



The New Hecla

Growing Our Production, Reserves and Cash Flow

September 2013

Hecla MINING COMPANY

Cautionary Statements

Cautionary Note Regarding Forward Looking Statements

Statements made which are not historical facts, such as strategies, plans, anticipated payments, litigation outcome (including settlement negotiations), production, sales of assets, exploration results and plans, costs, and prices or sales performance are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Words such as “may,” “will,” “should,” “expects,” “intends,” “projects,” “believes,” “estimates,” “targets,” “anticipates,” “guidance” and similar expressions are used to identify these forward-looking statements. Forward-looking statements involve a number of risks and uncertainties that could cause actual results to differ materially from those projected, anticipated, expected or implied. These risks and uncertainties include, but are not limited to, metals price volatility, volatility of metals production and costs, environmental and litigation risks, operating risks, project development risks, political risks, labor issues, ability to raise financing, and exploration risks. Refer to our Form 10-K and 10-Q reports for a more detailed discussion of factors that may impact expected future results. We undertake no obligation to update forward-looking statements other than as may be required by law.

Cautionary Note Regarding Estimates of Measured, Indicated and Inferred Resources

The United States Securities and Exchange Commission permits mining companies, in their filings with the SEC, to disclose only those mineral deposits that a company can economically and legally extract or produce. We use certain terms in this presentation, such as “resource,” “measured resources,” “indicated resources,” and “inferred resources” that are recognized by Canadian regulations, but that SEC guidelines generally prohibit U.S. registered companies from including in their filings with the SEC, except in certain circumstances. U.S. investors are urged to consider closely the disclosure in our most recent Form 10-K and Form 10-Q. You can review and obtain copies of these filings from the SEC’s website at www.sec.gov.

Qualified Person (QP) Pursuant to Canadian National Instrument 43-101

Dean McDonald, P.Geo., Vice President - Exploration of Hecla Mining Company, who serves as a Qualified Person under National Instrument 43-101, supervised the preparation of the scientific and technical information concerning Hecla’s mineral projects in this presentation. Information regarding data verification, surveys and investigations, quality assurance program and quality control measures and a summary of analytical or testing procedures for the Greens Creek Mine are contained in a technical report titled “Technical Report for the Greens Creek Mine” dated March 28, 2013, for the Lucky Friday Mine are contained in a technical report titled “Technical Report for the Lucky Friday Mine Shoshone County, Idaho, USA” dated March 28, 2013, for Casa Berardi are contained in a technical report titled "Technical Report on the mineral resource and mineral reserve estimate for Casa Berardi Mine, Northwestern Quebec, Canada" dated March 28, 2013 and in a technical report titled "Feasibility Study of the Hosco deposit - Joanna Gold project" dated June 5, 2012. Also included in these four technical reports is a description of the key assumptions, parameters and methods used to estimate mineral reserves and resources and a general discussion of the extent to which the estimates may be affected by any known environmental, permitting, legal, title, taxation, socio-political, marketing or other relevant factors. Copies of these technical reports are available under Hecla and Aurizon's profiles on SEDAR at www.sedar.com.

Cautionary Note Regarding Non-GAAP measures

Total Cash Cost, Net of By-product Credits, per Silver and Gold Ounce, adjusted EBITDA and earnings before adjustments represent non-U.S. Generally Accepted Accounting Principles (GAAP) measurements. A reconciliation of each of these non-GAAP measures to GAAP measures can be found in the Appendix.

A New Hecla: Financial Strength & Value Creation

Financial Strength

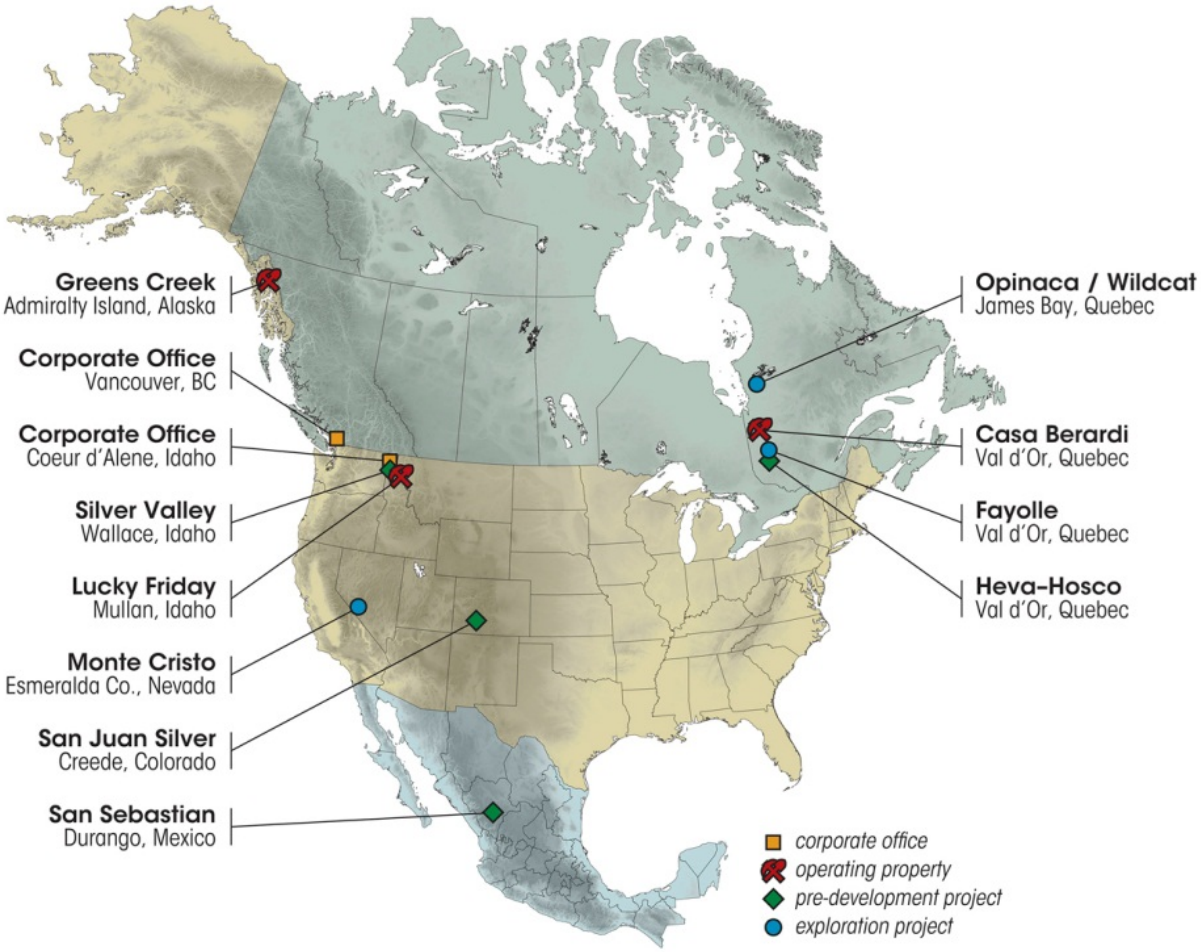
- ✓ $296 million cash (06/30/13)
- ✓ Settled legacy liabilities and rehabilitated major mine
- ✓ Prudently reducing capital, exploration and pre-development investments to manage EBITDA in current metals environment
- ✓ Minimal capital required to achieve growth plans

Value Creation

- ✓ Gold and silver miner for 122 years
- ✓ Three long life (10yrs+), low-cost mines
- ✓ Stable, low-risk mining jurisdictions
- ✓ Growing gold and silver production and reducing costs

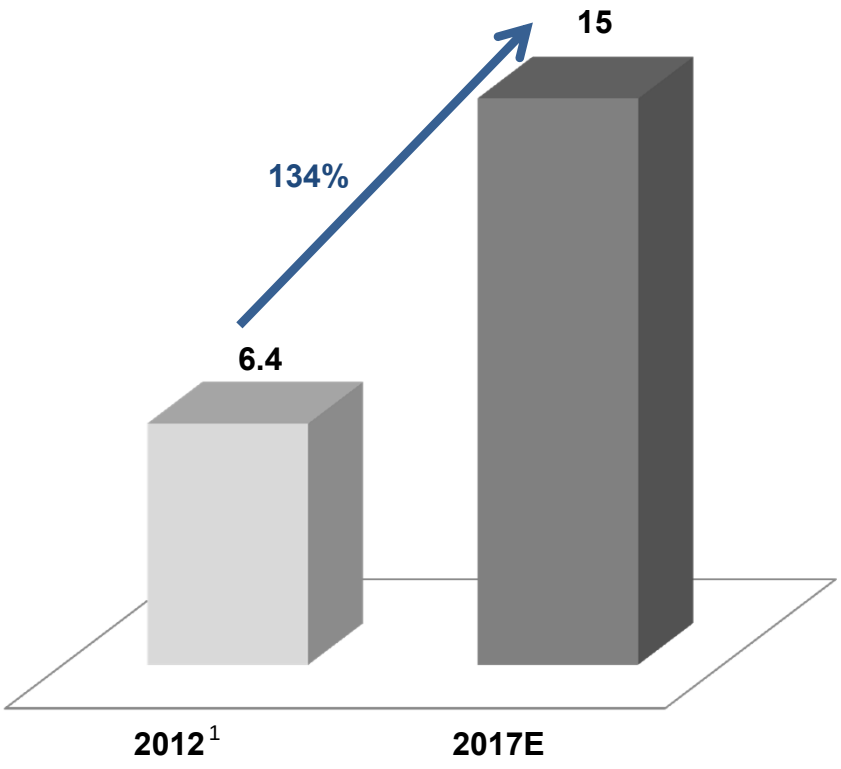
North American Focused Asset Portfolio

All operations in lower-risk, mining-friendly jurisdictions

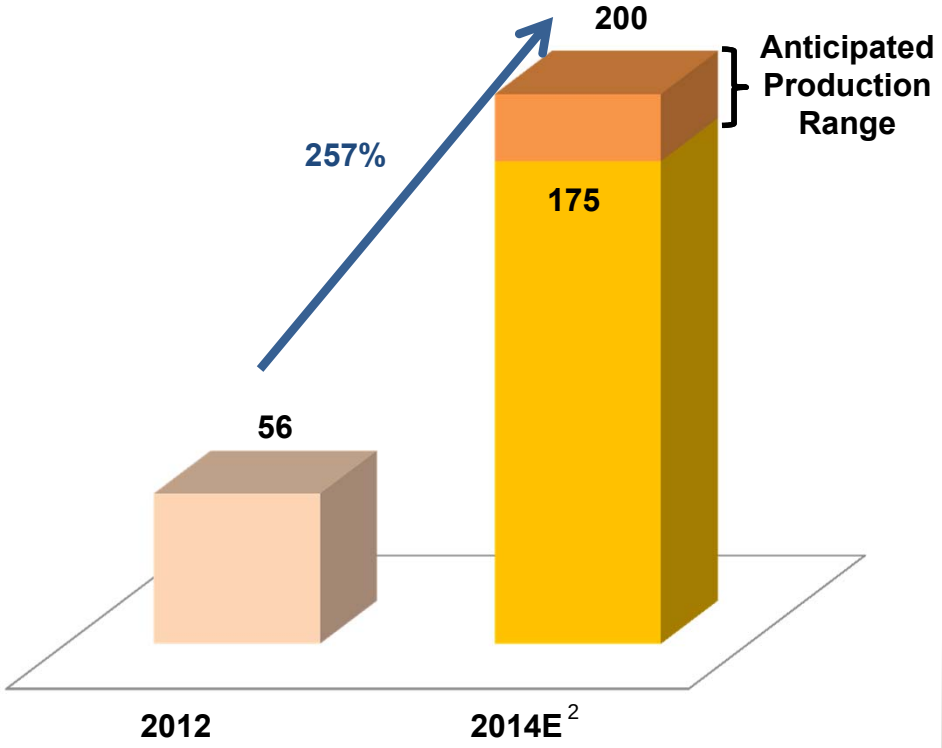


Strong, Disciplined Production Growth Anticipated

Silver ounces (millions)



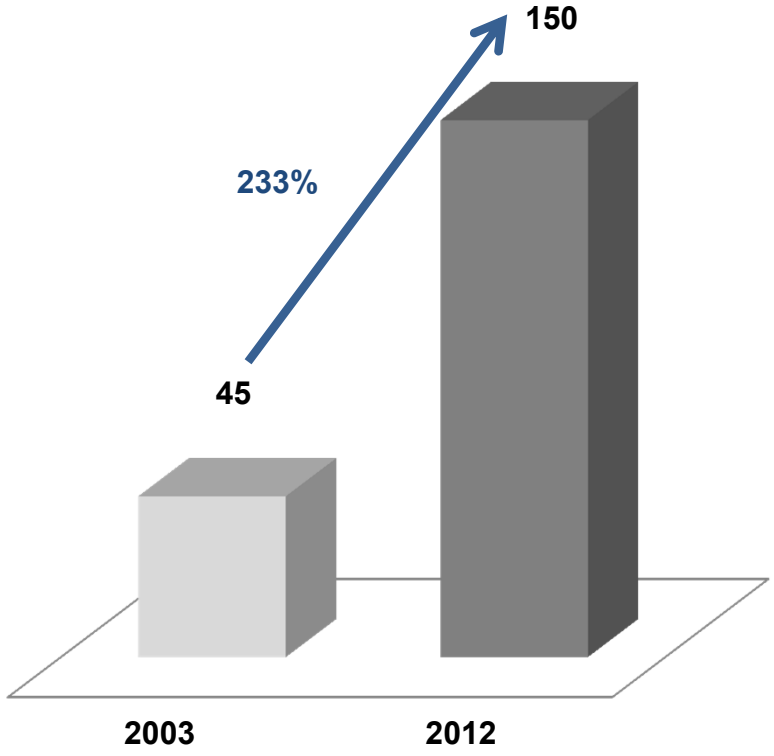
Gold ounces (thousands)



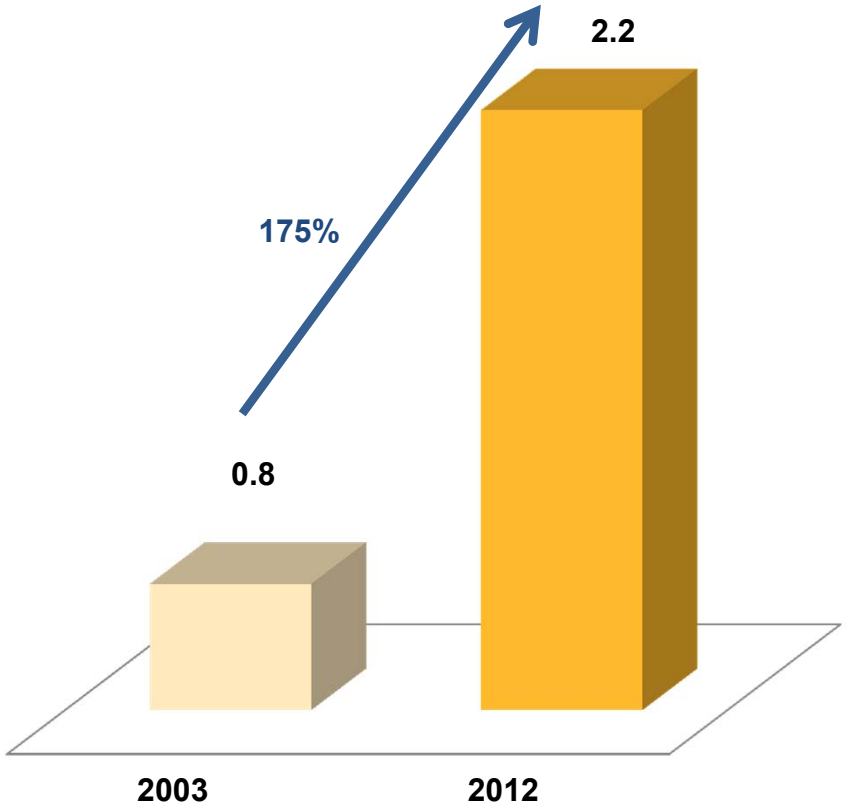
1. Hecla's Lucky Friday mine was closed during 2012.
2. Consists of Casa Berardi expected long-term run rate of 125-150Koz and Greens Creek historical gold production of approximately 50Koz Au per year.

Reserve Growth 2003 - 2012[1]

Silver ounces (millions)

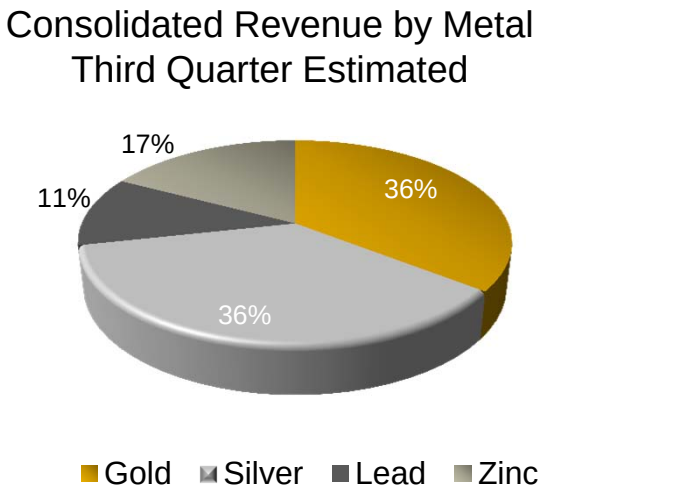


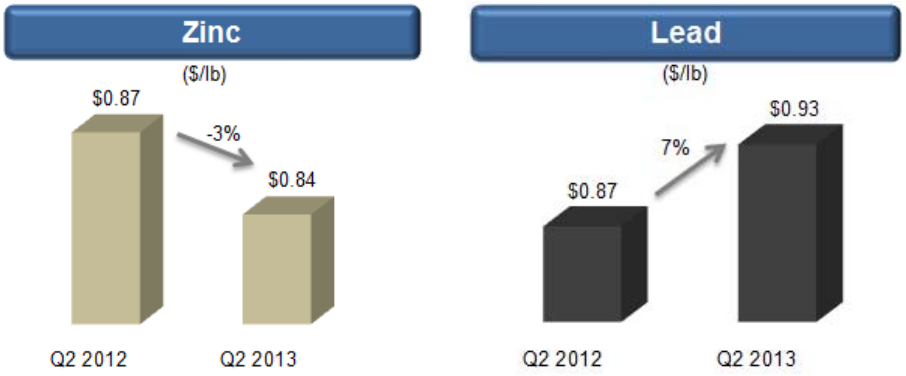
Gold ounces (millions)[2]



1. See Proven and Probable reserves data in the Appendix.
2. Includes Casa Berardi's reserves for 2012.

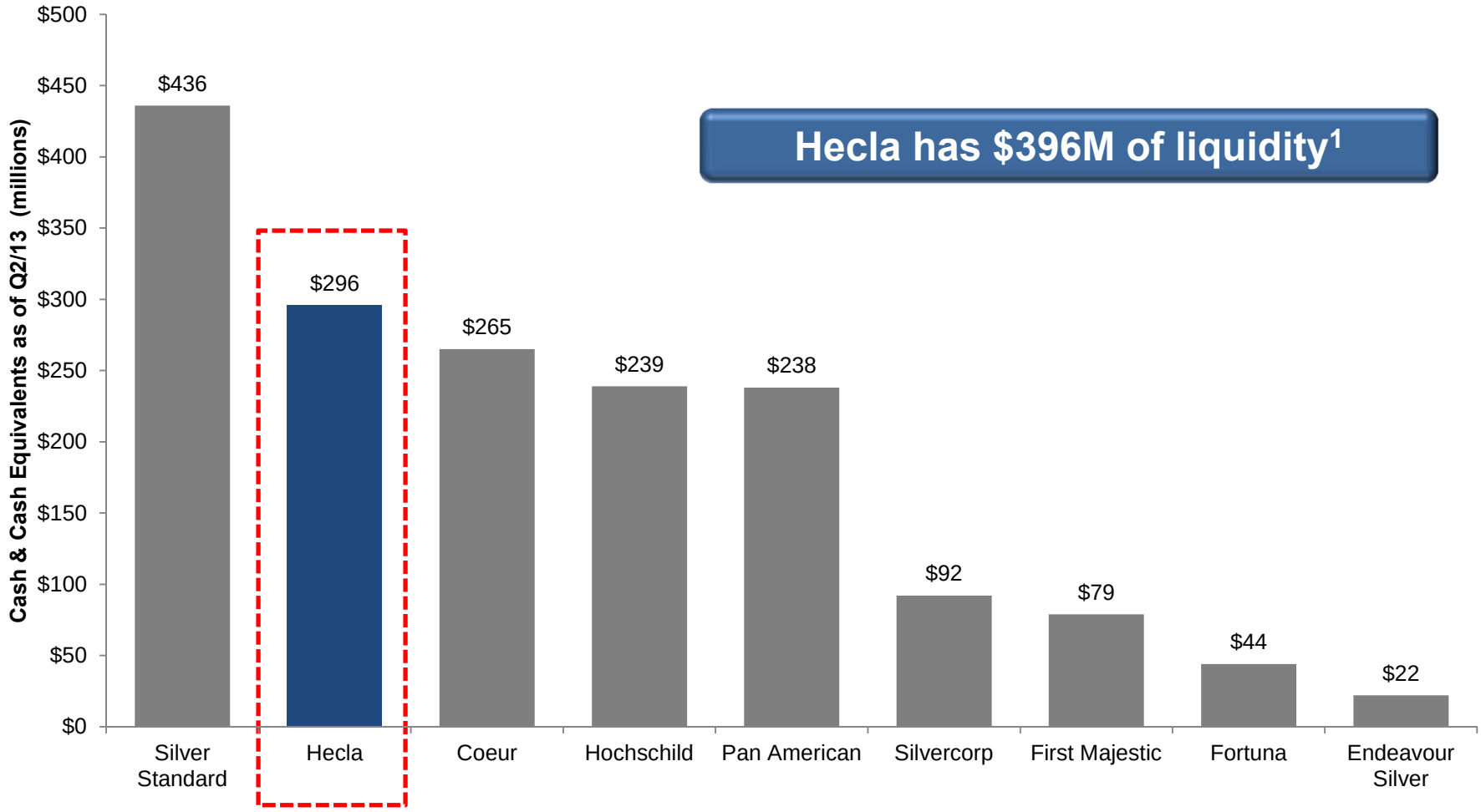
Diversified Revenue: Silver, Gold, Lead and Zinc





- Diversified revenue stream (silver, gold, lead and zinc) from 3 mines
- Recently base metals prices tend to be less volatile than precious metals prices
- Policy allows hedging of 60% of the next 3 years of lead and zinc production
- Currently about 1 year's operating expenses covered
- Locking in revenue for all metals when concentrate shipped beginning Q3

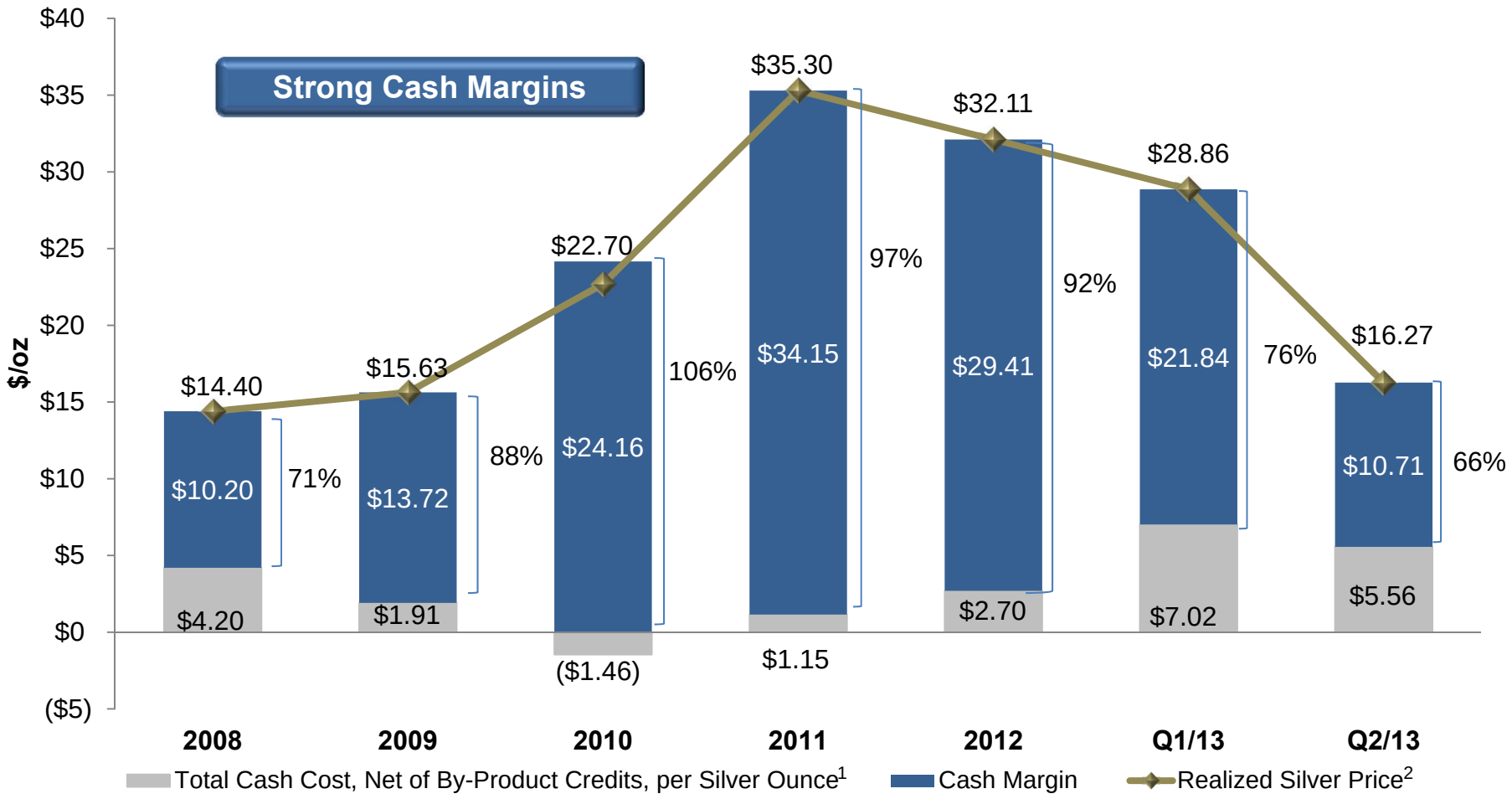
Strong Cash Position



Cash and Cash Equivalents Q2/2013

1. $296 million cash plus $100 million revolving credit agreement

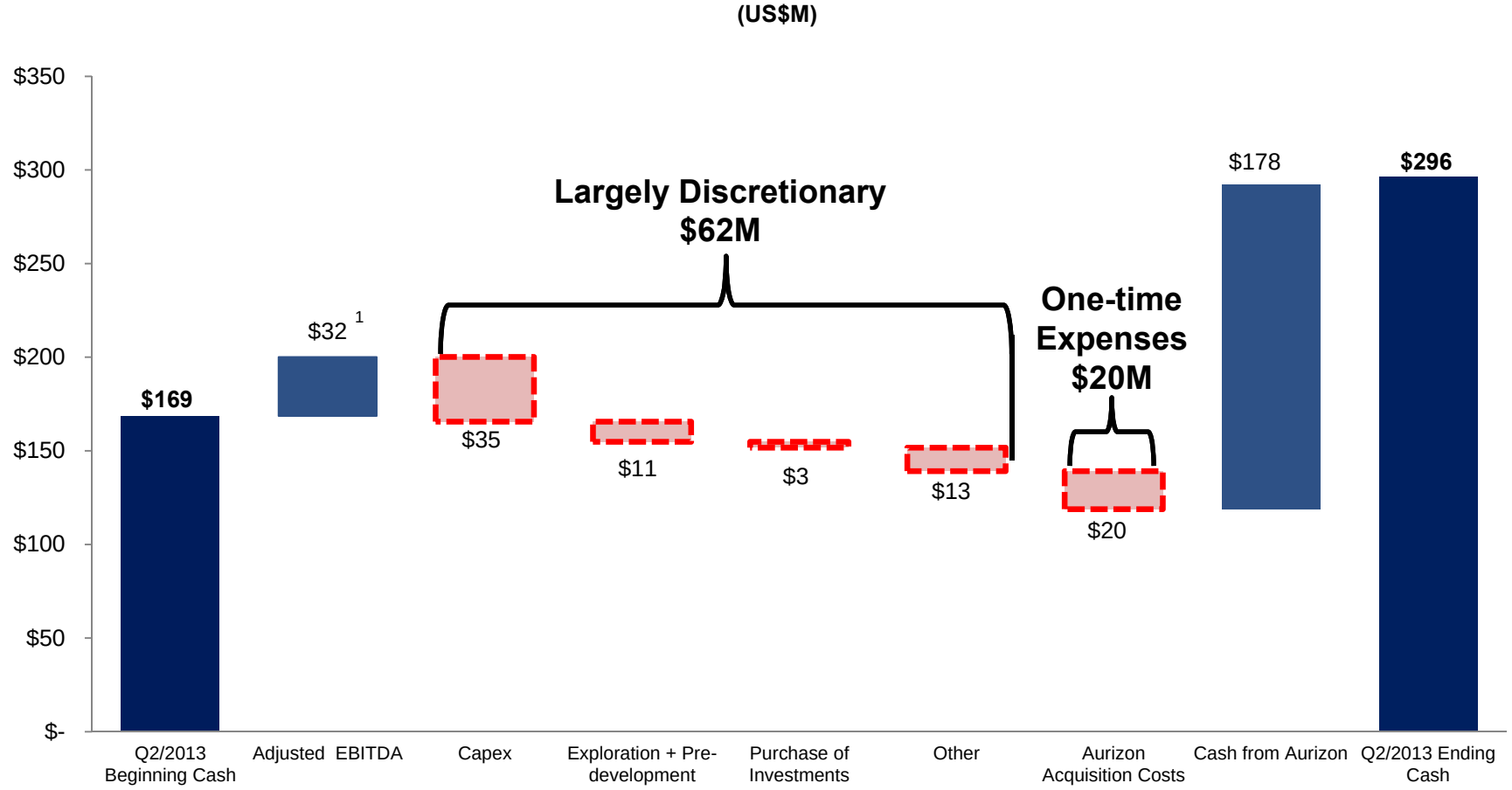
Q2 2013 - Continued Strong Margins



1. Total Cash Cost, Net of By-Product Credits, per Silver Ounce represents a non-U.S. Generally Accepted Accounting Principles (GAAP) measurement; a reconciliation of which to cost of sales and other direct production costs and depreciation, depletion and amortization (GAAP) can be found in the Appendix.
2. Realized prices are calculated by dividing gross revenues for each metal by the payable quantities of each metal included in the concentrate and doré sold during the period.

Q2 Cash Flow Flexibility

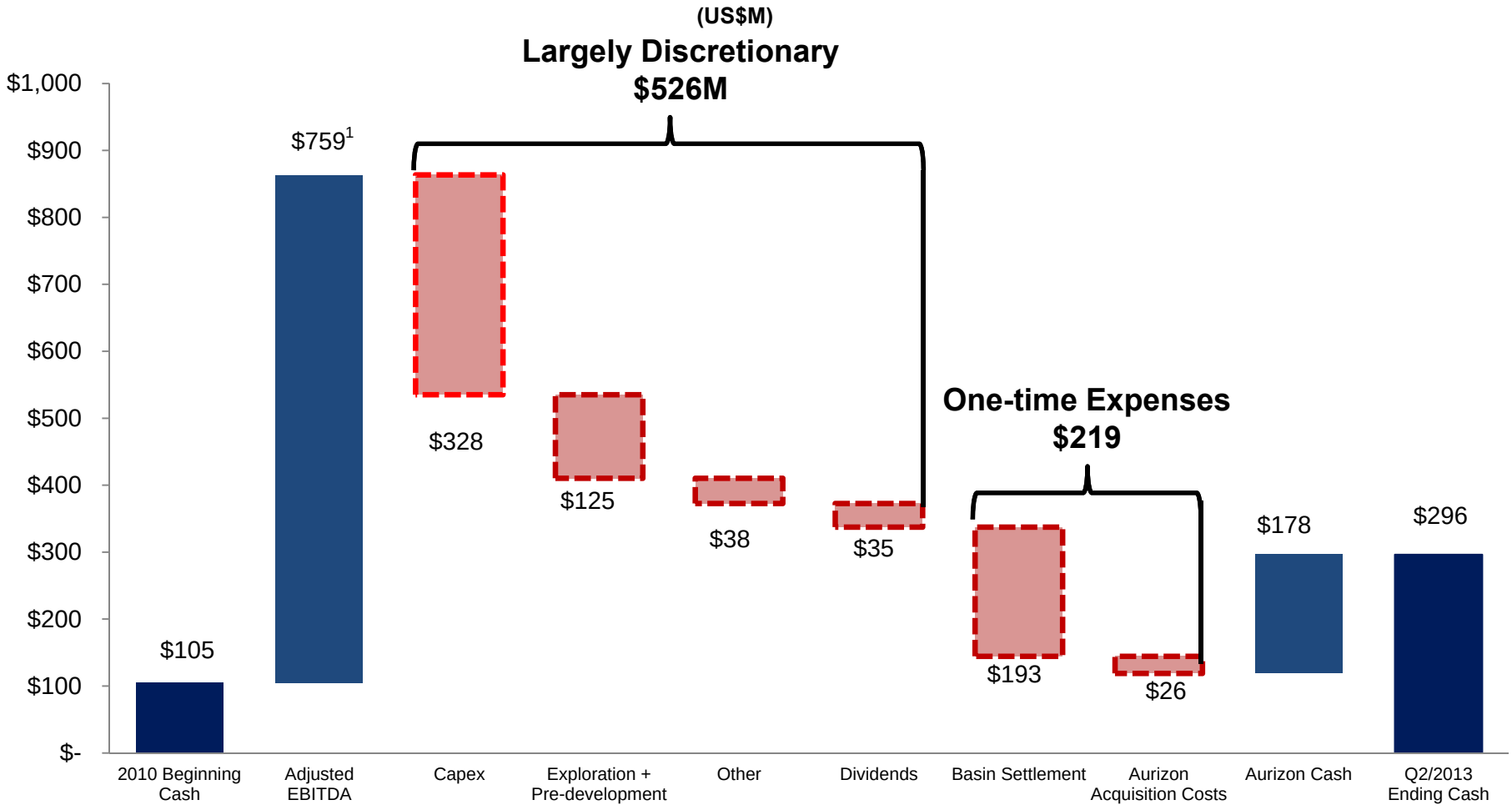
Cash Bridge Q2 2013



1. Adjusted EBITDA represents a non-GAAP measurement. A reconciliation can be found in the Appendix.
2. Average prices for the period: Gold $1,414/oz, Silver $23.11/oz, Lead $0.93/lb, Zinc $0.83/lb

2010 - Q2 2013 Cash Flow Flexibility

Cash Bridge 2010 - Q2 2013



1. Adjusted EBITDA represents a non-GAAP measurement. A reconciliation can be found in the Appendix.
2. Average prices for the period: Gold - $1,500/oz, Silver $27.92/oz, Lead $0.99/lb, Zinc $0.92/lb

Response to Metals Price Weakness

- Decline in precious metals prices led to review of 2013 expenses
- Maintained programs with long logistical requirements or short implementation windows
- Revised guidance
  - Capital expenditures reduced by 13% to $178 million
  - Exploration expenditures reduced by 28% to $22 million
  - Pre-development expenditures reduced by 35% to $16 million
- Growing production of gold and silver

Goal for 2014 is for capital, exploration and pre-development expenditures to be within Adjusted EBITDA

Hecla: Zero Debt Obligations Until 2021

Peer Comparison

Issuer	Date Issued	Coupon		Maturity	Gross Proceeds[1]	Current Rating
Hecla	**12-Apr-13**	**6.875%**	**Sr. Notes**	**1-May-21**	**$500**	**B2/B**
Coeur	24-Jan-13	7.875%	Sr. Notes	1-Feb-21	$300	B2/B+
Eldorado Gold	10-Dec-12	6.125%	Sr. Notes	15-Dec-20	$600	Ba3/BB
IAMGOLD Corp.	14-Sep-12	6.750%	Sr. Notes	1-Oct-20	$650	Ba/BB-
New Gold	8-Nov-12	6.250%	Sr. Notes	22-Nov-15	$500	B2/BB-
	2-Apr-12	7.000%	Sr. Notes	15-Apr-20	$300	B2/BB-
Allied Nevada Gold	18-May-12	8.750%	Sr. Notes	1-Jun-19	$400	B3/B
Hudbay Minerals	18-Jan-13	9.500%	Sr. Notes	1-Oct-20	$500	B3/B

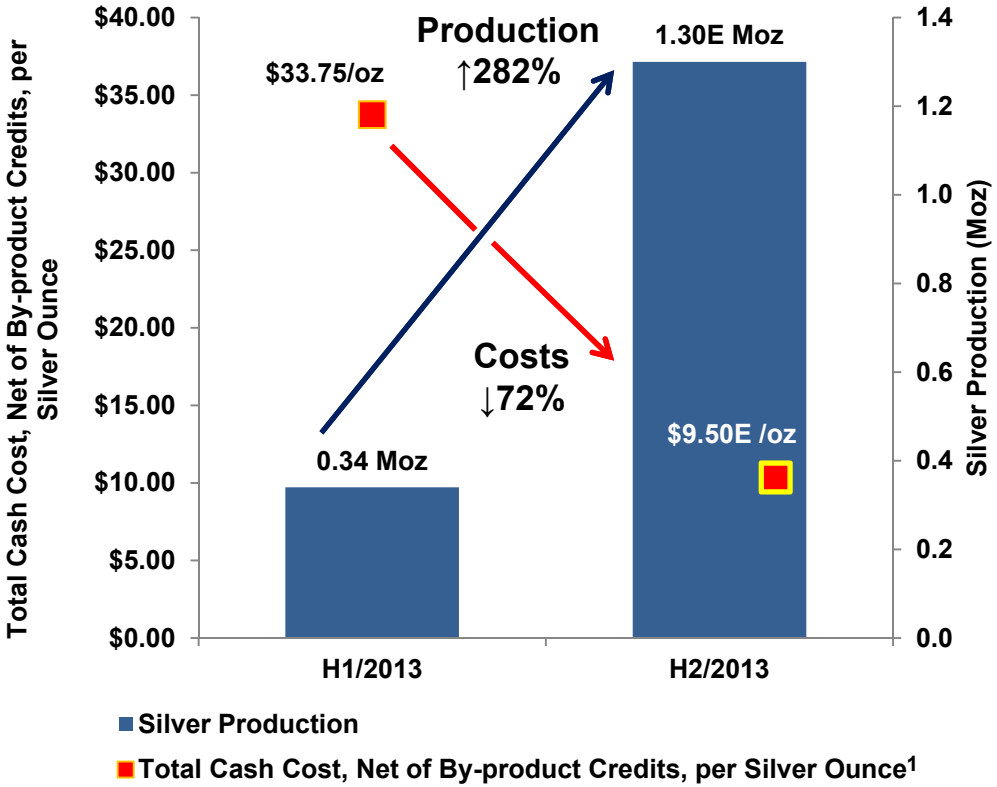
1. In millions

Source: Company Reports

Lucky Friday - Ramping Up Production

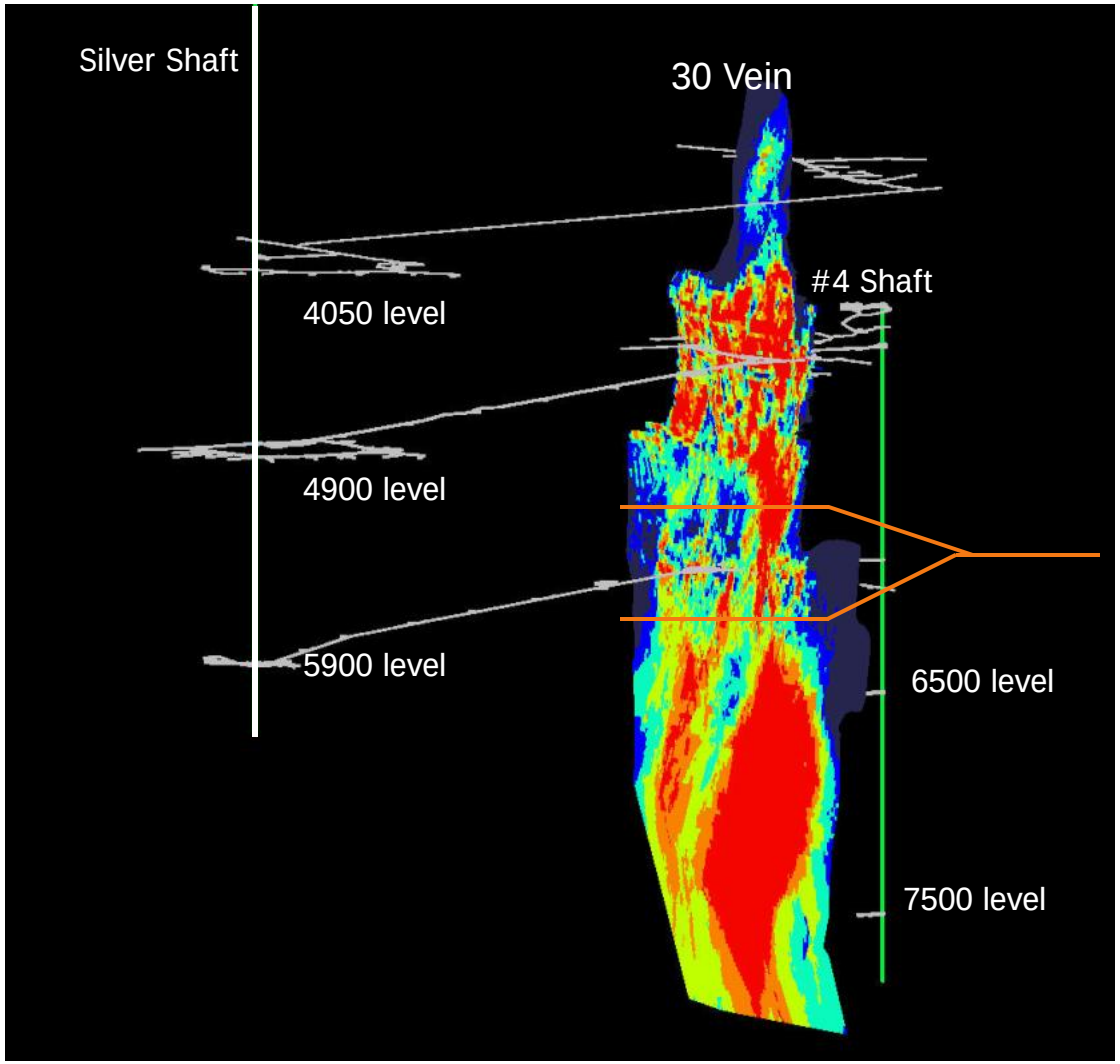
- 0.34 Moz production in H1/13
- Average Total Cash Cost, Net of By-Product Credits, per Silver Ounce of
  - $33.75[1] in H1/13
  - $9.50 by year end
- All stopes back in operation
- Expect to reach full capacity in September with costs per ounce declining over H2/13
- Estimated 1.3 million silver ounces production expected in H2/13
- Ongoing #4 Shaft sinking to:
  - Extend mine life
  - Increase production 60% with higher grade
  - Increase flexibility with more faces to access ore body

Expected cost reductions and production increases



1. Total Cash Cost, Net of By-Product Credits, per Silver Ounce represents a non-U.S. Generally Accepted Accounting Principles (GAAP) measurement; a reconciliation of which to cost of sales and other direct production costs and depreciation, depletion and amortization (GAAP) can be found in the Appendix.

Lucky Friday - Unlocking Value at Depth



NSR Plus $250
NSR $200 - $250
NSR $150 - $200
NSR $110 - $150
NSR $70 - $110

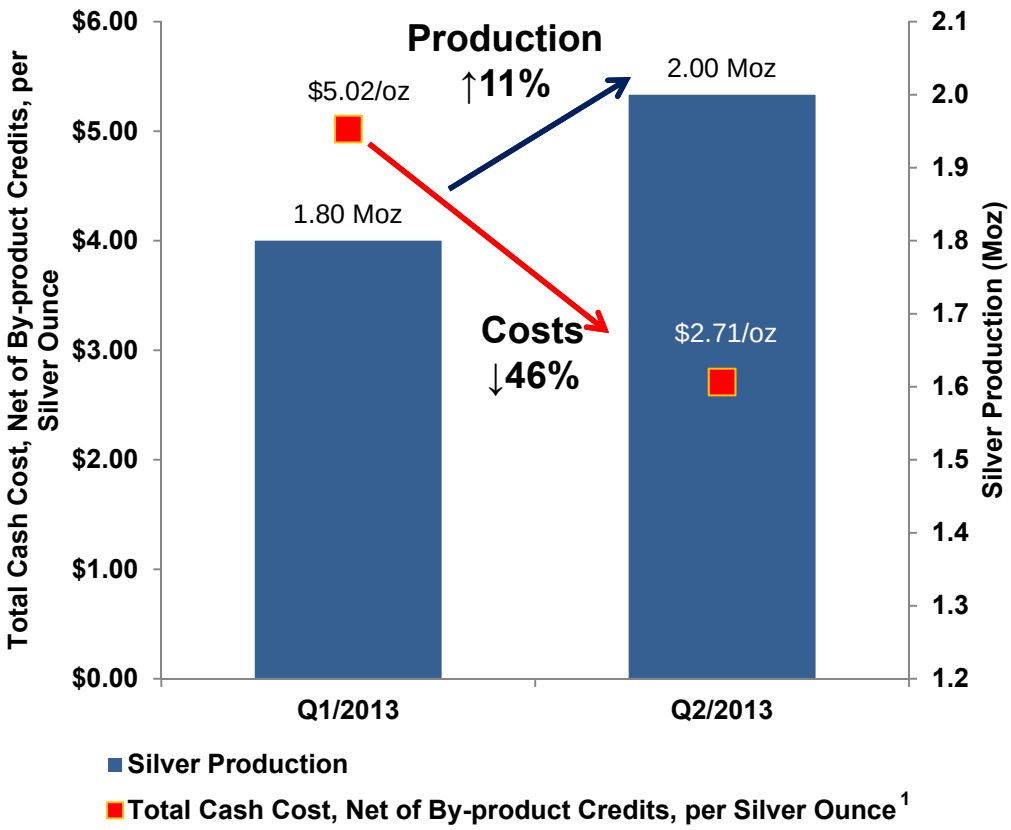
Current mining from 5900 level access

Looking NW

Greens Creek - Exceeding Expectations

- Silver production of 2 million ounces
  - **2nd highest quarterly tonnage in mine's history**
  - Up 48% from Q2/12
- Total Cash Cost, Net of By-Product Credits, per Silver Ounce, of $2.71[1]
  - 46% lower than Q1/13
- Production of gold, lead and zinc were all up more than 10% from the first quarter
- Full year silver production expected between 6 and 7 million ounces

Q2 vs. Q1 Production and Cost Improvements



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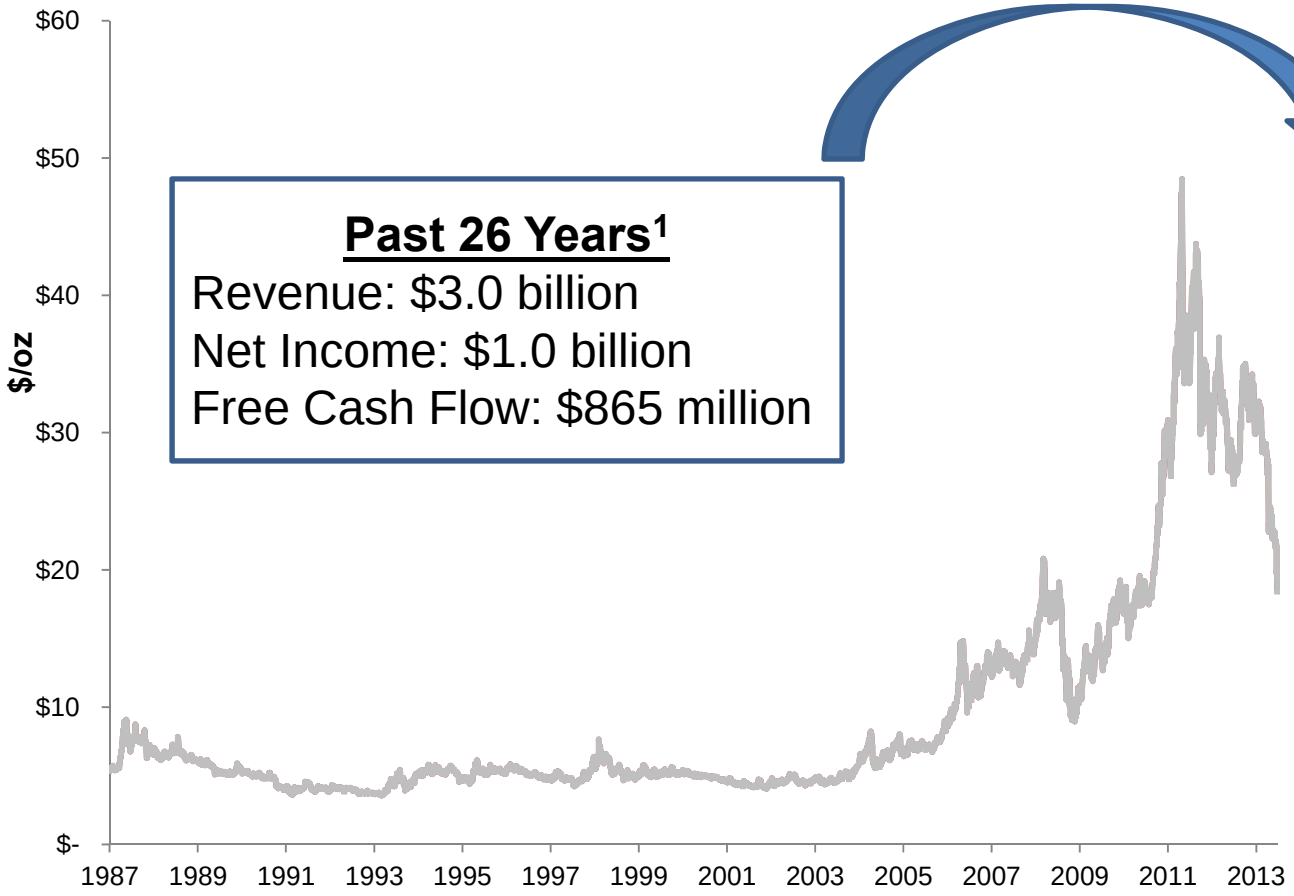
Greens Creek: World-Class Silver Mine

Spectacular Performance over a Variety of Silver Prices

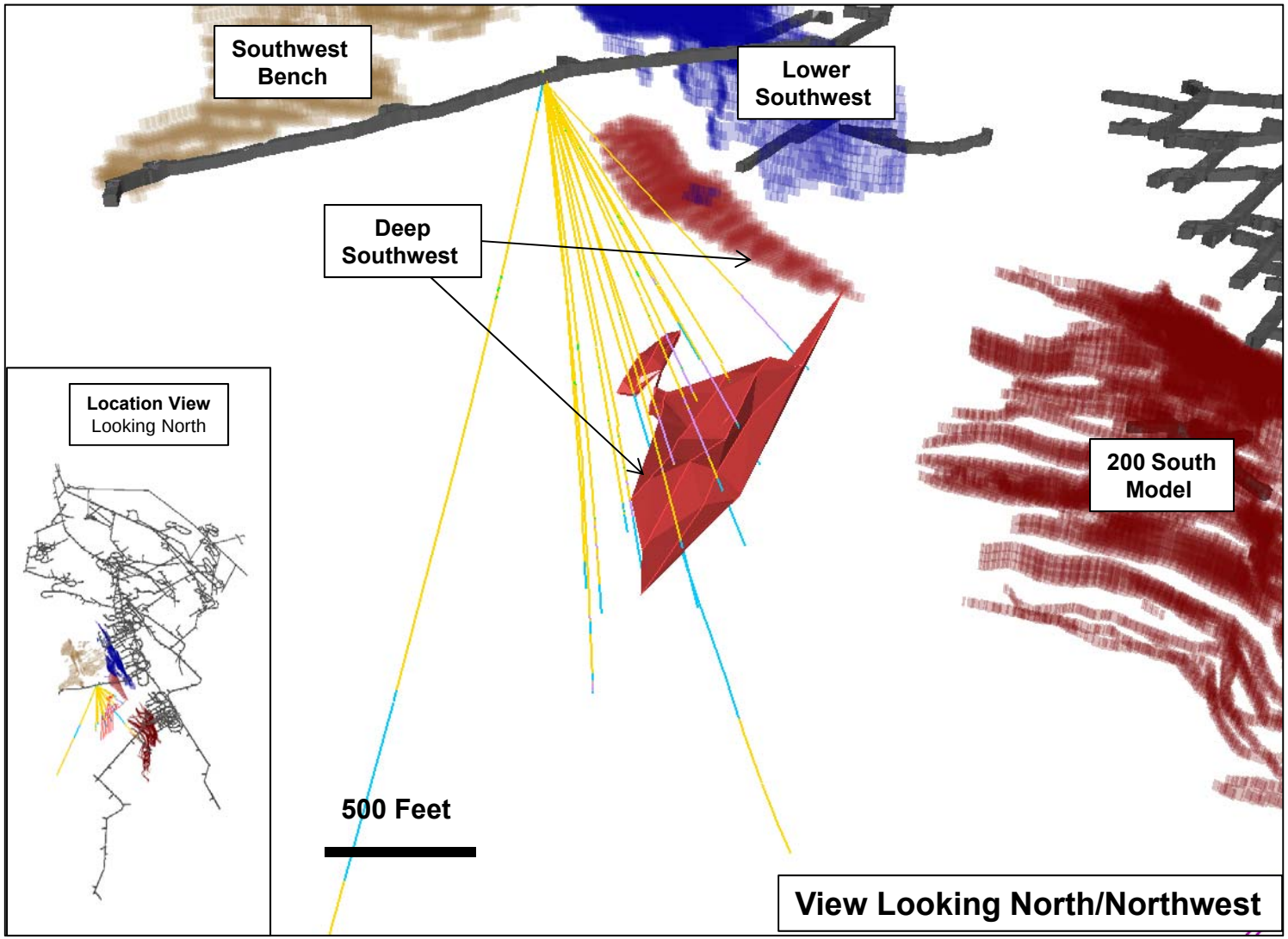


Past 26 Years[1]
Revenue: $3.0 billion
Net Income: $1.0 billion
Free Cash Flow: $865 million

Next 10 Years
Continued strong performance expected

1. Statistics from 1987 – H1 2013

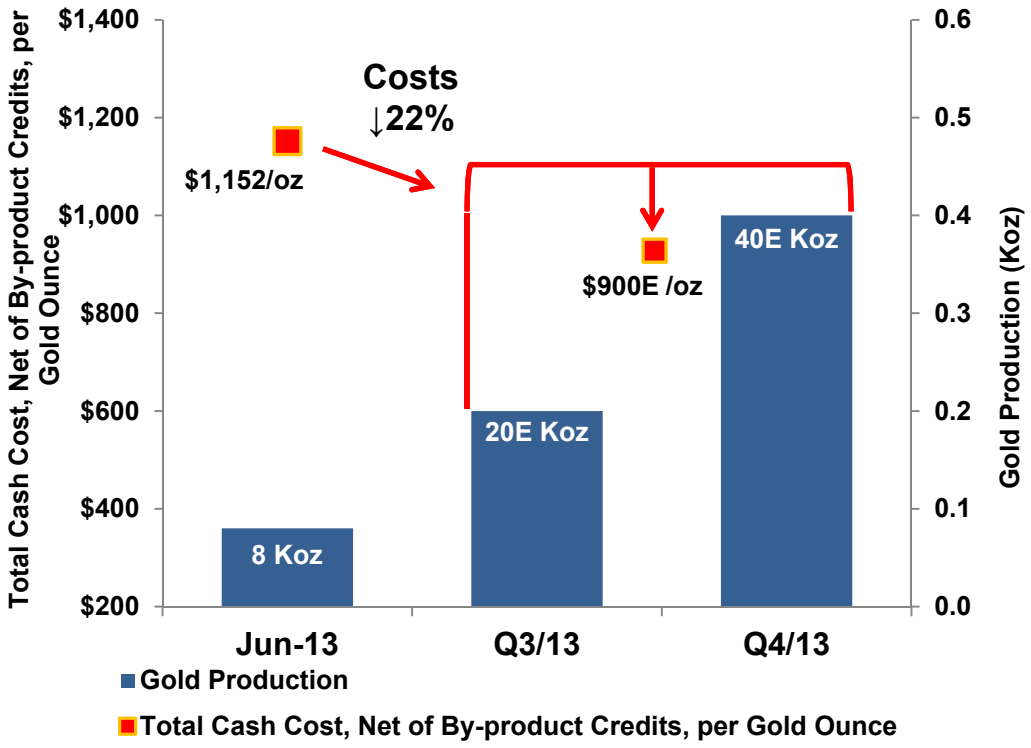
Greens Creek - Future Growth



Casa Berardi - Increasing Gold Production

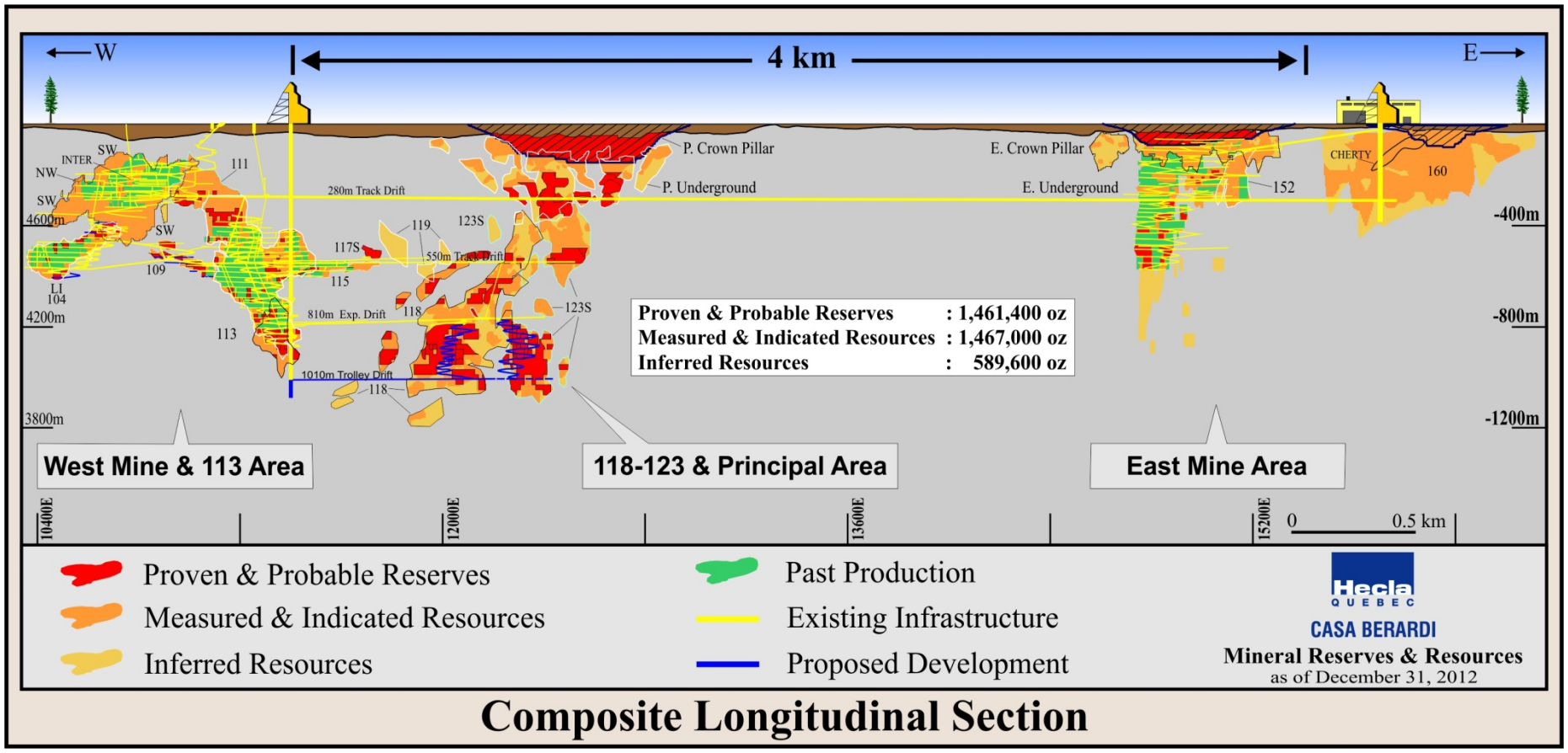
- Acquisition completed 6/1/13
- One month production to Hecla of 6,740 ounces of gold at Total Cash Cost, Net of By-Product Credits, per Gold Ounce, of approximately $1,152[1]
- Grade and production expected to increase by Q4/13
- Shaft deepening expected to raise production and extend mine life
- Expected long-term run rate of 125,000 to 150,000 ounces per year

Cost reductions expected with growing gold production



1. Total Cash Cost, Net of By-Product Credits, per Gold Ounce represents a non-U.S. Generally Accepted Accounting Principles (GAAP) measurement; a reconciliation of which to cost of sales and other direct production costs and depreciation, depletion and amortization (GAAP) can be found in the Appendix.

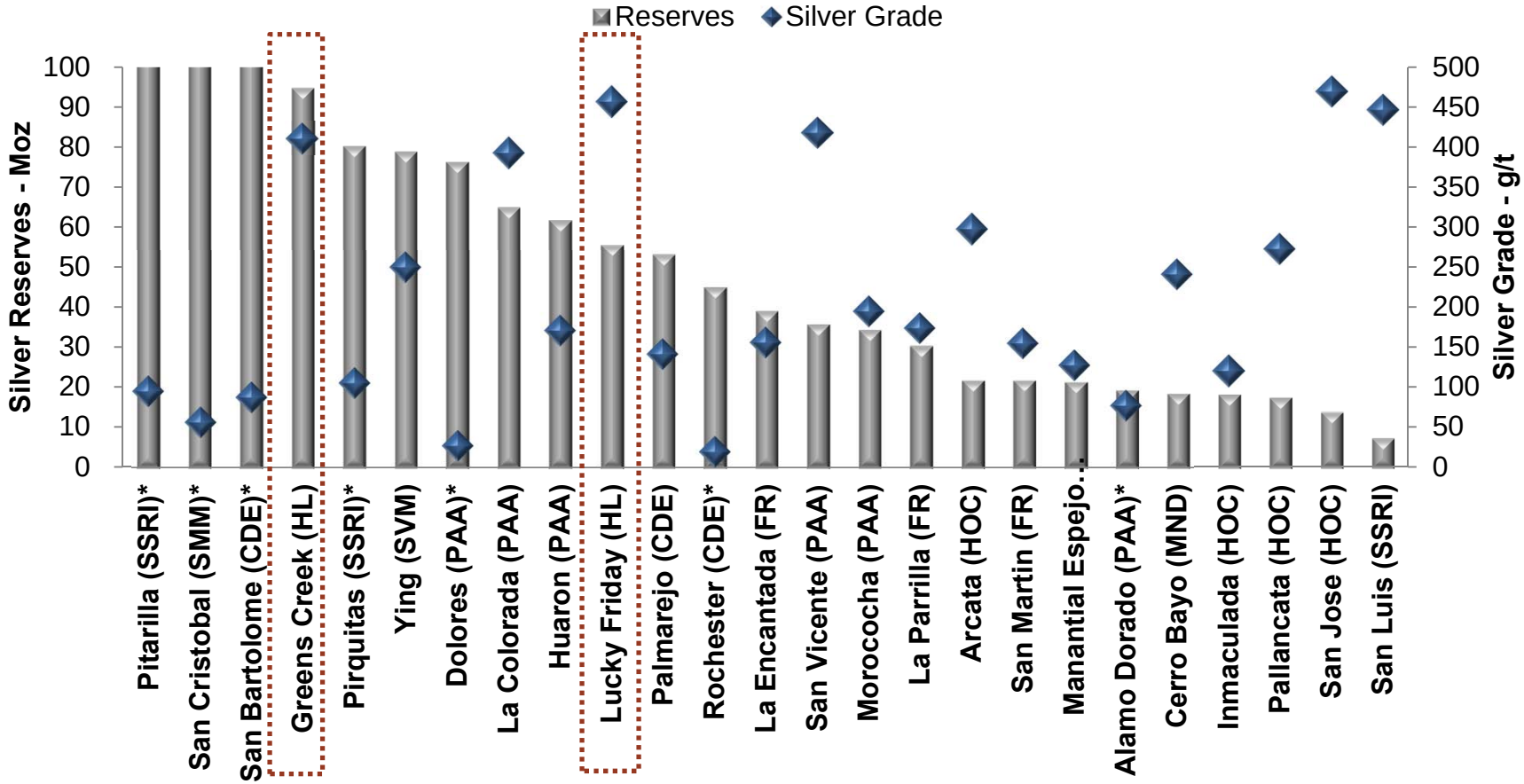
Casa Berardi - Good Exploration Potential



Composite Longitudinal Section

Large and High Quality Silver Assets

Silver Reserves and Grades of the Largest Primary Silver Mines

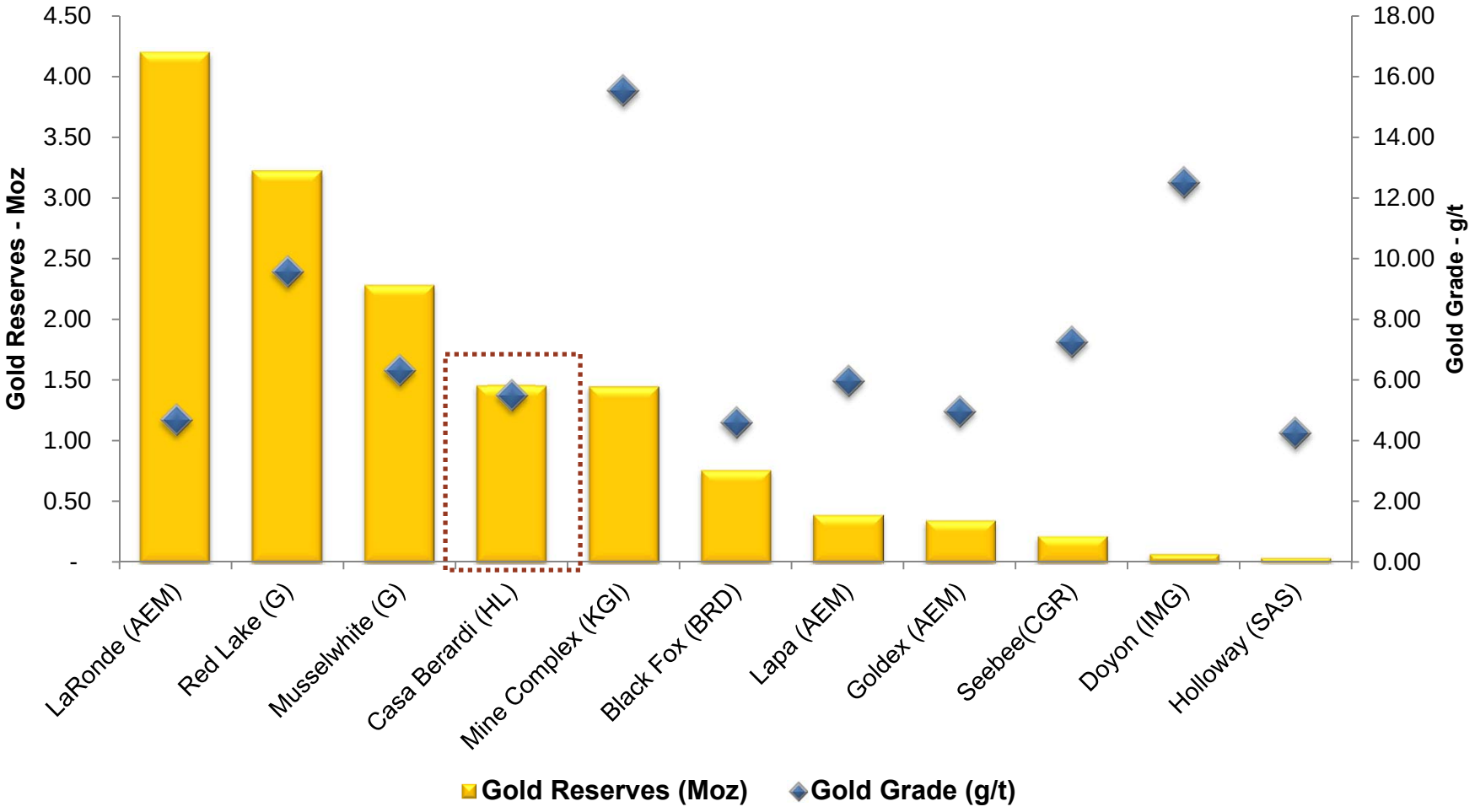


- ***Hecla has the highest overall silver reserve grade of 429 g/t among peers****
- ***Peer-leading Silver Grade Profile Results in Low-cost, High-margin Production***

 Source: Public filings, *Open pit mines - Palmarejo is both open pit and underground.

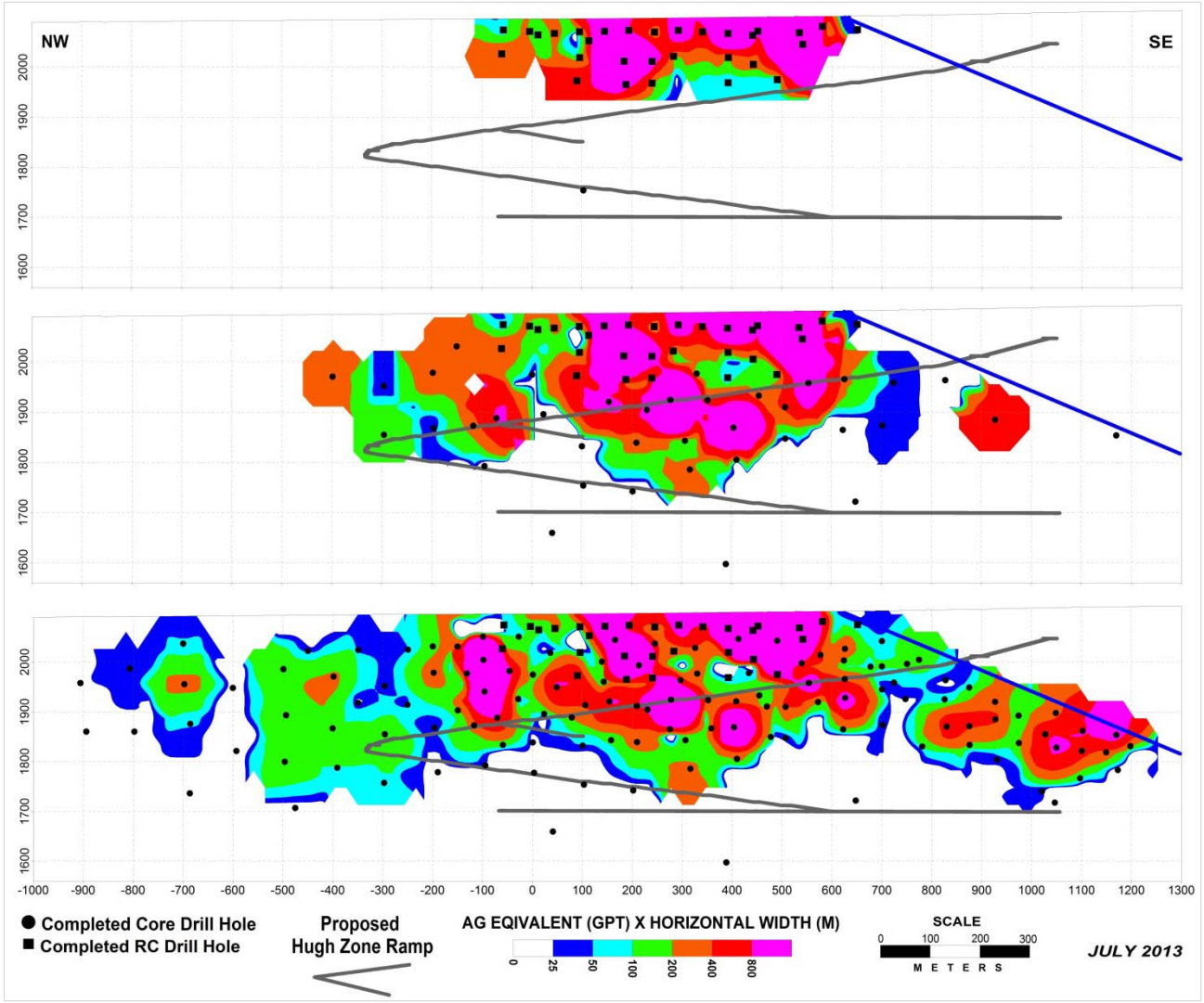
Solid Gold Grade and Reserves

Gold Reserves and Grades of Several Canadian Gold Mines



 Source: Public filings

San Sebastian (Mexico) - Middle Vein



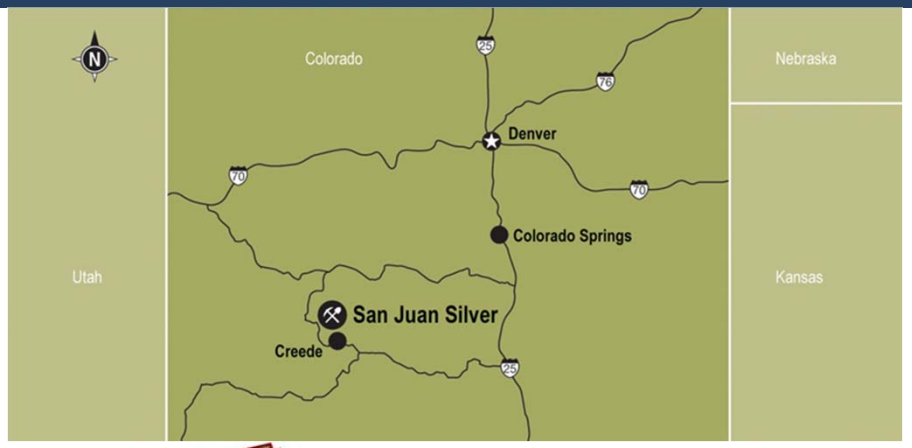
Pre-2011

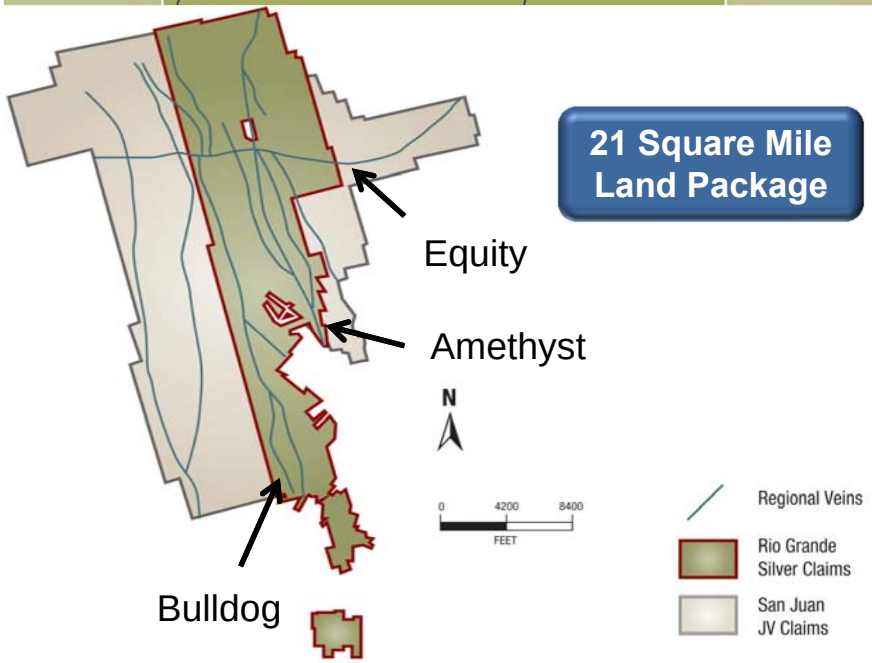
October 2012

July 2013

Organic Growth - San Juan Silver (Colorado)

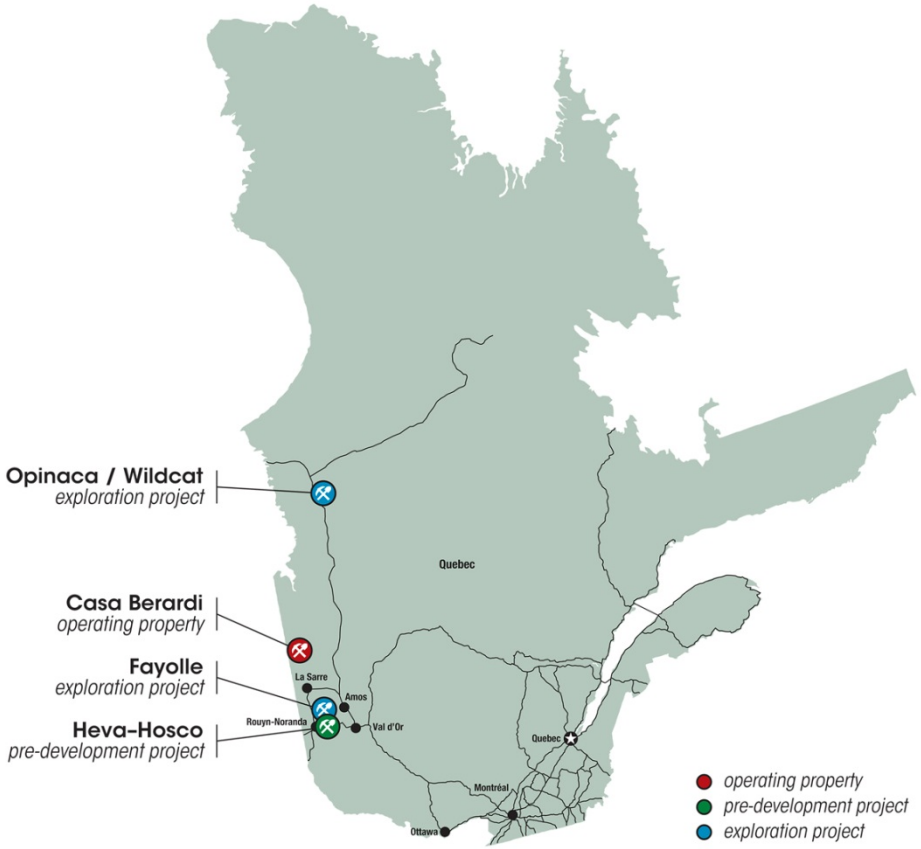
- Includes historic Bulldog mine: produced 25 million ounces of silver before closing in 1985
- 7.6 million ounces of silver Indicated Resources
- 33.1 million ounces of silver Inferred Resources
- 2013 Activities:
  - Bulldog decline construction underway (2,000 feet completed)





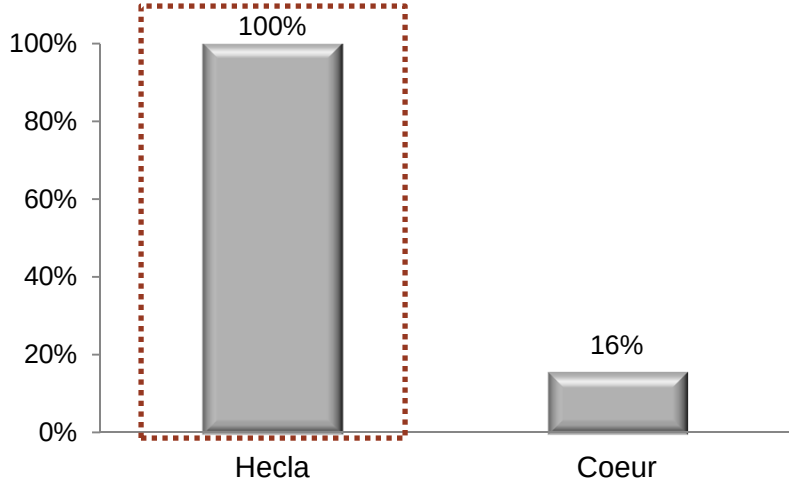
New Quebec Gold Assets

- Gold producer and exploration portfolio in western Quebec
- Heva and Hosco West extension
- Large in-pit gold resource at Hosco
  - Additional gold resources at Heva and Hosco West Extension
  - Attractive exploration potential
- Growth potential with future open pit development and shaft deepening at Casa Berardi
- Significant exploration portfolio
- Portfolio of other earlier stage projects and investments



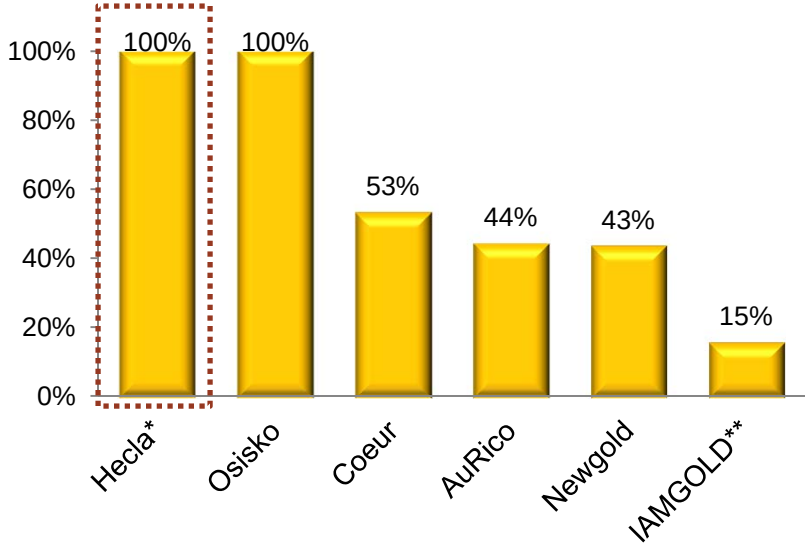
Quality Silver Production in Low-Risk Jurisdictions

% Silver Production in U.S. & Canada



Company	%
Pan American	0
Silver Standard	0
First Majestic	0
Fortuna	0
Mandalay	0
Hochschild	0
Silvercorp	0
Endeavour	0

% Gold Production in U.S. & Canada



Company	%
Alacer	0
Alamos	0
B2Gold	0
Centerra	0
Eldorado	0
Golden Star	0
Kingsgate	0
Semafo	0

* Source: Public filings; Hecla estimates include Casa Berardi and Greens Creek
** IAMGOLD % production is for 2013E to incorporate Westwood production guidance

Silver - The Metal of This Age

- Has the highest electrical conductivity of all the metals
  - 80% more conductive than aluminum
  - 50% more conductive than gold, 6% more conductive than copper
  - Critically important in the miniaturization of circuits as electronic items become increasingly compact and users expect more power or utility
- Has superior thermal conductivity
  - Transfers heat efficiently; doesn't overheat
- Highest reflectivity (94%) in visible light of the metals
  - Gold 72%, Aluminum 92%

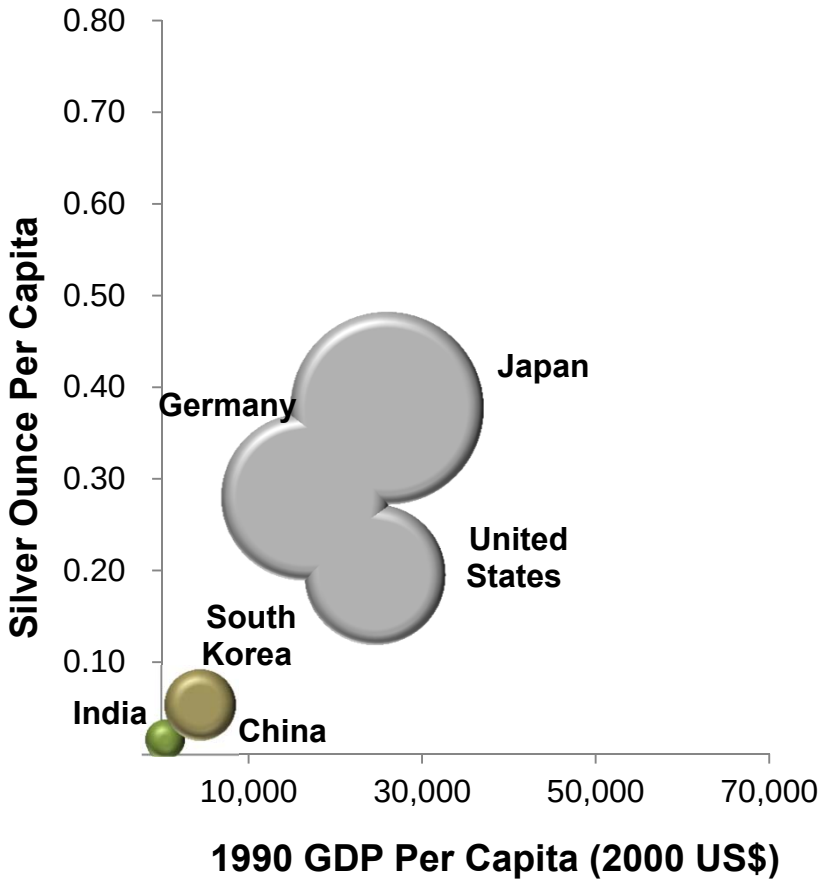


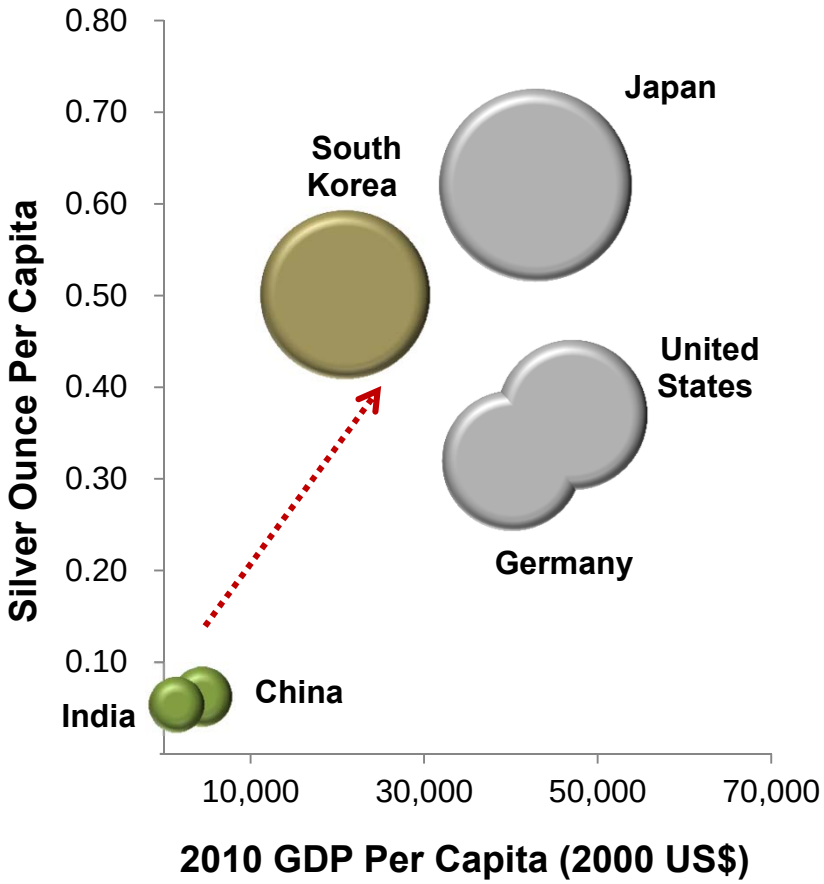



 Source – The Silver Institute 2011

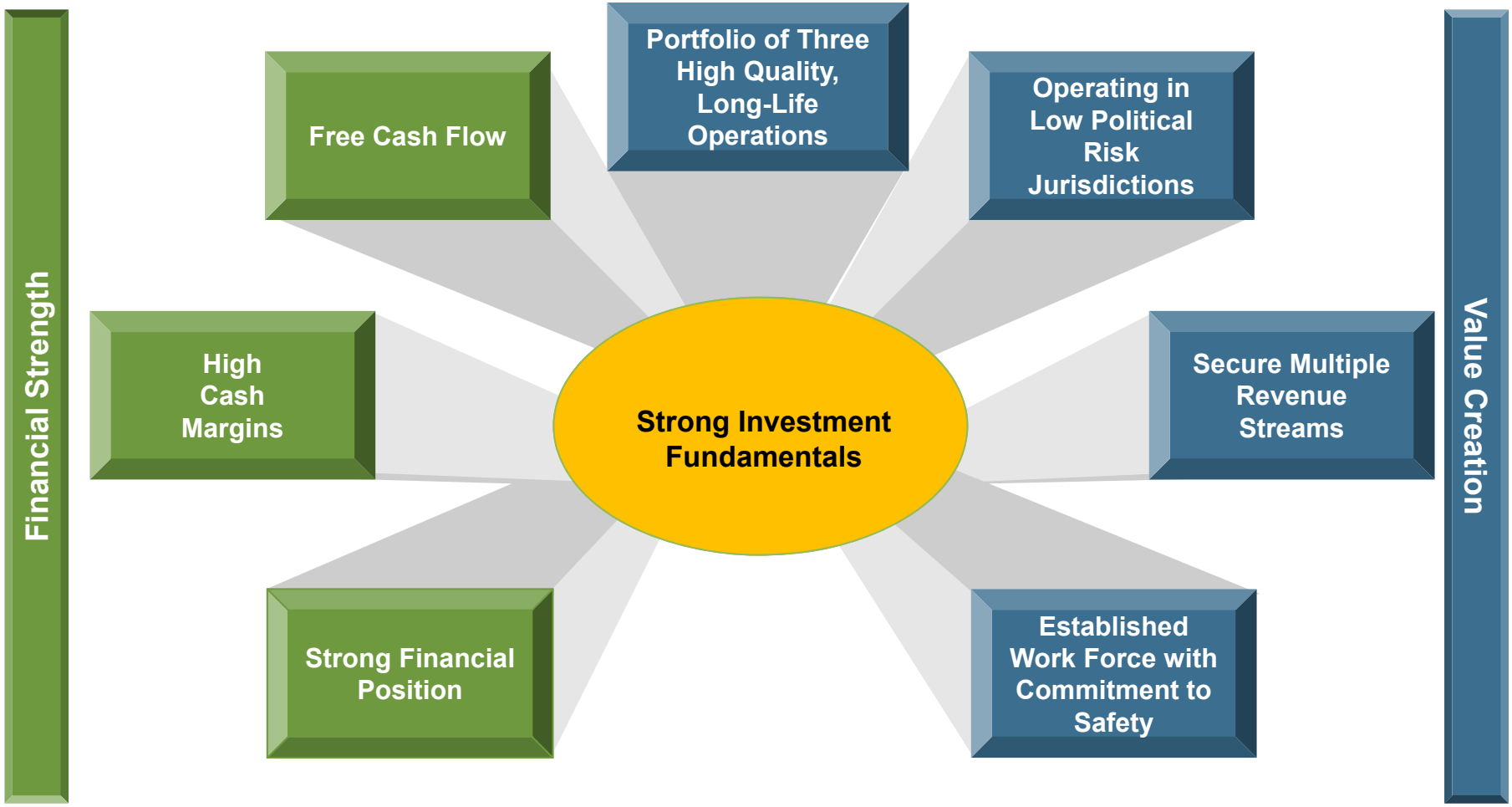
Silver Consumption per Capita Increases

Increasing Silver Consumption Per Person in China and India

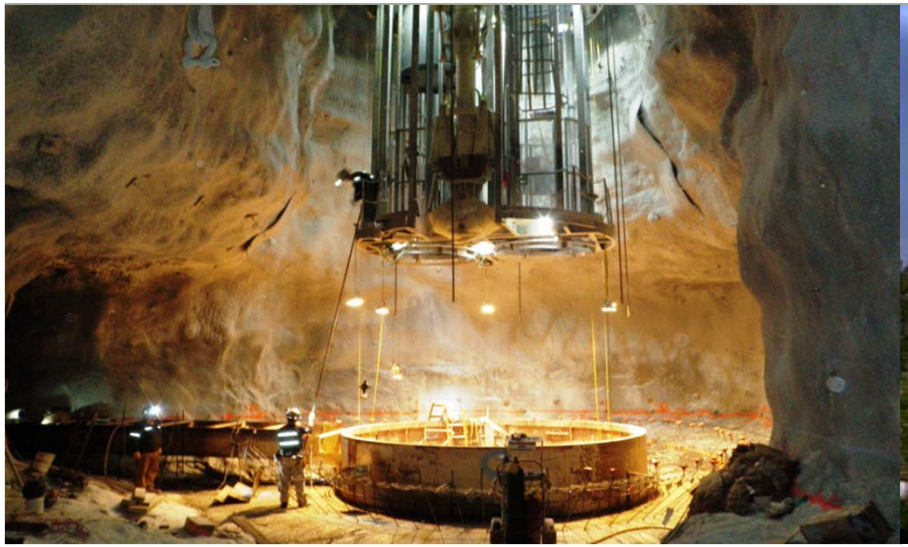




Financial Strength and Value Creation



Led by a management team with over 150 years of experience, Hecla is a multi-metal and operationally diversified company, operating low-cost mines in stable jurisdictions, generating strong and growing cash flow.





Appendix

Hecla MINING COMPANY

Appendix Table of Contents

Appendices

		Page
1.	Management and Financial Information	32
2.	Silver Landscape	40
3.	Exploration	44
4.	Silver Overview	51
5.	Zinc Overview	58

Appendix 1

Seasoned Management Team with Significant Experience



Phillips S. Baker, Jr., has 15+ years of mining experience. He was previously VP and CFO of Battle Mountain Gold Company and before that was CFO at Pegasus Gold Inc.

President and CEO



Dr. Dean W.A. McDonald, is a geologist with over 30+ years experience. He was previously VP of Exploration for Committee Bay Resources Ltd. and exploration manager at Miramar Mining Company.

Senior VP - Exploration



James A. Sabala, has 30+ years mining experience. James was previously executive VP and CFO at Coeur d'Alene Mines and VP and CFO of Stillwater Mining.

Senior VP and CFO



Don Poirier, has 20+ years of mining experience. Prior to joining Hecla, Mr. Poirier was a mining analyst with Blackmont Capital from 2002-2007. Don held other mining analyst positions from 1988 to 2002.

VP - Corporate Development



Lawrence P. Radford, has 30+ years mining experience. He previously worked for Kinross Gold as VP of South American operations overseeing the La Coipa and Maricunga mines.

Senior VP - Operations



David C. Sienko, has 10 years experience representing Hecla and was appointed VP and General Counsel in 2010. Prior to working at Hecla, he was a partner of K&L Gates LLP, where he specialized in counseling public and private entities on securities compliance, M&A, and corporate governance.

VP - General Counsel

Over 150 Years of Combined Experience

Appendix 1

2013 Guidance

- Silver production of between 8 and 9 million ounces
- Total Cash Cost, Net of By-Product Credits, per Silver Ounce of $5.00
- Gold production from Casa Berardi of approximately 60,000 ounces in 2H 2013 at a Total Cash Cost, Net of By-Product Credits, per Gold Ounce of $900
- Capital expenditures of about $178 million
- Pre-development expenditures of about $16 million
- Exploration expenditures of about $22 million

Appendix 1

Total Cash Cost GAAP Reconciliation

Reconciliation of Total Cash Cost, Net of By-Product Credits, per Silver Ounce to Generally Accepted Accounting Principles (GAAP) for Greens Creek & Lucky Friday (dollars and ounces in thousands, except per ounce - unaudited)

	Q2/2013	Q1/2013	2012	2011	2010	2009	2008
Total cash costs, before by-product credits[1]	$ 61,777	$ 59,923	$ 208,178	$ 265,306	$ 251,837	$ 227,566	$ 201,584
By-product credits	(49,324)	(46,577)	(190,916)	(254,372)	(267,272)	(206,608)	(164,963)
Total cash cost, net of by-product credits	12,453	13,346	17,262	10,934	(15,435)	20,958	36,621
Divided by silver ounces produced	2,237	1,901	6,394	9,483	10,566	10,989	8,709
Total cash cost, before by-product credits, per silver ounce	$ 27.61	$ 31.52	$ 32.56	$ 27.98	$ 23.83	$ 20.71	$ 23.15
By-product credits per silver ounce	$ (22.05)	$ (24.50)	$ (29.86)	$ (26.82)	$ (25.30)	$ (18.80)	$ (18.94)
Total Cash Cost, Net of By-product Credits, per Silver Ounce	$ 5.56	$ 7.02	$ 2.70	$ 1.15	$ (1.46)	$ 1.91	$ 4.20
Reconciliation to GAAP:							
Total cash cost, net of by-product credits	$ 12,453	$ 13,346	$ 17,262	$ 10,934	$ (15,435)	$ 20,958	$ 36,621
Depreciation, depletion and amortization	16,888	14,007	43,522	47,066	60,011	62,837	35,207
Treatment costs	(18,972)	(18,597)	(73,355)	(99,019)	(92,144)	(80,830)	(70,776)
By- products credits	49,324	46,577	190,916	254,372	267,272	206,608	164,963
Change in product inventory	8,436	(4,604)	(1,381)	(4,805)	3,660	310	20,254
Suspension-related costs[2]	-	-	-	4,135	-	-	-
Reclamation, severance and other costs	536	103	663	(44)	630	1,596	537
Costs of sales and other direct production costs and depreciation, depletion and amortization (GAAP)	**$ 68,665**	**$ 50,832**	**$ 177,627**	**$ 212,639**	**$ 223,994**	**$ 211,479**	**$ 186,806**

1. Includes all direct and indirect operating cash costs related directly to the physical activities of producing metals, including mining, processing and other plant costs, third-party refining and marketing expense, on-site general and administrative costs, royalties and mining production taxes, net of by-product revenues earned from all metals other than the primary metal produced at each unit.
2. Production was temporarily suspended at the Lucky Friday unit during 2012 as work was performed to rehabilitate the Silver Shaft, the primary access from surface to the underground workings at the Lucky Friday mine.

Appendix 1

Total Cash Cost GAAP Reconciliation

Reconciliation of Total Cash Cost, Net of By-Product Credits, per Silver Ounce to Generally Accepted Accounting Principles (GAAP) for Greens Creek & Lucky Friday (dollars and ounces in thousands, except per ounce - unaudited)

	Three Months Ended, June 30	
	2013	2012
Total cash costs, before by-product credits[1]	$ 61,777	$ 46,762
By-product credits	(49,324)	(45,352)
Total cash cost, net of by-product credits	12,453	1,410
Divided by silver ounces produced	2,237	1,365
Total cash cost, before by-product credits, per silver ounce	$ 27.61	$ 34.26
By-product credits per silver ounce	$ (22.05)	$ (33.22)
Total Cash Cost, Net of By-product Credits, per Silver Ounce	$ 5.56	$ 1.03
Reconciliation to GAAP:		
Total cash cost, net of by-product credits	$ 12,453	$ 1,410
Depreciation, depletion and amortization	16,888	9,879
Treatment costs	(18,972)	(16,164)
By- products credits	49,324	45,352
Change in product inventory	8,436	2,101
Suspension-related costs[2]	-	-
Reclamation, severance and other costs	536	473
Costs of sales and other direct production costs and depreciation, depletion and amortization (GAAP)	**$ 68,665**	**$ 43,051**

1. Includes all direct and indirect operating cash costs related directly to the physical activities of producing metals, including mining, processing and other plant costs, third-party refining and marketing expense, on-site general and administrative costs, royalties and mining production taxes, net of by-product revenues earned from all metals other than the primary metal produced at each unit.

Appendix 1

Total Cash Cost GAAP Reconciliation

Reconciliation of Cash Costs per Ounce to Generally Accepted Accounting Principles (GAAP) for Casa Berardi (dollars and ounces in thousands, except per ounce - unaudited)

	June 30, 2013	June 30, 2012
Cash operating costs[1]	$ 7,804	$ -
By-product credits	(37)	-
Cash operating costs after by-product credits	7,767	-
Divided by gold ounces produced	6,740	-
Cash operating cost per gold ounce produced	1,157.86	-
By-product credits per gold ounce produced	(5.49)	$ -
Cash cost per gold ounce, net of by-product credit	1,152.37	-
Reconciliation to GAAP:		
Cash operating costs, net of by-product credits	$ 7,767	$ -
Depreciation, depletion and amortization	3,324	-
Treatment and freight costs	(9)	-
By-product credits	37	-
Change in product inventory	414	-
Reclamation and other costs	21	$ -
Cost of sales and other direct production costs and depreciation, depletion and amortization	**$ 11,554**	**$ -**

1. Includes all direct and indirect operating cash costs related directly to the physical activities of producing metals, including mining, processing and other plant costs, third-party refining and marketing expense, on-site general and administrative costs, royalties and mining production taxes, net of by-product revenues earned from all metals other than the primary metal produced at each unit.

Appendix 1

Hecla Adjusted EBITDA Reconciliation

Reconciliation of Adjusted EBITDA to Generally Accepted Accounting Principles (GAAP)

	2010	2011	2012	Q1/2013	Q2/2013
Net Income	$ 48,983	$ 151,164	$ 14,954	$ 11,094	$ (24,858)
Plus: Interest expense	2,211	2,875	2,427	704	6,454
Plus: Income taxes	(123,532)	81,978	8,879	7,415	(6,795)
Plus: Depreciation, depletion, and amortization	60,235	47,348	50,113	14,711	20,123
Plus: Exploration expense	21,605	26,959	31,822	6,493	6,221
Plus: Pre-development expense	-	4,446	17,916	4,791	4,512
Plus: Aurizon acquisition Costs	-		-	5,292	20,308
Plus: Aurizon product inventory fair value adjustment	-	-	-	-	550
Plus: Lucky Friday suspension-related costs	-	-	25,309	1,498	(2,840)
Plus/(Less): Interest and other (income) expense	(126)	87	(22)	113	(685)
Plus/(Less): (Gains)/losses on derivative contracts	20,758	(37,988)	10,457	(21,539)	(6,541)
Plus: Basin Settlement Accrual	193,200	-	-	-	-
Plus/(Less): Provisional price (gains)/losses	-	-	-	2,700	15,095
Adjusted EBITDA	**$ 223,334**	**$ 276,869**	**$ 161,855**	**$ 33,272**	**$ 31,544**

This presentation refers to a non-GAAP measure of Adjusted earnings before interest, taxes, depreciation and amortization ("Adjusted EBITDA"), which is a measure of our operating performance. Adjusted EBITDA is calculated as net income before the following items: interest expense, income tax provision, depreciation, depletion, and amortization expense, exploration expense, predevelopment expense, Aurizon acquisition costs, Lucky Friday suspension-related costs, interest and other income (expense), gains and losses on derivative contracts, and provisional price gains and losses. Management believes that, when presented in conjunction with comparable GAAP measures, Adjusted EBITDA is useful to investors in evaluating our operating performance. The table above reconciles net income to Adjusted EBITDA.

Note: All monetary amounts presented in thousands of dollars.

Appendix 1

Adjusted Earnings Reconciliation

Reconciliation of Net Income Applicable to Common Shareholders (GAAP) to Earnings Before Adjustments
(dollars and ounces in thousands, except per ounce - unaudited)

	Three Months Ended June 30	
	2013	**2012**
Net income applicable to common shareholders (GAAP)	**$ (24,996)**	$ 2,386
Adjusting items:		
(Gains)/losses on derivatives contracts	**(6,541)**	(6,171)
Environmental accruals	**330**	527
Provisional price (gains)/losses	**15,095**	1,510
Lucky Friday suspension-related costs	**(2,840)**	6,465
Aurizon acquisition costs	**20,308**	-
Aurizon product inventory fair value adjustment	**550**	-
Income tax effect of above adjustments	**(12,106)**	(513)
Adjusted income applicable to common shareholders	**$ (10,200)**	$ 4,204
Weighted average shares - basic	**303,566**	285,312
Weighted average shares - diluted	**303,566**	295,160
Basic adjusted income per common share	**$ (0.03)**	$ 0.01
Diluted adjusted income per common share	**$ (0.03)**	$ 0.01

1. Earnings After Adjustments and Earnings After Adjustments per share are non-GAAP measures which are indicators of our performance. They exclude certain impacts which are of a nature which we believe are not reflective of our underlying performance. Management believes that earnings after adjustments per common share provides investors with the ability to better evaluate our underlying operating performance.

Appendix 1

Hecla Adjusted EBITDA Reconciliation

Reconciliation of Adjusted EBITDA to Generally Accepted Accounting Principles (GAAP)

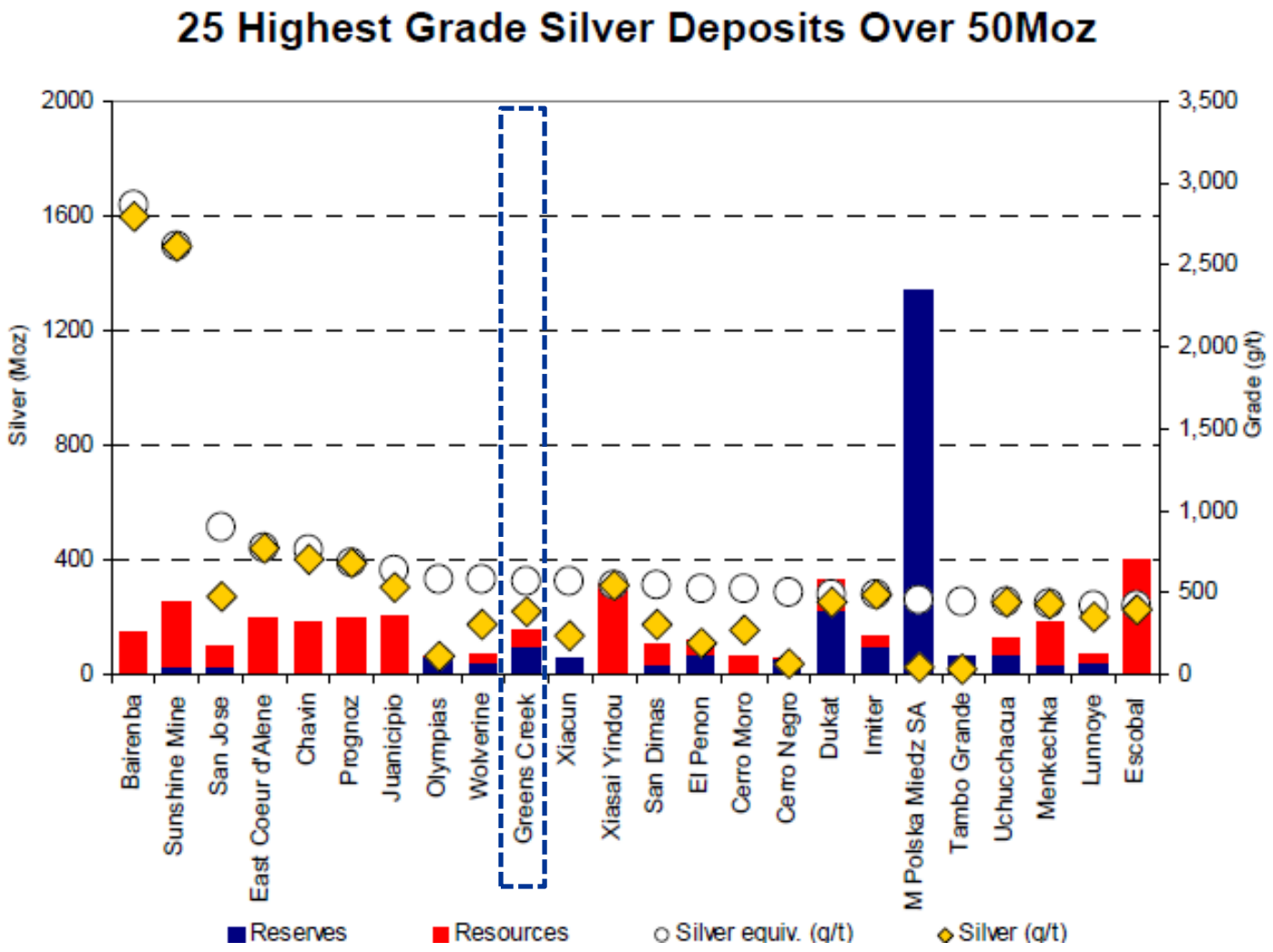
	Three Months Ended June 30,	
	2013	**2012**
Net Income	**$ (24,858)**	$ 2,524
Plus: Interest expense, net of amount capitalized	**6,454**	505
Plus/(Less): Income taxes	**(6,795)**	693
Plus: Depreciation, depletion, and amortization	**20,123**	11,530
Plus: Exploration expense	**6,221**	7,146
Plus: Pre-development expense	**4,512**	3,471
Plus: Aurizon acquisition costs	**20,308**	-
Plus: Aurizon product inventory fair value adjustment	**550**	-
Plus/(Less): Lucky Friday suspension-related costs (income)	**(2,840)**	6,465
Plus/(Less): Interest and other (income) expense	**(685)**	(32)
Less: Gains on derivative contracts	**(6,541)**	(6,171)
Plus/(Less): Provisional price (gains)/losses	**15,095**	1,510
Adjusted EBITDA	**$ 31,544**	$ 27,641

This presentation refers to a non-GAAP measure of Adjusted earnings before interest, taxes, depreciation and amortization ("Adjusted EBITDA"), which is a measure of our operating performance. Adjusted EBITDA is calculated as net income before the following items: interest expense, income tax provision, depreciation, depletion, and amortization expense, exploration expense, predevelopment expense, Aurizon acquisition costs, Lucky Friday suspension-related costs, interest and other income (expense), gains and losses on derivative contracts, and provisional price gains and losses. Management believes that, when presented in conjunction with comparable GAAP measures, Adjusted EBITDA is useful to investors in evaluating our operating performance. The table above reconciles net income to Adjusted EBITDA.

Note: All monetary amounts presented in thousands of dollars.

Appendix 2

Greens Creek - Among the Highest Grade Silver Deposits

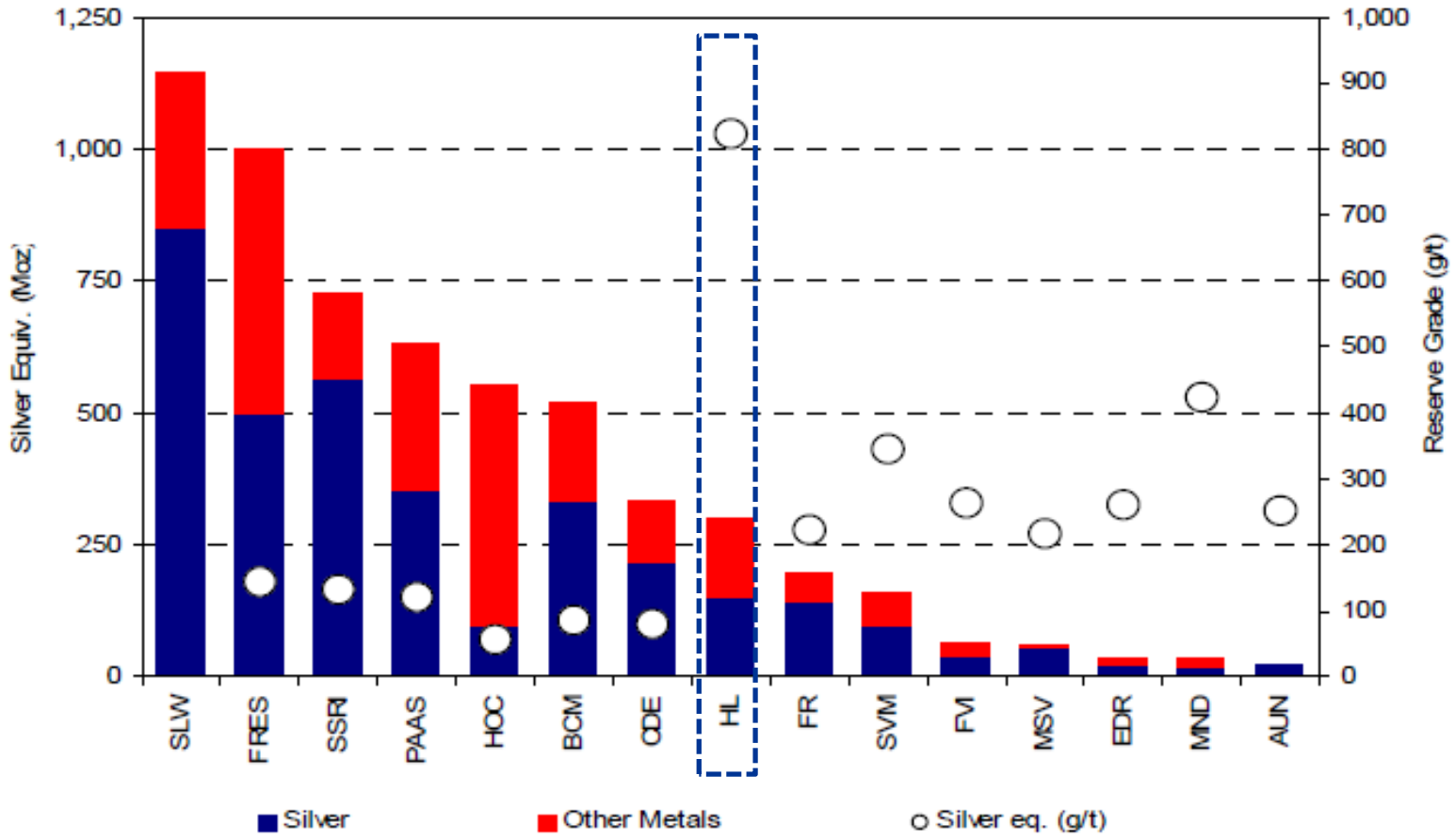


Source: MEG, BMO Capital Markets (09/09/13)

Appendix 2

Higher Silver Reserve Grade Among Peers

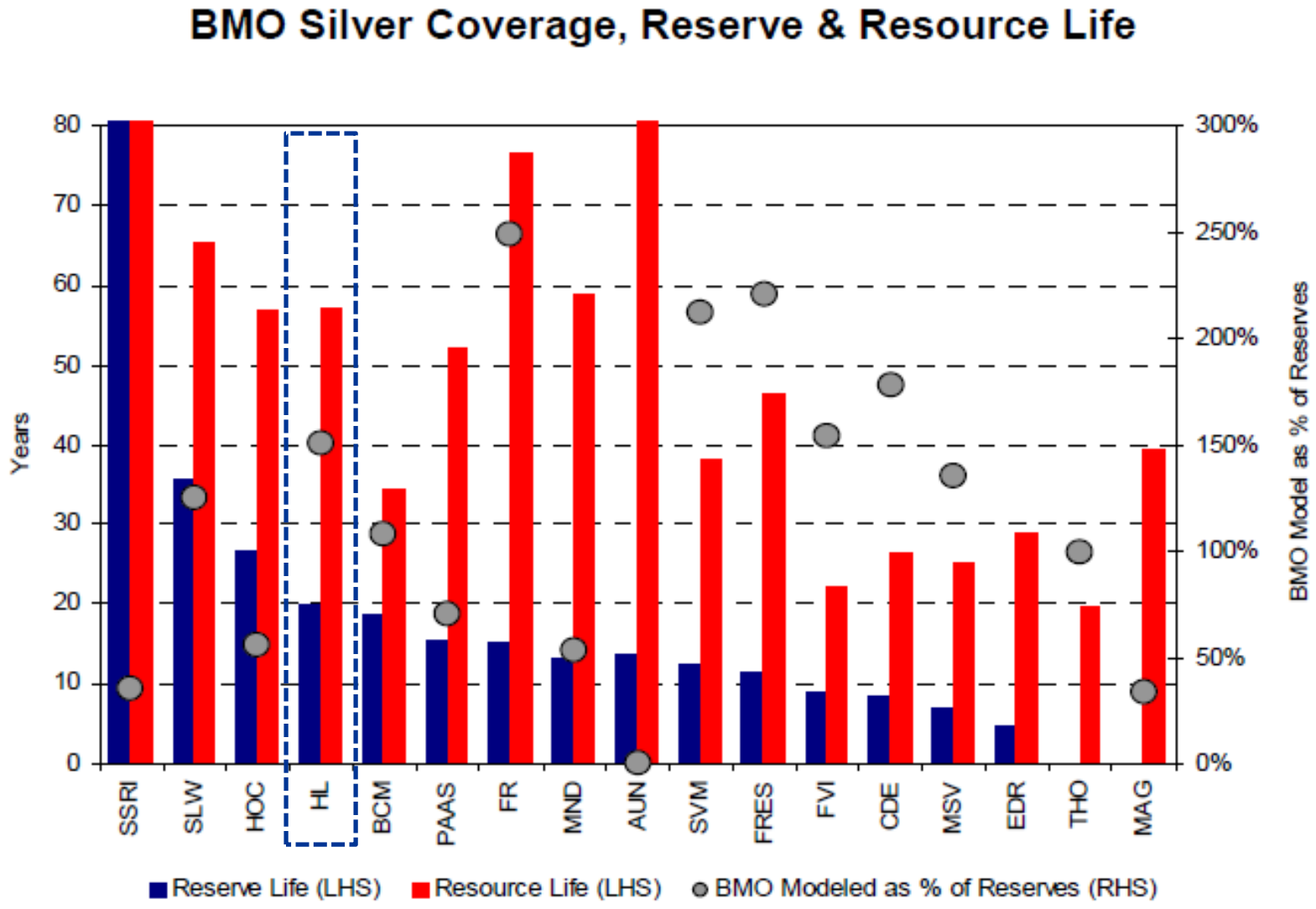
BMO Silver Coverage, Silver Equiv. Reserves vs. Grade



Source: Company Filings, BMO Capital Markets (09/09/13)

Appendix 2

High Grade Long-Life Mines

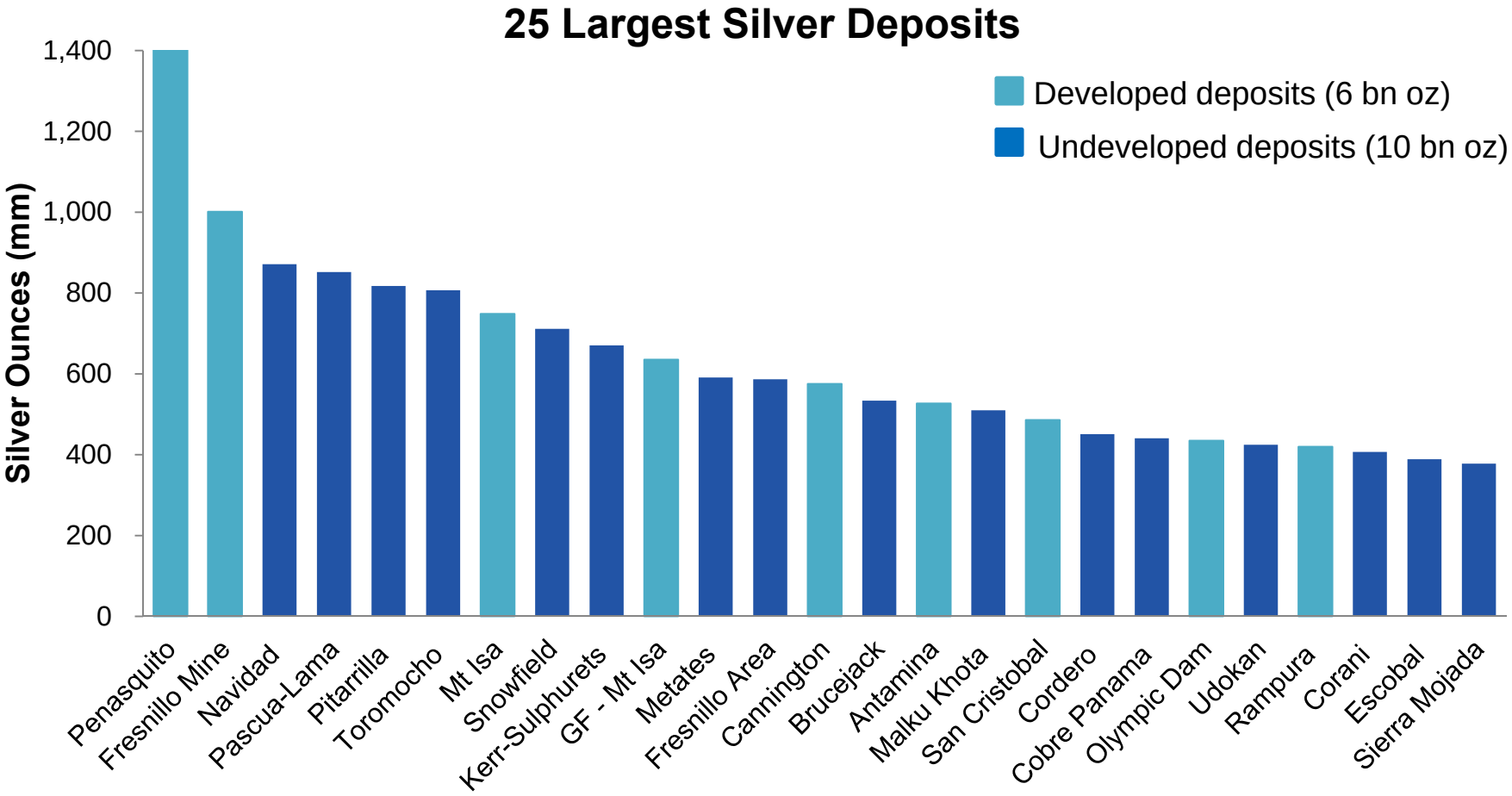


Source: Company Filings, BMO Capital Markets (09/09/13)

Appendix 2

Top 25 Largest Silver Deposits

Most deposits face political risk / large capital requirements

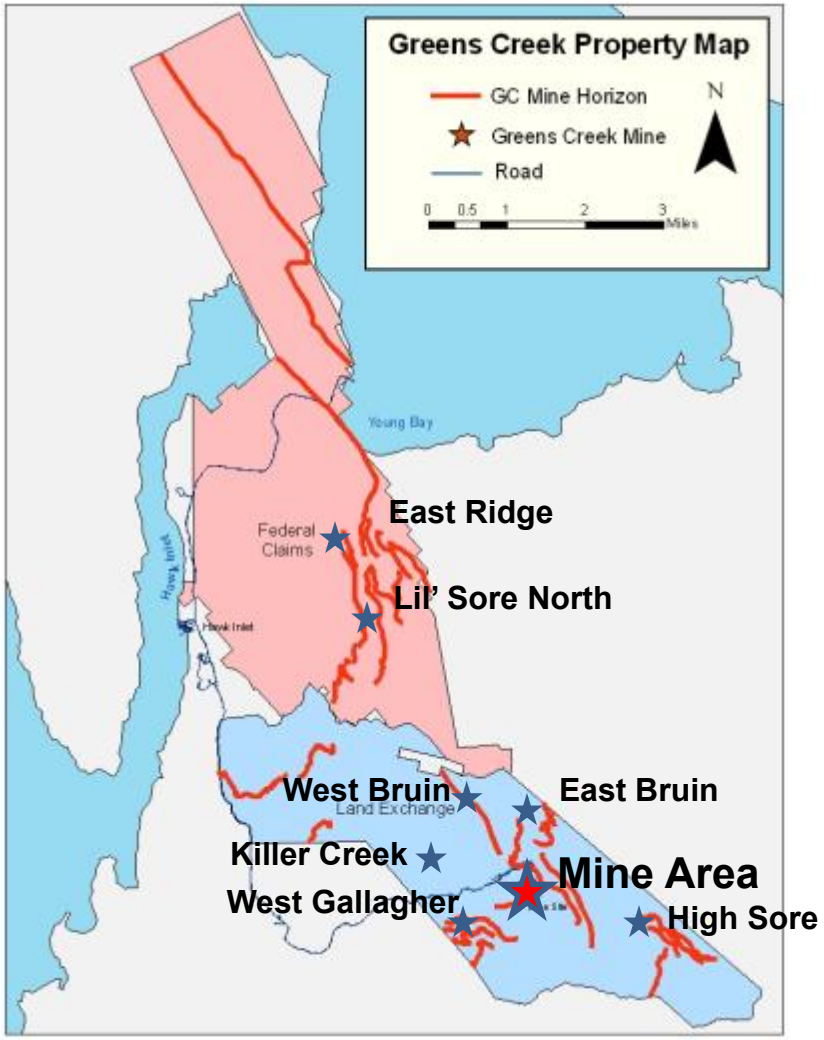


Source: Intierra and public filings; * Data includes reserves & resources

Appendix 3

Organic Growth - Greens Creek (Alaska)

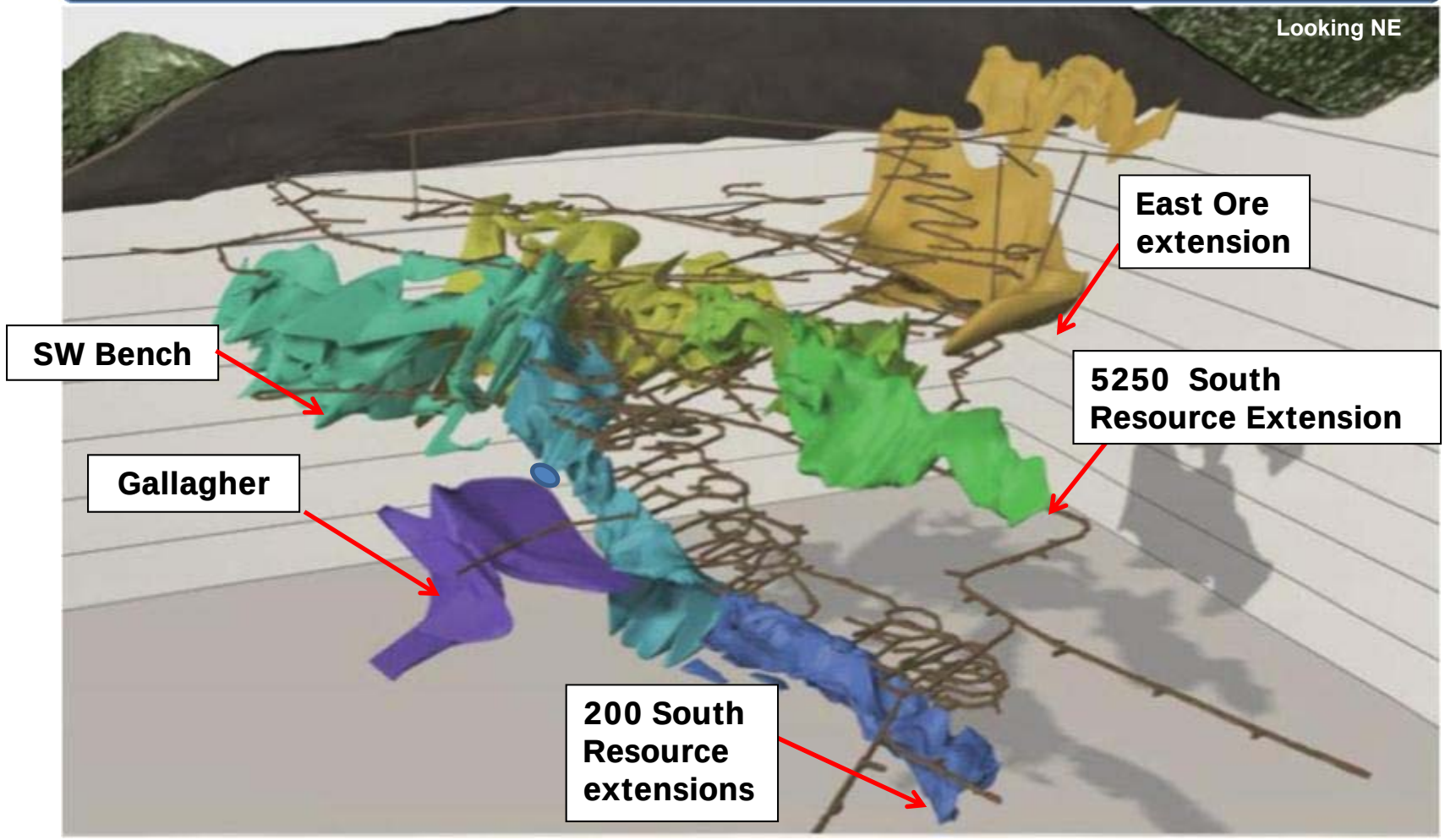
- Very large and under-explored 27-square-mile land position
- Over 30 miles of unexplored mine contact (red-trace) with multiple targets
- Surface exploration only resumed in 1999 due to establishment of Land Exchange



Appendix 3

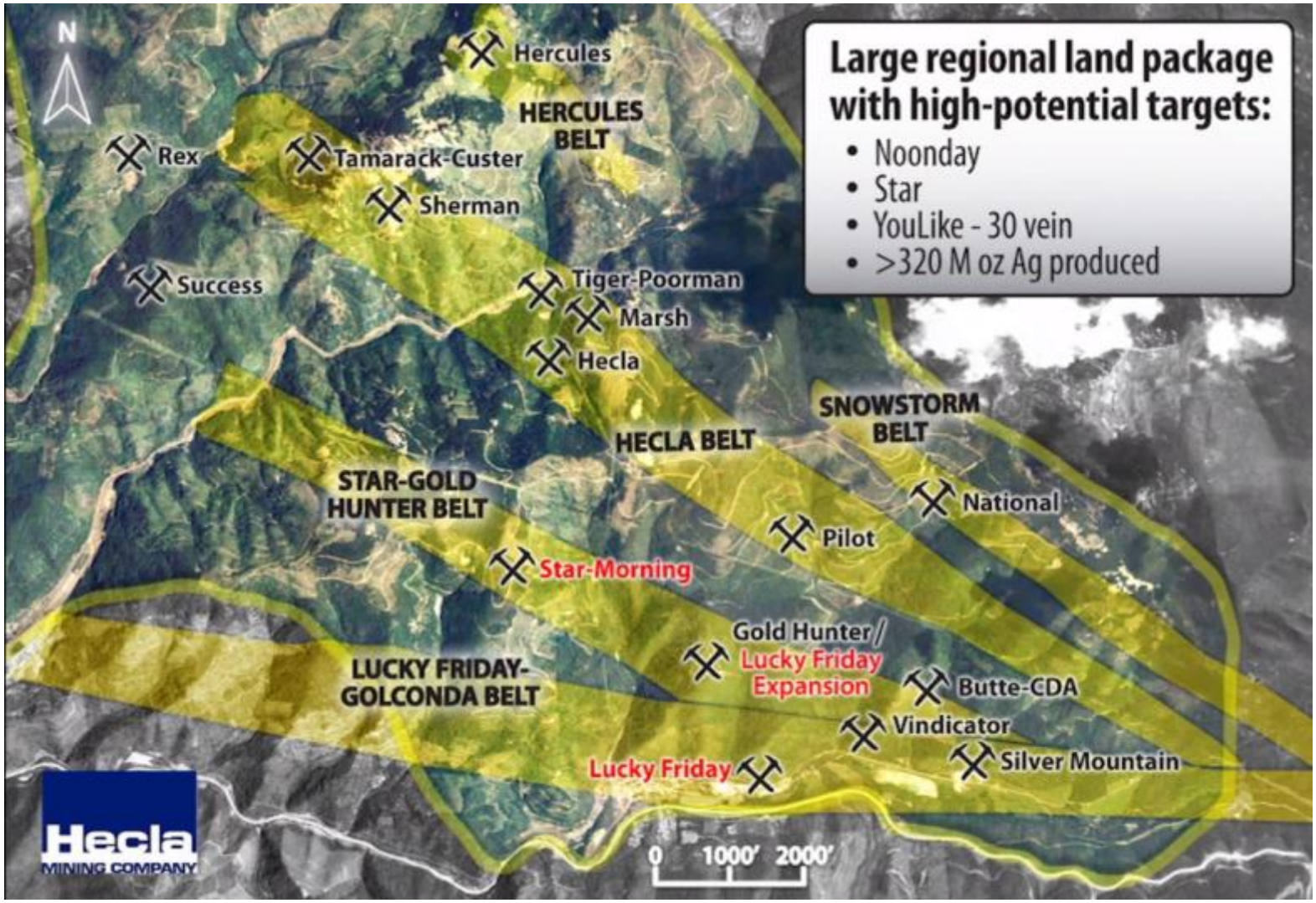
Exploration - Greens Creek (Alaska)

Underground Exploration Targets



Appendix 3

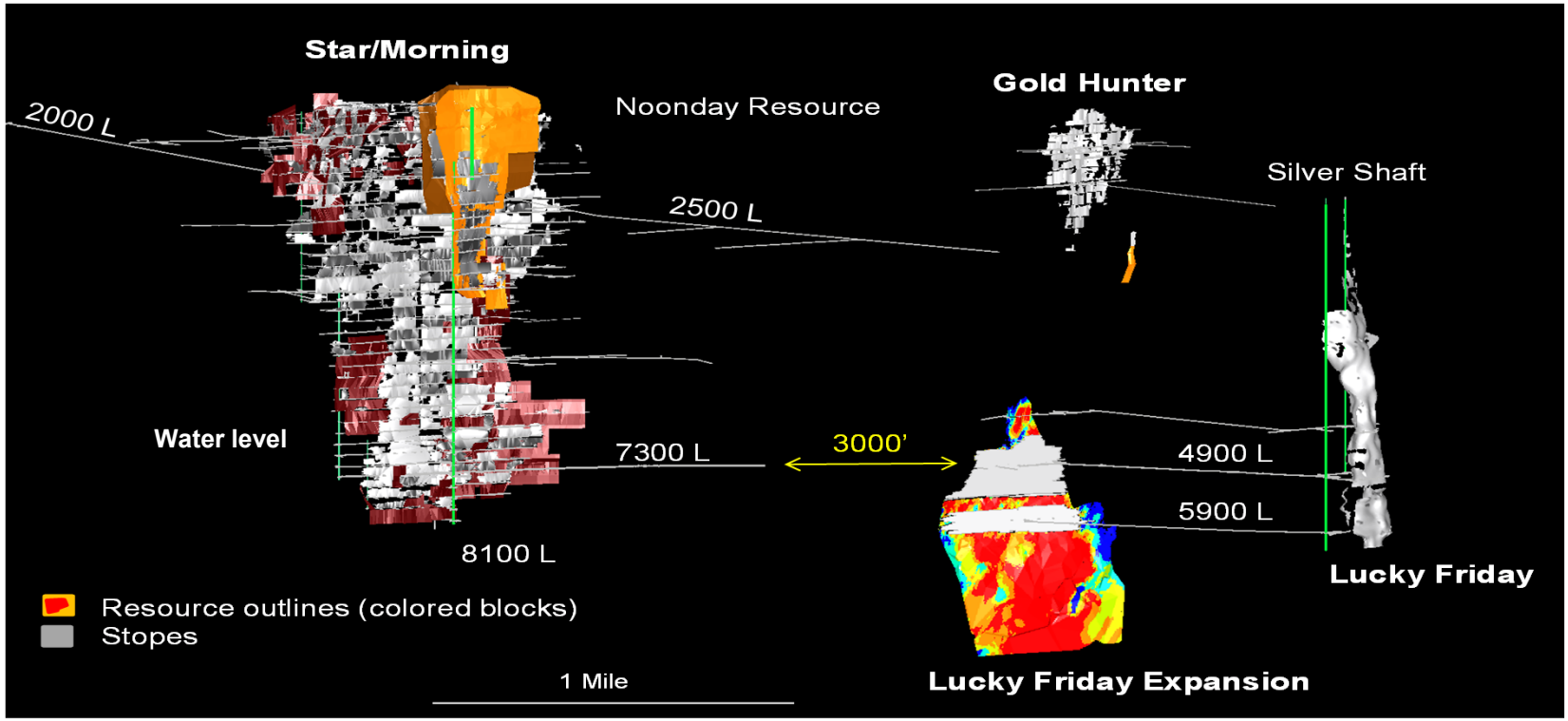
Lucky Friday & Silver Valley - Exploration



Appendix 3

Organic Growth - Star Pre-Development (Idaho)

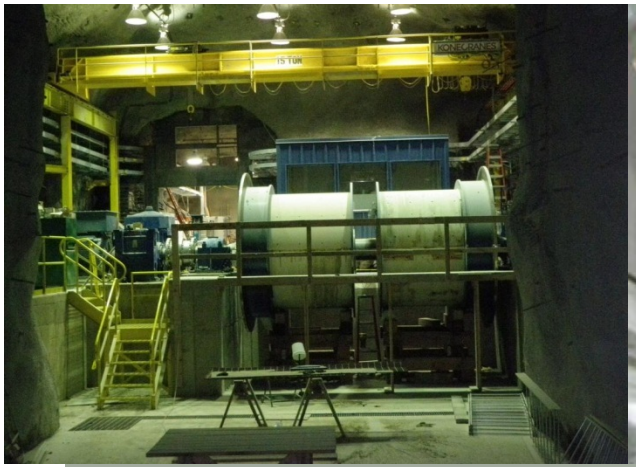
Longitudinal Section Looking North



Appendix 3

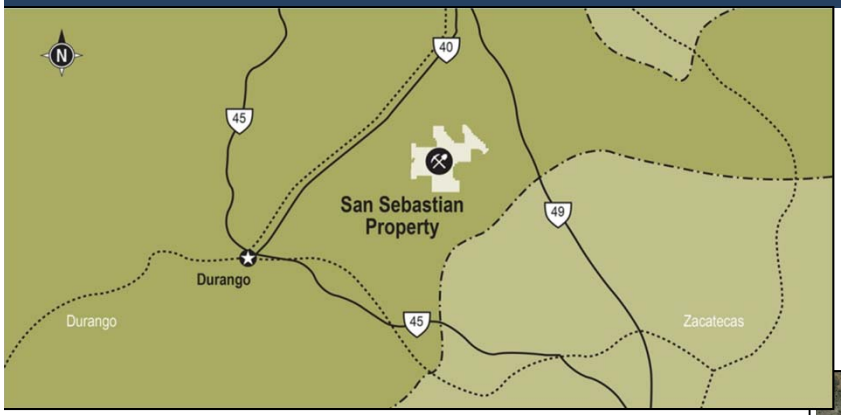
Lucky Friday - #4 Shaft

- #4 Shaft construction resumed in Q1/13 - focus on shaft sinking & station development activities
- Total project is 40% complete and 80% of major procurements have been ordered or installed
- Total project capital is expected to be approximately $200 million

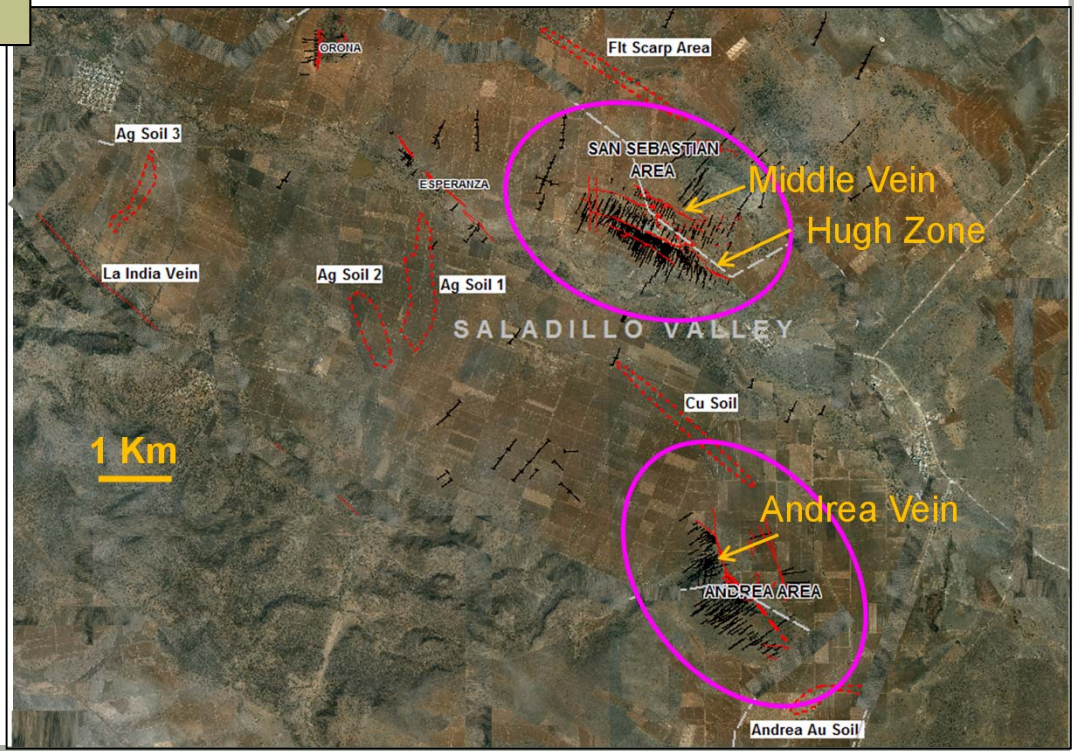
Hoist Room	Shaft	Sheave Deck
		

Appendix 3

Organic Growth - San Sebastian (Mexico)



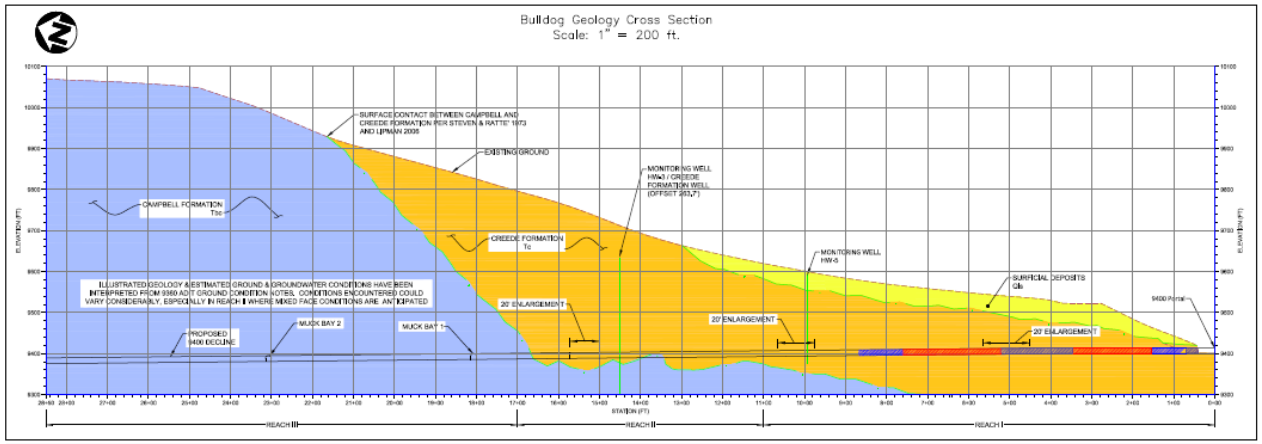
- 185-square-mile land package
- Potential extensions to both Middle Vein and Hugh Zone structures
- Andrea Vein remains open along strike and at depth

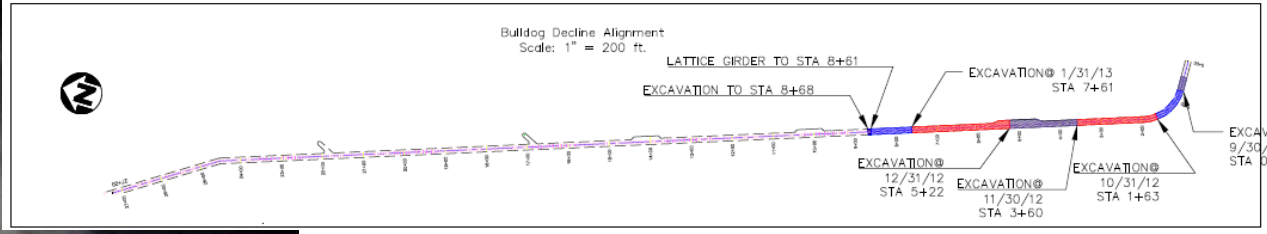


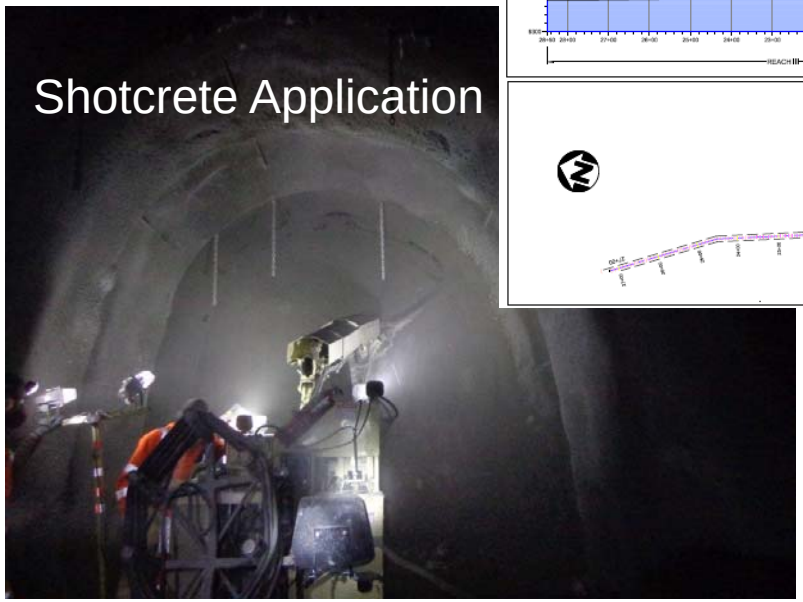
Appendix 3

Delivering Growth - San Juan Silver (Colorado)

Advance of the Bulldog Decline



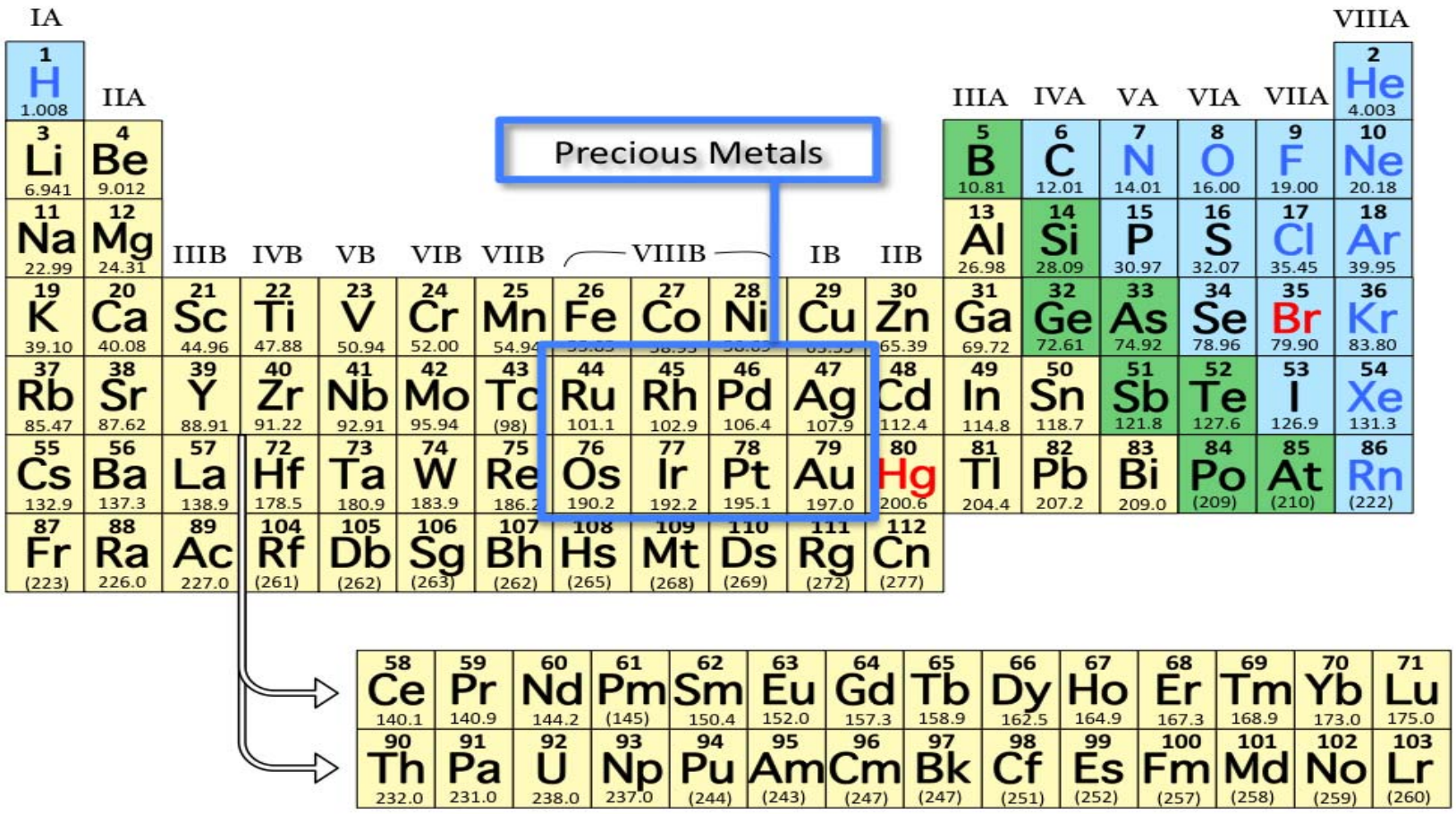




- Bulldog underground infrastructure now advanced over 2,000 feet
- Completion expected in Q4 2013

Appendix 4

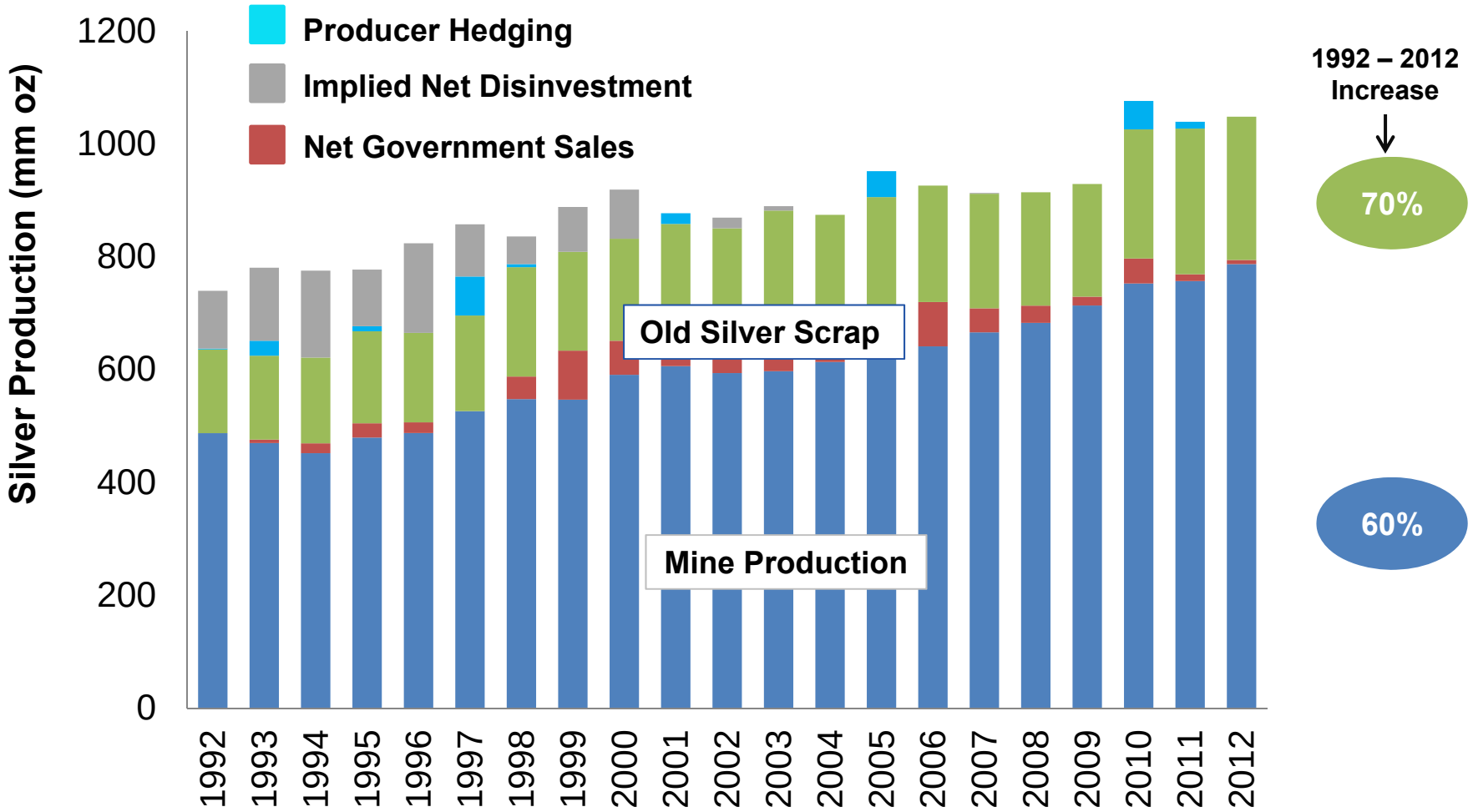
Properties of Silver



 Source – Clear Science 2010

Appendix 4

Mine Production is Key to Silver Supply

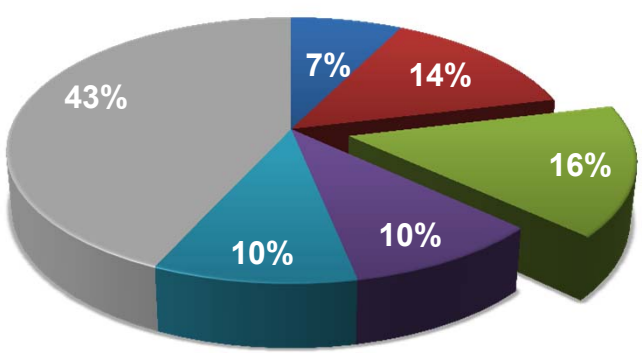


 Source - GFMS

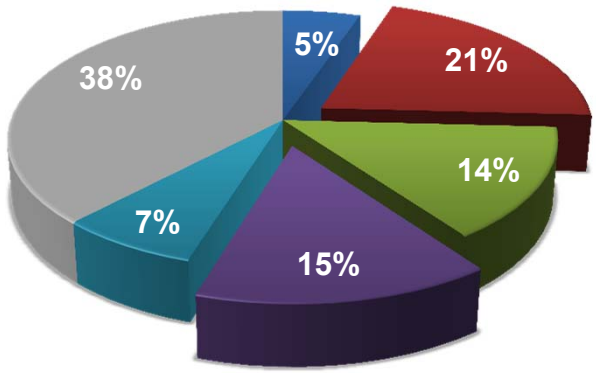
Appendix 4

Top 5 Producing Countries (10 years)

- Mining produced a total of 597.2 mm oz of silver globally in 2003 and nearly 787.0 mm oz in 2012.
- Mexico became the largest single country producer in 2010 and produced 162.2 mm oz in 2012.



2003



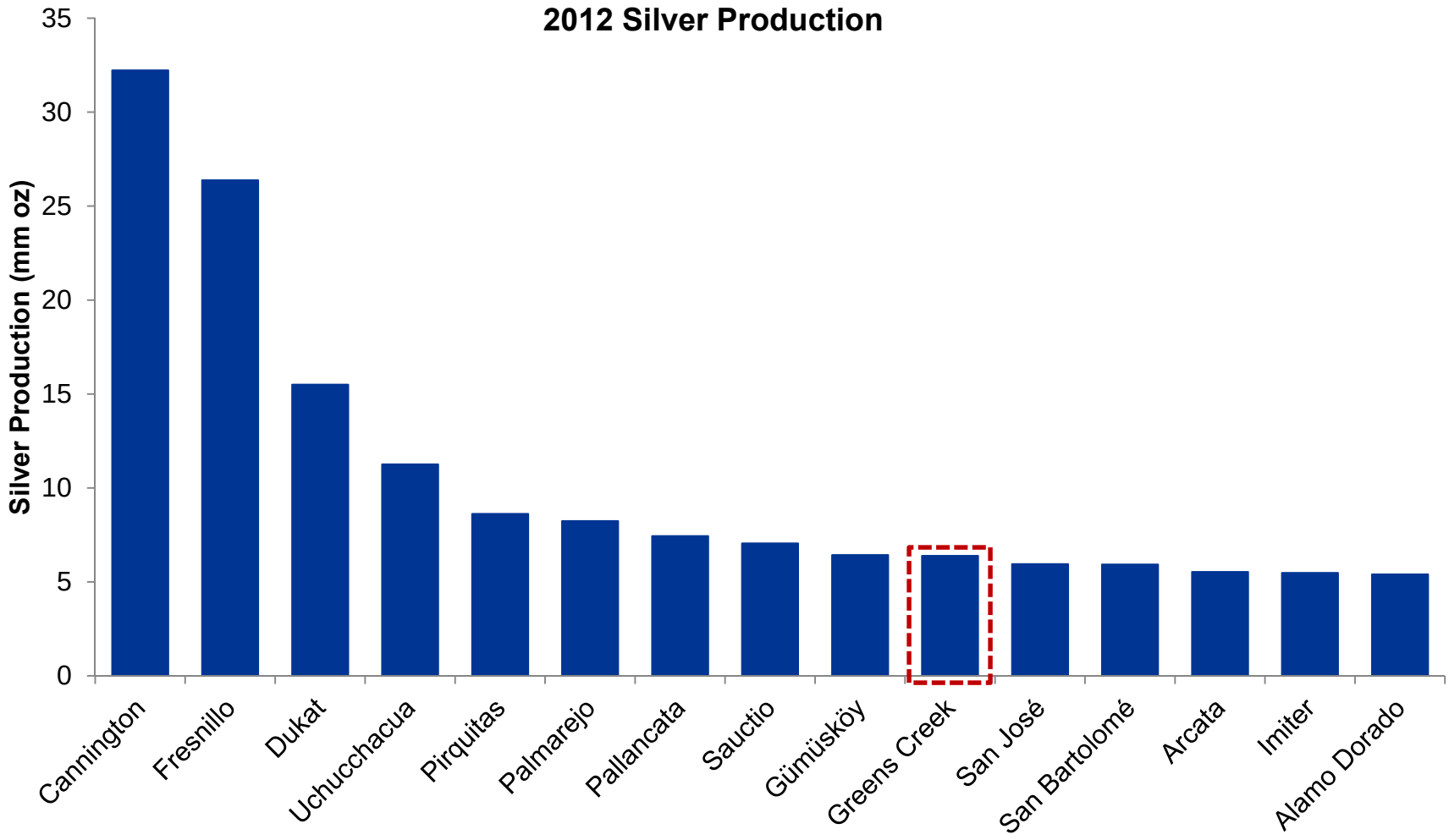
2012

Poland Mexico Peru China Australia Other

 Source: The Silver Institute: World Silver Survey 2012, GFMS, Hecla

Appendix 4

Top 15 Mines Produced 152 mm oz

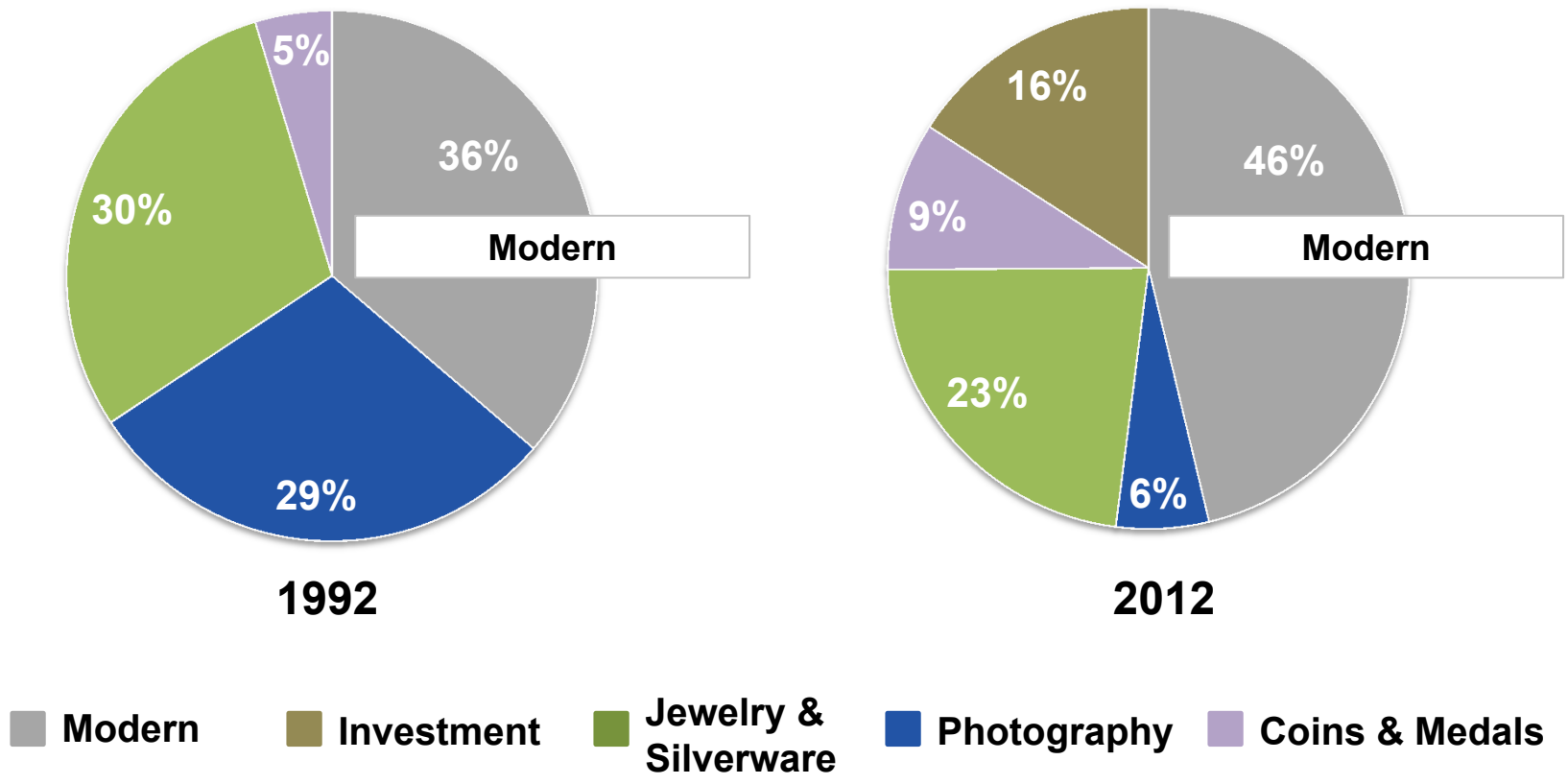


Source: The Silver Institute: World Silver Survey 2012, GFMS, Hecla

Appendix 4

Increasing Share of Modern Demand

- Modern demand increased from 260 mm oz in 1992 to 465 mm oz in 2012, an increase of 80%, and an annualized increase of 3.0%



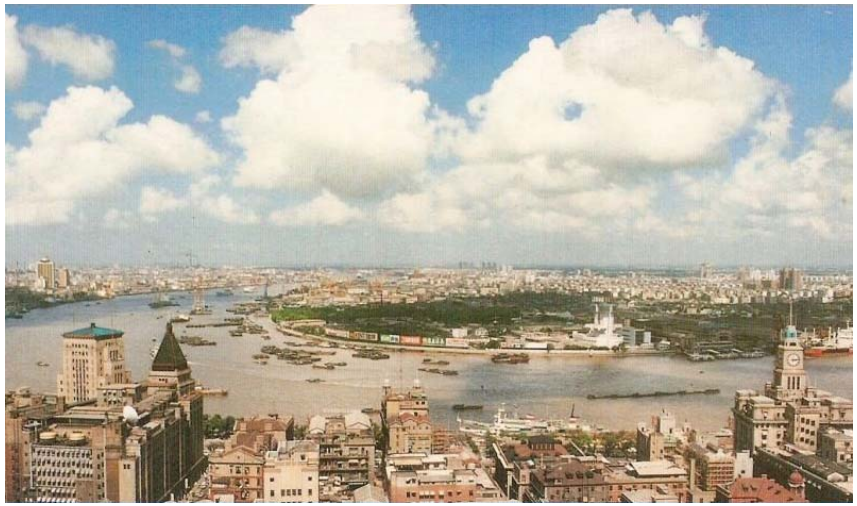
 Source - GFMS

Appendix 4

Silver is a Lifestyle Metal

Shanghai, China

1990



2010

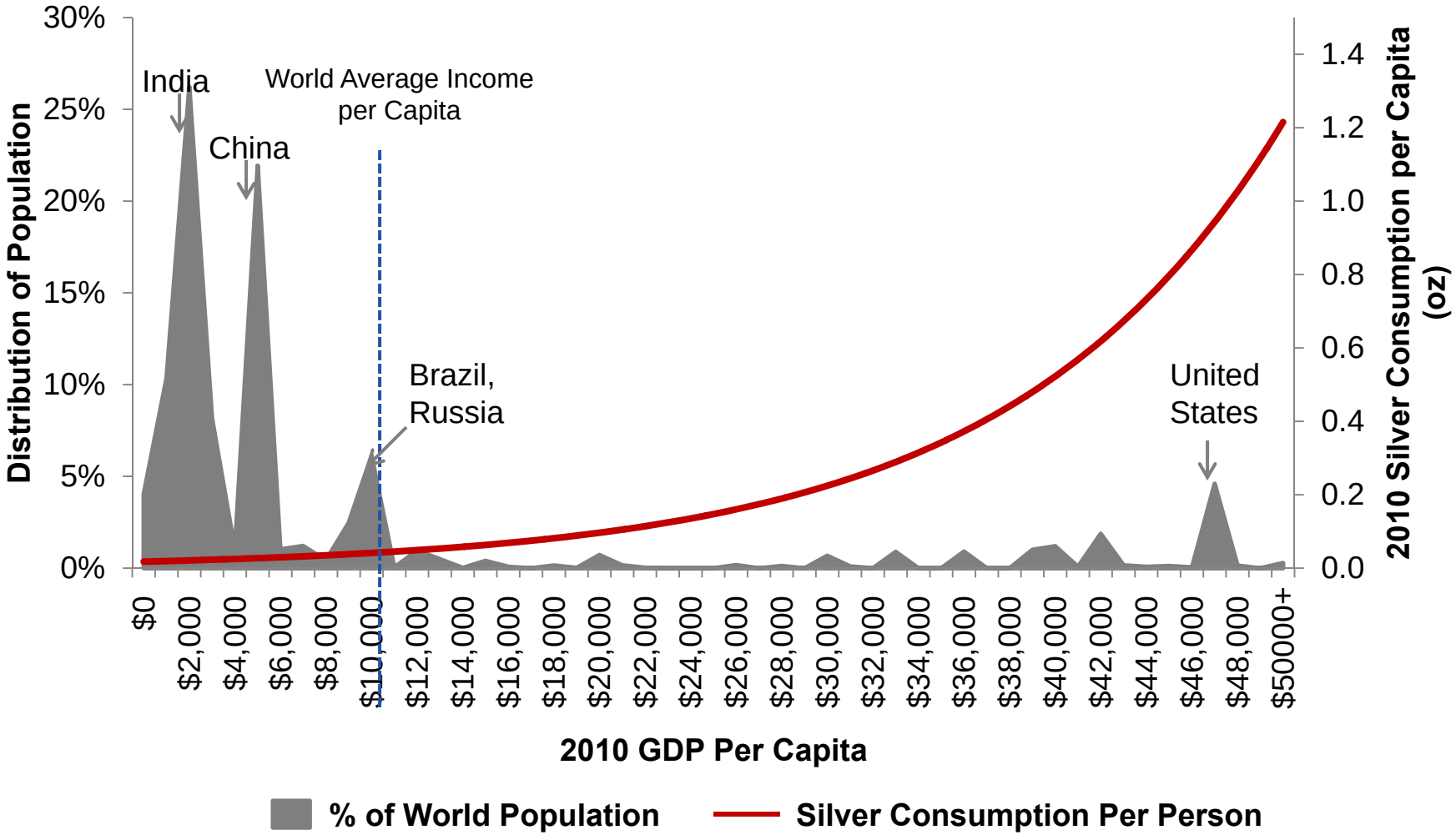


- Silver is not an infrastructure material such as cement, steel, copper; its use is further downstream and is partly tied to discretionary spending
- We expect Chinese modern demand to increase to approximately 120 mm oz by 2015, assuming an annual growth of 9.8% (based on historical 20 year annualized growth rate)

 Pictures from *twistedsifter.com*

Appendix 4

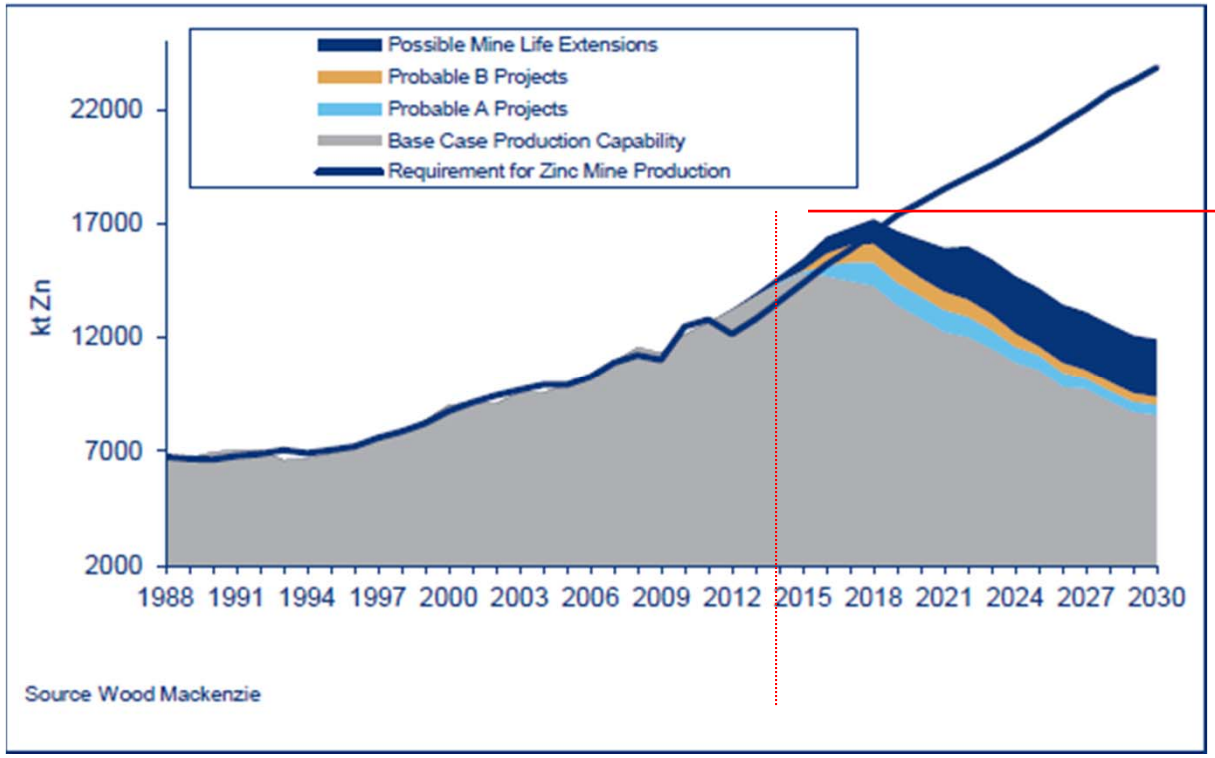
Modern Silver Demand Increases with Increasing Income



Appendix 5

Zinc Supply - Mining

- Forecasted mine production vs. forecasted market demand
- Demand is expected to exceed mine production around 2018



Major Mine Shutdowns

Mine	Annual Capacity (MT)
Perseverance	115K
Brunswick	240K
Century	510K
Lisheen	175K

Source: Wood Mackenzie June 2013