HUDBAY

TMX NYSE HBM

Q4 2011 Results Conference Call

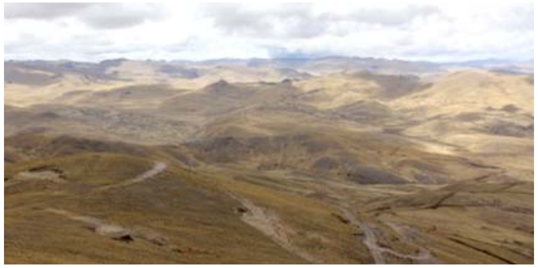
March 8, 2012

Creating Sustainable Value through High Quality Long Life Deposits

Forward Looking Information

This presentation 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 its Lalor project, capital and operating cost assumptions, anticipated production numbers, the ability to meet production forecasts, the potential impact of changing economic conditions on Hudbay's financial results 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 Lalor project on an economic basis and in accordance with anticipated timelines, geological and technical conditions, 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, including new and upgraded facilities at Lalor, 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, dilution 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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Lalor Project Disclaimer

Hudbay's production decision with respect to Lalor was not based on the results of a pre-feasibility study or feasibility study of mineral resources demonstrating economic or technical viability, because significant portions of the deposit are not able to be classified as a mineral reserve until they can be accessed from underground for additional drilling. Because of this, the production decision was based on mineral resources identified to date and estimates of potential grades and quantities of the gold zone and copper-gold zone, along with other available information, including cost estimates and portions of the engineering design, which have been completed to a level suitable for inclusion in a feasibility study. The preliminary assessment respecting Hudbay's Lalor project is preliminary in nature, includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied that would enable them to be classified as mineral reserves and there is no certainty that the preliminary assessment will be realized. Among the risks associated with the decision to commence production at Lalor is the possibility that the gold zone will not be economically or technically viable, construction timetables, cost estimates and production forecasts may not be realized. The potential quantity and grade of the gold zone and copper-gold zone are conceptual in nature. There has been insufficient exploration to define a mineral resource and it is uncertain if further exploration will result in the targets being delineated as mineral resources.

Qualified Person

The technical and scientific information included in this presentation was approved by Robert Carter, P. Eng, Manager, Project Evaluation of Hudbay, a "qualified person" for the purposes of National Instrument 43-101.

Note to U.S. Investors

Information concerning the mineral properties of the Company has been prepared in accordance with the requirements of Canadian securities laws, which differ in material respects from the requirements of SEC Industry Guide 7. Under SEC Industry Guide 7, mineralization may not be classified as a "reserve" unless the determination has been made that the mineralization could be economically and legally produced or extracted at the time of the reserve determination, and the SEC does not recognize the reporting of mineral deposits which do not meet the SEC Industry Guide 7 definition of "Reserve". In accordance with National Instrument 43-101 - Standards of Disclosure for Mineral Projects ("NI 43-101") of the Canadian Securities Administrators, the terms "mineral reserve", "proven mineral reserve", "probable mineral reserve", "mineral resource", "measured mineral resource", "indicated mineral resource" and "inferred mineral resource" are defined in the Canadian Institute of Mining, Metallurgy and Petroleum (the "CIM") Definition Standards for Mineral Resources and Mineral Reserves adopted by the CIM Council on December 11, 2005. While the terms "mineral resource", "measured mineral resource", "indicated mineral resource" and "inferred mineral resource" are recognized and required by NI 43-101, the SEC does not recognize them. You are cautioned that, except for that portion of mineral resources classified as mineral reserves, mineral resources do not have demonstrated economic value. Inferred mineral resources have a high degree of uncertainty as to their existence and as to whether they can be economically or legally mined. Under Canadian securities laws, estimates of inferred mineral resources may not form the basis of an economic analysis. It cannot be assumed that all or any part of an inferred mineral resource will ever be upgraded to a higher category. Therefore, you are cautioned not to assume that all or any part of an inferred mineral resource exists, that it can be economically or legally mined, or that it will ever be upgraded to a higher category. Likewise, you are cautioned not to assume that all or any part of measured or indicated mineral resources will ever be upgraded into mineral reserves. You are urged to consider closely the disclosure on the technical terms in Schedule A "Glossary of Mining Terms" of our AIF for the fiscal year ended December 31, 2010, available on SEDAR at www.sedar.com and incorporated by reference as Exhibit 99.1 in our Form 40-F filed on March 31, 2011 (File No. 001- 34244).

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Q4 2011 Highlights

- Strong 2011 results enabled company to meet production targets for 5th consecutive year
- Achieved good cost control at operations
- Success translated into strong operating cash flow and earnings per share
- Operating assets underpin success; development projects point to future

HudBay’s Focus for 2012

Advancing development assets toward production

- Lalor
  - Proceeding on track and on budget
  - First ore-production on schedule
  - New Cu-Au mineralization discovery
- Constancia
  - Engineering and design well advanced
  - Long-lead orders secured
  - Exploration success at Pampacancha
- Reed
  - Received key construction permits
  - Commenced ahead of schedule
  - First ore-production on track

Strong Financial Performance

Driven by steady production and cost control

	Three Months Ended Dec 31		Year Ended Dec 31	
	2011	2010	**2011**	2010
Revenue	**254,314**	184,607	**890,817**	781,032
Profit before tax	**69,813**	26,594	**209,025**	108,669
Profit (loss) for the period	**34,286**	13,694	**(163,588)**	21,017
Basic and diluted (loss) EPS (1)	**0.21**	0.07	**(0.92)**	0.16
Operating cash flow (2)	**52,194**	36,713	**220,313**	140,482
Operating cash flow per share (2)	**0.30**	0.25	**1.31**	0.93

(1) Attributable to owners of the company

(2) Before changes in non-cash working capital. Operating cash flow and operating cash flow per share are considered non-IFRS measures. See "Non-IFRS Measures" in our Management's Discussion and Analysis for the quarter ending December 31, 2011.

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Steady Production with Low Cash Costs

Operations met production targets for fifth consecutive year

		Year Ended Dec 31 2011	GUIDANCE[1] 2011	GUIDANCE[1] 2012
Copper [1]	tonnes	**54,324**	**40-55,000**	**35-40,000**
Zinc [1]	tonnes	**75,780**	**70-90,000**	**70-85,000**
Precious Metals (1,2)	troy oz.	**112,126**	**95-120,000**	**85-105,000**
Co-Product Cash Costs (3)				
Gold	US$/oz	**$437**		
Copper	US$/lb	**$1.44**		
Zinc	US$/lb	**$0.95**		

(1) Metal reported in concentrate prior to refining losses or deductions associated with smelter terms (2) Silver production converted to gold at the average gold and silver realized sales prices during each respective quarter. (3) Cash costs are considered non-IFRS measures. See "Non-IFRS Measures" in our Management's Discussion and Analysis for the quarter ending December 31, 2011.

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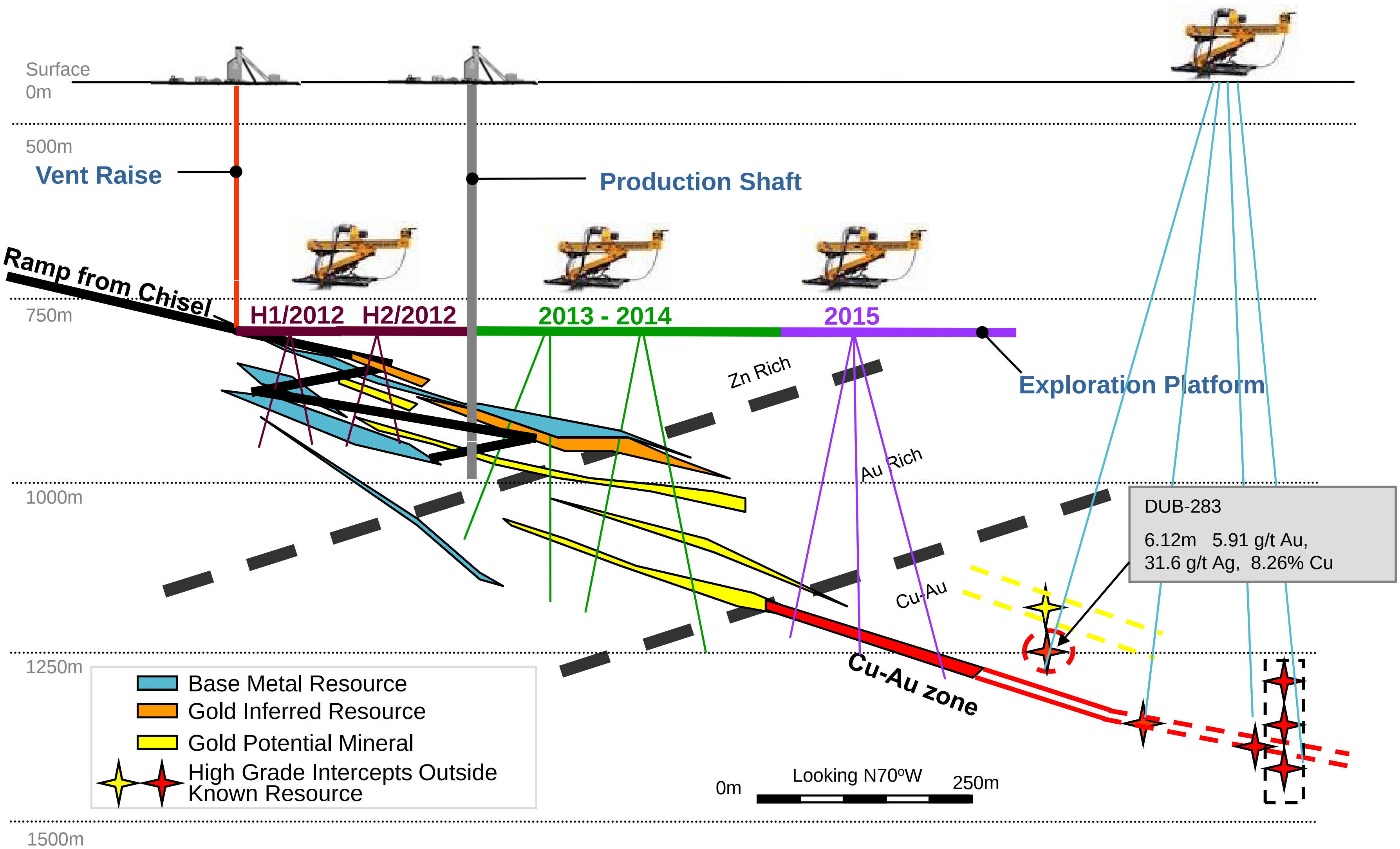
Lalor Construction Advancing Well

Initial production remains on target and expected by mid-2012

- 3,200 metre access ramp completed on schedule and on budget
- Ventilation shaft sunk to ~500 metres
- Underground diamond drilling began in Jan. 2012
- Headframe substantially complete; main production hoist commissioned
- Site warehouse and surface shop complete
- Basic engineering for concentrator underway

Lalor

Underground drilling has begun; New Cu-Au mineralization discovered



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Constancia

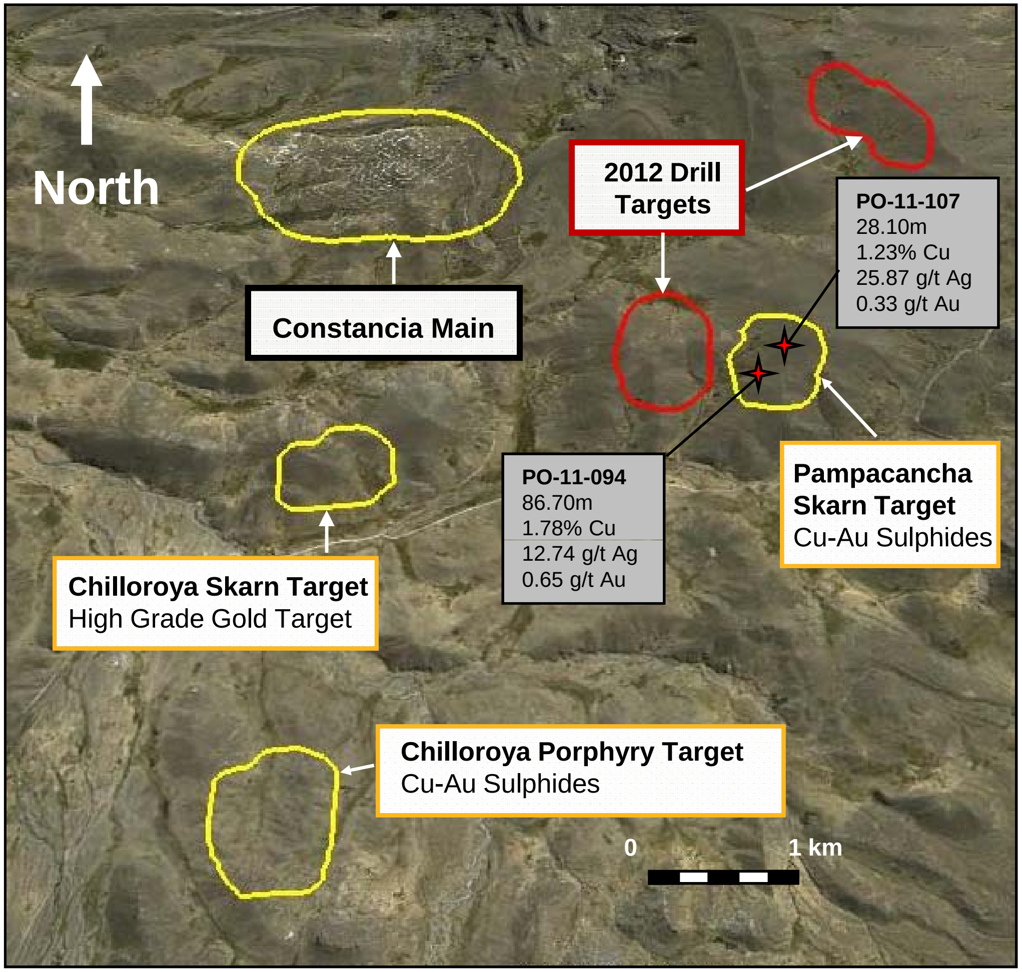
Optimization and front-end engineering well advanced

- Board approved $107 million for Q1 2012
- Orders already placed for grinding mills
- Mobile equipment orders to be placed in Q1 2012
- Anticipate larger reserve and increased throughput from value engineering




Constancia Exploration Program

Pampacancha drilling confirms continuity of copper mineralization



- Pampacancha drill results indicate deposit has expanded to the north and west
- Results being incorporated into Pampacancha resource estimate by end of Q1 2012
- Chilloroya South drilling to commence in Spring, results later in 2012

Reed Copper Project

Construction will begin ahead of schedule

- Ramp decline anticipated to begin in the second half of 2012
- First ore production expected by the fourth quarter of 2013
- Two exploration drills testing known mineralized horizons and geophysical anomalies at depth
- Additional 4,000 metres planned to follow up Reed North mineralization

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Leading Production Growth

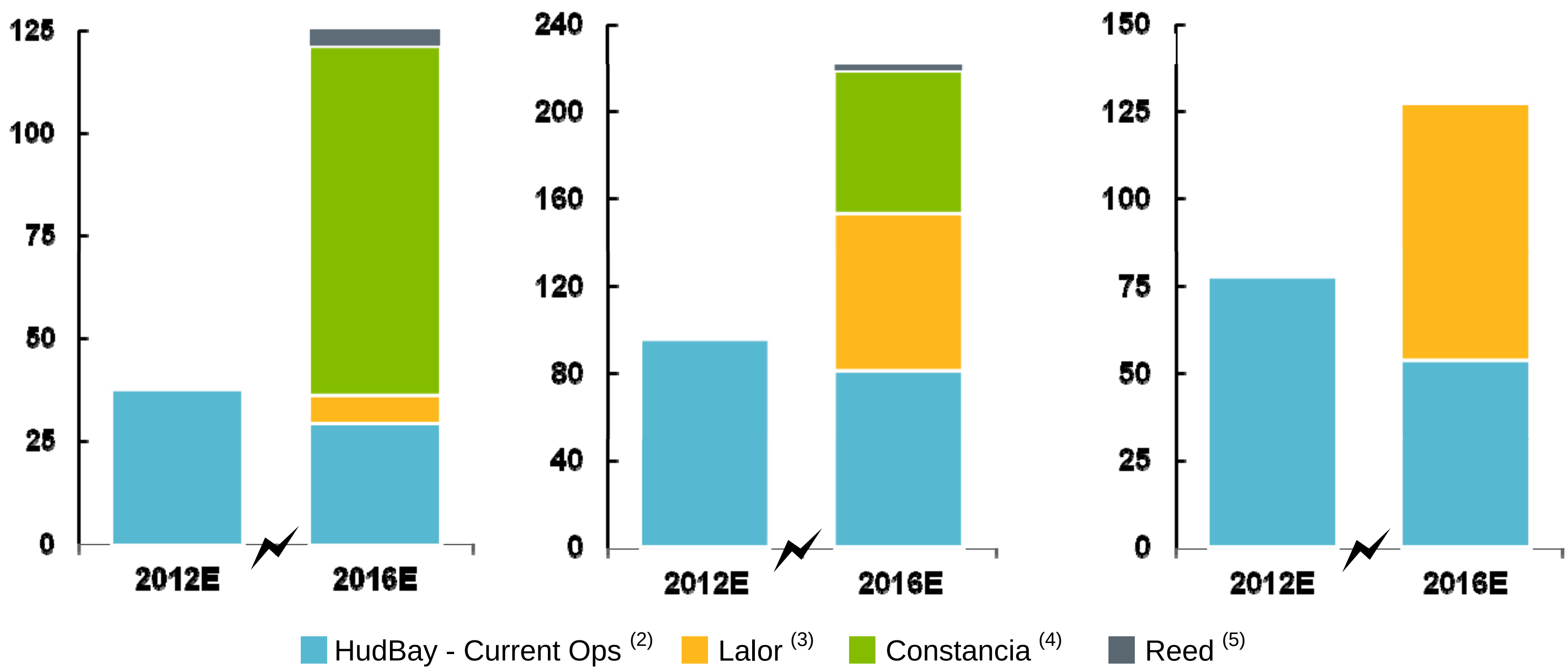
Focus in 2012 is continued progress of development stage assets

255% GROWTH | **135**% GROWTH | **65**% GROWTH

Cu Production (kt)

Precious Metals Production[1] (koz)

Zn Production (kt)



(1) Silver converted to gold at a ratio of 50:1. (2) Based on midpoint of 2012 forecasted production released on December 19, 2011. Anticipated production for 2016 is based on 777 and the 777 North expansion. (3) Lalor's anticipated 2016 gold equivalent production includes production from inferred resources and the conceptual gold zone. (4) Based on contained metal in concentrate per NI 43-101 technical report titled, "Constancia Project Technical Report", dated February 21, 2011. (5) Reflects 70% attributable production to HudBay.

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Leverage Commodity Exposure Per Share

- Actively exploring in Flin Flon Greenstone Belt and Constancia
- Increasing commodity exposure through pipeline of early stage opportunities
- Minority equity positions in 17 companies with current market value of ~$100 million
- One of the best "farm systems" in mid-tier space
- Constancia and Reed both originated from farm system

TRACK RECORD POSITIONS HUDBAY TO DELIVER **PER SHARE VALUE** UPON **EXPANSION**

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