatchewan and approximately 20,000 hectares in the Balmat district of New York state. In addition, HudBay owns the Tom zinc/lead mineral deposit in the Yukon and holds an option to purchase the adjacent Jason zinc/lead mineral property. Additional exploration assets include copper exploration properties in Chile and zinc exploration properties in Southwestern Ontario.

2006 HudBay Procedures

Exploration core drilling was either NQ or BQ size. The core was logged and mineralized intersections were marked for sampling and assaying, by HBED employed geologists. The marked intersections or intervals were sawn in half by a diamond saw and one half of the core was placed in plastic bags and tagged with unique sample numbers, while the second half was returned to the core box and stored.

Each bagged core sample was transported to the Hudson Bay Mining and Smelting Co., Limited's assay laboratory in Flin Flon, Manitoba where it was dried, crushed and pulverized and a 250-gram sample was prepared for assaying. From each 250 gram sample 0.25 grams was removed and leached in aqua regia and analyzed by ICP-AES for Ag, Cu, Zn, As, Pb, Ni and Fe. Also from the 250-gram sample, 15 grams was removed for gold determination by fire assaying with Atomic Absorption finish.

Assaying integrity is monitored internally with a quality control program, which includes the use of assay sample standards, blanks, duplicates and repeats and externally through national and international programs. In addition, within each group of 20 core samples, one core sample has a second 250 gram split collected for check assaying at Acme Analytical Laboratories Ltd. in Vancouver, B.C.

News Release and Attachments

The news release and attached tables provide core lengths and additionally where indicated, horizontal or vertical lengths of mineralization intersected. True widths are not provided. Where metal assays are provided for intersections they are either a single assay of a sample of the entire intersection length or a composite of assays calculated from interval weighted assays over the intersection length.

The data herein and the contents of this news release have been reviewed by Kelly Gilmore, B.Sc. P. Geo., Chief Exploration Geologist with HBED, who is a Qualified Person, within the meaning of National Instrument 43-101, with the ability and authority to verify the authenticity and validity of the data.

Attached to this news release are tables showing the second half 2006 drill results. Graphics together with prior periods and additional drill results may be found at the HudBay web site, www.hudbayminerals.com.

About HudBay Minerals Inc.

HudBay Minerals Inc. is an integrated mining company that operates mines, concentrators and a metal production complex in northern Manitoba and Saskatchewan. The company also owns a zinc oxide production facility in Ontario, the White Pine Copper Refinery in Michigan and the Balmat zinc mine in New York state. HudBay is a member of the S&P/TSX Composite Index.

Forward-Looking Information

This news release contains "forward-looking information", within the meaning of applicable Canadian securities legislation. Forward-looking information includes, but is not limited to, statements with respect to HudBay's exploration plans and spending. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "seeks" "budget" or variations of such words or state that certain actions, events or results "may", "could", "will", "will aim" or "will be focused". Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of HudBay to be materially different from those expressed or implied by such forward-looking information, including risks associated with the mining industry such as economic factors as they effect exploration, government regulation, environmental risks, success of exploration activities, future commodity prices, capital expenditures, conclusions of economic evaluations, risks related to acquisitions; changes in project parameters as plans continue to be refined; access to capital as well as those factors discussed in the section entitled "Risk Factors" in HudBay's Annual Information Form for the year ended December 31, 2005, available on www.sedar.com. Although HudBay has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. HudBay does not undertake to update any forward-looking information, except in accordance with applicable securities laws.

HudBay
Minerals Inc.

Attachment to HudBay Minerals Inc.
Second Half 2006 Exploration Update

Second Half 2006 Drill Hole Locations
Mineral Deposit Targets

Hole	Grid(1) East meters	Grid(1) North meters	Grid(1) Elev. meters	Hole Length meters	Hole Azimuth degrees	Hole Dip degrees
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Talbot Lake Deposit

TLS010	1060	700	0	749.0	285	-70
TLS011	1170	300	0	959.0	285	-75
TLS012	950	175	0	682.0	285	-70
TLS013	765	175	0	440.0	285	-75
TLS014	1095	100	0	884.0	285	-72
TLS015	840	300	0	557.0	285	-75
TLS016	985	350	0	665.0	285	-70
TLS017	750	385	0	386.0	285	-72
TLS018	1100	560	0	801.0	285	-70
TLS019(2)	1120	310	0	110.0	285	-72
TLS020	1122	310	0	851.0	285	-72

 Bur Deposit

BZS015	-374	3292	0	281.0	130	-53
BZS016(3)	-418	3475	0	298.0	130	-80
BZS022	-378	3353	0	341.0	130	-72
BZS023(4)	-392	3231	0	230.0	130	-68

(1) The grids for each target area and geophysical anomaly holes are independent and separately oriented.

(2) Hole abandoned.

(3) Final hole depth for BZS016 was 450m including 298m drilled in 2006.

(4) Final hole depth for BZS023 was 341m including 230m drilled in 2006.

Second Half 2006 Drill Hole Locations
 Structural Targets

Hole	Grid(1) East meters	Grid(1) North meters	Grid(1) Elev. meters	Hole Length meters	Hole Azimuth degrees	Hole Dip degrees
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 Chisel and Photo Lake Targets

CH0602	48196	20991	1526	629	7	-82
CH0602W1(5)	48199	20923	1526	398	7	-82
CH0603	47562	21372	1537	1097	227	-63
CH0604	48274	20923	1527	188	17	-82
CH0604W1(6)	48274	20923	1527	182	17	-82
CH0605	49086	21140	1531	833	328	-70
CH0606	47196	20873	1529	764	37	-60
CH0607	49086	21140	1531	782	193	-78
CH0608	49012	21920	1532	515	267	-50
DUB165	46782	23657	1537	470	169	-60

DUB166	46850	23072	1528	1447	47	-85
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DUB167	46706	23692	1536	557	166	-60
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Flin Flon, Manitoba Targets

4Q80	50108	-17483	2563	435	278	-52
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4Q81	50031	-17406	2562	374	277	-50
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4Q82	50245	-17541	2564	575	263	-57
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FFM005	50439	-17181	2560	746	325	-60
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Flin Flon, Saskatchewan Targets

FFS039	49712	-18651	2548	1121	270	-55
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FFS040	49309	-18121	2560	725	270	-55
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FFS041	49592	-19186	2560	1256	270	-55
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FFS042	49687	-17125	2560	863	270	-55
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FFS043	49625	-16733	2560	809	270	-55
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- (1) The grids for each target area and geophysical anomaly holes are independent and separately oriented.
- (5) Length of the wedge portion - final hole depth was 647m, top of wedge 249m
- (6) Length of the wedge portion - final hole depth was 272m, top of wedge 90m

Second Half 2006 Drill Hole Locations
Geophysical Targets

Hole	Grid(1) East meters	Grid(1) North meters	Grid(1) Elev. meters	Hole Length meters	Hole Azimuth degrees	Hole Dip degrees
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Har Area - Snow Lake

HAR139(7)	-1085	600	0	60	272	-65
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HAR140	-250	600	0	383	272	-75
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HAR141	-600	1200	0	295	272	-75
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- (1) The grids for each target area and geophysical anomaly holes are independent and separately oriented.
- (7) HAR139 was in progress in June at the (period) start final hole depth was 350m.

Second Half 2006 Drill Hole Intersection Assay Results (8)
Mineral Deposit Targets

Hole	Zone	From meters	To meters	Core(9) Length meters	Horiz.(10) Width meters	Au g/t	Ag g/t	Cu %	Zn %
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Talbot Lake Target

TLS010	Main	626.36	642.53	16.17	13.04	1.87	15.83	0.56	1.26
TLS010	Incl.								
	Main	626.36	628.05	1.69	1.32	0.63	18.23	1.09	6.32
TLS010		688.31	690.00	1.69	1.53	0.07	1.20	0.30	0.00
TLS010		691.00	692.00	1.00	0.90	0.31	1.71	0.34	0.00
TLS010		694.00	695.38	1.38	1.25	0.17	1.71	0.40	0.00
TLS010		712.00	723.39	11.39	10.44	0.09	4.40	0.88	0.00
TLS010	Incl.	716.86	717.34	0.48	0.40	0.27	17.14	5.09	0.05
TLS010	Incl.	718.84	722.10	3.26	2.69	0.12	6.38	1.10	0.00
TLS011		556.60	556.83	0.23	0.19	0.07	0.00	0.00	1.01
TLS011		902.63	902.85	0.22	0.20	0.07	1.03	0.00	4.25
TLS011	Main	911.75	921.55	9.80	8.91	0.83	16.74	1.83	0.32
TLS011	Incl.								
	Main	918.40	921.55	3.15	2.86	2.07	36.42	4.24	0.59
TLS012	Main	564.46	578.00	13.54	11.86	5.65	61.38	0.35	0.26
TLS012	Incl.	567.09	567.21	0.12	0.09	0.27	15.09	1.90	6.12
TLS012	Incl.	570.00	571.57	1.57	1.24	16.58	123.95	0.33	0.02
TLS012	Incl.								
	Main	573.73	575.45	1.72	1.35	23.38	295.21	0.62	1.03
TLS012		650.46	651.00	0.54	0.48	0.27	3.77	0.87	0.00
TLS012		651.54	651.89	0.35	0.31	0.21	2.74	0.54	0.00
TLS013	Main	372.00	382.51	10.51	7.31	0.62	14.23	0.90	0.79
TLS013	Incl.	372.00	379.60	7.60	7.60	0.40	17.46	1.16	0.99
TLS013	Incl.	372.00	375.19	3.19	2.40	0.41	24.87	1.74	1.53
TLS013	Incl.								
	Main	378.31	379.60	1.29	0.97	0.95	36.53	2.15	1.68
TLS014	Main	849.16	849.90	0.74	0.67	0.45	21.94	0.10	8.13
TLS015		176.50	177.23	0.73	0.52	0.38	7.54	0.40	0.00
TLS015		183.50	185.07	1.57	1.13	0.05	9.65	0.52	0.06
TLS015	Main	479.76	492.00	12.24	9.55	0.17	2.27	0.32	0.09
TLS015	Incl.								
	Main	488.34	490.00	1.66	1.30	0.67	10.69	0.94	0.53
TLS016		330.73	331.73	1.00	0.84	0.07	11.31	0.43	0.00
TLS016		379.65	380.20	0.55	0.46	0.10	16.80	0.59	0.07
TLS016	Main	596.00	597.20	1.20	1.04	0.23	1.91	0.61	0.08
TLS017	Main	304.00	313.70	9.70	7.37	0.39	6.29	0.47	0.40
TLS017	Incl.	304.00	305.77	1.77	1.35	0.51	12.12	0.90	1.09
TLS018	Main	707.91	710.00	2.09	1.85	0.92	17.37	0.60	2.63

Abandoned										
TLS019										
TLS020		619.60	620.79	1.19	1.01	0.45	27.09	0.93	0.03	
TLS020 Main		788.95	816.56	27.61	24.34	4.13	69.13	4.81	1.30	
TLS020 Incl.		799.07	811.58	12.51	11.09	8.73	145.45	9.83	2.72	
TLS020 Incl.										
Main		801.93	811.58	9.65	7.70	11.16	184.37	12.44	3.50	

Bur Target

BZS015 Main		232.45	233.66	1.21	1.30	0.09	20.74	3.29	17.65	
BZS022 Main		292.22	293.69	1.47	1.40	0.09	40.79	5.34	4.99	

(8) Intersection assays pages 9 through 11 are either a single assay of a sample of the entire intersection length or a composite of assays calculated from interval weighted assays over the intersection length.

(9) Intersection length

(10) Horiz. equals Horizontal

Second Half 2006 Drill Hole Intersection Assay Results(1)
Structural Targets

Hole	Zone	From meters	To meters	Core(9) Length meters	Horiz.(10) Width meters	Au g/t	Ag g/t	Cu %	Zn %
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Chisel and Photo Lake Targets

CH0-	Chisel								
602	Horizon	564.00	565.00	1.00	1.05(11)	0.24	7.60	0.10	3.34
CH06-	Chisel								
02W1	Horizon	551.33	561.75	10.42	10.94(11)	0.13	5.52	0.08	1.53
CH06-									
02W1	Incl.	551.33	551.55	0.21	0.22(11)	0.65	26.40	0.17	2.44
CH06-									
02W1	Incl.	555.59	556.28	0.69	0.72(11)	0.10	5.83	0.13	7.65
CH06-									
02W1	Incl.	561.21	561.75	0.54	0.57(11)	0.14	10.29	0.07	4.00
CH0603		1083.81	1084.14	0.33	0.35(11)	1.30	12.00	1.28	0.08
CH0604				No Significant Values					
CH0604W1				No Significant Values					
CH0605				No Significant Values					
CH0606				No Significant Values					
CH0607		365.59	365.90	0.31	0.33(11)	0.34	1.71	0.10	1.09
CH0608				No Significant Values					
DUB165		351.02	351.48	0.46	0.51(11)	0.86	6.86	0.02	0.98
DUB165		351.90	352.40	0.50	0.55(11)	0.07	1.71	0.02	0.55
DUB165		387.65	388.08	0.43	0.47(11)	0.21	9.60	0.02	0.60

DUB166									
No assays to date									

DUB167		366.00	366.36	0.36	0.40(11)	0.55	17.14	0.00	1.09
DUB167		367.07	367.63	0.56	0.62(11)	0.21	3.77	0.03	1.34
DUB167		382.73	383.56	0.83	0.92(11)	0.14	0.00	0.05	0.52
DUB167		385.44	385.72	0.28	0.31(11)	0.17	0.69	0.07	0.93
DUB167		414.65	445.63	30.98	34.50(11)	0.38	3.01	0.48	0.04
DUB167	Incl.	421.84	422.35	0.51	0.57(11)	4.87	51.09	6.79	0.33
DUB167	Incl.	425.11	425.37	0.26	0.29(11)	2.54	25.37	2.78	0.44
DUB167	Incl.	443.82	444.11	0.29	0.32(11)	0.79	11.31	1.56	0.25
DUB167	Incl.	444.95	445.63	0.68	0.75(11)	0.62	13.03	2.03	0.18

Flin Flon, Manitoba Targets

4Q80	No Significant Values								
4Q81	No Significant Values								
4Q82	No Significant Values								
FFM005	No Significant Values								

Flin Flon, Saskatchewan Targets

FFS039	No Significant Values								
FFS040	No Significant Values								
FFS041	No Significant Values								
FFS042	No Significant Values								

(8) Intersection assays pages 9 through 11 are either a single assay of a sample of the entire intersection length or a composite of assays calculated from interval weighted assays over the intersection length.

(9) Intersection length

(10) Horiz. equals Horizontal

(11) Vertical thickness, not horizontal width

Second Half 2006 Drill Hole Intersection Assay Results (8)
Geophysical Targets

Hole	Zone	From	To	Core(9)	Horiz.(10)	Au	Ag	Cu	Zn
		meters	meters	Length	Width	g/t	g/t	%	%
				meters	meters				

Har Area - Snow Lake

HAR-
139(6) Anomaly No Significant Values

HAR-
140 Anomaly No Significant Values

HAR-

- (8) Intersection assays pages 9 through 11 are either a single assay of a sample of the entire intersection length or a composite of assays calculated from interval weighted assays over the intersection length.
- (9) Intersection length
- (10) Horiz. equals Horizontal

FOR FURTHER INFORMATION PLEASE CONTACT:

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