**HUDBAY MINERALS**

**HudBay Minerals Inc.**
**Lalor Project – Supplemental Mineral Resource and Conceptual Estimate Disclosure**
August 4, 2010

The following information supplements the disclosure contained in HudBay's press release dated August 4, 2010 regarding the Lalor project, with details of the resource and conceptual estimate by zone, together with a discussion of the methodology used to cap gold grades while determining the gold zone resource and conceptual estimate.

Mineral resources that are not mineral reserves do not have demonstrated economic viability.

**Mineral Resources and Conceptual Estimates by Zone**

*Base Metal Zone Indicated Mineral Resource – May 1, 2010*

| Zone | Tonnes (Million) | Au (g/t) | Ag (g/t) | Cu (%) | Zn (%) |
|------|------------------|----------|----------|--------|--------|
| 10 | 5.1 | 1.0 | 17.8 | 0.49 | 10.32 |
| 20 | 5.6 | 2.5 | 30.3 | 0.98 | 8.97 |
| 30 | 2.6 | 1.0 | 27.1 | 0.29 | 5.72 |
| **Total** | **13.3** | **1.6** | **24.9** | **0.66** | **8.87** |

*Base Metal Zone Inferred Mineral Resource – May 1, 2010*

| Zone | Tonnes (Million) | Au (g/t) | Ag (g/t) | Cu (%) | Zn (%) |
|------|------------------|----------|----------|--------|--------|
| 10 | 1.4 | 1.2 | 18.2 | 0.50 | 9.01 |
| 11 | 0.5 | 0.4 | 26.1 | 0.44 | 11.75 |
| 20 | 1.2 | 1.5 | 21.2 | 0.94 | 9.20 |
| 30 | 0.1 | 1.0 | 21.5 | 0.25 | 5.22 |
| 31 | 0.5 | 0.8 | 23.8 | 0.28 | 5.98 |
| 40 | 1.1 | 1.9 | 43.0 | 0.53 | 10.46 |
| **Total** | **4.8** | **1.3** | **26.2** | **0.58** | **9.25** |

*Gold Zone Inferred Mineral Resource– May 1, 2010*

| Zone | Tonnes (Million) | Au (g/t) | Ag (g/t) | Cu (%) | Zn (%) |
|------|------------------|----------|----------|--------|--------|
| 21 | 4.0 | 5.0 | 36.0 | 0.56 | 0.45 |
| 25 | 1.4 | 3.7 | 15.3 | 0.20 | 0.48 |
| **Total** | **5.4** | **4.7** | **30.6** | **0.47** | **0.46** |

*Potential Gold Zones Conceptual Estimate – May 1, 2010*

| Zone | Tonnes (Million) | Au (g/t) | Ag (g/t) | Cu (%) | Zn (%) |
|------|------------------|----------|----------|--------|--------|
| 24 | 0.2 – 0.4 | 3.9 – 4.4 | 26 – 30 | 0.2 – 0.4 | 1.1 – 1.4 |
| 25 | 3.3 – 3.7 | 4.7 – 5.7 | 26 – 30 | 0.2 – 0.4 | 0.1 – 0.3 |
| 26 | 0.8 – 1.0 | 3.5 – 4.2 | 24 – 28 | 0.3 – 0.5 | 0.1 – 0.2 |
| 27 | 0.8 – 1.0 | 3.3 – 4.0 | 12 – 16 | 0.3 – 0.5 | 0.1 – 0.2 |
| **Total** | **5.1 – 6.1** | **4.3 – 5.1** | **23 – 27** | **0.2 – 0.4** | **0.2 – 0.4** |

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*Copper-Gold Zone Conceptual Estimate – May 1, 2010*

| Zone | Tonnes (Million) | Au (g/t) | Ag (g/t) | Cu (%) | Zn (%) |
|---|---|---|---|---|---|
| 27[1] | 1.8 – 2.2 | 5.8 – 7.0 | 18 – 22 | 3.2 – 4.0 | 0.2 – 0.3 |

[1] Does not include the estimated material for zone 27 reported in the table above entitled "Potential Gold Zones Conceptual Estimate – May 1, 2010.

The Lalor gold zone and copper-gold zone potential estimates are conceptual in nature and to date there has been insufficient exploration to define a mineral resource compliant with NI 43-101 and it is uncertain if further exploration will result in the targets being delineated as a mineral resource.

**Gold Grade Capping**

Capping of the gold grades was employed to avoid any disproportionate influence of random anomalously high gold grades on the estimate of the range of average grade. During the interpolation process gold zones 21 and 25 had a restricted search distance of 30 meters on composites above 10 g/t gold.

| Zone | Au (g/t) Capped Value | Number of Samples | % of Samples |
|---|---|---|---|
| 21 | 30 | 74 | 5.6% |
| 24 | 17.5 | 6 | 8.5% |
| 25 | 30 | 47 | 4.9% |
| 26 | 25 | 8 | 5.6% |
| 27 | 30 | 19 | 6.3% |

**Mineral Resource Estimate and Conceptual Estimate Disclosure**

The mineral resource and conceptual estimates are effective as of a May 1, 2010 cut-off date for diamond drilling, which includes a total of 95 parent and 76 wedge offsets drilled from surface on the Lalor property.

Base metal mineralized intersections from 64 parent and 48 wedge offset holes were geologically interpreted into six stacked zones of zinc rich polymetallic near solid to solid sulphide mineralization at approximately 570 to 1,160 meters below surface. The base metal zones vary in the east-west dimension from 180 to 450 meters and in the north-south dimension from 400 to 900 meters. Average thickness of the base metal zones varies from 2.6 to 11.8 meters. The deposit has been drilled at a spacing of 25 to 50 meters in the middle of the base metal zones and 75 to 100 meters along the perimeter.

Five stacked gold zones of low sulphide content either in contact with or entirely separate to the base metal resources were interpreted from 49 parent and 38 wedge offset holes at approximately 720 to 1,160 meters below surface. The gold zones vary in the east-west dimension from 80 to 360 meters and in the north-south dimension from 180 to 850 meters. Average thicknesses of the gold zones varies from 4.6 to 12.5 meters. The gold zone resource has been drilled at a spacing of 25 to 90 meters, while the gold potential drilling is spaced at 50 to 160 meters.

One copper-gold zone was interpreted at approximately 1,100 to 1,390 meters below surface from seven wedge offset holes. The copper-gold zone is situated down plunge and at depth to the gold zones. It has an east-west dimension of 80 meters, a north-south dimension of 580 meters and an average thickness of 16.4 meters. The copper-gold zone has been drilled at a spacing of 90 to 160 meters.

Three dimensional wireframes capturing the base metal, gold and copper-gold mineralization were separately created using MineSight resource modeling software. The base metal and gold zone 21 resource was based on an interpolation plan using ordinary kriging methodology of the specific gravity weighted composites and wireframes with MineSight software. Gold zone 25 and potential, gold and copper-gold are based on inverse

distance squared methodology. Specific gravity measurements were taken on a large portion of the samples, where actual measurements were not available stoichiometric values were calculated.

The base metal resources are estimated at a zinc equivalency (ZNEQ) cut-off of 4% (ZNEQ% equals Zn% + Cu% x 2.352 + Au g/t x 0.867 + Ag g/t x 0.014) and a minimum two meter true width. Long term $US metal prices of $700/oz gold, $12.00/oz silver, $2.00/lb copper and $0.85/lb zinc were used for the estimation of ZNEQ. Metal recovery assumptions of 65% gold, 60% silver, 90% copper and 90% zinc were used for the estimation of ZNEQ. The gold and copper-gold zones are estimated at a gold cut-off of 1.0 g/t over a minimum two meter true width.

**Qualified Person**

The Lalor mineral resource and conceptual estimates were prepared by Brian Hartman, M.Sc. P.Geo., HBMS geologist under the direct supervision of Robert Carter, B.Sc. P. Eng., HBMS superintendent mines technical services, who is a qualified person within the meaning of NI 43-101, with the ability and authority to verify the authenticity and validity of the data.