



**MEASURED APPROACH.
MAJOR ACHIEVEMENTS.**

Annual and Special Meeting of Shareholders

May 22, 2015



HUBBAY

TMX NYSE HBM



**MEASURED APPROACH.
MAJOR ACHIEVEMENTS.**

Warren Holmes

Interim Chairman



HUBBAY

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**MEASURED APPROACH.
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David Garofalo

President and Chief Executive Officer



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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, production, cost and capital and exploration expenditure guidance, production at Hudbay's Constanca, 777, Lalor and Reed mines, processing at Hudbay's Constanca concentrator, Flin Flon concentrator, Snow Lake concentrator and Flin Flon zinc plant, anticipated production from Hudbay's projects and events that may affect Hudbay's projects, including a strike action that has been commenced by one union at our Manitoba operations, a potential work stoppage or labour disruption at Hudbay's Manitoba operations and the anticipated effect of external factors on revenue, such as commodity prices, the potential to refurbish the recently acquired New Britannia mill and utilize it to process ore from Hudbay's Lalor mine, Hudbay's expectation that it will no longer construct a new concentrator at Lalor, the anticipated exploration and development expenditures and activities and the possible success of such activities at Lalor and elsewhere, 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 we identified and were applied by us in drawing conclusions or making forecasts or projections set out in the forward looking information include, but are not limited to: the successful ramp up of production and recoveries at Constanca; the success of mining, processing, exploration and development activities; the accuracy of geological, mining and metallurgical estimates; the costs of production; the ability to successfully negotiate new collective bargaining agreements for Hudbay's Manitoba operations; the availability and successful implementation of contingency plans for labour disruptions at Hudbay's Manitoba operations, including as a result of the strike action that has been commenced by one union; 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 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 its strategic investments and initiatives; the availability of additional financing, if needed, under Hudbay's credit facilities; 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; Hudbay's ability to secure required land rights to complete its Constanca project; maintaining good relations with the communities in which Hudbay operates, including the communities surrounding its Constanca and Rosemont projects and First Nations communities surrounding the company's Lalor and Reed mines; no significant unanticipated challenges with stakeholders at Hudbay's various projects; 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.

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 failure to successfully re-negotiate the recently expired collective bargaining agreements with one or more unions at Hudbay's Manitoba operations, the timing and nature of any labour disruptions at the company's Manitoba operations (including as a result of the strike action that has been commenced by one union or as a result of additional strike actions that may be commenced by one or more other unions), risks associated with the company's contingency plans for labour disruptions at Hudbay's operations, 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 (including risks associated with the commissioning and ramp up of the Constancia project and risks associated with the permitting of the Rosemont project), dependence on key personnel and employee and union relations, 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, depletion of Hudbay's reserves, volatile financial markets that may affect Hudbay's ability to obtain financing on acceptable terms, the failure to obtain required approvals or clearances from government authorities on a timely basis, 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 our pension and other post-retirement obligations, Hudbay's ability to abide by the covenants in Hudbay's debt instruments or other material contracts, tax refunds, hedging transactions, as well as the risks discussed under the heading "Risk Factors" in Hudbay's 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. We do 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.

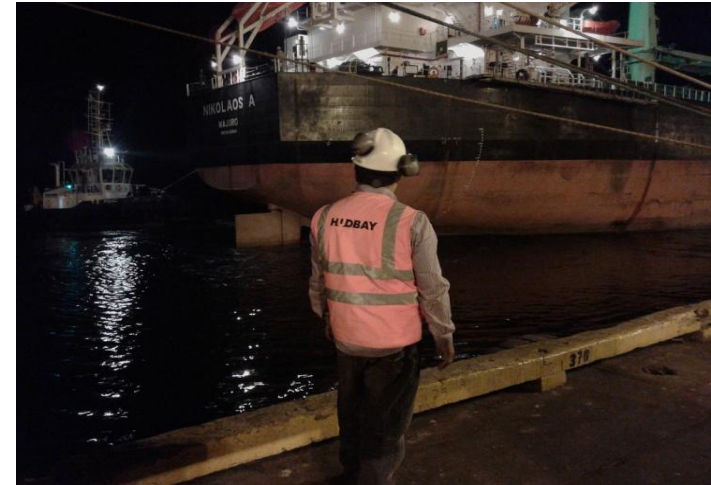
The technical and scientific information in this presentation related to the Constancia project has been approved by Cashel Meagher, P. Geo, Hudbay's Vice-President, South America Business Unit. The technical and scientific information related to all other sites and projects contained in this presentation has been approved by Robert Carter, P. Eng, Hudbay's Director, Technical Services. Messrs. Meagher and Carter are qualified persons pursuant to NI 43-101. 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 of scientific and technical information may be affected by any known environmental, permitting, legal title, taxation, sociopolitical, 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.

This presentation has been prepared in accordance with the requirements of the securities laws in effect in Canada, which may differ materially from the requirements of United States securities laws applicable to U.S. issuers.

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.

- › \$1.7 billion Constancia copper mine successfully started up in Peru
- › \$500 million Lalor and Reed mines started in Manitoba on time and under budget
- › +\$1 billion Rosemont copper project acquired in Arizona
- › 100th anniversary of the Flin Flon deposit discovery
- › Inaugural Community Champion Awards



First Constancia concentrate vessel departing for China



Aerial view of Lalor

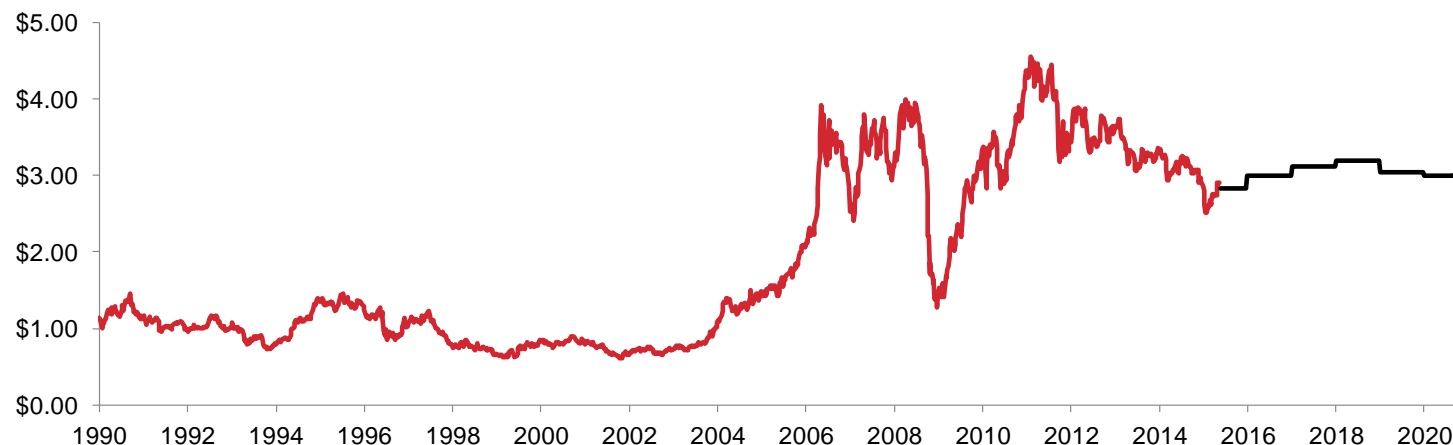


Market Update



- ▶ Copper price facing downward pressure from a strong USD and concerns over slowing growth in China
- ▶ Prices expected to strengthen over the medium-term
- ▶ Long-term copper fundamentals continue to remain strong due to supply constraints arising from limited mines coming on-line, declining ore grades, challenging jurisdictions and production disruptions

Copper Spot Price and Street Consensus Forecast (US\$/lb)

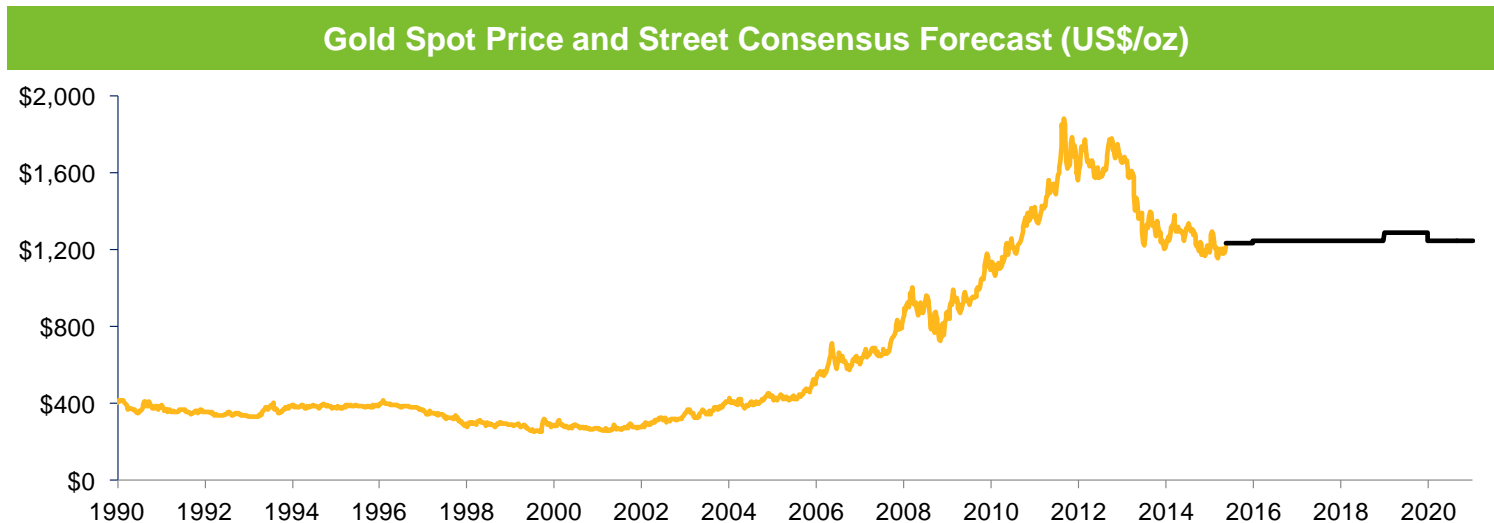


- Many analysts foresee a deficit in the zinc market in 2015 due to the closure of key producing mines
- Poor profitability amongst Chinese producers constraining supply and contributing to deficit
- In the medium to long-term, outlook remains positive due to a projected shortage of concentrates by 2017 / 2018

Zinc Spot Price and Street Consensus Forecast (US\$/lb)



- › High volatility in global financial variables impacting gold
- › Uncertainty in Europe will continue to be a tailwind for gold
- › Easing of Indian import restrictions should help physical demand
- › Mine production expected to be flat year over year due to limited investment in new projects



2014: Year in Review



2

ACHIEVED GROWTH OBJECTIVES IN 2014

- ✓ **Attained commercial production at Lalor and Reed mines**
- ✓ **Copper concentrate production at Constanica began as expected during Q4 2014**
- ✓ **Underground exploration drilling started at Lalor**
- ✓ **Successfully integrated Rosemont into Hudbay**
- ✗ **2014 zinc and precious metal production below guidance**



Constanica Primary Crusher, April 2015

2015: Realizing our Vision



3

Near-Term Production Growth¹

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

320%

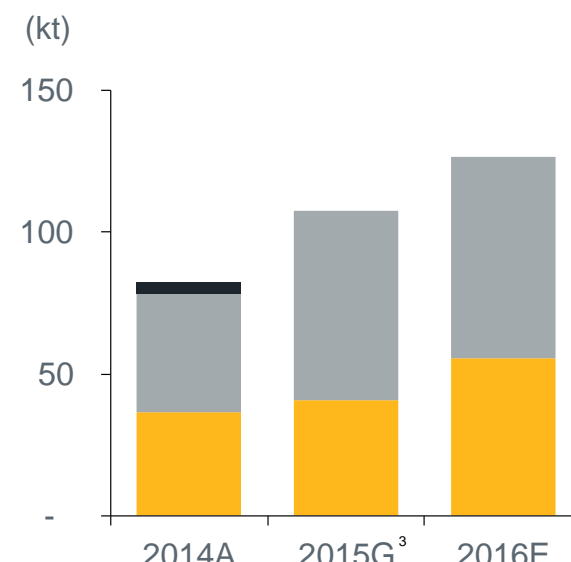
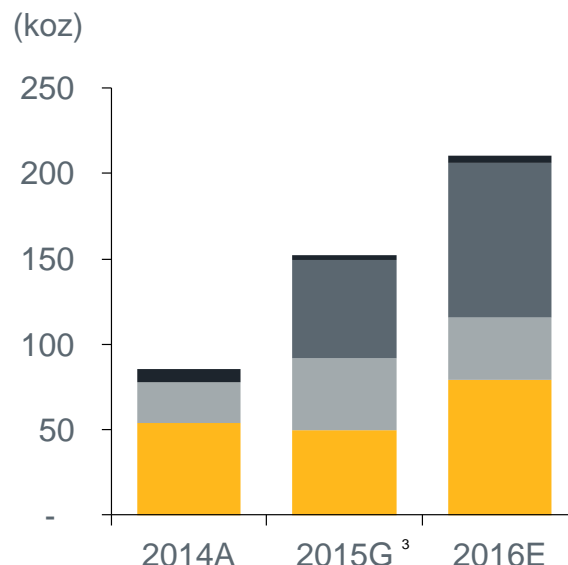
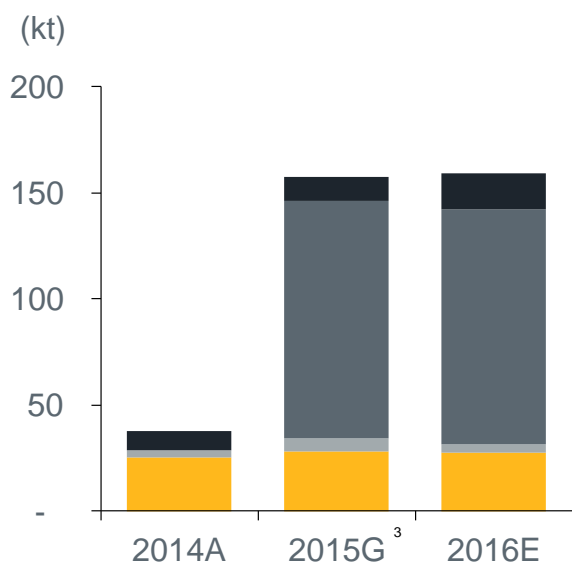
INCREASE IN CU PRODUCTION

145%

INCREASE IN AU-EQ. PRODUCTION²

50%

INCREASE IN ZN PRODUCTION



■ 777⁴ ■ Lalor⁵ ■ Constancia⁶ ■ Reed⁷

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.

100%-OWNED CONSTANCIA COPPER MINE IN PERU

- ▶ Achieved commercial production in April ahead of market expectations
- ▶ Approximately 21 million hours worked with only one lost time injury
- ▶ New industrial complex and large unexplored land position presents opportunities for future production growth



Constancia to Deliver Decades of Low Cost Copper Production



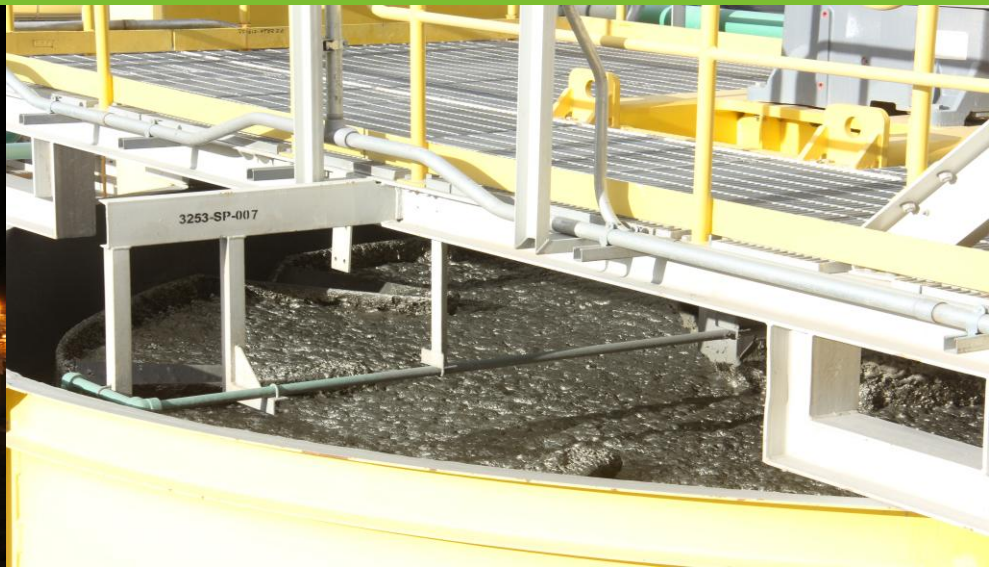
Constancia tailings thickener



Crushed ore to be processed in Constancia mill



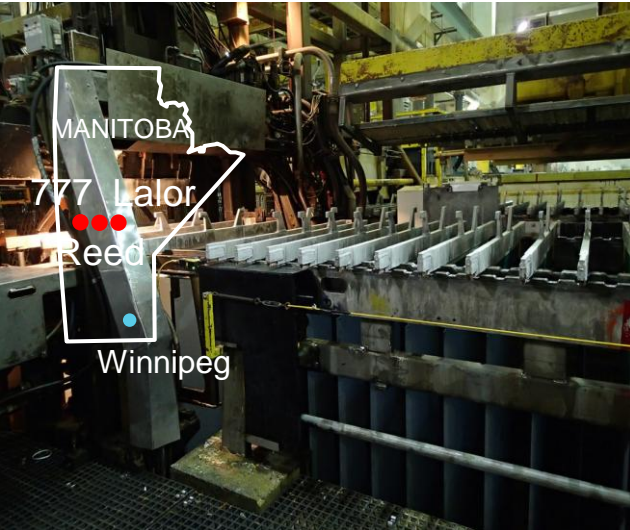
Constancia mill observing Earth Hour, March 2015



Constancia flotation cell

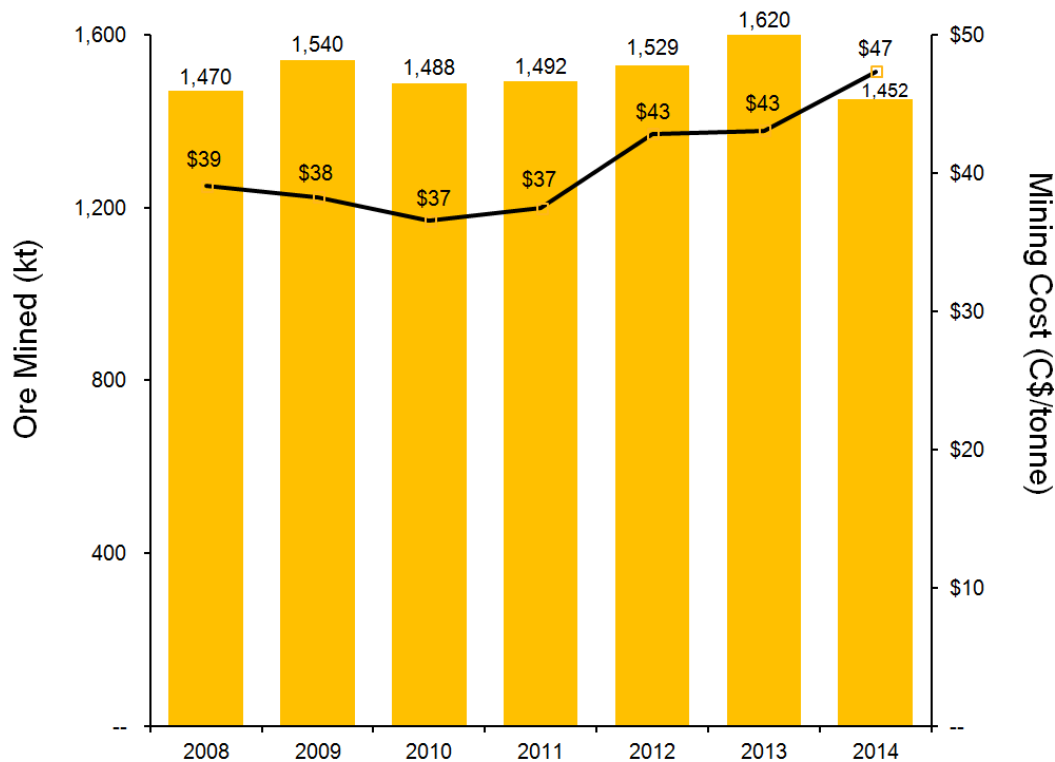
Our Manitoba Business

STEADY PRODUCTION AND PROVEN BUSINESS MODEL IN MANITOBA



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



777 headframe



777 mechanical shop

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 Snow Lake concentrator with production capacity of 2,700 tonnes per day
- New Britannia mill provides additional processing capacity for Lalor ore



Aerial view of Lalor project site



New Britannia facilities

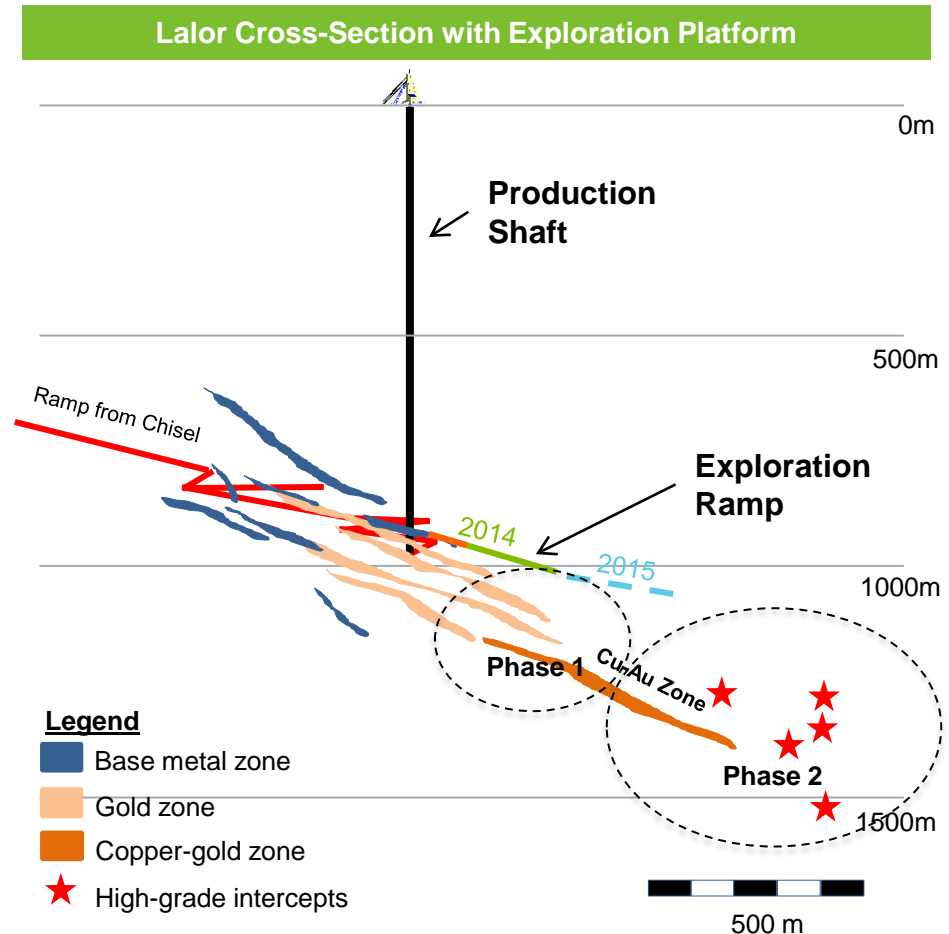
PHASE 2 UNDERGROUND EXPLORATION PROGRAM TO COMMENCE

Phase 1

- 14 hole 4,500 metre program confirms high grade nature of existing copper gold zone

Phase 2

- Planned 400 metre ramp extension to provide platform to test for extensions of copper-gold zone at depth



COMMERCIAL PRODUCTION ACHIEVED

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

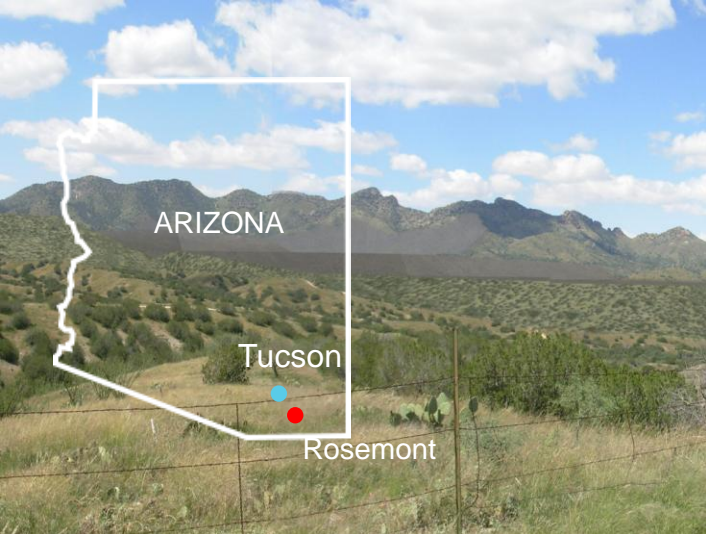


Aerial view of Reed project site



Grand opening for the Reed mine

HUBBAY ACQUIRED CONTROL OF ROSEMONT PROJECT IN JULY 2014



80%-OWNED¹ COPPER PROJECT IN ARIZONA, USA

- ▶ 43 hole 30,000 metre drill program confirms large scale project similar to Constanca
- ▶ Detailed engineering and metallurgical test program underway; feasibility study expected to confirm robust economics
- ▶ Permitting and community engagement making good progress



Crusher area of the Rosemont project (looking east)



Pit area of the Rosemont project (looking southwest)

1. Hubday'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

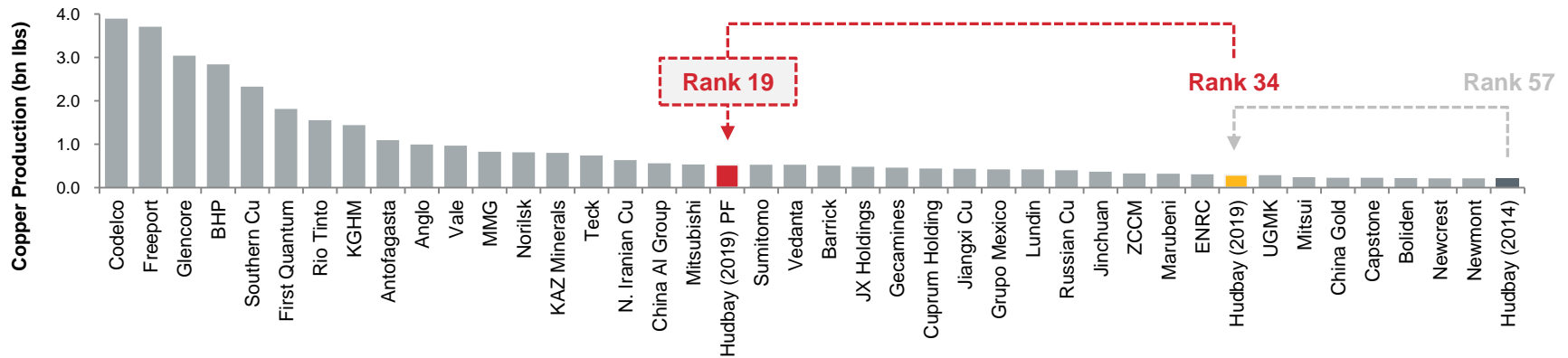
Going Forward



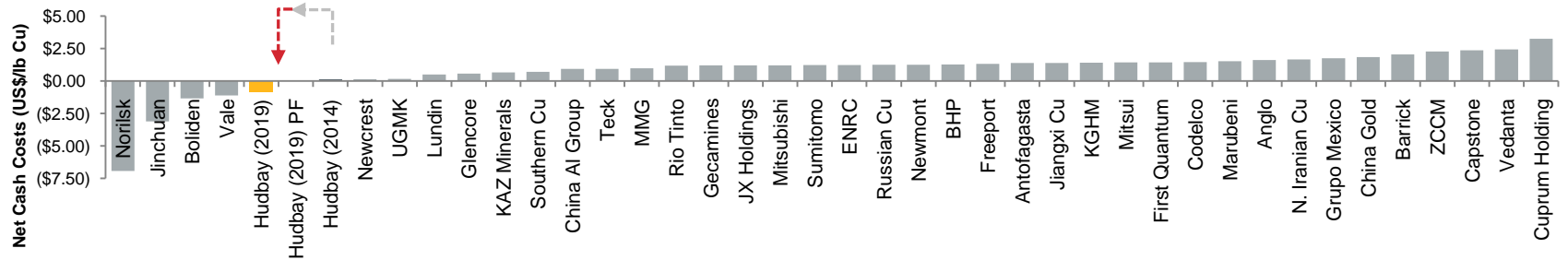
Global Producer with Leading Cash Costs¹

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

Global Positioning on 2019E Copper Production



Global Positioning on 2019E Cash Costs



Source: Wood Mackenzie, including 2014 production and cash cost data

1. "Hudbay (2019) PF" indicates the expected impact on Hudbay of the addition of the Rosemont project

- ▶ Sector leading growth in copper, zinc and gold
- ▶ 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
- ▶ Track record as mine developers and operators makes Hudbay partner of choice for junior miners



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