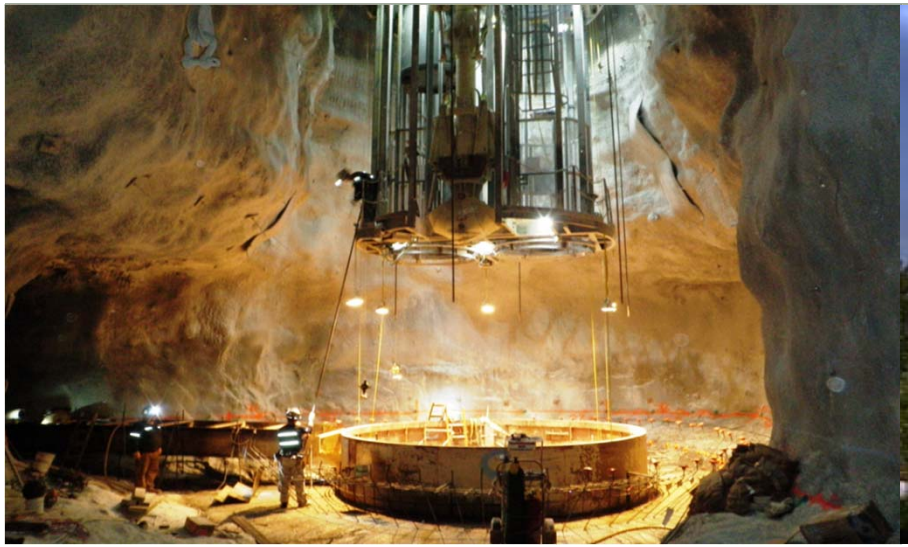




BMO Capital Markets Global Metals & Mining Conference

February 25, 2014

Hecla MINING COMPANY

Cautionary Statements

Cautionary Statement Regarding Forward Looking Statements, Including 2014 Outlook

This presentation contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, which are intended to be covered by the safe harbor created by such sections and other applicable laws. Such forward-looking statements may include, without limitation: (i) estimates of future production and sales, including as a result of the #4 Shaft Project; (ii) estimates of future costs and cash cost, after by-product credits per ounce of silver/gold, including the expected cost of the #4 Shaft project; (iii) guidance for 2014 for silver and gold production, cash cost, after by-product credits, capital expenditures and pre-development and exploration expenditures (which assumes metal prices of gold at $1,300/oz., silver at $20/oz., zinc at $0.80/lb. and lead at $0.90/lb. and US dollar and Canadian dollar at par); (iv) expectations regarding the development, growth and exploration potential of the Company's projects; (v) the Company's mineral resources and mineral reserves. Estimates or expectations of future events or results are based upon certain assumptions, which may prove to be incorrect. Such assumptions, include, but are not limited to: (i) there being no significant change to current geotechnical, metallurgical, hydrological and other physical conditions; (ii) permitting, development, operations and expansion of the Company's projects being consistent with current expectations and mine plans; (iii) political/regulatory developments in any jurisdiction in which the Company operates being consistent with its current expectations; (iv) the exchange rate for the Canadian dollar to the U.S. dollar, being approximately consistent with current levels; (v) certain price assumptions for gold, silver, lead and zinc; (vi) prices for key supplies being approximately consistent with current levels; (vii) the accuracy of our current mineral reserve and mineral resource estimates; and (viii) the Company's plans for development and production will proceed as expected and will not require revision as a result of risks or uncertainties, whether known, unknown or unanticipated. Where the Company expresses or implies an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and believed to have a reasonable basis. However, such statements are subject to risks, uncertainties and other factors, which could cause actual results to differ materially from future results expressed, projected or implied by the "forward-looking statements." Such risks include, but are not limited to gold, silver and other metals price volatility, operating risks, currency fluctuations, increased production costs and variances in ore grade or recovery rates from those assumed in mining plans, community relations, conflict resolution and outcome of projects or oppositions, litigation, political, regulatory, labor and environmental risks, and exploration risks and results, including that mineral resources are not mineral reserves, they do not have demonstrated economic viability and there is no certainty that they can be upgraded to mineral reserves through continued exploration. For a more detailed discussion of such risks and other factors, see the Company's 2013 Form 10-K, filed on February 19, 2014 with the Securities and Exchange Commission (SEC), as well as the Company's other SEC filings. The Company does not undertake any obligation to release publicly revisions to any "forward-looking statement," including, without limitation, outlook, to reflect events or circumstances after the date of this presentation, or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws. Investors should not assume that any lack of update to a previously issued "forward-looking statement" constitutes a reaffirmation of that statement. Continued reliance on "forward-loo king statements" is at investors' own risk.

Cautionary Note Regarding Estimates of Measured, Indicated and Inferred Resources

The United States Securities and Exchange Commission (SEC) 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, PhD. P.Geo., Senior Vice President - Exploration of Hecla Mining Company, who serves as a Qualified Person under National Instrument 43-101("NI 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" effective date March 28, 2013, and for the Lucky Friday Mine are contained in a technical report titled "Technical Report for the Lucky Friday Mine Shoshone County, Idaho, USA" effective date March 28, 2013, and 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" effective date March 28, 2013 (the "Casa Berardi Technical Report"). Also included in these three 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's and Aurizon's profiles on SEDAR at www.sedar.com. The Casa Berardi Technical Report was reviewed by Dr. McDonald on behalf of Hecla. To the best of Hecla's knowledge, information and belief, there is no new material scientific or technical information that would make the disclosure of the mineral resources and mineral reserves for Casa Berardi in this document inaccurate or misleading.

Cautionary Note Regarding Non-GAAP measures

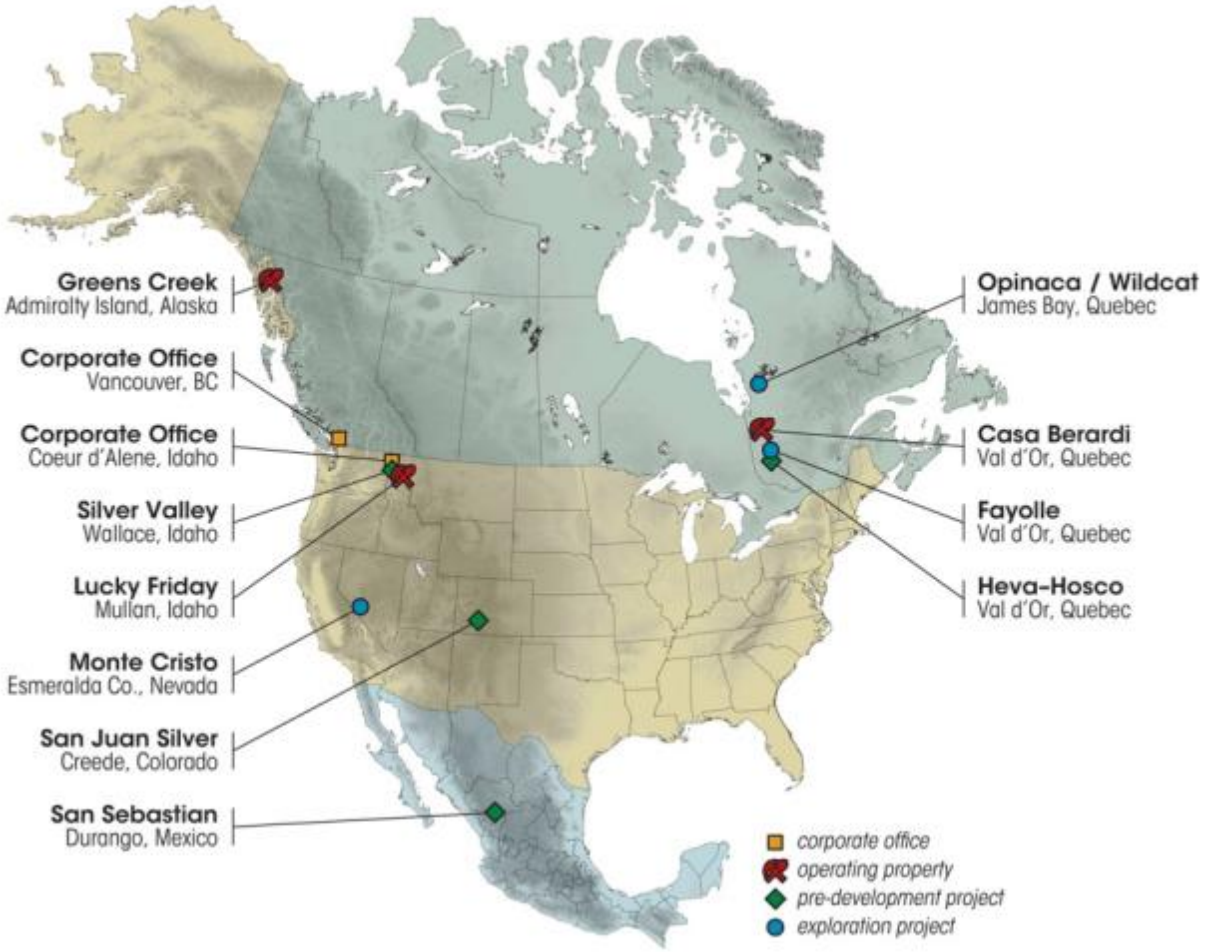
Cash cost per ounce of silver and gold, net of by-product credits and adjusted EBITDA represent non-U.S. Generally Accepted Accounting Principles (GAAP) measurement. A reconciliation of each of these non-GAAP measures to GAAP measures can be found in the Appendix.

A New Hecla

- Long Life Assets, Strong Reserve Growth
- Low Cost, High Margins
- Growing Silver and Gold Production
- Mining-Friendly Jurisdictions

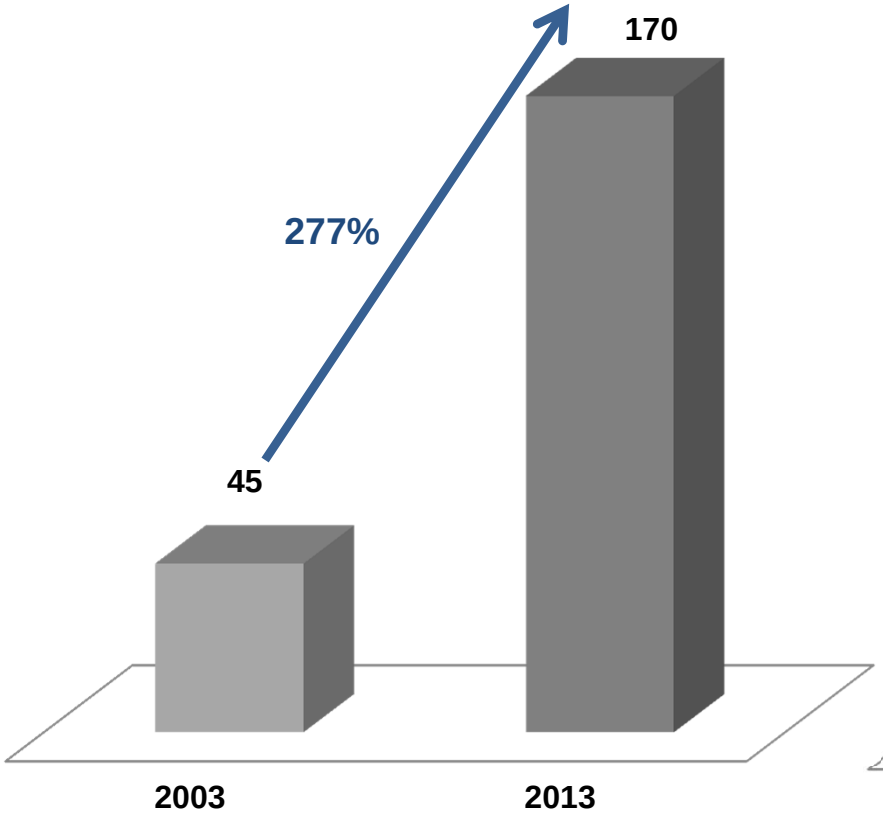
North American Focused Asset Portfolio

All operations in lower-risk, mining-friendly jurisdictions

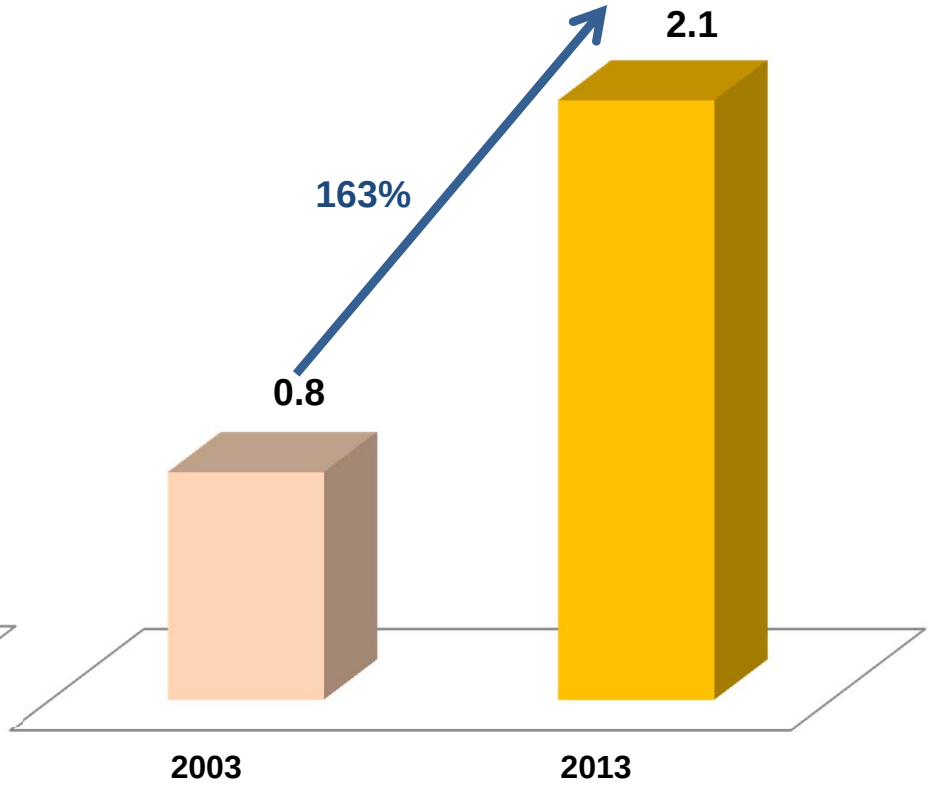


Strong Reserve Growth 2003[1] - 2013

Silver Ounces (millions)

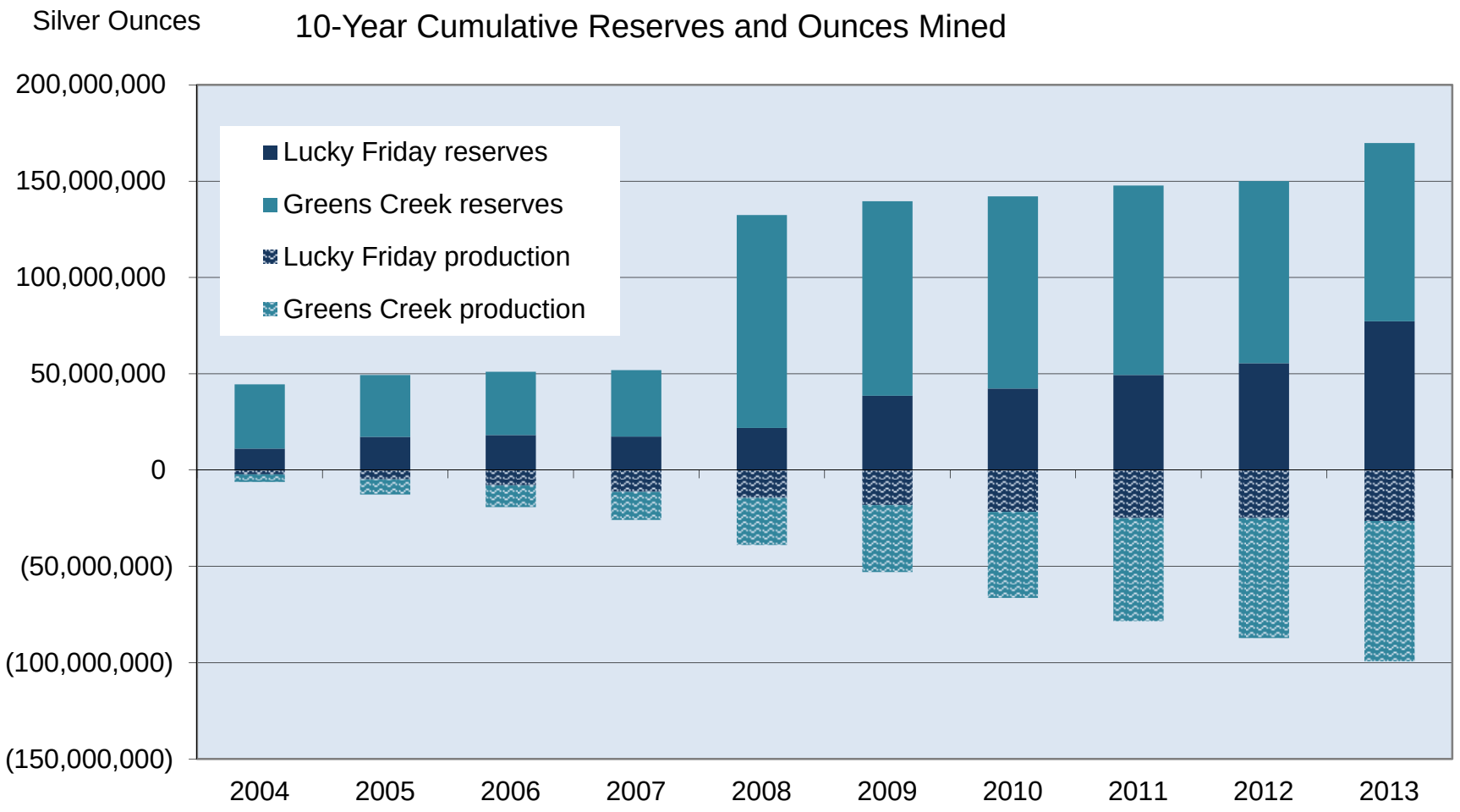


Gold Ounces (millions)[2]



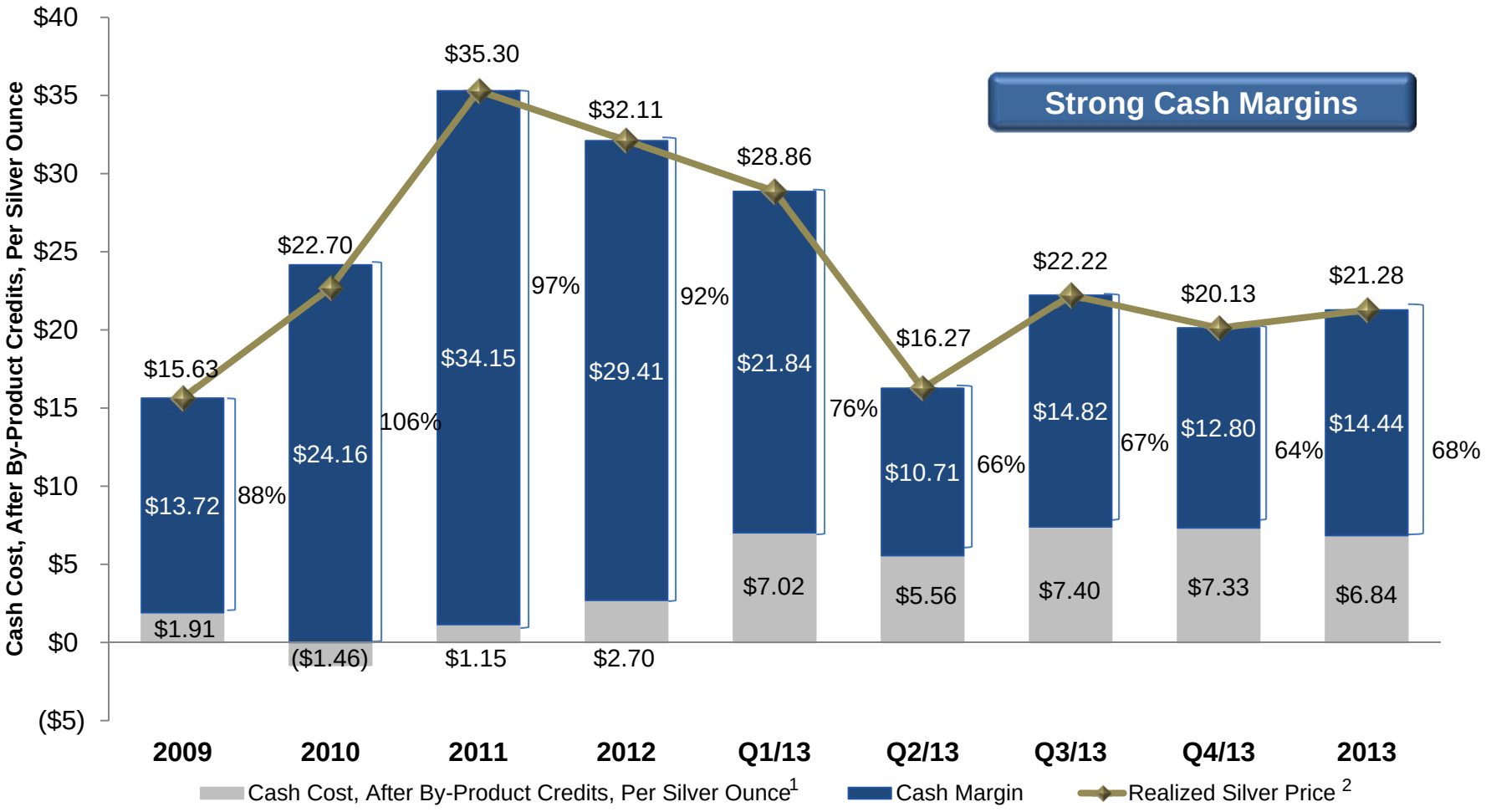
1. See Proven and Probable reserves data in the Appendix.
2. Acquired Aurizon Mines in 2013

Reserve Growth vs Mined Production 2004 - 2013[1]



1. See Proven and Probable reserves data in the Appendix.

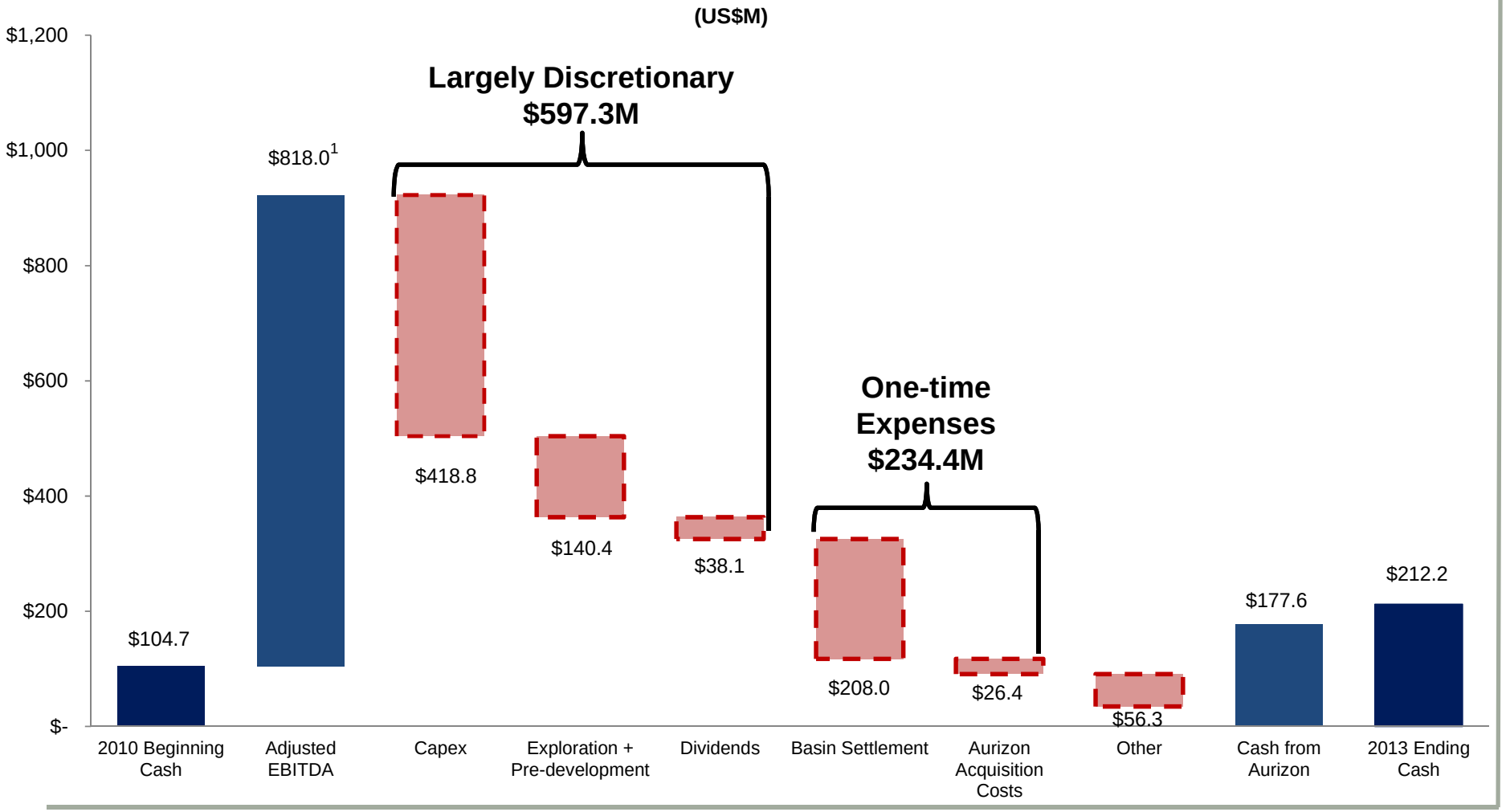
Continued Strong Margins



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.

Cash Flow Flexibility 2010 - 2013

Cash Bridge 2010 - 2013

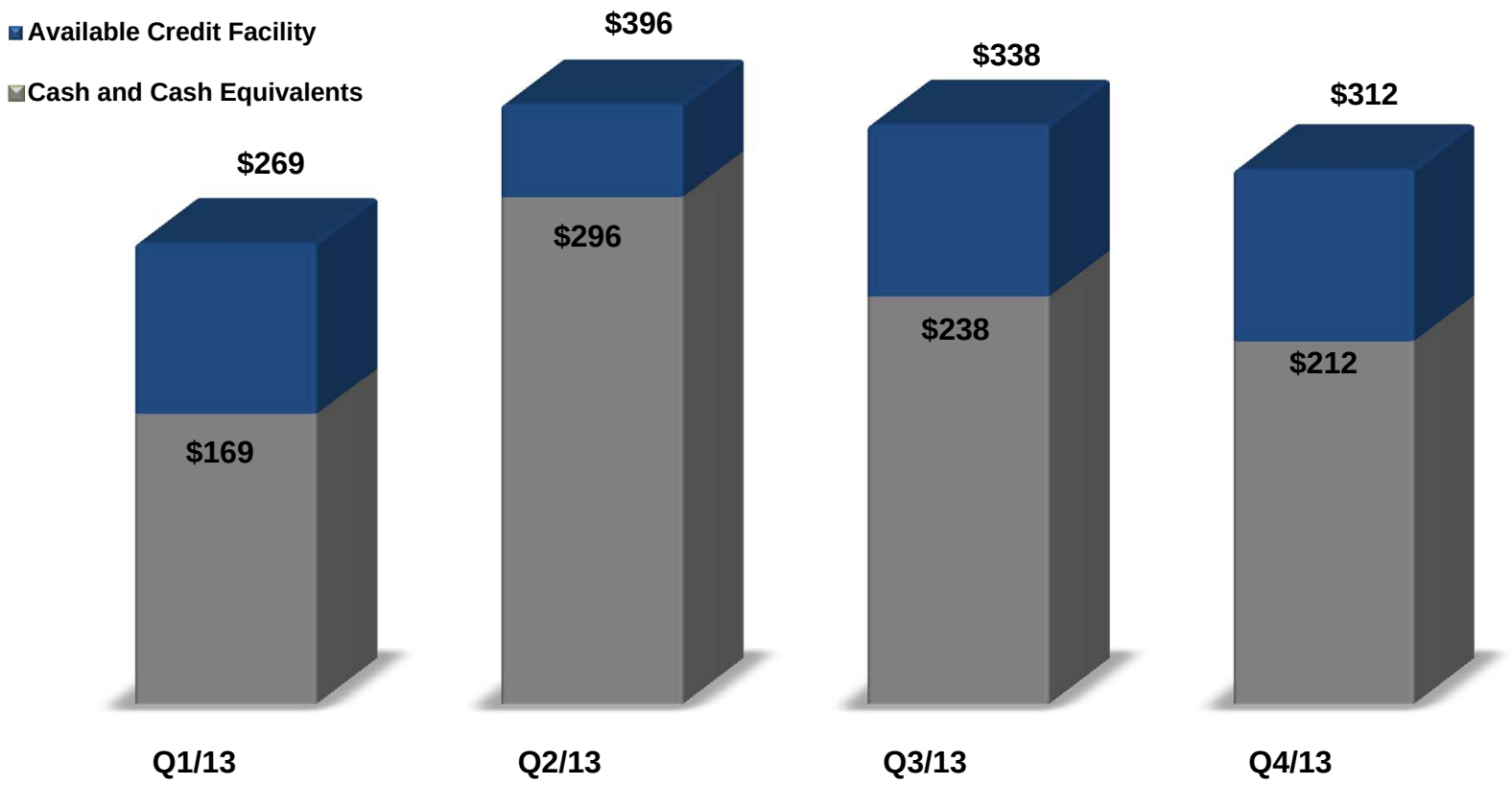


1. Adjusted EBITDA represents a non-GAAP measurement. A reconciliation can be found in the Appendix.
2. Average prices for the period: Gold - $1,490/oz, Silver $28.91/oz, Lead $0.99/lb, Zinc $0.93/lb

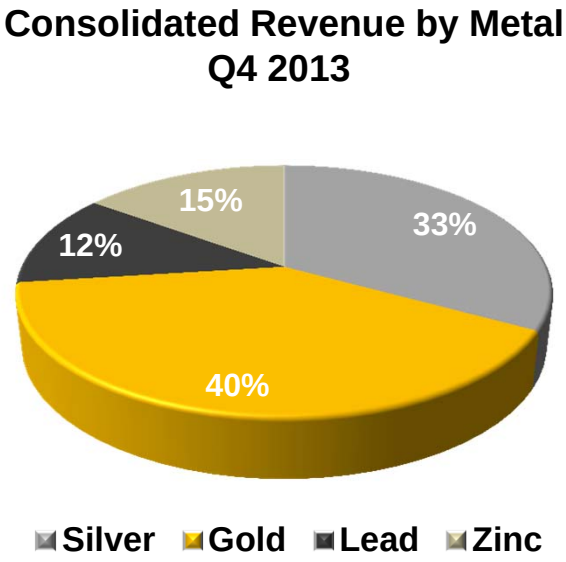
Strong Balance Sheet

Cash and Cash Equivalents

(US$ millions)



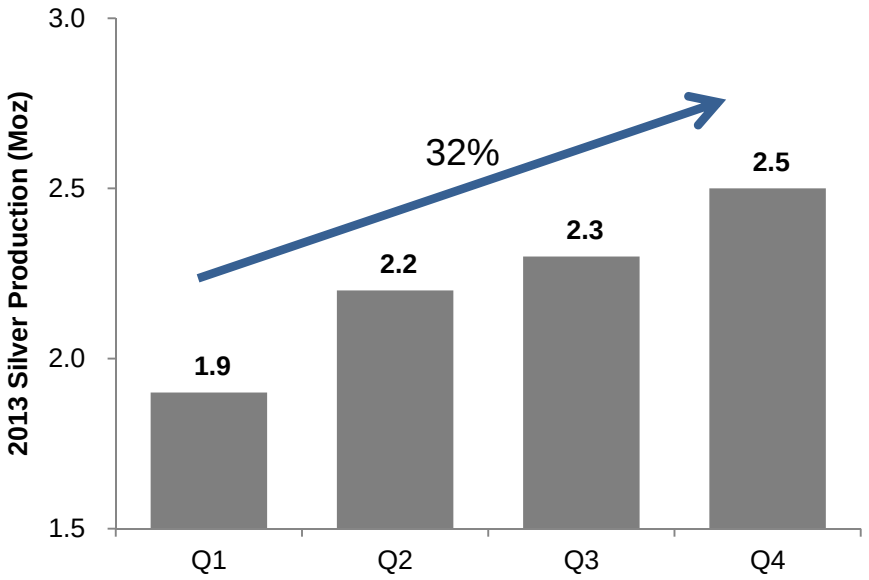
Diversified Revenue: Silver, Gold, Lead and Zinc



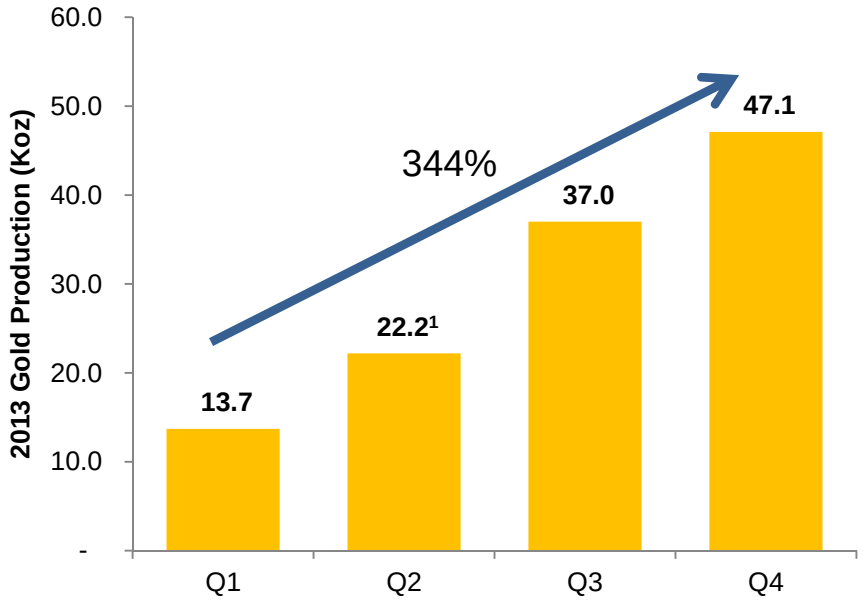
- Diversified revenue stream (silver, gold, lead and zinc) from 3 mines
- Policy allows hedging of 60% of the next 3 years of lead and zinc production
- Currently have ~$300 million sold, or about 1 year of operating expenses
- Locking in revenue for all metals when concentrate shipped beginning Q3/13
- **NO LONG TERM HEDGING OF GOLD AND SILVER!**

Increasing Production

Silver Production
(millions)



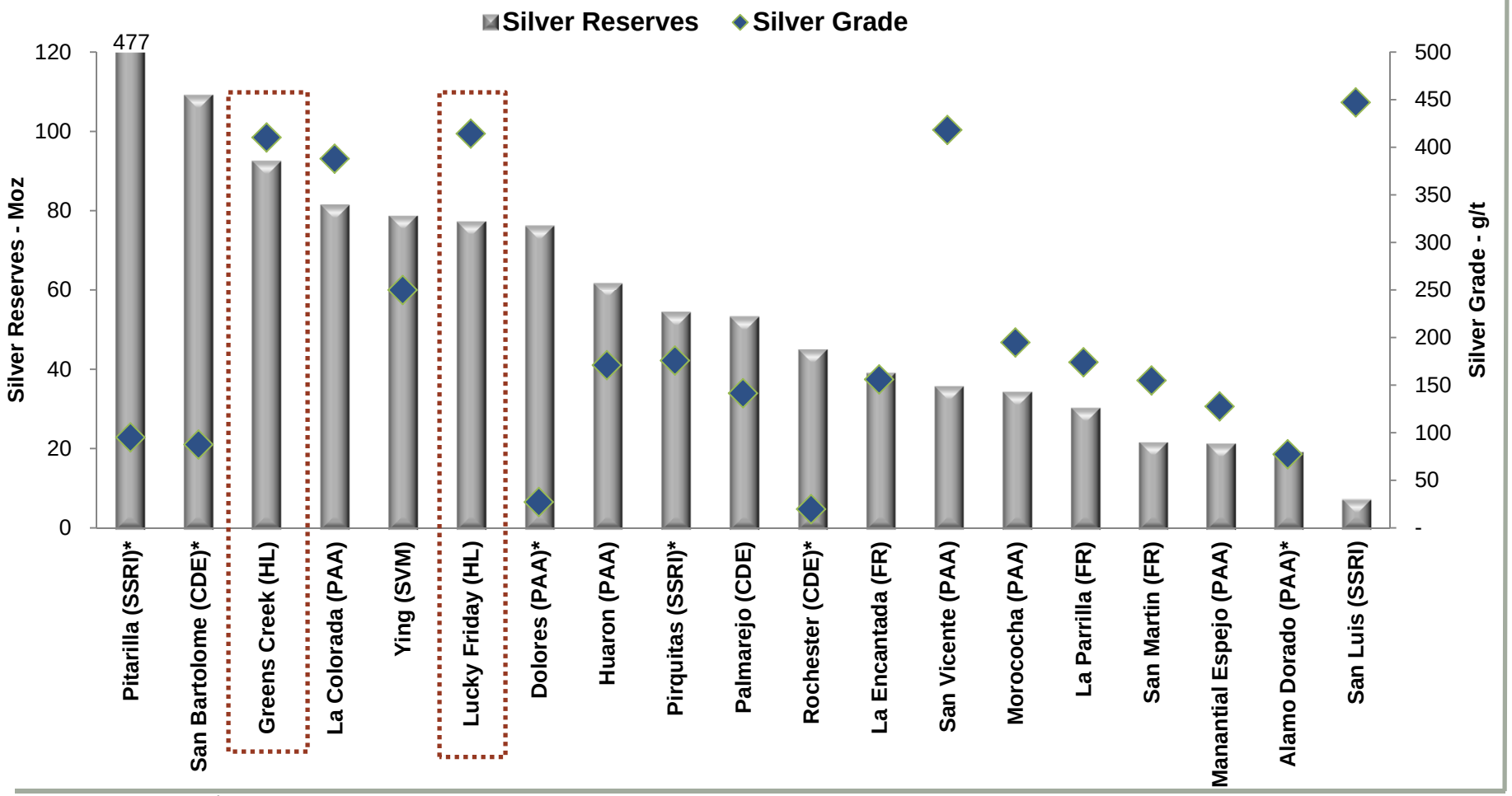
Gold Production
(thousands)



1. Acquisition of Aurizon Mines (Casa Berardi) closed on June 1, 2013.

Large and High Quality Silver Assets

Silver Reserves and Grades of Silver Peers



1. Reserves capped at 120M ounces
Source: Public filings, *Open pit mines - Palmarejo is both open pit and underground.

Greens Creek - Large and Low Cost



Key Highlights:

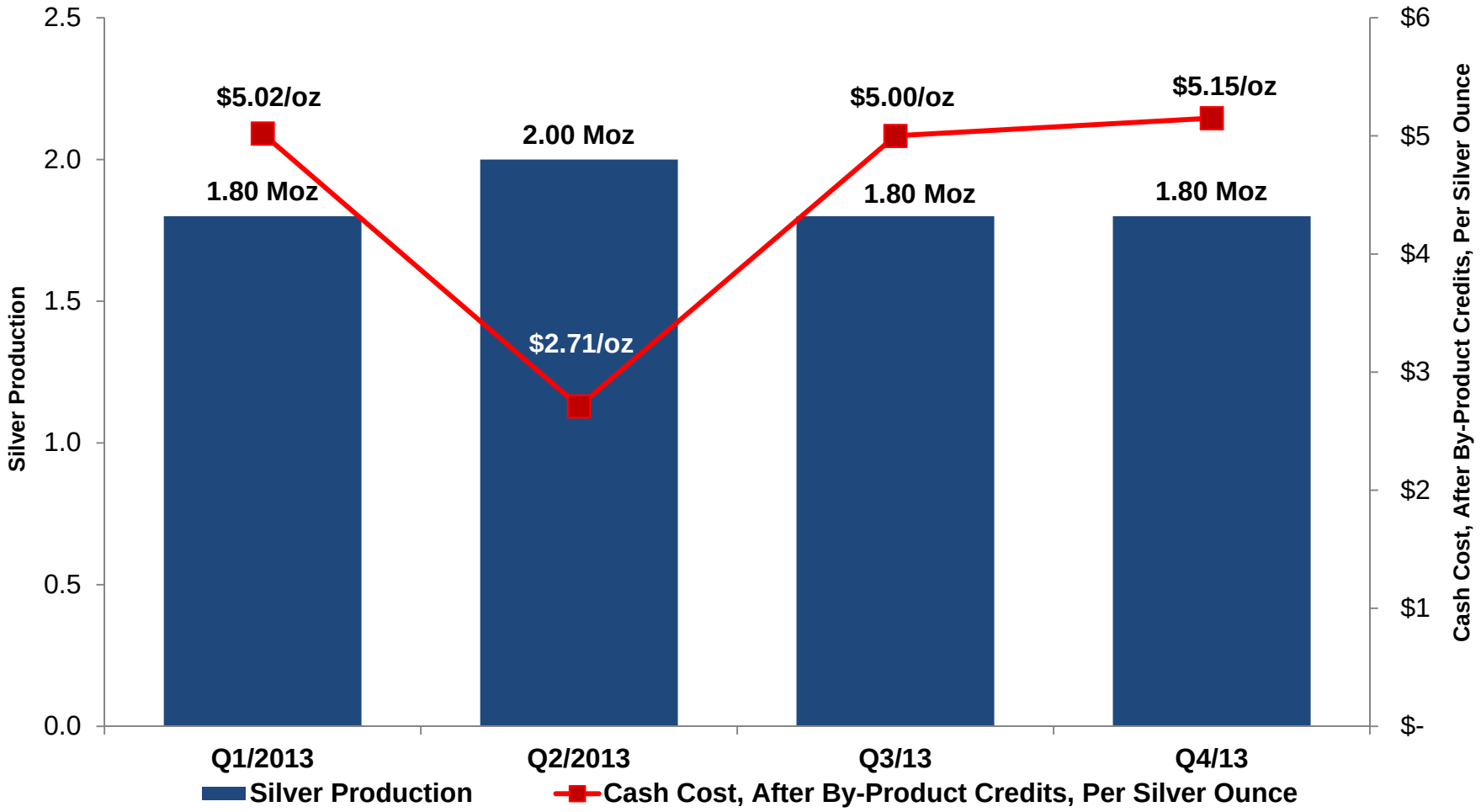
- One of the largest and lowest-cost primary silver mines in the world

2014 Guidance	
Silver Production (oz)	6.5 - 7.0 M
Gold Production (oz)	55,000
Cash cost, after by-product credits, per silver ounce[2]	$6.00/oz

Overview	
Location	Admiralty Island, Alaska
Deposit	Polymetallic, stratiform, massive sulfide
Ownership (Since)	100% Hecla (2008)
Type	Underground
Expected Life of Mine[1]	9 years
Primary Metal Produced	Silver
Reserves & Resources (at December 31, 2013)	
2P Reserves	92.5 Moz @ 11.9 oz/t
M+I Resources	9.4 Moz @ 12.2 oz/t
Inferred Resources	31.8 Moz @ 13.3 oz/t
Production & Cash Costs (2013)	
Silver Production (oz)	7.4 M
Cash cost, after by-product credits, per silver ounce[2]	$4.42/oz

1. Source: NI 43-101 – March 28, 2013
2. Cash cost, after 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.

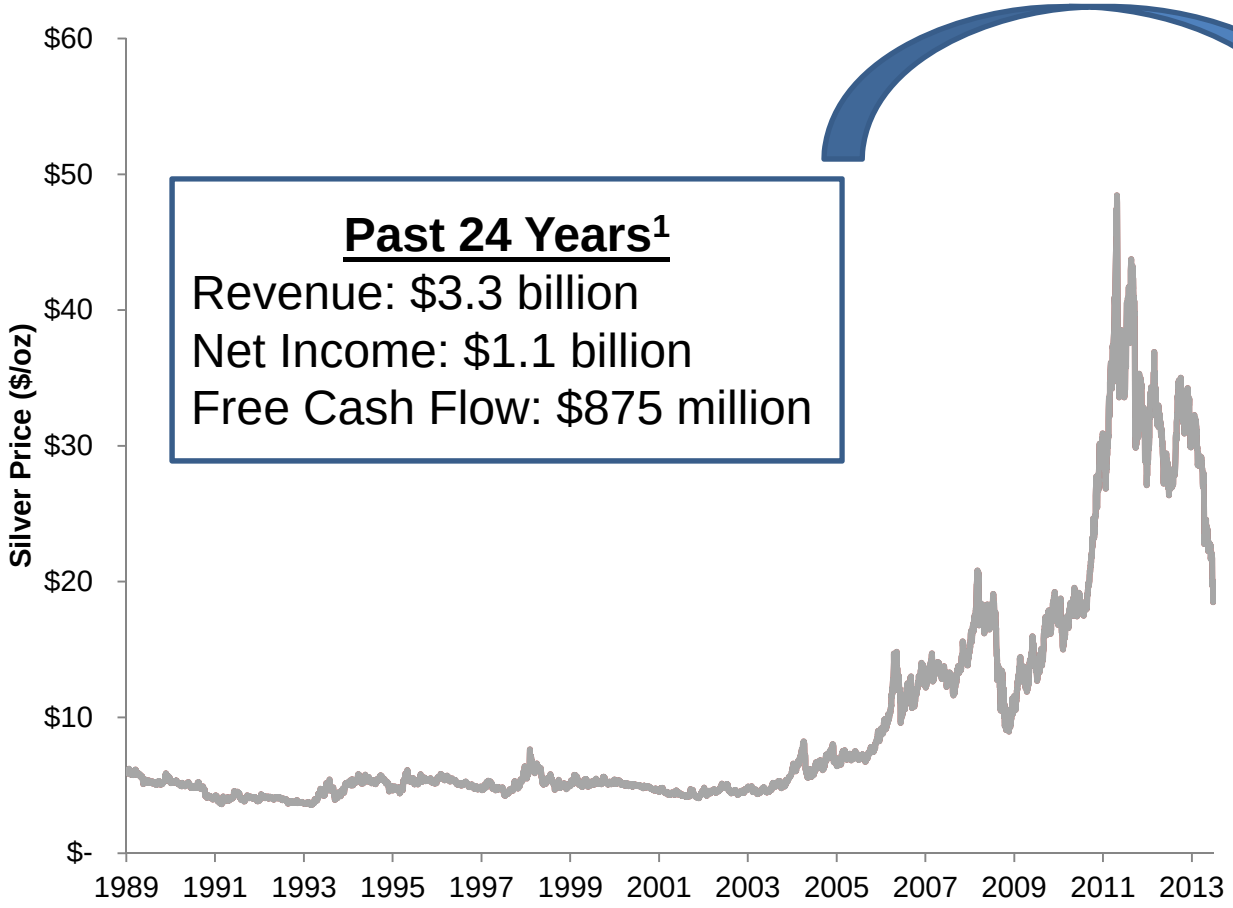
Greens Creek - Consistent Performance



1. Cash cost, after 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 - World-Class Silver Mine

2013: Another Strong Year At Greens Creek In A History Of Many

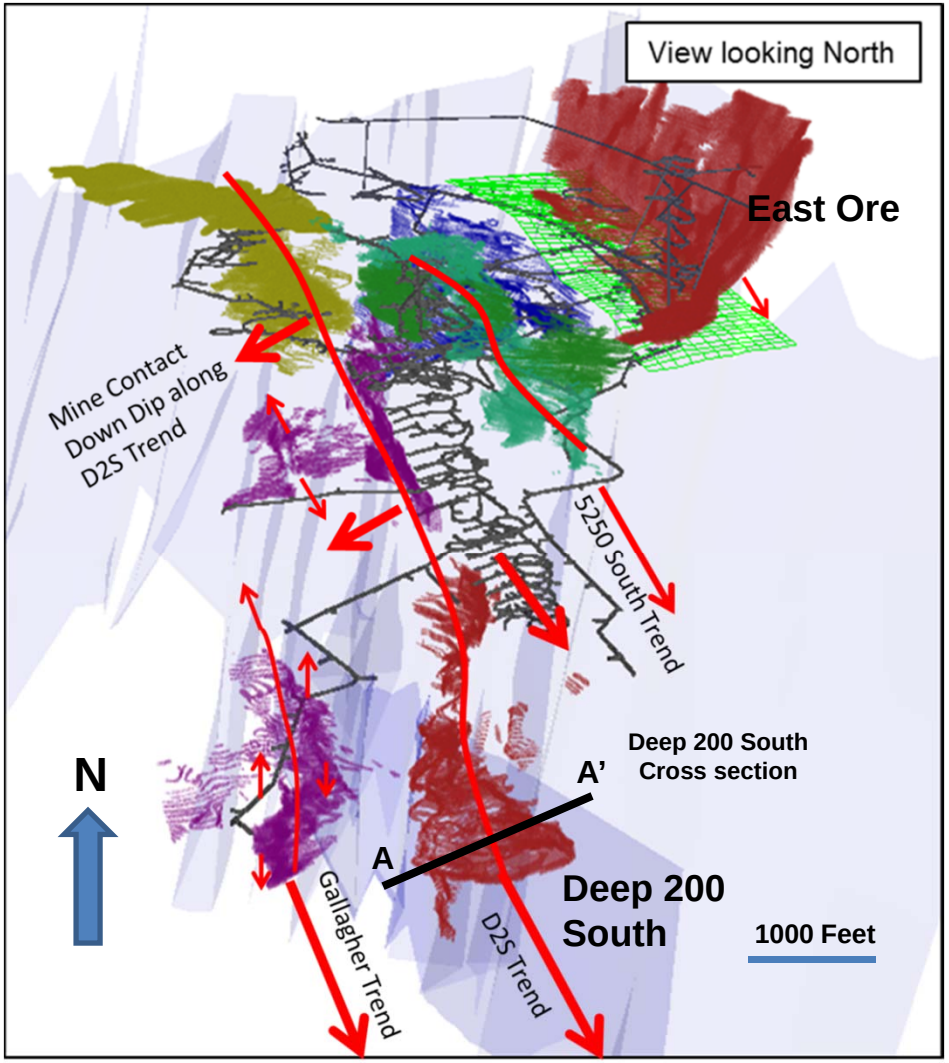


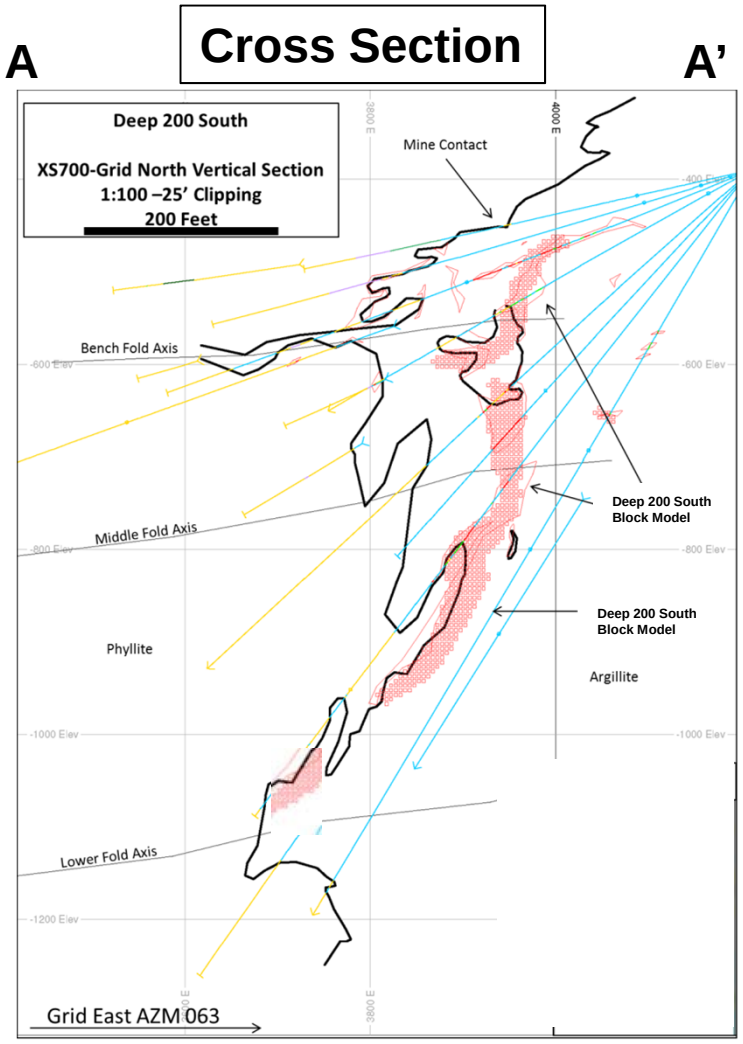
Past 24 Years[1]
Revenue: $3.3 billion
Net Income: $1.1 billion
Free Cash Flow: $875 million

Next 10 Years
Continued Strong Performance Expected

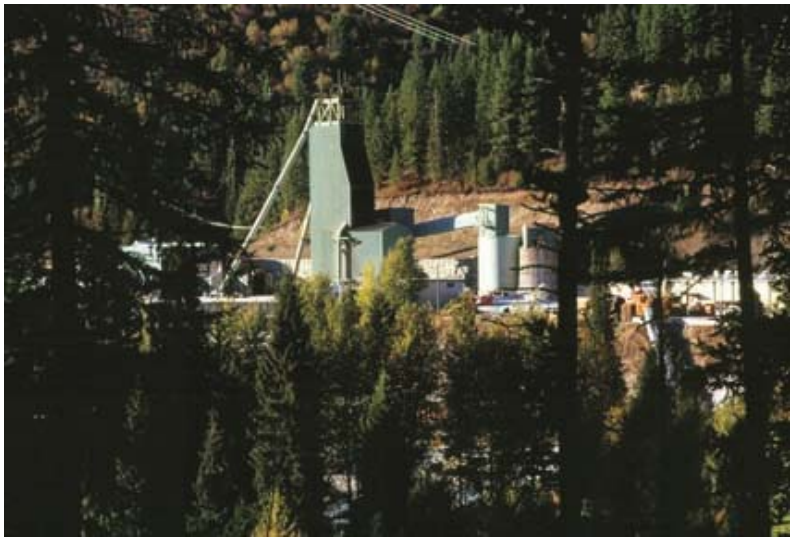
1. Statistics from 1989 – 2013
(100% owned, Hecla owned 29.7% until 2008)

Greens Creek - Underground Exploration





Lucky Friday - Back to Full Production



Key Highlights:

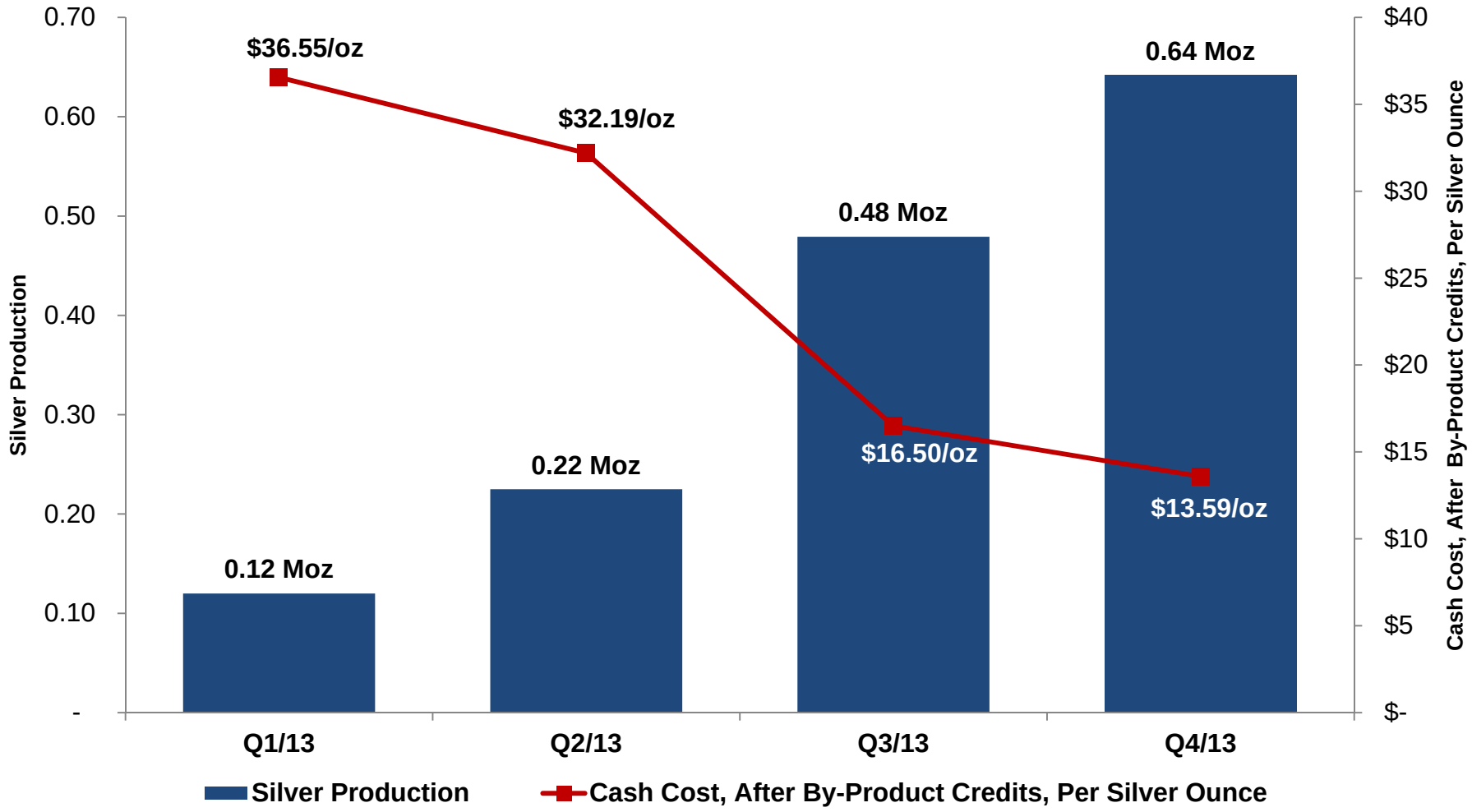
- A deep underground silver, lead, and zinc mine

2014 Guidance	
Silver Production (oz)	3.0 M
Cash cost, after by-product credits, per silver ounce[2]	$9.00/oz

Overview	
Location	Mullan, Idaho
Deposit	Silver & base metal bearing vein structures
Ownership (Since)	100% Hecla (1958)
Type	Underground
Expected Life of Mine[1]	25 years
Silver Production (oz)	Silver
Reserves & Resources (at December 31, 2013)	
2P Reserves	77.2 Moz @ 12.1 oz/t
M+I Resources	116.0 Moz @ 5.4 oz/t
Inferred Resources	55.1 Moz @ 7.4 oz/t
Production & Cash Costs (2013)	
Silver Production (oz)	1.5 M
Cash cost, after by-product credits, per silver ounce[2]	$19.21/oz

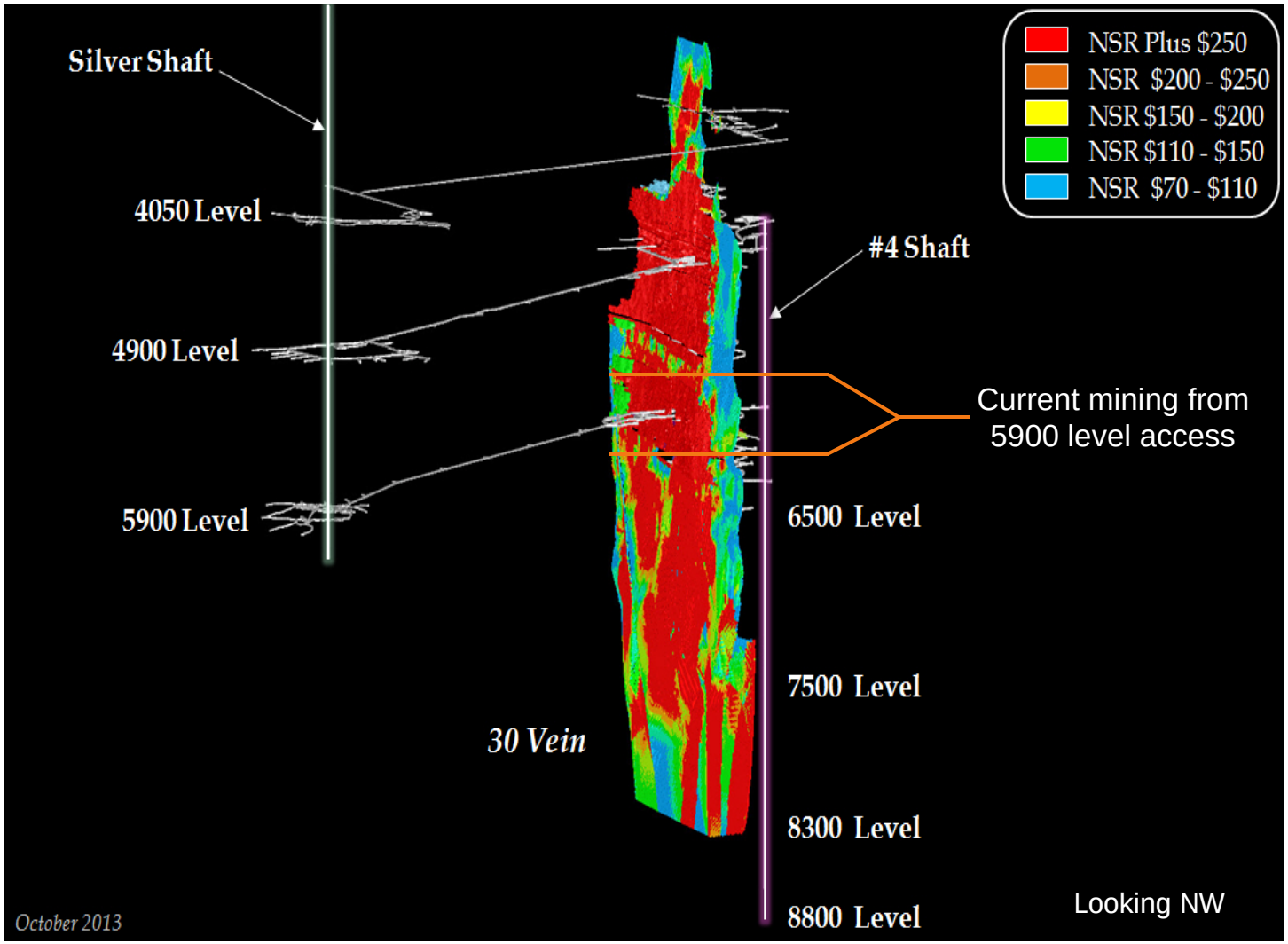
1. Source: NI 43-101 – March 28, 2013
2. Cash cost, after by-product credits, per silver ounce represents a non-U.S. Generally Accepted Accounting Principles (GAAP) measurement. A reconciliation of which to cost of sales and other direct production costs and depreciation, depletion and amortization (GAAP) can be found in the Appendix.

Lucky Friday - Higher Production, Lower Cost



1. Cash cost, after 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



*Assuming prices of $20.00/oz silver, $0.90/lb lead, and $0.80/lb zinc

Casa Berardi - Great New Addition



Key Highlights:

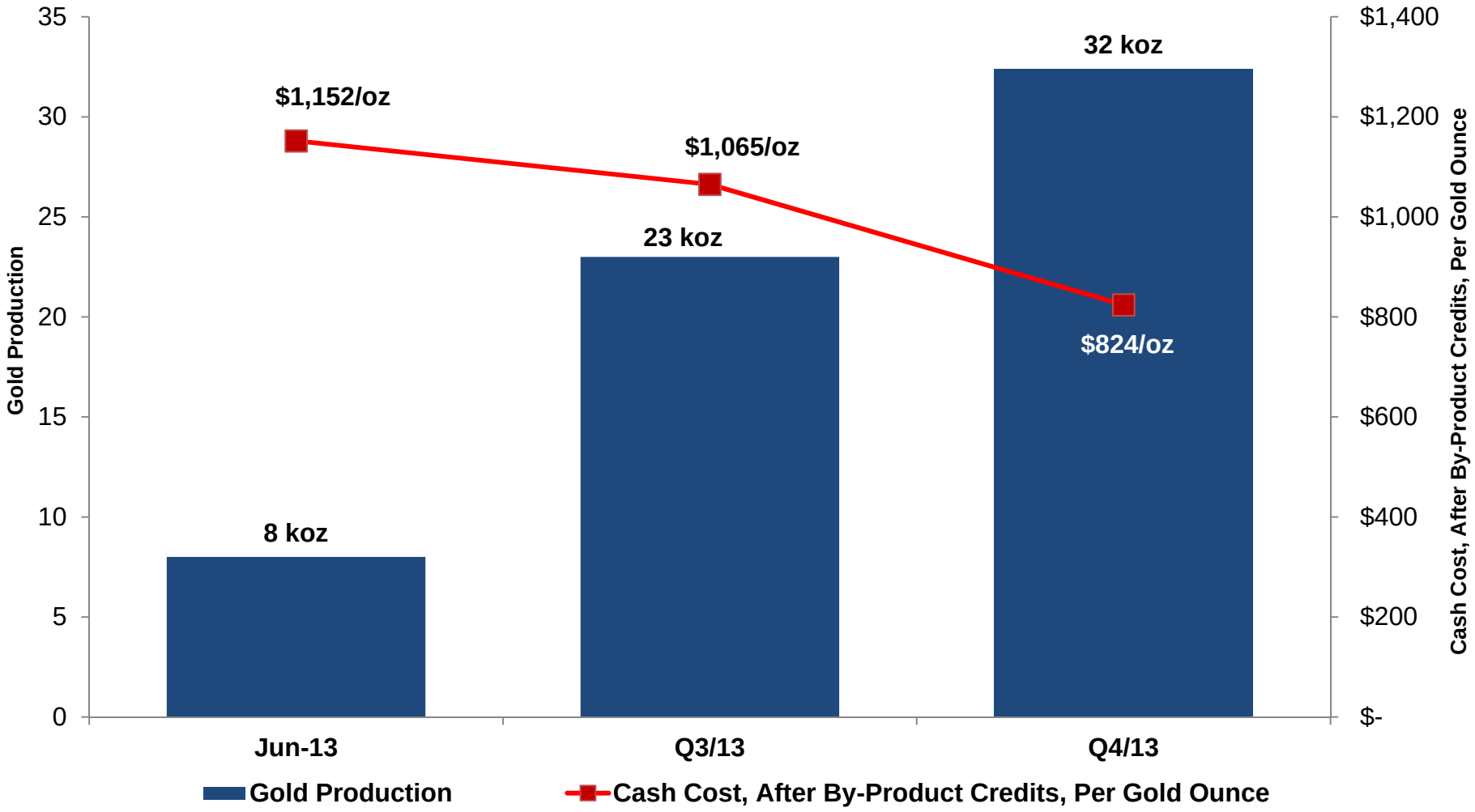
- Acquired June 1, 2013 from Aurizon Mines Ltd.

2014 Guidance	
Gold Production (oz)	125,000
Cash cost, after by-product credits, per gold ounce[2]	$900/oz

Overview	
Location	La Sarre, Quebec
Deposit	Archean, shear & vein hosted gold deposit
Ownership (Since)	100% Hecla (June 2013)
Type	Underground
Expected Life of Mine[1]	9 years
Primary Metal Produced	Gold
Reserves & Resources (at December 31, 2013)	
2P Reserves	1.4 Moz @ 0.15 oz/t
M+I Resources	1.4 Moz @ 0.12 oz/t
Inferred Resources	0.60 Moz @ 0.16 oz/t
Production & Cash Costs (June - December 2013)	
Gold Production (oz)	62,532
Cash cost, after by-product credits, per gold ounce[2]	$951/oz

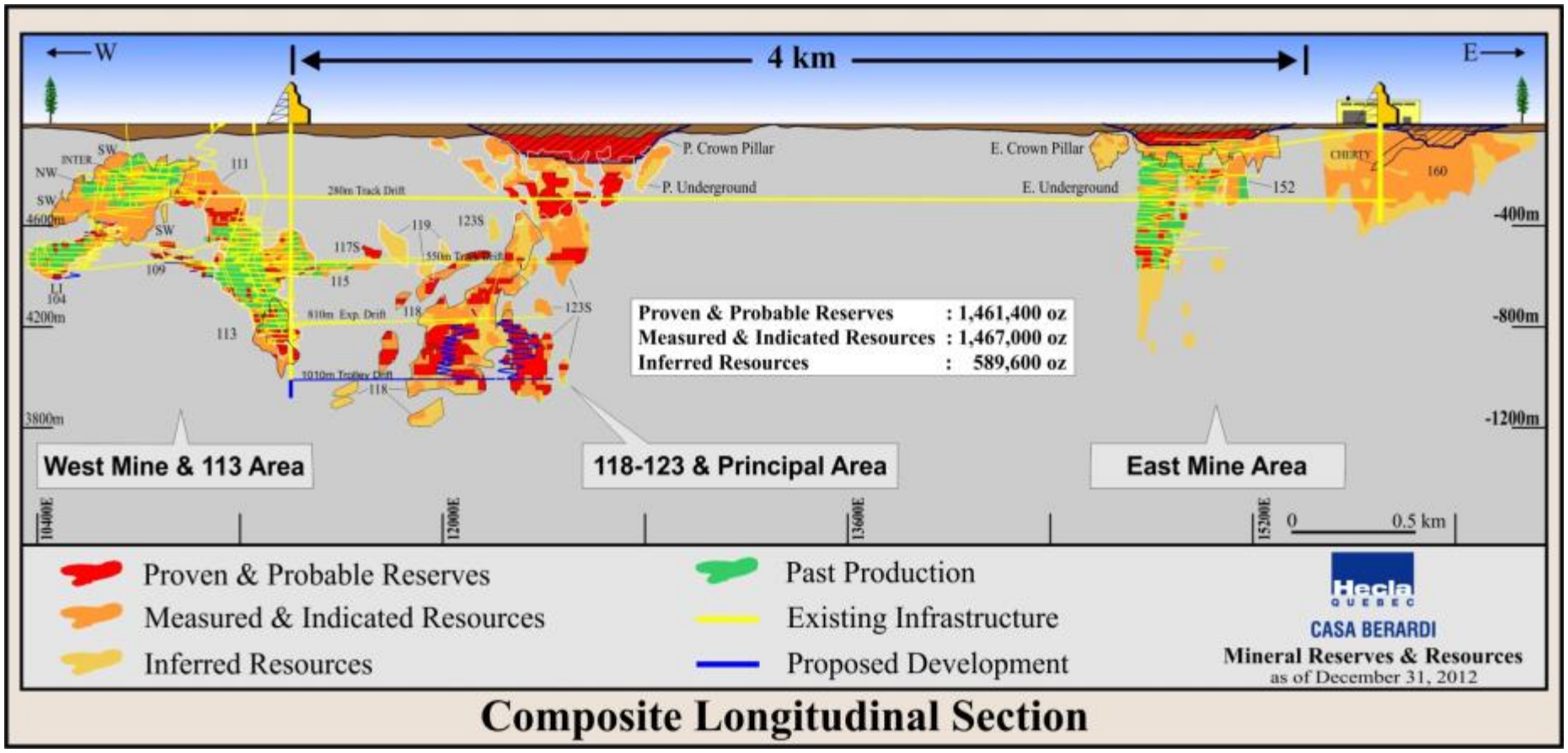
1. Source: NI 43-101 – March 28, 2013
2. Cash cost, after by-product credits, per gold ounce represents a non-U.S. Generally Accepted Accounting Principles (GAAP) measurement. A reconciliation of which to cost of sales and other direct production costs and depreciation, depletion and amortization (GAAP) can be found in the Appendix.

Casa Berardi - Higher Q4 Production, Lower Costs



1. Cash cost, after by-product credits, per gold ounce represents a 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 - Great Exploration Potential



Composite Longitudinal Section

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

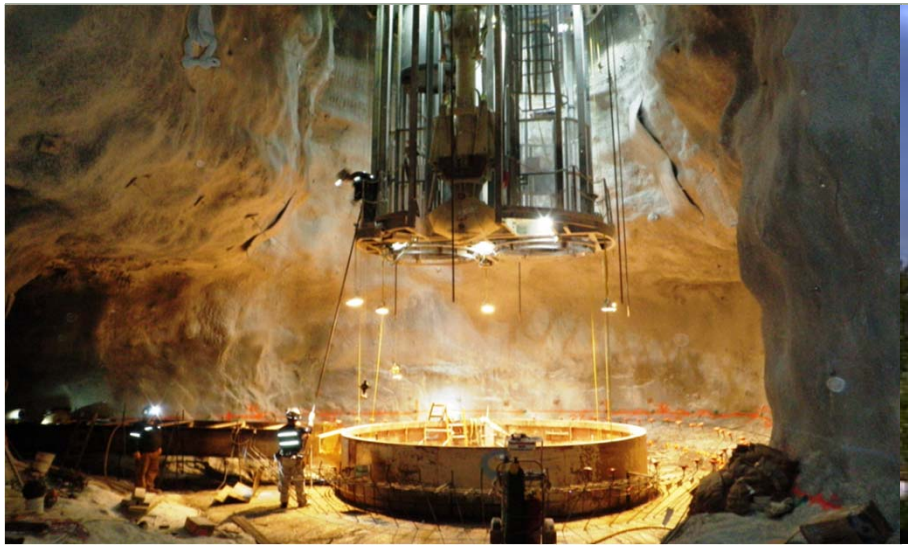
2014 Expectations

Mine	2014E[1] Silver Production (Moz)	2014E[2] Gold Production (oz)	Cash Cost, After By-Product Credits, Per Silver/Gold Ounce[2]
Greens Creek	6.5-7.0	55,000	$6.00 per silver oz
Lucky Friday	3.0	n/a	$9.00 per silver oz
Casa Berardi	n/a	125,000	$900 per gold oz
Company-wide	9.5-10.0	180,000	$7.00 per silver oz
Primary Silver Equivalent Production	17.0[3]		

2014E[1] capital expenditures (excluding capitalized interest)	$150 million
2014E[1] pre-development and exploration expenditures	$18 million

Note: Metal price assumptions used for calculations: Au $1,300/oz, Ag $20/oz, Zn $0.80/lb, Pb $0.90/lb; USD/CAD assumed at par.

1. 2014E refers to Hecla's expectations for 2014.
2. Cash cost, after by-product credits, per silver and 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.
3. Primary silver equivalent production of 17 million oz includes silver production from Lucky Friday and Greens Creek and 125,000 oz gold using a 60:1 gold to silver conversion ratio.





Appendix

Hecla MINING COMPANY

Appendix Table of Contents

Appendices

		Page
1.	Management	27
2.	Financial Information	28
3.	Reserves and Resources	35
4.	Silver Landscape	39
5.	Exploration	40
6.	Silver and Gold Overview	50
7.	Zinc Overview	60

Appendix 1

Seasoned Management Team with Significant Experience



Phillips S. Baker, Jr., has 26 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 25 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 2

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)

	Q4/2013	Q3/2013	Q2/2013	Q1/2013	2013	2012	2011	2010	2009
Cash costs, before by-product credits[1]	$ 69,673	$ 63,087	$ 61,777	$ 59,923	$ 254,460	$ 208,178	$ 265,306	$ 251,837	$ 227,566
By-product credits	(51,461)	(46,134)	(49,324)	(46,577)	(193,496)	(190,916)	(254,372)	(267,272)	(206,608)
Cash cost, after by-product credits	18,212	16,953	12,453	13,346	60,964	17,262	10,934	(15,435)	20,958
Divided by silver ounces produced	2,483	2,287	2,237	1,901	8,907	6,394	9,483	10,566	10,989
Cash cost, before by-product credits, per silver ounce	$ 28.05	$ 27.59	$ 27.61	$ 31.52	$ 28.56	$ 32.56	$ 27.98	$ 23.83	$ 20.71
By-product credits per silver ounce	$ (20.72)	$ (20.17)	$ (22.05)	$ (24.50)	$ (21.72)	$ (29.86)	$ (26.82)	$ (25.30)	$ (18.80)
Cash cost, after by-product credits, per silver ounce	$ 7.33	$ 7.40	$ 5.56	$ 7.02	$ 6.84	$ 2.70	$ 1.15	$ (1.46)	$ 1.91
Reconciliation to GAAP:									
Cash cost, after by-product credits	$ 18,212	$ 16,953	$ 12,453	$ 13,346	$ 60,964	$ 17,262	$ 10,934	$ (15,435)	$ 20,958
Depreciation, depletion and amortization	16,468	15,735	16,888	14,007	63,098	43,522	47,066	60,011	62,837
Treatment costs	(20,769)	(18,486)	(18,972)	(18,597)	(76,824)	(73,355)	(99,019)	(92,144)	(80,830)
By-products credits	51,461	46,134	49,324	46,577	193,496	190,916	254,372	267,272	206,608
Change in product inventory	(4,085)	7	8,436	(4,604)	(246)	(1,381)	(4,805)	3,660	310
Suspension-related costs[2]	-	-	-	-	-	-	4,135	-	-
Reclamation, severance and other costs	727	734	536	103	2,100	663	(44)	630	1,596
Costs of sales and other direct production costs and depreciation, depletion and amortization (GAAP)	**$ 62,014**	**$ 61,077**	**$ 68,665**	**$ 50,832**	**$ 242,588**	**$ 177,627**	**$ 212,639**	**$ 223,994**	**$ 211,479**

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 2

Total Cash Cost GAAP Reconciliation

	Greens Creek Unit			
	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2013	**2012**	**2013**	**2012**
Total cash cost, before by-product credits [1]	**$ 50,906**	$ 58,608	**$ 203,496**	$ 208,178
By-product credits	**(41,425)**	(51,433)	**(170,563)**	(190,916)
Cash cost, after by-product credits	**9,481**	7,175	**32,933**	17,262
Divided by silver ounces produced	**1,841**	2,081	**7,448**	6,394
Cash cost, before by-product credits, per silver ounce	**$ 27.65**	$ 28.16	**$ 27.32**	$ 32.55
By-product credits per silver ounce	**$ (22.50)**	$ (24.72)	**$ (22.90)**	$ (29.85)
Total cash cost, after by-product credits, per ounce	**$ 5.15**	$ 3.45	**$ 4.42**	$ 2.70
Reconciliation to GAAP:				
Total cash cost, after by-product credits	**$ 9,481**	$ 7,175	**$ 32,933**	$ 17,262
Depreciation, depletion and amortization	**14,149**	12,381	**55,265**	43,522
Treatment costs	**(16,766)**	(21,146)	**(67,341)**	(73,355)
By-product credits	**41,425**	51,433	**170,563**	190,916
Change in product inventory	**(5,133)**	(3,343)	**159**	(1,381)
Reclamation and other costs	**634**	563	**1,947**	663
Cost of sales and other direct production costs and depreciation, depletion and amortization (GAAP)	**$ 43,790**	$ 47,063	**$ 193,526**	$ 177,627

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 2

Total Cash Cost GAAP Reconciliation

	Lucky Friday Unit (2)			
	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2013	2012	2013	2012
Total cash cost, before by-product credits [1]	$ 18,766	$ —	$ 50,964	$ —
By-product credits	(10,036)	—	(22,933)	—
Cash cost, after by-product credits	8,730	—	28,031	—
Divided by silver ounces produced	642	—	1,459	—
Cash cost, before by-product credits, per silver ounce	$ 29.22	$ —	$ 34.93	$ —
By-product credits per silver ounce	$ (15.63)	$ —	$ (15.72)	$ —
Total cash cost, after by-product credits, per ounce	$ 13.59	$ —	$ 19.21	$ —
Reconciliation to GAAP:				
Total cash cost, after by-product credits	$ 8,730	$ —	$ 28,031	$ —
Depreciation, depletion and amortization	2,319	—	7,833	—
Treatment costs	(4,002)	—	$ (9,482)	—
By-product credits	10,036	—	22,933	—
Change in product inventory	1,048	—	$ (405)	—
Suspension-related costs (2)	—	—	—	—
Reclamation and other costs	92	—	153	—
Cost of sales and other direct production costs and depreciation, depletion and amortization (GAAP)	$ 18,223	$ —	$ 49,063	$ —

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 2

Cash Cost Reconciliation to GAAP - Casa Berardi

Reconciliation of Cash Costs per Ounce to Generally Accepted Accounting Principles (GAAP)

(dollars and ounces in thousands, except per ounce - unaudited)

		Q1/2013	2012	2011	2010	2009	2008	2007	2006
Cash Operating Costs [1]	US$000	$ 21,276	$ 93,259	$ 88,711	$ 75,713	$ 63,869	$ 63,602	$ 53,099	$ 2,120
Divided by gold ounces sold		26,200	133,990	165,250	139,950	159,275	159,404	160,600	6,882
Total cash cost per ounce sold	US$/oz	$ 812	$ 696	$ 537	$ 541	$ 401	$ 399	$ 331	$ 308
Reconciliation to GAAP:									
Cash Operating Costs	US$000	$ 21,276	$ 93,259	$ 88,711	$ 75,713	$ 63,869	$ 63,602	$ 53,099	$ 2,120
Average US$/C$ exchange rate		$ 1.008	$ 1.000	$ 0.989	$ 1.030	$ 1.140	$ 1.070	$ 1.075	$ 1.150
Cash Operating Costs	C$000	$ 21,453	$ 93,259	$ 87,735	$ 77,984	$ 72,811	$ 68,054	$ 57,081	$ 2,438
Less: Silver by-product credits		$ (181)	$ (990)	$ (1,063)	$ (679)	$ (668)	$ (551)	$ (392)	$ -
Less: Depreciation and amortization		$ (8,905)	$ (37,539)	$ (38,927)	$ (34,288)	$ (36,514)	$ (35,582)	$ (30,120)	$ (500)
Costs of sales and other direct production costs and depreciation, depletion and amortization (GAAP)	C$000	**$ 30,539**	**$ 131,788**	**$ 127,725**	**$ 112,951**	**$ 109,993**	**$ 104,187**	**$ 87,593**	**$ 2,937**

Reconciliation to GAAP for Q3/2013, Q4/2013 and 2013 cash costs is shown separately below to account for the way Hecla shows cash cost reconciliations. Reconciliation to GAAP from 2006 - Q1/2013 are from Aurizon's disclosures.

Appendix 2

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)[2]

	2013	Q4/2013	Q3/2013	June 2013
Cash costs, before by-product credits[1]	$ 59,717	$ 26,806	$ 25,068	$ 7,804
By-product credits	(262)	(112)	(113)	(37)
Cash cost, after by-product credits	59,455	26,694	24,955	7,767
Divided by gold ounces produced	62.53	32.39	23,406	6,740
Cash cost, before by-product credits, per gold ounce	$ 954.98	$ 827.70	$ 1,070.82	$ 1,158.00
By-product credits per silver ounce	$ (4.19)	$ (3.46)	$ (4.83)	$ (5.49)
Cash cost, after by-product credits, per gold ounce	$ 950.79	$ 824.24	$ 1,065.99	$ 1,152.51
Reconciliation to GAAP:				
Cash cost, after by-product credits	$ 59,455	$ 26,694	$ 24,957	$ 7,767
Depreciation, depletion and amortization	18,030	11,436	3,271	3,324
Treatment costs	(268)	(143)	(78)	(9)
By-products credits	262	112	113	37
Change in product inventory	(3,766)	(723)	(3,456)	414
Reclamation, severance and other costs	142	60	59	21
Costs of sales and other direct production costs and depreciation, depletion and amortization (GAAP)	**$ 73,855**	**$ 37,436**	**$ 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.
2. On June 1, 2013, we completed the acquisition of Aurizon Mines Ltd., which gave us 100% ownership of the Casa Berardi mine in Quebec, Canada. The information presented reflects our ownership of Casa Berardi commencing as of that date. The primary metal produced at Casa Berardi is gold, with a by-product credit for the value of silver production.

Appendix 2

Hecla Adjusted EBITDA Reconciliation

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

	Twelve Months Ended December 31,			
	2013	**2012**	**2011**	**2010**
Net Income	**$ (25,130)**	$ 14,954	$151,164	$ 48,983
Plus: Interest expense, net of amount capitalized	**21,689**	2,427	2,875	2,211
Plus/(Less): Income taxes	**(9,795)**	8,879	81,978	(123,532)
Plus: Depreciation, depletion, and amortization	**82,366**	50,113	47,348	60,235
Plus: Exploration expense	**23,502**	31,822	26,959	21,605
Plus: Pre-development expense	**14,148**	17,916	4,446	-
Plus: Aurizon acquisition costs	**26,397**	-	-	-
Plus: Aurizon product inventory fair value adjustment	**550**	-	-	-
Plus/(Less): Lucky Friday suspension-related costs (income)	**(1,401)**	25,309	-	-
Plus/(Less): Interest and other (income) expense	**(662)**	(85)	87	(126)
Plus/(Less): Foreign exchange (gain) loss	**(2,959)**	63	-	-
Less: Gains on derivative contracts	**(17,979)**	10,457	(37,988)	20,758
Plus: Loss on impairment of investments	**2,639**	1,174	140	739
Plus: Provision for Closed Operations and Environmental Matters	**5,403**	4,652	9,747	201,136
Plus/(Less): Provisional price (gains)/losses	**16,955**	(3,820)	-	-
Adjusted EBITDA	**$135,723**	$163,861	$286,756	$232,009

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

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	B3/BB-
Eldorado Gold	10-Dec-12	6.125%	Sr. Notes	20-Dec-20	$600	Ba3/BB
IAMGOLD Corp.	14-Sep-12	6.750%	Sr. Notes	1-Oct-20	$650	B1/BB-
New Gold	8-Nov-12	6.250%	Sr. Notes	15-Nov-22	$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	Caa2/B-
Hudbay Minerals	6-Sep-12	9.500%	Sr. Notes	1-Oct-20	$750	B3/B-
Fresnillo	7-Nov-13	5.500%	Sr. Notes	13-Nov-23	$800	Baa2/BBB

1. In millions

Source: Bloomberg

Appendix 3

Reserves & Resources Update
(on Dec. 31, 2013 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%	14	12.9	0.13	3.0	8.1	182	2	430	1,150
Lucky Friday (a)	United States	100.0%	3,708	12.1	--	7.3	2.3	44,892	--	270,150	86,360
Casa Berardi (1)	Canada	100.0%	1,106	--	0.17	--	--	--	185	--	--
Total……			**4,828**					**45,073**	**187**	**270,580**	**87,510**

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%	7,783	11.9	0.09	3.3	8.7	92,338	711	255,700	676,800
Lucky Friday (a)	United States	100.0%	2,698	12.0	--	7.2	2.6	32,352	--	193,110	69,180
Casa Berardi (1)	Canada	100.0%	7,933	--	0.15	--	--	--	1,209	--	--
Total……			**18,414**					**124,690**	**1,919**	**448,810**	**745,980**

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%	7,797	11.9	0.09	3.3	8.7	92,520	713	256,130	677,940
Lucky Friday	United States	100.0%	6,406	12.1	--	7.2	2.4	77,243	--	463,260	155,540
Casa Berardi	Canada	100.0%	9,039	--	0.15	--	--	--	1,394	--	--
Total……			**23,242**					**169,763**	**2,106**	**719,390**	**833,480**

Appendix 3

Reserves & Resources Update
(on Dec. 31, 2013 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%	6.7	17.6	0.08	4.4	10.5	118	0.5	290	700
Lucky Friday (3)(a)	United States	100.0%	12,279	5.5	--	3.6	2.2	67,298	--	436,760	269,450
Casa Berardi (4)	Canada	100.0%	1,985	--	0.17	--	--	--	341	--	--
Heva (5)	Canada	100.0%	5,480	--	0.06	--	--	--	304	--	--
Hosco (5)	Canada	100.0%	33,070	--	0.04	--	--	--	1,296	--	--
San Sebastian (6)(a)	Mexico	100.0%	--	--	--	--	--	--	--	--	--
Rio Grande Silver (7)(a)	United States	100.0%	--	--	--	--	--	--	--	--	--
Star (8)(a)	United States	100.0%	--	--	--	--	--	--	--	--	--
Total……			**52,821**					**67,416**	**1,941**	**437,050**	**270,150**

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%	760.6	12.2	0.09	3.2	7.3	9,273	71.5	24,720	55,170
Lucky Friday (3)(a)	United States	100.0%	9,318	5.2	--	3.4	1.9	48,741	--	318,580	180,610
Casa Berardi (4)	Canada	100.0%	9,896	--	0.11	--	--	--	1,074	--	--
Heva (5)	Canada	100.0%	5,570	--	0.07	--	--	--	369	--	--
Hosco (5)	Canada	100.0%	31,620	--	0.04	--	--	--	1,151	--	--
San Sebastian (6)(a)	Mexico	100.0%	1,994	6.6	0.06	0.8	1.0	13,218	121	15,020	19,640
Rio Grande Silver (7)(a)	United States	100.0%	516	14.8	--	2.1	1.1	7,620	--	10,760	5,820
Star (8)(a)	United States	100.0%	1,018	3.1	--	6.6	7.7	3,147	--	67,100	78,440
Total……			**60,692**					**81,998**	**2,786**	**436,180**	**339,680**

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%	767.3	12.2	0.09	3.3	7.3	9,391	72.0	25,010	55,870
Lucky Friday (3)(a)	United States	100.0%	21,597	5.4	--	3.5	2.1	116,039	--	755,340	450,070
Casa Berardi (4)	Canada	100.0%	11,881	--	0.12	--	--	--	1,414	--	--
Heva (5)	Canada	100.0%	11,050	--	0.06	--	--	--	672	--	--
Hosco (5)	Canada	100.0%	64,690	--	0.04	--	--	--	2,447	--	--
San Sebastian (6)(a)	Mexico	100.0%	1,994	6.6	0.06	0.8	1.0	13,218	121	15,020	19,640
Rio Grande Silver (7)(a)	United States	100.0%	516	14.8	--	2.1	1.1	7,620	--	10,760	5,820
Star (8)(a)	United States	100.0%	1,018	3.1	--	6.6	7.7	3,147	--	67,100	78,440
Total……			**113,513**					**149,414**	**4,726**	**873,230**	**609,840**

Appendix 3

Reserves & Resources Update
(on Dec. 31, 2013 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%	2,385	13.3	0.09	2.7	6.5	31,752	216	63,570	155,510
Lucky Friday (10)(a)	United States	100.0%	7,481	7.4	--	4.9	1.9	55,106	--	368,820	140,280
Casa Berardi (4)	Canada	100.0%	3,726	--	0.16	--	--	--	601	--	--
Heva (5)	Canada	100.0%	4,210	--	0.08	--	--	--	350	--	--
Hosco (5)	Canada	100.0%	7,650	--	0.04	--	--	--	314	--	--
San Sebastian (11) (a)	Mexico	100.0%	3,549	3.8	0.03	0.6	0.9	13,618	106	22,450	31,930
Rio Grande Silver (12)(a)	United States	100.0%	3,078	10.7	0.01	1.3	1.1	33,097	36	40,990	34,980
Star (13)(a)	United States	100.0%	2,778	3.2	--	6.1	5.7	8,845	--	168,080	158,910
Monte Cristo (14)(a)	United States	100.0%	913	0.3	0.14	--	--	271	131	--	--
Total……..			**35,770**					**142,689**	**1,753**	**663,910**	**521,610**

Note: All estimates are in-situ except for the proven reserve at Greens Creek which is in a surface stockpile. Resources are exclusive of reserves.

(a) Underground mineral reserves and mineral resources are based on $1300 gold, $20.00 silver, $0.90 lead, $0.80 zinc and $3.00 copper

(1) Underground mineral reserves and resources are based on $1,300 gold and a US$/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) Measured and indicated resources in East Ore zone factored for dilution and mining recovery given the contiguous mined stopes from recent production.

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

(4) Measured, indicated and inferred resources are based on $1,300 gold and a US$/CAN$ exchange rate of 1:1. Underground resources are reported at a 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) Measured, indicated and inferred resources are based on $1,300 gold and a US$/CAN$ exchange rate of 1:1. The resources are in-situ without dilution and material loss. Resource model completed in 2011.

(6) Indicated resources reported at a minimum mining width of 2.0 meters for Hugh Zone and 1.5 meters for Andrea Vein and Middle Vein.

(7) Indicated resources reported at a minimum mining width of 6.0 feet for Bulldog.

(8) Indicated resources reported at a minimum mining width of 4.3 feet.

(9) Inferred resources in East Ore zone factored for dilution and mining recovery given the contiguous mined stopes from recent production.

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

(11) Inferred resources are reported at a minimum mining width of 2.0 meters for Hugh Zone and 1.5 meters for Andrea & Middle veins.
San Sebastian Hugh Zone also contains 8,370 tons of copper at 1.72% Cu within 488,000 tons of indicated resource and 18,800 tons of copper at 1.51% within 1,244,500 tons of inferred resource.

(12) Inferred resources reported at a minimum mining width of 6.0 feet for Bulldog, 5.0 feet for Equity & North Amethyst veins.

(13) Inferred resources reported at a minimum mining width of 4.3 feet.

(14) Inferred resource reported at a minimum mining width of 5.0 feet.

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

Appendix 3

Historical Reserves

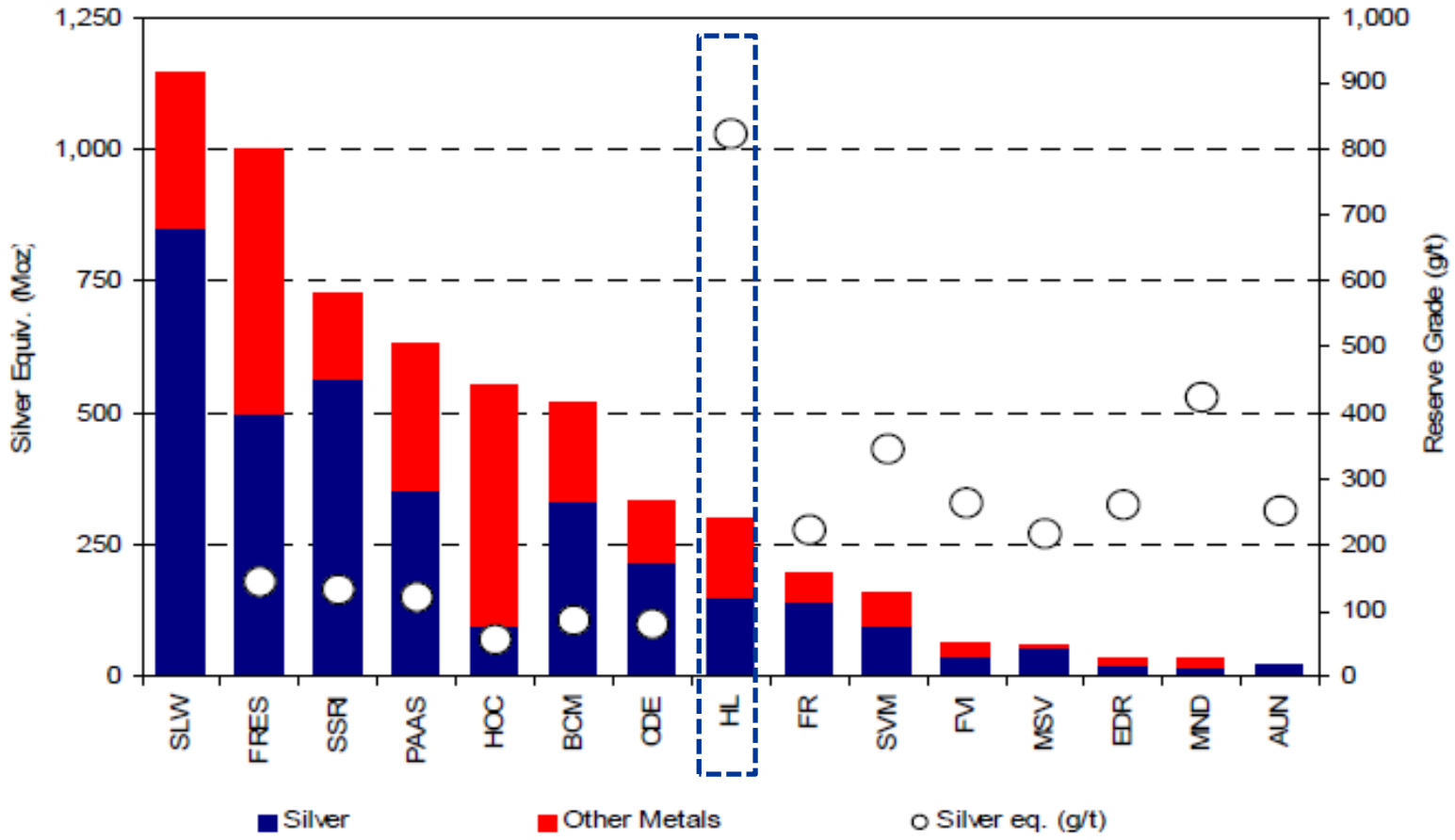
2003	Tons	Silver (oz/ton)	Gold (oz/ton)	Silver (ounces)	Gold (ounces)
Proven Reserves					
Greens Creek (29.73%)	-	-	-	-	-
Lucky Friday	400,930	15.40	-	6,164,994	-
San Sebastian	62,072	36.40	0.43	2,256,714	26,610
La Camorra	180,129	-	0.68	-	123,178
Isidora	-	-	-	-	-
Probable Reserves					
Greens Creek (29.73%)	2,226,361	14.10	0.12	31,386,366	256,726
Lucky Friday	258,450	15.40	-	3,989,305	-
San Sebastian	108,639	-	-	1,555,789	17,121
La Camorra	138,515	-	0.70	-	97,374
Isidora	500,012	-	0.65	-	327,303
2004 Proven Reserves					
Greens Creek (29.73%)	-	-	-	-	-
Lucky Friday	304,475	15.00	-	4,558,046	-
Probable Reserves					
Greens Creek (29.73%)	2,358,186	14.10	0.110	33,334,025	261,604
Lucky Friday	453,225	14.50	-	6,592,322	-
2005 Proven Reserves					
Greens Creek (29.73%)	-	-	-	-	-
Lucky Friday	600,340	13.70	-	8,208,381	-
Probable Reserves					
Greens Creek (29.73%)	2,223,872	14.50	0.120	32,150,190	256,959
Lucky Friday	688,300	13.10	-	9,000,887	-
2006 Proven Reserves					
Greens Creek (29.73%)	-	-	-	-	-
Lucky Friday	628,976	13.10	-	8,245,675	-
Probable Reserves					
Greens Creek (29.73%)	2,282,574	14.40	0.110	32,913,002	257,101
Lucky Friday	732,920	13.50	-	9,890,120	-
2007 Proven Reserves					
Greens Creek (29.73%)	-	-	-	-	-
Lucky Friday	760,700	12.30	-	9,324,800	-
Probable Reserves					
Greens Creek (29.73%)	2,513,700	13.70	0.110	34,497,800	270,000
Lucky Friday	680,000	11.90	-	8,065,200	-

	Tons	Silver (oz/ton)	Gold (oz/ton)	Silver (ounces)	Gold (ounces)
2008 Proven Reserves					
Greens Creek	-	-	-	-	-
Lucky Friday	1,270,000	12.40	-	15,800,800	-
Probable Reserves					
Greens Creek	8,064,700	13.70	0.108	110,583,200	870,100
Lucky Friday	523,400	11.60	-	6,046,800	-
2009 Proven Reserves					
Greens Creek	-	-	-	-	-
Lucky Friday	1,358,200	12.30	-	16,640,300	-
Probable Reserves					
Greens Creek	8,314,700	12.10	0.102	100,973,300	847,400
Lucky Friday	1,577,000	13.90	-	21,947,600	-
2010 Proven Reserves					
Greens Creek	-	-	-	-	-
Lucky Friday	1,642,100	12.40	-	20,387,600	-
Probable Reserves					
Greens Creek	8,243,100	12.10	0.092	99,730,000	757,000
Lucky Friday	1,545,100	14.20	-	21,955,000	-
2011 Proven Reserves					
Greens Creek	-	-	-	-	-
Lucky Friday	2,345,500	12.60	-	29,573,900	-
Probable Reserves					
Greens Creek	7,991,000	12.30	0.093	98,383,300	742,400
Lucky Friday	1,345,300	14.70	-	19,746,200	-
2012 Proven Reserves					
Greens Creek	12,000	9.30	0.095	112,500	1,100
Lucky Friday	2,206,600	12.10	-	26,778,900	-
Probable Reserves					
Greens Creek	7,845,600	12.00	0.092	94,481,200	718,400
Lucky Friday	1,931,700	14.80	-	28,676,000	-

Appendix 4

Higher Silver Reserve Grade Among Peers

BMO Silver Coverage, Silver Equiv. Reserves vs. Grade

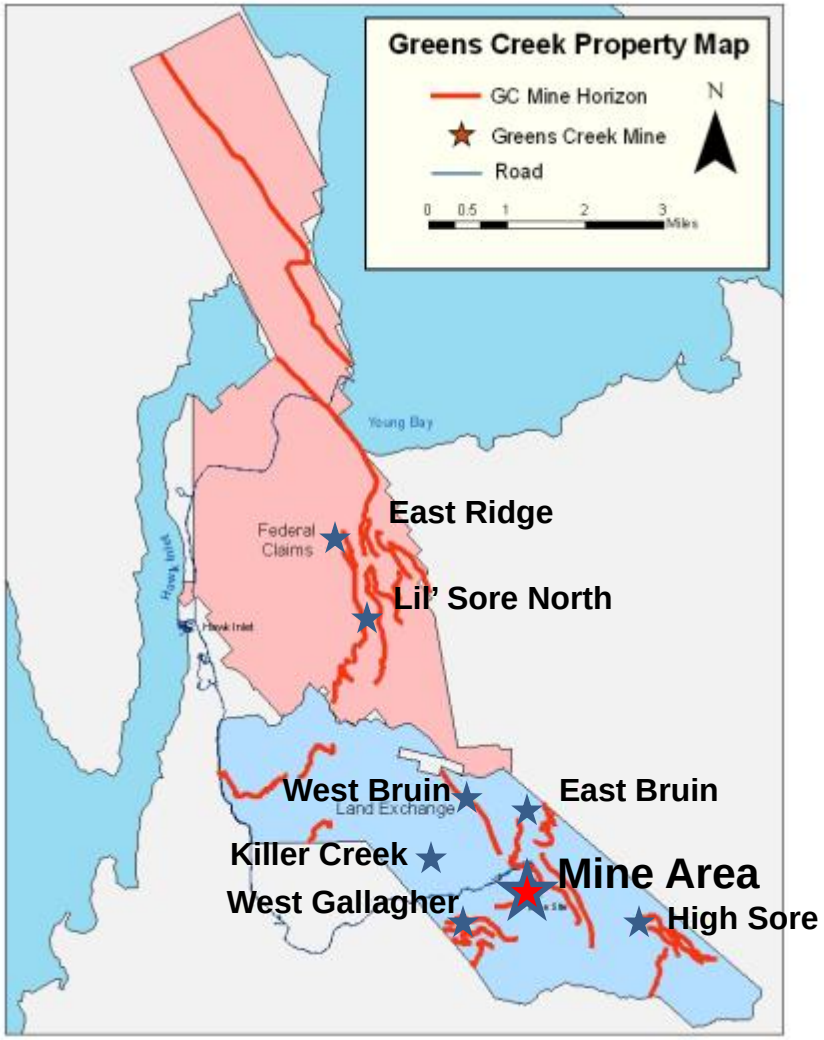


Source: Company Filings, BMO Capital Markets (01/27/14)

Appendix 5

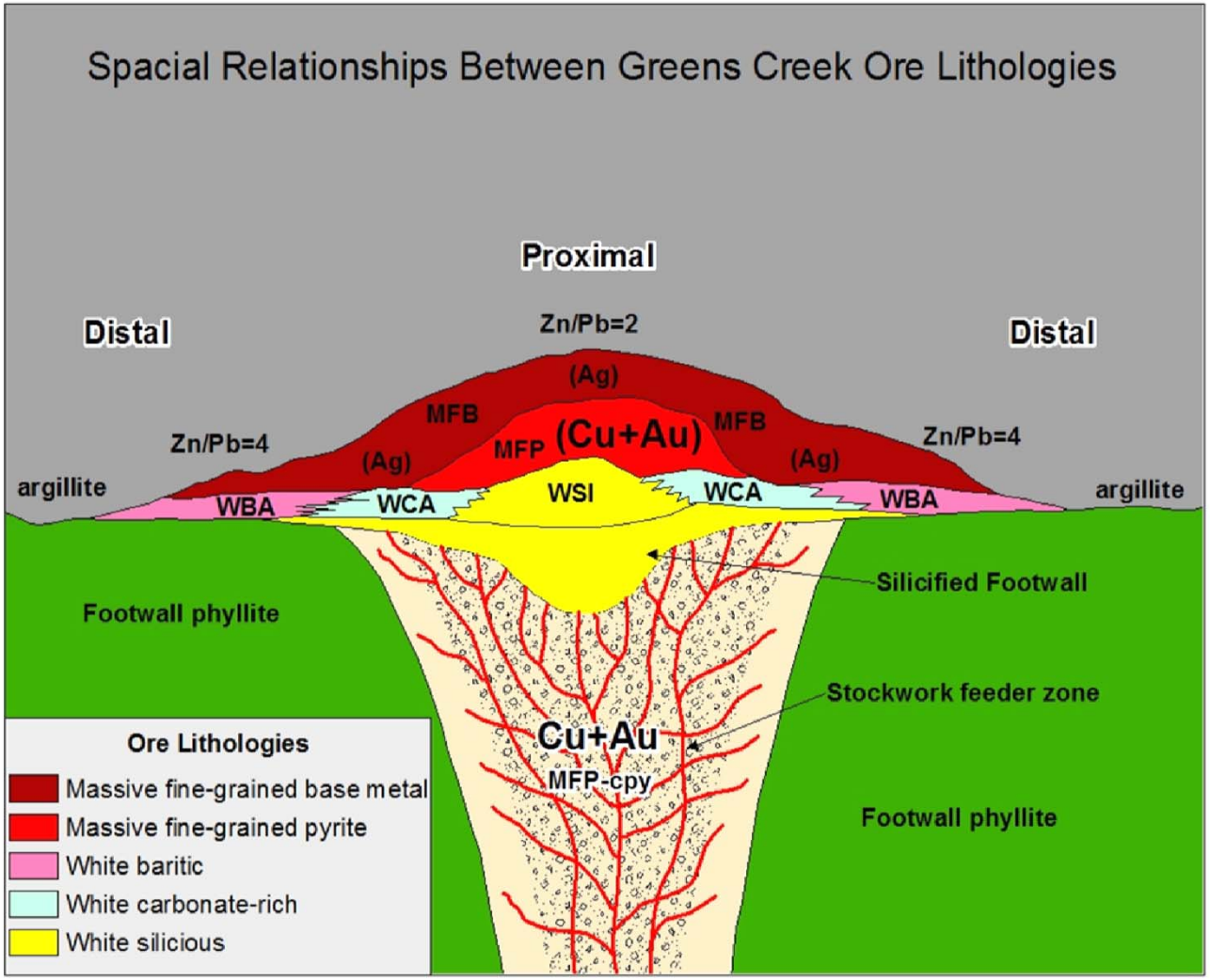
Organic Growth - Greens Creek (Alaska)

- 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



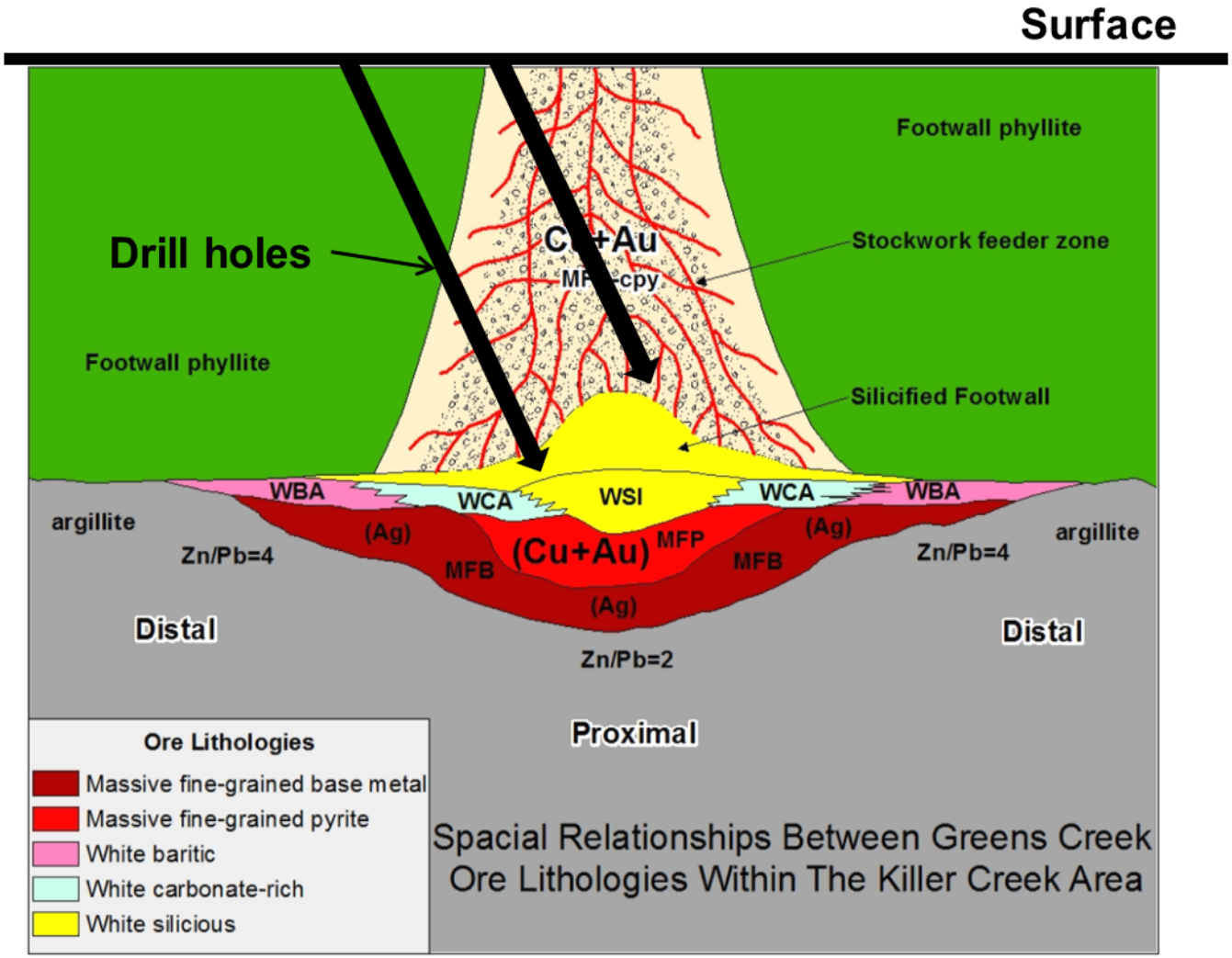
Appendix 5

Greens Creek - Surface Exploration



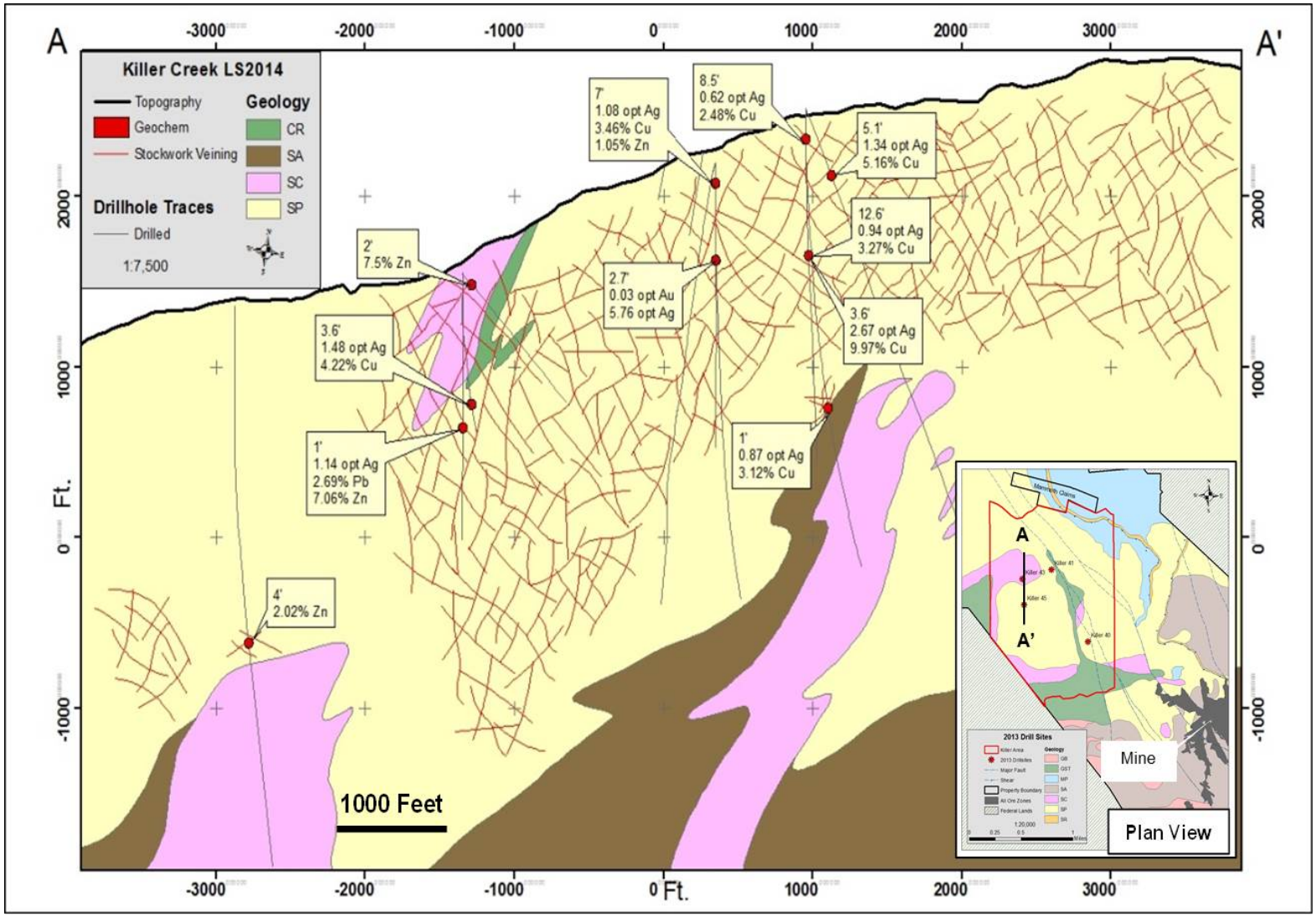
Appendix 5

Greens Creek - Post Deposition



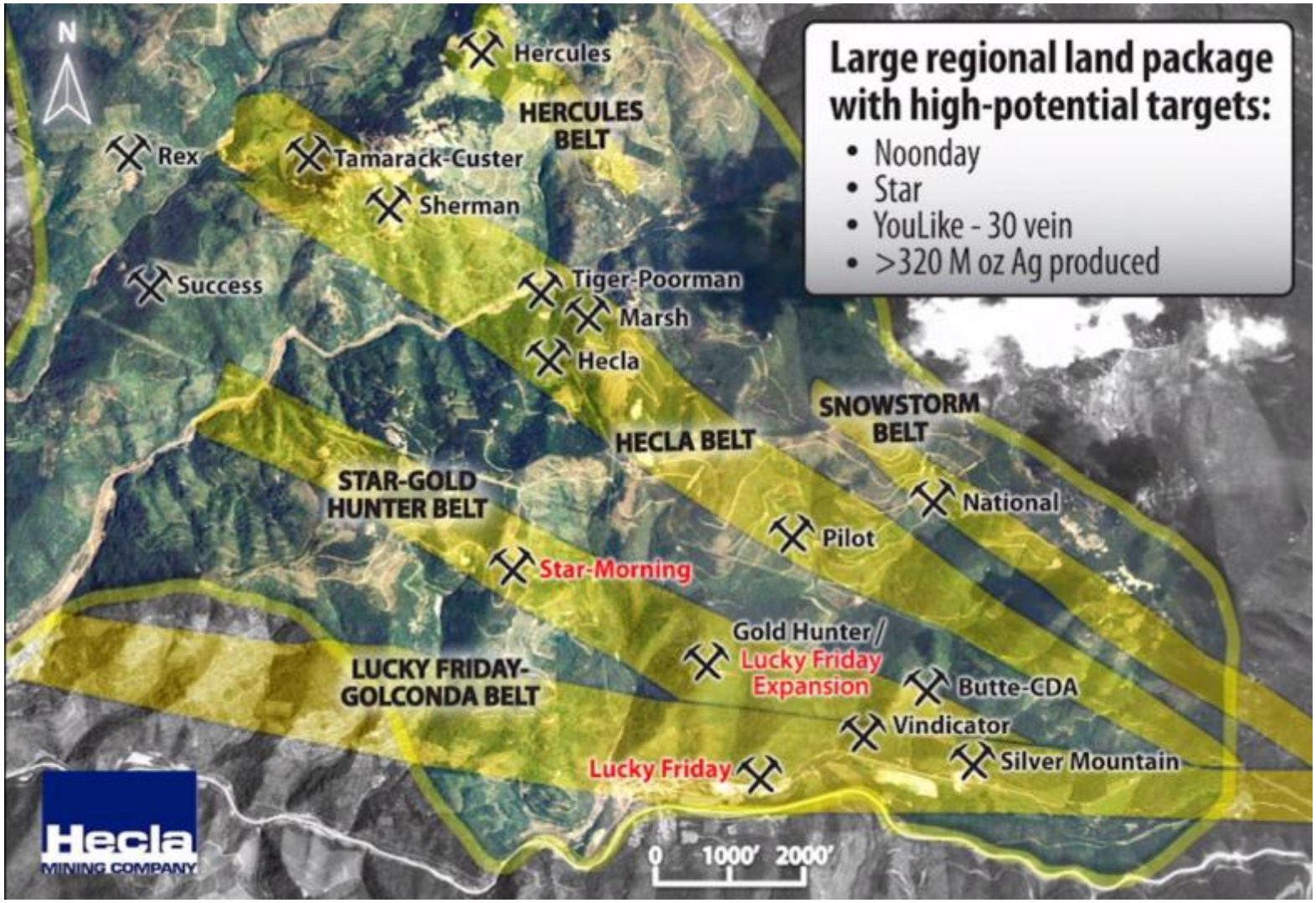
Appendix 5

Greens Creek - Surface Exploration (Killer Creek)



Appendix 5

Lucky Friday & Silver Valley - Exploration



Appendix 5

Lucky Friday - #4 Shaft

- #4 Shaft project is engineered to access higher-grade ore zones with potential to take Lucky Friday silver production to 5 million ounces per year in 2017
- #4 Shaft construction resumed in Q1/13
- Currently at the 6500 level, working on one of the four shaft stations
- Total project is more than 60% complete, completion expected in 2016
- Total project capital cost is expected to be approximately $215 million

Galloway	Jumbo Drill	Shaft Sinking



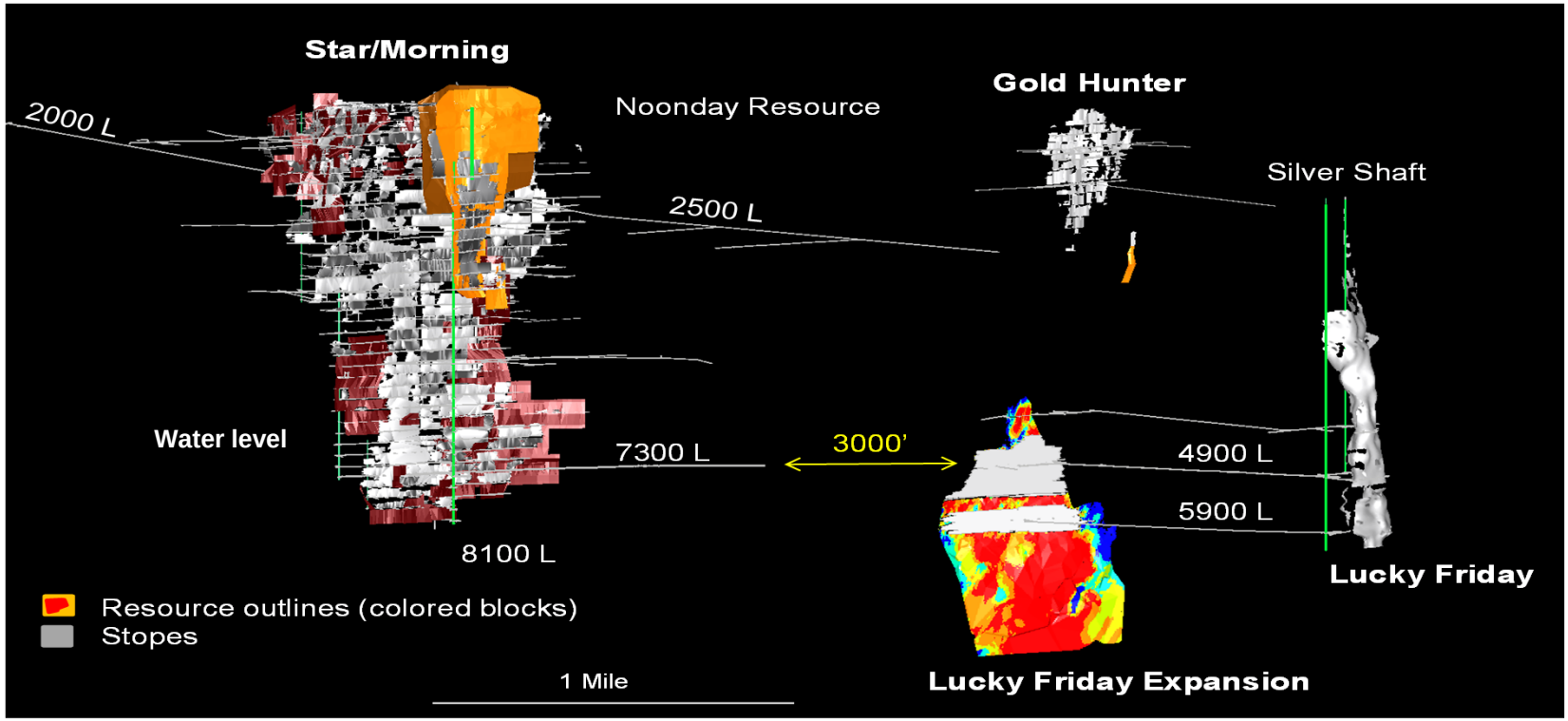




Appendix 5

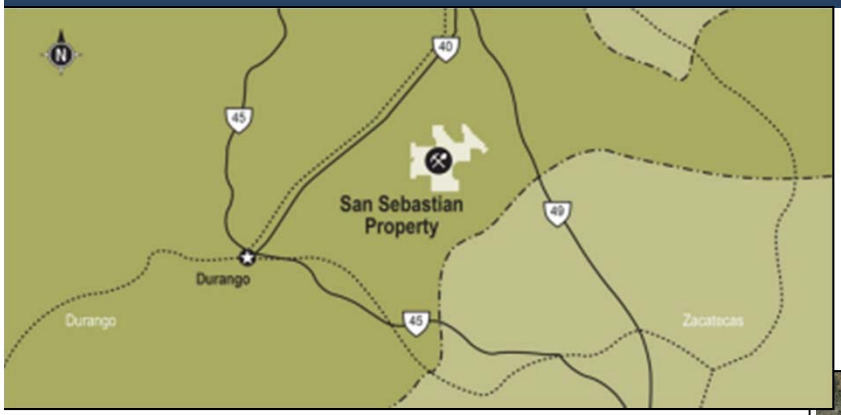
Organic Growth - Star Pre-Development (Idaho)

Longitudinal Section Looking North

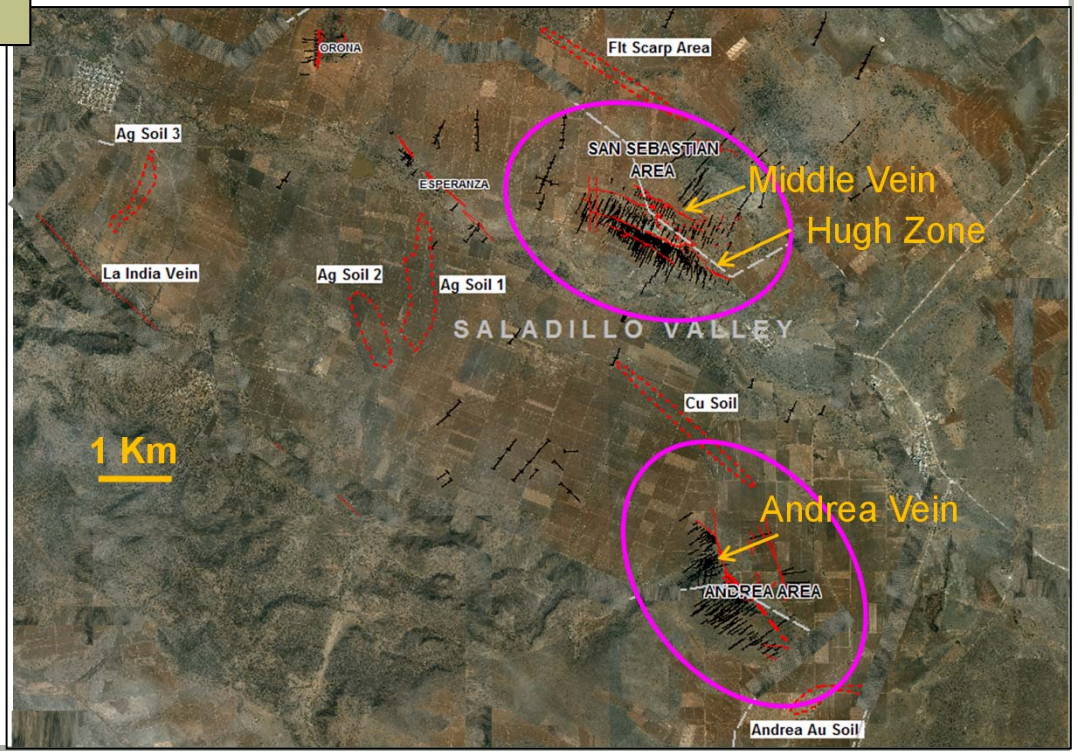


Appendix 5

Organic Growth - San Sebastian (Mexico)



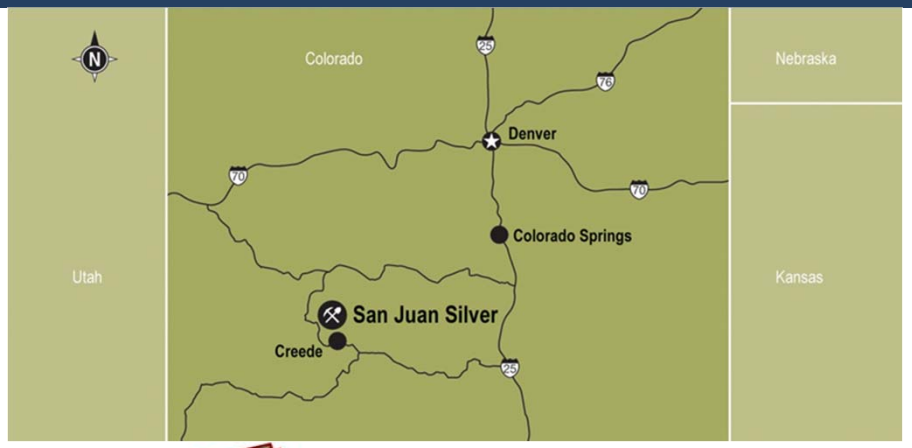
- 185-square-mile land package
- Potential extensions to both Middle Vein and Hugh Zone structures
- Andrea Vein remains open along strike and at depth

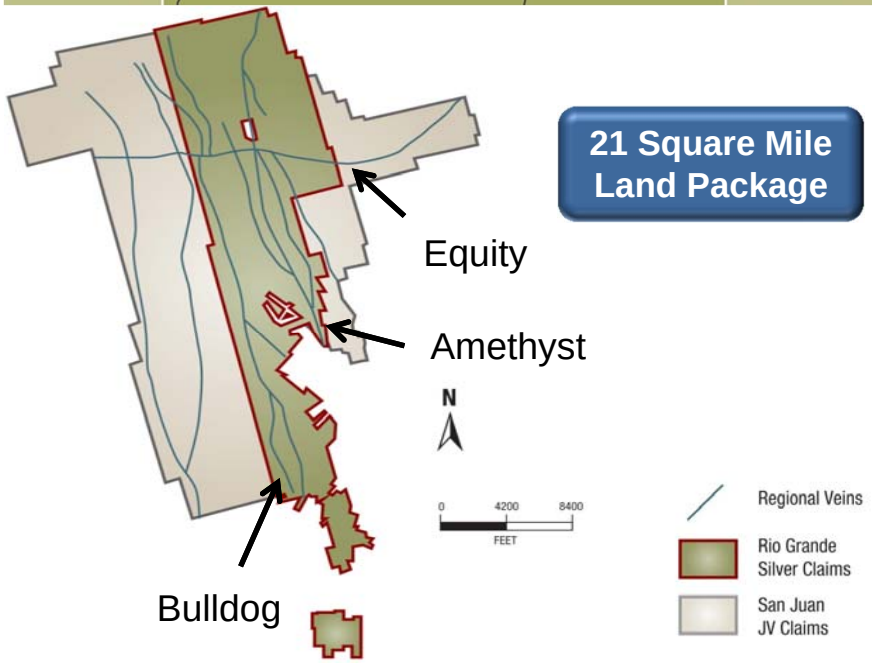


Appendix 5

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
- Bulldog decline has broken through to previous underground workings
- Rehabilitation of old workings dependent on permits, available cash flow and priority of other opportunities

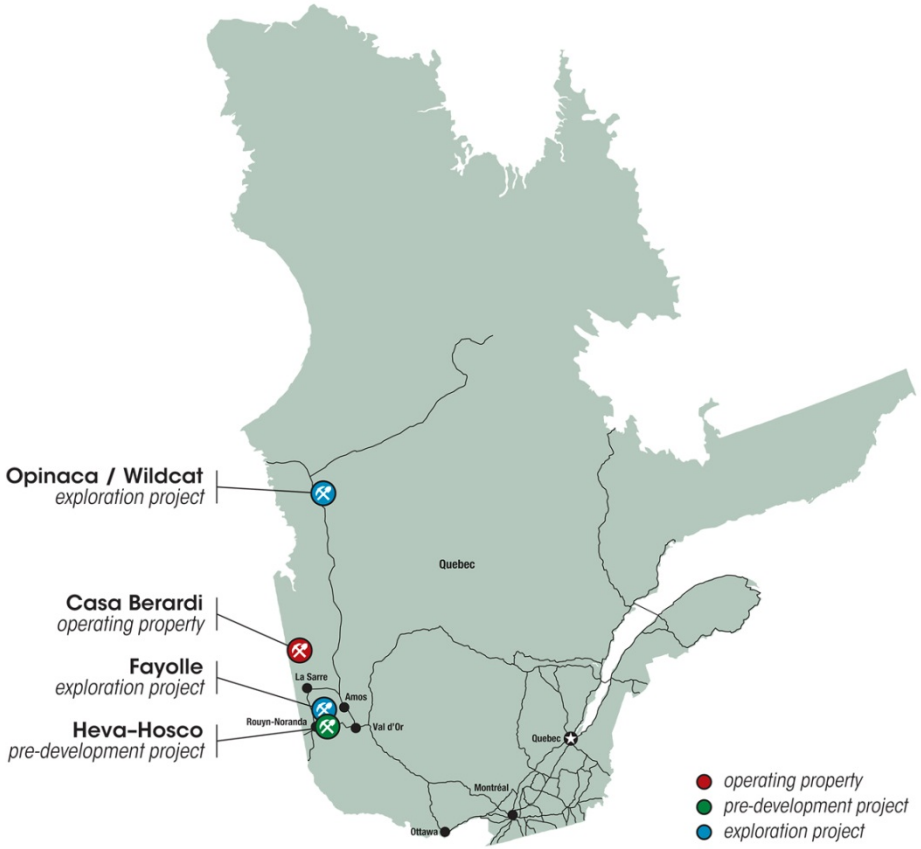




Appendix 5

New Quebec Gold Assets

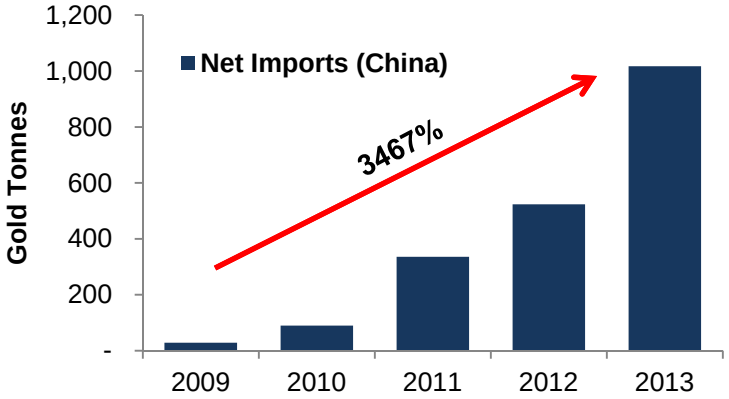
- Gold producer and exploration portfolio in western Quebec
- Heva and Hosco West extension
- Large in-pit gold resource at Hosco
  - Additional gold resources at Heva and Hosco West Extension
  - Attractive exploration potential
- Growth potential with future open pit development and shaft deepening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



Appendix 6

Gold: Physical vs. Financial

EAST



Source: Bloomberg, 2013 data until 11/30/2013

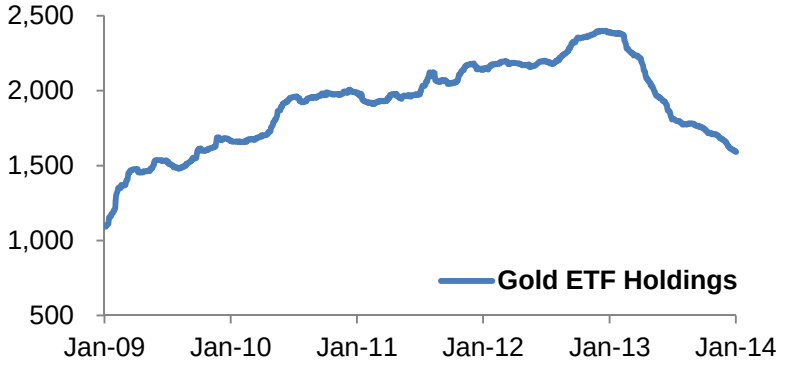
Chinese demand: ↑ 37% in the first nine months of 2013[1]

Indian demand: ↑ 12% in the first nine months of 2013[1]

Combined population: 2.6 billion

vs.

WEST



Source: Bloomberg

Gold ETF's: ↓ -697 tonnes in the first nine months of 2013[1]

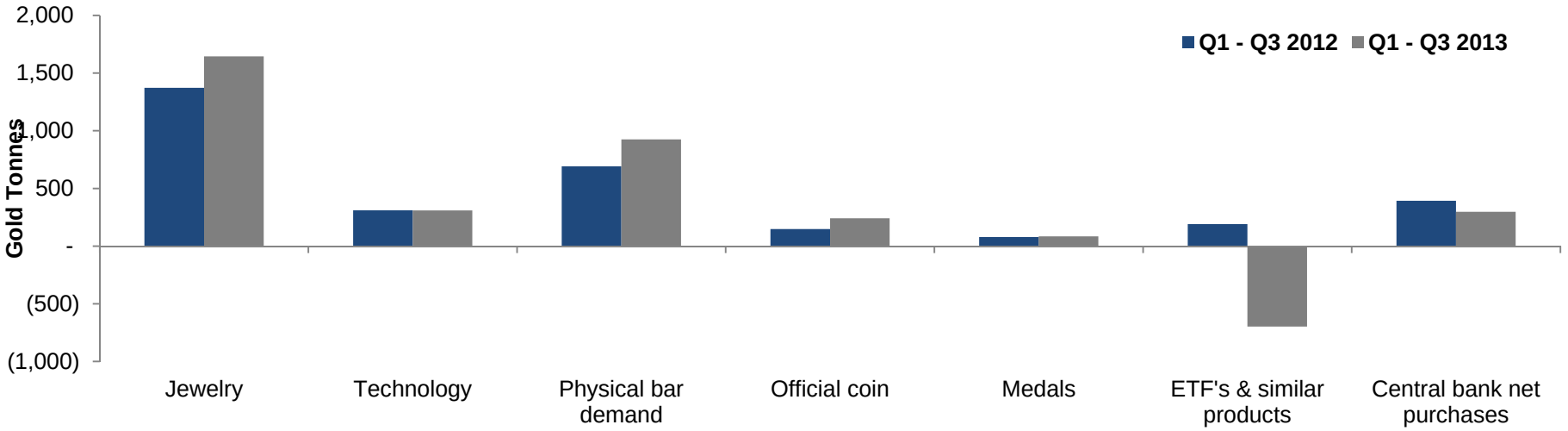
Number of ETF's: 19[2]

US population: 317 million

1. Source: World Gold Council
2. Includes: Gold Bullion Securities (London & Australia) , SPDR® Gold Shares (formerly streetTRACKS Gold Shares), NewGold Gold Debentures, iShares Comex Gold Trust, ZKB Gold ETF, GOLDIST, ETF Securities Physical Gold, ETF Securities (Tokyo), ETF Securities (NYSE), XETRA-GOLD, Julius Baer Physical Gold, Central Fund of Canada and Central Gold Trust, Swiss Gold, iShares Gold Bullion Fund, Sprott Physical Gold Trust, ETF Securities Glitter, Mitsubishi Physical Gold ETF, CS ETF II and Dubai Gold Securities.

Appendix 6

Gold Fundamentals

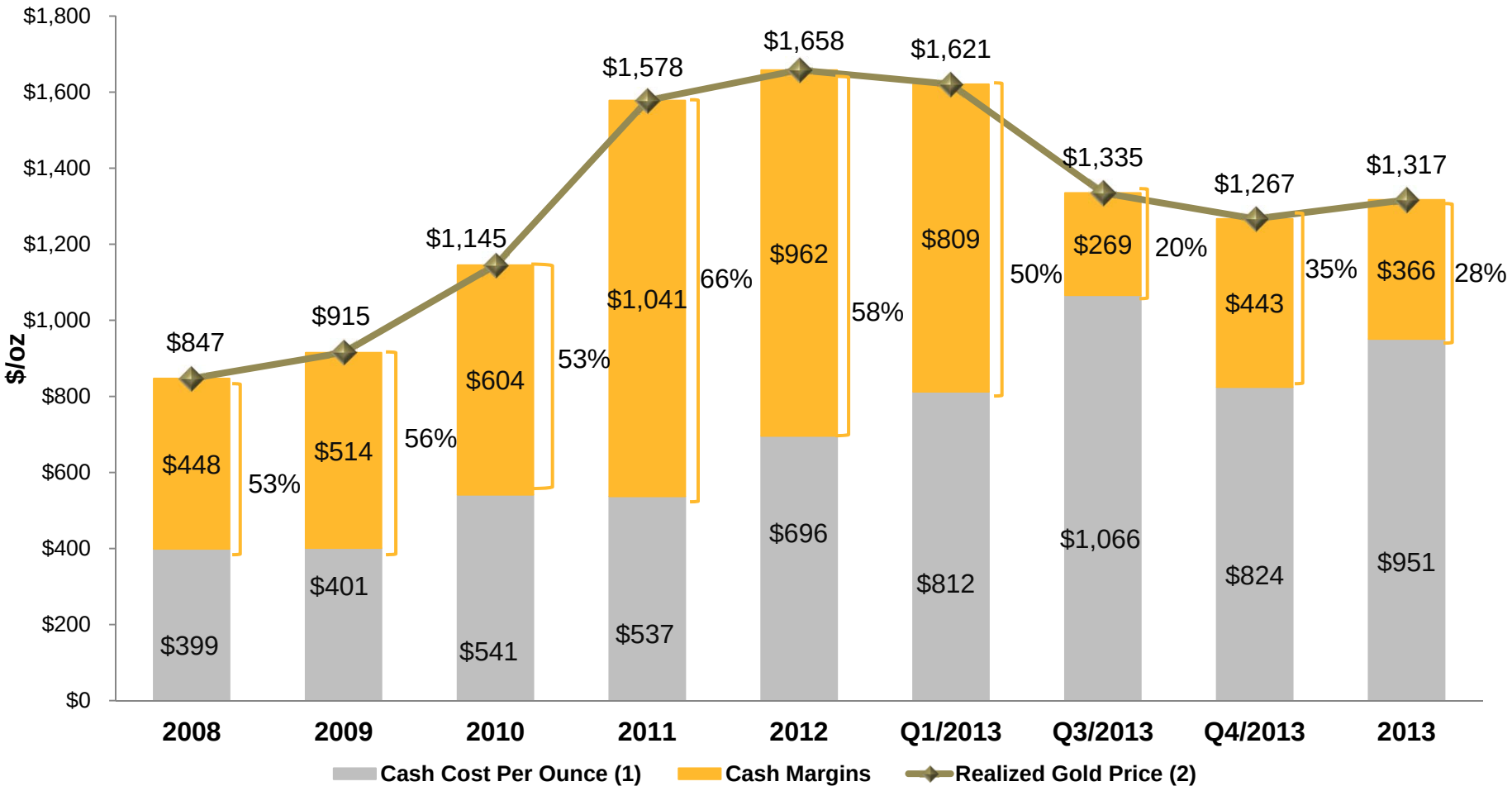


- **Jewelry consumption:** Up 20% in the first nine months of 2013 versus 2012
  - Driven by high demand in South East Asia, China and India
- **Chinese consumer demand:** Up 37% in the first nine months of 2013 versus 2012
- **Indian consumer demand:** Up 12% in the first nine months of 2013 versus 2012 - has been dampened by government regulations
- **Central banks:** Net buyers (slower rate than 2012)
- **Overall demand:** Down 12%, mainly due to the large outflow from ETF's (outflow of 697 tonnes as of September 30, 2013 versus in flow of 191 tonnes in 2012)

Source: World Gold Council
Total demand for Q1-Q3 2013 = 2,805 tonnes

Appendix 6

Cash Margins at Casa Berardi

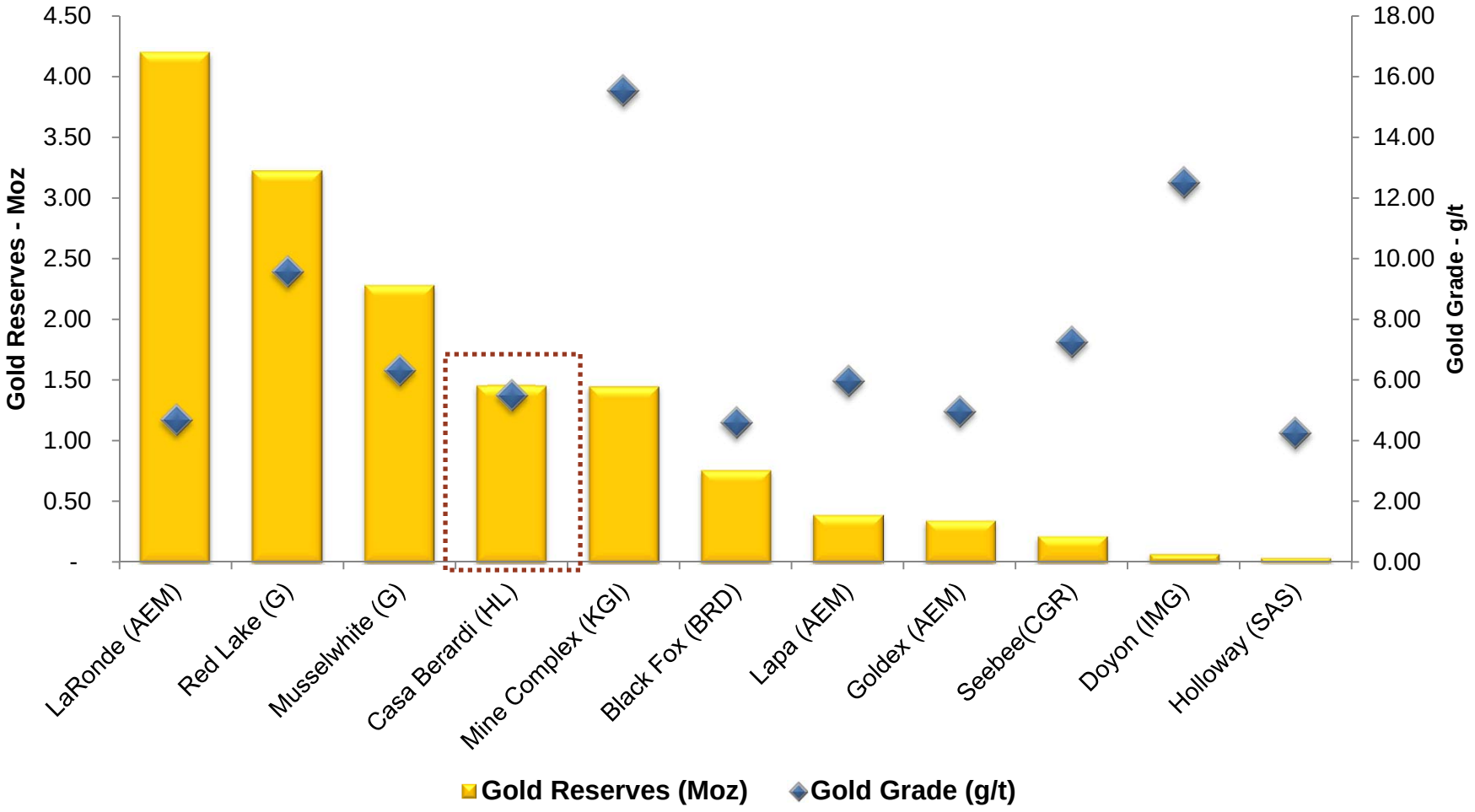


1. Cash cost per ounce of gold represents a non-U.S. Generally Accepted Accounting Principles (GAAP) measurement. A reconciliation of total cash costs to cost of sales and other direct production costs and depreciation, depletion and amortization (GAAP) can be found in the Appendix.
2. Realized prices 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.
3. Q3/2013 was first full quarter under Hecla ownership. Previous results reported by Aurizon Mines Ltd.

Appendix 6

Solid Gold Grade and Reserves

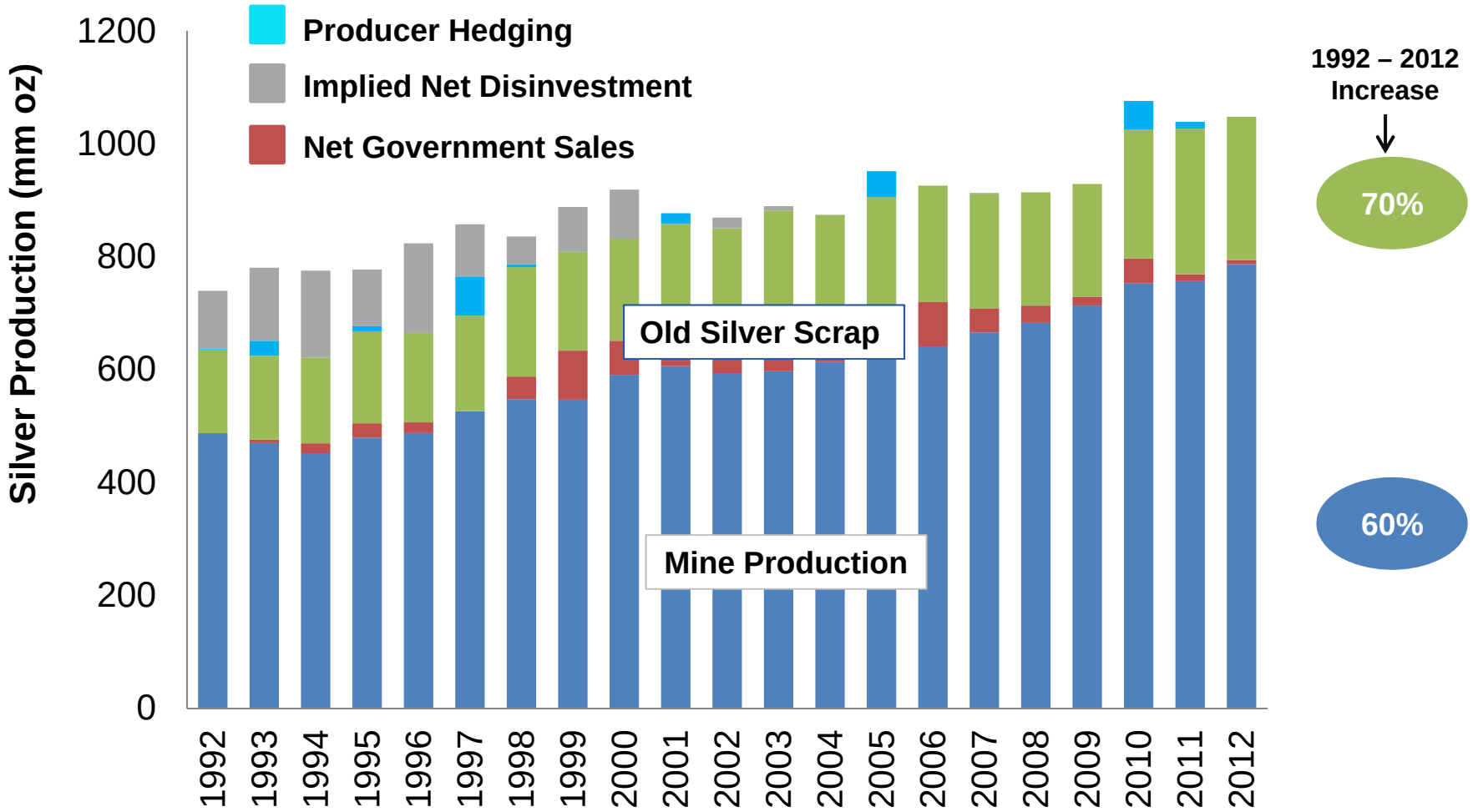
Gold Reserves and Grades of Several Canadian Gold Mines



 Source: Public filings

Appendix 6

Mine Production is Key to Silver Supply

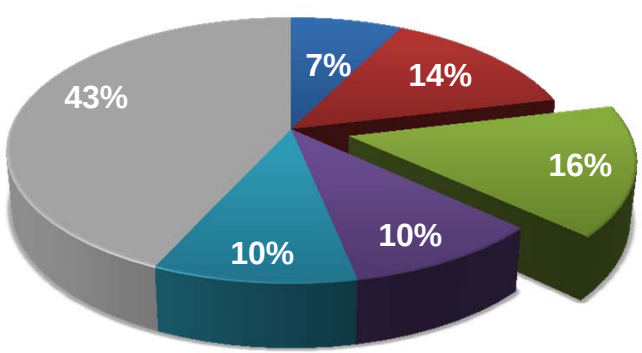


 Source - GFMS

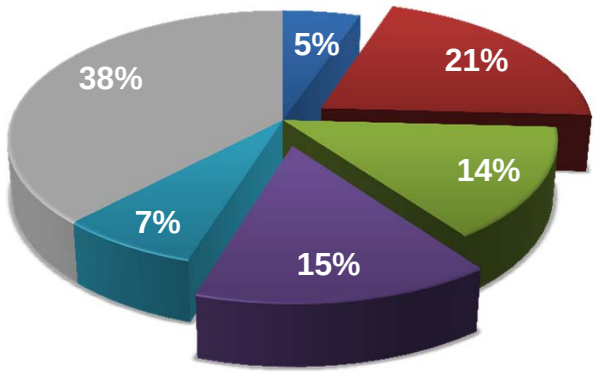
Appendix 6

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

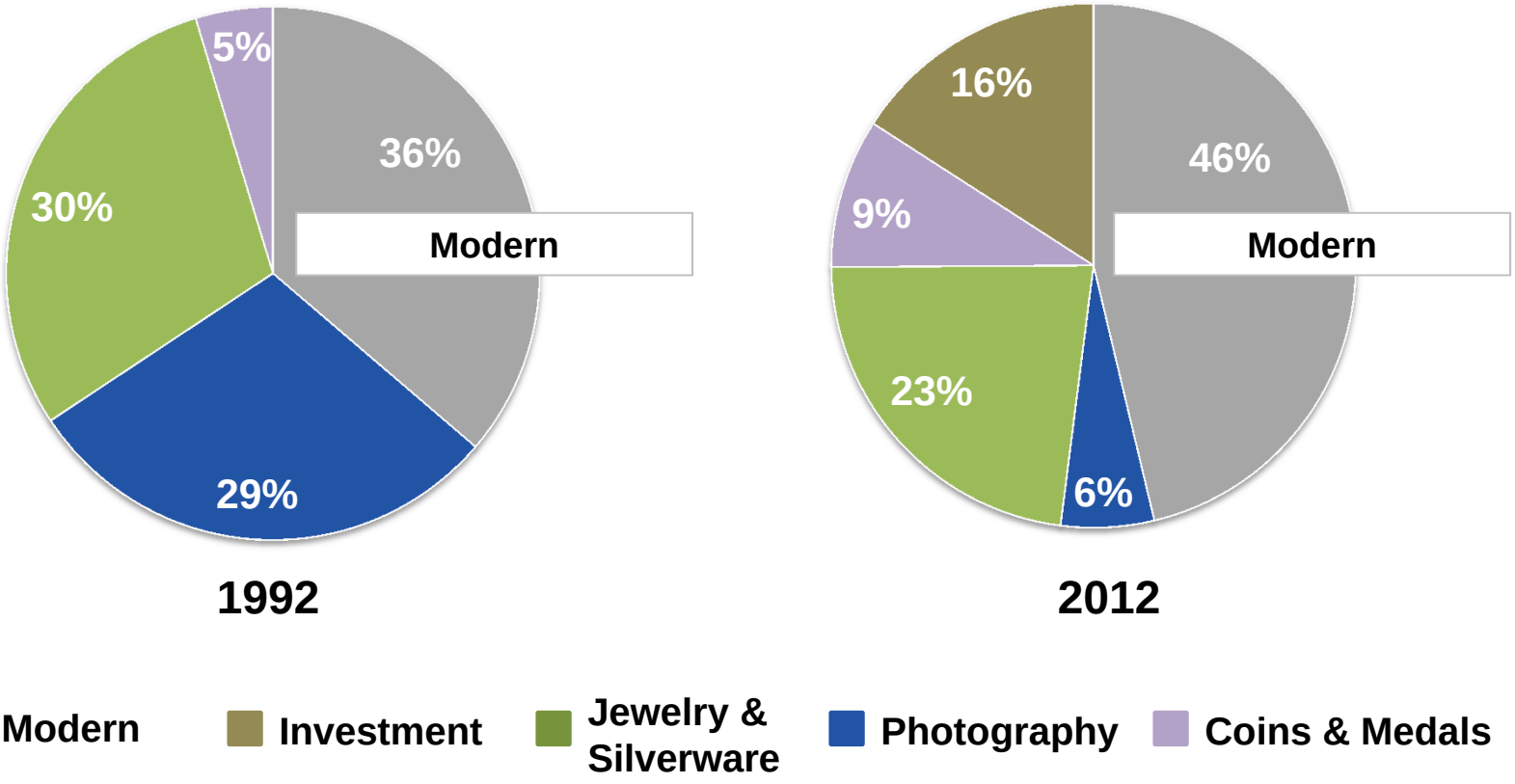
Poland Mexico Peru China Australia Other

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

Appendix 6

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%

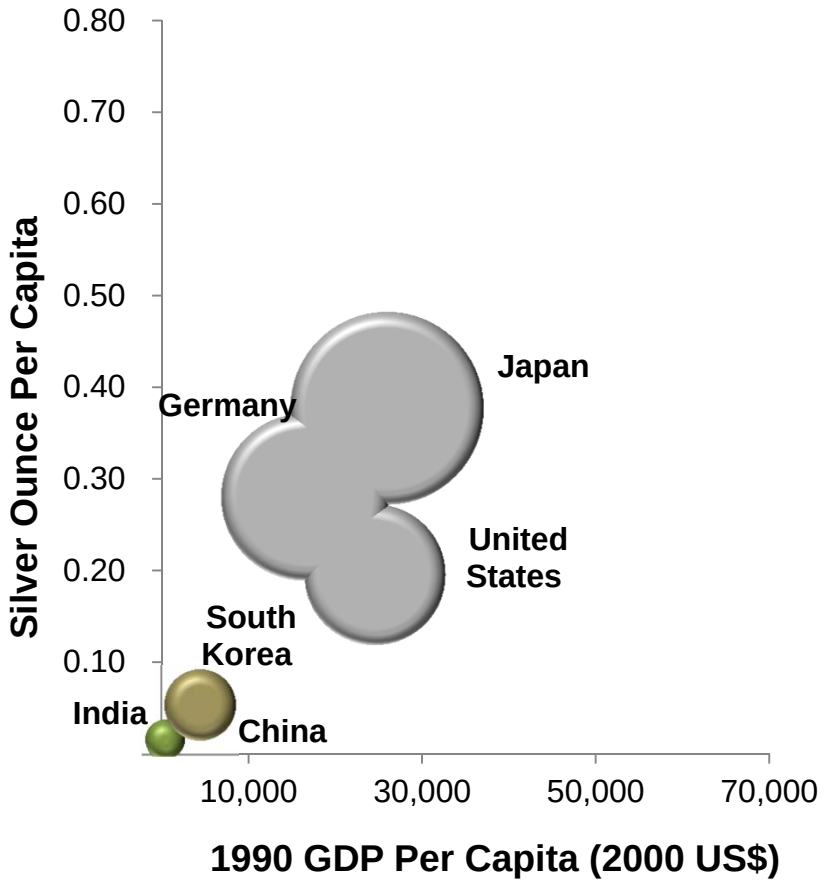


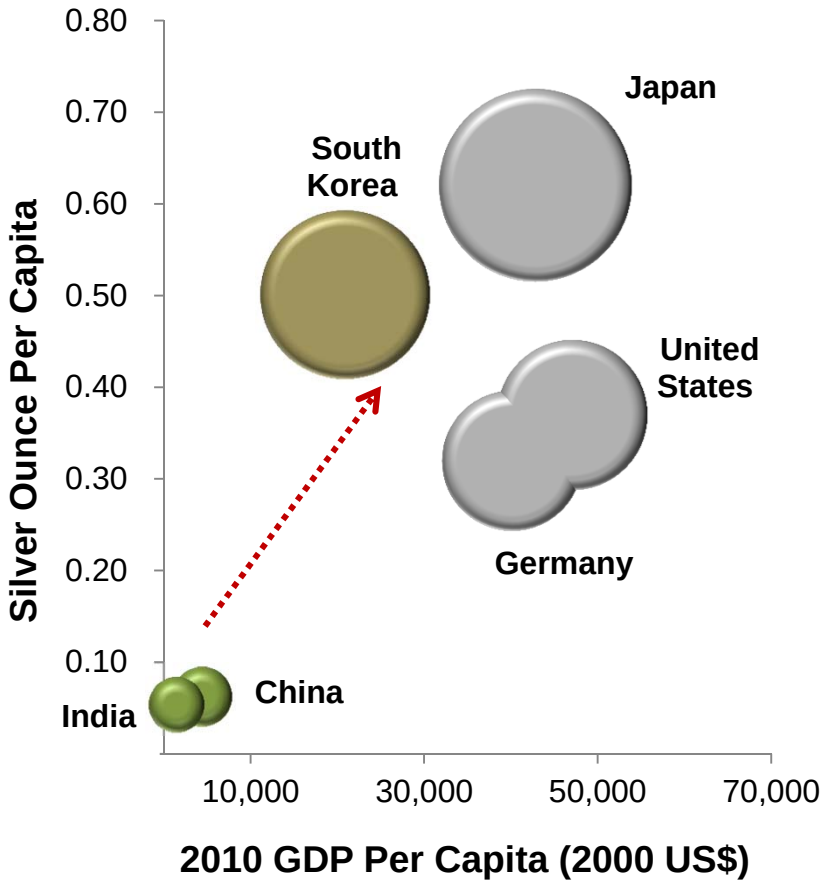
 Source - GFMS

Appendix 6

Silver Consumption per Capita Increases

Increasing Silver Consumption Per Person in China and India



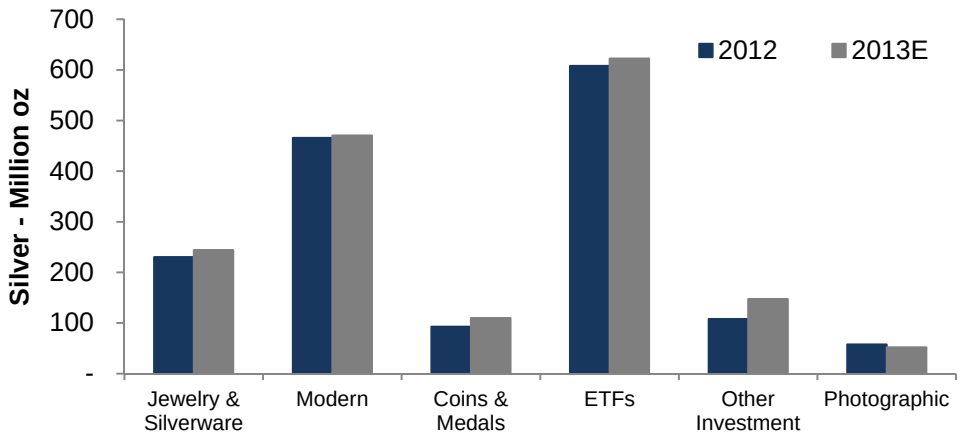


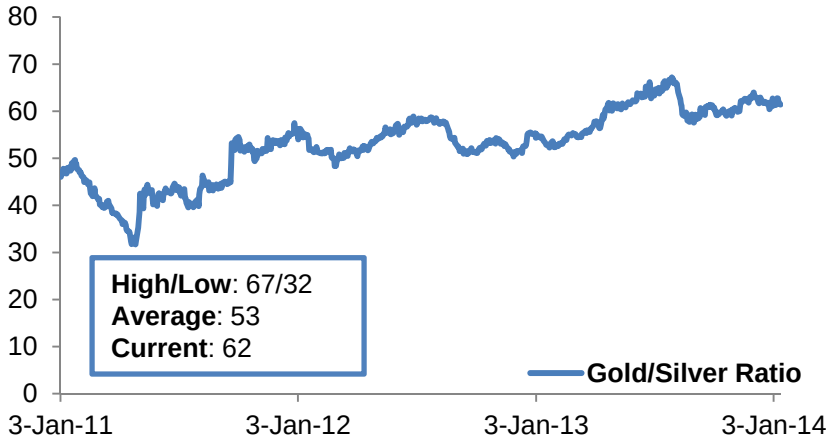
Source – World Bank, GFMS 2011

Size of bubbles indicate relative consumption per person

Appendix 6

Silver Fundamentals - 2013E vs. 2012



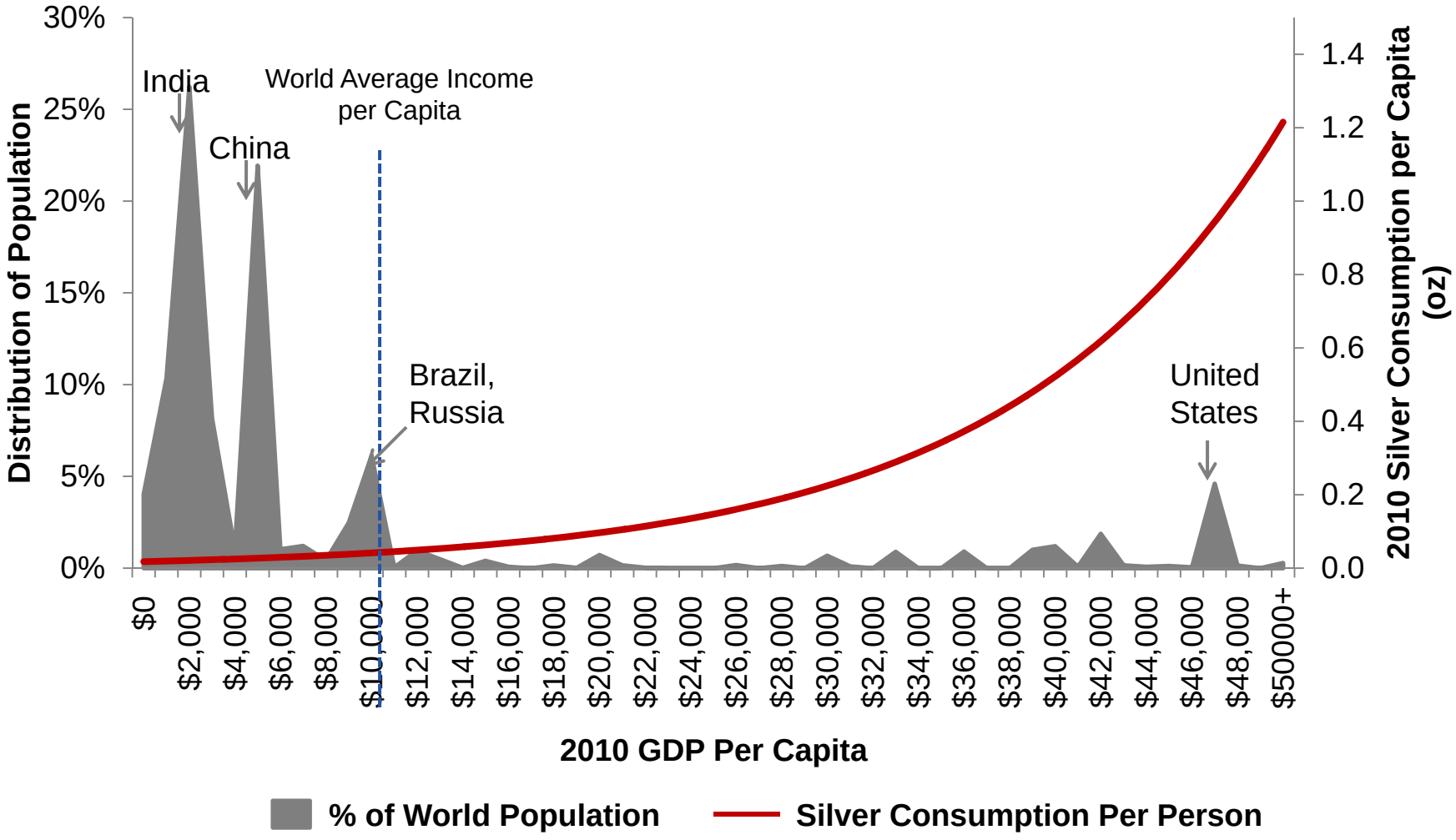


- **Coinage demand:** Up 19% over 2012; the USA, China, and Canada saw the largest increases
- **Jewelry & silverware demand:** Up 6% over 2013 - driven by China, India and the USA
- **Indian demand:** Physical silver increased significantly due to strict gold import restrictions
- **ETFs net inflow:** 15 Moz in 2013**,** lower than 2012
- **Overall investment demand** (inclusive of ETF additions): Higher in 2013 vs. 2012
- **Fabrication demand** (excluding coins): Declined 1% - increases in jewelry, silverware and modern demand offset by falling photographic demand

Source: GFMS Silver Survey, Bloomberg
Total demand for 2013E = 1,039 Million oz of silver

Appendix 6

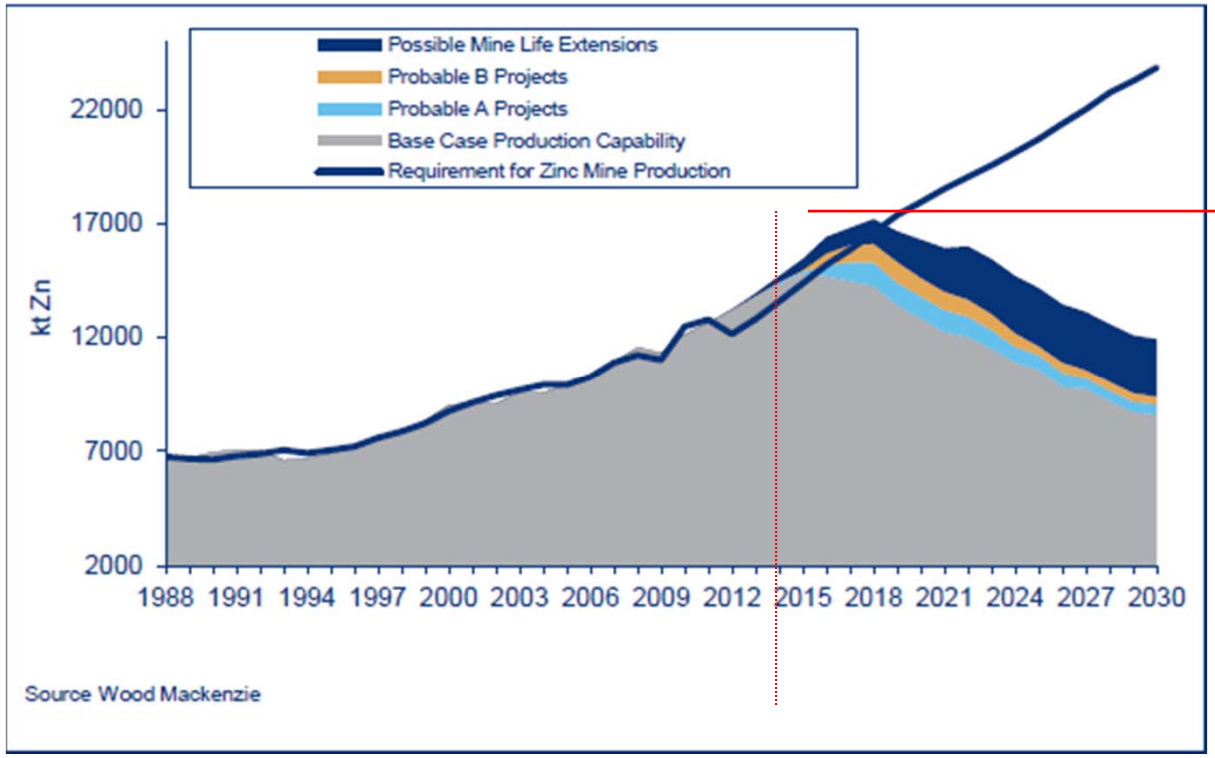
Modern Silver Demand Increases with Increasing Income



Appendix 7

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

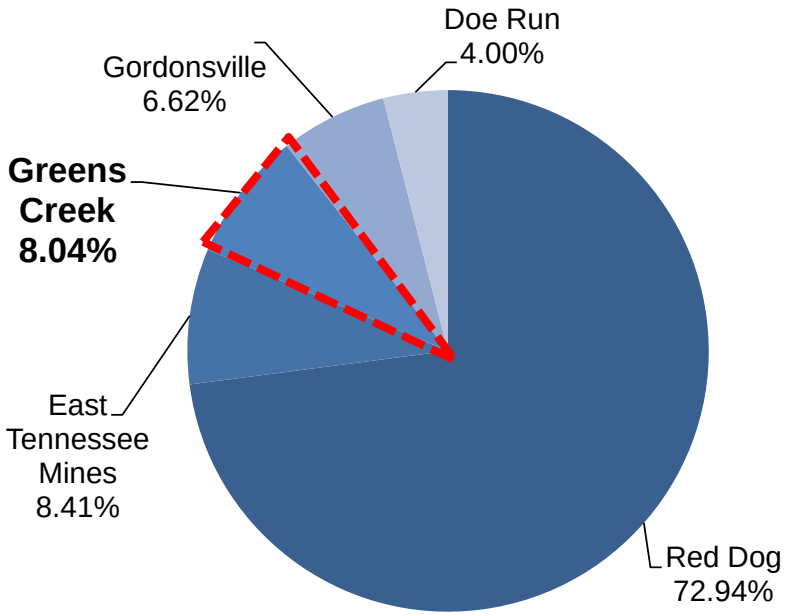
Source: Wood Mackenzie June 2013

Appendix 7

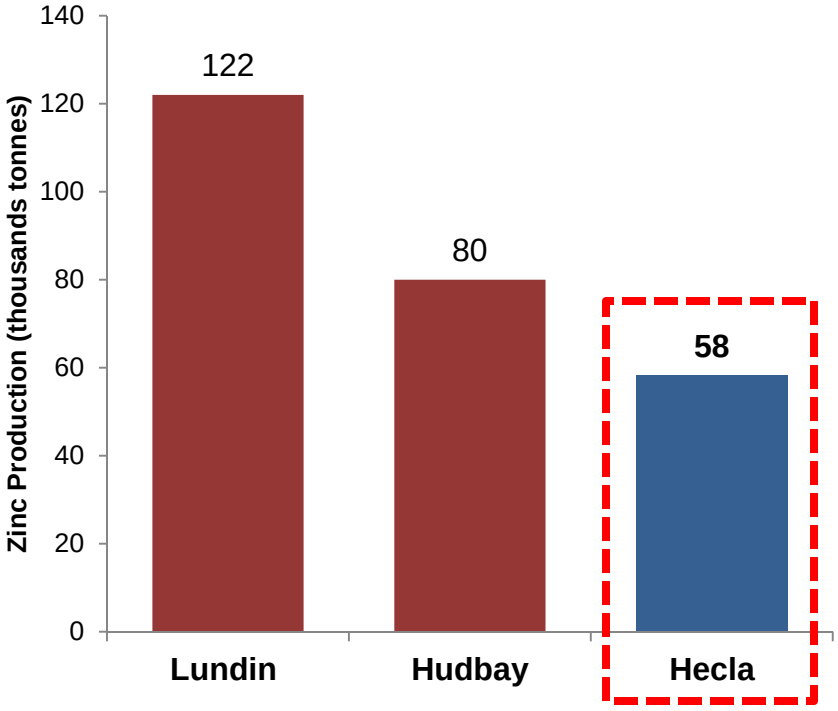
Zinc Supply - US Production

- 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