

TSM Performance by Company

Hudbay Minerals Inc.



Hudbay is an integrated mining company that produces copper concentrate (containing copper, gold and silver) and zinc metal. The company is headquartered in Toronto, and is listed on the Toronto, New York and Lima stock exchanges under the symbol “HBM.” Hudbay has operating mines in Manitoba and the Cusco Region of Peru, and has a development project in Arizona.

Commodities advance and commodities decline. Demand and prices were both low for much of 2016. That’s the nature of mining. As a company, Hudbay focuses on what it can control – efficiency, sustainability and productivity – so when the cycle turns, the company is positioned to capitalize on it. That’s the nature of Hudbay. When Hudbay started in 1927, its operations were based in Manitoba and its primary market was North America. Today, the company is international and its market is global.

This report provides *TSM* performance results for the operating facilities located in Flin Flon and Snow Lake, Manitoba. The Manitoba Business Unit (MBU) maintained a Level A or higher (and “yes” in crisis management and communications planning) for all of the *TSM* indicators. The 2016 assessment was completed at the Constancia mine in Peru, and the results are included in the aggregate data published in this *TSM Progress Report*. Facility-level details will be disclosed for Constancia’s 2017 performance. Further validating Hudbay’s 2016 results for the *TSM Aboriginal and Community Outreach Protocol* was the company’s achievement of Progressive Aboriginal Relations (PAR) bronze certification from the Canadian Council for Aboriginal Business (CCAB). Additional details regarding the PAR program can be found in Hudbay’s corporate social responsibility (CSR) report, which is available on the company’s website.

Hudbay continued to work on its tailings governance program in 2016, in part to address the anticipated changes to the *TSM Tailings Management Protocol* and MAC’s tailings management guidance documents.

For 2017, Hudbay is again anticipating that its *TSM* performance results will be maintained at the MBU and that a minimum of Level A is achieved at Constancia in Peru.

🔗 For more information, please visit www.hudbayminerals.com





2016 TSM Results

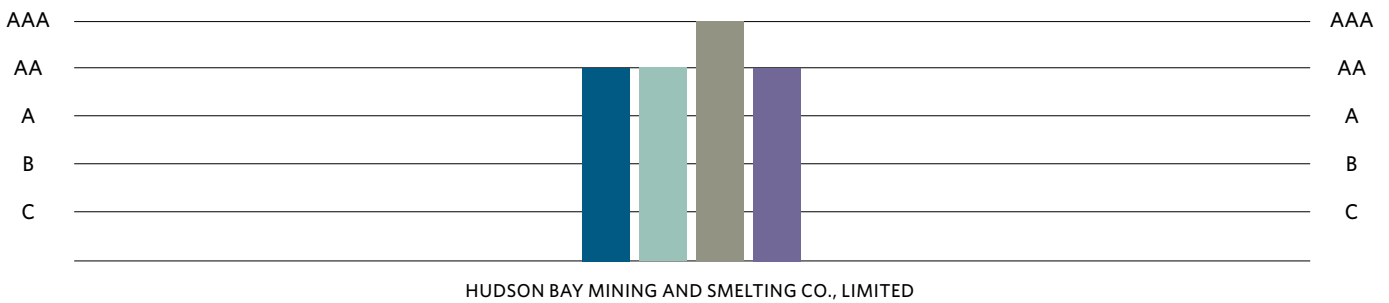
Hudbay Minerals Inc.

Crisis Management and Communications Planning Assessment

FACILITY	PREPAREDNESS	REVIEW	TRAINING
HUBBAY MINERALS INC	✓	✓	✓
HUDSON BAY MINING AND SMELTING CO., LIMITED	✓	✓	✓

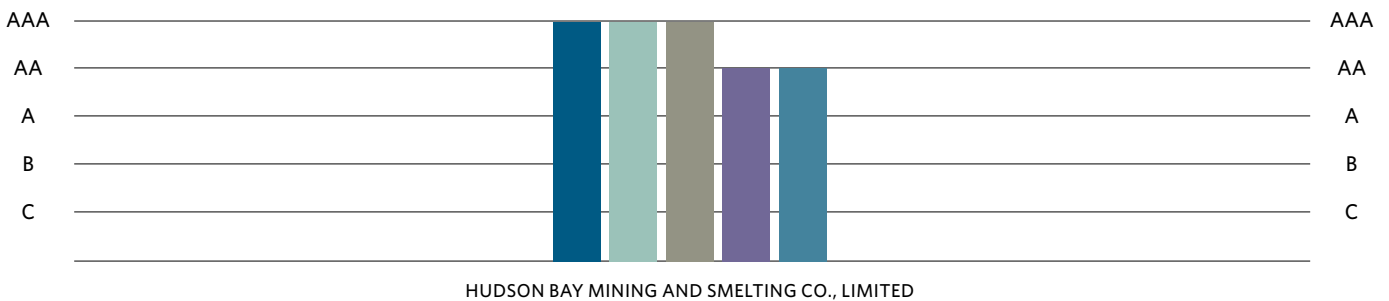
Aboriginal and Community Outreach Assessment

- COMMUNITY OF INTEREST (COI) IDENTIFICATION
- COI RESPONSE MECHANISM
- EFFECTIVE COI ENGAGEMENT AND DIALOGUE
- REPORTING



Safety and Health Assessment

- COMMITMENTS AND ACCOUNTABILITY
- MONITORING AND REPORTING
- PLANNING AND IMPLEMENTATION
- PERFORMANCE
- TRAINING, BEHAVIOUR AND CULTURE

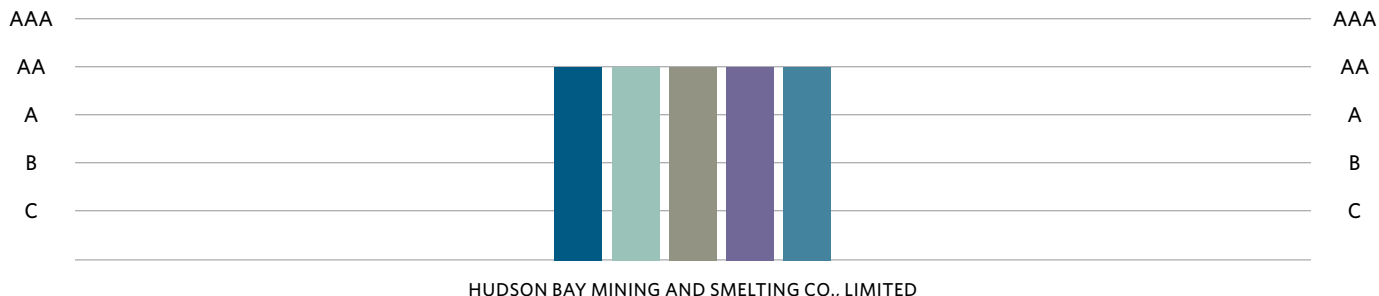


Self-assessed results; last external verification: 2015; next external verification: 2018.



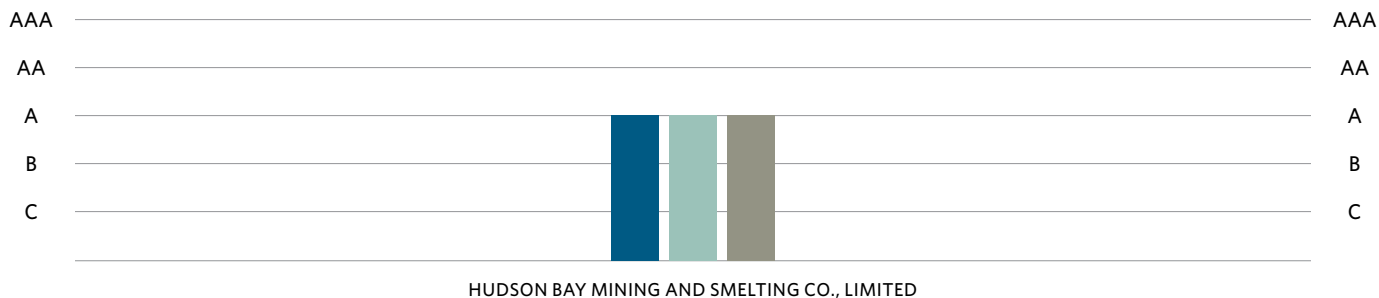
Tailings Management Assessment

- TAILINGS MANAGEMENT POLICY AND COMMITMENT
- TAILINGS MANAGEMENT SYSTEM
- ASSIGNED ACCOUNTABILITY AND RESPONSIBILITY FOR TAILINGS MANAGEMENT
- ANNUAL TAILINGS MANAGEMENT REVIEW
- OPERATION, MAINTENANCE AND SURVEILLANCE (OMS) MANUAL



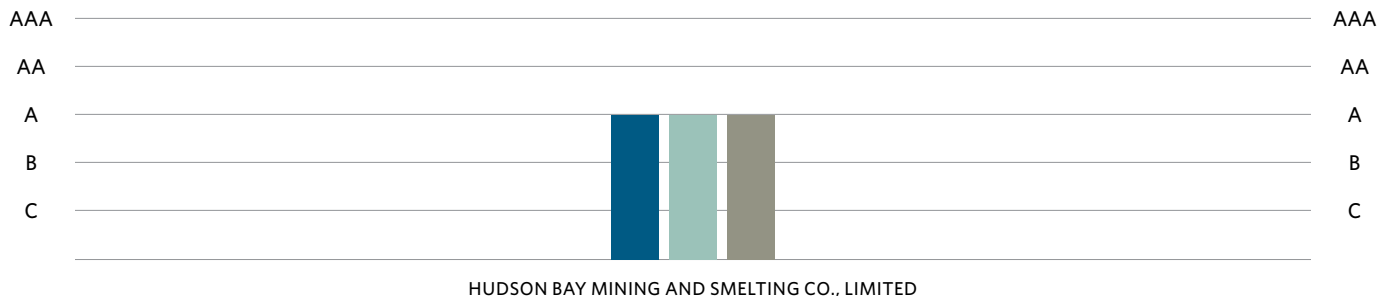
Biodiversity Conservation Management Assessment

- CORPORATE BIODIVERSITY CONSERVATION POLICY, ACCOUNTABILITY AND COMMUNICATIONS
- FACILITY-LEVEL BIODIVERSITY CONSERVATION PLANNING AND IMPLEMENTATION
- BIODIVERSITY CONSERVATION REPORTING



Energy Use and GHG Emissions Management Assessment

- ENERGY USE AND GHG EMISSIONS MANAGEMENT SYSTEMS
- ENERGY USE AND GHG EMISSIONS REPORTING SYSTEMS
- ENERGY AND GHG EMISSIONS PERFORMANCE TARGETS



Self-assessed results; last external verification: 2015; next external verification: 2018.

