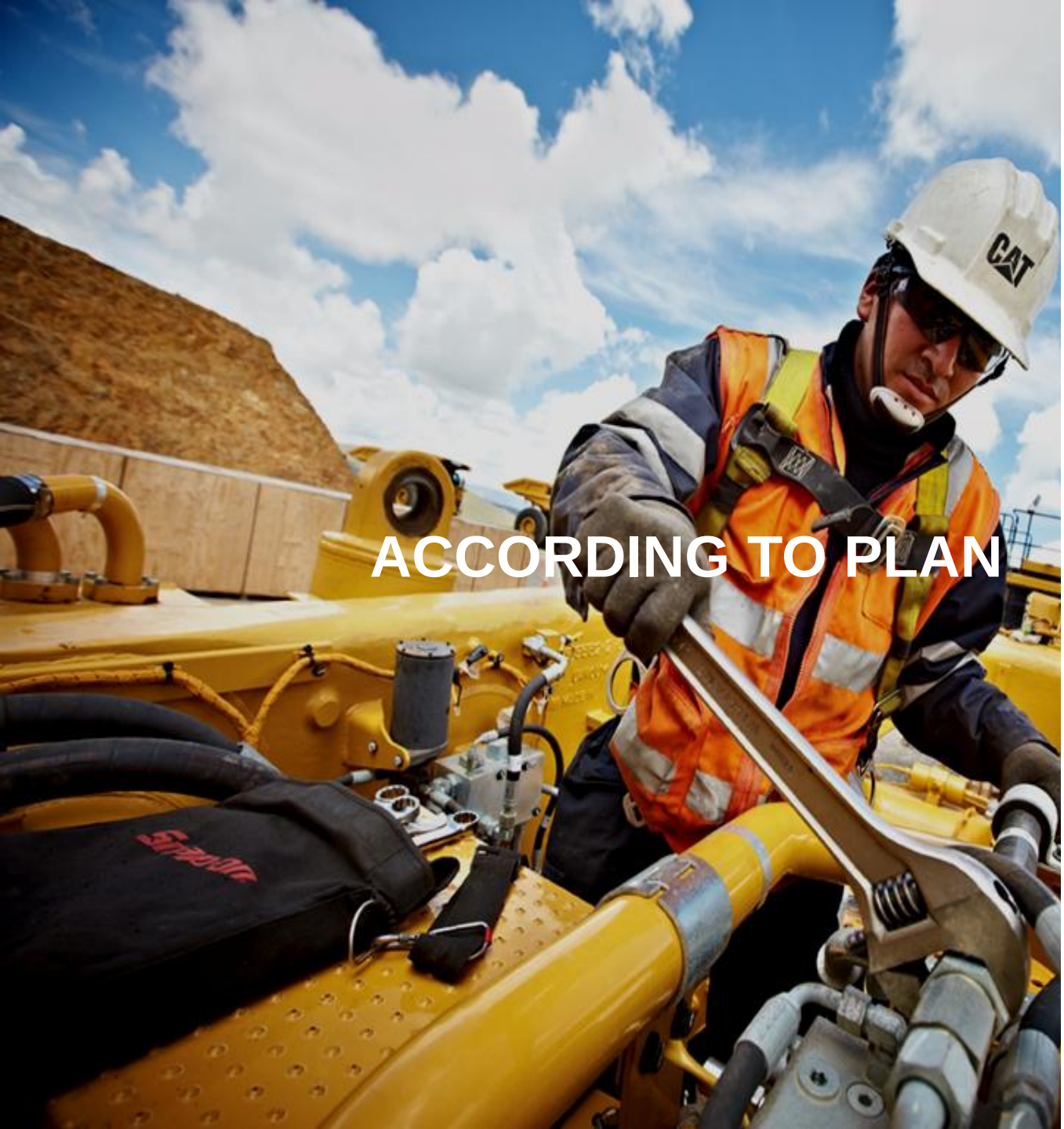


ACCORDING TO PLAN

HUDBAY

2015 TD Securities Mining Conference

January 2015

TMX NYSE HBM

Cautionary 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. 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”, “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 note.

Forward looking information includes, but is not limited to, statements with respect to Hudbay’s objectives, strategies, intentions, expectations and guidance and future financial and operating performance and prospects, the permitting, development and financing of the Rosemont project, production at Hudbay’s Constancia, 777, Lalor and Reed mines, the successful ramp up of production at Constancia, continued processing at Hudbay’s Flin Flon concentrator, Snow Lake concentrator and Flin Flon zinc plant, successful commissioning of the Constancia processing plant, anticipated timing of Hudbay’s projects and events that may affect Hudbay’s projects, including the anticipated issue of required licenses and permits, 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 Hudbay 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 the company identified and were applied by Hudbay 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 reagents for Hudbay’s concentrators; the supply and availability of concentrate for Hudbay’s processing facilities; the supply and 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 execution of Hudbay’s business and growth strategies, including the success of Hudbay’s strategic investments and initiatives; the availability of additional financing, if needed, under Hudbay’s standby credit facility for Constancia and its corporate credit facility; 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 and union relations; Hudbay’s ability to secure required land rights to complete its Constancia project; maintaining good relations with the communities in which Hudbay operates, including the communities surrounding the Constancia and Rosemont projects and First Nations communities surrounding the Lalor project and Reed mine; no significant unanticipated challenges with stakeholders at Hudbay’s various projects, including the company’s newly acquired Rosemont project; no significant unanticipated events or changes 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 the refund of certain value added taxes from the Canadian and Peruvian governments; and no significant and continuing adverse changes in general economic conditions or conditions in the financial markets.

Cautionary Information (continued)

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, the development of the Rosemont project not occurring as planned, any material inaccuracy in Augusta's historical public disclosure and representations in the support agreement upon which Hudbay's offer to acquire Augusta was predicated, the failure to obtain required approvals or clearances from government authorities on a timely basis, 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 Hudbay's projects, depletion of Hudbay's reserves, risks related to political or social unrest or change and those in respect of aboriginal and community relations, rights 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 and union relations, volatile financial markets that may affect Hudbay's ability to obtain financing on acceptable terms, uncertainties related to the geology, continuity, grade and estimates of mineral reserves and resources, including the historical estimates of mineral reserves and resources at the Rosemont project, and the potential for variations in grade and recovery rates, uncertain costs of reclamation activities, Hudbay's ability to comply with its pension and other post-retirement obligations, Hudbay's ability to abide by the covenants in its debt instruments or other material contracts, tax refunds, hedging transactions, as well as the risks discussed under the heading "Risk Factors" in Hudbay's MD&A for the three and six months ended June 30, 2014 and the company's most recent Annual Information Form.

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.

Cautionary Information (continued)

The scientific and technical information in respect of Hudbay contained in this presentation related to the Constancia project has been prepared by or under the supervision of Cashel Meagher, P.Geo., Hudbay's Vice President, South America Business Unit. The scientific and technical information related to all other sites and projects of Hudbay contained in this presentation has been prepared by or under the supervision of Robert Carter, P.Eng., Hudbay's Director, Technical Services. Messrs. Meagher and Carter are Qualified Persons for the purposes of NI 43-101 – *Standards of Disclosure for Mineral Projects*. ("**NI 43-101**"). The mineral reserve and resource estimates included in or underlying assumptions referenced in this presentation were prepared in accordance with NI 43-101 and the Canadian Institute of Mining, Metallurgy and Petroleum Standards on Mineral Resources and Reserves: Definitions and Guidelines. Mineral resources that are not mineral reserves do not have demonstrated economic viability. For a description of the key assumptions, parameters and methods used to estimate mineral reserves and resources, as well as data verification procedures and a general discussion of the extent to which the estimates may be affected by any known environmental, material permitting, legal, title, taxation, socio-political, marketing or other relevant factors, please see the Technical Reports for Hudbay's material properties as filed by Hudbay on SEDAR at www.sedar.com.

The disclosure in this presentation uses mineral resource classification terms and mineral resource estimates that comply with NI 43-101. NI 43-101 establishes standards for all public disclosure a Canadian issuer makes of scientific and technical information concerning mineral projects. Unless otherwise indicated, all reserve and resource estimates contained herein have been prepared in accordance with NI 43-101. These standards differ significantly from the mineral reserve disclosure requirements of the SEC set forth in Industry Guide 7. Consequently, reserve and resource information contained herein is not comparable to similar information that would generally be disclosed by U.S. companies in accordance with the rules of the SEC.

In particular, the SEC's Industry Guide 7 applies different standards in order to classify mineralization as a reserve. As a result, the definitions of proven and probable reserves used in NI 43-101 differ from the definitions in SEC Industry Guide 7. Under SEC standards, 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 the reserve determination is made. Among other things, all necessary permits would be required to be in hand or their issuance imminent in order to classify mineralized material as reserves under the SEC standards. Accordingly, mineral reserve estimates referred to herein may not qualify as "reserves" under SEC standards.

In addition, the terms "measured mineral resources," "indicated mineral resources" and "inferred mineral resources" are used to comply with the reporting standards in Canada. The SEC's Industry Guide 7 does not recognize mineral resources and U.S. companies are generally not permitted to disclose resources in documents they file with the SEC. Investors are specifically cautioned not to assume that any part or all of the mineral deposits in these categories will ever be converted into SEC defined mineral reserves. Further, "inferred resources" have a great amount of uncertainty as to their existence and as to whether they can be mined legally or economically. Therefore, investors are also cautioned not to assume that all or any part of an inferred resource exists. It cannot be assumed that all or any part of "measured mineral resources," "indicated mineral resources," or "inferred mineral resources" will ever be upgraded to a higher category. Investors are cautioned not to assume that any part of the reported "measured mineral resources," "indicated mineral resources," or "inferred mineral resources" contained herein is economically or legally mineable. For the above reasons, information contained herein containing descriptions of mineral reserve and resource estimates is not comparable to similar information made public by U.S. companies subject to the reporting and disclosure requirements of the SEC.

About Hudbay

Integrated base and precious metals mining company

> Operating mines, development projects and processing facilities located in the Americas

Long track record of operating success in Flin Flon Greenstone Belt

> Nearly 90 year history of mine development and operation (28 mines)

Disciplined and clear strategy focused on growth in net asset value, earnings and cash flow per share metrics

> Value creation through exploration, mine development and efficient operation

> Mining friendly jurisdictions

> VMS and porphyry deposits

TSX, NYSE, BVL Symbol	**HBM**
Market Capitalization[1]	**$2.4 billion**
Shares Outstanding	**234 million**
Available Liquidity[2]	**$0.6 billion**
Debt Outstanding[2]	**$1.1 billion**

1. Based on Hudbay's TSX closing share price on December 31, 2014
2. As at September 30, 2014

Recent Achievements and Challenges

ACHIEVED OUR GROWTH OBJECTIVES IN 2014

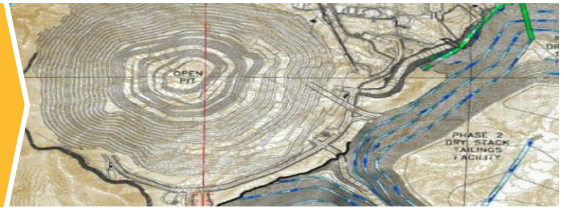
Production

Ramp-Up

777	✓ Copper production and operating cost guidance achieved ☒ 2014 zinc and precious metal production below guidance
Reed	✓ Commercial production achieved ahead of guidance and under budget
Lalor	✓ Achieved commercial production on time and on budget; commissioned upgraded Snow Lake concentrator ✓ Underground exploration drilling began in 2014
Constancia	✓ Achieved initial concentrate production in Q4 2014 ✓ On schedule for commercial production in Q2 2015 ✓ Ramp-up to full capacity expected in H2 2015

The Next Phase of Growth

Feasibility & Permitting

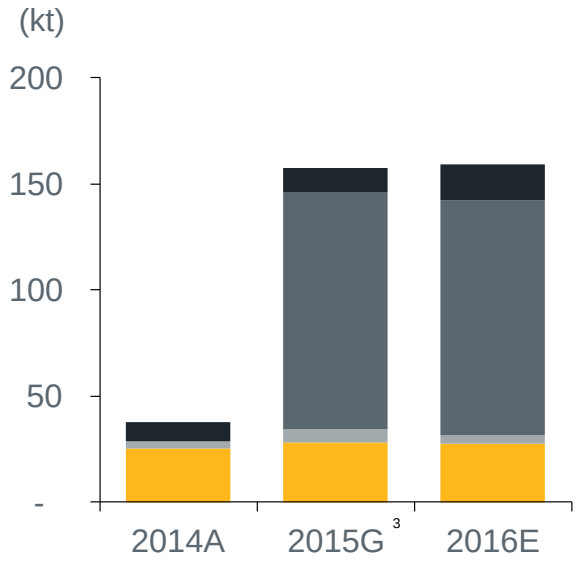


Rosemont	• High-quality development project • Complementary to existing portfolio • Sequences well with Constancia • Well-established infrastructure

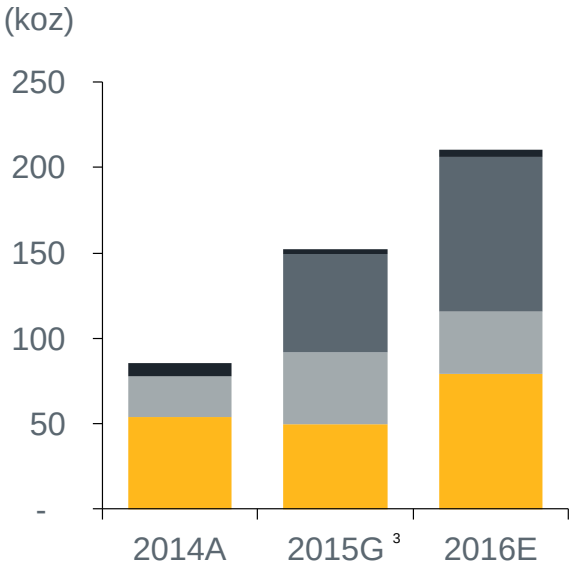
Near-Term Production Growth[1]

OPPORTUNITY FOR A RE-RATE IS SIGNIFICANT AS WE DELIVER GROWTH

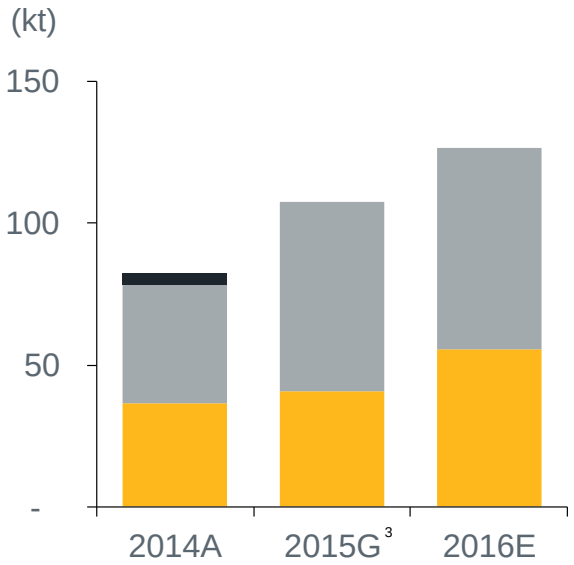
320% Increase in Cu Production



145% Increase in Au-Eq. Production[2]



50% Increase in Zn Production

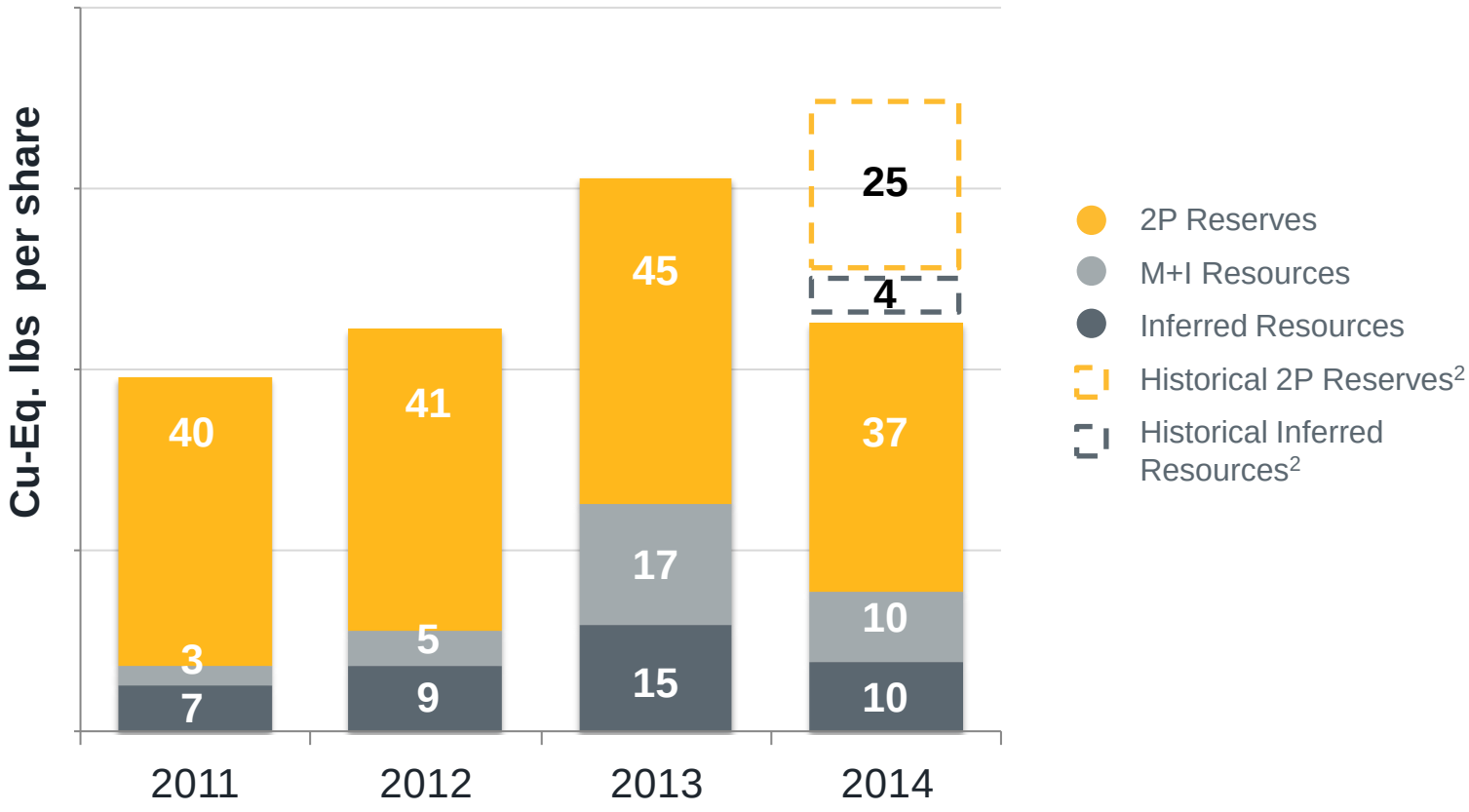


- **777[4]**
- **Lalor[5]**
- **Constancia[6]**
- **Reed[7]**

1. Represents production growth from 2014 actual production to 2016 anticipated production levels.
2. Au-Eq. production includes production subject to streaming transactions. Silver converted to gold at a ratio of 60:1 for 2015 guidance. For 2014 production, silver converted to gold at 60.5:1, based on estimated 2014 realized sales prices.
3. 2015 estimated production levels based on midpoint of 2015 production guidance released on January 15, 2015.
4. 777's anticipated production for 2016 is based on contained metal in concentrate as disclosed in "Technical Report 777 Mine, Flin Flon, Manitoba, Canada" dated October 15, 2012
5. Lalor's anticipated production for 2016 is based on contained metal in concentrate as disclosed in "Pre-Feasibility Study Technical Report, on the Lalor Deposit" dated March 29, 2012.
6. Constancia's anticipated production for 2016 is based on contained metal in concentrate as disclosed in, "The Constancia Project, National Instrument 43-101 Technical Report", filed on November 6, 2012.
7. Reed's anticipated production for 2016 is based on contained metal in concentrate as disclosed in, "Pre-Feasibility Study Technical Report on the Reed Copper Deposit" dated April 2, 2012 and reflects 100% attributable production to Hudbay.

Copper Reserves and Resources per Share[1]

CONSISTENT GROWTH IN CU-EQ RESERVES AND RESOURCES PER SHARE



Source: Hudbay company disclosure, Augusta Resource Corporation's NI 43-101 Technical Report on the Rosemont Copper Project dated August 28, 2012

1. Includes stated reserves and resources for Hudbay operating mines and historical resources for the Rosemont project. Copper equivalent calculation using US$3.00/lb Cu, US$1.00/lb Zn, US$1,250/oz Au, US$25.00/oz Ag and US$13.50/lb Mo. Share count based on shares outstanding at end of each respective year. Reed included at 100% and Rosemont included at 80% ownership interest.
2. Hudbay is treating Augusta's publicly disclosed estimated mineral reserves and resources at the Rosemont project as a ''historical estimate'' under NI 43-101 and not as current mineral reserves or mineral resources, as a qualified person has not done sufficient work for Hudbay to classify Rosemont's mineral reserves or resources as current mineral reserves or mineral resources. Hudbay is currently reviewing Augusta's estimates of the mineral reserves and resources at Rosemont as well as the assumptions underlying Augusta's 2012 feasibility study.

Constancia Project

PROJECT COMMISSIONING

- Close to 21 million man-hours worked with only one lost time accident in 2014
- Physical construction essentially complete
- Achieved initial concentrate production in late 2014
- On track for commercial production during the second quarter of 2015

	Life of Mine[1]
Ownership	**100%**
Daily ore throughput	**80k tpd**
Avg. annual Cu production[2]	**82k tonnes**
Cash cost per Cu lb[3]	**US$1.25/lb**
Mine and mill unit cost[4]	**US$7.48/tonne**
Avg. annual sustaining capital	**US$47 million**
Mine life	**22 years**

Constancia 2013

Constancia 2015

Source: Hudbay company disclosure

1. LOM as per NI 43-101 Technical Report on the Constancia Project dated October 15, 2012 and subsequent updates to project estimates in public disclosure
2. Production is contained metal in concentrate
3. Net of by-products. Includes impact of silver and gold streams. Assumed metal prices per the Silver Wheaton stream agreement are as follows: Gold US$400/oz, Silver US$5.90/oz. Other metal price assumptions include: Molybdenum 2014-US$12/lb, 2015-US$13/lb, 2016-US$13/lb, LT-US$13.50/lb; Gold 2014-US$1,350/oz, 2015-US$1,325/oz, 2016-US$1,300/oz, 2017-US$1,275/oz, LT-US$1,250/oz. Excludes profit sharing
4. Combined mine and mill unit operating costs per tonne of ore processed. 2015 combined mine, mill and G&A operating cost guidance is US$9.0-$10.9/tonne ore

Constancia Construction Progress

Constancia mine maintenance facilities

Crushed ore to be processed in Constancia mill

Constancia mill

Constancia flotation cell

Constancia Construction Progress (Cont'd)

Constancia crusher commissioning

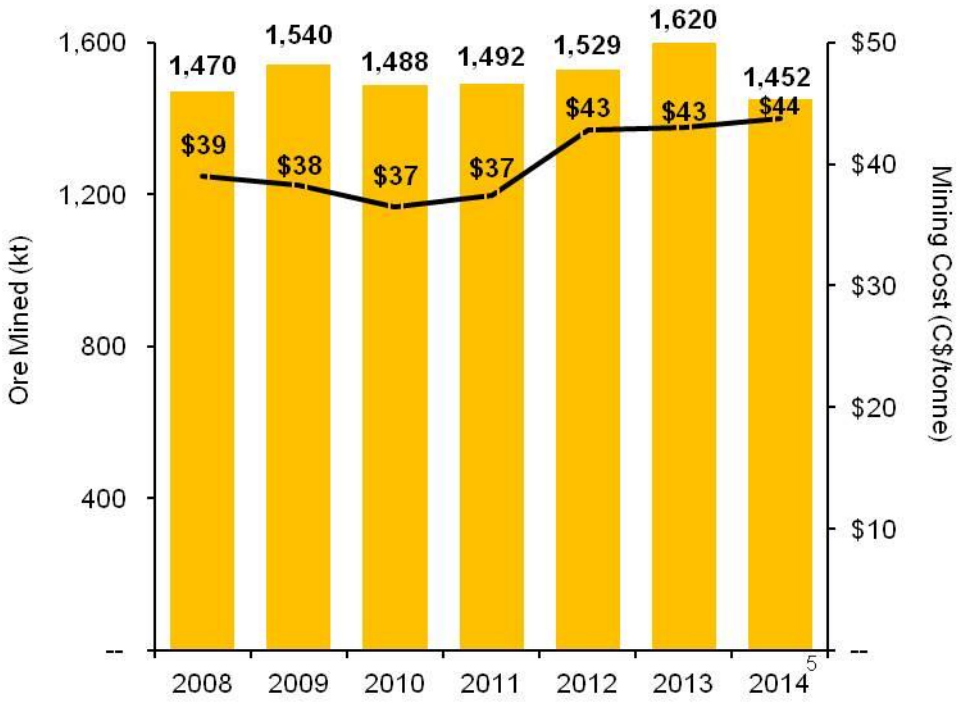
Constancia ore dump pocket for the primary crusher

Initial copper concentrate stored in concentrate shed

777 Mine

STEADY, LOW-COST PRODUCTION

- 6 lost-time accidents over past 6 years
- Mature mine with steady cost performance
- Exploration to focus on recently optioned War Baby claim



	Life of Mine[1]
Ownership	**100%**
Daily ore throughput	**4,500 tpd**
Avg. Annual Cu production[2]	**25k tonnes**
Avg. Annual Zn production[2]	**51k tonnes**
Cash cost per lb Cu[3]	**$(0.63)/lb**
Mine and mill unit cost[4]	**$53/tonne**
Avg. annual sustaining capital	**$18 million**
Mine life remaining	**6 years**

777 Headframe

Source: Hudbay company disclosure, Wood Mackenzie

1. LOM as per NI 43-101 Technical Report on 777 Mine dated October 15, 2012, with the exception of cash costs (see note 3)
2. Production represents contained metal in concentrate
3. Wood Mackenzie LOM average from 2014 to 2020; cash costs per pound of copper, net of by-product credits, adjusted for precious metals stream
4. Combined mine and mill unit operating costs per tonne of ore processed. Includes mill costs for Flin Flon concentrator. 2015 combined mine and mill unit operating cost guidance for the entire Manitoba Business Unit is C$73-88/tonne ore
5. Mining costs shown are YTD average costs as of September 30, 2014

Lalor Mine

PRODUCTION; PHASE 2 RAMP-UP

- Over 1,000 days without a lost-time accident
- Main production shaft complete and operating at a steady state; capacity of 6,000 tonnes per day (ore + waste)
- Commissioned upgraded concentrator with production capacity of 2,700 tonnes per day

	Life of Mine[1]
Ownership	**100%**
Daily ore throughput	**3,300 tpd**
Avg. annual Zn production[2]	**59k tonnes**
Avg. annual Au-Eq. production[2]	**43k ounces**
Avg. annual Cu production[2]	**5k tonnes**
Cash cost per lb Zn[3]	**$(0.09)/lb**
Mine and mill unit cost[4]	**$58/tonne**
Avg. annual sustaining capital	**$23 million**
Mine life	**+15 years**

Aerial view of Lalor project site

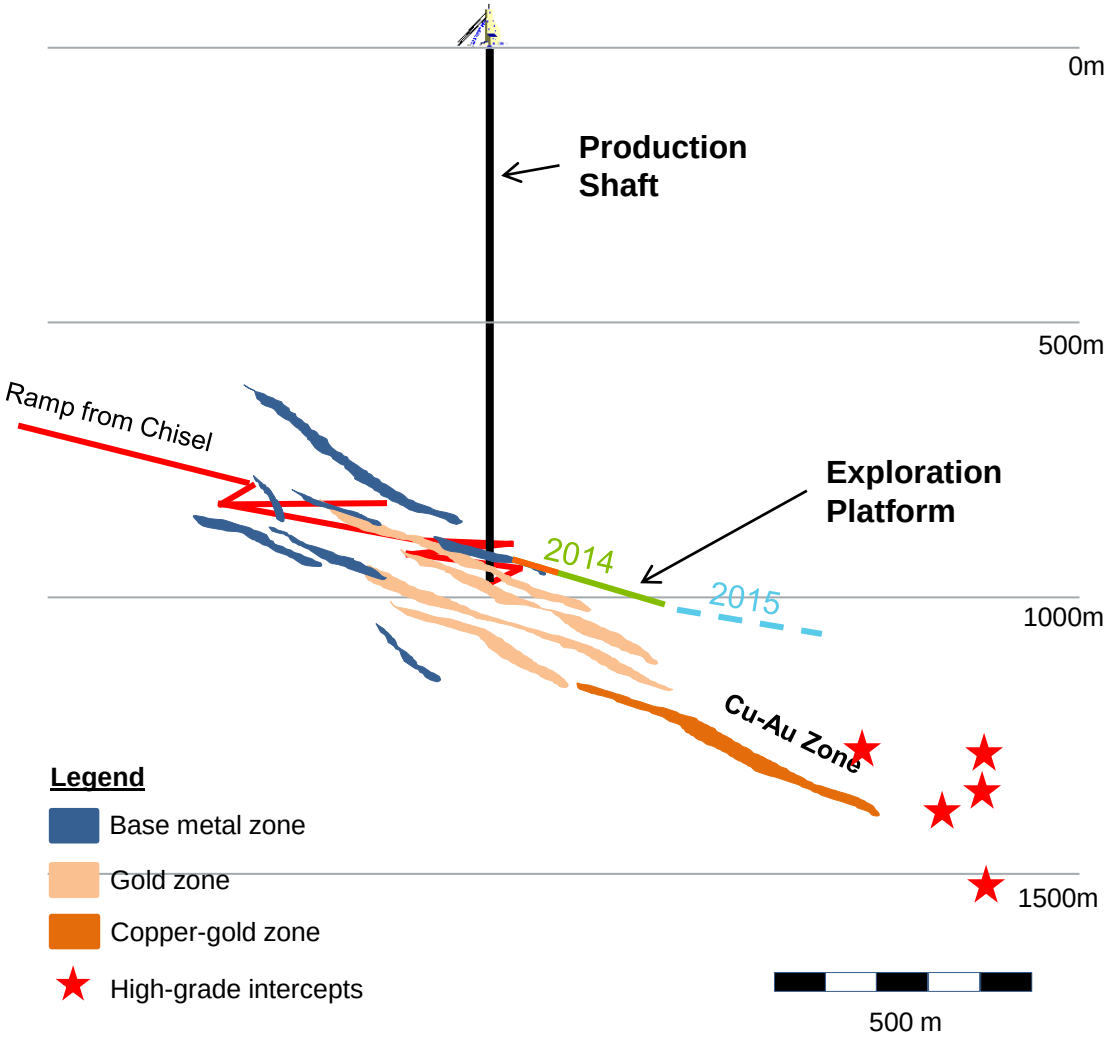
Source: Hudbay company disclosure, Wood Mackenzie

1. LOM as per NI 43-101 Pre-Feasibility Study Technical Report on Lalor Deposit dated March 29, 2012, with the exception of cash costs (see note 4)
2. Production represents contained metal in concentrate; silver converted to gold at a rate of 50:1
3. Wood Mackenzie LOM average from 2015 to 2027; cash costs per pound of zinc, net of by-product credits
4. Combined mine and mill unit operating costs per tonne of ore processed. 2015 combined mine and mill unit operating cost guidance for the entire Manitoba Business Unit is C$73-88/tonne ore

Lalor Exploration

DRILLING OF CU-AU ZONE COMMENCED IN Q4 2014

Lalor Cross-Section with Exploration Platform



Underground drill program underway

- Test down plunge potential of gold and copper-gold zones
- Determine optimal location to advance exploration ramp and to develop additional exploration platforms
- Upgrade inferred resources

Reed Mine

COMMERCIAL PRODUCTION ACHIEVED

- 2-year construction program completed with no lost-time accidents
- Achieved commercial production ahead of guidance and under budget

	Life of Mine[1]
Ownership	**70%**
Daily ore throughput	**1,300 tpd**
Avg. annual Cu production[2]	**15k tonnes**
Cash cost per lb Cu[3]	**$1.64/lb**
Mine and mill unit cost[4]	**$90/tonne**
Avg. annual sustaining capital	**$10 million**
Mine life	**4 years**

Loading ore for transportation from Reed to Flin Flon

Aerial view of Reed project site

Source: Hudbay and VMS Venture Inc. company disclosure

1. LOM as per NI 43-101 Pre-Feasibility Study Technical Report on the Reed Copper Deposit dated April 2, 2012 as filed by VMS Ventures Inc., shown on 100% basis
2. Production represents contained metal in concentrate
3. Cash costs per lb calculated using the life of mine model supporting the NI 43-101 report
4. Combined mine and mill unit operating costs per tonne of ore processed

Rosemont Project

80%-OWNED[1] COPPER PROJECT IN ARIZONA, USA

Hudbay acquired control of the Rosemont project in July 2014

- Ideal fit with Hudbay's disciplined growth strategy
- Drill program completed to better understand the geological setting and mineralization, and to collect additional technical information
- Project permitting efforts ongoing

Crusher area of the Rosemont project (looking east)

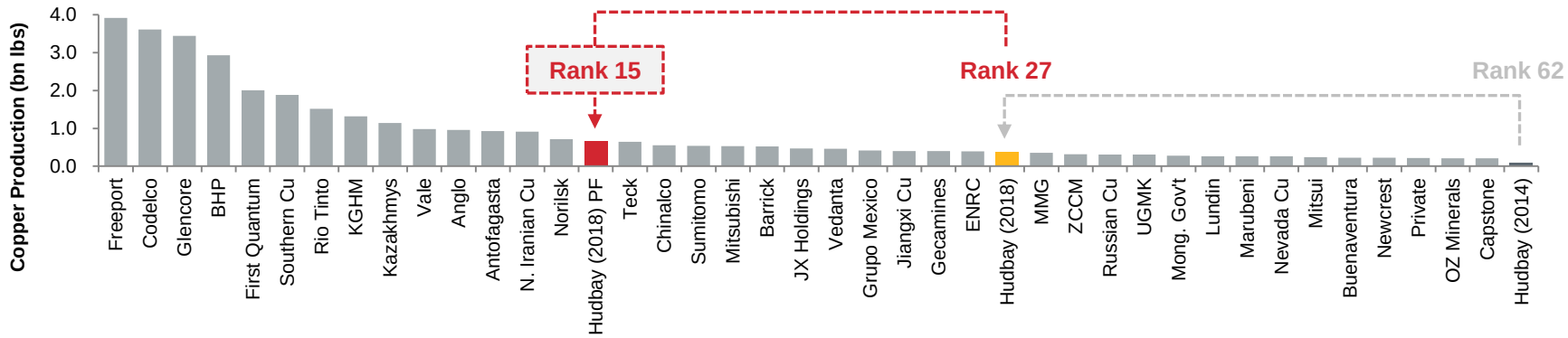
Pit area of the Rosemont project (looking southwest)

1. Hudbay's ownership in the Rosemont project is subject to an earn-in agreement with United Copper & Moly LLC ("UCM"), pursuant to which UCM has earned a 7.95% interest in the project and may earn up to a 20% interest

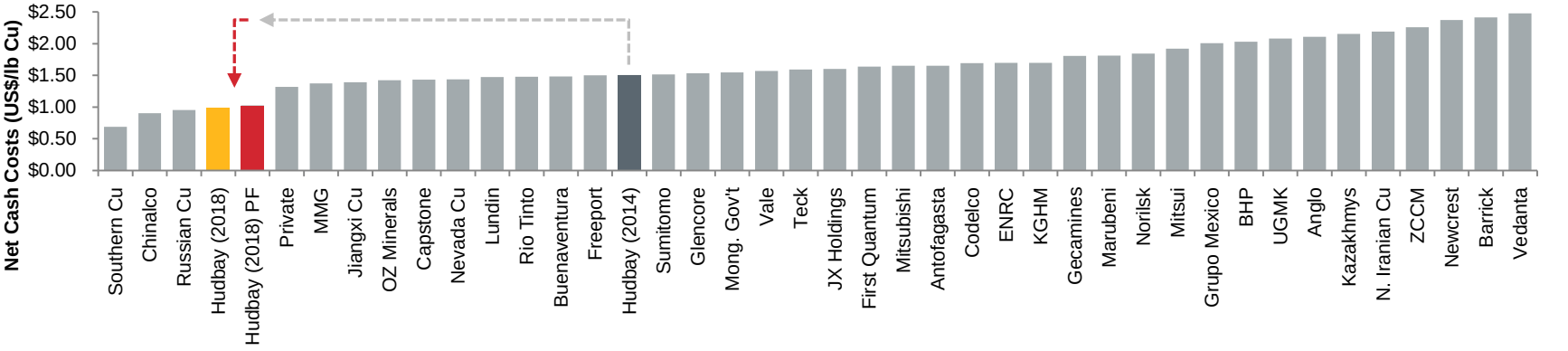
Global Producer with Leading Cash Costs[1]

TOP GLOBAL PRODUCER WITH SIGNIFICANT LEVERAGE TO COPPER AND BOTTOM QUARTILE COSTS

Global Positioning on 2018E Copper Production



Global Positioning on 2018E Cash Costs



Source: Wood Mackenzie

1. "Hudbay (2018) PF" indicates the expected impact on Hudbay with the addition of the Rosemont project

Why Invest in Hudbay?

HIGH QUALITY COPPER GROWTH STORY

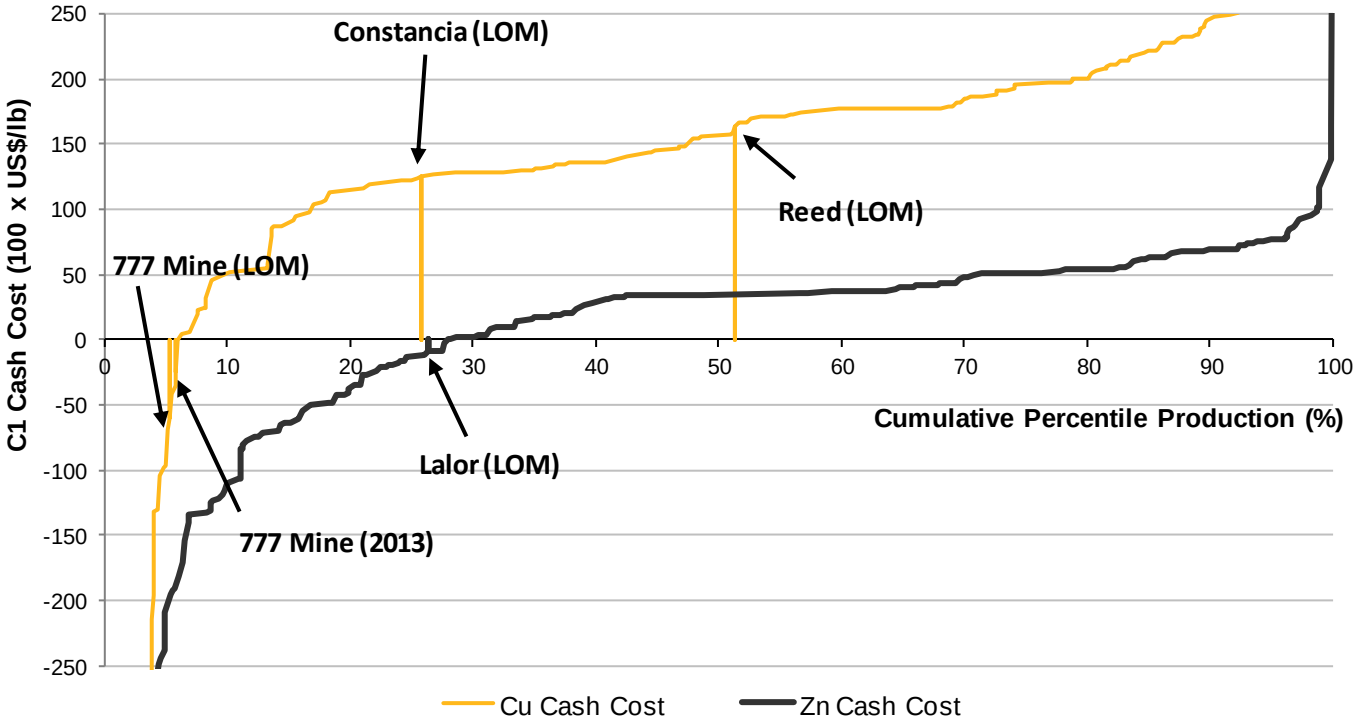
- Imminent sector-leading copper production growth
- High quality copper and zinc producer with leverage to strengthening longer-term metal market fundamentals
- Attractive operating cost structure and improving unit margins with ramp up of new low-cost production
- Low geopolitical risk given focus on mining-friendly jurisdictions in the Americas
- Proven track record as mine developers and operators

Appendix

Appendix Contents

- By-product copper and zinc cost curves
- Global refined metal market balance
- Growth of mineral deposits
- 2015 guidance
- Precious metals stream
- Reserves and resources

Copper & Zinc By-Product Cost Curves[1]

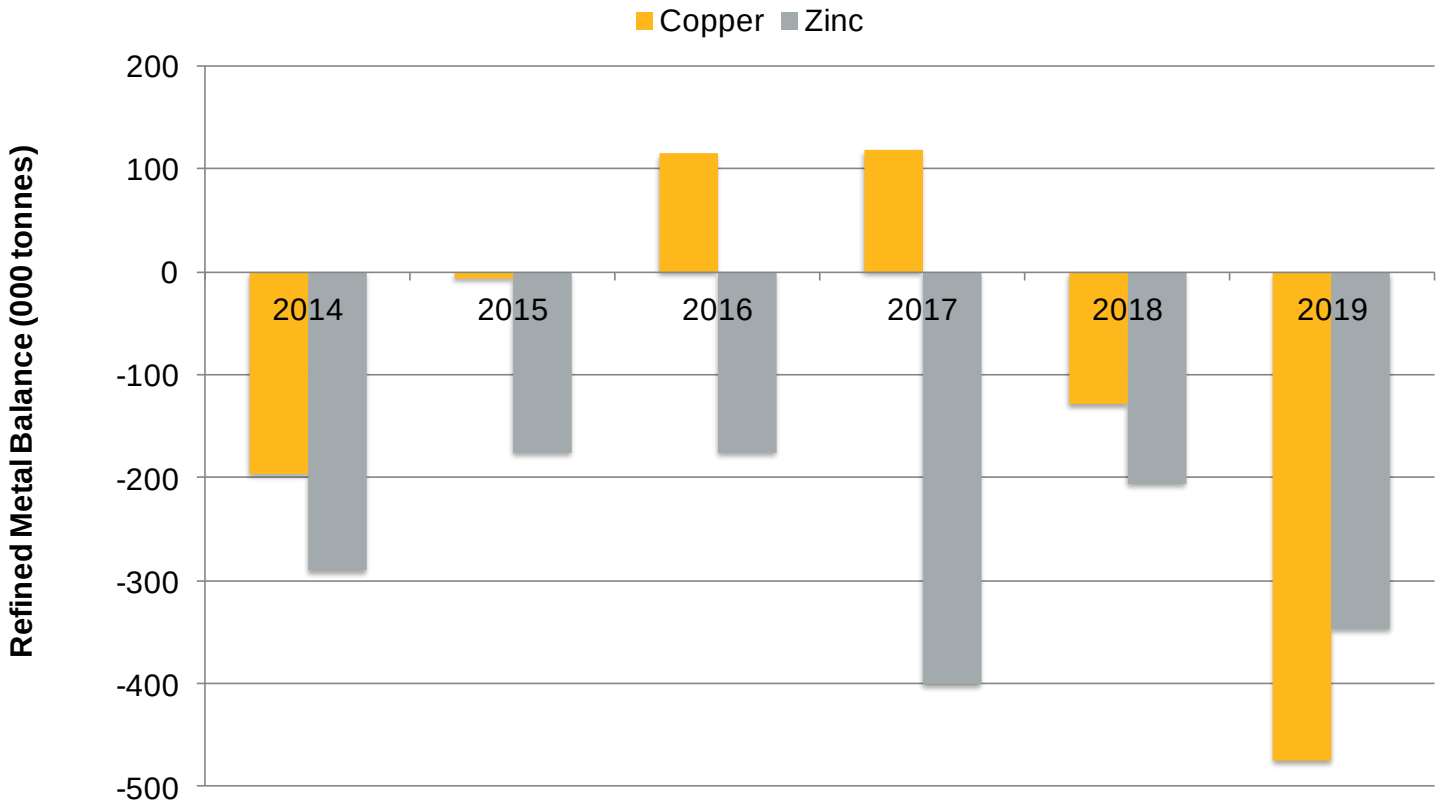


Source: Wood Mackenzie (2013 cost curve)

[1] By-product costs calculated using Wood Mackenzie's by-product costing methodology, which is materially different from the by-product costs reported by Hudbay in its public disclosure

[2] 777 and Constancia by-product costs include the effect of the stream transactions

Global Refined Metal Market Balance

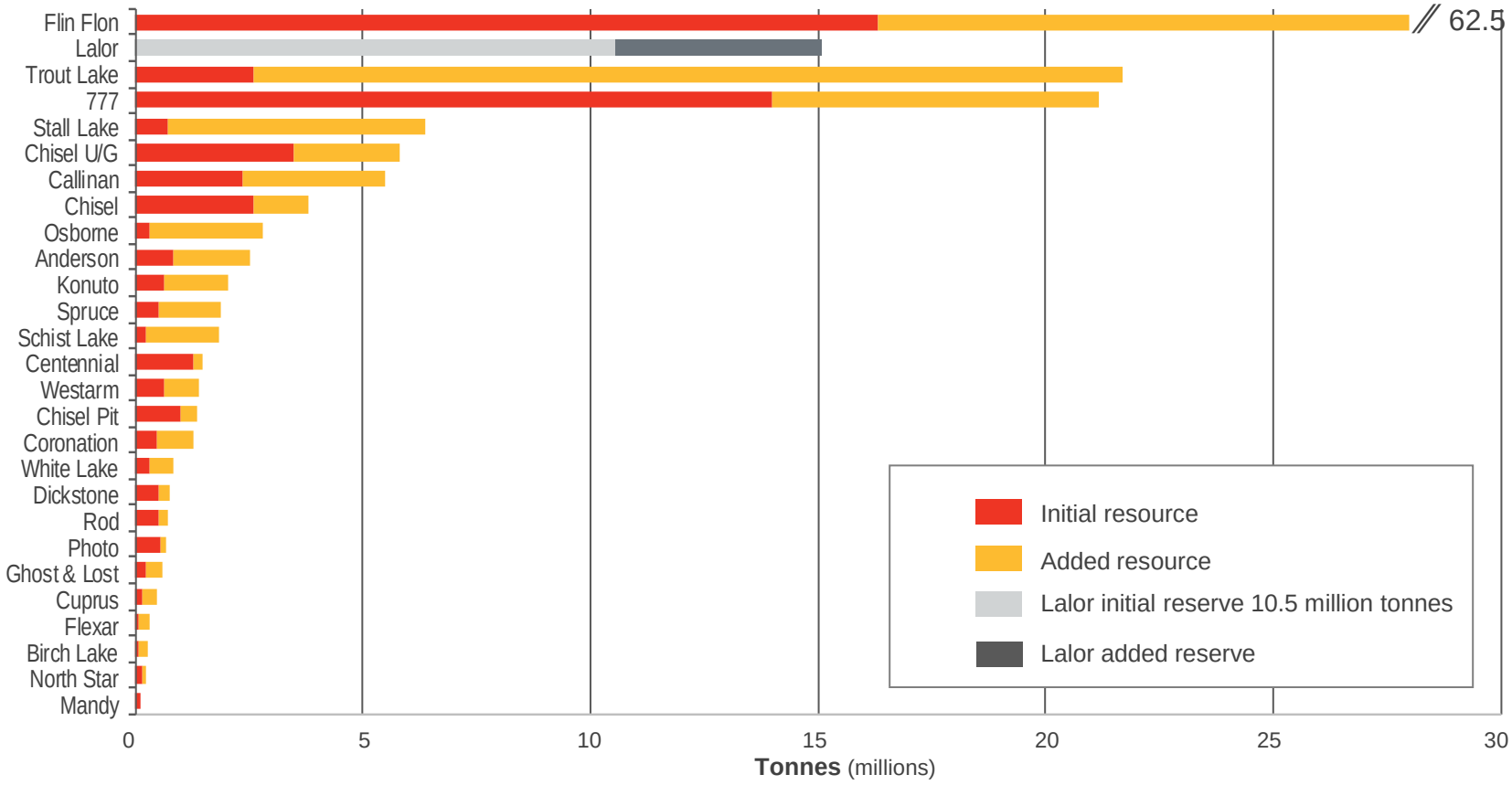


Source: CRU, Copper Market Outlook January 2015, Zinc Market Outlook October 2014

By 2019, both copper and zinc refined metal markets are expected to be in significant deficit

Growth of Mineral Deposits

Discoveries in the Greenstone Belt



2015 Production and Unit Cost Guidance

Contained Metal in Concentrate[1]		2015 Guidance	2014 Production	2014 Guidance
Manitoba[2]				
Copper	Tonnes	40,000 – 50,000	37,644	36,000 – 45,000
Zinc	Tonnes	95,000 – 120,000	82,542	87,000 – 105,000
Precious Metals[3]	Ounces	85,000 – 105,000	85,703	99,000 – 120,000
Combined mine and mill unit operating costs	(C$/tonne ore processed)[4,5]	73 - 88		
Peru				
Copper	Tonnes	100,000 – 125,000	See note 6	5,000 – 10,000
Precious Metals[3]	Ounces	50,000 – 65,000	See note 6	2,000 – 3,000
Combined mine and mill unit operating costs	(US$/tonne ore processed)[4,5]	9.0 – 10.9		
Total				
Copper	Tonnes	140,000 – 175,000	37,644	41,000 – 55,000
Zinc	Tonnes	95,000 – 120,000	82,542	87,000 – 105,000
Precious Metals[3]	Ounces	135,000 – 170,000	85,703	101,000 – 123,000

[1]Metal reported in concentrate is prior to refining losses or deductions associated with smelter terms. Amounts for 2014 and 2015 include pre-commercial production volumes for Constancia, Lalor and Reed where applicable. [2]Includes 100% of Reed mine production. [3]Precious metals production includes gold and silver production. Silver converted to gold at a ratio of 60:1 for 2015 guidance and 50:1 for 2014 guidance. For 2014 production, silver converted to gold at 60.5:1, based on estimated 2014 realized sales prices. [4]Reflects combined mine and mill costs per tonne of milled ore. Excludes mine and mill costs and tonnes associated with pre-commercial production mine output from Constancia in 2015. [5] Peru operations combined mine and mill unit costs are presented in USD, include G&A costs and reflect the deduction of expected deferred stripping costs. Manitoba costs are presented in CAD and are calculated on a basis consistent with prior reporting. [6] Constancia produced 571 tonnes of copper concentrate prior to December 31, 2014.

2015 Production and Unit Cost Guidance

Flin Flon Zinc Plant	
Zinc Concentrate Treated	190,000 – 235,000 tonnes
Zinc Metal Produced	95,000 – 120,000 tonnes
Unit Operating Costs[1]	**C$0.31 - $0.38/lb**

[1] Forecast unit operating costs are calculated on the same basis as reported unit operating costs in Hudbay's quarterly and annual management's discussion and analysis

2015 Capital Expenditure Budget[1]

	C$ Millions
Sustaining Capital	
Manitoba	140
Peru	180
Total Sustaining Capital	**320**
Growth Capital	
Arizona	60
Peru	10
Total Growth Capital	**70**
Capitalized Exploration	**35**
Total Capital Expenditure	**425**

[1] Excludes pre-production revenue, capitalized interest and capitalized withholding taxes

2015 Exploration Budget

	C$ Millions
Manitoba	20
Peru	5
Arizona	10
Generative and Other	20
Total Exploration Expenditures	**55**
Capitalized Spending[1]	(35)
Total Exploration Expense	**20**

[1] Assumes $20 million allocated to “Generative and Other” will be capitalized

Precious Metals Stream Overview

US$750 million in upfront deposit payments from Silver Wheaton for delivery of:

- 100% of payable gold and silver from 777 mine until the end of 2016;
- and 50% of payable gold and 100% of payable silver thereafter for the remainder of life of mine
- 100% of payable silver from Constancia project
- Along with upfront payments, Hudbay will receive US$400 per ounce for gold and US$5.90 per ounce of silver[1]

Additional US$135 million deposit payment from Silver Wheaton for delivery of:

- 50% of payable gold from the Constancia project
- In addition to the deposit payment, Hudbay will receive the lesser of the market price and US$400 per ounce for gold delivered to Silver Wheaton[2]

[1]Subject to 1% annual escalation starting 2015
[2] Subject to 1% annual escalation starting 2016

Peru Reserves Overview

As at January 1, 2014

Constancia Mineral Reserves

Category	**Ore** (M tonnes)	**Cu** (%)	**Mo** (g/t)	**Au** (g/t)	**Ag** (g/t)
Proven	483	0.32	93	0.040	3.04
Probable	94	0.22	61	0.036	2.77

Pampacancha Mineral Reserves

Category	**Ore** (M tonnes)	**Cu** (%)	**Mo** (g/t)	**Au** (g/t)	**Ag** (g/t)
Proven	23	0.52	142	0.298	4.28
Probable	20	0.44	159	0.252	3.74

Total Mineral Reserves

Category	**Ore** (M tonnes)	**Cu** (%)	**Mo** (g/t)	**Au** (g/t)	**Ag** (g/t)
Total Proven	506	0.33	95	0.052	3.09
Total Probable	114	0.26	78	0.074	2.94
Total Reserves	620	0.32	92	0.056	3.07

Note: totals may not add up correctly due to rounding

Peru Resources Overview

As at September 30, 2013

Constancia Mineral Resources

Category	**M** (tonnes)	**Cu** (%)	**Mo** (g/t)	**Au** (g/t)	**Ag** (g/t)
Measured	68	0.22	59	0.036	2.17
Indicated	293	0.20	58	0.033	1.96
Inferred	200	0.19	51	0.031	1.86

Pampacancha Mineral Resources

Category	**M** (tonnes)	**Cu** (%)	**Mo** (g/t)	**Au** (g/t)	**Ag** (g/t)
Measured	5	0.41	69	0.243	5.46
Indicated	6	0.34	98	0.211	4.68

Total Mineral Resources

Category	**M** (tonnes)	**Cu** (%)	**Mo** (g/t)	**Au** (g/t)	**Ag** (g/t)
Measured + Indicated	**372**	**0.20**	**59**	**0.039**	**2.09**
Inferred	**200**	**0.19**	**51**	**0.031**	**1.86**

Note: totals may not add up correctly due to rounding

Manitoba Mineral Reserves

As at January 1, 2014

Category	Tonnes	Cu (%)	Zn (%)	Au (g/t)	Ag (g/t)
777[1]					
Proven	4,893,000	2.27	4.01	1.84	24.71
Probable	5,707,000	1. 34	4.24	1.79	24.69
Lalor – Base Metal[2]					
Proven	1,332,000	0.73	8.99	1.53	17.49
Probable	11,334,000	0.68	7.81	1.56	23.77
Lalor – Gold Zone					
Probable	2,530,000	0.37	0.42	4.28	24.45
Reed[3]					
Probable	2,121,000	3.80	0.50	0.42	5.28
Total Proven	**6,225,000**	**1.94**	**5.08**	**1.77**	**23.17**
Total Probable	**21,692,000**	**1.12**	**5.30**	**1.82**	**22.29**
Total Reserves	**27,917,000**	**1.31**	**5.25**	**1.81**	**22.48**

[1]Includes 777 North.

[2]Includes the copper-gold zone.

[3]Stated at 100%, Hudbay holds a 70% joint venture interest in the Reed Copper Project.

Note: totals may not add up correctly due to rounding

Manitoba Mineral Resources

As at September 30, 2013

Category	Tonnes	Cu (%)	Zn (%)	Au (g/t)	Ag (g/t)
777[1]					
Inferred	784,000	1.05	4.49	1.77	30.61
Lalor – Base Metal[2]					
Inferred	3,832,000	2.04	5.77	3.47	21.24
Lalor – Gold Zone					
Inferred	6,281,000	0.42	0.49	4.70	31.48
Reed					
Inferred	233,000	4.31	0.52	0.38	4.57
Total Inferred	11,130,000	1.11	2.59	3.98	27.33

[1]Includes 777 North

[2]Includes the copper-gold zone

[3]Stated at 100%, Hudbay holds a 70% joint venture interest in the Reed Copper Project

Note: totals may not add up correctly due to rounding

Copper Equivalent Reserves and Resources[1]

All Metals

Project	Category	Cu Equivalent (000 tonnes)		
		2014	2013	Change
Constancia[2]	Proven & Probable	2,655	2,263	392
	Measured & Indicated	1,045	1,329	(284)
	Inferred	503	593	(90)
Lalor	Proven & Probable	663	705	(42)
	Inferred	483	579	(96)
777[3]	Proven & Probable	482	563	(81)
	Inferred	31	32	(1)
Reed (70%)[4]	Proven & Probable	64	67	(3)
	Inferred	8	6	2
Other[4,5]	Measured & Indicated	288	547	(259)
	Inferred	908	996	(88)
Total	**Proven & Probable**	**3,864**	**3,598**	**266**
	Measured & Indicated	**1,333**	**1,876**	**(543)**
	Inferred	**1,933**	**2,206**	**(273)**

[1]For additional detail respecting the mineral reserve and resource estimate in this presentation, see “Additional Information”. Excludes the Rosemont project

[2]Includes Pampacancha

[3]Includes 777 North

[4]Values shown represent Hudbay’s proportionate ownership interest pursuant to the applicable joint venture/option agreement

[5]Includes Tom & Jason and Lost property. The Back Forty project was sold in 2014 and is included in 2013 numbers only

Precious Metal Equivalent Reserves and Resources[1]

Project	Category	Au Equivalent (000 ounces)		
		2014	2013	Change
Constancia[2]	Proven & Probable	2,341	1,951	390
	Measured & Indicated	972	1,132	(160)
	Inferred	441	520	(79)
Lalor	Proven & Probable	1,209	1,137	72
	Inferred	1,557	1,753	(196)
777[3]	Proven & Probable	785	886	(101)
	Inferred	60	60	-
Reed (70%)[4]	Proven & Probable	25	29	(4)
	Inferred	2	2	-
Other[4,5]	Measured & Indicated	244	869	(625)
	Inferred	536	636	(100)
Total	**Proven & Probable**	**4,360**	**4,003**	**357**
	Measured & Indicated	**1,216**	**2,001**	**(785)**
	Inferred	**2,596**	**2,971**	**(375)**

[1]For 2014 and 2013, 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. Excludes the Rosemont project

[2]Includes Pampacancha. Pursuant to a stream agreement with Silver Wheaton, the company is required to deliver 100% of payable silver and 50% of payable gold 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.

[3]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.

[4]Values shown represents Hudbay's proportionate ownership interest pursuant to the applicable joint venture/option agreement.

[5]Includes Tom & Jason and Lost property. The Back Forty project was sold in 2014 and is included in 2013 numbers only.

Additional Information

- The reserve and resource estimates included in this presentation were prepared in accordance with National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101") and the Canadian Institute of 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.

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$1.06 per pound (includes premium), the copper price was US$3.00 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.
- For additional details relating to the estimates of mineral reserves and resources at the Reed project, including data verification and quality assurance/quality control processes refer to the "Pre-Feasibility Study Technical Report on the Reed Copper Deposit, Central Manitoba, Canada" as filed on SEDAR by VMS Ventures Inc. on May 14, 2012.

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.
- 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: copper price of US$3.00 per pound; silver price of US$25.00 per ounce; gold price of US$1,250.00 per ounce; and molybdenum price of US$13.50 per pound.
- The Constancia and Pampacancha mineral resources correspond to a resources pit shell. A pit optimization to delimit the portion of the block model having reasonable prospects for economic extraction was performed.
- The Constancia resource pit consists of a non-operational pit of Measured, Indicated and Inferred resources diluted to a 10x10x15m full block size using a 0.12% copper cut-off based on a copper price of US$2.88 per pound and a molybdenum price of US$16.00 per pound, copper recovery of 89%, molybdenum recovery of 60%, processing costs of US$5.50 per tonne and mining costs of US$1.30 per tonne.
- The Pampacancha resource pit consists of a non-operational pit of Measured, Indicated and Inferred resources diluted to a 10x10x15m full block size using a 0.1% copper cut-off based on a copper price of US$3.00 per pound, a molybdenum price of US$13.50 per pound, silver price of US$25.00 per ounce, gold price of US$1,250 per ounce, copper recovery of 85%, molybdenum recovery of 40%, gold and silver recovery of 65%; processing costs of US$4.72 per tonne and mining costs of US$1.90 per tonne.
- The primary consideration to accommodate the increased Constancia mineral reserve in the Constancia life of mine plan (“LOM”) was the confirmation through pre-feasibility investigation to increase the tailings dam height to accommodate this extra tonnage and the waste rock facility configuration. The resulting LOM has increased to 22 years from 16 years. In this process some of the major cost components have been updated to reflect some known actual costs such as energy, fuel, concentrate transport and port charges. The resulting change is an average cost of US$0.72 per pound of copper produced net of by product credits from a previously disclosed US$0.66 per pound of copper in the first full five years of production. Contained copper metal in concentrate is expected to average 116,000 tonnes per year over the first five full years versus 118,000 tonnes as previously disclosed. Over the remaining years, the cost per pound of copper net of by product credits has increased to US$1.14 per pound from US$1.11 per pound; and the contained copper metal in concentrate is expected to average 67,000 tonnes per year versus 77,000 tonnes per year as previously disclosed. The cost per pound of copper net of by product credits does not include the impact of the precious metals streaming transactions.
- 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.

Rosemont Historical Reserves and Resources[1]

As at August 28, 2012

Historical Mineral Reserves

Category	**M** (tons)	**Cu** (%)	**Mo** (%)	**Ag** (opt)
Proven	308,075	0.46	0.015	0.12
Probable	359,131	0.42	0.014	0.12

Historical Mineral Resources *(inclusive of historical mineral reserves)*

Category	**M** (tons)	**Cu** (%)	**Mo** (%)	**Ag** (opt)
Measured	334,619	0.44	0.015	0.124
Indicated	534,735	0.373	0.014	0.105

Total Historical Mineral Reserves and Resources

Category	**M** (tons)	**Cu** (%)	**Mo** (%)	**Ag** (g/t)
Proven + Probable	667,206	0.44	0.015	0.12
Measured + Indicated	869,354	0.399	0.014	0.112
Inferred	128,488	0.397	0.013	0.104

Note: Totals may not add up correctly due to rounding

Source: Hudbay company disclosure, Augusta Resource Corporation's NI 43-101 Technical Report on the Rosemont Copper Project dated August 28, 2012

1. Hudbay is treating Augusta's publicly disclosed estimated mineral reserves and resources at the Rosemont project as a ''historical estimate'' under NI 43-101 and not as current mineral reserves or mineral resources, as a qualified person has not done sufficient work for Hudbay to classify Rosemont's mineral reserves or resources as current mineral reserves or mineral resources. Hudbay is currently reviewing Augusta's estimates of the mineral reserves and resources at Rosemont as well as the assumptions underlying Augusta's 2012 feasibility study. Historical reserves and resources shown on 100% basis and include sulfide zone only. Historical measured and indicated resources are inclusive of historical mineral reserves.

Night view of Constancia crusher

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