

FORWARD LOOKING STATEMENT

This presentation contains certain forward-looking statements and there are risks that actual results may differ materially from those contemplated by these forward-looking statements. Additional information on these risks can be found in the Company's filings with the Canadian securities commissions. The Company disclaims any intention or obligation to update or revise any forward looking statements, whether as a result of new information, future events or otherwise.

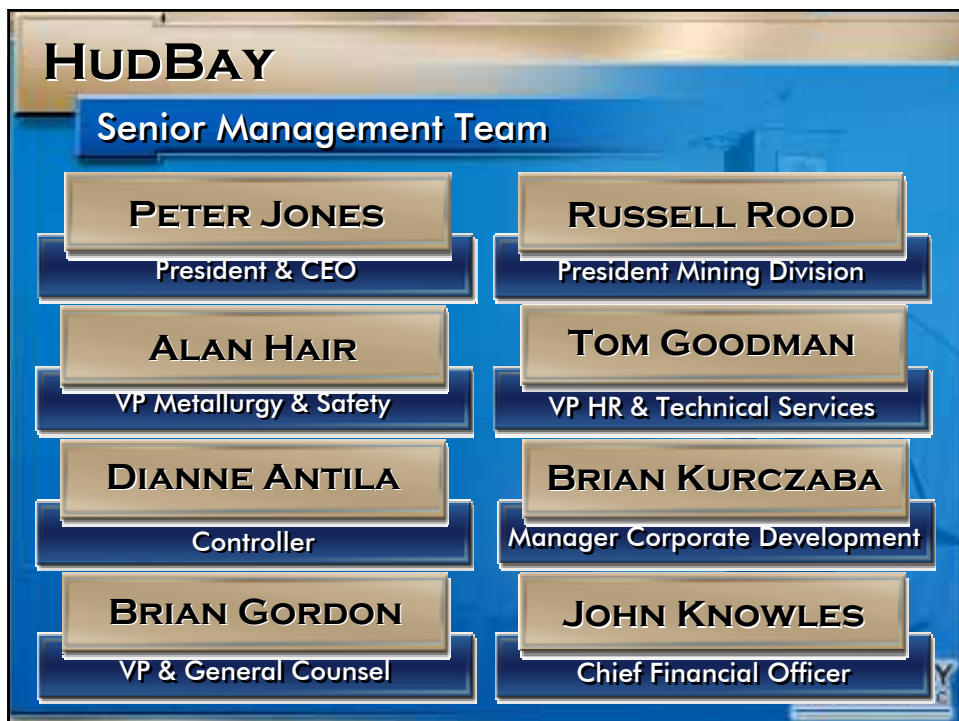
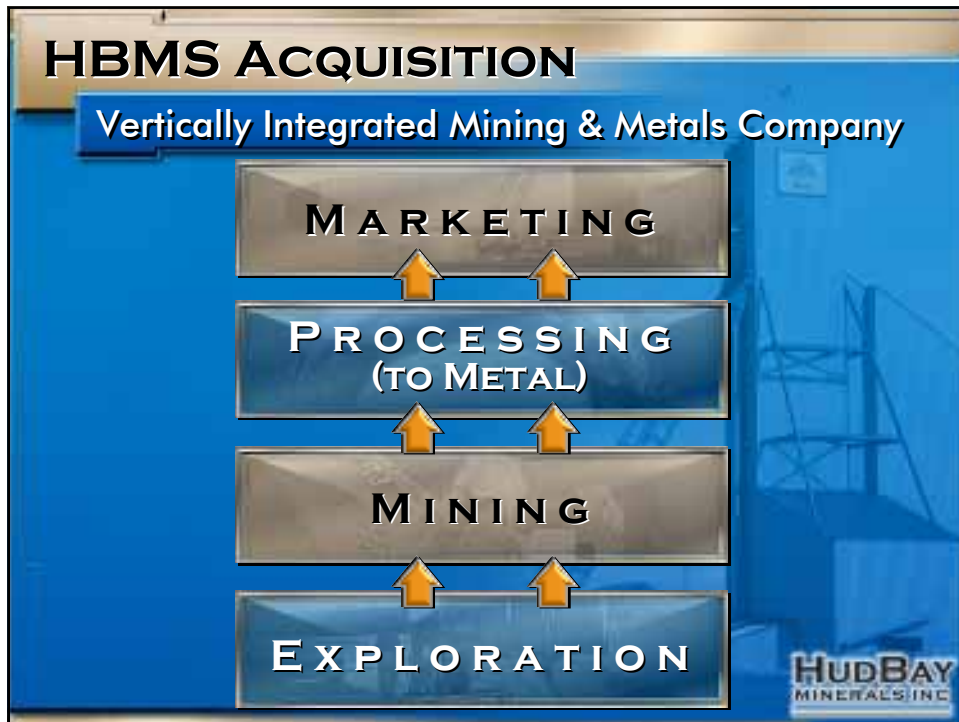
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HBMS ACQUISITION

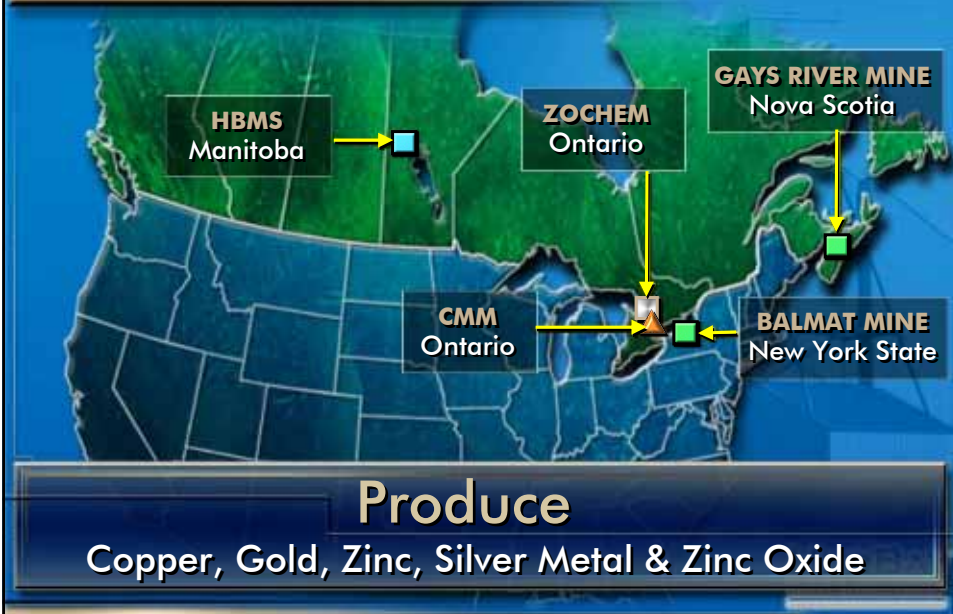


- ▶ Purchased from Anglo American for **\$316M**
- ▶ Purchase financed by public equity offering of **C\$144 M** & debt issue of **US\$175 M**
- ▶ Closed December 21, 2004

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HUDBAY/HBMS OPERATIONS



FINANCIAL OVERVIEW

- ▶ Development stage enterprise pre-acquisition
 - ▶ No sales realized
 - ▶ Net loss of \$9.9 M for 2004
- ▶ Expenses offset revenues earned in 10 day period

ACQUISITION ACHIEVEMENTS

- ▶ Broadened Company Assets
- ▶ Expanded Operations
- ▶ Enhanced Cash Flow
- ▶ Strengthened Financial Position
- ▶ Provided Mineral Reserves & Resources
- ▶ Opened Growth Opportunities

HBMS CORPORATE OVERVIEW



80-YEAR HISTORY

HBMS CORPORATE OVERVIEW

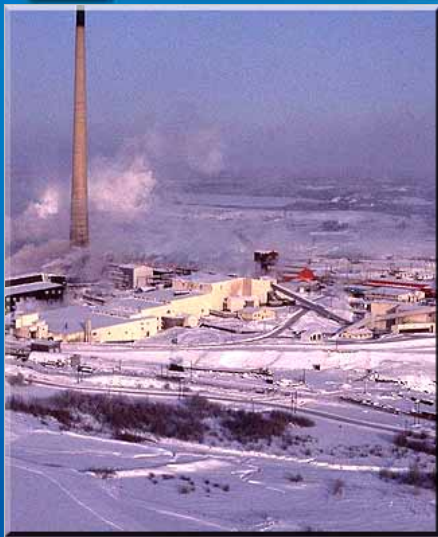


- ▶ Experienced management & committed work force
- ▶ 3rd largest Canadian producer of copper & zinc metal
- ▶ 3rd largest North American producer of zinc oxide

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HBMS CORPORATE OVERVIEW

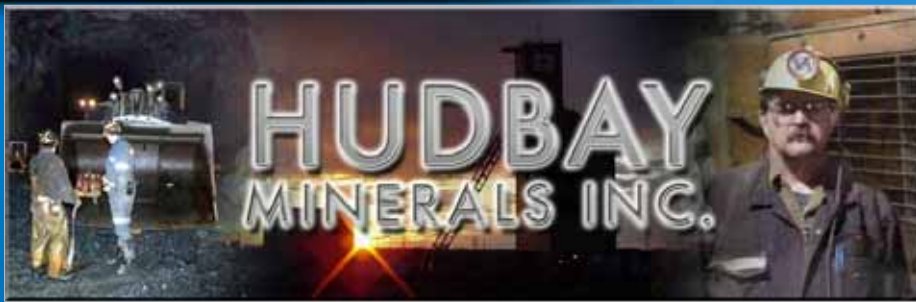
777 Project



- ▶ \$435 M investment
- ▶ 2 new mines
- ▶ Expansion of Zinc plant & Flin Flon concentrator

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HBMS BENEFITS TO HUBBAY

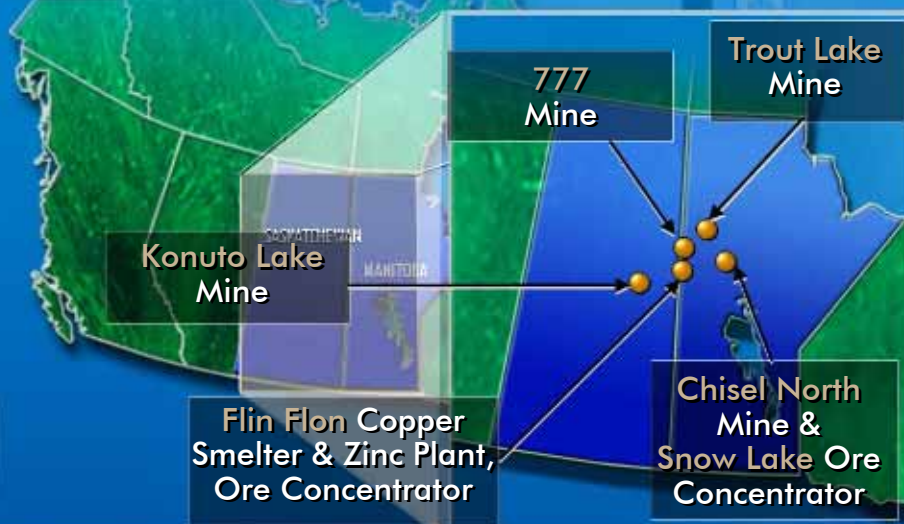


- ▶ Healthy operating cash flow
- ▶ Attractive production profile
- ▶ 12 year mineral ore reserve life
- ▶ Substantial exploration potential

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HBMS OPERATIONS

Assets



HBMS OPERATIONS

Processing & Marketing

Finished Zinc Sold through 50% owned
Consider Metals Marketing

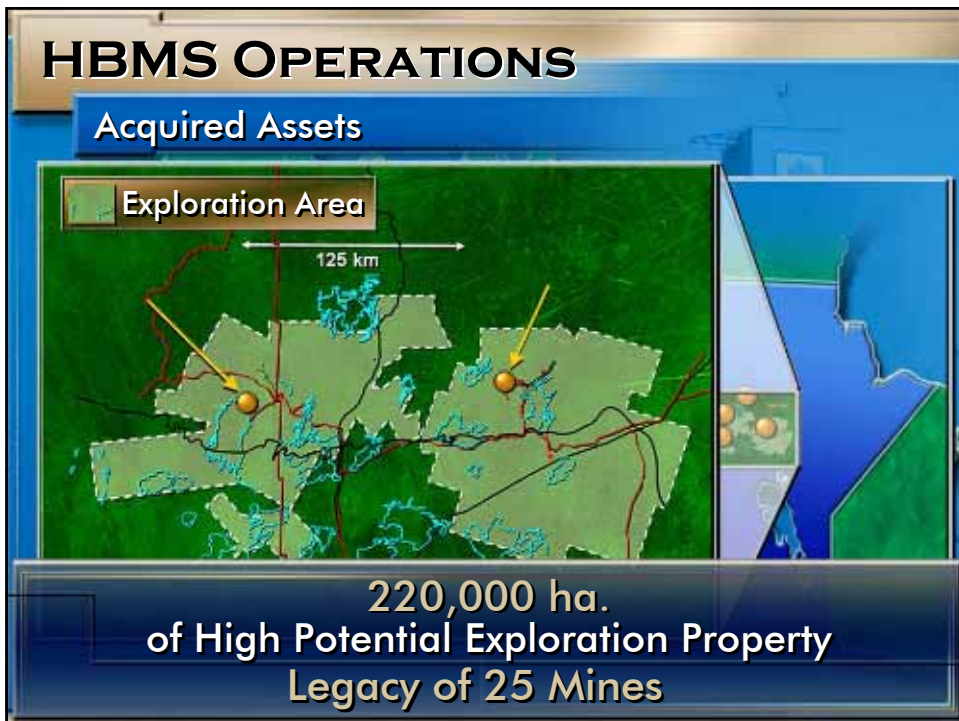


ZOCHEM
DIVISION
(Brampton)

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HBMS OPERATIONS

Acquired Assets



Exploration Area

125 km

220,000 ha.
of High Potential Exploration Property
Legacy of 25 Mines

THE FLIN FLON GREENSTONE BELT

Aggressive Exploration Program in 2005

- ▶ \$10 M annual spending
 - ▶ Increase size & grade of known mineralization
 - ▶ Make new mineral discoveries
- ▶ Leverage favourable tax position & incentives for investment
- ▶ First \$10 M raised by issuing flow-through common shares

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HBMS OPERATIONS

Reserves

	Grades				
	Million Tonnes	Au (g/t)	Ag (g/t)	Cu (%)	Zn (%)
Total	21.6	1.9	25.3	2.1	4.8

12 Years of Reserves

HBMS OPERATIONS

Q1 2005 Production

Mine	Q1/04	Q1/05
Konuto	80,748 Tonnes	87,062 Tonnes
777	237,304 Tonnes	243,248 Tonnes
Trout Lake	203,723 Tonnes	213,055 Tonnes
Chisel North	81,923 Tonnes	86,545 Tonnes
TOTAL	603,698 Tonnes	629,910 Tonnes

All Mines Increased Total Output
Total Mine Operating Costs Reduced 3.5%

HBMS OPERATIONS

International Operating Standards

The image shows five men standing in front of a target board. The target board has various numbers and labels, including '0', '1', '30', '25', '20', '15', '10', '5', 'TARGET', 'TIME', 'INC', 'FIRS', 'YTD', '6', and 'ME ACC'. The men are holding a framed certificate. Below the image are three boxes representing different international operating standards.

<p>OHSAS 18001</p> <p>SAFETY MANAGEMENT</p>	<p>ISO 9001-2000</p> <p>PRODUCT QUALITY & ENVIRONMENT</p>	<p>ISO 14001</p> <p>ENVIRONMENTAL MANAGEMENT</p>
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HBMS OPERATIONS

Workforce is a Key Strength



- ▶ 1,445 permanent employees
- ▶ No-strike, no-lockout agreement in effect to 2012

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FINANCIAL RESULTS

HudBay

(C\$000s except per share amounts)

Year Ended Dec 31	2004	2003
Sales	\$ 13,327	\$ -
Expenses	22,523	5,670
Loss for the year	(9,920)	(5,455)
Deficit, end of year	(6,486)	(19,685)

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FINANCIAL RESULTS

HBMS

(C\$M)

2004

Revenue

\$527 M

Net Earnings

\$50 M

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GROWTH STRATEGIES



EXECUTE

\$10 M Annual Flin Flon Exploration



EVALUATE

Re-opening of Balmat Zinc Mine



EVALUATE

Growth by Acquisition

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FINANCIAL RESULTS

Q1 2004 HudBay

Sales	\$151.5 M
Operating Costs	\$117.7 M
EBITDA	\$31.0 M
Net Income	\$9.2 M
Per Share	\$0.12

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FINANCIAL RESULTS

Total Cash Cost for Zinc

HBMS Operations	\$0.16
Acquisition Completion, Care & Maintenance	\$0.03
Compensation of Former Executives & Employee Retention	\$0.02
TOTAL	\$0.21

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FINANCIAL RESULTS

Solid Financial Position*

Cash & Equivalents

\$97.5 M

Secures \$37.8 M in Letters of Credit

New Credit Facility \$25 M
Expandable to \$50 M

*At March 31, 2005

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FINANCIAL RESULTS

Q1 2004 Cash Flow

Cash from Operations

\$27.9 M

Financing Activities

\$9.1 M

Flow-Through Shares
Private Placement

\$2.4 M

Broker Warrants

\$6.1 M

CAPEX

\$17.3 M

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HUDBAY MINERALS INC

Well Positioned to Benefit
from Market Price Strength

6 PART OPERATING STRATEGY

- Continue Flin Flon Greenstone Belt Exploration
- Expand Operating Mines Mineral Reserve
- Complete Balmat Mine Evaluation
- Focus on Productivity & Cost Reduction
- Maintain Environmental Safety Certification
- Evaluate Accretive Acquisitions

4 CORPORATE STRATEGY DRIVERS

HIGHLY EFFICIENT PRODUCER	SIGNIFICANT CASH FLOW FROM OPERATIONS
NEW GROWTH OPPORTUNITIES	DEVELOP EXPLORATION POTENTIAL

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SUMMARY

- Positioned to Fulfill Strategic Objectives**
- Efficient & Profitable**
- Excellent Mineral Reserves & Resources**
- Strong Exploration Potential**

**HUDBAY
MINERALS INC.**

HUDBAY MINERALS INC

ACKNOWLEDGEMENTS

- ▶ Management Team
- ▶ Board of Directors
- ▶ Employees
- ▶ Shareholders

HUDBAY MINERALS INC

