

THE LALOR PROJECT: Strength to Build the Future

April 2011



Forward Looking Information

This presentation contains "forward-looking information" within the meaning of applicable securities laws. Forward-looking information includes but is not limited to information concerning the company's ability to develop its Lalor project and 777 North expansion, the ability to maintain a regular dividend on its common shares and the ability to obtain a listing on the New York Stock Exchange, the ability of management to execute on key strategic and operational objectives, the ability to meet production forecasts, the potential impact of changing economic conditions on HudBay's financial results 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 the ability to develop and operate the Lalor project on an economic basis, geological and technical conditions at Lalor differing from areas successfully mined by Lalor in the past, the ability to meet required solvency tests to support a dividend payment, and in accordance with anticipated timelines, risks associated with the mining industry such as economic factors (including costs of construction materials, future commodity prices, currency fluctuations and energy prices), failure of plant, equipment, processes and transportation services to operate as anticipated, including new and upgraded facilities at Lalor, dependence on key personnel, employee relations and availability of equipment and skilled personnel, environmental risks, government regulation, actual results of current exploration activities, possible variations in ore grade, dilution 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, 2010, 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.

Lalor Project Disclaimer

HudBay's production decision with respect to Lalor was not based on the results of a pre-feasibility study or feasibility study of mineral resources demonstrating economic or technical viability, because significant portions of the deposit are not able to be classified as a mineral reserve until they can be accessed from underground for additional drilling. Because of this, the production decision was based on mineral resources identified to date and estimates of potential grades and quantities of the gold zone and copper-gold zone, along with other available information, including cost estimates and portions of the engineering design, which have been completed to a level suitable for inclusion in a feasibility study.

The preliminary assessment respecting HudBay's Lalor project is preliminary in nature, includes inferred mineral resources and potential grades and quantities of minerals that are considered too speculative geologically to have the economic considerations applied that would enable them to be classified as mineral reserves and there is no certainty that the preliminary assessment will be realized. Among the risks associated with the decision to commence production at Lalor is the possibility that the gold zone will not be economically or technically viable, construction timetables, cost estimates and production forecasts may not be realized.

Qualified Person

The Lalor mineral resource and conceptual estimates were prepared by Brian Hartman, M.Sc. P.Geol., HBMS geologist under the direct supervision of Robert Carter, B.Sc. P. Eng., HBMS superintendent, mines and technical services. Mr. Carter is a qualified person within the meaning of NI 43-101, and has reviewed and approved the scientific and technical information referred to in this presentation.

Greg Greenough, P.Geol., a Senior Resource Geologist with Golder Associates carried out, and is responsible for the Back Forty resource estimate described in this presentation. Cashel Meagher P.Geol, VP Exploration for HudBay Minerals Inc. is the Qualified Person for HudBay as described in NI 43-101 and is responsible for the Back Forty contents of this presentation.

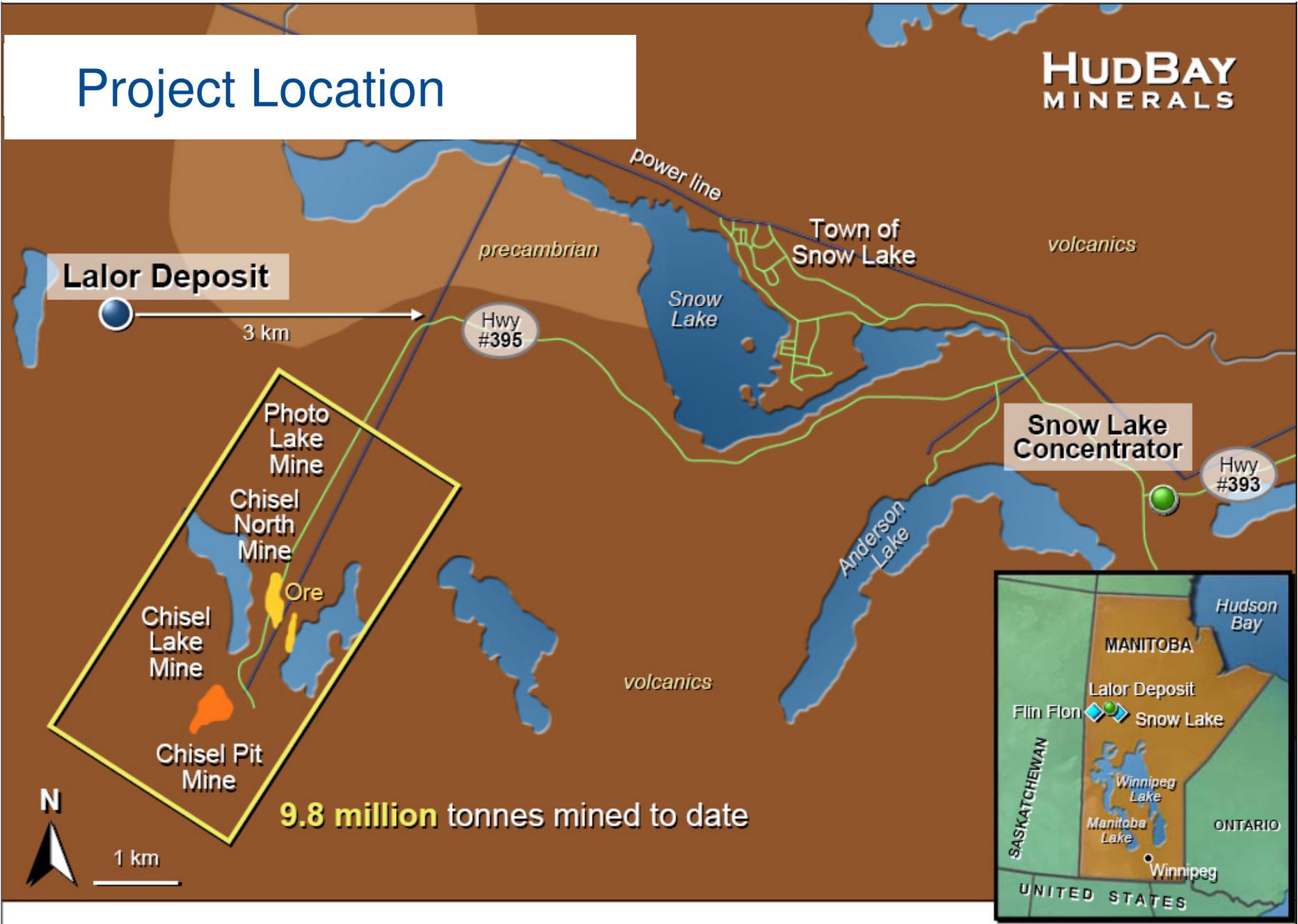
Note to U.S. Investors

Information concerning the mineral properties of the Company has been prepared in accordance with the requirements of Canadian securities laws, which differ in material respects from the requirements of SEC Industry Guide 7. Under SEC Industry Guide 7, 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 of the reserve determination, and the SEC does not recognize the reporting of mineral deposits which do not meet the SEC Industry Guide 7 definition of "Reserve". In accordance with National Instrument 43-101 - Standards of Disclosure for Mineral Projects ("NI 43-101") of the Canadian Securities Administrators, the terms "mineral reserve", "proven mineral reserve", "probable mineral reserve", "mineral resource", "measured mineral resource", "indicated mineral resource" and "inferred mineral resource" are defined in the Canadian Institute of Mining, Metallurgy and Petroleum (the "CIM") Definition Standards for Mineral Resources and Mineral Reserves adopted by the CIM Council on December 11, 2005. While the terms "mineral resource", "measured mineral resource", "indicated mineral resource" and "inferred mineral resource" are recognized and required by NI 43-101, the SEC does not recognize them. You are cautioned that, except for that portion of mineral resources classified as mineral reserves, mineral resources do not have demonstrated economic value. Inferred mineral resources have a high degree of uncertainty as to their existence and as to whether they can be economically or legally mined. Under Canadian securities laws, estimates of inferred mineral resources may not form the basis of an economic analysis. It cannot be assumed that all or any part of an inferred mineral resource will ever be upgraded to a higher category. Therefore, you are cautioned not to assume that all or any part of an inferred mineral resource exists, that it can be economically or legally mined, or that it will ever be upgraded to a higher category. Likewise, you are cautioned not to assume that all or any part of measured or indicated mineral resources will ever be upgraded into mineral reserves. You are urged to consider closely the disclosure on the technical terms in Schedule A "Glossary of Mining Terms" of our AIF for the fiscal year ended December 31, 2009, available on SEDAR at www.sedar.com and incorporated by reference as Exhibit 99.8 in our Form 40-F filed on October 19, 2010 (File No. 001-34244).

PROJECT DESCRIPTION

Project Location

HUDBAY
MINERALS



9.8 million tonnes mined to date

History and Features

Since the spring of 2007 the deposit has been continuously drilled

- Base metal zones similar to Chisel North Mine (Zn, Cu, Au, Ag, Pb)
- Gold bearing zones discovered winter 2008
- Copper/gold zone summer 2009

570 – 1500+m below surface (open down plunge)

1000m in N-S direction by 750m in E-W direction

Stacked multiple flat-lying zones (15-35 degrees) ranging from 3-17m thick

- 6 base metal horizons
- 5 gold bearing horizons
- 1 copper gold horizon

Ongoing exploration

Current Mineral Inventory

	Tonnes (millions)	Au (g/t)	Ag (g/t)	Cu (%)	Zn (%)
Base Metal Zone Mineral Resource					
Indicated	13.3	1.6	24.9	0.66	8.87
Inferred	4.8	1.3	26.2	0.58	9.25
Gold Zone Inferred Mineral Resource					
Inferred	5.4	4.7	30.6	0.47	0.46
Potential Gold Zone Conceptual Estimate	5.1 - 6.1	4.3 - 5.1	23 - 27	0.2 - 0.4	0.2 - 0.4
Potential Copper-Gold Zone Conceptual Estimate	1.8 - 2.2	5.8 - 7.0	18 - 22	3.2 - 4.0	0.2 - 0.3

The Lalor gold zone and copper-gold zone potential mineral deposit estimates are conceptual in nature and to date there has been insufficient exploration to define a mineral resource compliant with national Instrument 43-101. It is uncertain if further exploration will result in the target deposit being delineated as a mineral resource. Additional details may be found in HudBay's press release dated August 4, 2010, available at www.sedar.com.

Fast-Track Approach

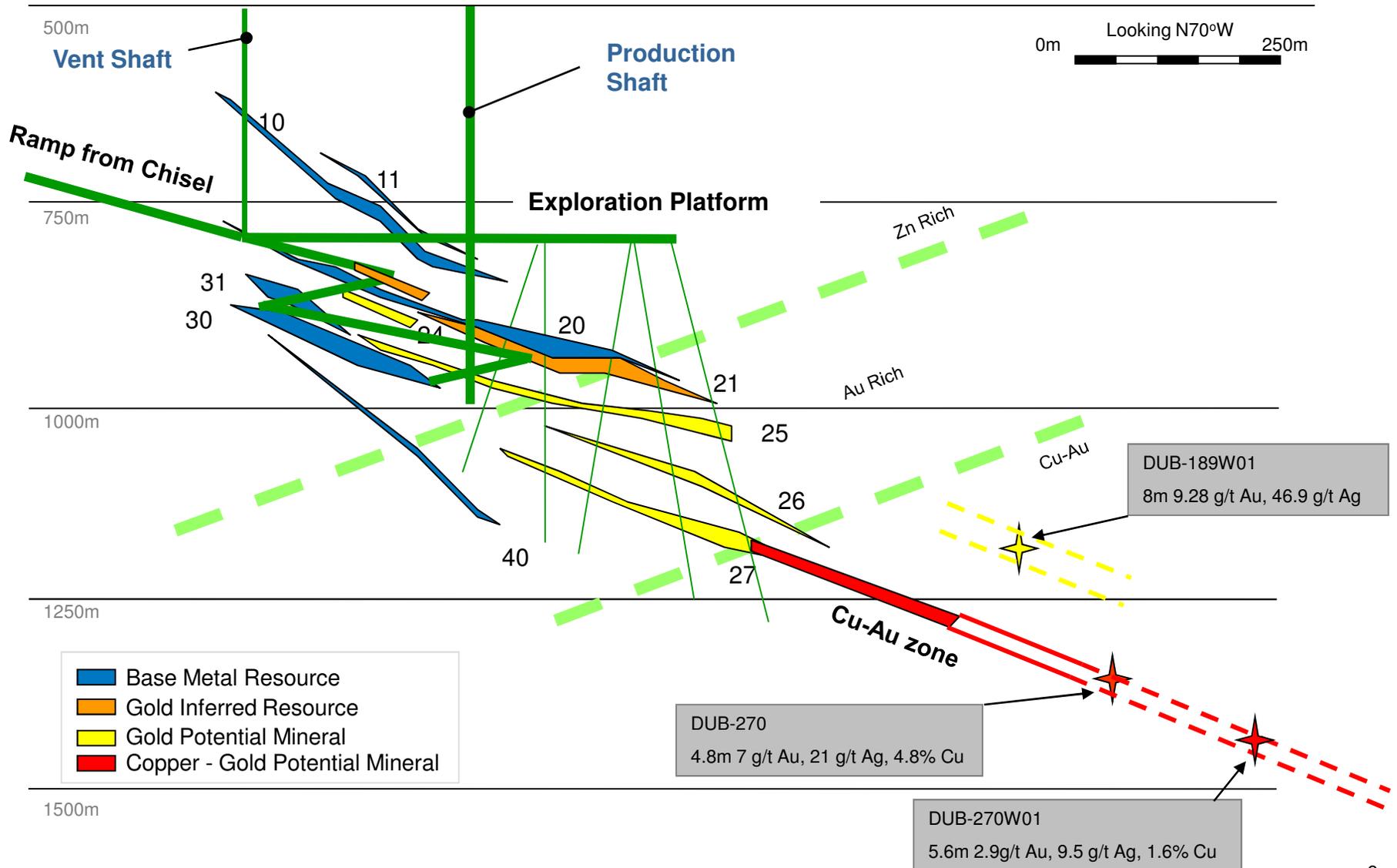
October 2009 Board of Director approval for \$85M to ramp underground from the existing Chisel North mine to Lalor

- Goal to access deposit and establish diamond drill platforms
- included \$ to start site preparation, detailed engineering, metallurgical test work, etc

August 2010 Board of Directors authorized total CAPEX necessary to fast-track Lalor Project (total \$560M)

- 2011 budget \$163 million

Lalor Development



Access to Deposit

1) Underground ramp from Chisel North Mine to Lalor

- Board approval October 2009
- contractor mobilized December 2009
- 61% completed (as at Apr 5th, 2011) with completion January 2012

2) Exhaust Ventilation Shaft

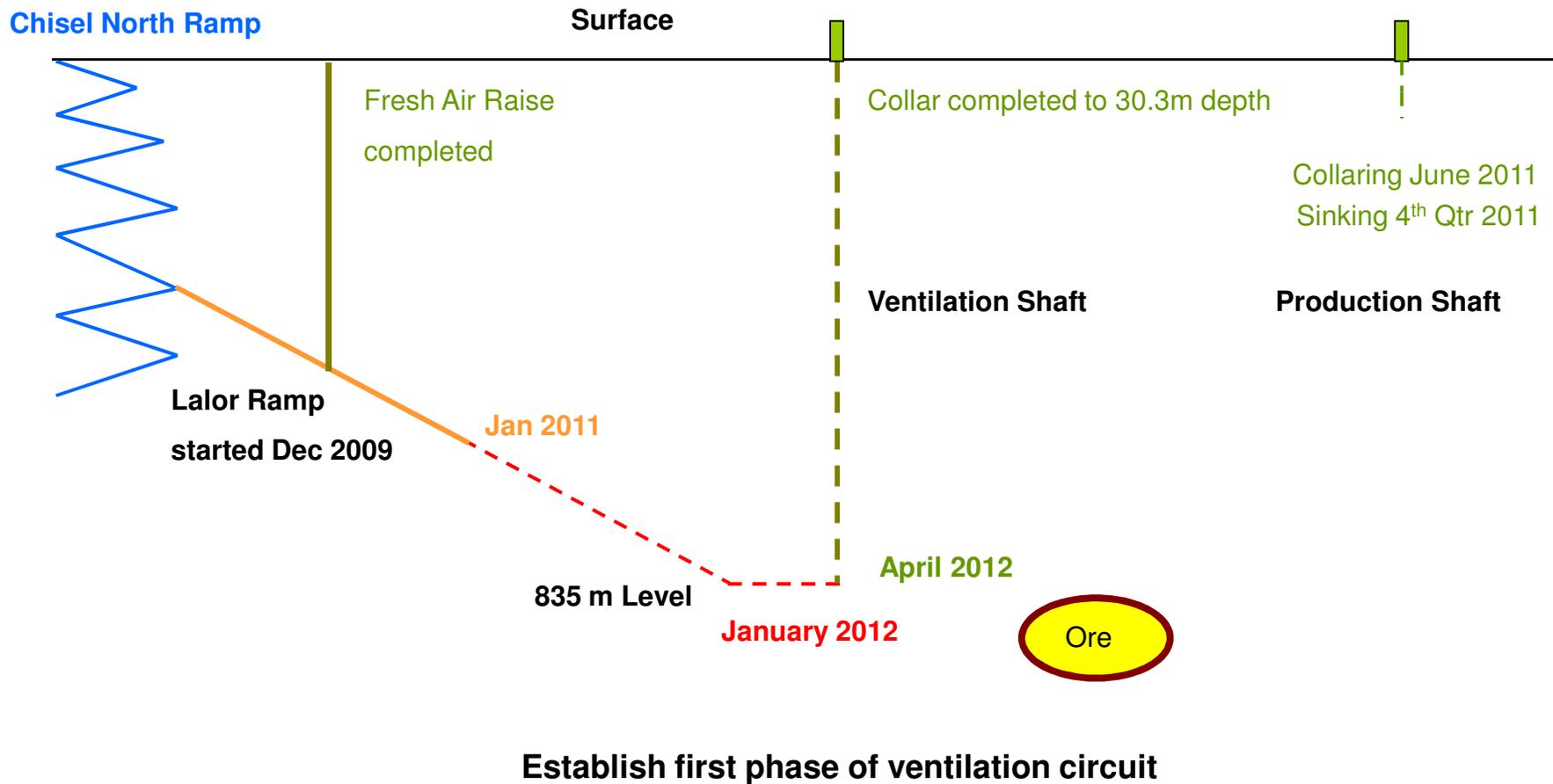
- 6.1m diameter shaft via conventional sinking to the 835ml
- contractor mobilized Dec 2010
- collar completed to 30.3m depth
- hoisthouse and headframe foundations in progress
- surface infrastructures in progress

3) Production Shaft

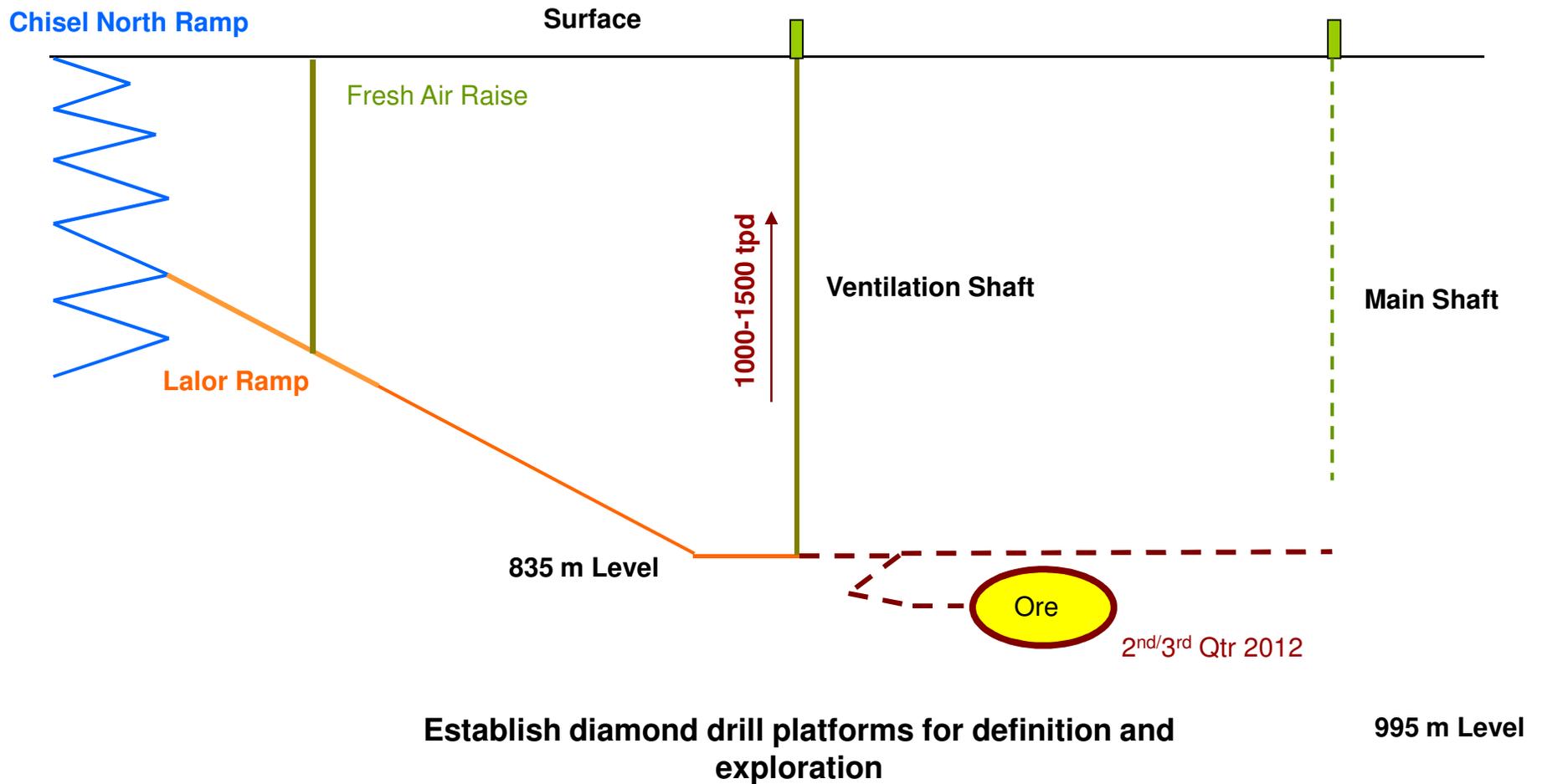
- 6.7m finished diameter to the 995ml
- award of sinking contract is being finalized
- surface preparation work (excavation/foundations) started March 2011
- commissioning 2014

The ramp, raise, and main shaft with connecting lateral development will complete the ventilation circuit

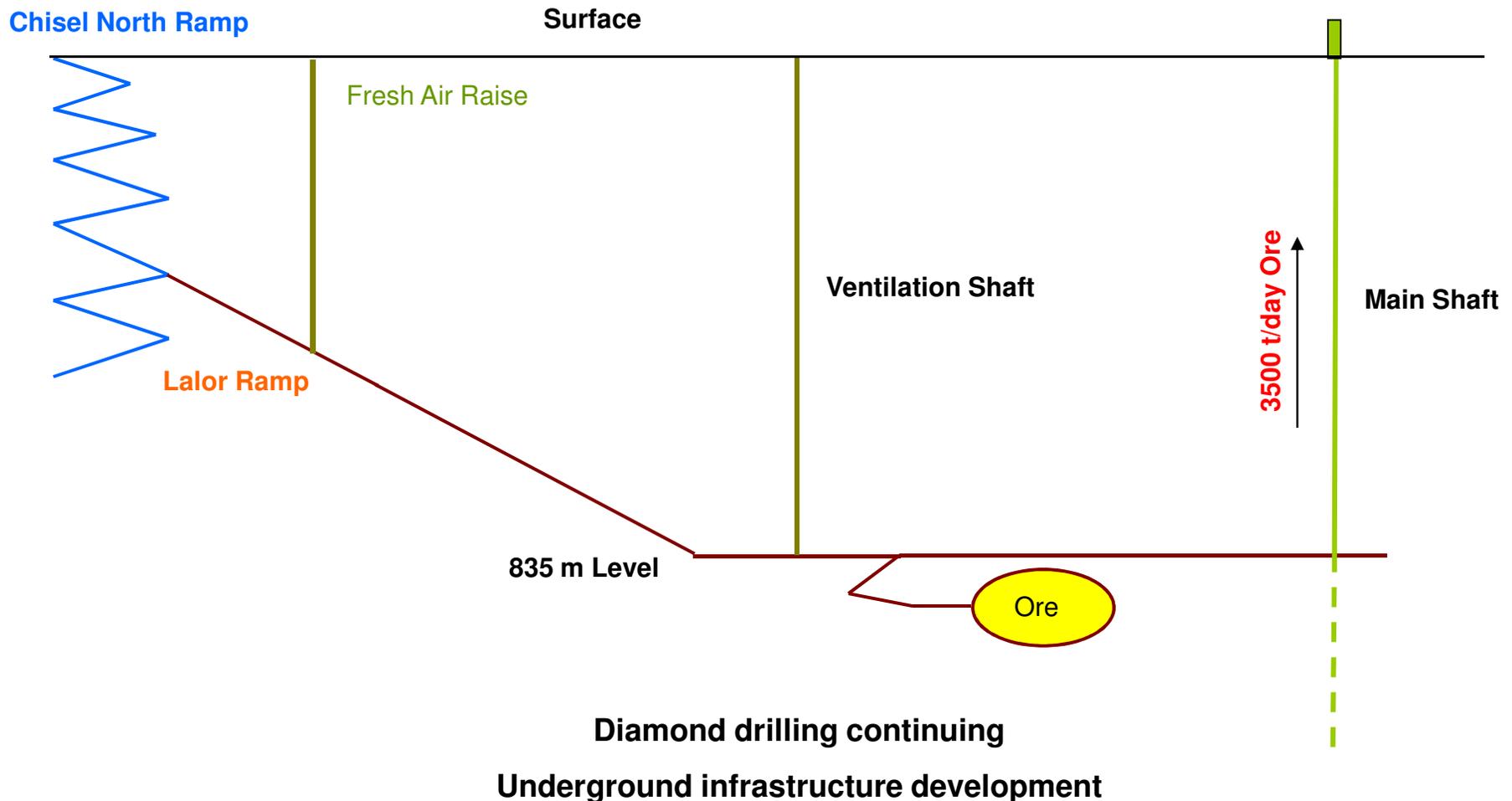
Project Description – 2011 Milestones



Project Description – 2012 Milestones



Project Description – 2013 Milestones



Project Description – 2014 to 2015 Milestones

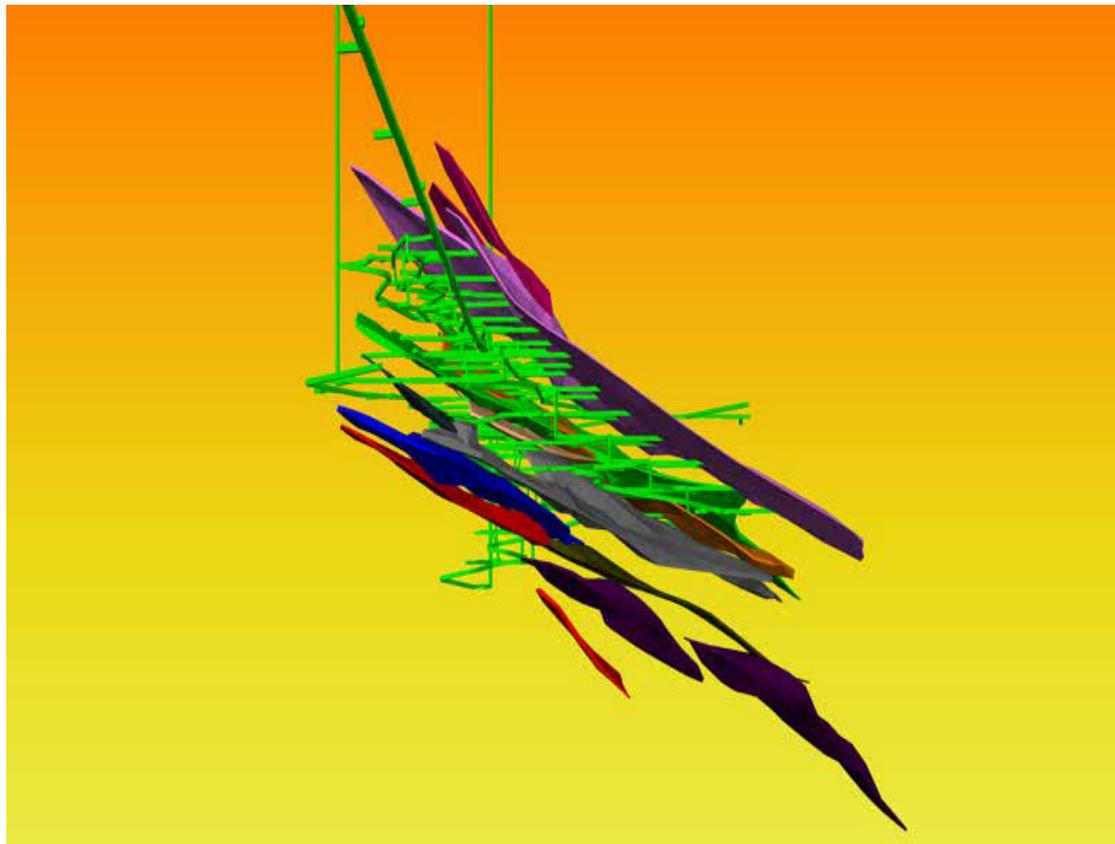
Focus on:

- Underground definition drilling in preparation of mining
- Establishing ramp and lateral development on various levels in order to establish sustaining production

Mine Planning

Development layouts in progress for entire mine

- Includes major underground infrastructures
 - main levels
 - ore and waste raises
 - internal ventilation raises
 - rockbreaker stations



Mining Methods

Mining rate initially 3500tpd with 15yr LOM (shaft capable of 5,000+)

- Primarily post pillar cut and fill (area >14m)
 - <14m cut and fill
 - Longhole potential
- Underground exploration and definition drilling will define additional tonnages

Shaft and conveyance design based on operating 777 Mine

- 3 main levels 835, 910 and 955

Backfill unconsolidated rock fill – continuing to review paste backfill option

Tradeoff to refurbish the current concentrator versus new at mine site

Metallurgical Test Work

Phased approach due to discovery of various ore types

- Base Metals
 - Cu 86.1% recovery @ 27% concentrate grade
 - Zn 95.0% recovery @ 55% concentrate grade
 - 50-60% Au within base metal reporting to Cu concentrate
- “Phase 2” – Gold Bearing Zones
 - Cyanidation brings gold recoveries to 81%
- Blending
 - Blending of base metal material with gold bearing material ✓

Continuing Optimization

ON-SITE ACTIVITIES

Fast - Track Approach

Major Items Completed:

- General permits and Advanced Exploration Permit
- Environmental impact assessment studies
- Main road including corridor for water lines and hydro lines
- Geotechnical and geochemical reviews including pilot holes for production shaft and ventilation shaft
- Award of major contracts: ventilation shaft sinking, production shaft sinking, pipe installation, road construction (and excavation), detailed engineering, concrete batch plant, excavation and foundations, steel supply and erection for hoist house and headframe
- At ventilation shaft site
 - Drilling, blasting and levelling
 - 30.3m depth collar
- At main Lalor site
 - Drilling, blasting and levelling
 - Polishing pond excavation
- Excavation for booster pump house and main pumphouse
- Temporary substation transformer commissioned (power at site)
- Procurement of hoists, piping, heat tracing, temporary offices, temporary sewer treatment plant, compressors, gensets
- 196 person construction camp

Fast - Track Approach

In Progress:

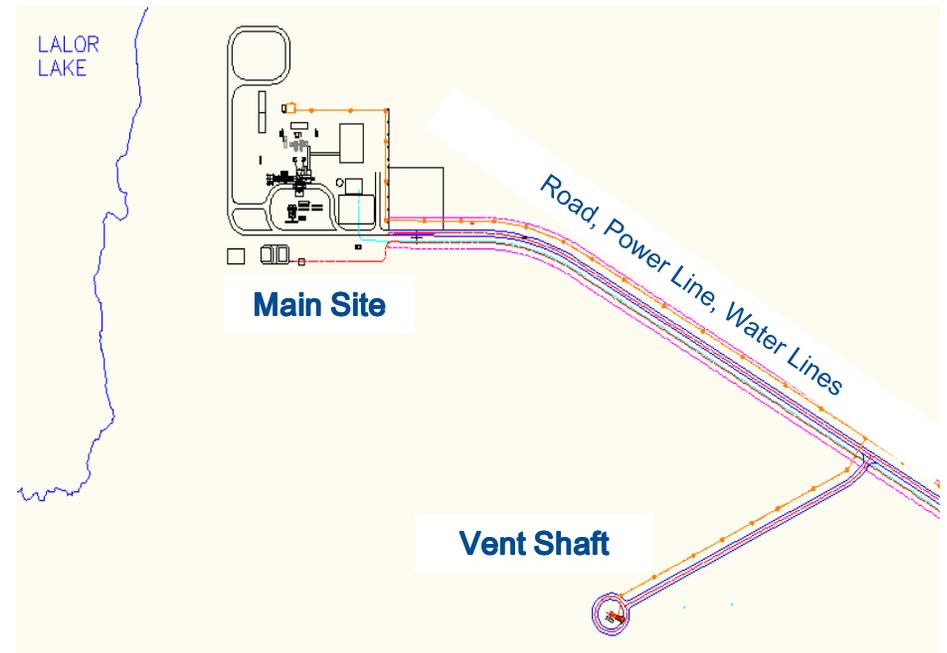
- Preparation of application for an Environmental Act License (mine site)
- Underground ramp development (ongoing)
- Main freshwater and discharge pipe installations
- Foundation work for booster pumphouse and main pumphouse
- Detailed engineering
- At ventilation shaft site
 - Hoist house and headframe foundations
- At main Lalor site
 - Excavation and installation of polishing pond
 - Excavation and foundation work for hoist house and headframe
- OPTIMIZATIONS AND TRADEOFFS ONGOING

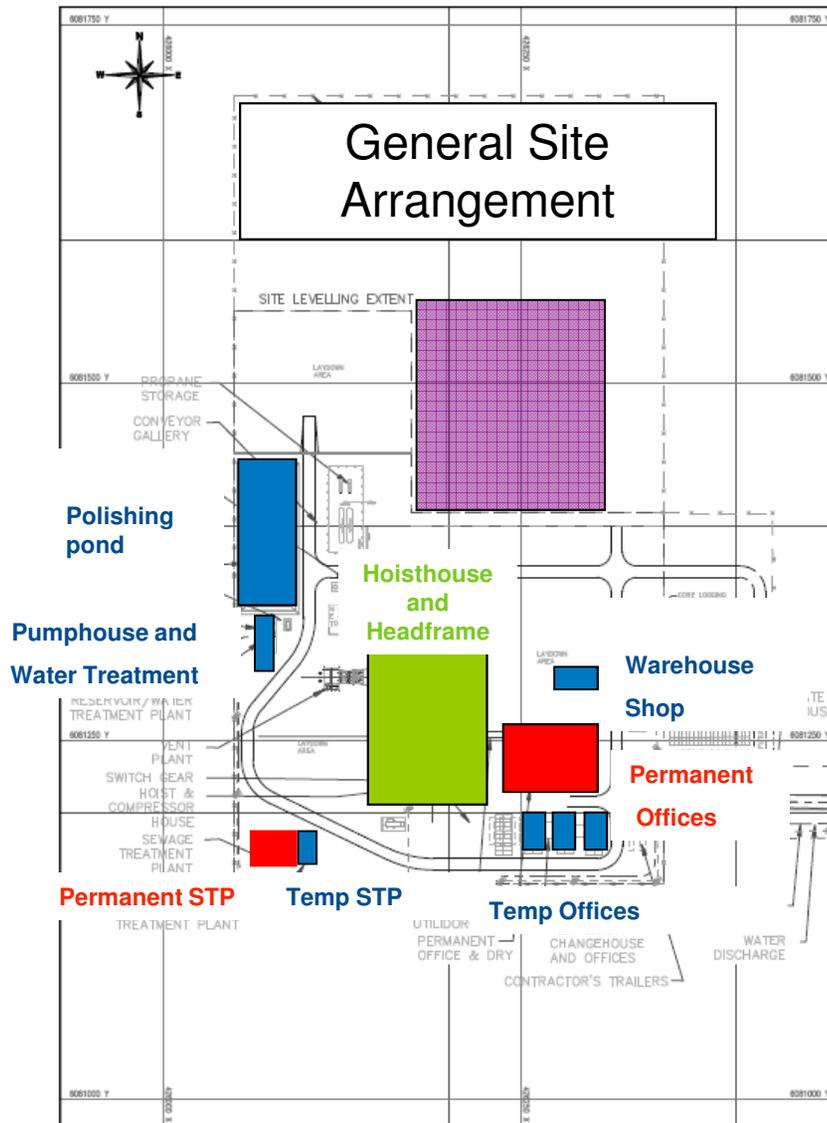
First major milestone – water and power established at ventilation shaft site in preparation for shaft sinking mid May

Road Access - Exploration to Class B



Main Site Levelling





Main Site Infrastructure

- Phase 1 (now - 2011)
- Phase 2 (summer - 2011)
- Phase 3 (2012 - 2013)
- possible location of new concentrator*



Power

Poles and lines installed

Additional transformer at Chisel Lake substation

- sufficient power for shaft sinking purposes

Power at site March 2011



Additional Contract Work

- Detailed engineering of permanent electrical substation
 - Civil and structural work to start summer 2011