



Silver Summit
Top 10 Reasons to Invest in Hecla

October 24, 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 as of June 30, 2013
- ✓ Net Debt/EBITDA < 3x
- ✓ Settled legacy liabilities and rehabilitated major mine
- ✓ Reducing expenditures to manage EBITDA in current metals environment

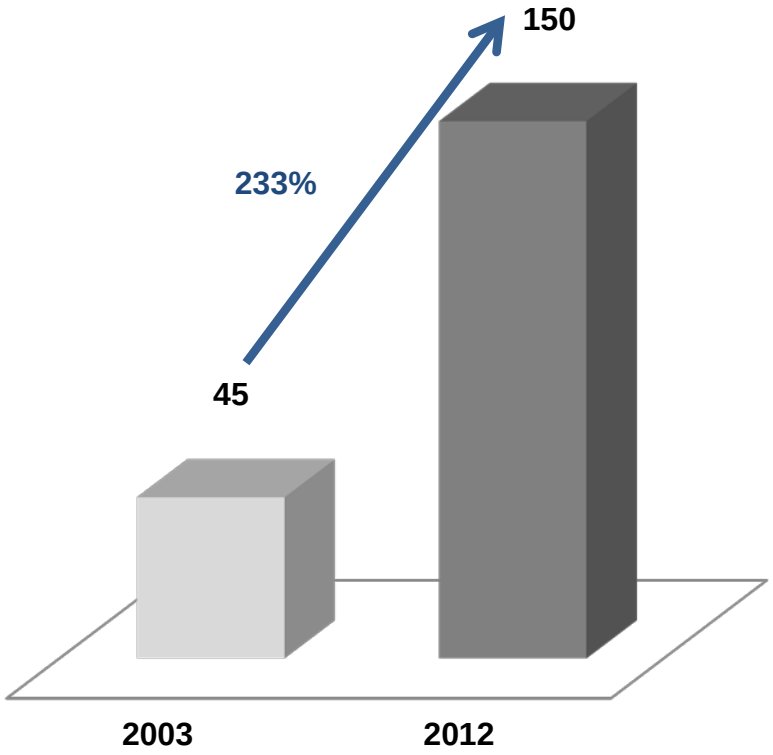
Value Creation

- ✓ Silver and gold miner for 122 years
- ✓ 2 major acquisitions in the past 6 years
- ✓ 3 long life (10yrs+), low-cost mines
- ✓ Stable, low-risk mining jurisdictions
- ✓ Growing gold and silver production and reducing costs

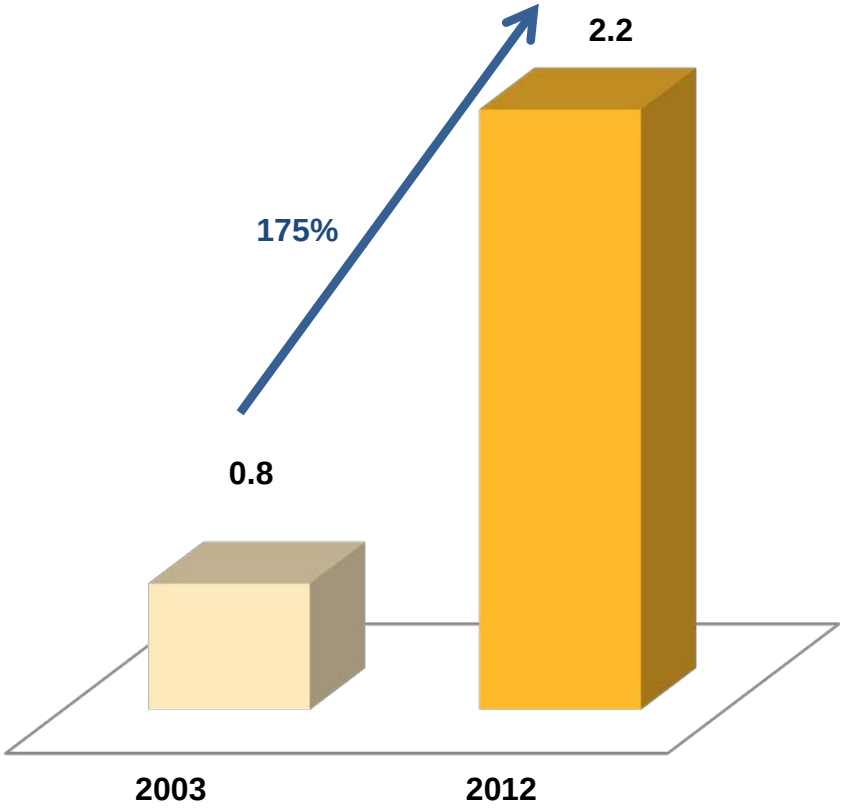
Reason #10:
Growing reserves and production

Reserve Growth 2003 - 2012[1]

Silver ounces (millions)



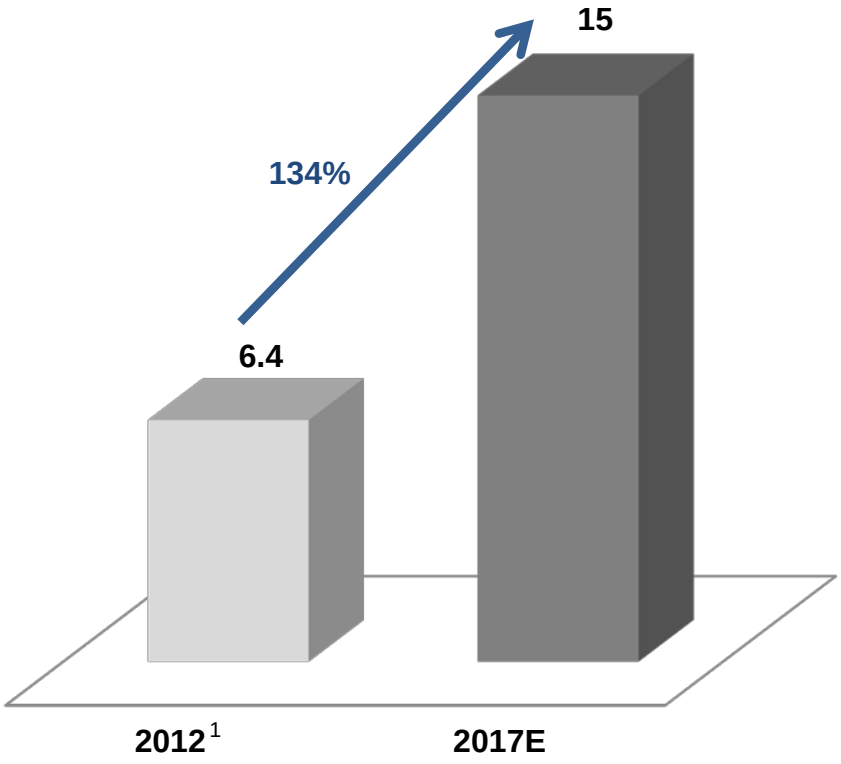
Gold ounces (millions)[2]



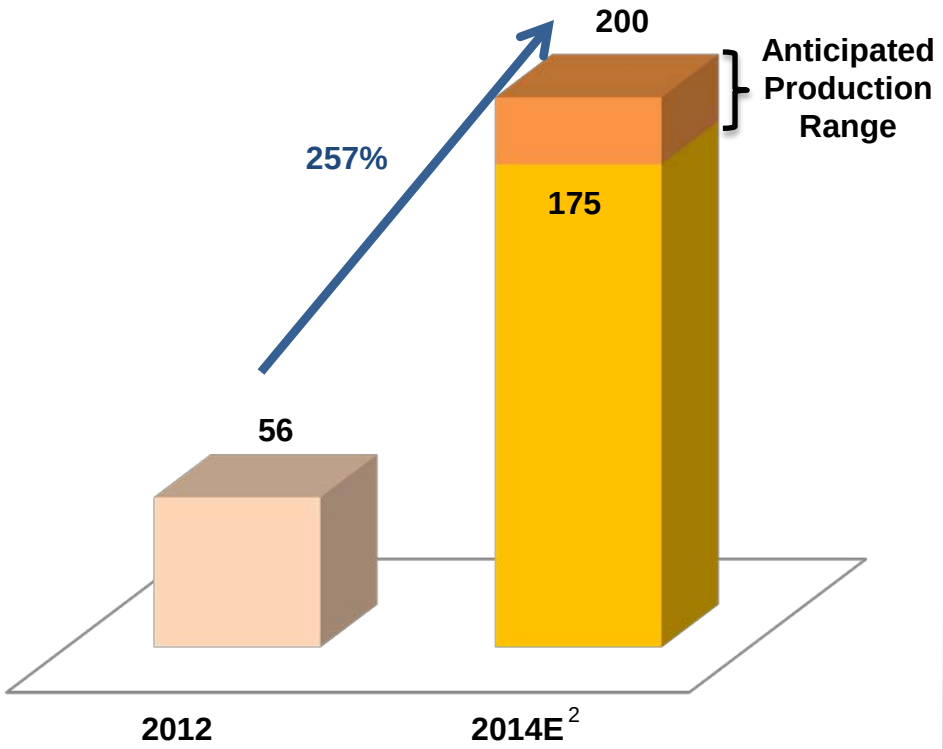
1. See Proven and Probable reserves data in the Appendix.
2. Includes Casa Berardi's reserves for 2012.

Strong, Disciplined Production Growth Anticipated

Silver ounces (millions)



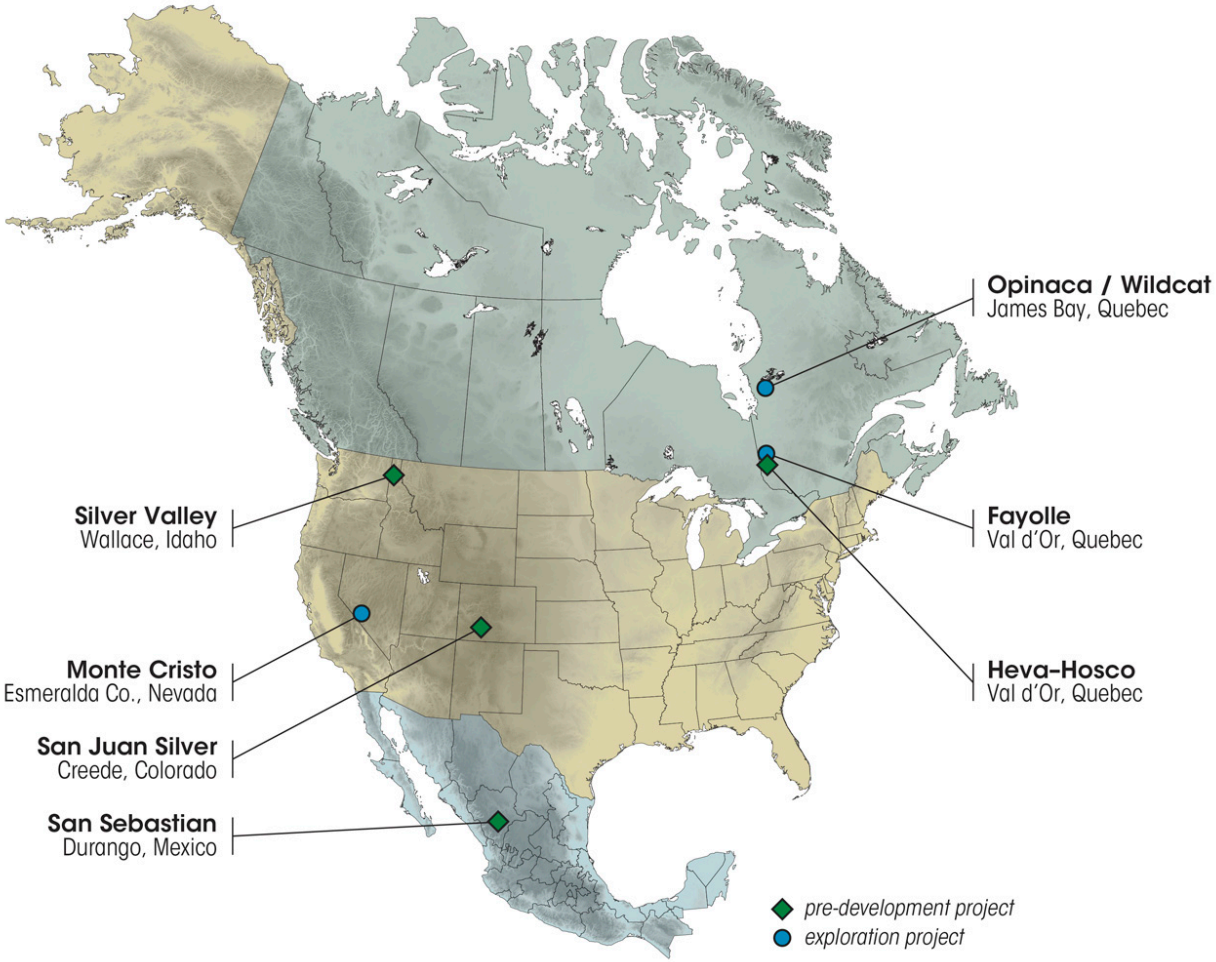
Gold ounces (thousands)



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.

North American Exploration Portfolio

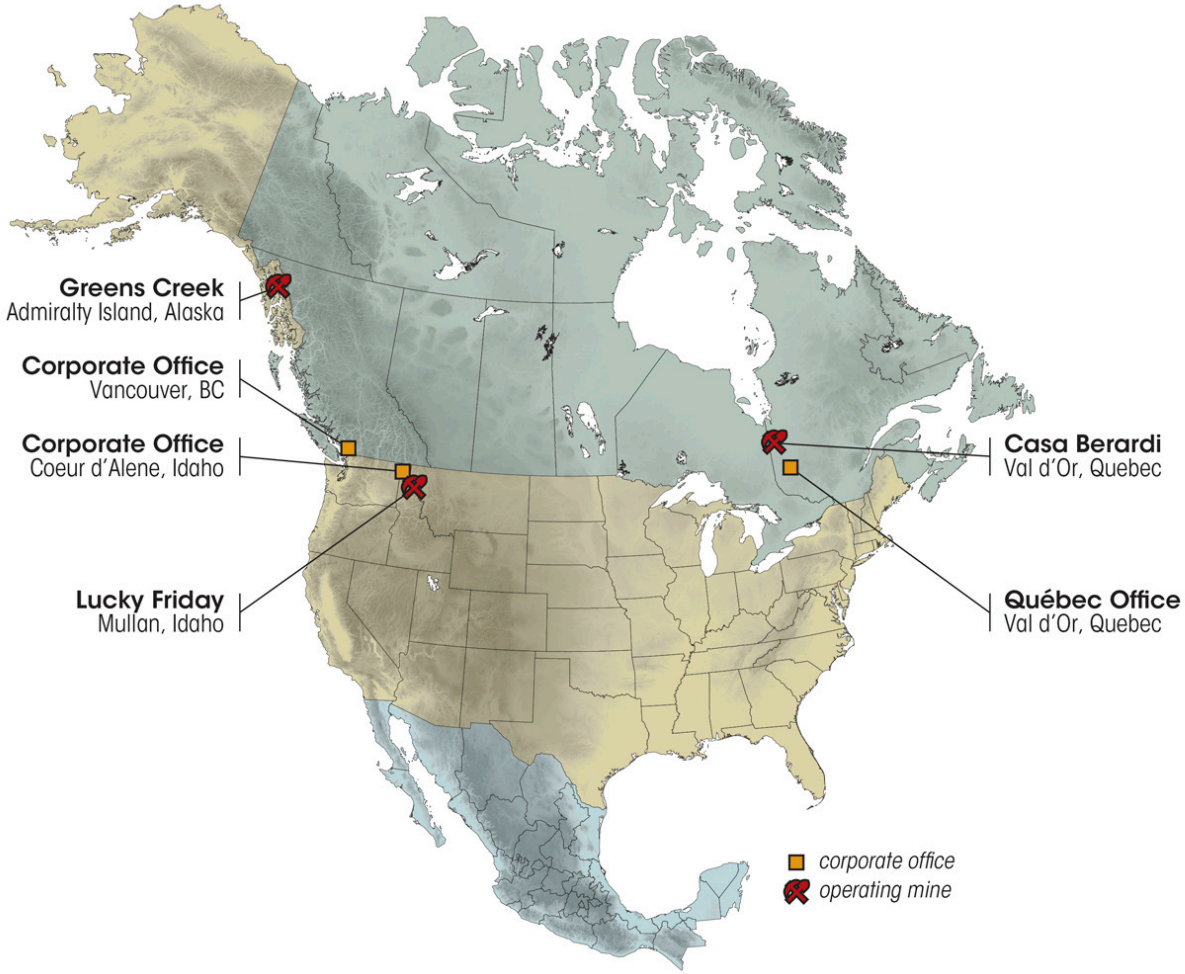
All projects in lower-risk, mining-friendly jurisdictions



Reason #9:
3 Mines in low political risk jurisdictions

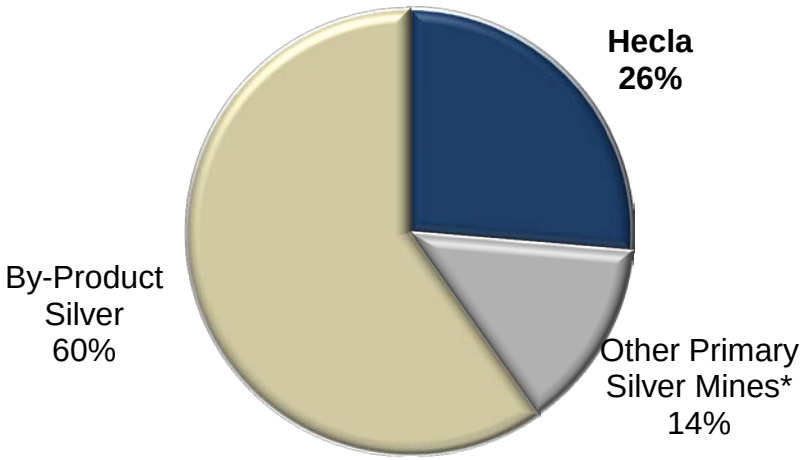
North American Mine Production

All operations in lower-risk, mining-friendly jurisdictions



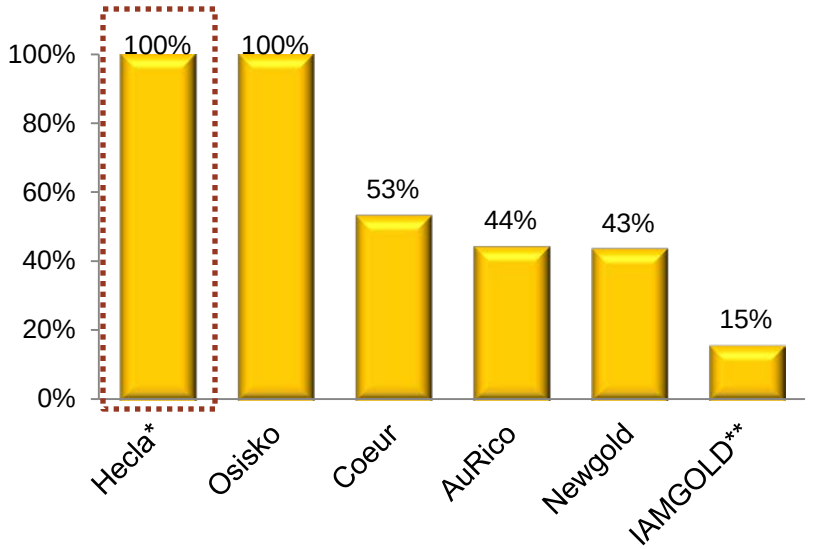
Quality Silver and Gold Production in Low-Risk Jurisdictions

% Silver Production in U.S. for 2011



Total Silver Production in U.S. in 2011 – 36 Moz

% Gold Production in U.S. & Canada



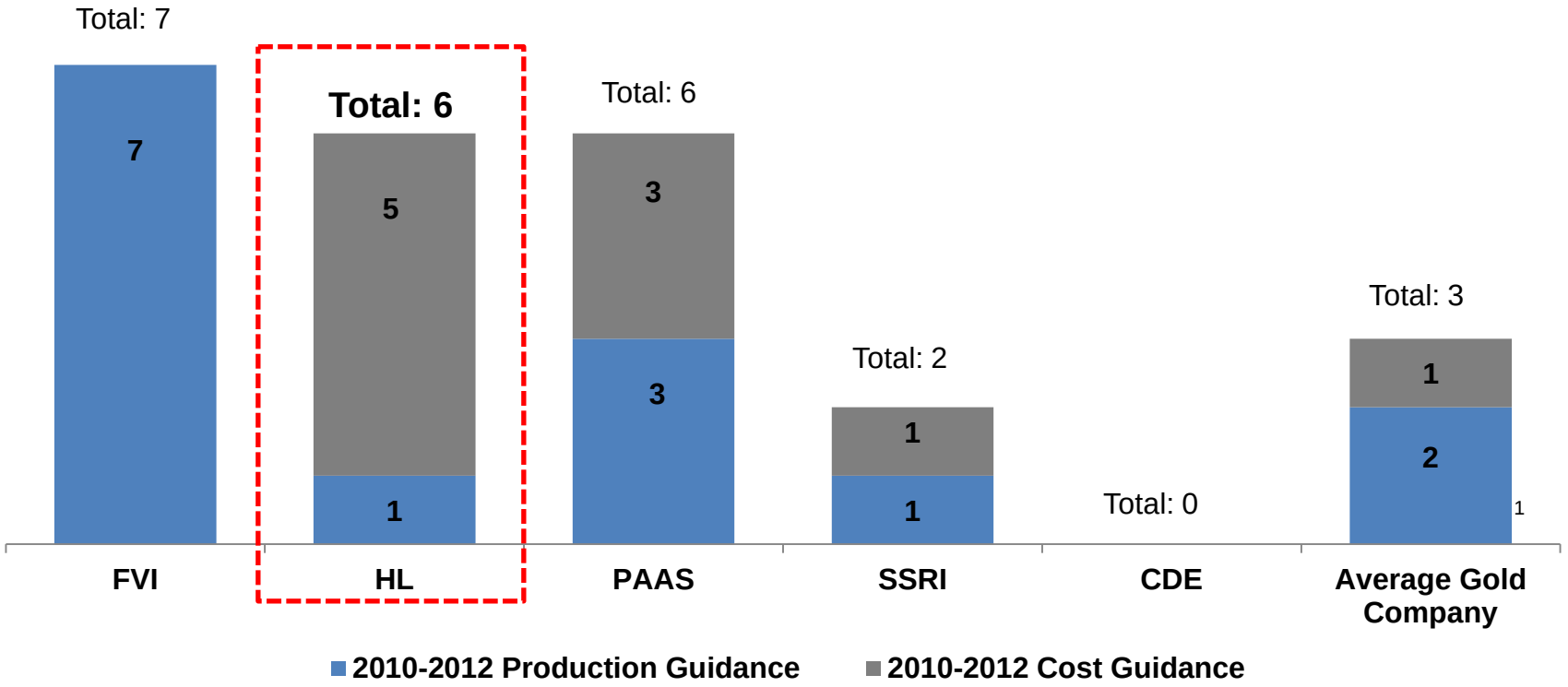
* Primary Silver Mines include: Rochester (Coeur), Galena (U.S. Silver and Gold), Troy (Revett)

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

Reason #8:
A good record of meeting guidance

Consistent & Predictable Performance

Scotia's Analysis of Silver Company Operating Performance 2010-2012



1. Gold companies include: NGD, BTO, SMF, AR, ASR, AGI, ANV, CG, TGZ, AUQ, RIO, DPM, P, GSS, TMM, OSK
2. Source: Scotiabank, September 2013
3. Score guide: Beat by >10% = 3 points, Beat = 2 points, Met guidance = 1 point, Missed = 0, Missed by >10% = -1 point

Reason #7:
Settled legacy liabilities
&
Rehabilitated major mine

Clearing the Path Forward

Settled Legacy Liabilities

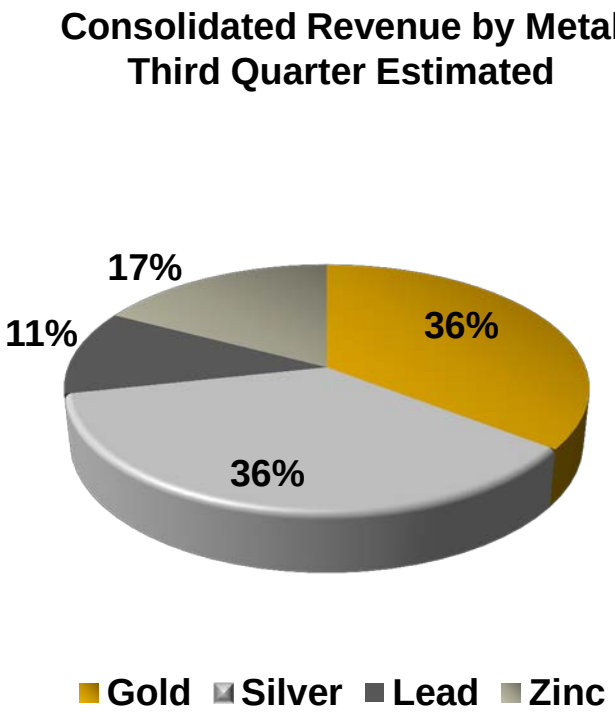
- ✓ Settled environmental liability in the Coeur d'Alene River Basin from mining practices ending over 50 years ago
- ✓ $116 million payments made to date (net of tax benefit)
- ✓ Payments remaining of $9 and $34 million (net of tax benefit) in 2013 and 2014 (expected to be covered by warrants)
- ✓ Removes unquantifiable liability making acquisitions possible (Aurizon)

Rehabilitated Lucky Friday

- ✓ Mine has operated for over 70 years in the Silver Valley, Idaho
- ✓ Mine was shut down and fully rehabilitated during 2012
- ✓ Re-opened in Q1/13, all stopes back in operation
- ✓ Expected to ramp up to approximately 5 million ounces in 2017
- ✓ Current mine life in excess of 25 years, excellent opportunity to expand resource

Reason #6:
Diversified revenue stream

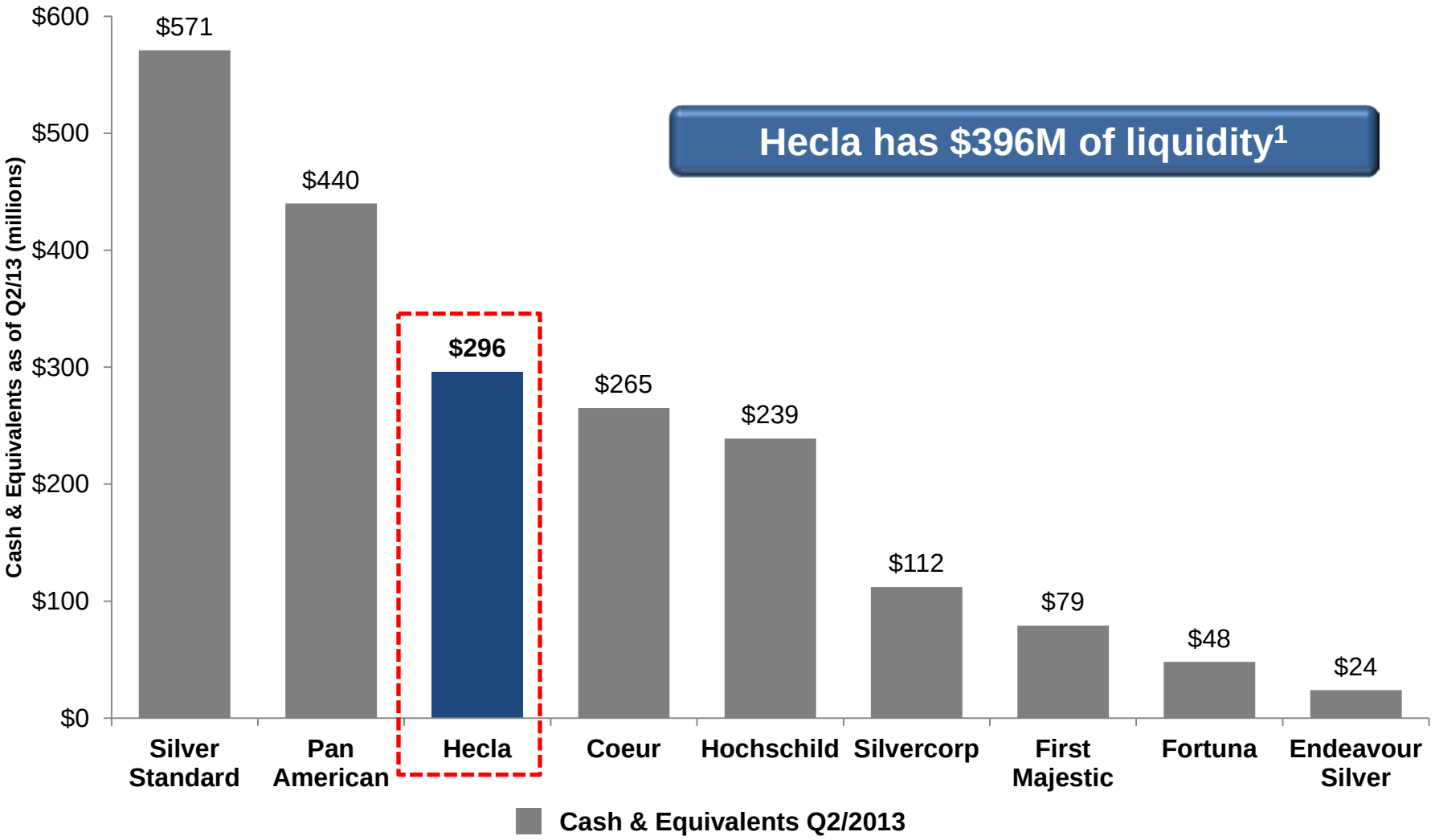
Diversified Revenue: Silver, Gold, Lead and Zinc



- Diversified revenue stream (silver, gold, lead and zinc) from 3 mines
- Policy allows hedging of 60% of the next 3 years of lead and zinc production
- Currently have ~$300 million sold, or about 1 year of operating expenses
- Locking in revenue for all metals when concentrate shipped beginning Q3
- **NO LONG TERM HEDGING OF GOLD AND SILVER!**

Reason #5:
Strong Financial Position

Strong Cash Position



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

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

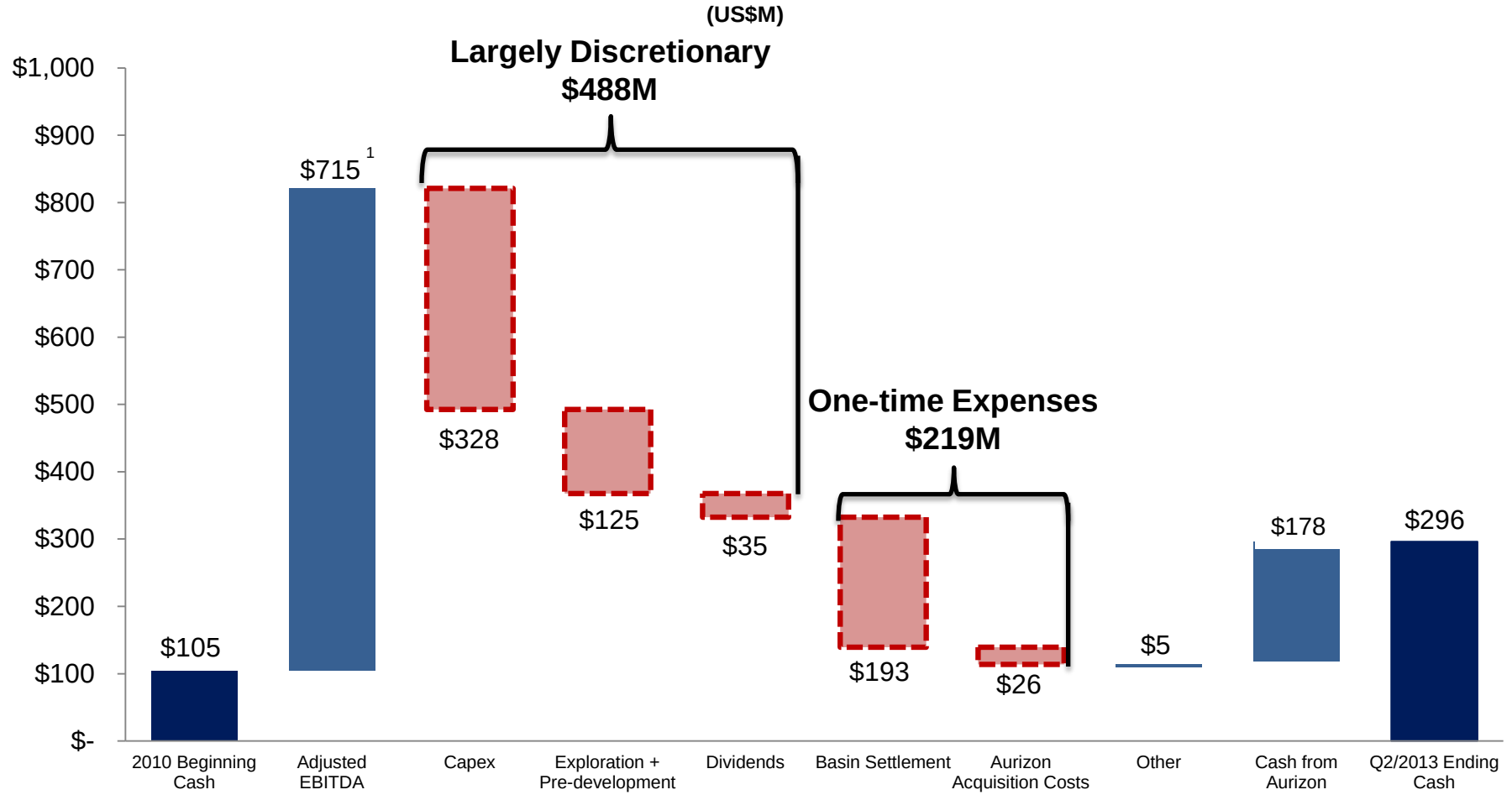
1. In millions

Source: Company Reports

Reason #4:
Strong cash flow flexibility

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

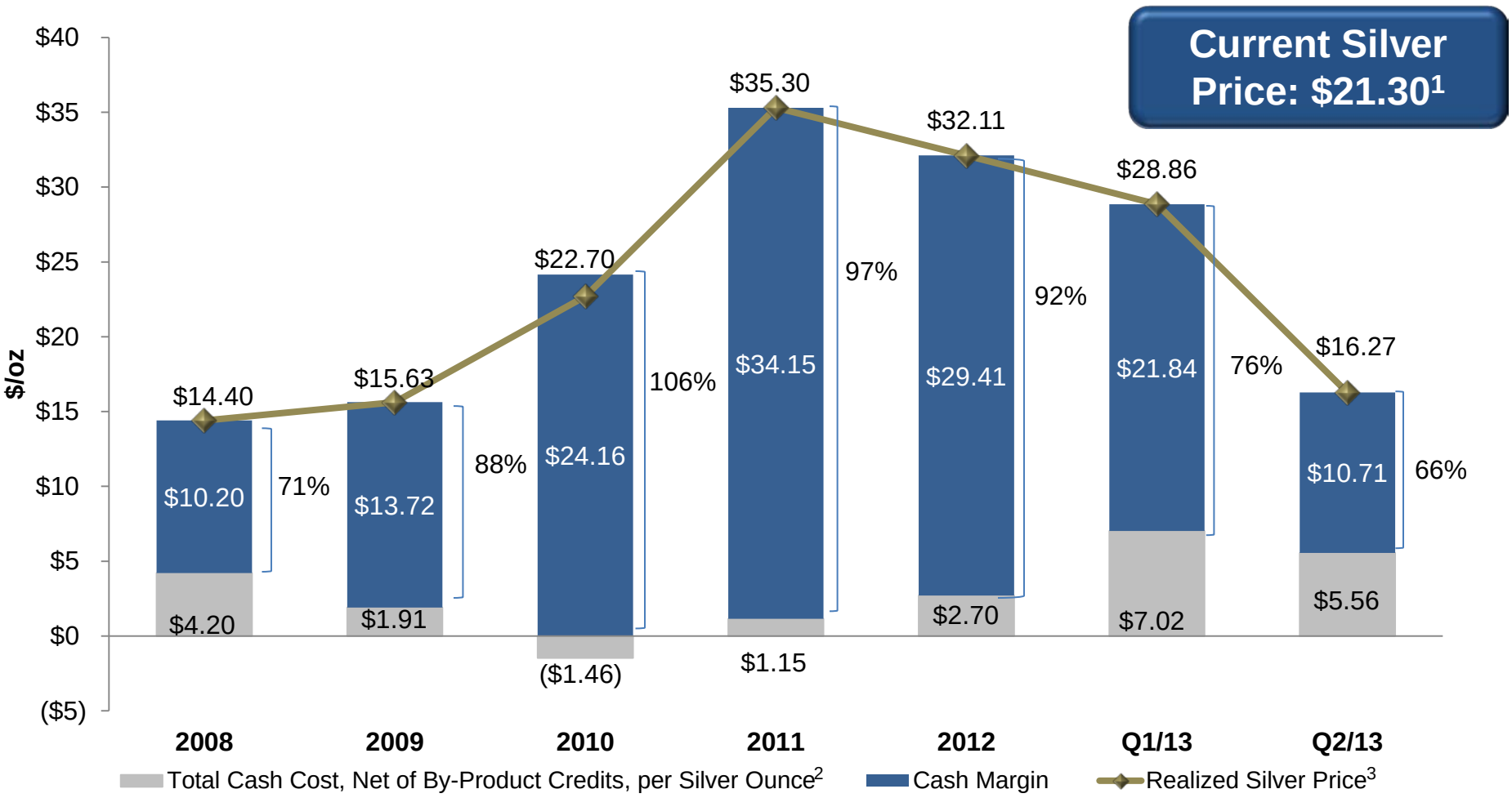
Response to Metals Price Weakness

- 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

Reason #3:
Low cost producer with strong margins

Continued Strong Margins



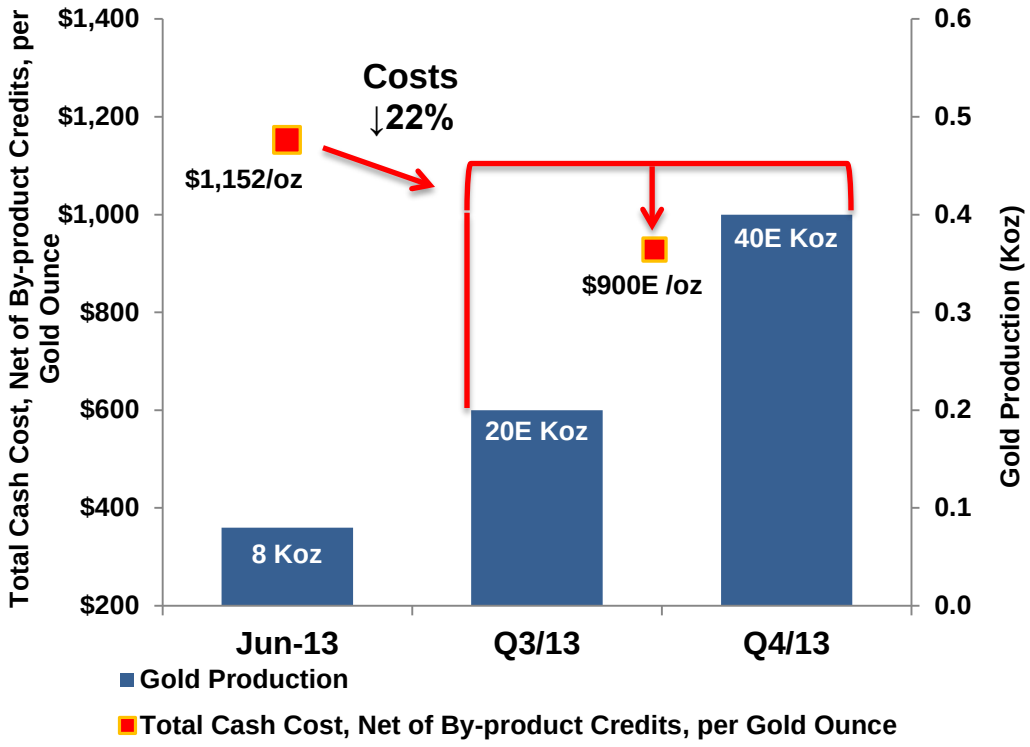
1. As of October 16, 2013
2. Total Cash Cost, Net of By-Product Credits, per Silver Ounce represents a non-U.S. Generally Accepted Accounting Principles (GAAP) measurement; a reconciliation of which to cost of sales and other direct production costs and depreciation, depletion and amortization (GAAP) can be found in the Appendix.
3. 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.

Reason #2:
Our newly acquired Casa Berardi has strong growth and cost reduction potential

Casa Berardi - Increasing Gold Production

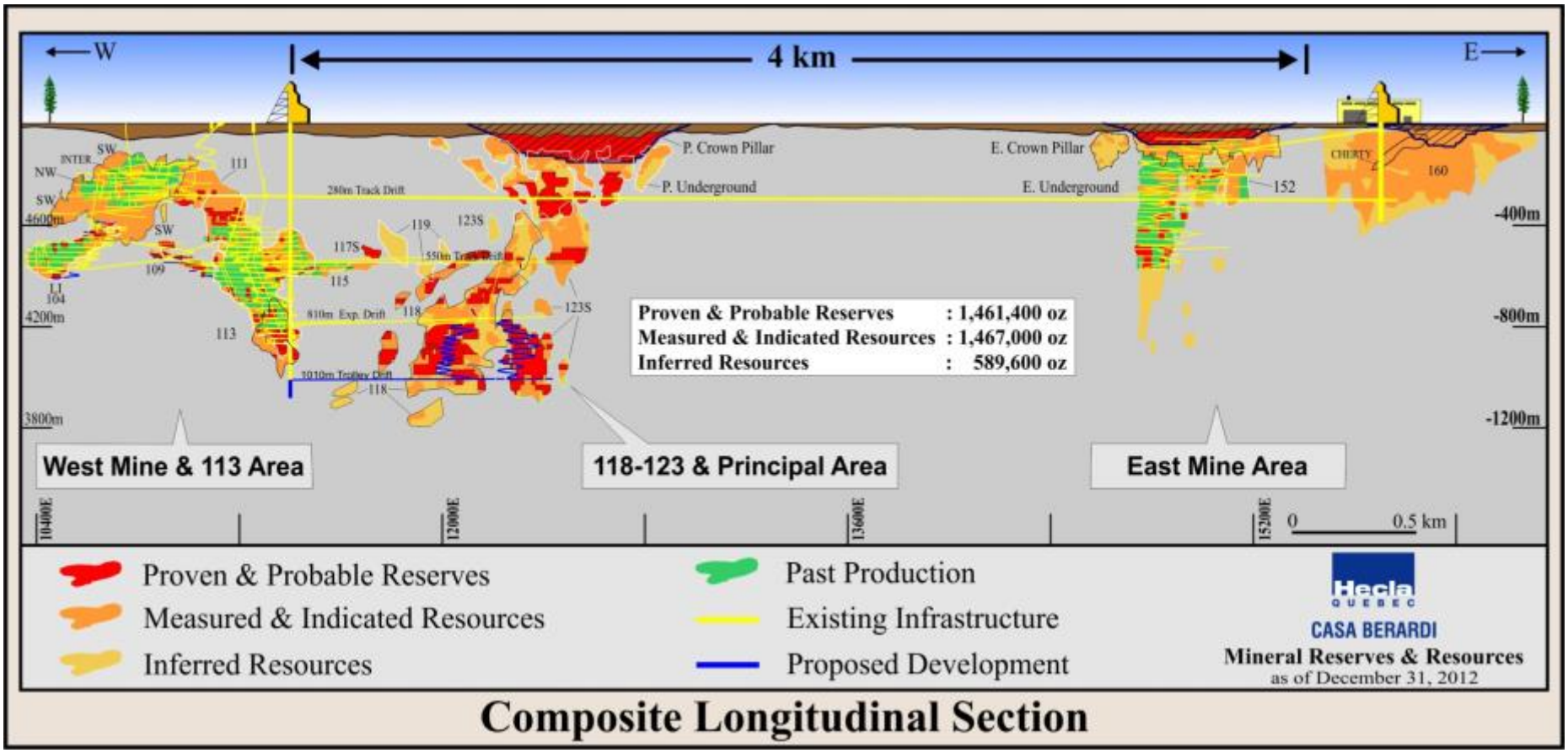
- Acquisition completed 6/1/13
- Grade and production expected to increase by Q4/13
- Shaft deepening expected to raise production and extend mine life
- Expected long-term run rate of 125,000 to 150,000 ounces per year

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.

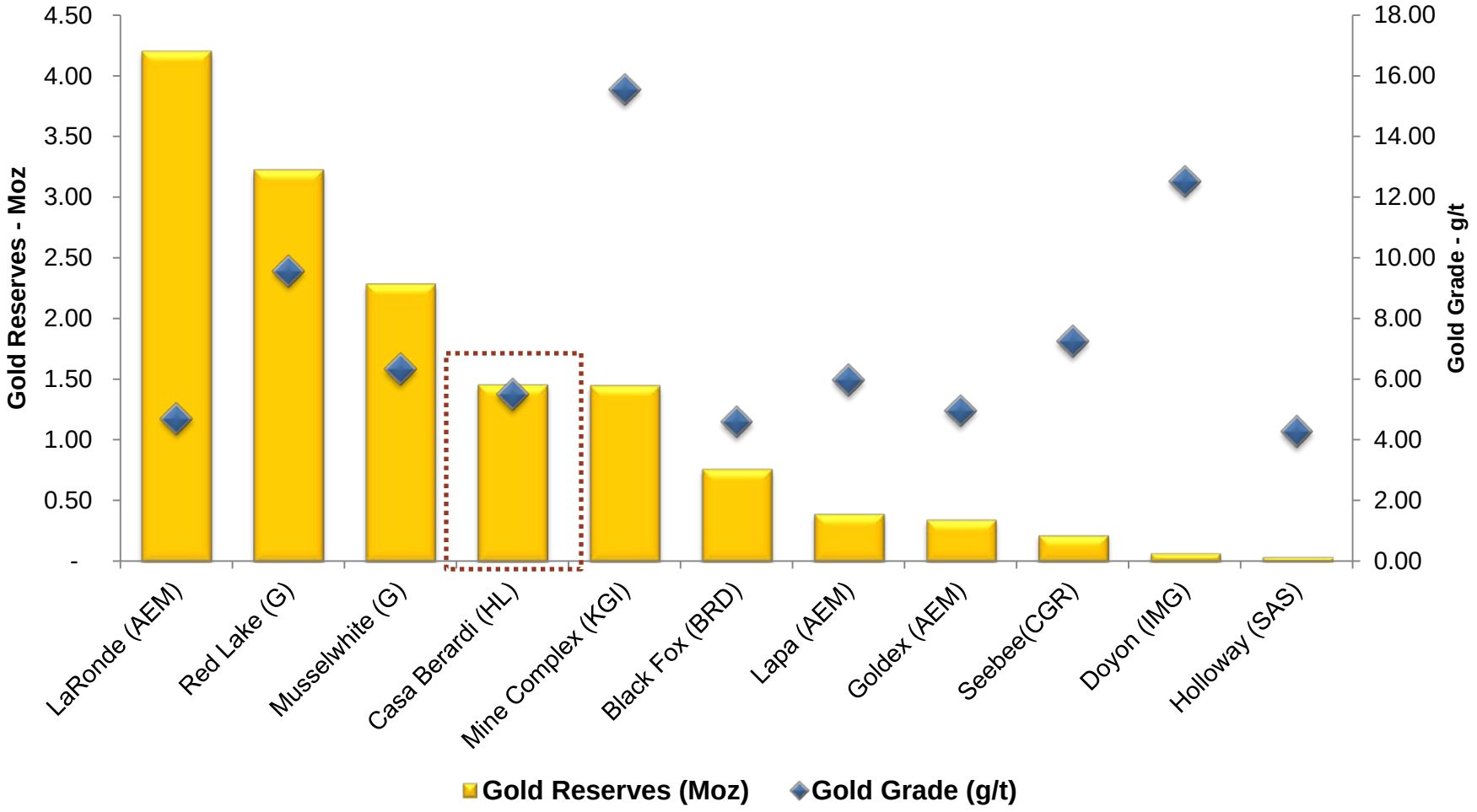
Casa Berardi - Good Exploration Potential



Composite Longitudinal Section

Solid Gold Grade and Reserves

Gold Reserves and Grades of Several Canadian Gold Mines

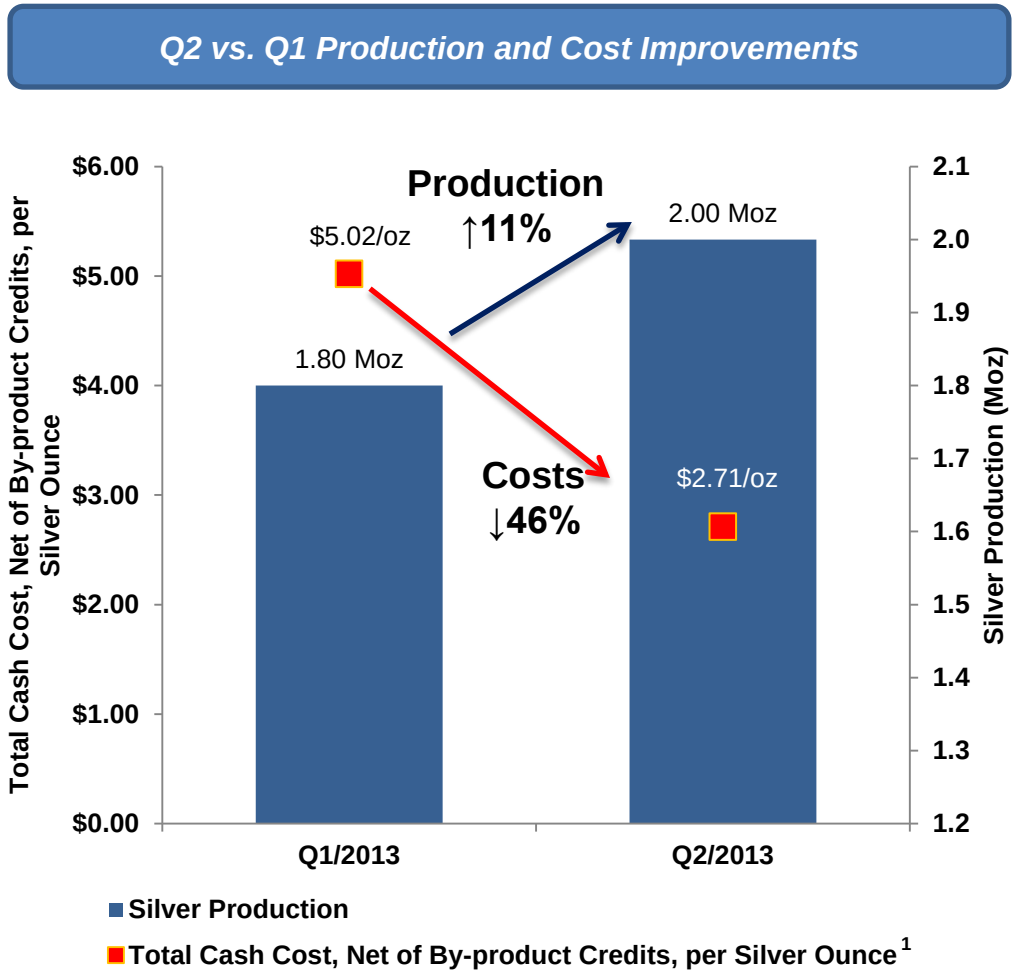


 Source: Public filings

Reason #1:
Our two extraordinary silver assets are driving Hecla's future

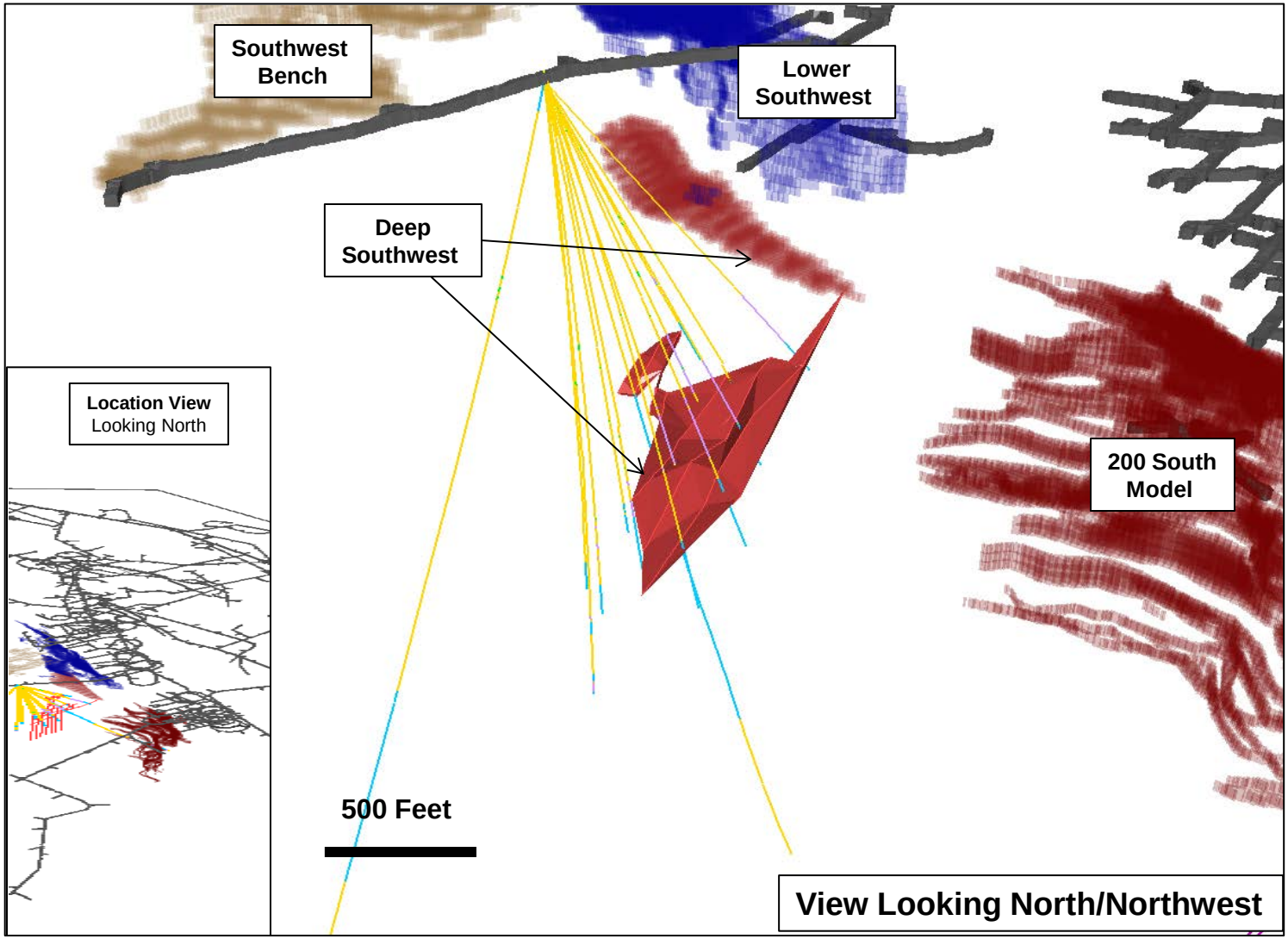
Greens Creek - Exceeding Expectations

- Quarterly 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



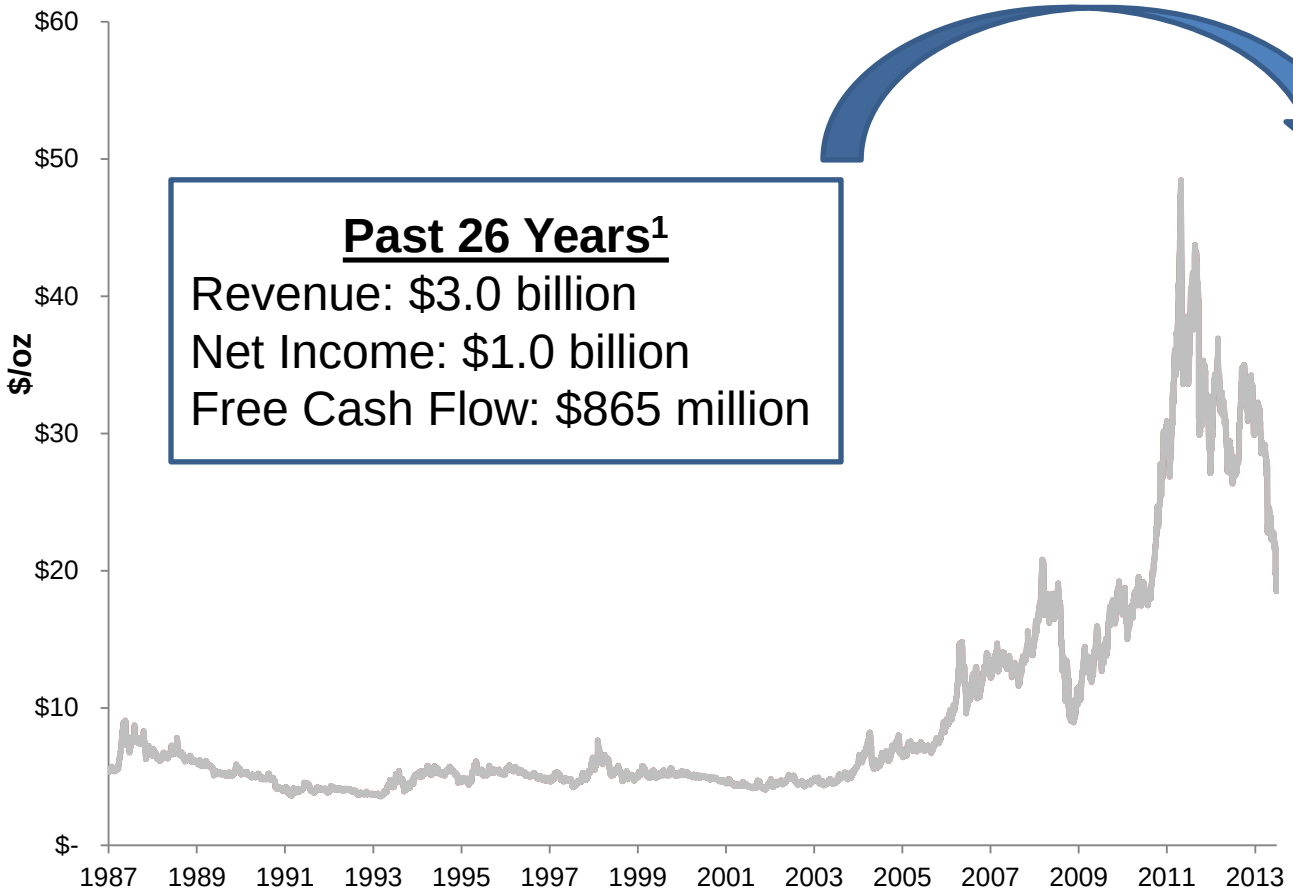
1. Total Cash Cost, Net of By-Product Credits, per Silver Ounce represents a non-U.S. Generally Accepted Accounting Principles (GAAP) measurement; a reconciliation of which to cost of sales and other direct production costs and depreciation, depletion and amortization (GAAP) can be found in the Appendix.

Greens Creek - Future Growth



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

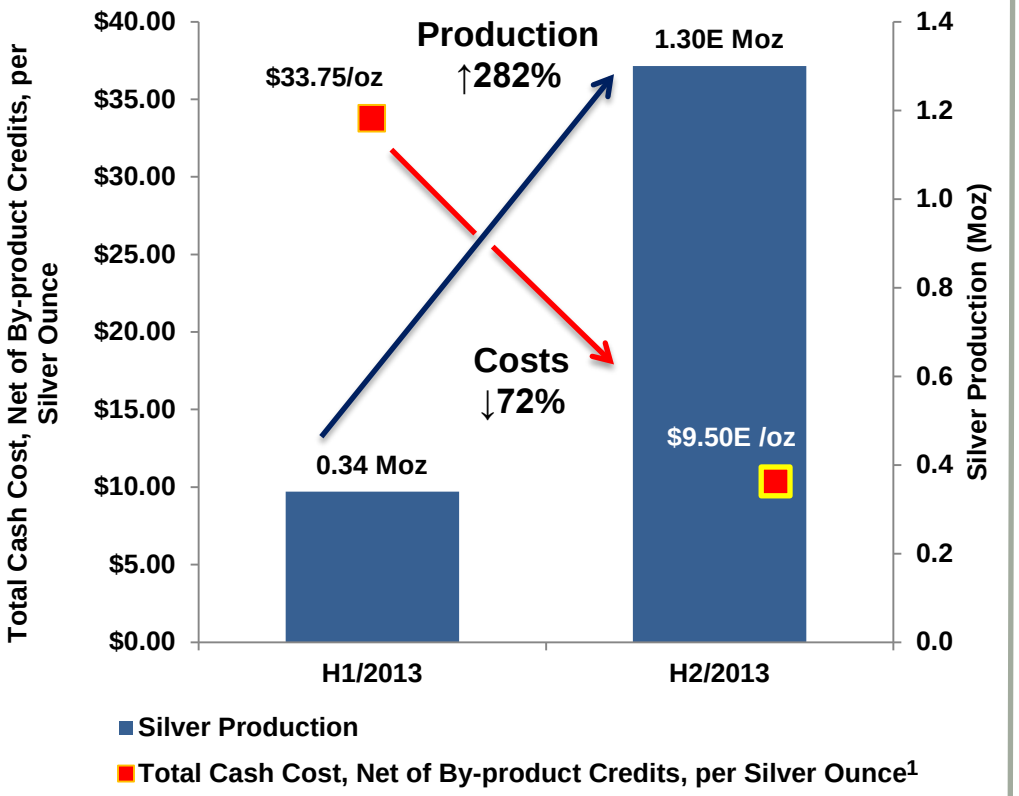
Next 10 Years
Continued strong performance expected

1. Statistics from 1987 – H1 2013

Lucky Friday - Ramping Up Production

- All stopes back in operation
- Reached full capacity in September with costs per ounce expected to decline 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



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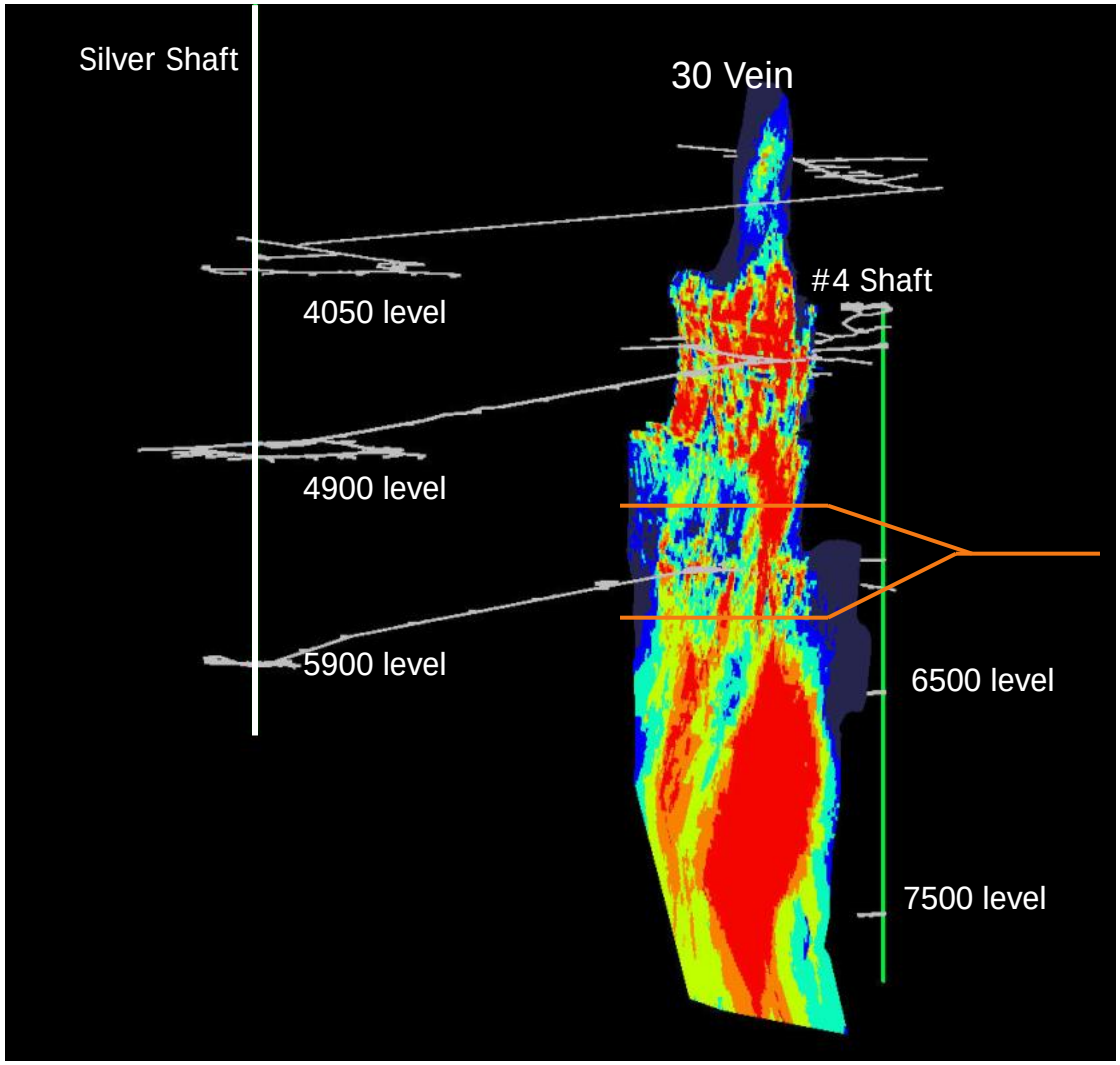
Lucky Friday - Unlocking Value at Depth



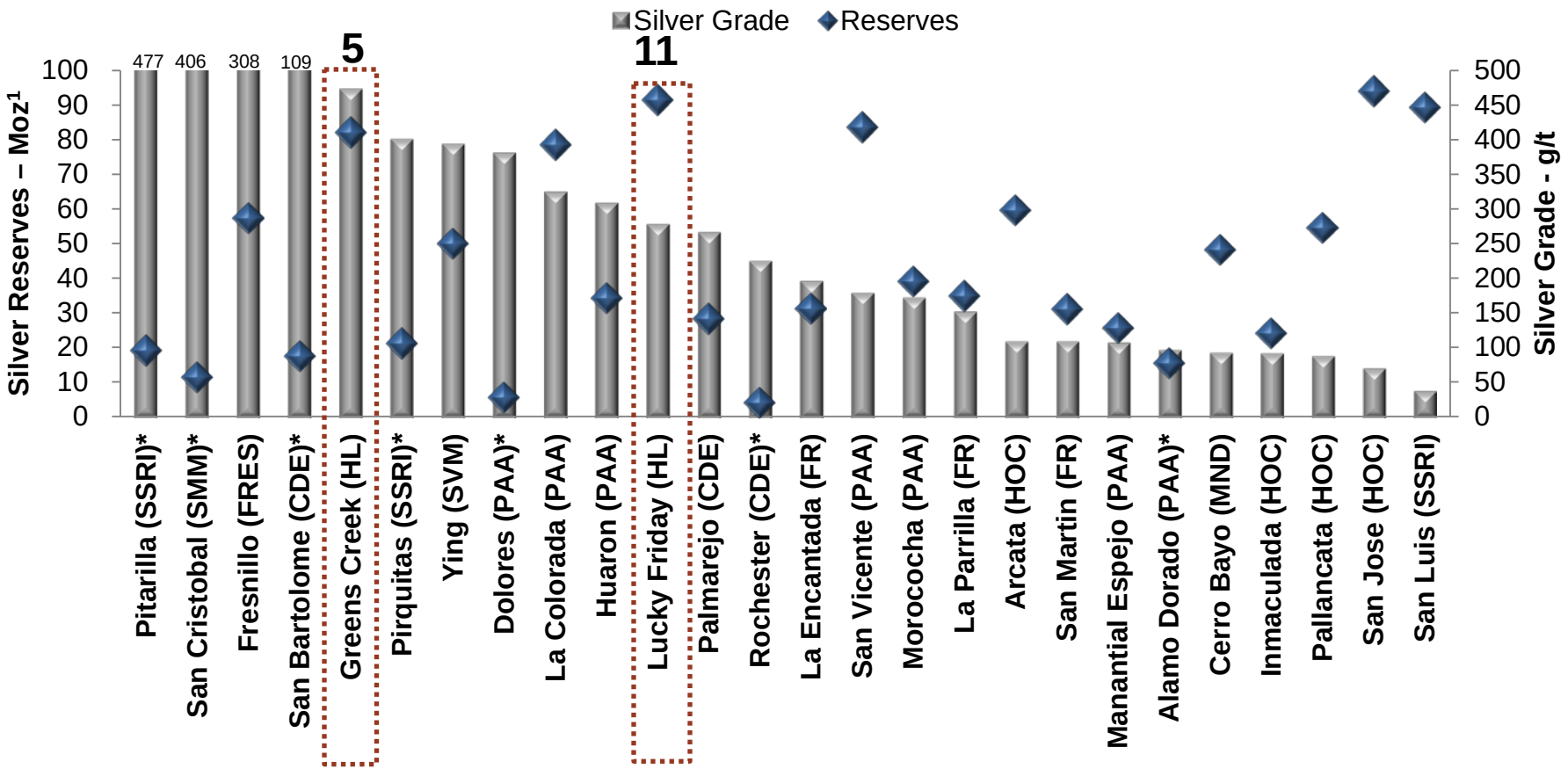
Current mining from 5900 level access

Looking NW

*Assuming prices of $20.00/oz silver, $0.85/lb lead, and $0.85/lb zinc

Large and High Quality Silver Assets

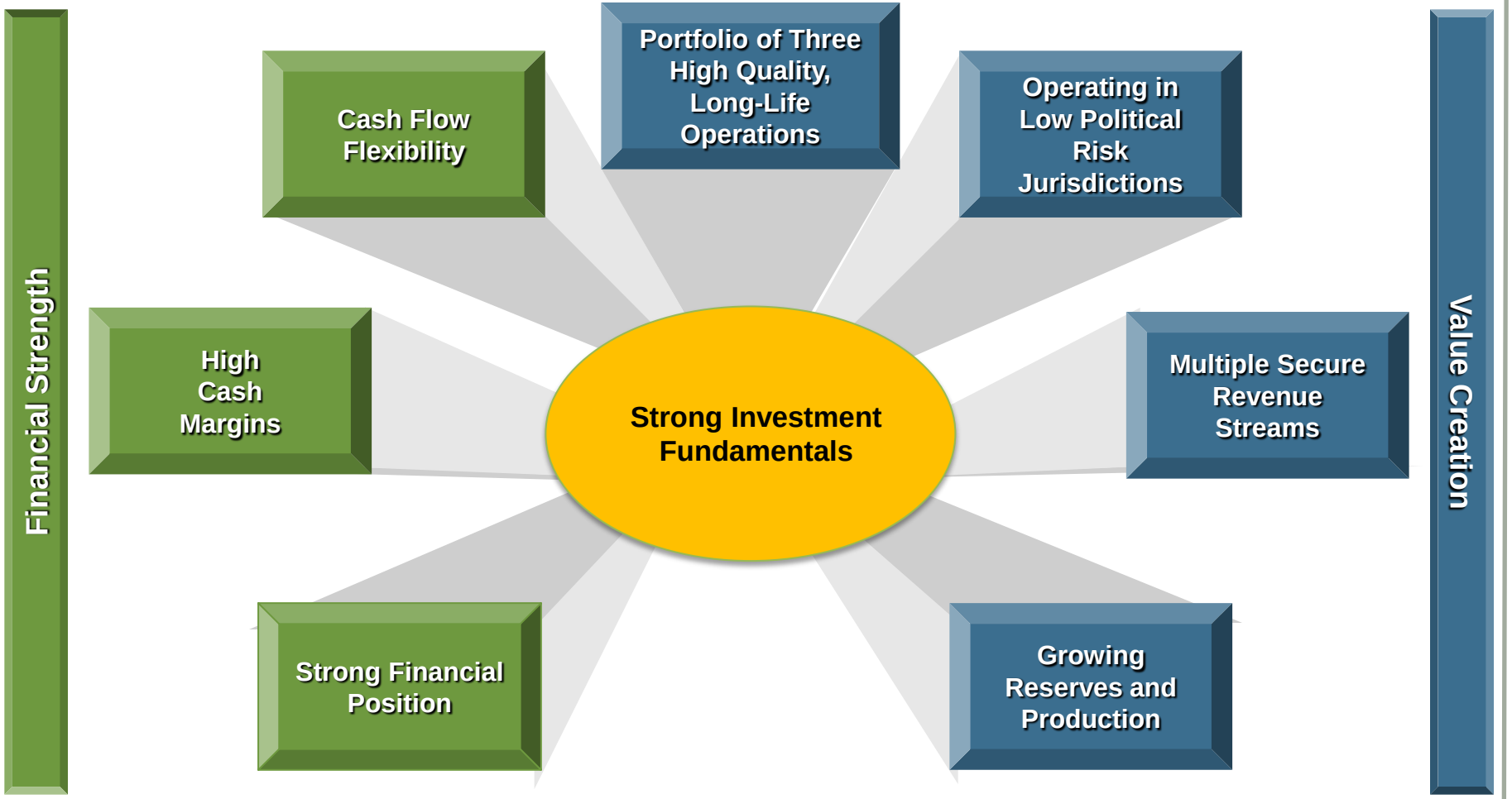
Silver Reserves and Grades of the Largest Primary Silver Mines



- ***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***

1. Reserves capped at 100M ounces
Source: Public filings, *Open pit mines - Palmarejo is both open pit and underground.

Financial Strength and Value Creation



Led by a management team with over 135 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

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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 135 Years of Combined Experience

Appendix 1

Coeur d'Alene Basin Litigation

- Court approved consent decree for the Coeur d'Alene River Basin environmental litigation on September 8, 2011
- Settled Hecla Limited's historic environmental liability in the Basin and the remaining obligations in the Box
- Hecla expects to pay $159 mm, net of expected related income tax benefits of $105 million, over a three-year period

Basin Settlement Payment Schedule

	Payments	Tax Benefit	Existing Warrants	Net
2011	$168[1] mm	$(67) mm		$101 mm
2012	$25[2] mm	$(10) mm		$15 mm
2013	$15 mm	$(6) mm		$9 mm
2014	$56 mm[3]	$(22) mm	$56 mm	$(22) mm
Total	**$264 mm**	**$(105) mm**	**$56 mm**	**$103 mm**

1. Payment made on October 11, 2011
2. Payment made on October 5, 2012
3. Proceeds from the exercise of any outstanding Series 1 and Series 3 warrants (which have an exercise price between $2.42 and $2.53 per share) will be payable as quarterly payments, with the remaining balance, if any, due in August 2014. Approximate total value of $56 mm.

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	195,558	-	-	-	-
Plus/(Less): Provisional price (gains)/losses	(11,817)	2,611	(3,800)	2,700	15,095
Adjusted EBITDA	**$ 213,875**	**$ 279,480**	**$ 158,055**	**$ 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)

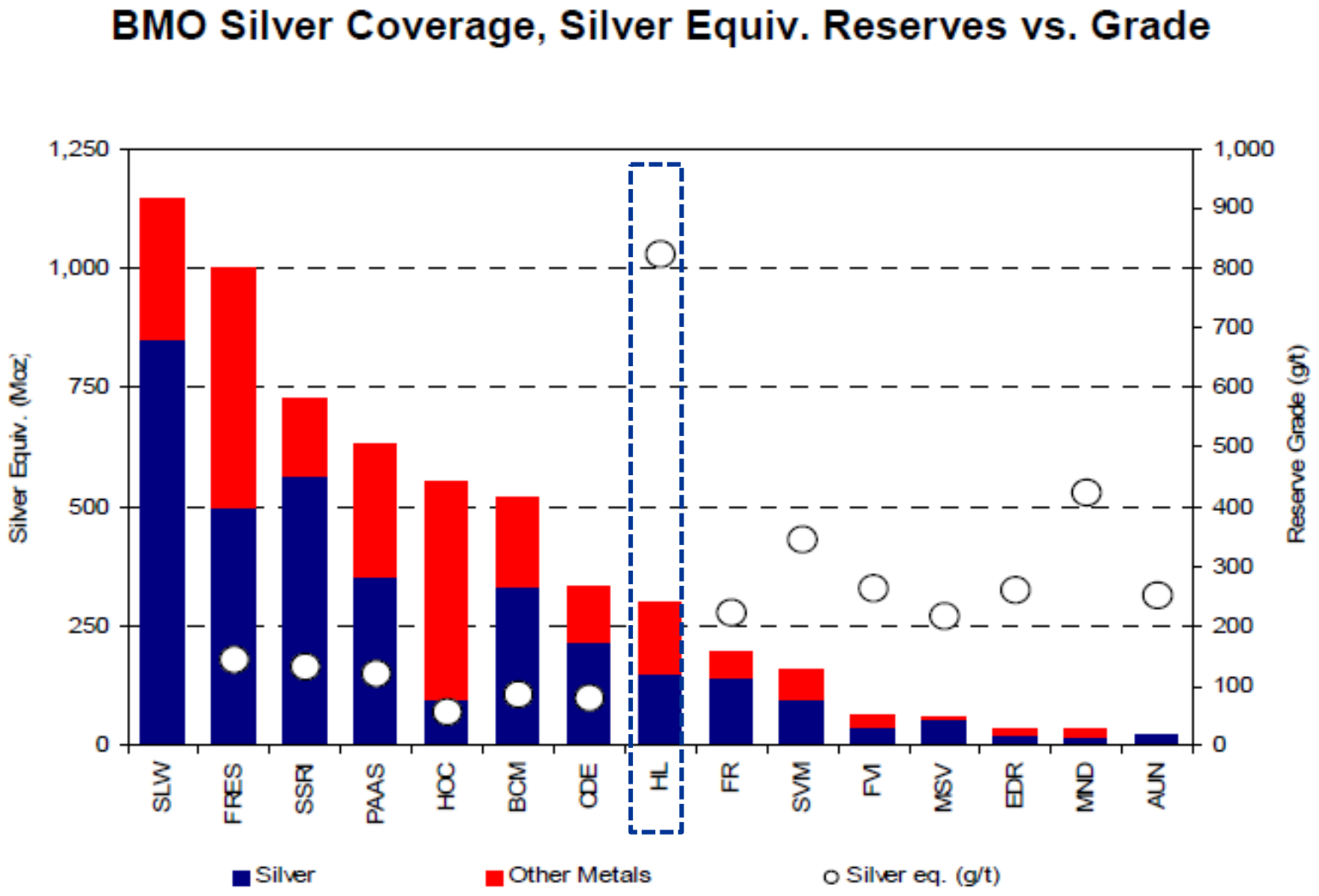
	Three Months Ended June 30,	
	2013	**2012**
Net Income	**$ (24,858)**	$ 2,524
Plus: Interest expense, net of amount capitalized	**6,454**	505
Plus/(Less): Income taxes	**(6,795)**	693
Plus: Depreciation, depletion, and amortization	**20,123**	11,530
Plus: Exploration expense	**6,221**	7,146
Plus: Pre-development 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

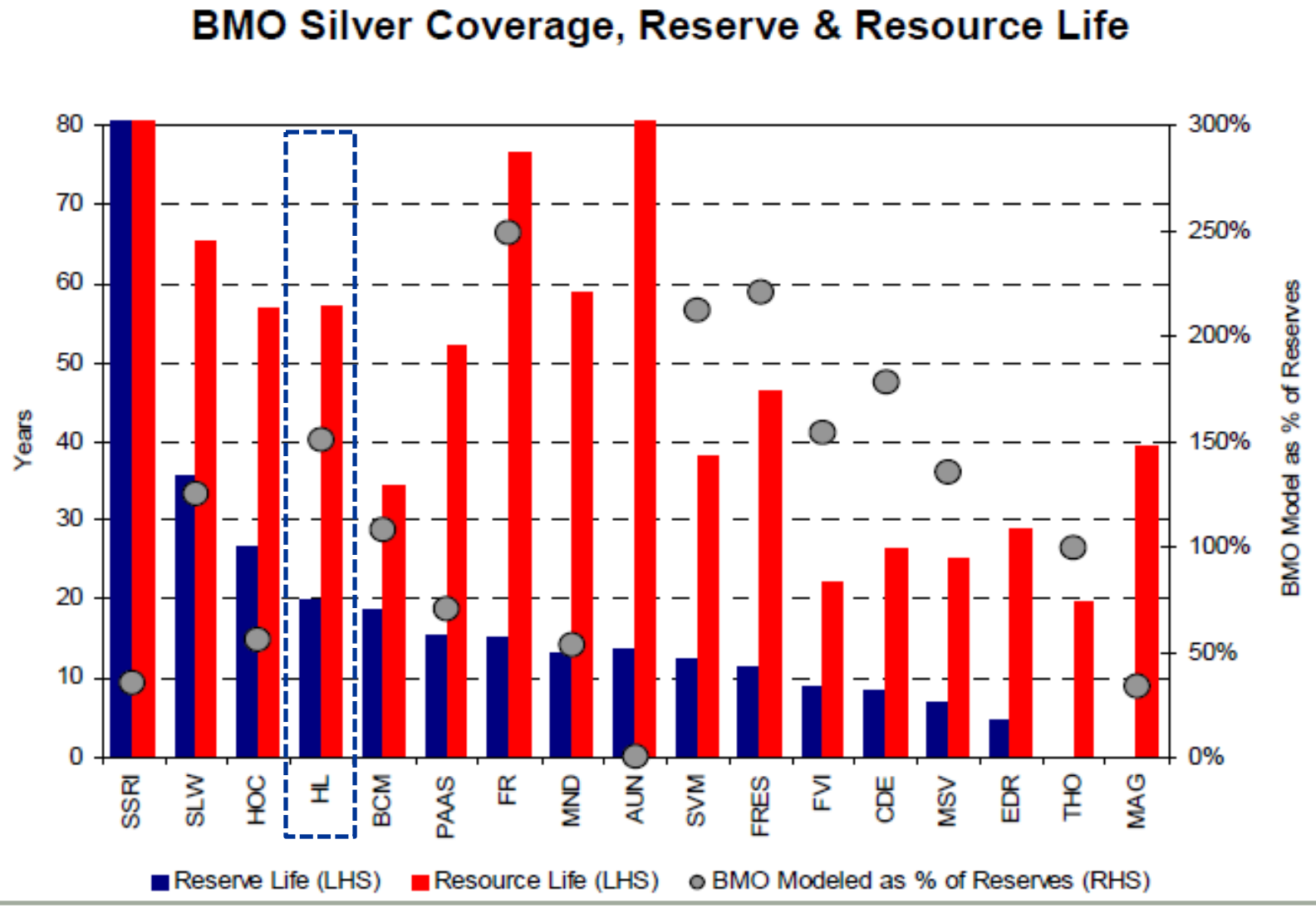
Higher Silver Reserve Grade Among Peers



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

Appendix 2

High Grade Long-Life Mines

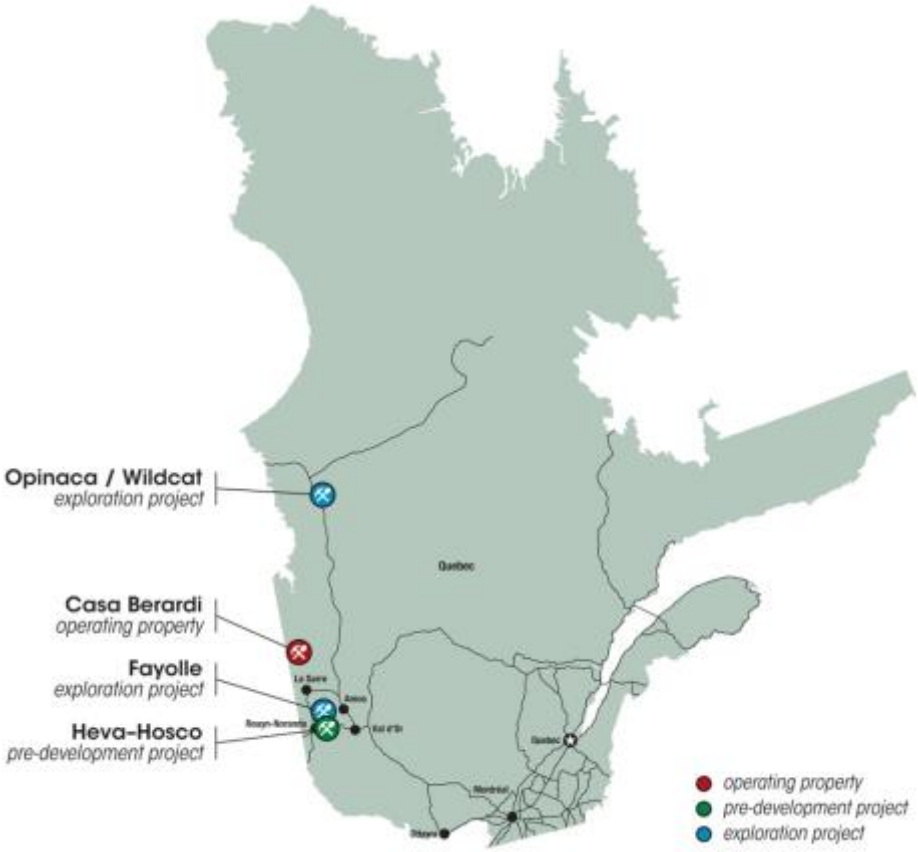


Source: Company Filings, BMO Capital Markets (09/09/13)

Appendix 3

New Quebec Gold Assets

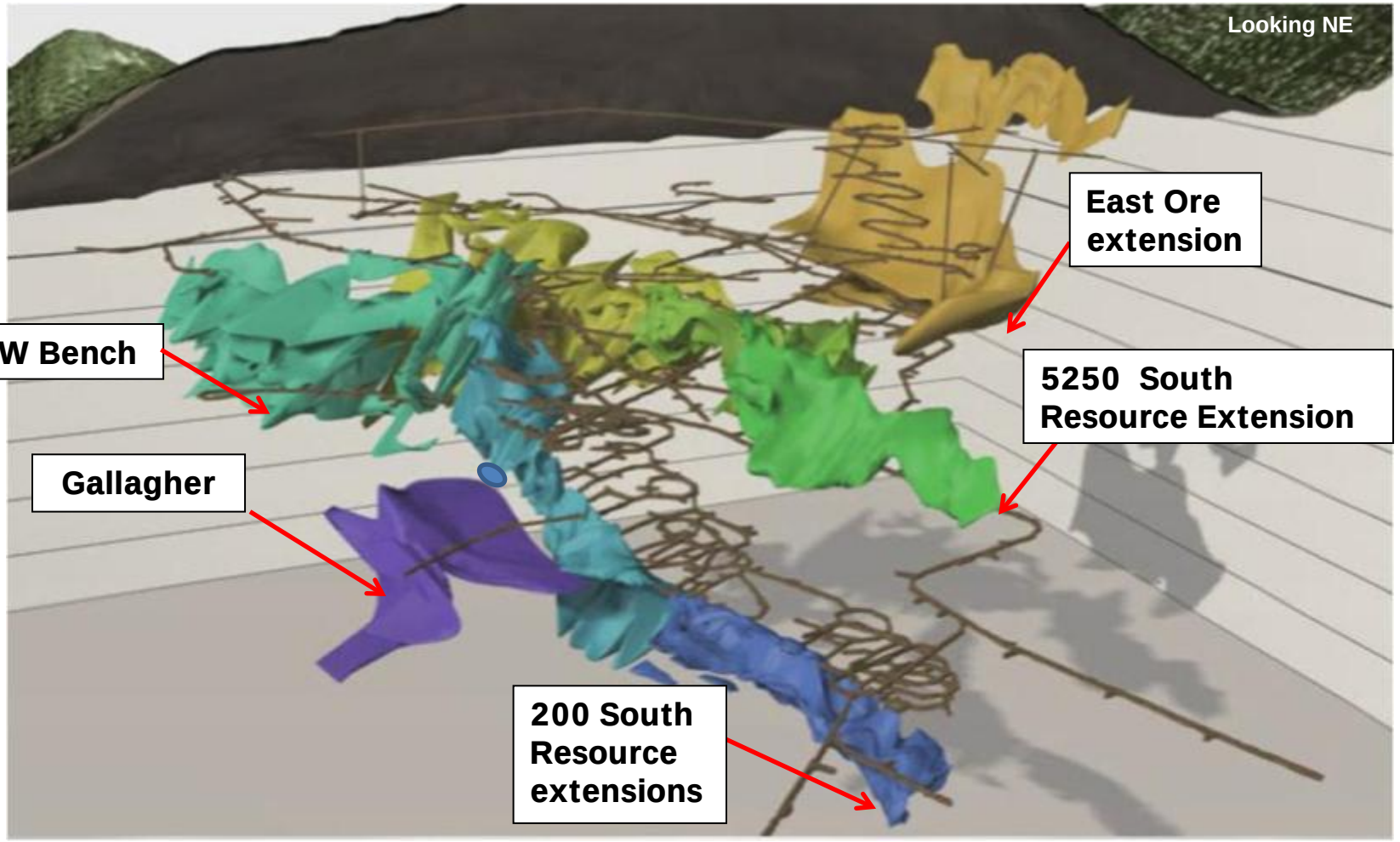
- Gold producer and exploration portfolio in western Quebec
- Heva and Hosco West extension
- Large in-pit gold resource at Hosco
  - Additional gold resources at Heva and Hosco West Extension
  - Attractive exploration potential
- Growth potential with future open pit development and shaft deepening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



Appendix 3

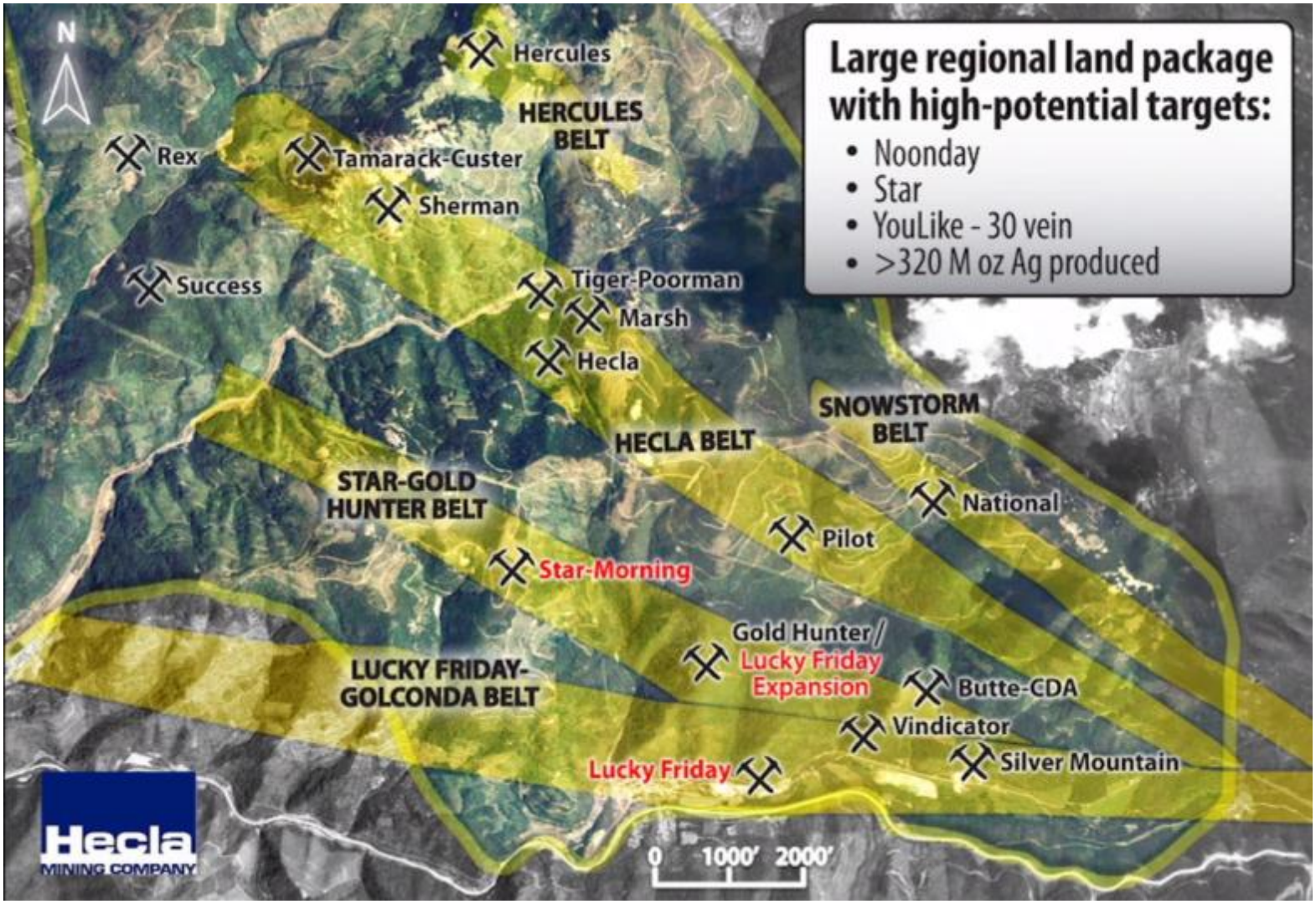
Exploration - Greens Creek (Alaska)

Underground Exploration Targets



Appendix 3

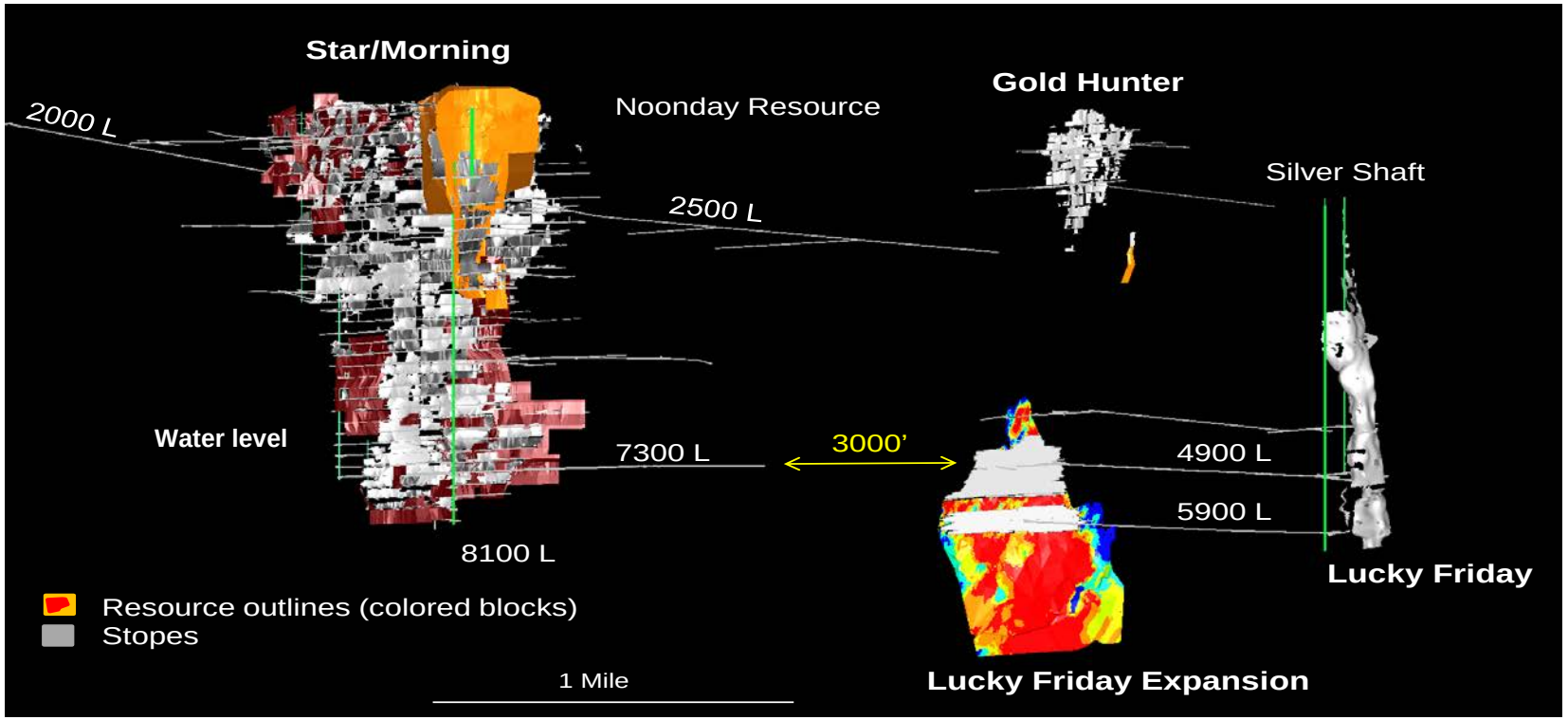
Lucky Friday & Silver Valley - Exploration



Appendix 3

Organic Growth - Star Pre-Development (Idaho)

Longitudinal Section Looking North

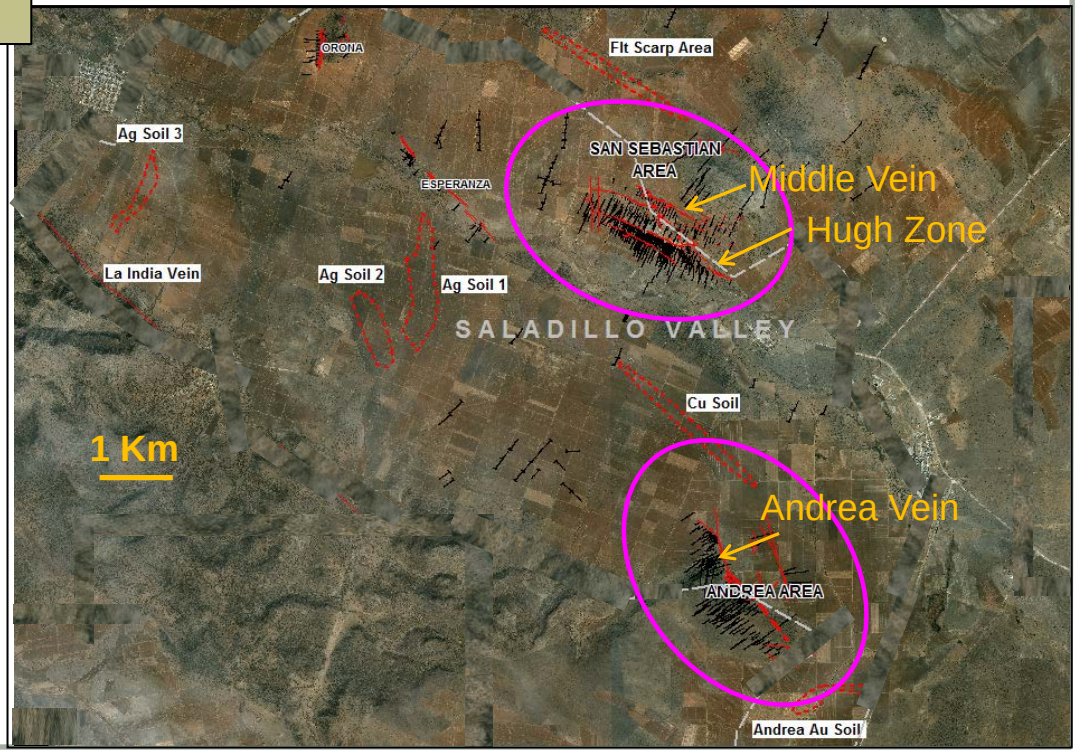


Appendix 3

Organic Growth - San Sebastian (Mexico)

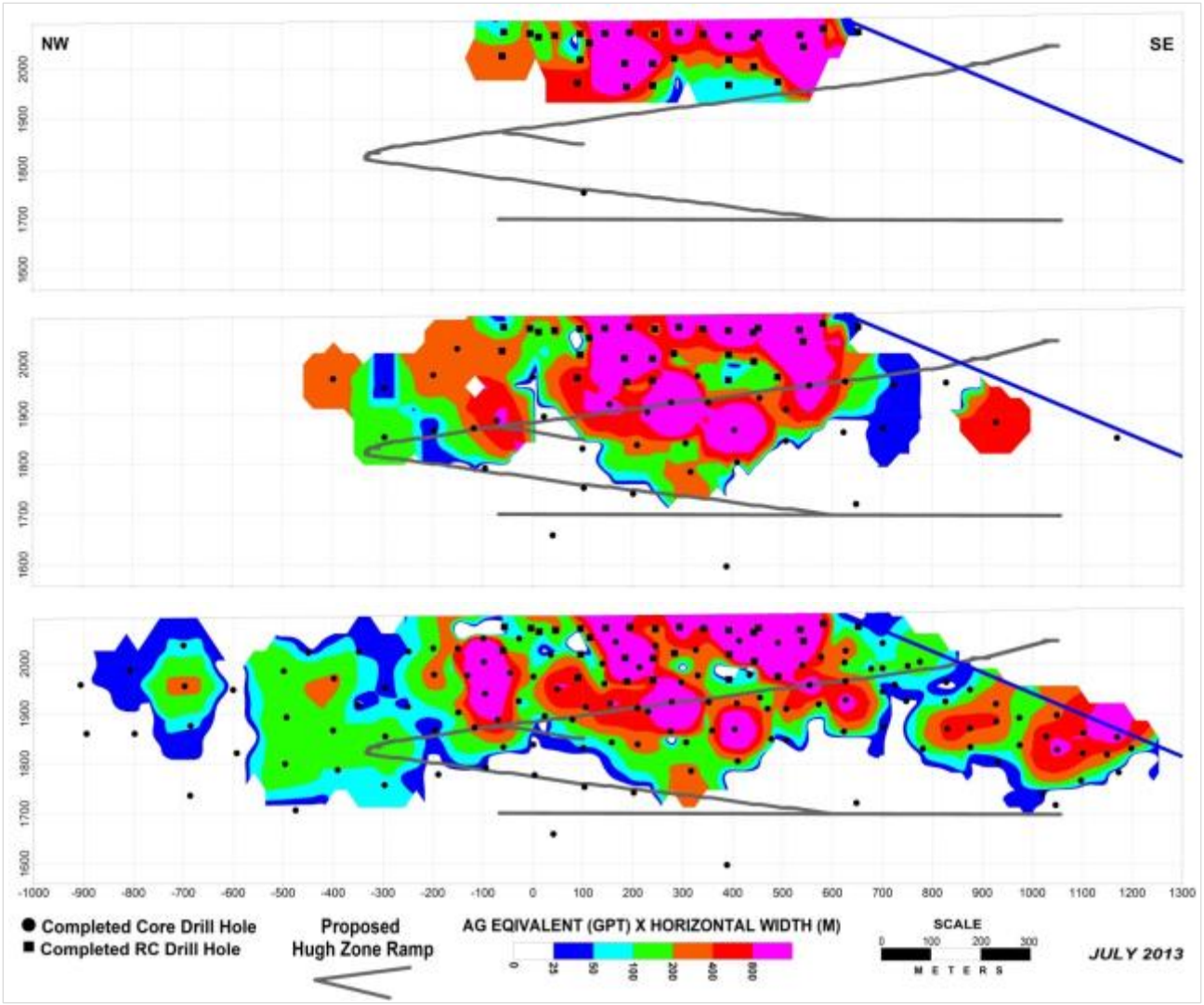


- 185-square-mile land package
- Potential extensions to both Middle Vein and Hugh Zone structures
- Andrea Vein remains open along strike and at depth



Appendix 3

San Sebastian (Mexico) - Middle Vein



Pre-2011

October 2012

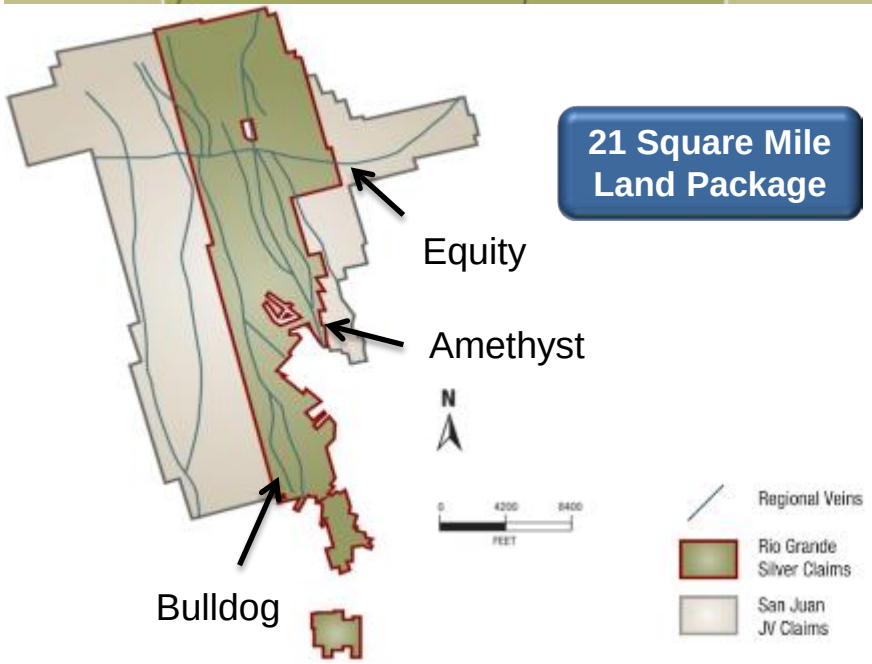
July 2013

Appendix 3

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)

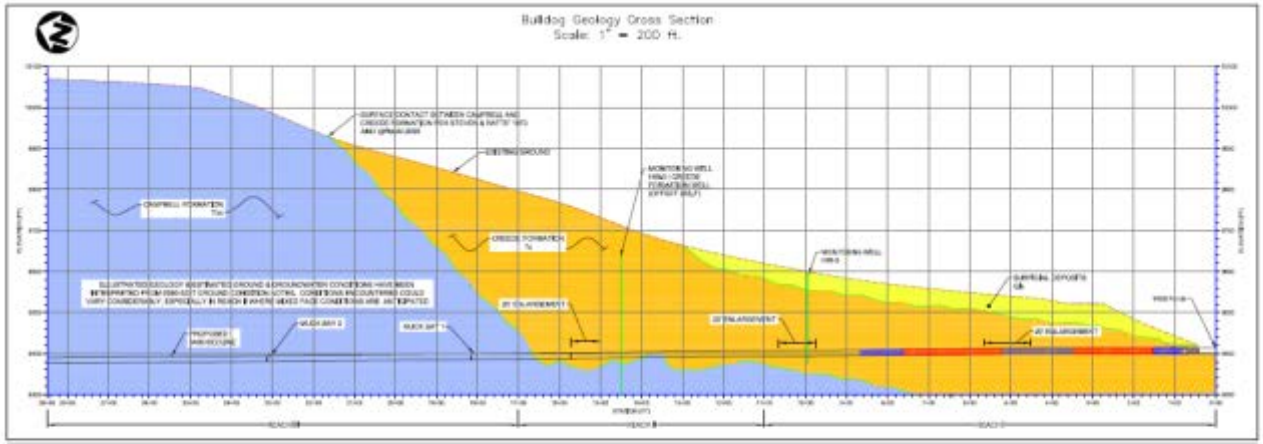


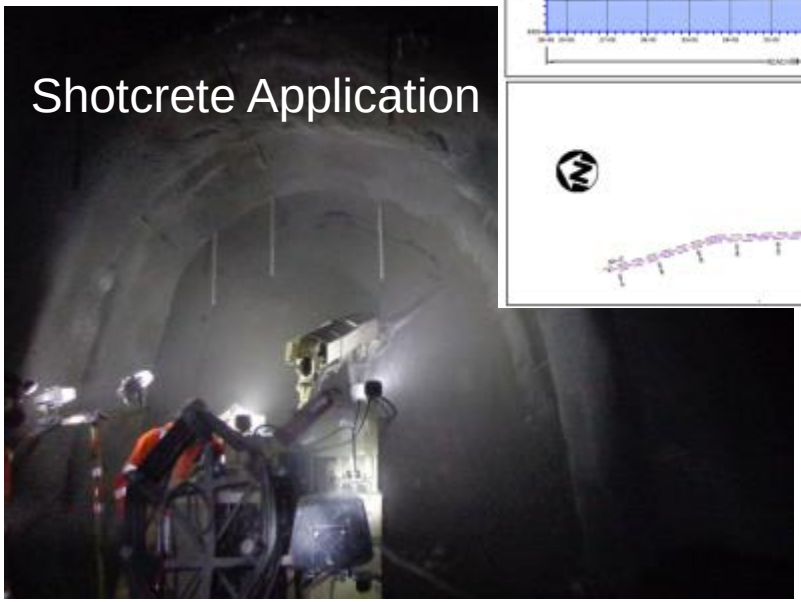


Appendix 3

Delivering Growth - San Juan Silver (Colorado)

Advance of the Bulldog Decline

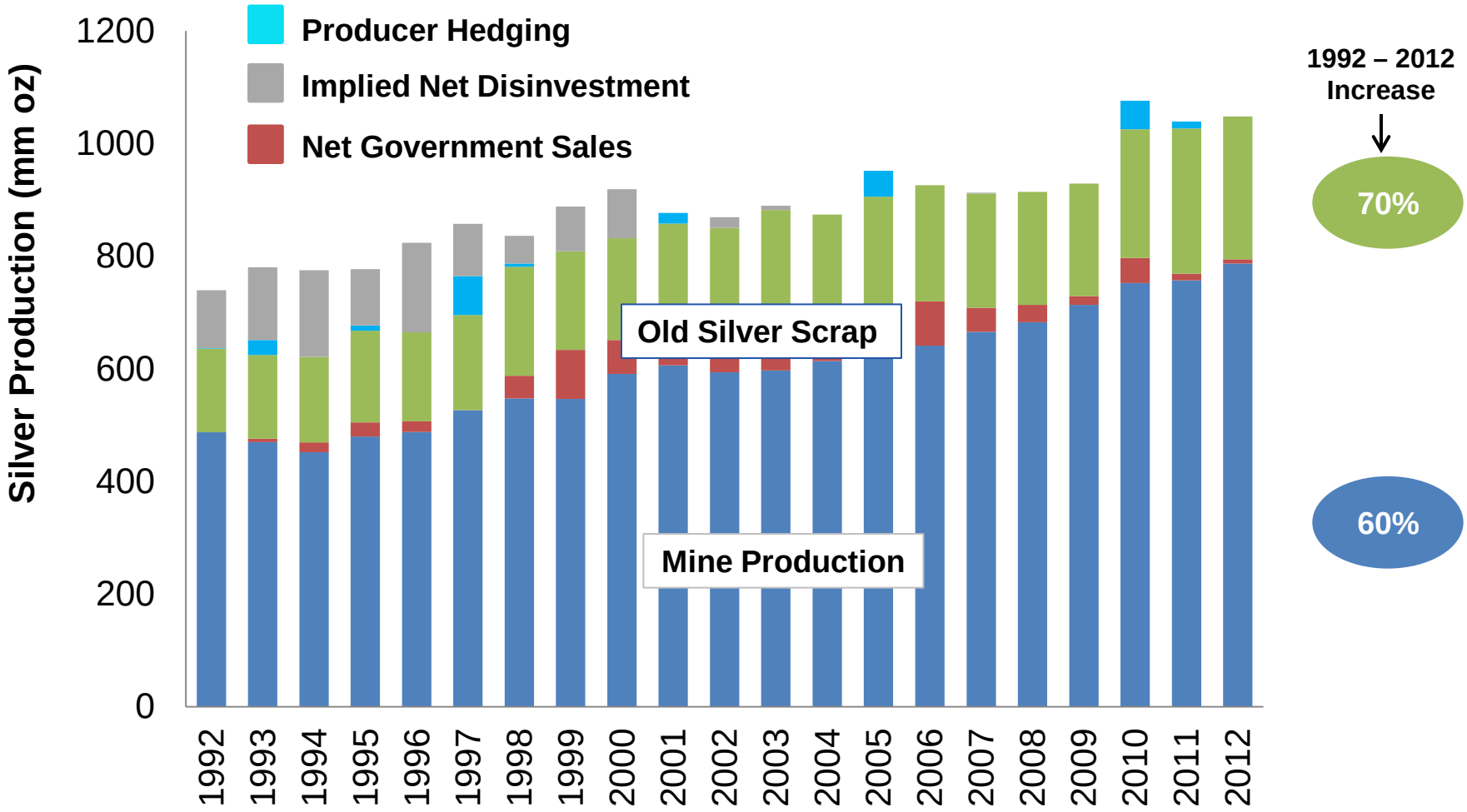




- Bulldog underground infrastructure now advanced over 2,000 feet
- Completion expected in Q4 2013

Appendix 4

Mine Production is Key to Silver Supply

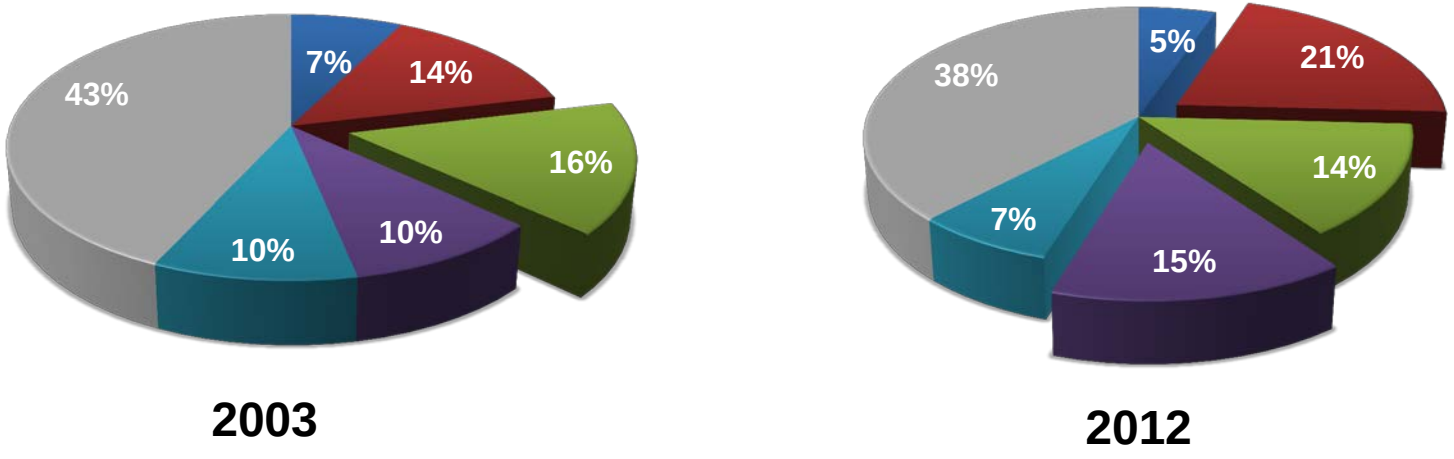


 Source - GFMS

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.

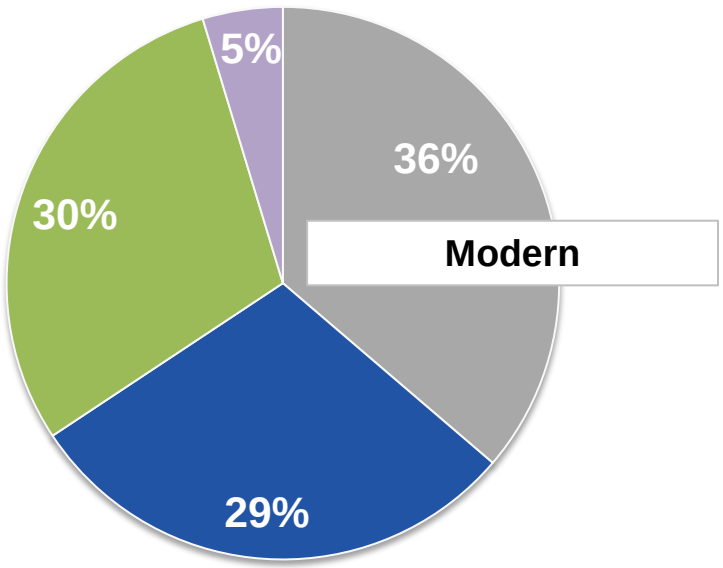


 Source: The Silver Institute: World Silver Survey 2012, GFMS, Hecla

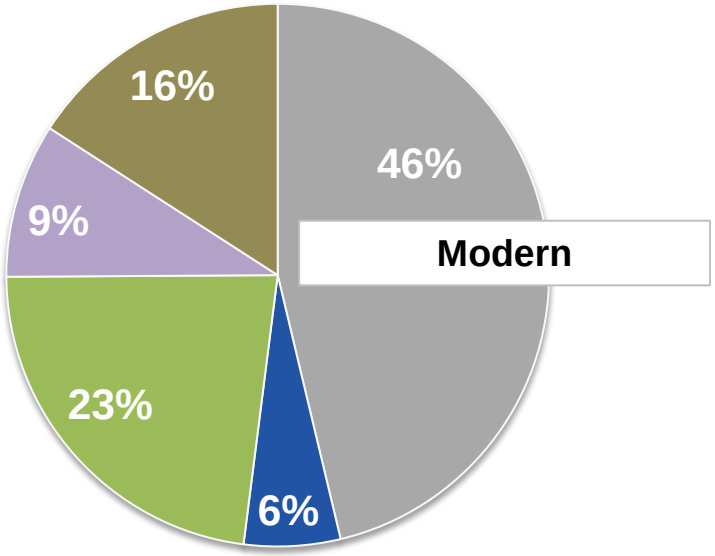
Appendix 4

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%



1992



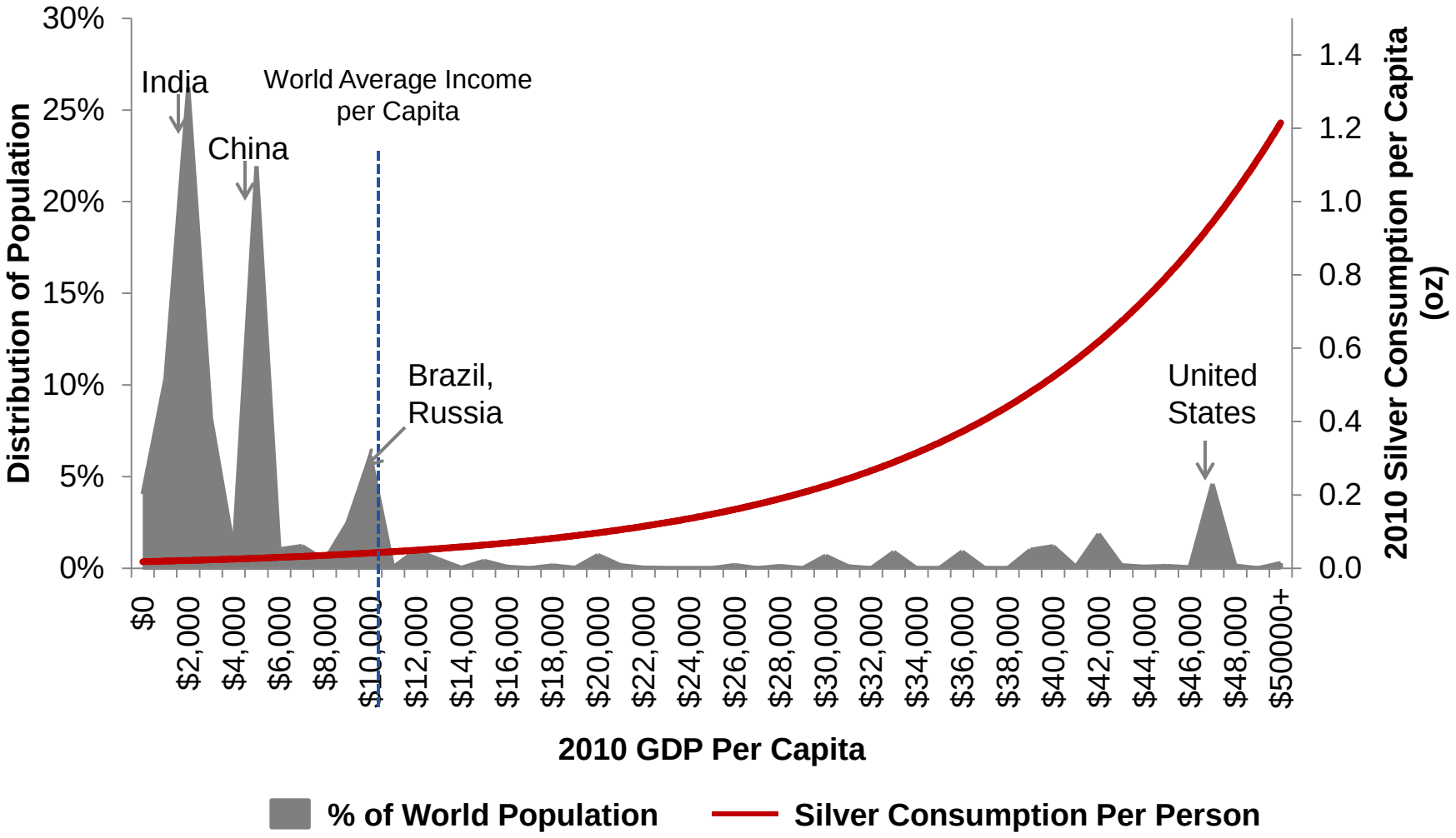
2012

Modern | Investment | Jewelry & Silverware | Photography | Coins & Medals

 Source - GFMS

Appendix 4

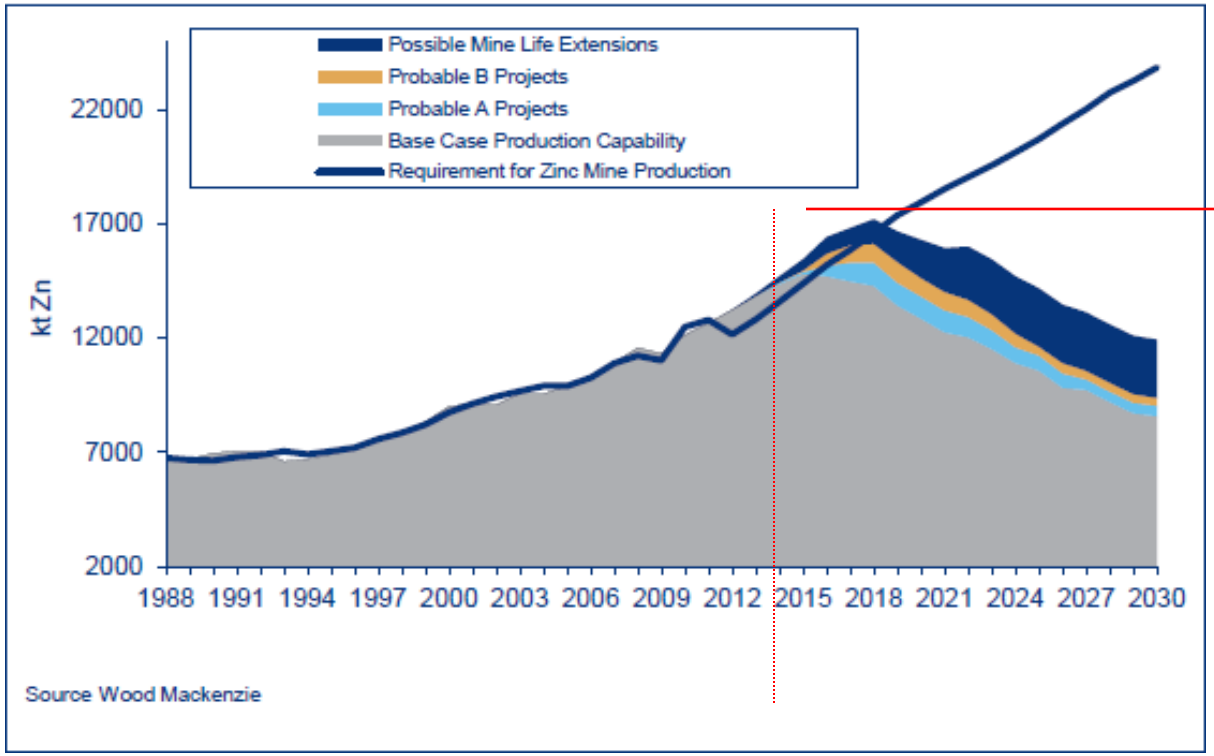
Modern Silver Demand Increases with Increasing Income



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

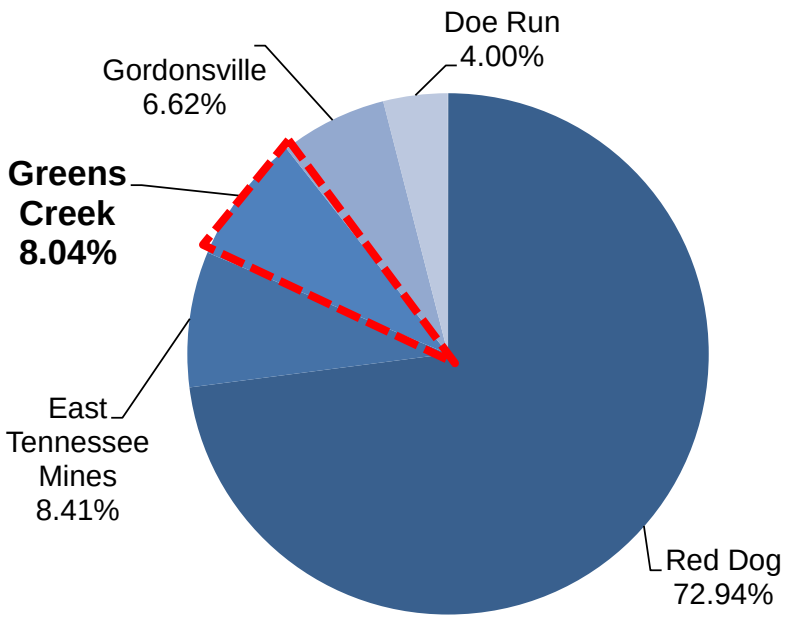
Source: Wood Mackenzie June 2013

Appendix 5

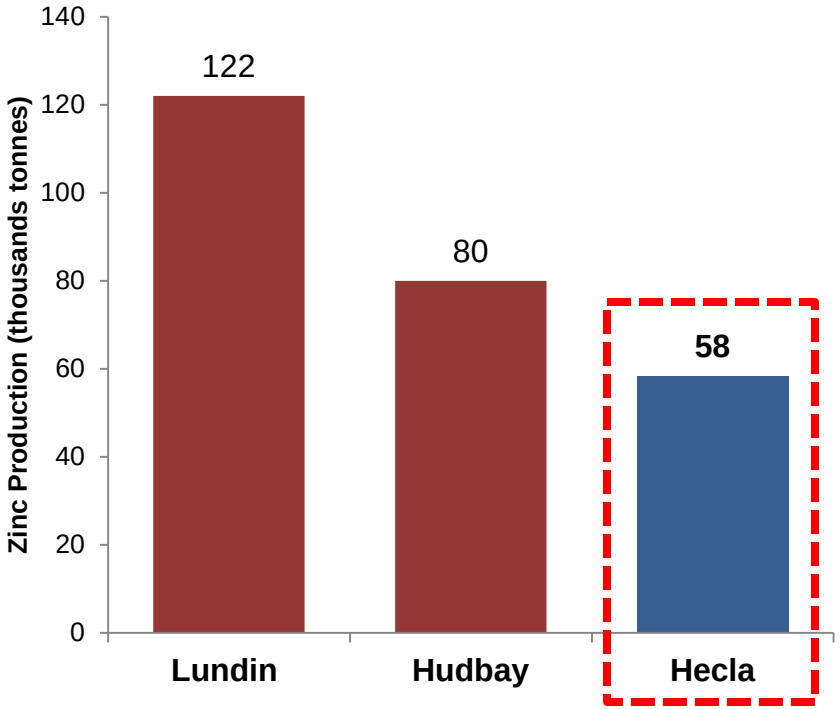
Zinc Supply - US Production

- Greens Creek is the 3rd largest zinc producer in the US

% of USA Zinc Production 2012



Comparison of 2012 Zinc Production



Source: Wood Mackenzie 2013