

News release

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HudBay expects to close Flin Flon copper smelter by July 2010

EDITORS' NOTE:

Smelter photos and media backgrounder available on HudBay's website at www.hudbayminerals.com.

Toronto, Ontario, June 18, 2009 – HudBay Minerals Inc. (“HudBay” the “company”) (TSX: HBM) expects to close its copper smelter in Flin Flon, Manitoba before July 1, 2010, and its copper refinery in White Pine, Michigan shortly thereafter.

The financial impact of the smelter closure on the company will be minimal, as the processing costs from the sale of concentrates are expected to be similar. Further, the smelter is part of an integrated complex, and reclamation costs, which have been fully accounted for on the company's balance sheet, only occur when the entire Flin Flon metallurgical complex ultimately shuts down. HudBay anticipates manpower reductions as a result of the closure to be approximately 225 in Flin Flon and 65 at the White Pine Copper Refinery.

“The Flin Flon copper smelter has been a great asset and one of the centerpieces of our operations for over 80 years,” said Peter R. Jones, HudBay's chief executive officer. “Today's business realities, combined with the age of the plant and regulatory changes, make continued operation of this plant impractical and uneconomic. We are strongly positioned post-smelter closure with our metallurgical facilities, the 777 and Trout Lake mines, and an impressive project pipeline including Fenix and Lalor.”

“We will work closely with our employees, unions, and affected local, provincial and state governments, as well as other stakeholders, to mitigate the impact of the closures,” added Tom A. Goodman, senior vice president, operations. “After the closures, HudBay will remain a fully integrated zinc producer with its state-of-the-art, environmentally-friendly zinc processing facilities in Flin Flon and Brampton.”

Particulate and sulphur dioxide emissions to the atmosphere will be essentially eliminated from the Flin Flon operations once the smelter is closed, and the integrated metals facilities will be among the most environmentally friendly in North America in this regard. HudBay is building a filtration plant that will enable the company to ship its copper concentrate off-shore, if necessary. HudBay expects to have sales arrangements for its copper concentrate in place by the time the smelter closes.

The copper smelter processes copper concentrates into anodes, which are then sent by rail to White Pine, Michigan, where the anodes are refined into market standard copper cathodes. The smelter has an annual capacity of approximately 90,000 tonnes of copper anode. In 2008, HudBay produced approximately 82,458 tonnes of copper, of which 7,777 tonnes was produced from recycled White Pine spent anode. Approximately 32% of the concentrate treated at the copper smelter in 2008 was purchased concentrate.

About HudBay Minerals Inc.

HudBay Minerals Inc. (TSX: HBM) is a Canadian integrated mining company with assets in North and Central America principally focused on the discovery, production and marketing of base metals. The company's objective is to maximize shareholder value through efficient operations, organic growth and accretive acquisitions, while maintaining its financial strength. A member of the S&P/TSX Composite Index and the S&P/TSX Global Mining Index, HudBay is committed to high standards of corporate governance and sustainability.

Forward-looking Information

This news release contains "forward-looking information" within the meaning of applicable securities laws. Forward-looking information includes but is not limited to the date of the expected closure of the smelter and refinery, the impact of the closures on HudBay and its results, the ability of the company to sell copper concentrates produced at its mine, other information regarding the closures, the expected environmental impact of our metallurgical facilities after the closure, and the company's strategies and future prospects. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects", or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", "understands" or "does not anticipate", or "believes" or variations of such words and phrases or statements that certain actions, events or results "will", "may", "could", "would", "might", or "will be taken", "occur", or "be achieved". Forward-looking information is based on the views, opinions, intentions and estimates of management at the date the information is made, and is based on a number of assumptions and subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those anticipated or projected in the forward-looking information (including the actions of other parties who have agreed to do certain things and the approval of certain regulatory bodies).

Many of these assumptions are based on factors and events that are not within the control of HudBay and there is no assurance they will prove to be correct. Factors that could cause actual results or events to vary materially from results or events anticipated by such forward-looking information include risks associated with the mining industry such as economic factors (including future commodity prices, currency fluctuations and energy prices), failure of plant, equipment, processes and transportation services to operate as anticipated, dependence on key personnel and employee relations, environmental risks, government regulation, actual results of current exploration activities, possible variations in ore grade or recovery rates, permitting timelines, capital expenditures, reclamation activities, land titles, and social and political developments and other risks of the mining industry, as well as those risk factors discussed in the company's Annual Information Form dated March 30, 2009, which risks may cause actual results to differ materially from any forward-looking statement.

Although HudBay has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results not to be anticipated, estimated or intended. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. HudBay undertakes no obligation to update forward-looking information if circumstances or management's estimates or opinions should change except as required by applicable securities laws, or to comment on analyses, expectations or statements made by third parties in respect of HudBay, its financial or operating results or its securities. The reader is cautioned not to place undue reliance on forward-looking information.

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- 30 -

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