



JAGUAR CONSIDERS PROPOSED HUSBAY AND LUNDIN TRANSACTION TO BE RELATED PARTY TRANSACTION REQUIRING HUSBAY SHAREHOLDER APPROVAL AND PROVIDES UPDATE ON SHAREHOLDER MEETING REQUISITION AND PROPOSED OFFER

TORONTO, CANADA – December 5, 2008 – Jaguar Financial Corporation (“**Jaguar**”) (TSX: JFC) today outlined the reasons it believes the proposed transaction (the “**Lundin Transaction**”) between HudBay Minerals Inc. (“**HudBay**”) and Lundin Mining Corporation (“**Lundin**”) is a related party transaction that requires approval from a majority of minority shareholders of both companies.

Jaguar also provided an update on its requisition of a meeting of shareholders (the “**Meeting**”) of HudBay to replace the existing directors with nominees proposed by the requisitioning shareholders as well as an update on its intention to make a take-over bid (the “**Proposed Offer**”) to acquire all of the issued common shares of HudBay. Jaguar owns 1,500,000 common shares of HudBay representing approximately one percent of the issued shares.

The Requisitioned Meeting

On November 24, 2008, Jaguar announced that certain HudBay shareholders, including Jaguar, requisitioned the Meeting to replace the current directors of HudBay. With the input of shareholders, Jaguar intends to propose eight nominees to the HudBay Board, all of whom are independent of Jaguar, with the exception of one nominee from Jaguar.

The Proposed Offer

On November 21, 2008, Jaguar announced that it was considering making the Proposed Offer which, as at that date, effectively involved a distribution of substantial cash to the HudBay shareholders from the existing cash resources of HudBay and a further distribution of additional cash from the sale of the remaining assets of HudBay. Since that time, Jaguar has consulted extensively with, and has received important input from, many HudBay shareholders, some of whom have expressed a preference for maintaining an equity interest in the HudBay business after receiving a substantial distribution of HudBay’s redundant cash.

Accordingly, if the proxy contest or Proposed Offer is successful, the current intention is to make a substantial distribution of HudBay’s redundant cash to shareholders but also retain sufficient working capital within HudBay such that HudBay can continue its current business under a new board of directors and a new senior management team. The intention is also to explore strategic options which may include merger and acquisition transactions that are value creative, properly structured and attractively priced, unlike the Lundin Transaction.

Related Party Transaction

Jaguar believes that the recently announced Lundin Transaction is a related party transaction and is subject to approval by a majority of minority shareholders of both HudBay and Lundin. In addition, a valuation of Lundin should be prepared by a completely independent investment bank acting as financial advisor to the independent directors of HudBay.

Through a standalone transaction that is not conditional on completion of the Lundin Transaction, HudBay has agreed to purchase 97 million common shares of Lundin from treasury which, if completed, would result in HudBay owning approximately 19.9% of the issued common shares of Lundin and make HudBay Lundin's largest shareholder. HudBay's ownership position in Lundin would represent approximately 1.5 times that of Lundin's next largest shareholder, which would own only approximately 12.9% of the issued and outstanding shares of Lundin. If the private placement is completed, HudBay will be an insider of Lundin before the proposed completion of the Lundin Transaction and would likely be its effective controlling shareholder. In either case, HudBay would be a related party of Lundin well before completion of the Lundin Transaction.

The joint press release of HudBay and Lundin dated November 21, 2008, refers to a group of shareholders owning 21.1% of the Lundin shares who have agreed to vote their shares in favour of the Lundin Transaction. This group would own 10.5% of the issued shares of HudBay if the Lundin Transaction is completed and, if they act in concert, would be the largest shareholder of HudBay subsequent to the Lundin Transaction and could effectively control HudBay at that point.

Also, Lundin shareholders would own slightly more HudBay shares than current HudBay shareholders subsequent to completion of the proposed Lundin Transaction. As a result, the proposed Lundin Transaction could be viewed as a reverse take-over of HudBay by Lundin.

Consequently, for a variety of reasons, Jaguar believes that completion of the Lundin Transaction would result in a material change of control of HudBay, which should also necessitate HudBay shareholder approval. Interestingly, if Lundin were a private company, the Lundin Transaction would require a HudBay shareholder vote without consideration of related party issues.

Further, Jaguar considers HudBay and Lundin to be related as a result of having common directors and executives who have a history of completing transactions with each other. There are two directors who serve on the Board of Directors of both HudBay and Lundin, Colin K. Benner and Donald Charter.

The proposed Lundin Transaction will be at least the third time in which Mr. Benner and Mr. Allen Palmiere, Chief Executive Officer of HudBay, will have worked together or acquired each other's company. Mr. Benner and Mr. Palmiere are both former executives of Breakwater Resources Ltd.

Mr. Benner was Vice Chairman and Chief Executive Officer of EuroZinc Mining Corporation ("**EuroZinc**") from December 2004 to October 2006. EuroZinc merged with Lundin in October 2006 and Mr. Benner was appointed Vice Chairman and Chief Executive Officer of Lundin for

four months, resigned as Chief Executive Officer in February 2007 and stayed on as Vice Chairman of Lundin until January 2008. It appears that Mr. Benner received \$2,250,000 as a result of his resignation from Lundin.

After leaving Lundin, Mr. Benner became Vice Chairman and Chief Executive Officer of Skye Resources Inc. (“**Skye**”) from March 2008 to August 2008. Skye was acquired by HudBay in August 2008 (the “**Skye Acquisition**”). According to the Skye Management Proxy Circular, dated July 18, 2008, as part of the Skye Acquisition, Mr. Benner received \$4,030,000 as compensation for being terminated in August 2008 and a special transaction bonus that amounted to \$2,893,000. His total compensation was \$6,923,000, all for six months work at Skye before it was acquired by HudBay in a value destructive transaction that he was instrumental in orchestrating.

In January 2008, Mr. Palmiere was appointed CEO of HudBay and within a few months was one of the principal advocates of the Skye Acquisition (with Mr. Benner at Skye). HudBay’s share price dropped from \$14.79 on the day prior to the Skye Acquisition announcement to \$5.23 on the day prior to the announcement of the proposed Lundin Transaction. Mr. Palmiere was also instrumental in developing the ill-considered proposed Lundin Transaction.

Jaguar also notes that GMP Securities, LP (“**GMP**”) may be directly conflicted by its role as financial advisor to the Special Committee of the HudBay Board while also providing a fairness opinion to the same Special Committee. If a success fee is payable to GMP in its capacity as financial advisor on the Lundin Transaction, GMP cannot be independent in providing a fairness opinion. Mr. Vic Alboini, Jaguar’s Chairman and Chief Executive Officer stated, “The purpose of a fairness opinion is to make a completely independent recommendation on whether the Lundin Transaction is fair, from a financial point of view, to the shareholders of HudBay. The fairness opinion provided by GMP in the Lundin Transaction is effectively saying that it is fair to pay GMP a success fee.” GMP previously acted as financial advisor to HudBay in the Skye Acquisition while also providing a fairness opinion. GMP also acted as financial advisor to Lundin in the merger of Lundin and Tenke Mining Corp. (“**Tenke**”). In Jaguar’s view, GMP is clearly conflicted and is not in a position to provide an independent fairness opinion to the HudBay independent directors on the Lundin Transaction.

It appears the same parties that benefited from the Skye Acquisition, Messrs. Palmiere, Benner, and GMP, also stand to benefit from the Lundin Transaction, at the expense of HudBay shareholders. The management and directors of HudBay collectively own only approximately one-fifth of one percent of HudBay’s issued and outstanding shares; it is clear that their interests are not aligned with the interests of HudBay shareholders. HudBay’s leadership seems intent on attempting to build a mining empire at any cost, without consideration for shareholder wealth.

According to HudBay’s management information circular dated May 29, 2008, the exercise price of management options is as high as \$20.80 per share. According to Lundin’s management information circular as at May 1, 2008, the exercise price of management options is as high as \$12.74 per share. The Lundin Transaction potentially provides HudBay and Lundin management with the opportunity to issue new options at exercise prices closer to current market prices. If this does occur, it would be another example of how management and directors benefit from the Lundin Transaction at the expense of HudBay shareholders.

Jaguar is reviewing various legal remedies before securities commissions, the Toronto Stock Exchange and the courts. Jaguar is considering filing an application with applicable securities regulators requesting that the Lundin Transaction be cease traded unless it is approved by a majority of the minority HudBay shareholders and a valuation is prepared by a completely independent investment bank.

Jaguar is also reviewing the possibility of commencing a civil action against the directors and certain officers of HudBay for, among other things, various relief including the cancellation of the Lundin Transaction and damages for the losses incurred by HudBay shareholders if the Lundin Transaction is completed.

About Jaguar

Jaguar is a Canadian merchant bank that invests in undervalued small capitalization companies in a variety of industry sectors.

The Toronto Stock Exchange does not accept responsibility for the adequacy or accuracy of this news release. This press release may contain forward-looking statements with respect to the Company, its operations, strategy, financial performance and condition. These statements generally can be identified by use of forward looking words such as “may”, “will”, “expect”, “estimate”, “anticipate”, “intends”, “believe” or “continue” or the negative thereof or similar variations. The actual results and performance of the Company discussed herein could differ materially from those expressed or implied by such statements. Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations. Important factors that could cause actual results to differ materially from expectations include, among other things, general economic and market factors, and competition. The cautionary statements qualify all forward-looking statements attributable to the Company and persons acting on their behalf. Unless otherwise stated, all forward-looking statements speak only as of the date of this press release and the Company has no obligation to update such statements.

For additional information on this press release, please contact:

Vic Alboini, Chairman & Chief Executive Officer
416.644.8110

- or -

Kyler Wells, General Counsel & Corporate Secretary
416.644.8177