

**HUDBAY**

**NOW**

**ANNUAL AND SPECIAL MEETING  
OF SHAREHOLDERS**

May 10, 2013

**G. Wesley Voorheis**  
Chairman

**HUDBAY**

**NOW**

**J. Bruce Barraclough**  
1947 - 2013



**G. Wesley Voorheis**  
Chairman

**HUDBAY**

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**David Garofalo**

President & Chief Executive Officer

**HUDBAY**

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# Forward-looking Information

This presentation contains “forward-looking statements” and “forward-looking information” (collectively, “forward-looking information”) within the meaning of applicable Canadian and United States securities legislation. All information contained in this presentation, other than statements of current and historical fact, is forward-looking information. Forward-looking information includes information that relates to, among other things, our objectives, strategies, and intentions and future financial and operating performance and prospects. Often, but not always, forward-looking information can be identified by the use of words such as “plans”, “expects”, “budget”, “guidance”, “scheduled”, “estimates”, “forecasts”, “strategy”, “target”, “intends”, “objective”, “goal”, “understands”, “anticipates” and “believes” (and variations of these or similar words) and statements that certain actions, events or results “may”, “could”, “would”, “should” or “might” “occur” or “be achieved” or “will be taken” (and variations of these or similar expressions). All of the forward-looking information in this presentation is qualified by this cautionary statement.

Forward-looking information includes, but is not limited to, continued production at Hudbay’s 777 and Lalor mines, continued processing at the company’s Flin Flon concentrator, Snow Lake concentrator and Flin Flon zinc plant, Hudbay’s ability to develop its Lalor, Constanca and Reed projects and the anticipated scope of, cost of and development plans for, these projects, anticipated timing of Hudbay’s projects and events that may affect the company’s projects, Hudbay’s expectation that it will receive the remaining US\$250 million deposit payment under the precious metals stream transaction with Silver Wheaton Corp., the anticipated effect of external factors on revenue, such as commodity prices, anticipated exploration and development expenditures and activities and the possible success of such activities, estimation of mineral reserves and resources, mine life projections, timing and amount of estimated future production, reclamation costs, economic outlook, government regulation of mining operations, and business and acquisition strategies.

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 success of mining, processing, exploration and development activities; the accuracy of geological, mining and metallurgical estimates; the costs of production; the supply and demand for metals Hudbay produces; the volatility of commodity prices; the volatility in foreign exchange rates; the supply and availability of concentrate for Hudbay’s processing facilities; the supply and availability of reagents for Hudbay’s concentrators; the availability of third party processing facilities for Hudbay’s concentrate; the supply and availability of all forms of energy and fuels at reasonable prices; the availability of transportation services at reasonable prices; no significant unanticipated operational or technical difficulties; the availability of financing for Hudbay’s exploration and development projects and activities; the ability to complete project targets on time and on budget and other events that may affect Hudbay’s ability to develop its projects; the timing and receipt of various regulatory and governmental approvals; the availability of personnel for Hudbay’s exploration, development and operational projects and ongoing employee relations; maintaining good relations with the communities in which Hudbay operates, including the communities surrounding the company’s Constanca project and First Nations communities surrounding the company’s Lalor and Reed projects; no significant unanticipated challenges with stakeholders at Hudbay’s various projects; no significant unanticipated events relating to regulatory, environmental, health and safety matters; no contests over title to Hudbay’s properties, including as a result of rights or claimed rights of aboriginal peoples; the timing and possible outcome of pending litigation and no significant unanticipated litigation; certain tax matters, including, but not limited to current tax laws and regulations; and no significant and continuing adverse changes in general economic conditions or conditions in the financial markets.

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 and energy prices), uncertainties related to the development and operation of the company’s projects, depletion of its reserves, risks related to political or social unrest or change and those in respect of aboriginal and community relations and title claims, operational risks and hazards, including unanticipated environmental, industrial and geological events and developments and the inability to insure against all risks, failure of plant, equipment, processes, transportation and other infrastructure to operate as anticipated, compliance with government and environmental regulations, including permitting requirements and anti-bribery legislation, dependence on key personnel and employee relations, volatile financial markets that may affect our ability to obtain financing on acceptable terms, uncertainties related to the geology, continuity, grade and estimates of mineral reserves and resources and the potential for variations in grade and recovery rates, uncertain costs of reclamation activities, Hudbay’s ability to comply with the company’s pension and other post-retirement obligations, Hudbay’s ability to abide by the covenants in the company’s debt instruments, as well as the risks discussed under the heading “Risk Factors” in Hudbay’s most recent Annual Information Form and Form 40-F.

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

# Note to U.S. Investors

Information concerning Hudbay’s mineral properties 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 Securities and Exchange Commission (the “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 United States 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.

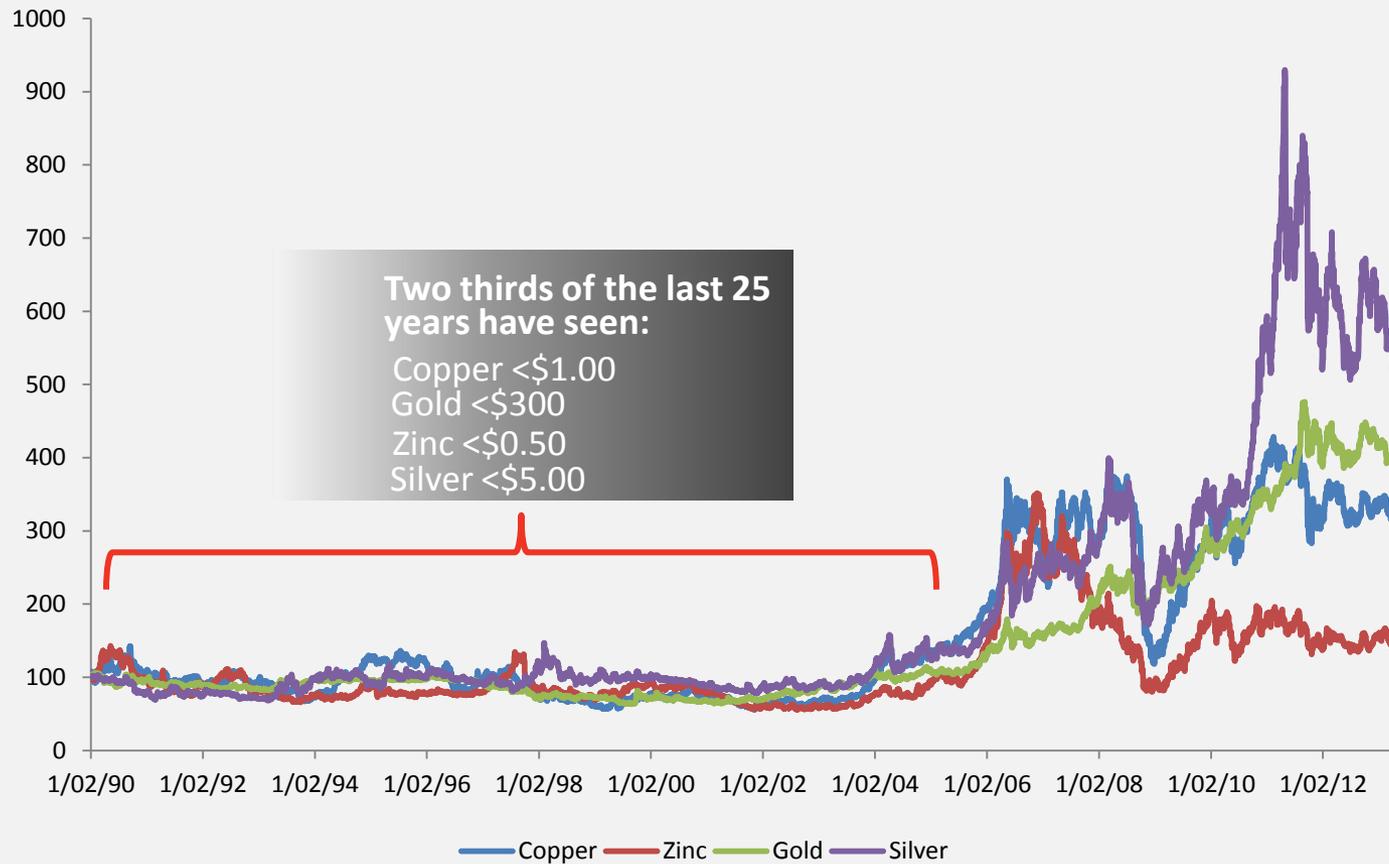
It cannot be assumed that all or any part of an inferred mineral resource will ever be upgraded to a higher category. Therefore, you are cautioned not to assume that all or any part of an inferred mineral resource exists, that it can be economically or legally mined, or that it will ever be upgraded 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 Hudbay’s annual information form for the fiscal year ended December 31, 2012, available on SEDAR at [www.sedar.com](http://www.sedar.com) and incorporated by reference as Exhibit 99.1 in Hudbay’s Form 40-F filed on March 28, 2013 (File No. 001-34244).



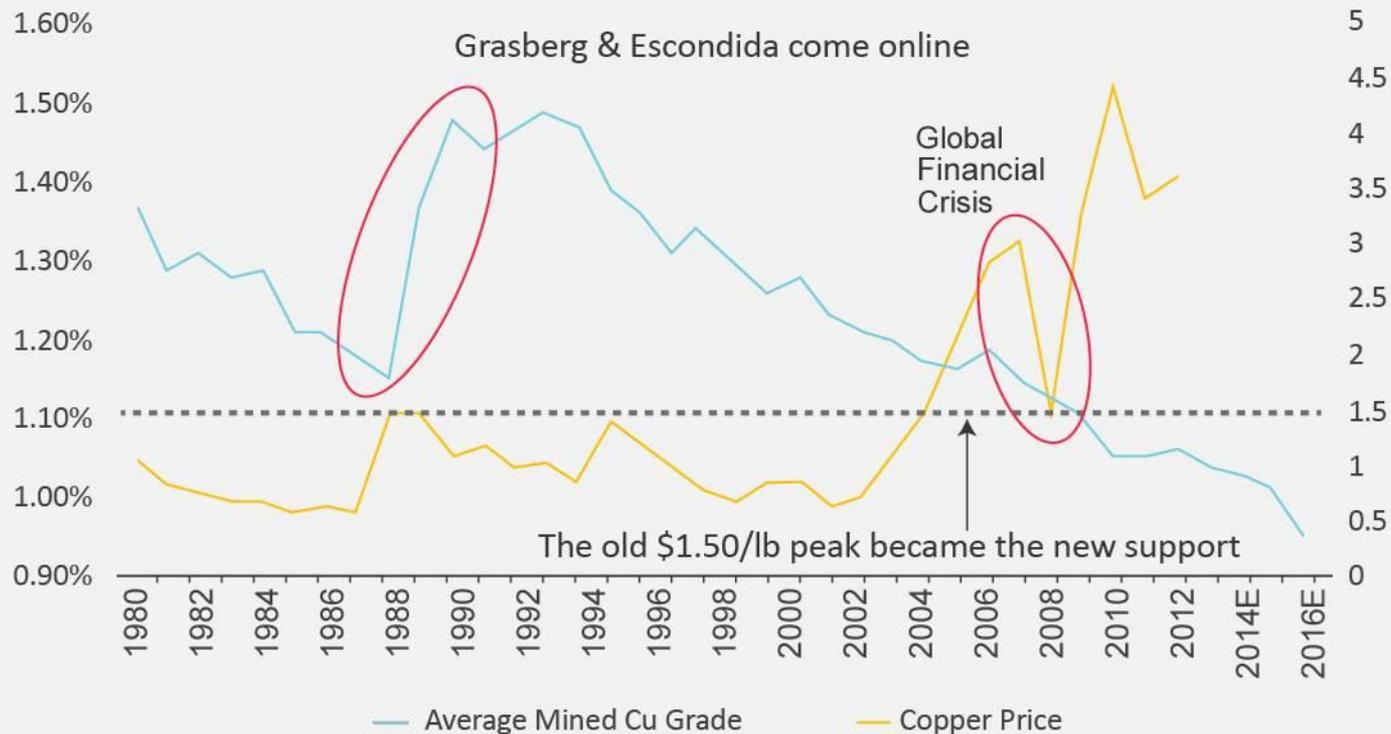
**WE ARE** *somos*  
**HUDBAY**

**Our Vision:** To become a top-tier operator of long-life,  
low-cost mines in the Americas

# Metal prices still strong in historical terms



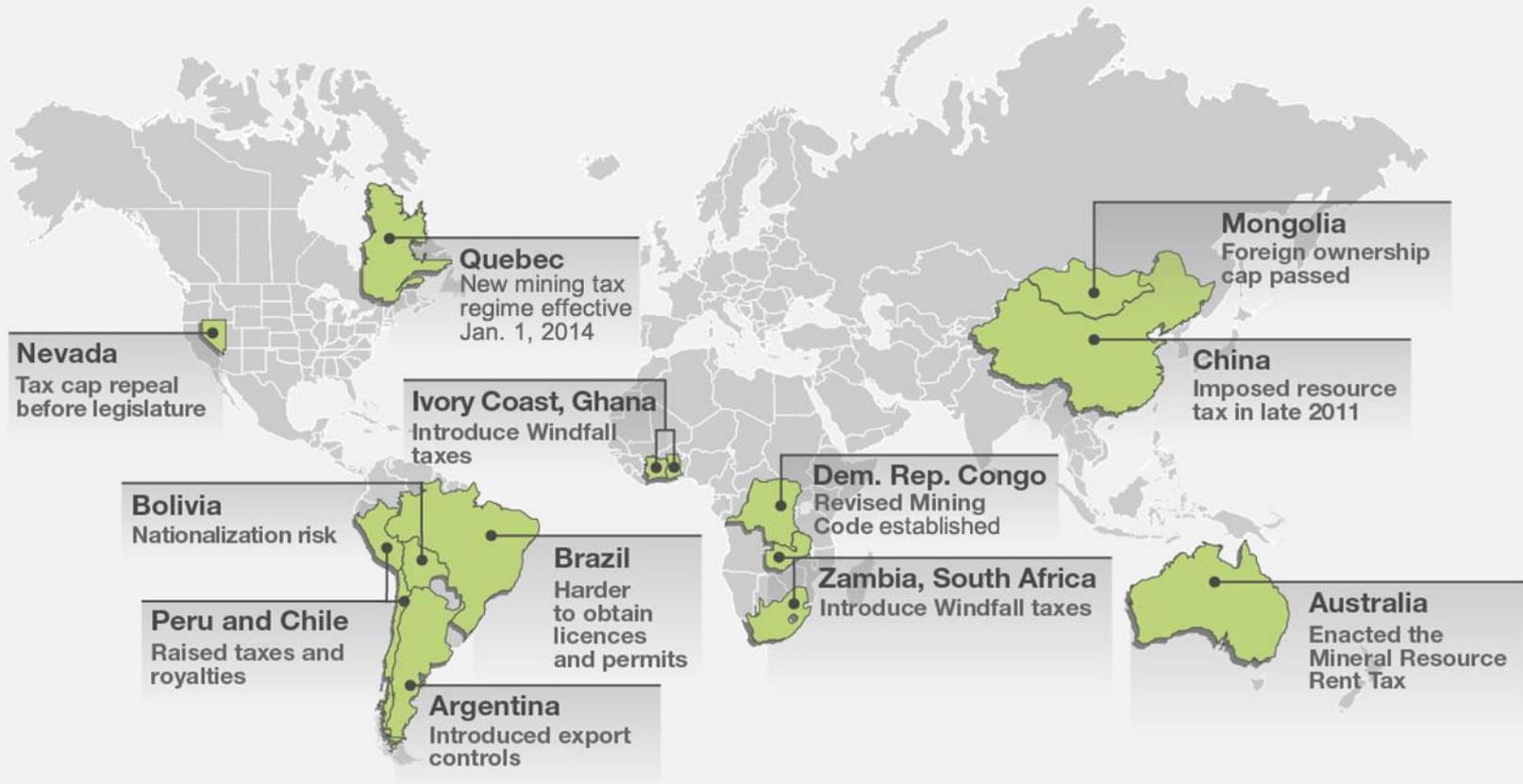
# Rapidly declining copper head grades support higher prices



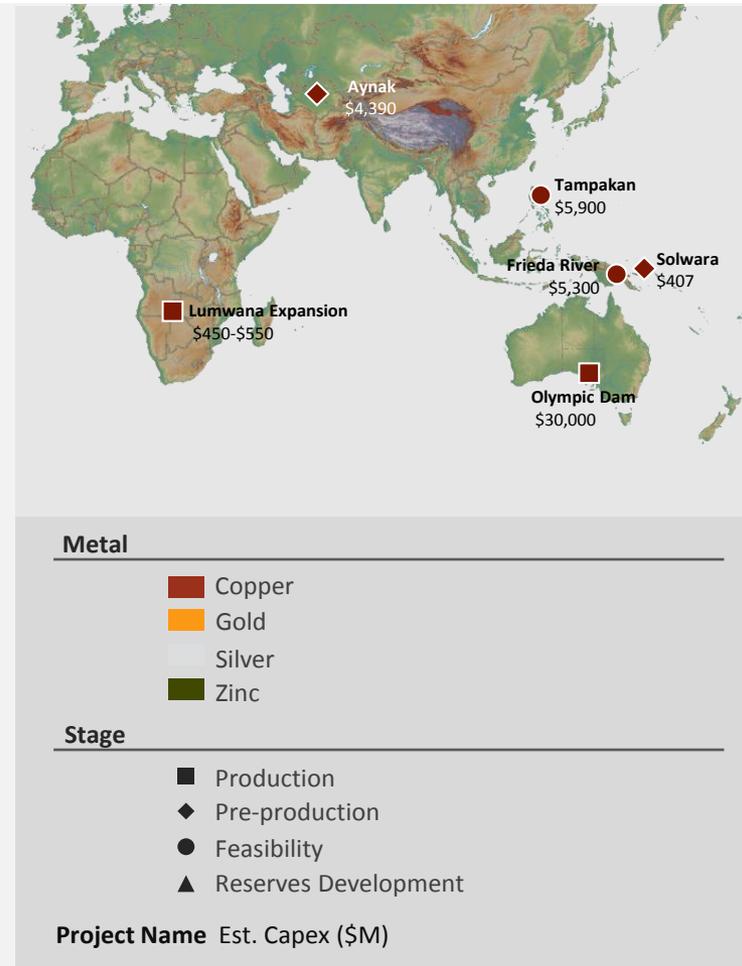
Source: Wood Mackenzie, Ltd. Q4 2012

# Jurisdictional Tax and Political Risk Add to Supply Challenges

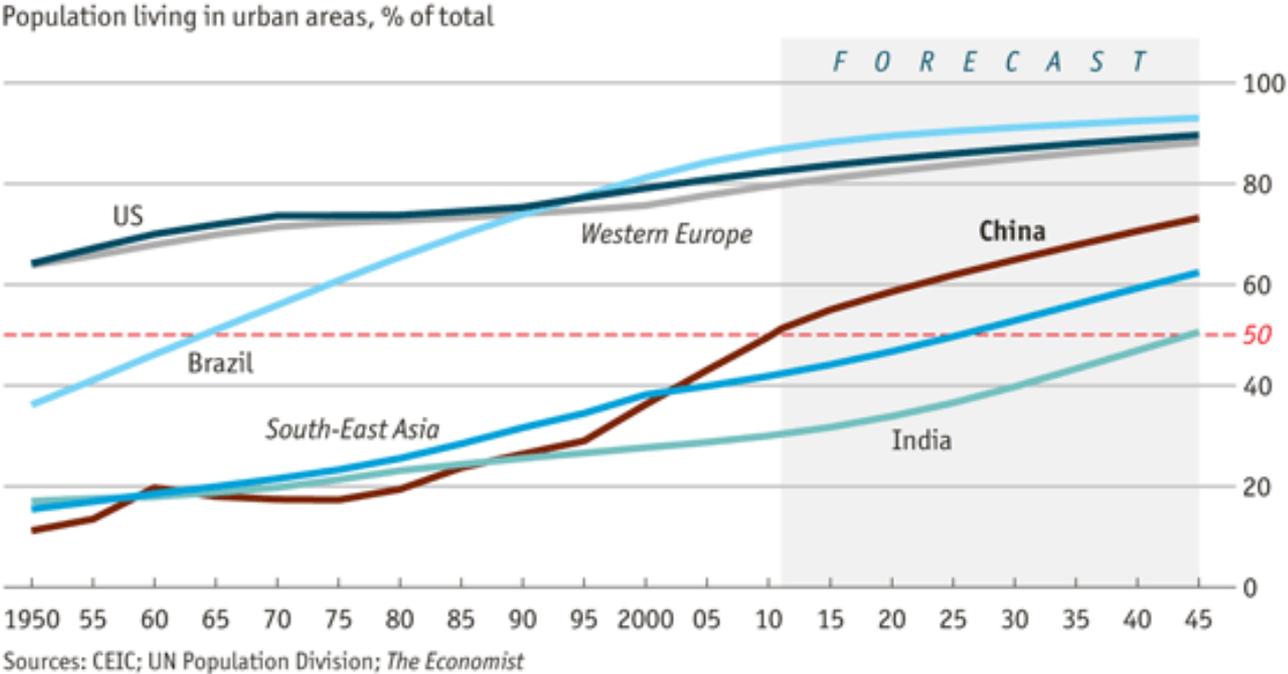
- Global phenomenon
- Canada not immune
- Mining companies must pro-actively manage political risk



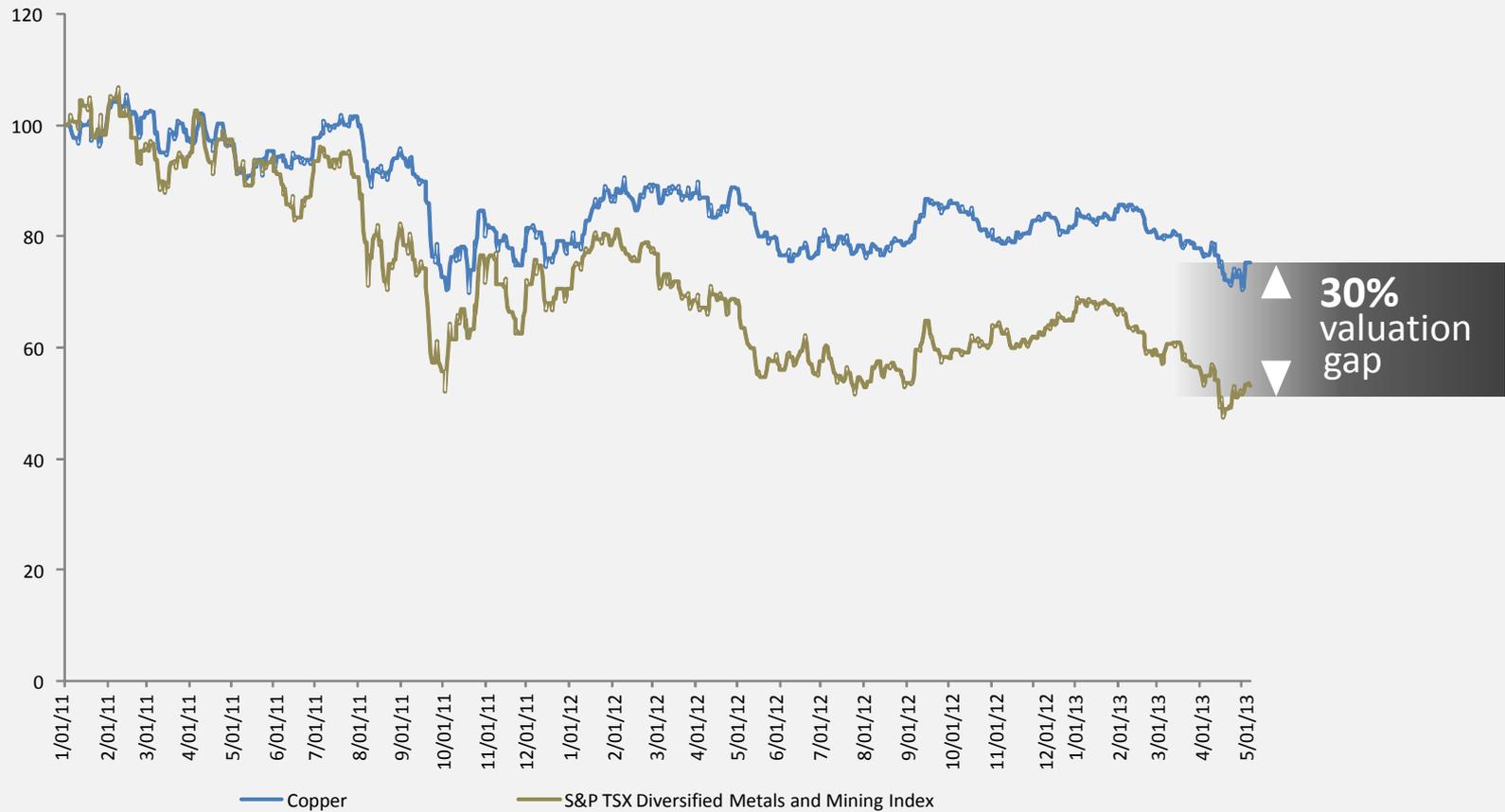
# ... as do \$100 billion of project delays in the last year



# Demand long-term underpinned by continual and dramatic urbanization



# Base Metal Equities vs. Base Metal Performance



Source: Bloomberg

# Gold Price vs. Gold Equities



## Mining Equities: Lessons Learned

- Focus on leverage to commodity prices
- Increase economies of scale in order to keep operating costs down
- Focus on exploration near existing processing facilities
- Establish and stick to return on investment criteria

## Mid tier diversified mining companies: an endangered species



# Consistent Growth Criteria

- Focus geographically
- Focus geologically
- Acquire small, think big
- Invest patiently



# From Harvest to Industry-Leading Growth in Three Years

	2010 <sup>2</sup>		2013 <sup>2</sup>
<b>Copper Equivalent<sup>1</sup> Production 3-Year Growth</b>	-30% (projected growth to 2013)	↑	210% (projected growth to 2016)
<b>Proven &amp; Probable Reserves Copper Equivalent pounds per share</b>	12	+ 290% ↑	46
<b>Measured &amp; Indicated<sup>3</sup> Copper Equivalent pounds per share</b>	17	+ 45% ↑	24
<b>Available Liquidity<sup>4</sup></b>	US\$887 million	+ 106% ↑	US\$1,823 million
<b>How we Paid for Growth: Shares Outstanding<sup>4</sup></b>	154 million	+ 12% ↑	172 million

<sup>1</sup>Copper equivalency calculated using commodity prices of US\$1,250/oz Au, US\$25.00/oz Ag, US\$2.75/lb Cu, US\$0.95/lb Zn, US\$0.90/lb Pb and US\$14.00/lb Mo.

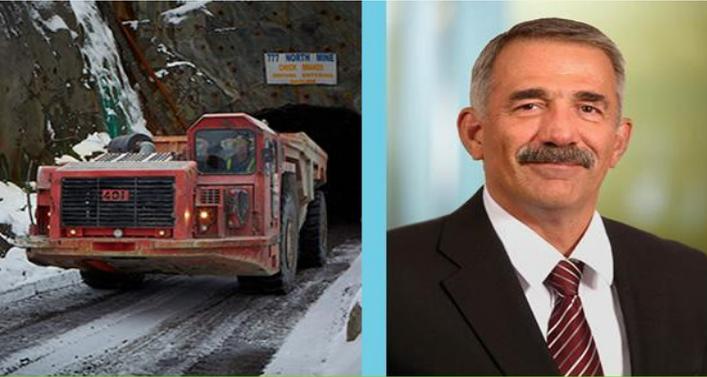
<sup>2</sup>Production growth for 2010 and 2013 uses the actual from the prior year and the 3 year forward forecast as at January 1, 2010 and January 1, 2013, respectively. 2010 forecasted production growth sourced from internal company estimates at the time. 2013 forecasted production growth sourced from company guidance for 2013 and NI 43-101 technical reports for 2014 and 2015. Precious metal production includes production subject to streaming transaction where applicable.

<sup>3</sup>Measured and indicated resources are exclusive of reserves.

<sup>4</sup>Available liquidity and shares outstanding for 2010 and 2013 is as at January 1, 2010 and January 1, 2013, respectively. Liquidity includes future stream agreement payments and undrawn credit facility. 2010 reserves and resources do not include the Fenix Project, which was sold in 2011.

## Our Manitoba Business

Exploring, building and reclaiming, while consistently hitting operating targets



## Flagship 777 Mine

Steady production with low cash costs

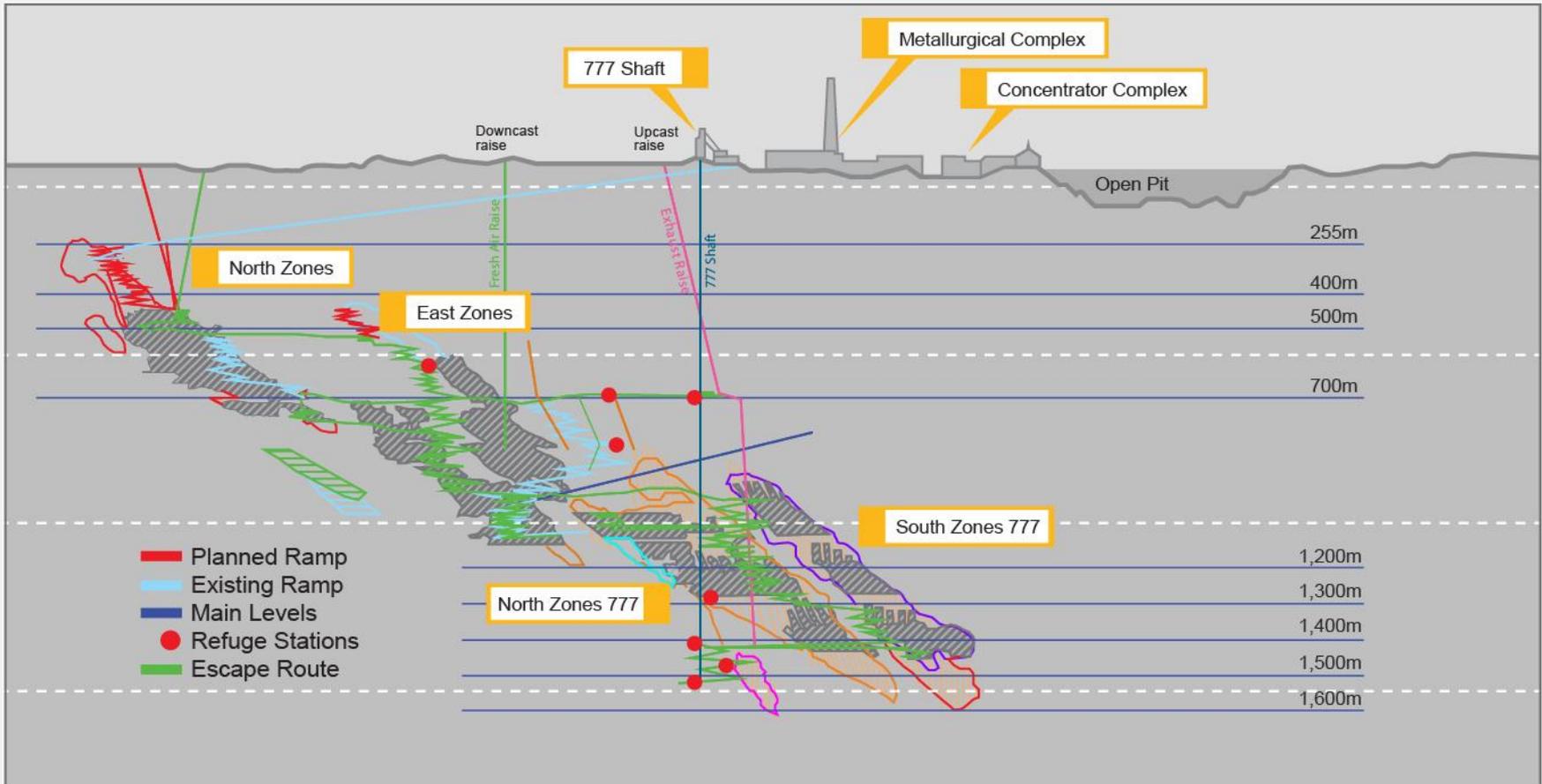


<sup>1</sup>2013 estimated production and costs are based on guidance as disclosed in Hudbay's news release entitled "Hudbay Announces 2013 Production Guidance and Capital and Exploration Forecasts", dated January 9, 2013



# 777 Mine

Underground exploration program underway



# Lalor

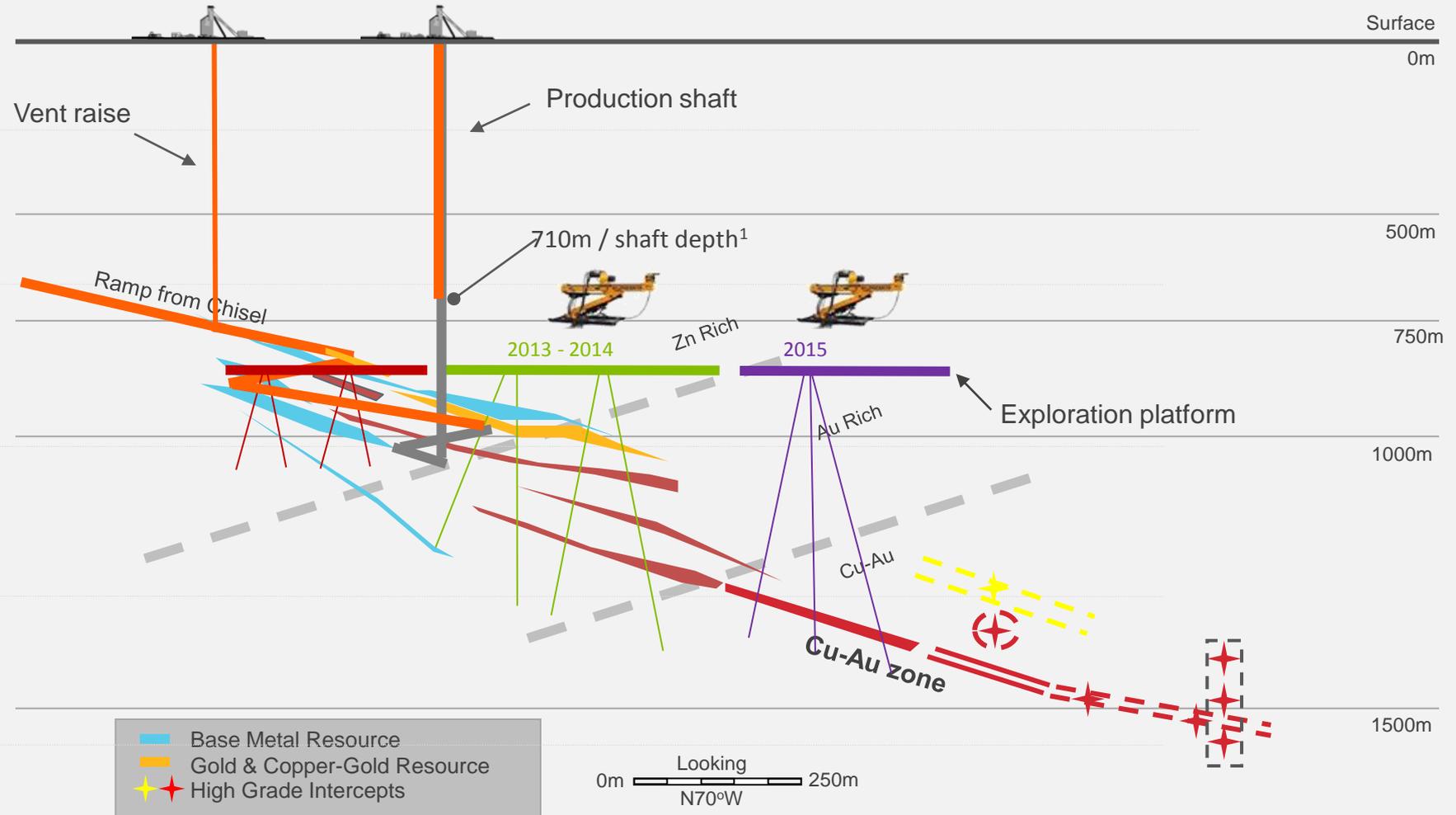
## First Phase of Commercial Production – April 1, 2013

- \$794 million commitment to develop our next big mine in Manitoba
- Largest initial discovery in our 86-year history
- Projected 20 year mine life will enable the company to celebrate milestone of 100 years mining in the Flin Flon Greenstone Belt
- Construction of new concentrator expected to begin in 2014
- Significant exploration potential exists at depth
- Project remains on schedule



# Lalor

Key milestones completed on time and on budget



<sup>1</sup> As at April 26, 2013

# Reed Copper Project

- Near surface, high-grade copper mine under development
- Initial production expected in late 2013, full production expected by early 2014
- Leverages existing Flin Flon infrastructure and workforce
- Projected 5-year mine life with average production in concentrate is expected to be approximately 17,000 tonnes per year of contained copper
- Project remains on schedule



## Our South America Business

New frontier, established mining jurisdiction, familiar business model



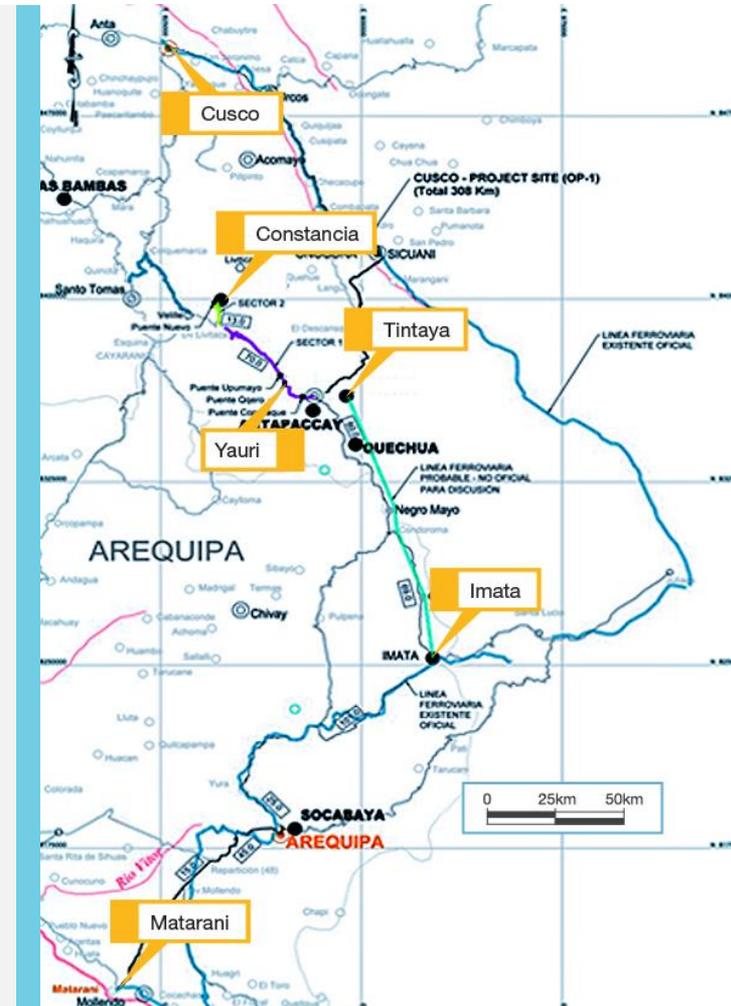
# Constancia Project

- \$US1.5 billion investment to develop large scale, low cost mine in Peru
- 2,800 workers mobilized with camp able to accommodate 3,500 workers
- Expected average of 90,000 tonnes of annual copper production over an expected 16-year mine life
- Initial production planned in late 2014, full production targeted for middle of 2015
- Higher grade Pampacancha satellite deposit to be incorporated into mine plan demonstrates exploration potential existing near the project



# Constancia has Good Access to Infrastructure

- 83km access road from Yauri
- Tintaya power substation 70km away
- Rail-head at Imata 150km away
- Road upgrades for concentrate haulage within project scope
- ~475km from Matarani Port by road



Infrastructure & power expected to be available to meet Constancia project schedule

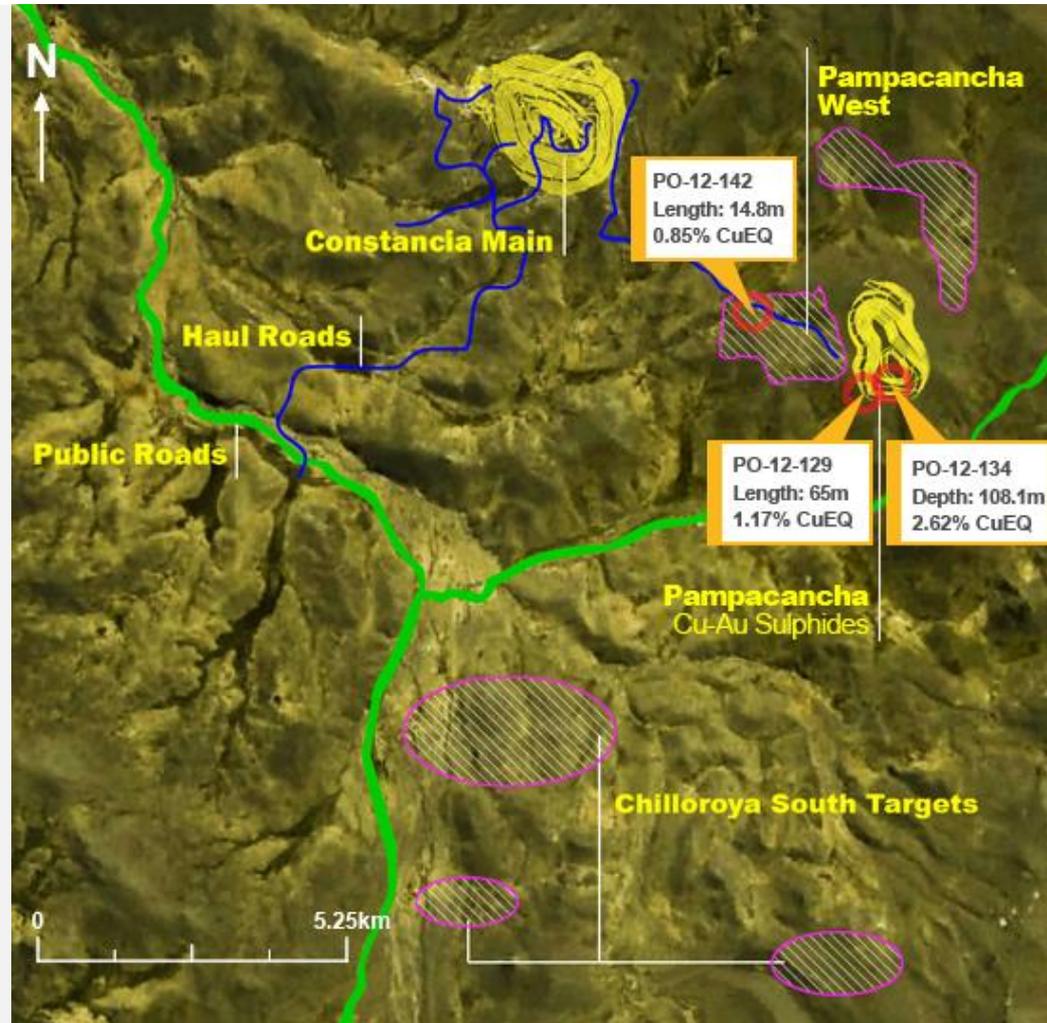
# Constancia has Exploration Potential

## → Pampacancha

- Resource is expected to enable continued optimization of the mine plan

## → Chilloroya South

- Encountered presence of gold mineralization
- Geological interpretation for future exploration considerations is ongoing



# Social Responsibility

## Creating Sustainable Communities

- > Life of Mine agreements signed with local communities in Peru
- > Operating mines are ISO 14001 and OHSAS 18001 EHS certified
- > Adopted Mining Association of Canada toward Sustainable Mining Initiative in Canada & Internationally
- > Committed to IFC standards for environmental and community performance in Peru
- > CSR reporting according to Global Reporting Initiative principles



# Highlights

1. Growth in Copper, Gold and Zinc Production with Exploration Upside
2. Consistent Performance from Reliable Operations
3. Disciplined and Clear Growth Strategy
4. Strong Balance Sheet
5. Experienced Management and Operating Team

**WE ARE** *somos*  
**HUDBAY**

**Our Vision:** To become a top-tier operator of long-life,  
low-cost mines in the Americas

# Appendix



# Peru Reserves Overview

As at August 8, 2012

## Constancia Mineral Reserves

Category	Ore (M tonnes)	Cu (%)	Mo (g/t)	Au (g/t)	Ag (g/t)
<b>Proven</b>	349	0.37	100	0.043	3.29
<b>Probable</b>	54	0.24	60	0.035	2.98

## Pampacancha Mineral Reserves

<b>Proven</b>	10	0.54	170	0.318	4.20
<b>Probable</b>	37	0.46	140	0.276	4.56
<b>Total Proven</b>	<b>359</b>	<b>0.37</b>	<b>102</b>	<b>0.051</b>	<b>3.32</b>
<b>Total Probable</b>	<b>91</b>	<b>0.33</b>	<b>93</b>	<b>0.133</b>	<b>3.63</b>
<b>Total Reserves</b>	<b>450</b>	<b>0.36</b>	<b>100</b>	<b>0.067</b>	<b>3.38</b>

# Peru Resources Overview

As at August 8, 2012

## Constancia Mineral Resources

Category	M (tonnes)	Cu (%)	Mo (g/t)	Au (g/t)	Ag (g/t)
<b>Measured</b>	119	0.23	62	0.038	2.3
<b>Indicated</b>	344	0.20	58	0.034	2.0
<b>Inferred</b>	219	0.19	49	0.032	1.8

## Pampacancha Mineral Resources

Category	M (tonnes)	Cu (%)	Mo (g/t)	Au (g/t)	Ag (g/t)
<b>Inferred</b>	4	0.41	103	0.207	6.2
<b>Total Measured + Indicated</b>	<b>463</b>	<b>0.21</b>	<b>59</b>	<b>0.035</b>	<b>2.0</b>
<b>Total Inferred</b>	<b>223</b>	<b>0.19</b>	<b>50</b>	<b>0.035</b>	<b>1.9</b>

# Manitoba Mineral Reserves

January 1, 2013

Category	Tonnes	Cu (%)	Zn (%)	Au (g/t)	Ag (g/t)
<b>777<sup>1</sup></b>					
Proven	4,959,000	2.37	4.05	1.95	27.31
Probable	6,448,000	1.84	4.40	1.79	28.49
<b>Lalor – Base Metal</b>					
Proven	57,000	0.48	12.40	0.63	15.52
Probable	13,147,000	0.67	8.15	1.59	23.62
<b>Lalor – Gold Zone</b>					
Probable	1,866,000	0.37	0.37	3.96	21.41
Total Proven	5,016,000	2.35	4.15	1.93	27.18
Total Probable	21,461,000	0.89	6.35	1.86	24.89
Total Reserves	26,477,000	1.17	5.93	1.87	25.32

<sup>1</sup> Includes 777 North

# Manitoba Mineral Resources

September 30, 2012 – Exclusive of mineral reserves

Category	Tonnes	Cu (%)	Zn (%)	Au (g/t)	Ag (g/t)
<b>777<sup>1</sup></b>					
Inferred	782,000	1.06	4.43	1.75	31.15
<b>Lalor – Base Metal</b>					
Inferred	3,191,000	0.62	8.83	1.24	23.07
<b>Lalor – Gold Zone</b>					
Inferred	7,338,000	0.41	0.32	4.63	31.32
<b>Lalor – Copper Gold Zone</b>					
Inferred	1,461,000	4.16	0.31	6.81	20.34
<b>Total Inferred</b>	<b>12,772,000</b>	<b>0.93</b>	<b>2.70</b>	<b>3.86</b>	<b>27.99</b>

<sup>1</sup> Includes 777 North

# Reed Copper Project<sup>1</sup>

Mineral Reserves as at March 30, 2012

Mineral Resources as at March 15, 2011

Category	Tonnes	Cu (%)	Zn (%)	Au (g/t)	Ag (g/t)
Probable	2,157,000	3.83	0.59	0.48	6.02
Inferred	170,000	4.26	0.52	0.38	4.55

<sup>1</sup> Hudbay holds a 70% joint venture interest in the Reed copper project

# Other Properties

## Mineral Resources

Category	Tonnes	Cu (%)	Zn (%)	Au (g/t)	Ag (g/t)	Pb (%)
<b>Back Forty<sup>1</sup> Open Pit</b>						
Measured	4,721,000	0.55	3.49	2.24	26.77	0.13
Indicated	4,927,000	0.14	1.49	1.90	18.30	0.21
Inferred	152,000	0.19	2.86	2.76	34.56	0.39
<b>Back Forty Underground</b>						
Measured	1,982,000	0.29	5.04	1.97	28.56	0.31
Indicated	3,504,000	0.33	3.57	1.96	27.78	0.32
Inferred	2,184,000	0.37	2.15	2.03	25.96	0.33
<b>Tom<sup>2</sup></b>						
Indicated	4,980,000		6.64		47.80	4.36
Inferred	13,550,000		6.68		31.80	3.10
<b>Jason<sup>2</sup></b>						
Indicated	1,460,000		5.25		86.70	7.42
Inferred	11,000,000		6.75		36.40	3.96
<b>Lost<sup>3</sup></b>						
Indicated	411,000	1.8	6.1	1.0	20.0	
Inferred	69,000	1.5	6.2	0.8	16.5	
<b>Total Measured</b>	<b>6,703,000</b>					
<b>Total Indicated</b>	<b>15,282,000</b>					
<b>Total Inferred</b>	<b>26,955,000</b>					

<sup>1</sup> Highbay holds a 51% joint venture interest in the Back Forty property. Back Forty mineral resources as at February 4, 2013.

<sup>2</sup> Tom and Jason mineral resources as at May 24, 2007.

<sup>3</sup> Highbay holds a 51% joint venture interest in the Lost property. Lost mineral resources as at March 4, 2011.

# Copper Equivalent Reserves and Resources<sup>1</sup>

## All Metals

Project	Category	Cu Equivalent (000 tonnes)		
		2013	2012	Change
Constancia	Proven & Probable	1,886	1,911	(25)
	Measured & Indicated	1,329	-	1,329
	Inferred	566	75	491
Pampacancha	Proven & Probable	377	-	377
	Measured & Indicated	-	381	(381)
	Inferred	27	-	27
Lalor	Proven & Probable	705	629	76
	Inferred	579	567	12
777 <sup>2</sup>	Proven & Probable	563	599	(36)
	Inferred	32	58	(26)
Reed (70%) <sup>3</sup>	Proven & Probable	67	66	1
	Inferred	6	6	-
Other <sup>3</sup>	Measured & Indicated	547	493	54
	Inferred	996	970	26
<b>Total</b>	<b>Proven &amp; Probable</b>	<b>3,598</b>	<b>3,205</b>	<b>393</b>
	<b>Measured &amp; Indicated</b>	<b>1,876</b>	<b>874</b>	<b>1,002</b>
	<b>Inferred</b>	<b>2,206</b>	<b>1,676</b>	<b>530</b>

<sup>1</sup>For additional detail respecting the mineral reserve and resource estimate in this presentation, see "Additional Information".

<sup>2</sup>Includes 777 North

<sup>3</sup>Values shown represent Hudbay's proportionate ownership interest pursuant to the applicable joint venture/option agreement

<sup>3</sup>Includes Back Forty, Tom & Jason, and Lost property

# Precious Metal Equivalent Reserves and Resources<sup>1</sup>

Project	Category	Au Equivalent (000 ounces)		
		2013	2012	Change
Constancia <sup>2</sup>	Proven & Probable	1,385	1,389	(4)
	Measured & Indicated	1,132	-	1,132
	Inferred	477	77	400
Pampacancha	Proven & Probable	566	-	566
	Measured & Indicated	-	635	(635)
	Inferred	43	-	43
Lalor	Proven & Probable	1,137	1,080	57
	Inferred	1,753	1,783	(30)
777 <sup>3</sup>	Proven & Probable	886	967	(81)
	Inferred	60	104	(44)
Reed (70%) <sup>4</sup>	Proven & Probable	29	29	-
	Inferred	2	2	-
Other <sup>4,5</sup>	Measured & Indicated	869	819	50
	Inferred	636	635	1
Total	<b>Proven &amp; Probable</b>	<b>4,003</b>	<b>3,465</b>	<b>538</b>
	<b>Measured &amp; Indicated</b>	<b>2,001</b>	<b>1,455</b>	<b>546</b>
	<b>Inferred</b>	<b>2,971</b>	<b>2,601</b>	<b>370</b>

<sup>1</sup>For 2013 and 2012, precious metal equivalent reserves and resources include gold and silver only, expressed in ounces of gold with silver converted to gold at a ratio of 50:1.

<sup>2</sup>Pursuant to a stream agreement with Silver Wheaton, the company is required to deliver 100% of payable silver from the Constancia project for cash payments equal to the lesser of (i) the market price and (ii) US\$5.90 per ounce, subject to 1% annual escalation after three years.

<sup>3</sup>Includes 777 North. Pursuant to a stream agreement with Silver Wheaton, the company is required to deliver 100% of payable gold and silver from its 777 mine until the later of December 31, 2016 and satisfaction of a completion test at Constancia, and thereafter 50% of payable gold and 100% of payable silver for the remainder of the 777 mine life, for cash payments equal to the lesser of (i) the market price and (ii) US\$400 per ounce (for gold) and US\$5.90 per ounce (for silver), subject to 1% annual escalation after three years.

<sup>4</sup>Values show represent Hudbay's proportionate ownership interest pursuant to the applicable joint venture/option agreement.

<sup>5</sup>Includes Back Forty, Tom & Jason, and Lost properties.

## Additional Information

- The reserve and resource estimates included in this presentation were prepared in accordance with NI 43-101 and the Canadian Institute on Mining, Metallurgy and Petroleum Standards on Mineral Resources and Reserves: Definitions and Guidelines. All mineral resources referred to in this presentation are exclusive of and additional to stated mineral reserves.
- Mineral resources that are not mineral reserves do not have demonstrated economic viability.
- Overall copper equivalent reserves and resources and precious metal equivalent reserves and resources are in-situ contained metal based on estimated reserves and resources at Hudbay's Constancia, Pampacancha, 777, Lalor, Reed, Back Forty, Tom and Jason and Lost properties. Copper equivalent metal for 2013 calculated using a copper price of US\$2.75 per pound, zinc price of US\$0.95 per pound, gold price of US\$1,250.00 per ounce, silver price of US\$25.00 per ounce, lead price of US\$0.90 per pound and molybdenum price of US\$14.00 per pound. Copper equivalent metal for 2012 was calculated using a copper price of US\$2.75 per pound, zinc price of US\$0.95 per pound, gold price of US\$1,100.00 per ounce, silver price of US\$22.00 per ounce, lead price of US\$0.85 per pound and molybdenum price of US\$13.00 per pound.

### Manitoba

- To estimate mineral reserves, measured and indicated mineral resources were first estimated in a 12-step process, which includes determination of the integrity and validation of the data collected, including confirmation of specific gravity, assay results and methods of data recording. The process also includes determining the appropriate geological model, selection of data and the application of statistical models including probability plots and restrictive kriging to establish continuity and model validation. The resultant estimates of measured and indicated mineral resources are then converted to proven and probable mineral reserves by the application of mining dilution and recovery, as well as the determination of economic viability using full cost analysis. Other factors such as depletion from production are applied as appropriate.
- Estimated inferred mineral resources within our mines were estimated by a similar 12-step process, used to estimate measured and indicated resources.
- The zinc price used for mineral reserve and resource estimations for the Manitoba mines was US\$1.01 per pound (includes premium), the copper price was US\$2.75 per pound, the gold price was US\$1,250.00 per ounce and the silver price was US\$25.00 per ounce using an exchange of 1.05 C\$/US\$.
- For additional details relating to the estimates of mineral reserves and resources at the 777 mine, including data verification and quality assurance/quality control processes refer to the "Technical Report 777 Mine, Flin Flon, Manitoba, Canada" dated October 15, 2012 on SEDAR.
- For additional details relating to the estimates of mineral reserves and resources at the Lalor project, including data verification and quality assurance/quality control processes refer to the "Pre-Feasibility Study Technical Report, on the Lalor Deposit" dated March 29, 2012 on SEDAR.

# Peru

- > For additional details relating to the estimates of mineral reserves and resources at the Constancia project, including data verification and quality assurance/quality control processes refer to “The Constancia Project, National Instrument 43-101 Technical Report” as filed on SEDAR by Hudbay on November 6, 2012.
- > Copper Equivalent % is calculated for the in situ value of contained metals using the following \$US metal price assumptions, Cu=2.75/lb Mo=13.00/lb, Ag=22.00/oz and Au=1,100.00/oz.
- > The Constancia and Pampacancha mineral reserves are based on a Peruvian Sole: US Dollar exchange rate of 2.85:1 and the following long term metals prices: Cu US\$2.75/lb; Ag US\$23.00/oz; Au US\$1,150.00/oz; and Mo US\$14.00/lb.
- > The Constancia mineral resources are reported at a 0.12% copper cut-off and are based on the following assumptions: a copper price of US\$2.88/lb, a molybdenum price of US\$14.00/lb, copper recovery of 89%, molybdenum recovery of 60%, processing cost of US\$5.50/t and mining cost of US\$1.30/t.
- > The Pampacancha mineral resources are reported at a 0.20% copper cut-off and are based on a Peruvian Sole: US Dollar exchange rate of 2.85:1 and the following long term metals prices: Cu US\$2.75/lb; Ag US\$23.00/oz; Au US\$1,150.00/oz; and Mo US\$14.00/lb.
- > Measured and indicated mineral resources were estimated in house. The process includes determination of the integrity and validation of the data collected, including confirmation of specific gravity, assay results and methods of data recording. The process also includes determining the appropriate geological model, selection of data and the application of statistical models including probability plots to establish continuity and model validation.

# Reed

- > The weighted average (based on planned production tonnage) used in the Reed pre-feasibility study for mineral reserve estimation for copper was US\$2.95 per pound, the gold price was US\$1,269.09 per ounce and the silver price was US\$24.78 per ounce using an exchange rate of 1.034 C\$/US\$.

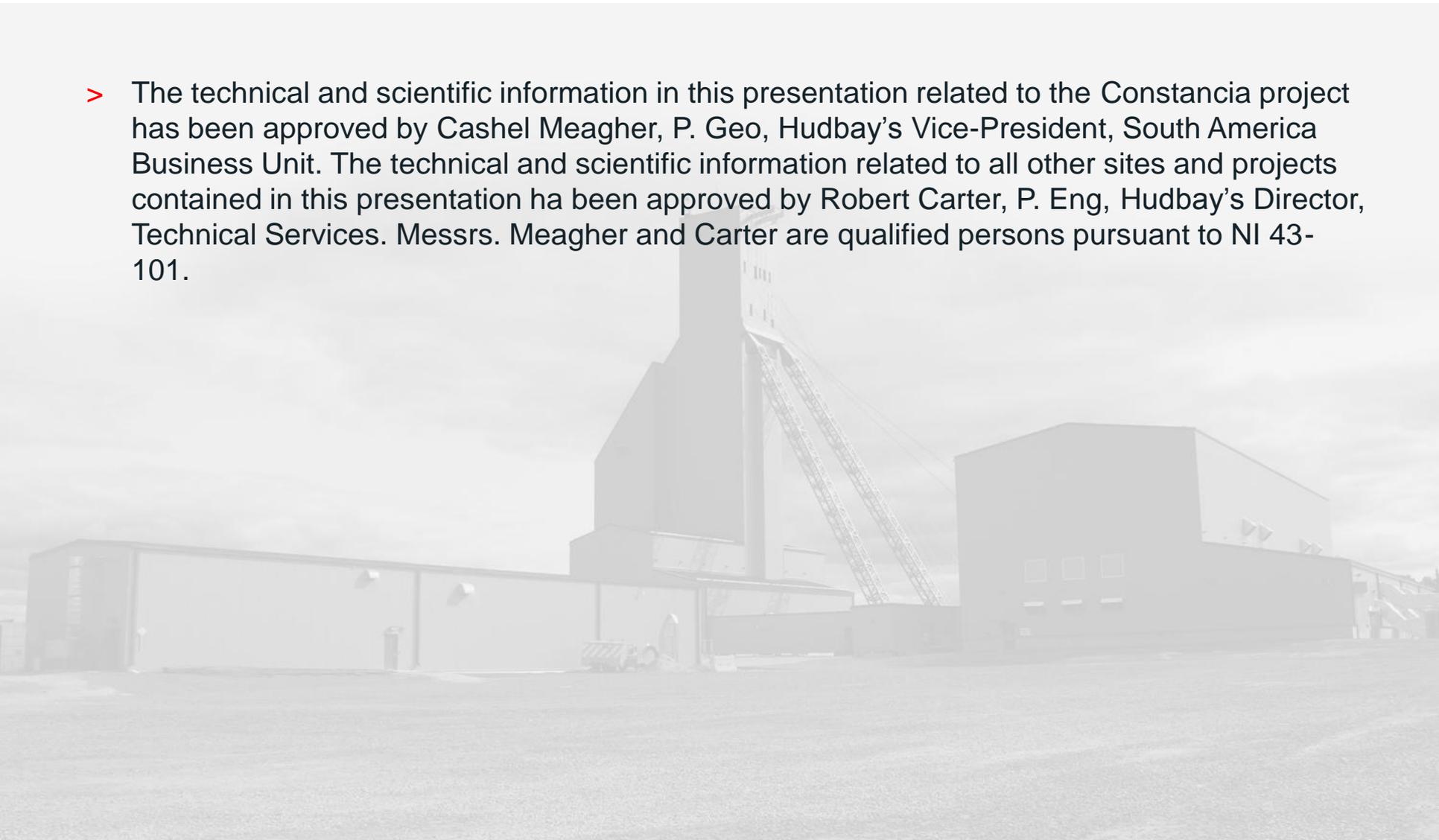
## Other Properties

- > Back Forty mineral resources were estimated using NSR cut-off values based on metal price assumptions of US\$0.96 per pound zinc, US\$3.65 per pound copper, US\$1.01 per pound lead, US\$1,456.36 per troy ounce gold and US\$27.78 per troy ounce silver and applying recoveries for each metallurgical domains determined for the deposit. Back Forty mineralization offering reasonable prospects for economic extraction by open pit were determined using the Lerchs-Grossman optimizing algorithm. Optimization parameters were based on costs derived in the "Technical Report, Preliminary Economic Assessment on the Back Forty Deposit, Menominee County, Michigan, USA" dated April 26, 2012 as well as updated metallurgical recoveries and updated metal prices. Average NSR cut-off values for the open pit mineral resources were US\$27.75/tonne and average NSR cut-off values for an underground mining scenario were US\$66.45/tonne.
- > Tom and Jason Metal prices used (US\$0.57/lb Zn, US\$0.35/lb Pb and US\$7.00/oz Ag) and a gross dollar value cut-off of US\$50/tonne. Ag values were capped at 550 g/t. For additional detail relating to the Tom/Jason mineral resource estimates see "Technical Report on the Tom and Jason Deposits, Yukon territory, Canada" as filed on SEDAR by Hudbay on May 24, 2007.



## Qualified Person

- > The technical and scientific information in this presentation related to the Constanca project has been approved by Cashel Meagher, P. Geo, Hudbay's Vice-President, South America Business Unit. The technical and scientific information related to all other sites and projects contained in this presentation has been approved by Robert Carter, P. Eng, Hudbay's Director, Technical Services. Messrs. Meagher and Carter are qualified persons pursuant to NI 43-101.



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May 10, 2013