Q3 2013 Presentation

November 11, 2013

TMX NYSE HBM

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).

Forward-looking information includes, but is not limited to, continued production at Hudbay’s 777, Lalor and Reed 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, Constancia and Reed projects and the anticipated scope and cost of and development plans for, these projects, including the re-estimated capital costs and associated project economics for Constancia, refurbishment of the Snow Lake concentrator and deferral of construction of the new Lalor concentrator, anticipated timing of Hudbay’s projects and events that may affect the company’s projects, Hudbay’s expected expenditure reductions, Hudbay’s expectation that it will receive the remaining deposit payments under the amended precious metals stream transaction with Silver Wheaton Corp. and funding under Hudbay’s equipment financing transaction with Cat Financial, 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; no significant and continuing adverse changes in financial markets, including commodity prices; and 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; the company’s ability to secure required land rights to complete the Constancia project maintaining good relations with the communities in which Hudbay operates, including the communities surrounding the company’s Constancia 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, energy prices and general cost escalation), uncertainties related to the development and operation of the company’s projects (including the impact on project cost and schedule of construction delays and unforeseen risks and other factors beyond our control), 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 AIF.

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. All of the forward-looking information in this presentation is qualified by this cautionary statement.

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 the Securities and Exchange Commission ("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 United States Industry Guide 7 definition of "Reserve". In accordance with 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 should 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 and incorporated by reference as Exhibit 99.1 in Hudbay's Form 40-F dated March 28, 2013 (File No. 001-34244).

Growth Project Highlights

Lalor

- Sinking of main production shaft substantially complete
- Constructed station development at 955 metre level and reached shaft bottom access on 985 metre level

Reed

- Received Environment Act Licence
- Commenced initial production
- Initial ore batch milled in September

Constancia

- 95% of detailed engineering and >47% of overall project complete
- 10-year port and power supply agreements executed within expectations

Financial Results

($000s except per share amounts)	Three Months Ended Sept. 30		Nine Months Ended Sept. 30	
	2013	2012	**2013**	2012
Revenue	**130,179**	144,659	**380,720**	521,555
Profit (loss) before tax	**9,650**	6,254	**(22,310)**	23,873
Profit (loss) for the period	**2,985**	(5,354)	**(47,794)**	(31,606)
Operating cash flow[1]	**12,795**	21,487	**9,095**	133,187
Operating cash flow per share[2]	**0.07**	0.12	**0.05**	0.77
Cash cost per pound of copper sold[2]	**1.28**	0.69	**1.77**	0.83

[1]Before stream deposit and change in non-cash working capital

[2] Refer to "Non-IFRS Financial Performance Measures" in Hudbay's Management's Discussion and Analysis for the quarter ending September 30, 2013

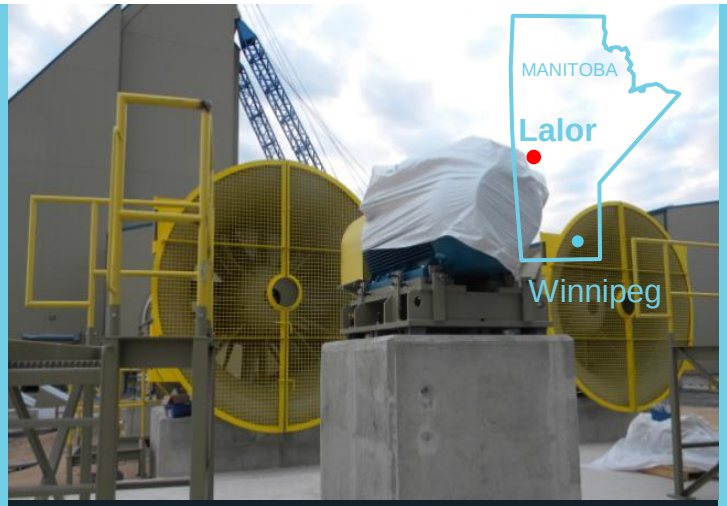
Production Profile

Manitoba contained metal in concentrate		Three Months Ended Sept. 30, 2013	Nine Months Ended Sept. 30, 2013	Guidance 2013
Copper	tonnes	7,972	22,596	33–38,000
Zinc	tonnes	24,816	66,617	85–100,000
Precious Metals[1]	troy oz.	26,631	70,784	85–105,000
Unit Operating Costs				
777	$/tonne	35.76	43.08	38–42
Lalor	$/tonne	117.18	110.58	75–95
Flin Flon Concentrator	$/tonne	13.74	15.15	12–16
Snow Lake Concentrator	$/tonne	30.96	34.83	25–30

[1] Precious metals include gold and silver production. For precious metals production, silver is converted to gold using the average gold and silver realized sales prices during the period. For precious metals guidance, silver is converted to gold at a ratio of 50:1.

Lalor

- $371 million of overall $441 million[1] capital costs invested to Oct. 31, 2013; entered into additional $40 million in commitments
- Increase in Snow Lake concentrator production capacity expected to be completed by mid-2014, in conjunction with commissioning of production shaft
- During Q3 2013, Hudbay hoisted 110,695 tonnes of ore at Cu grade of 0.90% and Zn grade of 8.95%
- Sinking of main production shaft substantially complete subsequent to quarter end; construction work for main ore and waste handling systems has been awarded and will begin in Q4 2013



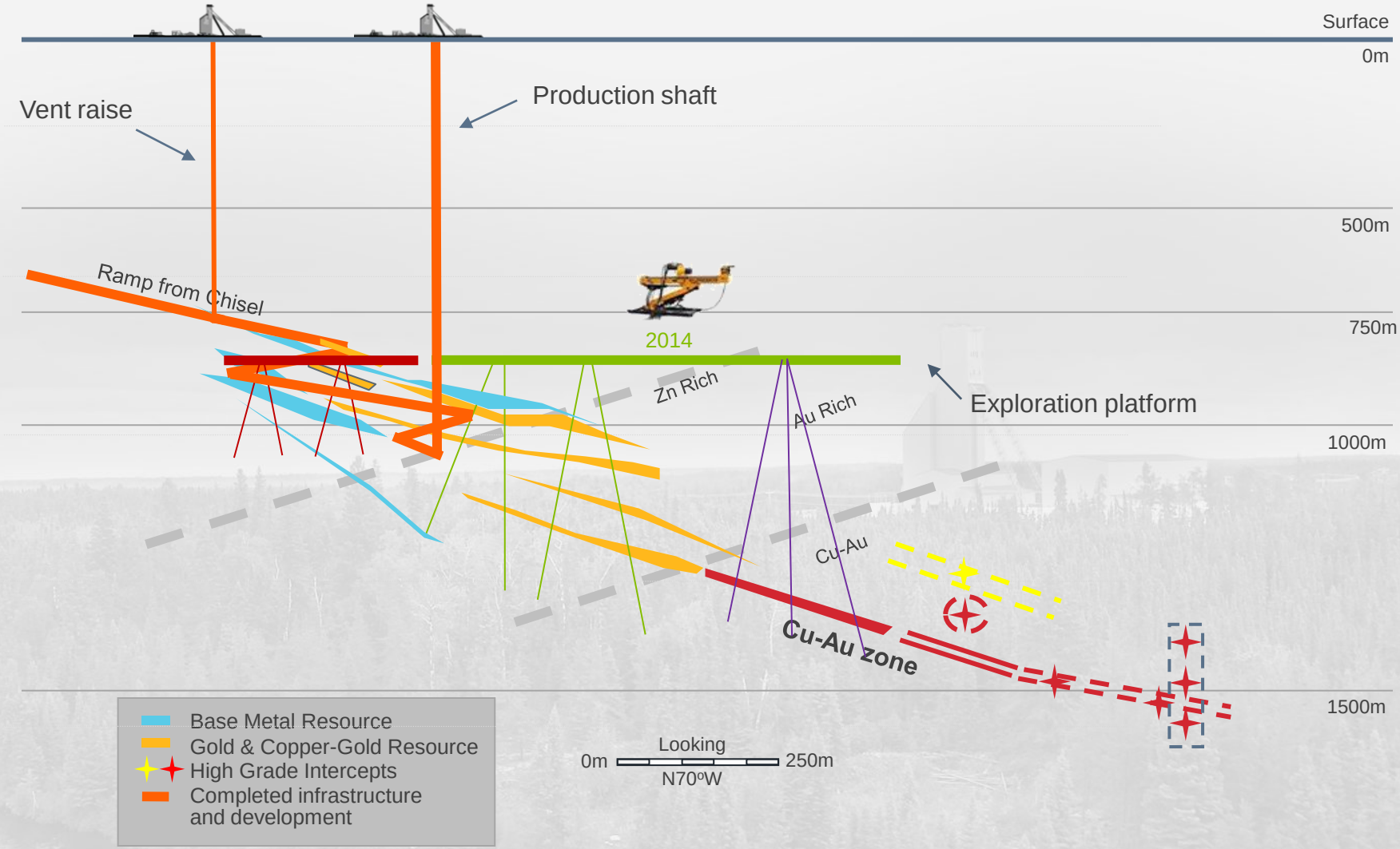
Intake fan construction at Lalor


Bulkhead at Lalor

[1] Reflects only the mine component of the Lalor project

Lalor

Production shaft commissioning expected in the second half of 2014



Reed

- $59 million invested and entered into additional $7 million in commitments to Oct. 31, 2013
- Received Environment Act Licence and began initial production
- Project remains on track to reach full production of approximately 1,300 tonnes per day in H1 2014
- Over 570 days without a lost time accident

600 HP main fan assembly at 50 metre level

Completed washbay at 45 metre level

Cubex longhole drill

Ownership	**70%**
Projected Life of Mine	**5 years**
Construction Capex (2012-2014)	**$72 million**

Constancia Project

- US$872 million incurred and entered into additional US$336 million in commitments to Oct. 31, 2013
- Results from completion of revised definitive capital cost estimate indicate total costs to project completion of approximately US$1.71 billion dollars
- Initial production expected in late 2014 and commercial production expected in Q2 2015

Tailings thickener (left) installed ball mills (right)

Constancia plant site overview

	1-5 Yrs	6-16 Yrs	LOM
Annual throughput (M tonnes)	28.8	27.7	28.1
Avg annual contained Cu in concentrate (000 tonnes)	118	77	90
Avg annual sustaining Capex (US$ M)	80	33	47
Cash cost per lb of Cu (US$/lb)[1]	**1.00**	**1.33**	**1.19**

[1] Net of by-products. Includes impact of silver and 50% of gold stream. Assumed metal prices per the Silver Wheaton stream agreement are as follows: Gold US$400.00/oz, Silver $5.90/oz. Molybdenum (2014-US$12/oz, 2015-US$13/oz, 2016-US$13/oz, Long-Term-US$13.50/oz);

Constancia Construction Progress

Waste rock facility containment pond and grout curtain preparation

Constancia bog dam

East tailings dam of tailings management facility

Setting the ball mill shells

Constancia Construction Progress

Primary crusher and retaining wall

Mine fleet assembly

Hitachi shovels on site

Main Constancia sediment pond

Balance Sheet

Pro-forma as at September 30, 2013 (in millions)[1]

Sources		Uses (through 2014)	
Cash and cash equivalents	**$792.5**	Lalor	**$73**
Remaining stream agreement payments	**$260**	Reed	**$16**
Canadian income taxes and Peruvian value-added taxes[2]	**$100**	Constancia	**$900**
Credit facility and committed Caterpillar Financial financing[3]	**$150**	Accrued Costs	**$69**
Total Sources: $1,303 million		**Total Uses: $1,058 million**	

> Shares Outstanding: 172.0 million

[1] Assumed USD/CAD conversion rate of 1:0:1.0
[2] Expected to be reimbursed within the next 12 months
[3] Net of outstanding letters of credit.

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