



JAGUAR QUESTIONS HUSBAY'S DUE DILIGENCE IN ITS HASTE TO BAIL OUT LUNDIN

TORONTO, CANADA – December 10, 2008 – Jaguar Financial Corporation (“**Jaguar**”) (TSX: JFC) today questioned the reasons for the apparent rush by HudBay Minerals Inc. (“**HudBay**”) (TSX: HBM) to bail out Lundin Mining Corporation (“**Lundin**”) (TSX: LUN) in a hastily assembled transaction (the “**Lundin Transaction**”). Jaguar also suggested that the quality of due diligence performed by HudBay prior to its hasty bailout of Lundin is insufficient for a transaction of this size.

Jaguar believes, from reviewing HudBay’s disclosure documents, that there was insufficient due diligence performed by HudBay in its rush to bail out Lundin, which was fast approaching insolvency. The rapid signing of the Arrangement Agreement and related documents was driven by conflicted parties that have a network of insider relationships, as previously disclosed by Jaguar.

The confidentiality agreement between HudBay and Lundin was signed on November 6, 2008, only two weeks before the deal documents were signed, leaving inadequate time for proper due diligence. Jaguar contends that a 14-day timeframe would not be sufficient for a technical, financial and legal assessment of Lundin and its mines and exploration properties in locations as widespread as Sweden, Spain, Portugal, Ireland, Russia, and the Democratic Republic of Congo.

HudBay has a duty to its shareholders to perform a deliberate, detailed and methodical examination of any proposed transaction. This duty is heightened in the context of rapidly deteriorating metal prices and market conditions. Aside from the inadequate timeframe, there is clear evidence of the haste in which HudBay management moved to execute the transaction. There are seven references to the code word “Hercules” (presumably representing HudBay) left in the signed Arrangement Agreement and many incorrect section references throughout the document.

Vic Alboini, Chairman and Chief Executive Officer of Jaguar, said: “HudBay shareholders are questioning the rush to enter into the proposed transaction with Lundin. Clearly, HudBay was in an advantageous position with \$844 million in cash. Lundin was desperate for cash and liquidity. All of the evidence points to the fact that Allen Palmiere fast-tracked this transaction in order to bail out the nearly insolvent Lundin. Naturally questions arise about the extent of due diligence performed, whose interests were served by such haste, and to what extent the independent directors were involved.”

The need for a bridge loan to finance Lundin’s operations until the closing of the proposed private placement clearly indicates the seriousness of Lundin’s current solvency crisis, which is

all the more reason proper and extensive due diligence should have been undertaken. Shareholders have a right to expect more consideration of such a transformational transaction.

HudBay, in its news release of December 9, 2008, makes it clear that Lundin established the priorities in the transaction since HudBay shareholders were denied their legitimate right to vote on the transaction because Lundin wanted certainty that the deal would be completed.

“If Lundin and HudBay management actually believed this was a fair deal for HudBay shareholders, they would have allowed them to vote,” Mr. Alboini said. “The Board’s refusal to hold the vote is a clear signal that they recognized that only Lundin would benefit from this transaction.”

As referred to in its December 9 press release, HudBay considered “the possibility of Lundin engaging in a combination transaction with a competitor to HudBay” as a factor in ascribing a value to Lundin. To inflate the value of Lundin partly to block a transaction with a HudBay competitor is highly inappropriate. Within the number of opportunities available to it, HudBay should have no concern whatsoever if Lundin were to complete a transaction with a competitor.

“When mergers and acquisitions have dried up considerably in this negative financial environment, fear of competition is simply not relevant. It is quite surprising that HudBay would admit to a fear of Lundin, a near insolvent company, rushing into the arms of a competitor in this market. This is frankly an embarrassing admission”, said Mr. Alboini.

Concerned HudBay Shareholders

Jaguar has received considerable feedback from various shareholders of HudBay expressing their views about the Lundin Transaction and the need for a shareholder meeting. Jaguar encourages all concerned shareholders of HudBay to e-mail Jaguar at info@jaguarfinancial.ca or contact any of the following at Jaguar to share their opinions:

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About Jaguar

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

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