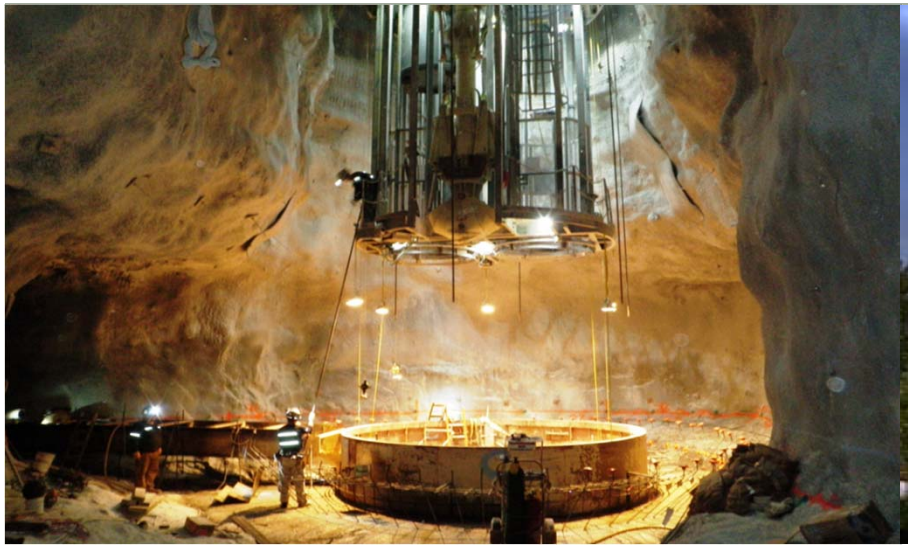
THIRD QUARTER OVERVIEW | FINANCIAL REVIEW | OPERATIONS REVIEW | EXPLORATION & PRE-DEVELOPMENT UPDATE





Third Quarter 2013 Earnings Conference Call

November 5, 2013

Hecla MINING COMPANY

Cautionary Statements

Cautionary Note Regarding Forward Looking Statements

Statements made which are not historical facts, such as strategies, plans, production, 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 and “forward looking information” under Canadian securities laws. Words such as “may,” “will,” “should,” “expects,” “intends,” “projects,” “believes,” “estimates,” “targets,” “anticipates,” 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 risk 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 per ounce of silver and gold, net of by-product credits, adjusted EBITDA and earnings before adjustments represent non-U.S. Generally Accepted Accounting Principles (GAAP) measurement. A reconciliation of each of these non-GAAP measures to GAAP measures can be found in the Appendix.

Solid Q3 Operating Performance

- Greens Creek produced 1.8 million ounces of silver
  - A 30% production ramp-up over Q3 2012
  - Cash costs before by-product credits reduced 20% over Q3 2012
- Lucky Friday at full historical production level at end of quarter
- Casa Berardi produced 23,406 ounces in Q3, over the 20,000 ounce goal
- Greens Creek awarded the National Institute for Occupational Safety and Health (NIOSH) Mine Safety and Health Technology Innovations Award

2013 Expectations

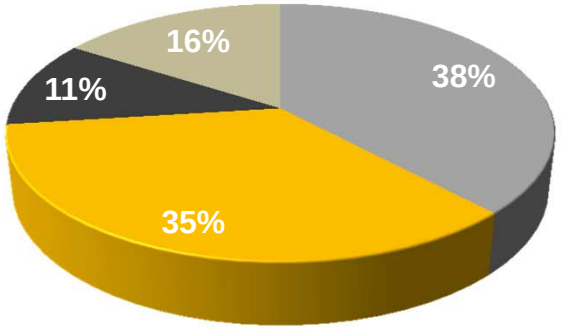
- Silver production to be at the high end of previously communicated guidance of 8 to 9 million ounces
  - Greens Creek at approximately 7 million ounces
  - Lucky Friday at approximately 1.6 million ounces
  - Total Cash cost, after by-product credits, per silver ounce of approximately $6.50 in 2013
- Gold production from Casa Berardi to achieve 62,000 ounces this year (since June 1, 2013)
  - Cash cost, after by-product credits, per gold ounce of approximately $950 for the fourth quarter
- Further cost reductions
  - Capital expenditures of $163 million (a 24% reduction from original guidance).
  - Exploration expenditures of $21 million (a 29% reduction from original guidance).
  - Pre-development expenditures of $14 million (a 41% reduction from original guidance).
- Strong financial position with $200+ million in cash & $100 million LOC
- Strong silver reserve growth at year end

1. Cash cost, after by-product credits, per silver ounce represents 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.

Financial Review

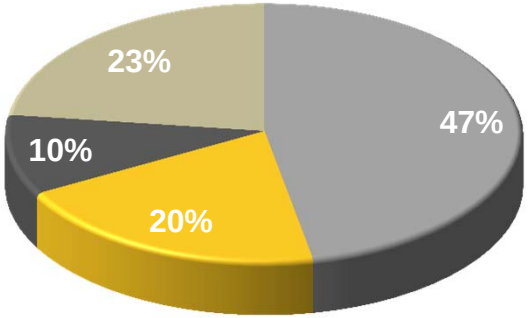
Q3 2013 - Total Revenue $107 million

Consolidated[1]

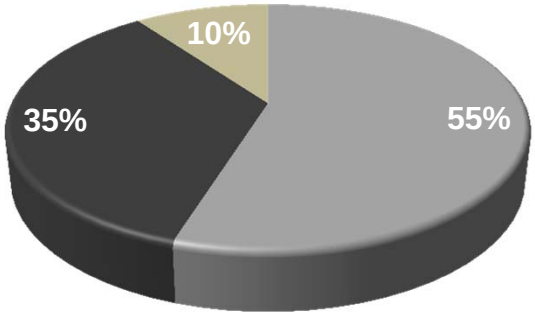


Silver Gold Lead Zinc

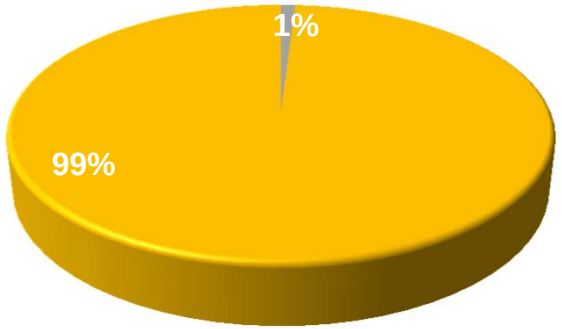
Greens Creek



Lucky Friday



Casa Berardi

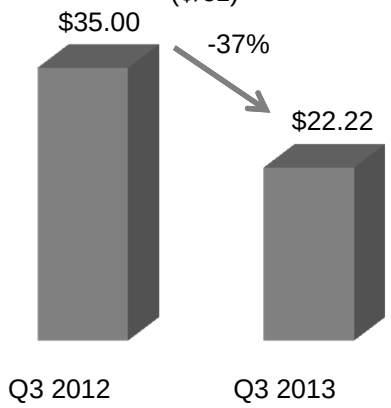


1. Based on realized prices Q3/2013: Silver - $22.22, Gold - $1,335, Zinc - $0.88, Lead - $1.01

Q3 2013 - Realized Metals Prices

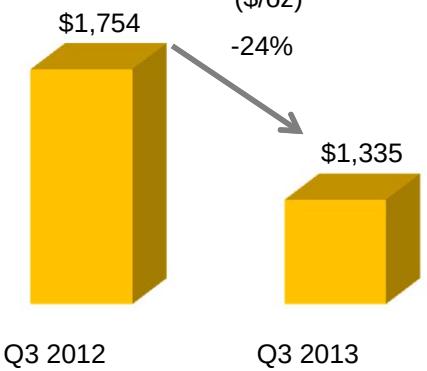
Silver

($/oz)



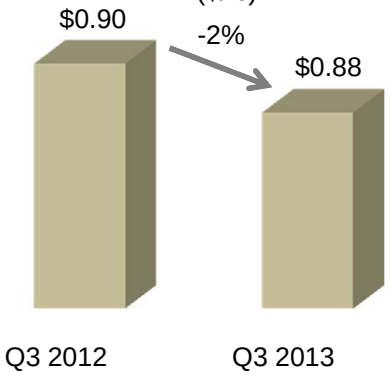
Gold

($/oz)



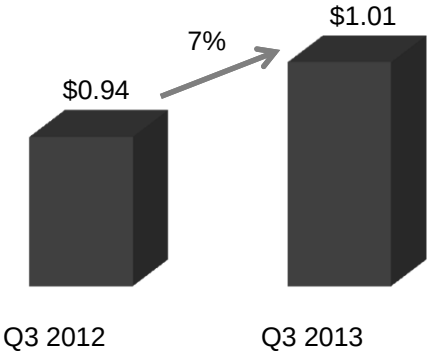
Zinc

($/lb)

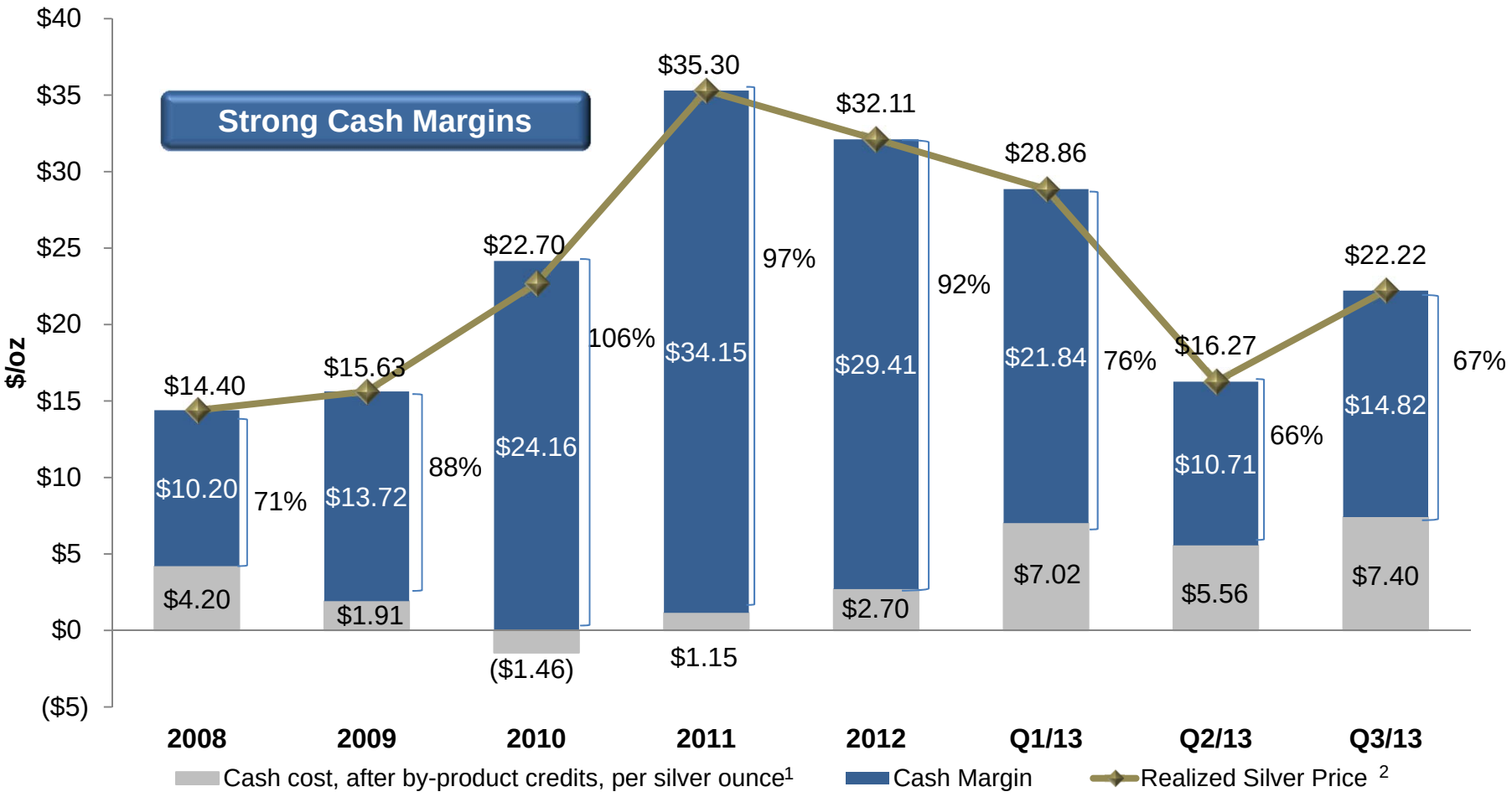


Lead

($/lb)



Q3 2013 - Continued Strong Margins

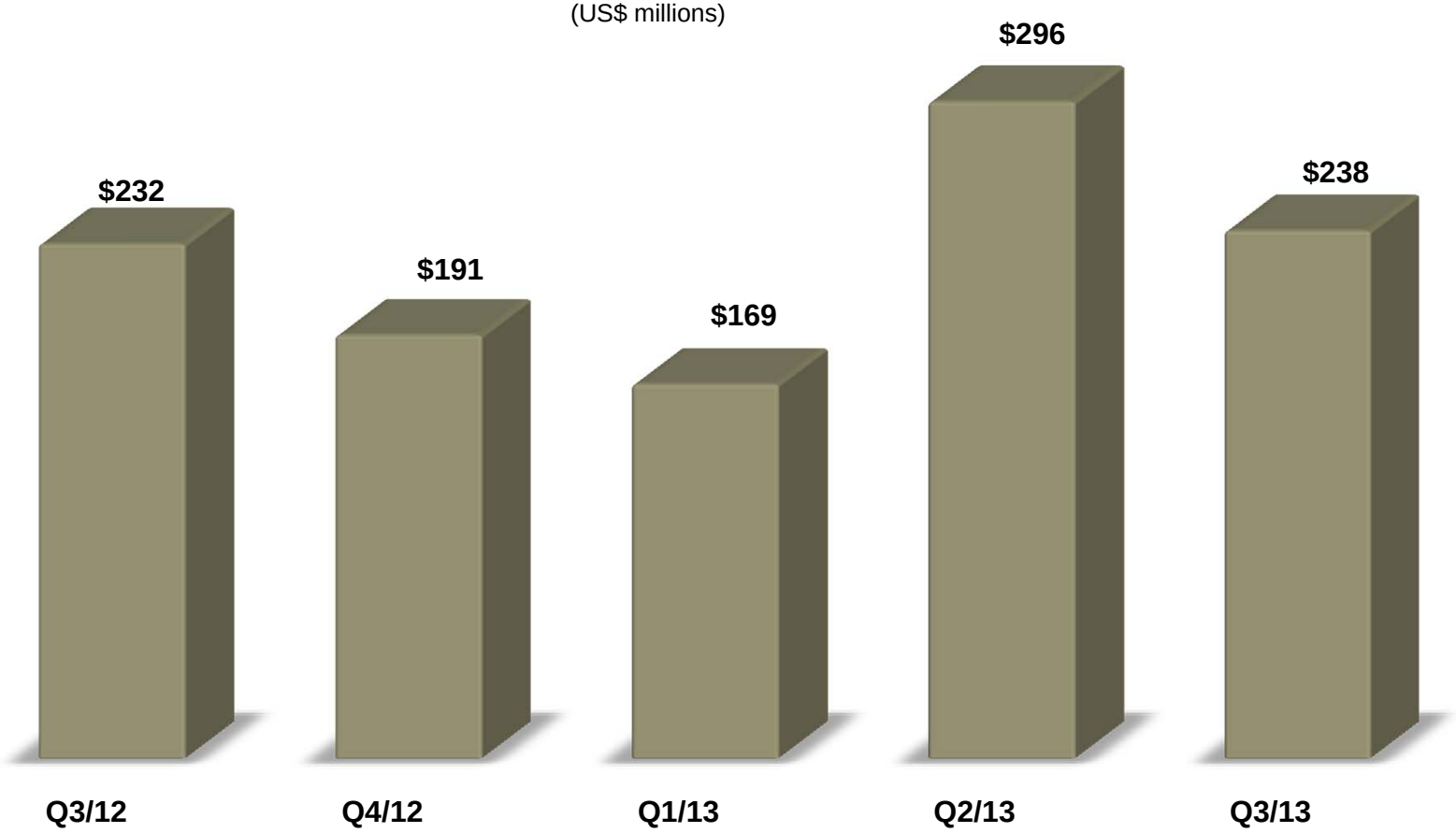


1. Cash cost, after by-product credits, per silver ounce represents non-U.S. Generally Accepted Accounting Principles (GAAP) measurement. A reconciliation of which to cost of sales and other direct production costs and depreciation, depletion and amortization, the most comparable GAAP measures, can be 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.

Continued Strong Balance Sheet

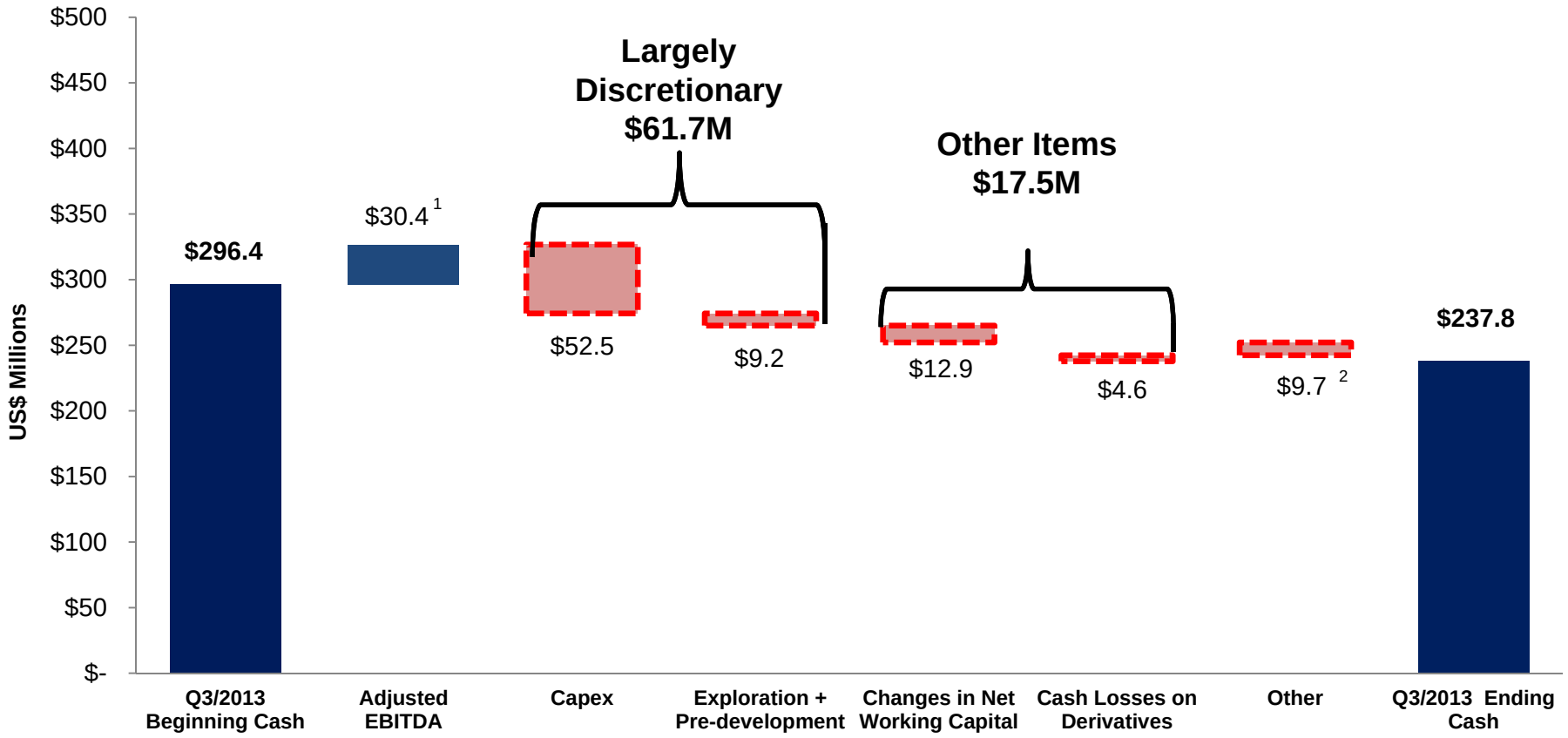
Cash and Cash Equivalents

(US$ millions)



Cash Flow

Cash Bridge Q3 2013

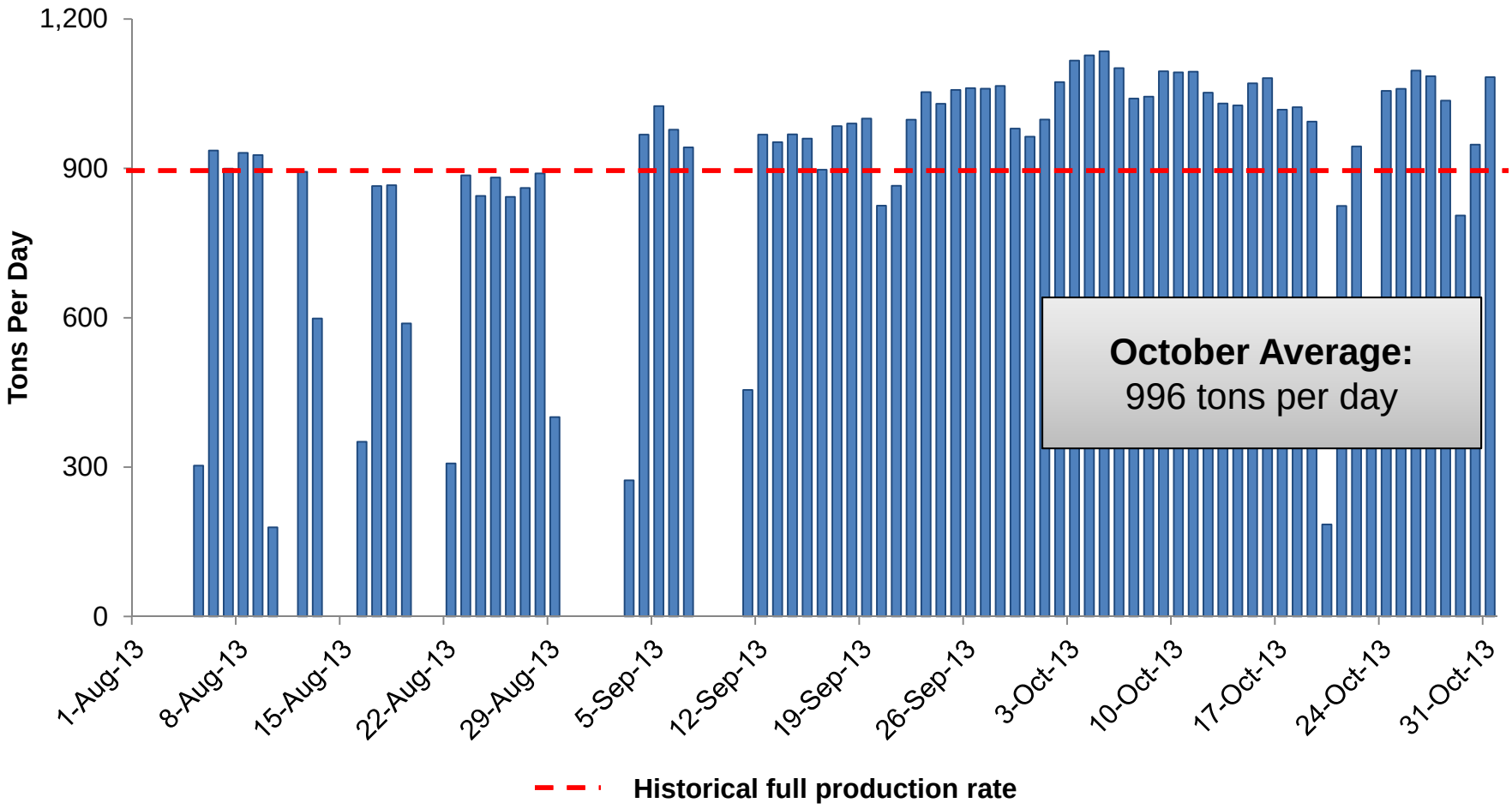


1. Adjusted EBITDA represents a non-GAAP measurement. A reconciliation of which to net income, the most comparable GAAP measure, can be found in the appendix.
2. Includes: Capital lease repayments, dividends, reclamation activities, stock compensation, etc.

Operations Review

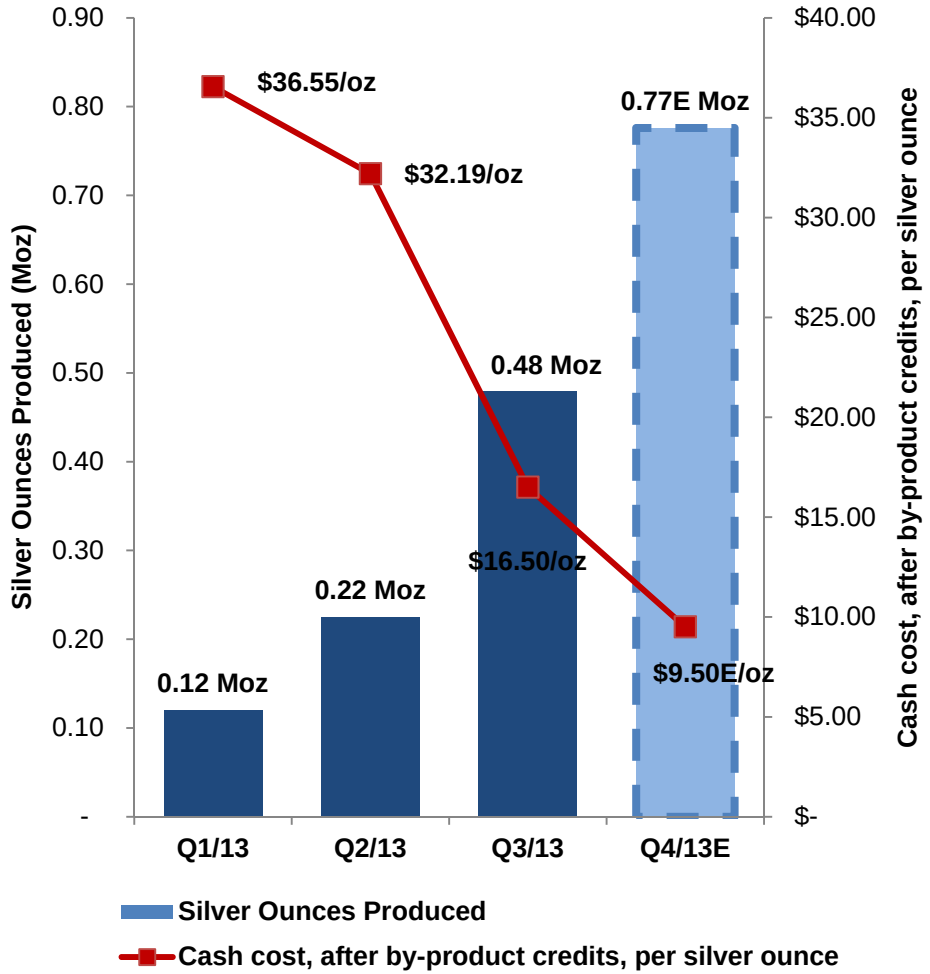
Lucky Friday Ramp-up

Daily Milled Tons



Lucky Friday Ramping Up Production

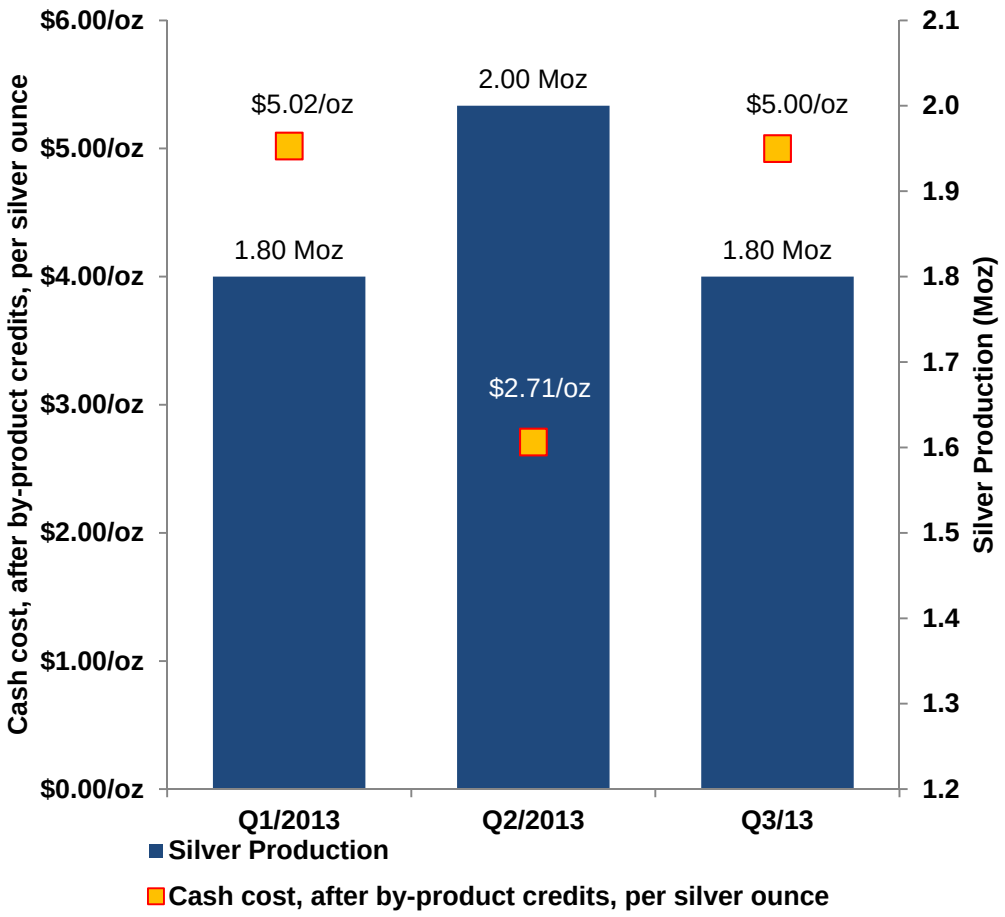
- Silver production of 479,188 ounces in Q3, up 121% over Q2
- Cash cost, after by-product credits, per silver ounce of $16.50[(1)], a reduction of 49% from Q2
- Produced 816,776 ounces of silver in first 9 months
- Reached historical throughput rate of 900 tpd in September
- Expected to produce1.6 million ounces of silver in 2013 with cash cost, after by-product credits, per silver ounce of ~$9.50 in December



1. Cash cost, after by-product credits, per silver ounce represent s 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 - Consistent Performer

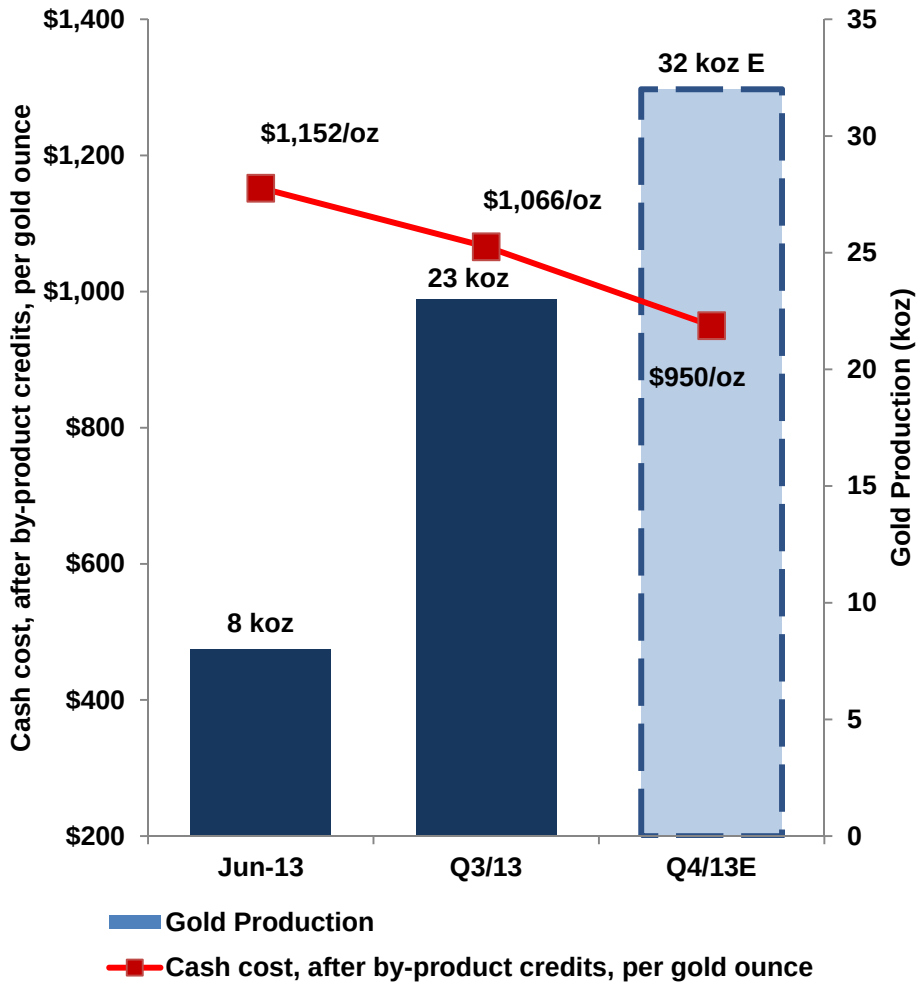
- Q3 silver production of 1.8 million ounces
- Q3 cash cost, after by-product credits, per silver ounce of $5.00(1)
- First nine months silver production of 5.6 million ounces
- Expected to produce approximately 7 million ounces of silver in 2013
- USFS has issued ROD for planned tailings facility



1. Cash cost, after of by-product credits, per silver ounce represents 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 - Higher Q3 Production, Lower Costs

- Q3 production of 23,406 ounces of gold, above 20,000 ounce target
- Q3 cash cost, after by-product credits, per gold ounce of $1,066(1), 7% lower than prior quarter
- Development of new, higher-grade stopes
  - Expected to increase ounces produced to estimated 55,000 ounces in second half of 2013
  - Q4 cash cost, after by product credits, per gold ounce expected to decline to ~$950
- Shaft deepening project and paste fill facility expected to increase efficiencies at the mine



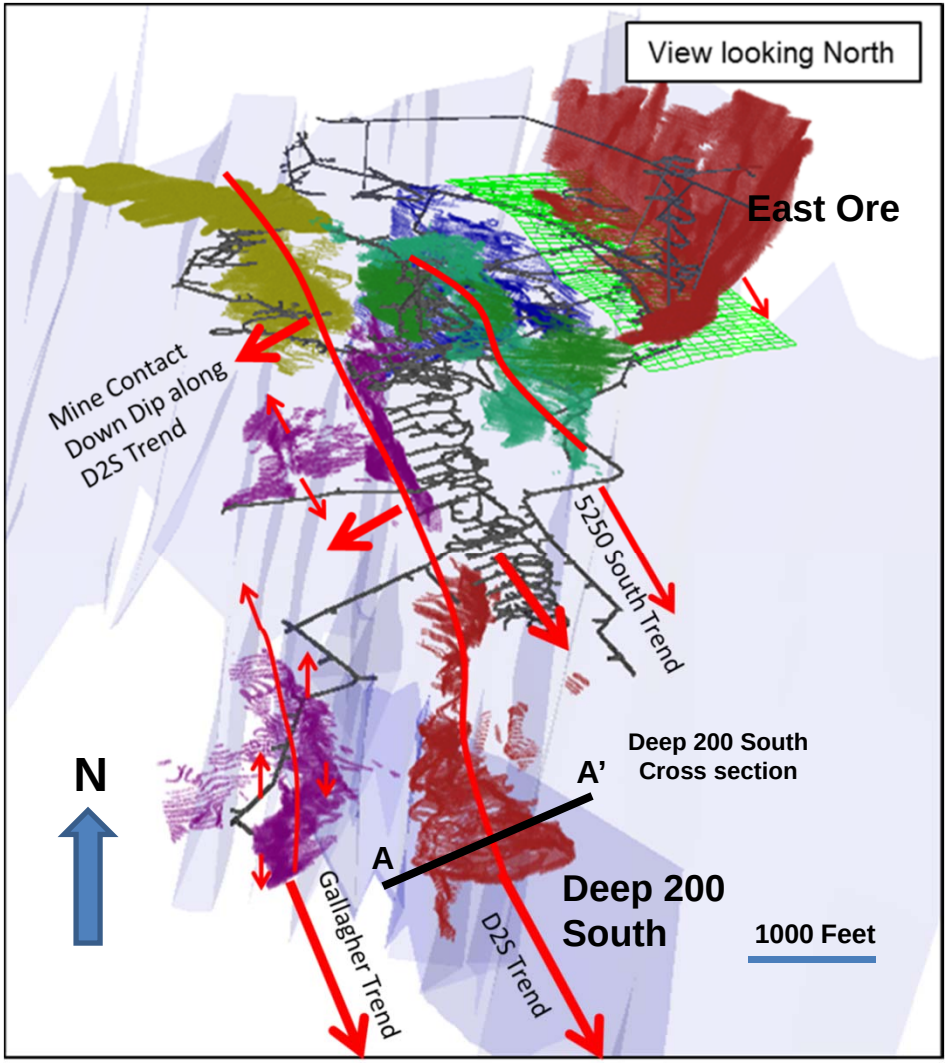
1. Cash cost, after by-product credits, per gold ounce represents non-U.S. Generally Accepted Accounting Principles (GAAP) measurement. A reconciliation of total cash costs to cost of sales and other direct production costs and depreciation, depletion and amortization (GAAP) can be found in the Appendix.

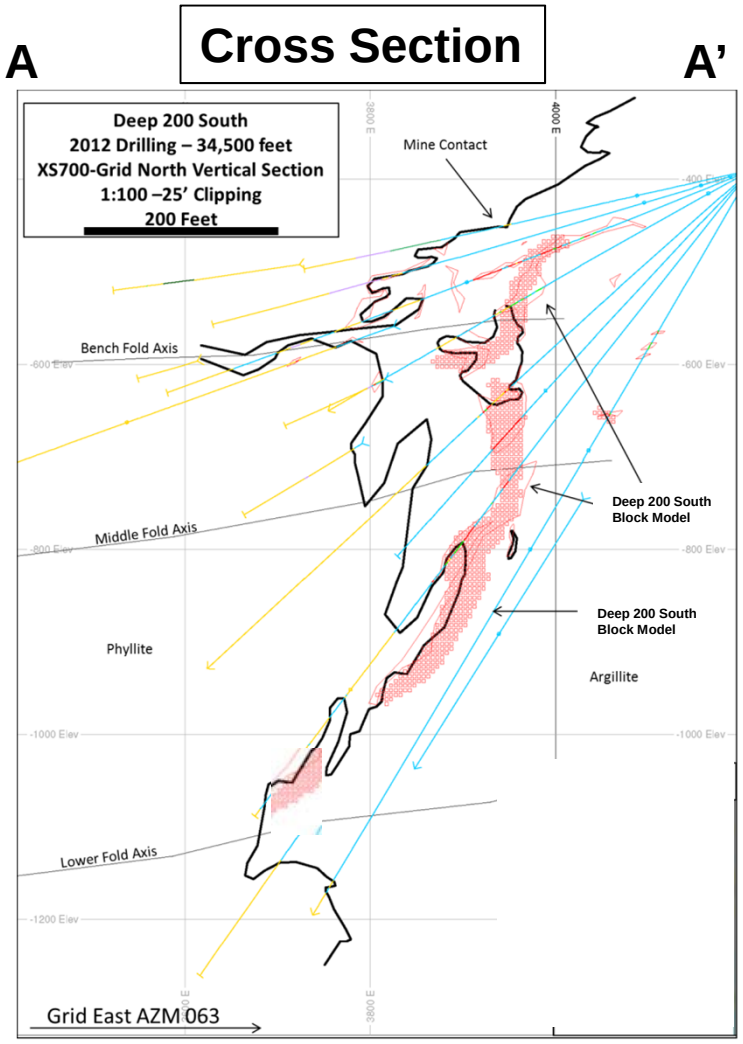
Casa Berardi - Paste Backfill Plant Completed



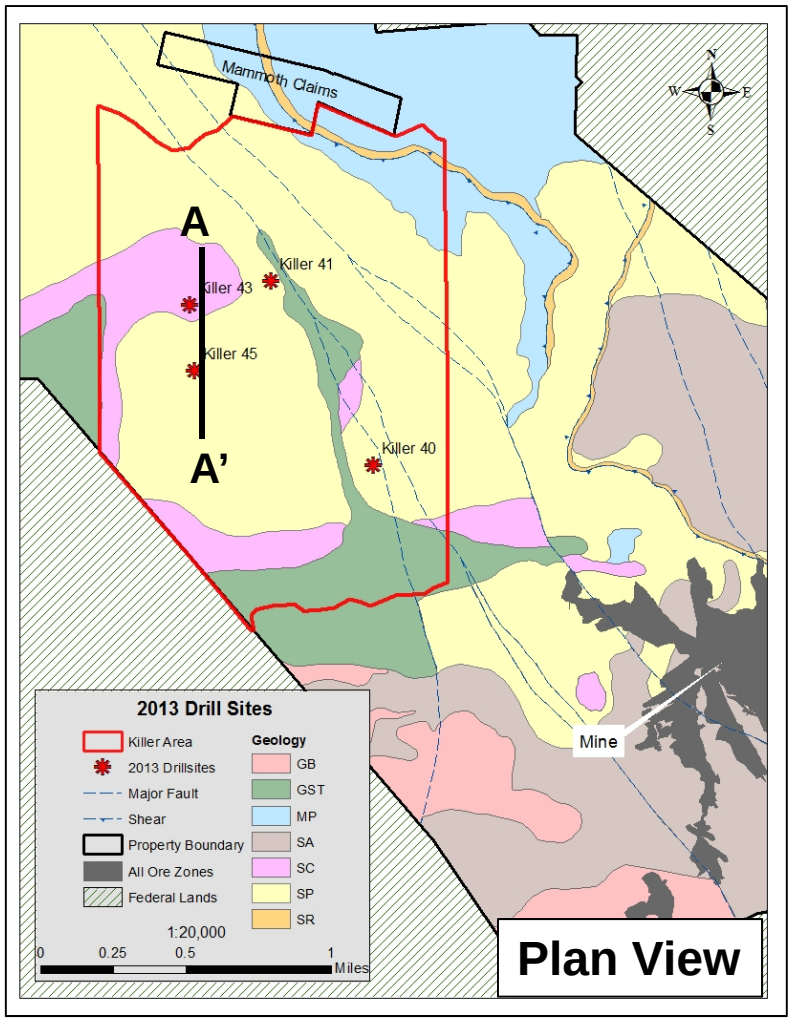
Exploration and Pre-Development Update

Greens Creek - Underground Exploration

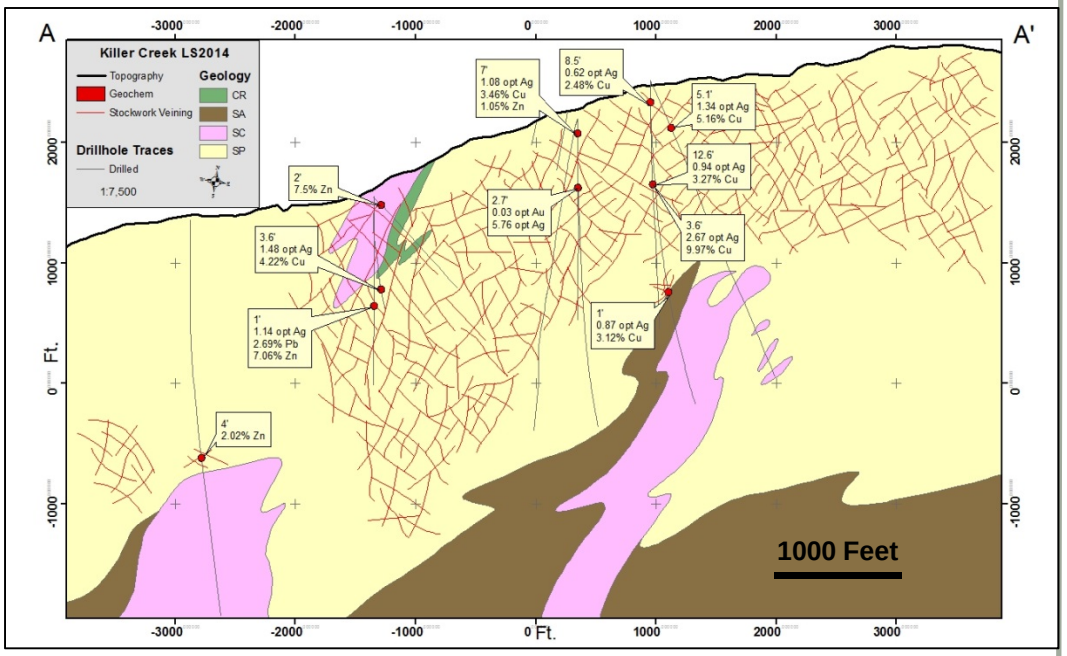




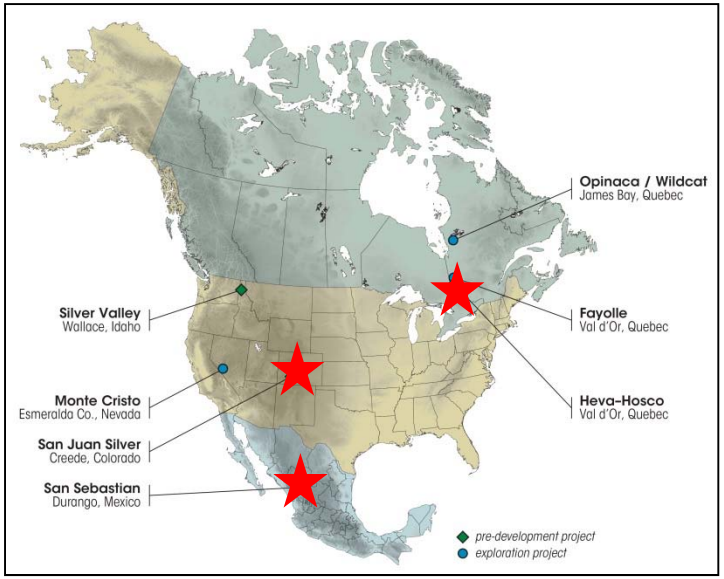
Greens Creek - Surface Exploration



Cross Section



Pre-Development Properties



San Juan Silver



San Sebastian



Heva Hosco



Conclusion





Appendix

Hecla MINING COMPANY

Reserves & Resources Update
(on Dec. 31, 2012 unless otherwise noted)

Proven Reserves											
Asset	Location	Ownership	Tons (000)	Silver (oz/ton)	Gold (oz/ton)	Lead %	Zinc %	Silver (000 oz)	Gold (000 oz)	Lead Tons	Zinc Tons
Greens Creek (a)	United States	100.0%	12	9.3	0.10	2.7	7.8	112	1	330	940
Lucky Friday (a)	United States	100.0%	2,207	12.1	0.00	7.4	2.7	26,779	--	163	59
Casa Berardi (1)	Canada	100.0%	1,099	--	0.18	--	--	--	192	--	--
Total			3,318					26,891	193	493	999

Probable Reserves											
Asset	Location	Ownership	Tons (000)	Silver (oz/ton)	Gold (oz/ton)	Lead %	Zinc %	Silver (000 oz)	Gold (000 oz)	Lead (Tons)	Zinc (Tons)
Greens Creek (a)	United States	100.0%	7,846	12.0	0.09	3.4	9.0	94,481	718	267,410	702,300
Lucky Friday (a)	United States	100.0%	1,932	14.8		8.7	3.2	28,676	--	167,390	62,300
Casa Berardi (1)	Canada	100.0%	7,950	--	0.16	--	--	--	1,269	--	--
Total			17,728					123,157	1,987	434,800	764,600

Proven and Probable Reserves											
Asset	Location	Ownership	Tons (000)	Silver (oz/ton)	Gold (oz/ton)	Lead %	Zinc %	Silver (000 oz)	Gold (000 oz)	Lead (Tons)	Zinc (Tons)
Greens Creek	United States	100.0%	7,857	12.0	0.09	3.4	9.0	94,594	719	267,740	703,230
Lucky Friday	United States	100.0%	4,138	13.5	0.00	8.0	3.0	55,454	--	330,740	120,860
Casa Berardi	Canada	100.0%	9,049	--	0.16	--	--	--	1,461	--	--
Total			21,044					150,048	2,180	598,480	824,090

Reserves & Resources Update
(on Dec. 31, 2012 unless otherwise noted)

Measured Resources											
Asset	Location	Ownership	Tons (000)	Silver (oz/ton)	Gold (oz/ton)	Lead %	Zinc %	Silver (000 oz)	Gold (000 oz)	Lead (Tons)	Zinc (Tons)
Greens Creek (2)(a)	United States	100.0%	--	--	--	--	--	--	--	--	--
Lucky Friday (3)(a)	United States	100.0%	10,608	5.8	--	3.9	2.4	61,313	--	417,130	259,420
Casa Berardi (4)	Canada	100.0%	1,981	--	0.17	--	--	--	338	--	--
Heva - Hosco (5)	Canada	100.0%	38,550	--	0.04	--	--	--	1,600	--	--
San Sebastian	Mexico	100.0%	--	--	--	--	--	--	--	--	--
San Juan Silver	United States	100.0%	--	--	--	--	--	--	--	--	--
Star	United States	100.0%	--	--	--	--	--	--	--	--	--
Total			51,139					61,313	1,938	417,130	259,420

Indicated Resources											
Asset	Location	Ownership	Tons (000)	Silver (oz/ton)	Gold (oz/ton)	Lead %	Zinc %	Silver (000 oz)	Gold (000 oz)	Lead (Tons)	Zinc (Tons)
Greens Creek (2)(a)	United States	100.0%	449	5.9	0.12	3.2	7.0	2,650	54	14	32
Lucky Friday (3)(a)	United States	100.0%	8,420	5.6	--	3.7	2.2	47,391	--	314,330	181,050
Casa Berardi (4)	Canada	100.0%	10,185	--	0.11	--	--	--	1,129	--	--
Heva - Hosco (5)	United States	100.0%	37,190	--	0.04	--	--	--	1,520	--	--
San Sebastian (6)(a)	Mexico	100.0%	1,297	3.4	0.06	1.1	1.5	4,371	74	14,640	19,080
San Juan Silver (7)(a)	United States	100.0%	515	14.8	--	2.1	1.1	7,619	--	10,760	5,820
Star (8)(a)	United States	100.0%	1,061	3.0	--	6.4	7.5	3,235	--	68,340	80,100
Total			59,117					65,266	2,777	408,084	286,082

Measured & Indicated Resources											
Asset	Location	Ownership	Tons (000)	Silver (oz/ton)	Gold (oz/ton)	Lead %	Zinc %	Silver (000 oz)	Gold (000 oz)	Lead (Tons)	Zinc (Tons)
Greens Creek (2)(a)	United States	100.0%	449	5.9	0.12	3.2	7.0	2,650	54	14	32
Lucky Friday (3)(a)	United States	100.0%	19,029	5.7	--	3.8	2.3	108,704	--	731,460	440,470
Casa Berardi (4)	Canada	100.0%	12,165	--	0.12	--	--	--	1,467	--	--
Heva - Hosco (5)	Canada	100.0%	75,730	--	0.04	--	--	--	3,119	--	--
San Sebastian (6)(a)	Mexico	100.0%	1,297	3.4	0.06	1.1	1.5	4,371	74	14,640	19,080
San Juan Silver (7)(a)	United States	100.0%	515	14.8	--	2.1	1.1	7,619		10,760	5,820
Star (8)(a)	United States	100.0%	1,061	3.0	--	6.4	7.5	3,235	--	68,340	80,100
Total			110,246					126,579	4,714	825,214	545,502

Reserves & Resources Update
(on Dec. 31, 2012 unless otherwise noted)

Inferred Resources											
Asset	Location	Ownership	Tons (000)	Silver (oz/ton)	Gold (oz/ton)	Lead %	Zinc %	Silver (000 oz)	Gold (000 oz)	Lead (Tons)	Zinc (Tons)
Greens Creek (9)(a)	United States	100.0%	3,785	11.4	0.10	2.4	6.2	42,977	379	92,130	233,110
Lucky Friday (10)(a)	United States	100.0%	6,922	9.1	0.00	5.6	2.3	62,651	--	384,930	158,240
Casa Berardi (4)	Canada	100.0%	5,302	--	0.11	--	--	--	590	--	--
Heva - Hosco (5)	Canada	100.0%	11,860	--	0.06	--	--	--	664	--	--
San Sebastian (11) (a)	Mexico	100.0%	5,696	4.2	0.03	0.5	0.6	23,897	160	25,880	36,040
San Juan Silver (12)(a)	United States	100.0%	3,078	10.7	--	1.3	1.1	33,096	35	40,990	34,980
Star (13)(a)	United States	100.0%	2,972	3.2	--	5.9	5.5	9,378	--	174,080	163,480
Monte Cristo (14)(a)	United States	100.0%	913	0.3	0.14	--	--	271	131	--	--
Total			40,528					172,270	1,959	718,010	625,850

Note: All estimates are in-situ, Resources are Exclusive of Reserves

* Totals may not represent the sum of parts due to rounding

(a) Underground Mineral Reserves and Mineral Resources are based on $1400 gold, $26.50 silver, $0.85 lead, $0.85 zinc and $3.40 copper

(1) Underground Mineral Reserves and Resources are based on $1,350 gold and a US$/CAN$ exchange rate of 1:1. Reserve diluted to an average of 23.7% to minimum width of 3 meters
Open pit Mineral Reserves of the East Mine were estimated in February 2009 based on $700 gold and a US$/CAN$ exchange rate of 0.85:1. Reserve diluted to 20%
Open pit Mineral Reserves of the Principal Mine were estimated in February 2011 based on $950 gold and a US$/CAN$ exchange rate of 1:1. Reserve diluted to 10%

(2) Indicated Resources only in Gallagher orebody, factored for dilution and mining recovery.

(3) Measured and Indicated resources from Gold Hunter and Lucky Friday vein systems diluted and factored for expected mining recovery.

(4) Measured, Indicated and inferred resources are based on $1,350 gold and a US$/CAN$ exchange rate of 1:1. Underground resources are diluted to 20% to minimum mining width of 2 to 3 meters
Open pit Mineral Resources of the Principal Mine were estimated based on $950 gold and a US$/CAN$ exchange rate of 1:1
Open pit Mineral Resources of the 160 Zone were based on $1,250 gold and a US$/CAN$ exchange rate of 1:1, Resources diluted to 12%

(5) The Heva and Hosco optimised shells were done using a gold price of US$1,300 per oz Au with respectively a mining dilution of 10% and 6.5% (at 0 oz/st Au) and an ore loss of 5% and 4%. Resource completed in July 2013.

(6) Indicated resources diluted to minimum mining width of 2.0 meters for Hugh Zone, 1.5 meters for Andrea Vein.

(7) Indicated resources diluted to minimum mining width of 6.0 feet for Bulldog.

(8) Indicated resources, diluted to minimum mining width of 4.3 feet.

(9) Inferred Resources in East Ore, Gallagher, NWW, 200S orebodies, factored for dilution and mining recovery.

(10) Inferred Resources from Gold Hunter and Lucky Friday vein systems diluted and factored for expected mining recovery.

(11) Inferred Resources diluted to minimum mining width of 2.0 meters for Hugh Zone, 1.5 meters for Andrea & Middle veins.
San Sebastian Hugh Zone also contains 29,720 tons of Cu at 1.46% Cu within 1,949,800 tons of ore.

(12) Inferred Resources diluted to minimum mining width of 6.0 feet for Bulldog, 5.0 feet for Equity & North Amethyst veins.

(13) Inferred Resources diluted to minimum mining width of 4.3 feet.

(14) Inferred Resource diluted to minimum mining width of 5.0 feet.

Total Cash Cost GAAP Reconciliation

Reconciliation of cash cost, after 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)

	Q3/2013	Q2/2013	Q1/2013	2012	2011	2010	2009	2008
Cash costs, before by-product credits[1]	$ 63,087	$ 61,777	$ 59,923	$ 208,178	$ 265,306	$ 251,837	$ 227,566	$ 201,584
By-product credits	(46,134)	(49,324)	(46,577)	(190,916)	(254,372)	(267,272)	(206,608)	(164,963)
Cash cost, after by-product credits	16,953	12,453	13,346	17,262	10,934	(15,435)	20,958	36,621
Divided by silver ounces produced	2,287	2,237	1,901	6,394	9,483	10,566	10,989	8,709
Cash cost, before by-product credits, per silver ounce	$ 27.59	$ 27.61	$ 31.52	$ 32.56	$ 27.98	$ 23.83	$ 20.71	$ 23.15
By-product credits per silver ounce	$ (20.17)	$ (22.05)	$ (24.50)	$ (29.86)	$ (26.82)	$ (25.30)	$ (18.80)	$ (18.94)
Cash cost, after by-product credits, per silver ounce	$ 7.40	$ 5.56	$ 7.02	$ 2.70	$ 1.15	$ (1.46)	$ 1.91	$ 4.20
Reconciliation to GAAP:								
Cash cost, after by-product credits	$ 16,953	$ 12,453	$ 13,346	$ 17,262	$ 10,934	$ (15,435)	$ 20,958	$ 36,621
Depreciation, depletion and amortization	15,735	16,888	14,007	43,522	47,066	60,011	62,837	35,207
Treatment costs	(18,486)	(18,972)	(18,597)	(73,355)	(99,019)	(92,144)	(80,830)	(70,776)
By-products credits	46,134	49,324	46,577	190,916	254,372	267,272	206,608	164,963
Change in product inventory	7	8,436	(4,604)	(1,381)	(4,805)	3,660	310	20,254
Suspension-related costs[2]	-	-	-	-	4,135	-	-	-
Reclamation, severance and other costs	734	536	103	663	(44)	630	1,596	537
Costs of sales and other direct production costs and depreciation, depletion and amortization (GAAP)	**$ 61,077**	**$ 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.

Total Cash Cost GAAP Reconciliation

Reconciliation of cash cost, after 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, September 30	
	2013	2012
Cash costs, before by-product credits[1]	$ 63,087	$ 53,479
By-product credits	(46,134)	(47,778)
Cash cost, after by-product credits	16,953	5,701
Divided by silver ounces produced	2,287	1,619
Cash cost, before by-product credits, per silver ounce	$ 27.59	$ 33.03
By-product credits per silver ounce	$ (20.17)	$ (29.51)
Cash cost, after by-product credits, per silver ounce	$ 7.40	$ 3.52
Reconciliation to GAAP:		
Cash cost, after by-product credits	$ 16,953	$ 5,701
Depreciation, depletion and amortization	15,735	11,601
Treatment costs	(18,486)	(18,351)
By-products credits	46,134	47,778
Change in product inventory	7	(1,944)
Suspension-related costs[2]	-	-
Reclamation, severance and other costs	734	(223)
Costs of sales and other direct production costs and depreciation, depletion and amortization (GAAP)	**$ 61,077**	**$ 44,562**

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.

Total Cash Cost GAAP Reconciliation

Reconciliation of cash cost, after by-product credits, per gold ounce to Generally Accepted Accounting Principles (GAAP) for Casa Berardi (dollars and ounces in thousands, except per ounce - unaudited)

	Q3/2013	June 2013
Cash costs, before by-product credits[1]	$ 25,068	$ 7,804
By-product credits	(113)	(37)
Cash cost, after by-product credits	24,955	7,767
Divided by gold ounces produced	23,406	6,740
Cash cost, before by-product credits, per gold ounce	$ 1,070.82	$ 1,158.00
By-product credits per silver ounce	$ (4.83)	$ (5.49)
Cash cost, after by-product credits, per gold ounce	$ 1,065.99	$ 1,152.00
Reconciliation to GAAP:		
Cash cost, after by-product credits	$ 24,957	$ 7,767
Depreciation, depletion and amortization	3,270	3,324
Treatment costs	(78)	(9)
By-products credits	113	37
Change in product inventory	(3,456)	414
Reclamation, severance and other costs	60	21
Costs of sales and other direct production costs and depreciation, depletion and amortization (GAAP)	**$ 24,866**	**$ 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.

Hecla Adjusted EBITDA Reconciliation

Reconciliation of Adjusted EBITDA (non-GAAP) to Net Income (GAAP)

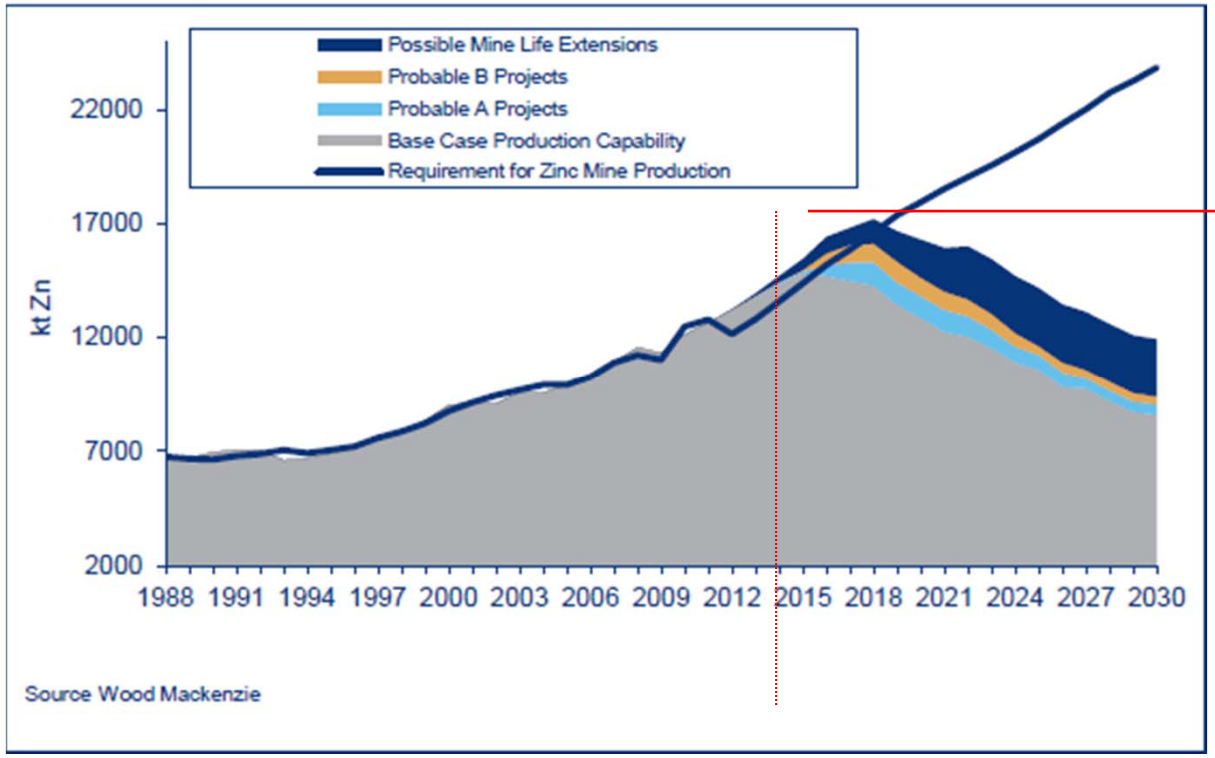
	Three Months Ended September 30,	
	2013	**2012**
Net Income	**$ (8,458)**	$ (885)
Plus: Interest expense, net of amount capitalized	**7,348**	591
Plus/(Less): Income taxes	**(2,542)**	14
Plus: Depreciation, depletion, and amortization	**20,445**	13,243
Plus: Exploration expense	**5,797**	11,722
Plus: Pre-development expense	**3,444**	5,409
Plus: Aurizon acquisition costs	**768**	-
Plus: Aurizon product inventory fair value adjustment	**0**	-
Plus/(Less): Lucky Friday suspension-related costs (income)	**(59)**	6,114
Plus/(Less): Interest and other (income) expense	**829**	(47)
Less: Gains on derivative contracts	**4,564**	9,053
Plus/(Less): Provisional price (gains)/losses	**(1,740)**	(5,861)
Adjusted EBITDA	**$ 30,396**	$ 39,353

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.

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