

## Media Backgrounder

June 18, 2009

### HudBay expects to close Flin Flon copper smelter by July 2010

This media backgrounder includes information about HudBay's copper smelter in Flin Flon, Manitoba and copper refinery in White Pine, Michigan. Smelter photos are available on HudBay's website at [www.hudbayminerals.com](http://www.hudbayminerals.com).

#### Quick Facts

	<b>Flin Flon Copper Smelter Manitoba</b>	<b>White Pine Copper Refinery Michigan</b>
Operating since	1930	1982
Employees	225	65
Manpower reductions	Approximately 225	Approximately 65
2008 Unit Operating Costs	C38.1¢/lb. Cu	US 7.4 ¢/lb. Cu
Annual production capacity	~ 90,000 tonnes of copper anode	~ 75,000 tonnes of copper cathode

#### Flin Flon Copper Smelter in 2008

Copper concentrate treated at the smelter:

Domestic:	233,975 tonnes
Purchased:	58,962 tonnes
Total:	292,937 tonnes

Copper anode produced

in 2008: 82,458 tonnes (including spent anode)

Production from recycled White

Pine spent anode: 7,777 tonnes

#### White Pine Copper Refinery in 2008

Anodes received: 84,494 tonnes

Cathode produced: 68,756 tonnes

#### Copper Smelter – Overview

Both domestic concentrate from our mines and purchased concentrate from others are treated at the smelter. Approximately 32% and 20% of concentrate treated at our copper smelter in 2007 and 2008, respectively, was purchased concentrate. Concentrate has previously been purchased from a number of North American mines, with the principal supplier being in British Columbia.

Copper concentrate is delivered to the smelter by conveyor or rail. The copper smelter includes facilities for concentrate handling and storage, flux blending, roasting, calcine handling, smelting in a reverberatory furnace, processing in converting furnaces, refining and casting and rail car loading of anodes. The concentrate is roasted in one of five roasters to remove approximately half of the sulphur. The resultant calcine is then processed through a reverberatory furnace to produce copper matte.

The matte is converted into blister copper in converters and then refined and cast into anodes in a wheel mould. The smelter has procedures to handle wastes produced by the process. The roaster reverberatory and converters off gasses are passed through electrostatic precipitators to remove dust, which is in part recycled. The slag is deposited in a slag storage area and is used primarily for tailings dam construction.

HudBay's copper smelter is subject to emission reduction targets set out in a notice issued on April 29, 2006 by the Canadian government pursuant to the Canadian Environmental Protection Act. The notice required us to prepare and commence implementation of a pollution prevention plan ("P2 Plan") that considers annual air release limit targets for sulphur dioxide, particulate matter and mercury emissions. The P2 Plan was prepared and implementation was commenced as required by October 29, 2006. We are also required to provide annual interim progress reports until the P2 Plan is fully implemented by December 31, 2015.

### **White Pine Copper Refinery – Overview**

White Pine, which is located in the western upper peninsula of Michigan, processes our copper anode into refined copper cathode with the recovery of precious metals in a saleable slimes product, which are sold to a third party customer. New electrowinning technology came on line in the first quarter of 2008, which has the potential to increase production by approximately 1,100 tonnes annually.

### **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.

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