

		PEA		3 Year Historical		VMS Ventures Inc.		VMS Ventures Inc.		VMS Ventures Inc.	
		Base Case (1)		Average Price Case (2)		Cu = \$3.50/lb USD (3)		Cu = \$3.75/lb USD		Cu = \$4.00/lb USD	
Price and Exchange Averages											
	Copper (US\$/lb)		\$2.78		\$3.20		\$3.50		\$3.75		\$4.00
	Gold (US\$/oz)		\$1,059.00		\$1,235.00		\$1,235.00		\$1,235.00		\$1,235.00
	Silver (US\$/oz)		\$21.14		\$22.85		\$22.85		\$22.85		\$22.85
	US\$/CDN\$		0.92		0.94		0.92		0.92		0.92
Pre-tax											
	Cash Flow		\$112,283,000		\$182,975,000		\$257,028,000		\$300,964,000		\$349,421,000
	NPV_s		\$64,917,000		\$109,904,000		\$174,365,000		\$191,361,000		\$225,036,000
	IRR		36.70%		46.60%		61.40%		68.40%		76.90%
(1) PEA Base Case metal prices projections compiled by HudBay based on 11 well-known financial institutions.											
(2) Bloomberg three year historical average (December 1, 2008 to December 1, 2011)											
(3) VMS copper price											