

HUDBAY MINERALS INC.
(the “Company”)

WHISTLEBLOWER POLICY

PURPOSE

The purpose of this Policy is to establish procedures for:

- the receipt, retention, and treatment of complaints received by the Company and its subsidiaries (the “**HB Group**”) regarding accounting, internal accounting controls, auditing matters or violations of the Company’s Code of Business Conduct and Ethics, and
- the submission by employees, officers and directors (“**HB Personnel**”) of the HB Group on a confidential and anonymous basis, of concerns regarding questionable accounting, auditing matters or violations of the Company’s Code of Business Conduct and Ethics.

The purpose of this Policy is also to state clearly and unequivocally that the Company prohibits discrimination, harassment and/or retaliation against any HB Personnel who:

- reports complaints regarding accounting, internal accounting controls, auditing matters, or violations of the Company’s Code of Business Conduct and Ethics, and/or
- provides information or otherwise assists in an investigation or proceeding regarding any conduct which they reasonably believe to be a violation of employment or labour laws; securities laws; laws regarding fraud; the rules or regulations of applicable securities regulatory authorities (the “**Securities Regulators**”) and the rules of any stock exchange (the “**Exchange**”) on which securities of the Company may be listed from time to time; any provision of law relating to fraud against shareholders; or the commission or possible commission of a criminal offence. All HB Personnel are responsible for ensuring that the workplace is free from all forms of discrimination, harassment and retaliation prohibited by this Policy. No HB Personnel or agent, contractor or subcontractor of the HB Group has the authority to engage in any conduct prohibited by this Policy.

COMPLAINT PROCEDURES

1. Any HB Personnel may submit, on a confidential, anonymous basis if he or she so desires, any concerns regarding financial statement disclosures, accounting, internal accounting controls, auditing matters or violations of the Company’s Code of Business Conduct and Ethics. All such concerns shall be reported to the anonymous incident reporting line (the “**Hotline**”) maintained by the HB Group through ConcernCheck, which is available 24 hours a day, 365 days a year at the numbers set out at the end of this Policy. A confidential and/or anonymous report can also be made to the Chair of the Audit Committee in writing and should be forwarded to ConcernCheck at the address and/or email address set out at the end of this Policy. If any HB Personnel would like to discuss any matter with the Chair of the Audit Committee, he or she should indicate this in the submission and include a telephone number at which he or she may be contacted if the Audit Committee considers it to be appropriate to do so. Management shall promptly forward to the Chair of the Audit Committee any complaints it has received regarding

financial statement disclosures, accounting, internal accounting controls or auditing matters.

2. Any HB Personnel who legitimately and in good faith, believes that he or she has been the subject of prohibited discrimination, harassment and/or retaliation or is aware of any conduct that is, or may reasonably be thought to be, prohibited by this Policy is strongly encouraged to report immediately the facts forming the basis of that belief or knowledge through normal management reporting protocols, where practical, or to the Hotline. Any HB Personnel who receives such a complaint or witnesses any conduct that they legitimately and in good faith believe is, or may reasonably be thought to be, prohibited by this Policy should immediately report that conduct to the Hotline.
3. The reporting of all incidents will be promptly communicated by ConcernCheck to the Chair of the Audit Committee, who, following the receipt of any complaints, will, subject to section 4, promptly conduct or mandate an individual, who may be a member of senior management of the Company or another person, to conduct a thorough investigation of the complaint.
4. The reporting of the following incidents will also be promptly communicated by ConcernCheck to the Chief Executive Officer and the Vice-President, Human Resources & Technical Services (unless they involve such individuals):
 - conflicts of interest
 - breaches of employment or labour laws
 - discrimination
 - employee relations
 - Policy issues
 - product and/or quality concerns
 - release of proprietary information
 - safety, environmental and health issues
 - substance abuse

The reporting of these types of incidents also may be reported through normal management reporting protocols. Following the receipt of any such complaints submitted through ConcernCheck pursuant to this section 4, the Chief Executive Officer and the Vice-President, Human Resources & Technical Services will promptly conduct or mandate any senior management of the Company or any other person to conduct a thorough investigation.

5. It is the obligation of all HB Personnel to cooperate in any investigation undertaken pursuant to this Policy. Those responsible for the investigation will, subject to applicable legislation, rules and regulations, maintain the confidentiality of the allegations of the complaint and the identity of the persons involved, subject to the need to conduct a full and impartial investigation, remedy any violations of the Company's policies, or monitor compliance with or administer the Company's policies. The investigation generally will include, but will not be limited to, discussion with the complaining HB Personnel (unless the complaint was submitted on an anonymous basis), the party against whom allegations have been made, and witnesses, if appropriate.

6. It is the intention of the Company that any complaints be addressed through a process that is fair, having regard to the interests of the HB Group, the person making a complaint and the person or persons in respect of whom a complaint is made. Provided that doing so will not compromise the investigation or proper disposition of a complaint, generally persons identified in a complaint will be:
 - advised of the complaint (but will not be provided information that might identify the person making the complaint) on a timely basis (having regard to, among other things, the need to ensure that the investigation of the complaint is not compromised as a result of, among other things, destruction of relevant information), and
 - afforded the opportunity to correct information in a complaint if it is inaccurate.
7. It is not the intention to communicate to the person making the complaint the status of its review or resolution.
8. Corrective and disciplinary actions will be taken as appropriate, in respect of complaints submitted and investigated pursuant to this Policy. Such actions may include, alone or in combination, a warning or letter of reprimand, demotion, loss of merit increase, bonus or stock options, suspension without pay or termination of employment. If an investigation establishes that HB Personnel has engaged in conduct or actions constituting discrimination, harassment and/or retaliation in violation of this Policy, the HB Group will take immediate and appropriate corrective action that may include termination of that HB Personnel's employment. If an investigation reveals that a complaint was made frivolously or undertaken for improper motives or made in bad faith or without a reasonable basis, that complainant's supervisor will take disciplinary action as may be appropriate in the circumstances.
9. The Audit Committee, the Chief Executive Officer and the Vice-President, Human Resources & Technical Services, as applicable, shall have the authority to retain (and authorize payment by the Company of) and receive advice from special legal or other advisors as they determine to be appropriate to permit them to conduct any investigation of any complaints. In conducting any investigation, the Audit Committee, Chief Executive Officer and the Vice-President, Human Resources & Technical Services shall use reasonable efforts to protect the confidentiality and anonymity of the complainant.
10. The Audit Committee shall retain as a part of the records of the Audit Committee and the Chief Executive Officer and the Vice-President, Human Resources & Technical Services shall retain as part of their records, as applicable, any such complaints or concerns for a period of no less than seven (7) years.

PROTECTION

This Policy protects:

1. any HB Personnel who legitimately and in good faith discloses an alleged violation of the securities laws, the rules or regulations of the Securities Regulators and the Exchange, laws regarding fraud or the commission or possible commission of a criminal offence to a regulatory or law enforcement agency, any person with supervisory authority over the

HB Personnel or any other person working for the HB Group who has the authority to investigate, discover or terminate conduct prohibited by this Policy;

2. any HB Personnel who legitimately and in good faith files, causes to be filed, testifies, participates in, or otherwise assists in a proceeding filed under employment or labour laws, securities laws, laws regarding fraud, the rules or regulations of the Securities Regulators or the Exchange, or any provision of federal, state or provincial law pertaining to fraud against shareholders;
3. any HB Personnel who legitimately and in good faith provides to a law enforcement officer any truthful information relating to the commission or possible commission of any criminal offence; or
4. any HB Personnel who in good faith submits any complaint to the Audit Committee, regarding financial statement disclosures, accounting, internal accounting controls,' auditing matters or violations of the Company's Code of Business Conduct and Ethics in accordance with the procedures set out above.

If any HB Personnel legitimately and in good faith engages in any of the activities listed above, the HB Group will not discharge, demote, suspend, threaten, harass or otherwise discriminate or retaliate against them in the terms or conditions of employment because of that activity. However, since such allegation of impropriety may result in serious personal repercussions for the target person or entity, the HB Personnel making the allegation of impropriety should have reasonable probable grounds before reporting such impropriety and should undertake such reporting in good faith, for the best interests of the HB Group and not for personal gain or motivation.

The HB Group's suppliers and customers and members of the public may also -submit, on a confidential, anonymous basis if so desired, any concerns regarding the matters set out in this Policy by contacting the Hotline.

APPLICABLE LAW

The provisions of this Policy will be modified, as and to the extent necessary, to comply with applicable, regulations and policies imposed by the various jurisdictions in which the HB Group and HB Personnel operate.

The ConcernCheck Incident Reporting Hotline:
1-866-712-4400 (toll-free)

Email: hubday@concerncheck.ca

Mail or Delivery: ConcernCheck
2nd Floor, 1311 Howe Street
Vancouver, B.C. V6Z 2P3 Canada