HUDBAY MINERALS

HudBay Minerals Inc.
Hudbay Place
25 York Street, Toronto
M5J 2V5
Canada
T: (416) **362-2576**
F: (416) 362-2576
hudbayminerals.com

News release
TSX: HBM
NYSE: HBM

HudBay Reports Second Quarter 2007 Results

-- Record Revenues and Strong Cash Flow Growth Continues --

- Revenue increased 51% to a record $604.5 million
- Cash flow increased 64% to a record $244.5 million
- Operating income increased 95% to a record $ million
- Net earnings increased 64% to a record $ million
- Net earnings of $0.5 million versus $10.0 million in Q2 2006
- Cash and cash equivalents increased to $ million
- Operating cash flow per share increased 64% to a record $1.47 from $0.90 in Q2 2006
- Net earnings per share increased 64% to a record $0.79 from $0.48 in Q2 2006

WINNIPEG, MANITOBA, July 31, 2007 [MARKET WIRE via CNPRNA News Network] -- HudBay Minerals Inc. (TSX: HBM) ("HudBay" or the "Company") today announced a 51% increase in revenue to $604.5 million for the quarter ended June 30, 2007, compared to the second quarter of 2006, contributing to net earnings of $0.5 million or $0.04 per share. Operating cash flow for the quarter increased to $247.7 million or $1.80 from a year earlier.

FINANCIAL HIGHLIGHTS

(US$M's except per share amounts)	Three months ended June 30 2007	2006	Six months ended June 30 2007	2006
Revenue	604,500	401,757	957,100	689,500
Earnings before tax	471,857	91,500	258,600	156,553
Net earnings	10,140	10,200	102,151	105,537
Basic EPS(1)	0.04	0.14	0.40	0.47
EBITDA(2)	245,847	124,360	471,177	229,564
Operating cash flow(3)	247,680	90,410	384,218	171,320
Cash and cash equivalents(4)	304,000	213,200	304,000	213,200
Total assets(4)	2,245,007	920,254	2,245,007	920,254

The bracketed values the fifth months the comparative figures for the respective periods in 2006.

(1) Operating cash flow excluding changes in non-cash working capital.

(2) Earnings per share.

(3) Earnings before interest, taxes, depreciation and amortization, foreign\n\n\n