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News release

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HudBay Minerals Announces Resource Increase of Over 100% at Back Forty Project With One Million Ounces of Contained Gold

Highlights

- Updated mineral resource, including approximately one million ounces of contained gold

- Significant drill hole intersections down-plunge of the known resource, including 6.02 meters of 8.14 g/t gold, 312.2 g/t silver and 7.99% zinc, and 6.23 meters of 6.39 g/t gold, 94.17 g/t silver

- Formed exploration alliance with Aquila Resources to seek out new deposits in the region

TORONTO, ONTARIO, Oct 15, 2010 (Marketwire via COMTEX News Network) -- HudBay Minerals Inc. ("HudBay", the "company") (TSX:HBM) today announced an updated National Instrument 43-101 ("NI 43-101") mineral resource estimate at the Back Forty Project. The updated resource includes 18.1 million tonnes of measured and indicated mineral resources with nearly one million ounces of contained gold and 3.2 million tonnes of inferred mineral resources.

The company also announced two significant intersections in drill hole LK-479, which includes 6.02 meters of 8.14 g/t gold, 312.2 g/t silver and 7.99% zinc, and 69.67 meters of 1.11 g/t gold, 27.0 g/t silver and 1.30% zinc, including 6.23 meters of 6.39 g/t gold, 94.17 g/t silver.

"The increased mineral resource, which includes approximately one million ounces of contained gold, should significantly improve the economics of the Back Forty Project as we commence work on a preliminary economic assessment in 2011," said David Garofalo, HudBay's president and chief executive officer. "In addition, the new intersections illustrate the tremendous geological upside of the project and increase the potential to mine areas outside of the current resource area."

In September 2010, HudBay announced it had exercised its option from Aquila Resources Inc. ("Aquila") (TSX:AQA)(FRANKFURT:JM4A), to earn a 51% joint venture interest in the Back Forty Project, an advanced stage exploration project evaluating a zinc and gold-rich volcanogenic massive sulphide deposit ("VMS") located in Michigan's Upper Peninsula. HudBay is the operator of the Back Forty joint venture and can increase its ownership interest in the project to 65% by completing a feasibility study and submitting a mine permit application to the State of Michigan.

Resource Update

The new resource, which is shown in the table below, reflects updated metal prices, a reinterpretation of mineral domains and additional diamond drilling conducted during work to earn into the Back Forty Project.

October 15, 2010 Resource Table(i)

Classification	Tonnes (millions)	Au (g/t)	Ag (g/t)	Cu (%)	Zn (%)

Open Pit (ii)					
Measured	14.2	1.64	17.26	0.15	2.58
Indicated	2.2	1.65	33.80	0.42	1.16
Measured and Indicated	16.4	1.64	19.47	0.18	2.39
Inferred	1.5	1.53	34.18	0.68	0.94
Underground (iii)					
Measured	0.8	1.69	25.93	0.23	3.57
Indicated	0.9	1.31	25.33	0.33	3.11
Measured and Indicated	1.7	1.49	25.61	0.28	3.33
Inferred	1.7	1.23	18.75	0.32	2.92
Combined Open Pit and Underground					
Measured and Indicated	18.1	1.63	20.04	0.19	2.48
Inferred	3.2	1.38	26.18	0.49	1.97

(i) Mineral resources are not mineral reserves and do not have demonstrated economic viability. All figures have been rounded to reflect the relative accuracy of the estimates. The cut-off grades are based on metal price assumptions of US$0.85 per pound zinc, US$2.05 per pound copper, US$0.59 per pound lead, US$866 per troy ounce gold and US$13.95 per troy ounce silver. Metallurgical recoveries were determined and used for each of the metallurgical domains determined for the deposit.

(ii) Cut off grades were determined for each of the metallurgical domains based on NSR values. Average cut-off grade for the open pit resource contained within an optimized pit shell was US$20. See "Mineral Resource Estimate Disclosure."

(iii) Cut off grades were determined for each of the metallurgical domains based on NSR values. Average cut-off grade for the underground resources outside of the optimized pit shell was US$62. See "Mineral Resource Estimate Disclosure."

The tables below, which are included for comparative purposes, show the new mineral resource that is contained within the boundaries of the original basic pit shell described in Aquila's NI 43-101 technical report entitled "Mineral Resource Evaluation Back Forty Polymetallic Deposit, Michigan U.S.A." dated February 25, 2009 (the "Aquila Technical Report"), available at www.sedar.com. Contained gold ounces in the measured and indicated category in the original basic pit shell have increased to over 750,000 ounces from the 470,000 ounces included in the January 15, 2009 mineral resource estimate contained in the Aquila Technical Report. In addition, the conceptual strip ratio of measured and indicated resource blocks assigned through pit optimization to waste rock (less than US$20 NSR) is now approximately 3:1 and represents a marked improvement from the 8:1 strip ratio contemplated in the Aquila Technical Report.

October 15, 2010 Mineral Resource Contained Within the Original Basic Open Pit Shell

	Tonnes (millions)	Au (g/t)	Ag (g/t)	Cu (%)	Zn (%)
Measured and Indicated	12.2	1.77	18.93	0.22	2.22
Inferred	0.8	2.01	45.09	1.24	0.56

January 15, 2009 Open Pit Mineral Resource(i)

	Tonnes (millions)	Au (g/t)	Ag (g/t)	Cu (%)	Zn (%)
Measured and Indicated	5.9	2.46	33.1	0.61	4.06
Inferred	0.6	3.68	46.5	0.15	2.46

(i) For details on the January 15, 2009 Mineral Resource, please refer to the Aquila Technical Report.

Exploration and Next Steps

Drill hole LK-479 was the first drill hole testing an off-hole borehole pulse electromagnetic anomaly and yielded two intersections of massive sulphide. The first is an upper zone, which extends from 408.5 meters to 414.5 meters. The second is a lower zone, which extends from 747.40 meters to 817.07 meters.

The Upper Zone closely resembles the Tuff Zone massive sulfide (as described in the Aquila Technical Report), and represents a step out of 100 meters from the modeled edge of the resource to the east. The Lower Zone is likely the equivalent of the Deep Zone massive sulfide, and represents a step out of nearly 330 meters from modeled mineralization to the east. Both horizons remain open in all directions and future drilling will be directed at expanding these significant intercepts. The location relative to the current resource can be viewed at http://www.hudbayminerals.com/ourBusiness/exploration.php.

The number of drills operating at the Back Forty Project will be increased from one to three drills. The drills will focus on further diamond drilling, underground resource extension and geophysical anomaly testing. Along with this additional exploration, trade off studies are required to determine the optimum mine plan before permitting requirements can be finalized.

Drill Hole Assay Results Table

LDK-479	From (meters)	To (meters)	Length(i) (meters)	Au (g/t)	Ag (g/t)	Cu (%)	Zn (%)
Upper Zone	408.48	414.5	6.02	8.14	312.2	0.09	7.99
Lower Zone	747.40	817.07	69.67	1.11	27.00	0.41	1.30
including	747.40	793.10	45.70	0.71	21.71	0.47	0.71
Including	799.33	817.07	17.74	0.29	17.03	0.38	3.27
Including	793.10	799.33	6.23	6.39	94.17	0.10	0.03
Including	802.34	814.27	11.93	0.31	16.13	0.34	3.85

(i) "Length" is measured core length, not enough information is available to determine true width.

Drill Hole Intersection Location Table(1)

LDK-479	From (meters)	To (meters)	Easting (meters)	Northing (meters)	Depth (meters)
Collar	0	0	434650.1	5032991.7	0
Upper Zone	408.48	414.5	434684.7	5033142.1	374
Lower Zone(2)	747.40	817.07	434758.5	5033303.4	687

(1) Coordinates are stated in UTM NAD83 Zone 10 and depth is vertical distance from the collar of the hole to the center of the intersection.
(2) The Lower Zone intersection has yet to be surveyed for accurate down hole location and the coordinates are an approximation.

Exploration Alliance

The company also announced that it formed an exploration alliance with Aquila where HudBay will fund exploration conducted by Aquila in Michigan and other areas to be agreed. HudBay will make an initial payment to Aquila of US$250,000, which Aquila will use to seek out exploration targets anticipated to host VMS and other deposits. Aquila will present HudBay with a minimum of five exploration targets, and if HudBay agrees to continue to fund any such target it will fund exploration up to US$2 million dollars, following which the parties would form a 50/50 joint venture with respect to the project. HudBay would then be able to increase its interest to 65% by funding and completing a feasibility study and required mine permit applications.

"The recent exploration success at Back Forty demonstrates Aquila's exploration expertise and we look forward to continuing to work with them to seek out new deposits in the region," said Mr. Garofalo.

HudBay has also agreed to invest up to US$2 million in a private placement for Aquila common shares. Completion of the private placement is subject to customary closing conditions.

HudBay Minerals Inc.: Strength to Build the Future

HudBay Minerals Inc. (TSX:HBM) is a Canadian integrated mining company with assets in North and Central America principally focused on the discovery, production and marketing of metals. The company's objective is to maximize shareholder value through efficient operations, organic growth and accretive acquisitions, while maintaining its financial strength. A member of the S&P/TSX Composite Index and the S&P/TSX Global Mining Index, HudBay is committed to high standards of corporate governance and sustainability.

Quality Assurance and Quality Control

Exploration core drilling was NQ size. The core was logged and mineralized intersections were marked for sampling and assaying by geologists and geo-technicians employed by Aquila Resources Inc. and the HudBay Aquila Joint Venture. The marked intersections or intervals were sawn in half by a diamond saw and one half of the core was placed in sample 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 Minerals Processing Corporation's sample prep lab in Carney Michigan where it was dried, crushed and pulverized and a 250-gram sample was prepared for assaying at Inspectorate Labs in Sparks Nevada. Strict sampling and QA/QC protocol are followed, including the insertion of standards and blanks in the sample stream on a regular basis. Sample intervals are typically 1.5 meters. Analytical method for gold is fire assay with atomic adsorption finish and gravimetric finish for samples greater than 3.0 g/t gold. All other elements are analyzed by ICP with silver over limits (greater than 200 g/t) analyzed by fire assay/gravimetric finish and base metal over limits analyzed by AAS.

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 10 core samples, one core sample has a second 250 gram split collected that was check assayed at another independent laboratory. This news release provides core lengths and estimates of vertical thickness only. 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.

Mineral Resource Estimate Disclosure

The mineral resource estimate is effective as of the cut-off date August 1, 2010 for diamond drilling, and includes a total 435 drill holes.

Resource estimation was carried out using geostatistical block modelling techniques with Datamine software on seven discrete mineralized zones having an overall strike length of 1100 metres and trending in a northeast - southwest direction. The bulk of the resource mineralization is within 200m of surface but extends as much as 500m below surface.

Domaining of the mineralized envelopes took into consideration differing characteristics of the polymetalic (Au, Ag, Cu, Pb, Zn) occurrence, as well as cross-cutting dykes and the natural break in concentrations of Au, Ag, Zn (and in some instances Cu). The seven zones consist of a folded massive and semi-massive sulphide zone to the north, two smaller gossan zones near surface, a south-westerly plunging massive sulphide zone, a smaller more vertical massive sulphide zone, and two semi-massive sulphide zones to the south, also folded but dipping in a southerly direction.

Drill hole samples were captured with the mineral domains and density-weighted composites of 1.6m were created. To address the folded and irregular features of four of the mineral zones, variogram analysis and grade estimation utilized an 'Unfold' feature available in Datamine. Statistical analysis, confirmed by visual investigation, was used to apply grade capping 50 g/t Au, 500 g/t Ag, 7% Pb, and 30% Zn to the composites. Results of variogram modelling were used to determine estimation parameters, 8m x 8m x 6m blocks were generated from the mineral domains, and Ordinary Kriged estimates were carried out on all five elements. Nearest Neighbour estimates were also done to provide declustered drill hole values for model validation and grade smoothing analysis. Where dictated by the smoothing analysis, a lognormal smoothing correction was applied to the final Kriged grades.

Metallurgical test results included in the previous resource statement along with current HudBay long term metal pricing were also applied to the block model and used to approximate a Net Smelter Return (NSR) value from the Kriged Au, Ag, Cu, Pb and Zn. Metal pricing used was: Au $866/oz., Ag $13.95/oz., Cu $2.05/lb., Pb $0.59/lb, and Zn $0.85/lb (all $US). A cutoff of $20 NSR was then used in a Whittle optimization exercise to determine a potentially economic open pit shell with a generic pit slope considered. Blocks above the $20 NSR cutoff within this pit shell were tabulated for the reported resource, and a $62 NSR cutoff was used to report the potentially economic blocks remaining outside the pit shell. A visual inspection of the reported blocks indicated that most belonged to contiguous zones, and any exercise to exclude these 'blocks above cutoff' outliers would have little effect.

Greg Greenough, P.Geo., a Senior Resource Geologist with Golder Associates carried out, and is responsible for the resource estimate described in this press release.

Cashel Meagher P.Geo, VP Exploration for HudBay Minerals Inc. is the Qualified Person for HudBay as described in NI 43-101 and is responsible for the

contents of this release.

Forward-Looking Information

This news release contains "forward-looking information" within the meaning of applicable securities laws. Forward-looking information includes but is not limited to information concerning the company's ability to develop the Back Forty Project and the company's strategies and future prospects. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects", or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", "understands" or "does not anticipate", or "believes" or variations of such words and phrases or statements that certain actions, events or results "will", "may", "could", "would", "might", or "will be taken", "occur", or "be achieved". Forward-looking information is based on the views, opinions, intentions and estimates of management at the date the information is made, and is based on a number of assumptions and subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those anticipated or projected in the forward-looking information (including the actions of other parties who have agreed to do certain things and the approval of certain regulatory bodies).

Many of these assumptions are based on factors and events that are not within the control of HudBay and there is no assurance they will prove to be correct. Factors that could cause actual results or events to vary materially from results or events anticipated by such forward-looking information include the ability to develop and operate the Back Forty Project on an economic basis, risks associated with the mining industry such as economic factors (including costs of construction materials, future commodity prices, currency fluctuations and energy prices), failure of plant, equipment, processes and transportation services to operate as anticipated, dependence on key personnel, employee relations and availability of equipment and skilled personnel, environmental risks, government regulation, actual results of current exploration activities, possible variations in ore grade or recovery rates, permitting timelines, capital expenditures, reclamation activities, land titles, and social and political developments and other risks of the mining industry, as well as those risk factors discussed in the company's Annual Information Form dated March 31, 2010, which risks may cause actual results to differ materially from any forward-looking statement.

Although HudBay has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results not to be anticipated, estimated or intended. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. HudBay undertakes no obligation to update forward-looking information if circumstances or management's estimates or opinions should change except as required by applicable securities laws, or to comment on analyses, expectations or statements made by third parties in respect of HudBay, its financial or operating results or its securities. The reader is cautioned not to place undue reliance on forward-looking information.

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