*January 2019*

NYSE:HL



# Corporate Update

## Creating Value Through Innovative Mining

# Cautionary Statements

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Cautionary Statement Regarding Forward Looking Statements,

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, including Canadian securities laws. Such forward-looking statements may include, without limitation: (i) estimates of future production and sales; (ii) estimates of future costs and cash cost, after by-product credits per ounce of silver/gold; (iii) estimates for 2018, including the impact of the Lucky Friday strike on silver production; silver equivalent production; cash cost and all in sustaining cost ("AISC"), after by-product credits; capital and pre-development; exploration and research and development expenditures (which assume metal prices of gold at $1,225/oz., silver at $17.25/oz., zinc at $1.30/lb. and lead at $1.00/lb. and U.S. dollar to Canadian (USD/CAD) assumed to be $0.79, and U.S. Dollar to Mexican Peso (USD/MXN) assumed to be $0.06); (iv) expectations regarding the development, growth and exploration potential of the Company's projects; (v) expectations of adding reserves and resources; (vi) the possibility of increasing production due to accessing higher grade material and potentially new surface pits at Casa Berardi; (vii) possible strike extensions of veins, potential for new discoveries, and ability to extend mine life through 2020 at San Sebastian; (viii) expectations of grade increases at depth at Lucky Friday; and (ix) integration of the Nevada operations into Hecla and the ability to improve their operating characteristics. 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 USD/CAD and USD/MXN, 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 2017 Form 10-K, filed on February 15, 2018, and Quarterly Reports on Form 10-Q filed on May 10, 2018 and November 8, 2018, 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-looking statements" is at investors' own risk.

Cautionary Note Regarding Estimates of Measured, Indicated and Inferred Resources

The 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, including with respect to the newly acquired Nevada projects. 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 April 2, 2014, 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 31, 2014 (the "Casa Berardi Technical Report"), and for the San Sebastian Mine, Mexico, are contained in a technical report prepared for Hecla titled "Technical Report for the San Sebastian Ag-Au Property, Durango, Mexico" effective date September 8, 2015 . 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. Information regarding data verification, surveys and investigations, quality assurance program and quality control measures and a summary of sample, analytical or testing procedures for the Fire Creek Mine are contained in a technical report prepared for Klondex Mines, dated November 30, 2017, amended March 2, 2018; the Hollister Mine dated May 31, 2017, amended August 9, 2017; and the Midas Mine dated August 31, 2014, amended April 2, 2015. Copies of these technical reports are available under Hecla's and Klondex's profiles on SEDAR at www.sedar.com.

Dr. McDonald reviewed and verified information regarding drill sampling, data verification of all digitally-collected data, drill surveys and specific gravity determinations relating to the Casa Berardi mine. The review encompassed quality assurance programs and quality control measures including analytical or testing practice, chain-of-custody procedures, sample storage procedures and included independent sample collection and analysis. This review found the information and procedures meet industry standards and are adequate for Mineral Resource and Mineral Reserve estimation and mine planning purposes.

Cautionary Note Regarding Non-GAAP measures

Cash cost per ounce of silver and gold, net of by-product credits, EBITDA, adjusted EBITDA, AISC, after by-product credits, and free cash flow represent non-U.S. Generally Accepted Accounting Principles (GAAP) measurements. A reconciliation of these non-GAAP measures to the most comparable GAAP measurements can be found in the Appendix.

# Hecla Mining Overview

*Positioned for continued strong performance*

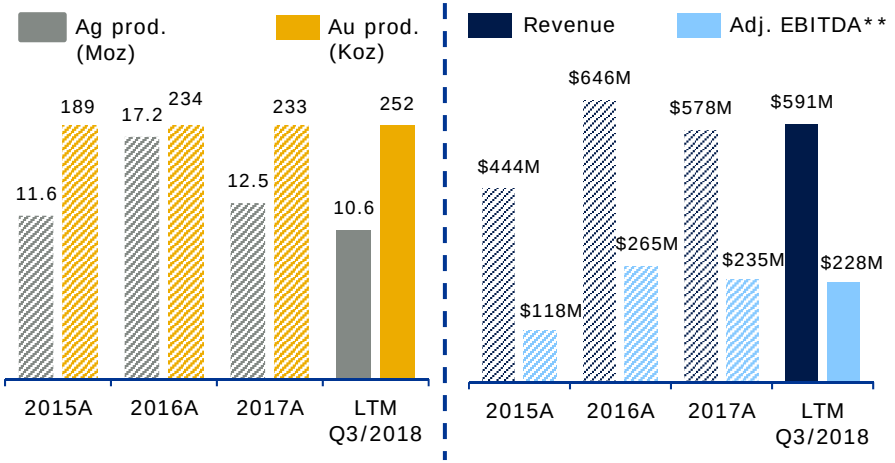
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- Largest primary silver producer in the US, third largest producer of lead and zinc.
- Good mining jurisdictions: Alaska, Idaho, Nevada, Quebec, and Durango.
- Focus is long-lived, low cost mines that can be extended and improved
- Proven and probable reserves totaling ~177 Moz of silver and 2.3 Moz of gold as of 12/31/2017
- Strong silver and growing gold production
- Recently acquired high grade gold mines in Nevada
- Robust financial position with strong margins
- Solid balance sheet and liquidity
- Strong, experienced management team

## Asset Overview




## Key Operating and Financial Highlights




** Adjusted EBITDA is a non-GAAP measure; please refer to appendix for reconciliation to GAAP.
Source: Company disclosures.

# Portfolio of Long-Lived Quality Assets

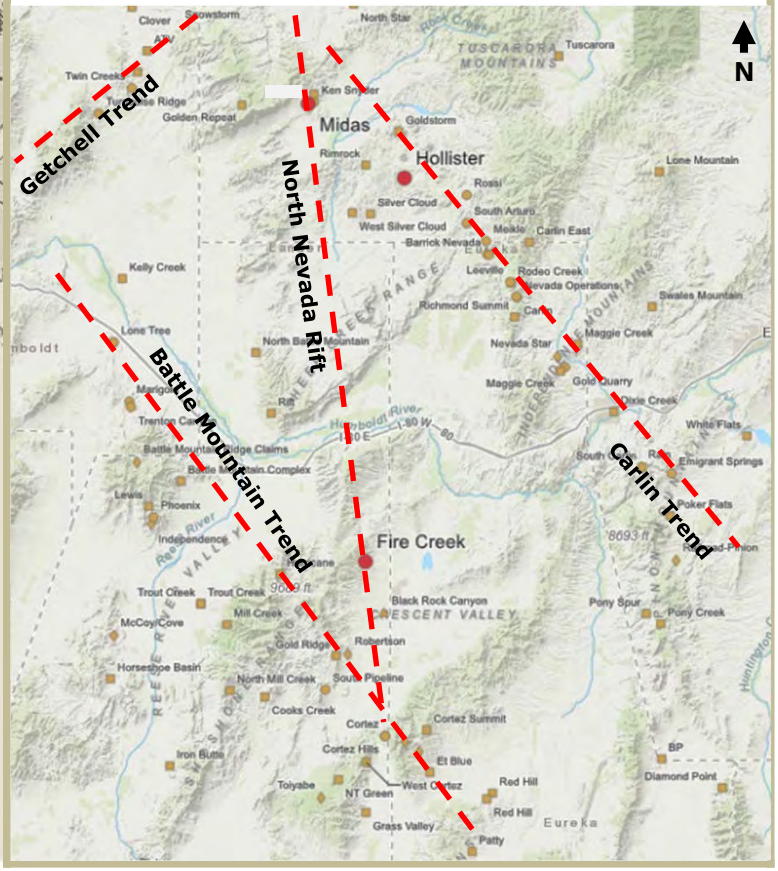
*Growing presence in Nevada*

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## Nevada

**"Heart of the Nevada Gold District"**




Source: Company disclosures.

# Our Strategy Works In Every Price Environment

*Three ways for shareholders to benefit*

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- **To invest in long-lived, low-cost (both operating and capital) assets where we see the potential to improve the operations, making them safer, lowering the cost or extending the life further**
  - Each mine is expected to have consistent safe operations that are net cashflow positive
  - Low-capital, high-return investments improve throughput & recoveries, automate tasks requiring fewer new employees
  - Invest in jurisdictions where a long-life is feasible
  - Diversify revenue sources and hedge base metals when prices are higher and monetize when prices fall
  - Don't over-leverage

- **Three ways for our shareholders to benefit**
  - Find more ounces so Hecla can produce more for longer
  - Produce higher margin ounces with higher throughput or lower costs
  - Capture a higher price environment

- **The strategy works well in the current price environment**
  - Only company with silver reserves calculated at $14.50/oz, generating $3+ more margin per ounce than peers
  - Greens Creek has generated substantial free cash flow every year for over two decades
  - Casa Berardi and San Sebastian are consistently generating free cash flow
  - Doubling throughput and automation at Casa Berardi is generating returns
  - Nevada acquisition is about Fire Creek and Hatter Graben with low margin Midas mine shut down

# Roadmap for Further Growth and Value Creation

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## Strong Operating Portfolio

### *Mine Portfolio*

- Portfolio of high quality, producing, precious metals mines in mining friendly jurisdictions
- Expected production of 539k – 581k AuEq ounces in 2018
- Operate the Nevada operations as one cohesive unit

## Robust Near Term Growth

### *Fire Creek Ramp UP*

- Production to reach 550 tpd from 350 tpd in 2019

### *New Open Pits at Casa Berardi*

- Production continues to increase from the open pits with significant extensions to mine life possible

### *Polymetallic Zone at San Sebastian*

- Middle and Francine veins could extend mine life by 5-10 years
- Third-party mill secured, could allow concurrent oxide and sulphide production, boosting production and cash flow. Bulk sample in late 2018.

### *Lucky Friday Remote Vein Miner*

- Arriving late 2019, commissioning to take place in 2020
- Will improve safety and has the opportunity to increase productivity

## Longer Term Development

### *Fire Creek Mine Plan*

- Potential for significant upside and increased production through developing Fire Creek to the north, Zeus and North veins

### *Rock Creek & Montanore*

- Attractive opportunities that should come into focus as they move into feasibility stage

### *Hollister's Hatter Graben*

- Potential to extend mine life and improve costs through the Hatter Graben deposit

### *Heva-Hosco*

- Hosts >3 Moz of M&I Resources along the Cadillac break

### *Exploration Portfolio*

- Existing mines
- Kinskuch, Little Baldy, San Juan, Monte Cristo, Opinaca/Wildcat, Lac Germain, Republic

**Hecla has an industry leading platform of operating assets and a robust pipeline of future growth prospects**

Source: Company disclosures.

# 20 Year Gold Silver Ratio

*Highest we have seen in the past 20 years*

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Source: Bloomberg

# Culture of Innovation Drives Productivity Improvements

*Technology and best practices to be leveraged across Klondex' assets*

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## Autonomous Haulage in Operation at Casa Berardi

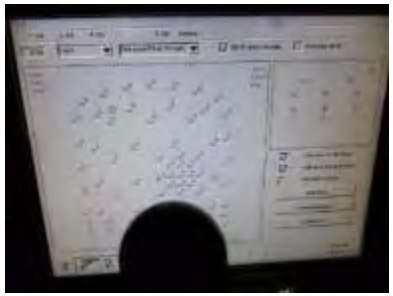
- 24 hour truck operation drives cost savings
- Increases utilization
- Increases safety
- Expect ~$3mm per year in cost savings from 2 trucks



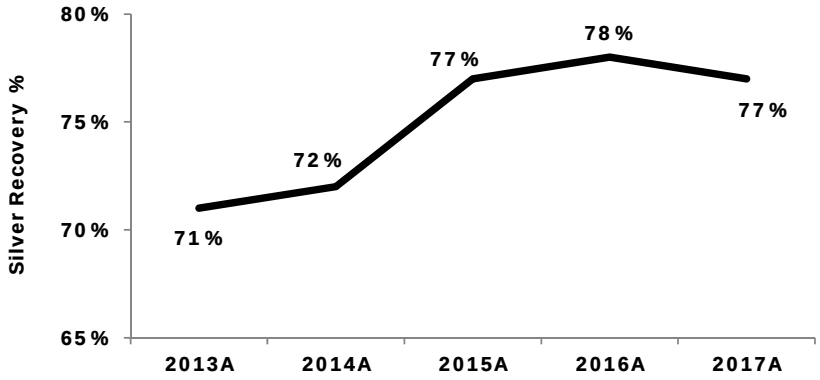


## Jumbo/Stope Drill Automation: Drilling During Shift Change

- Adds 15 meters/day
- Increased drift stability
- Increased drilling accuracy
- 2 automated drills in operation
- 1 stope drill



## Recovery Improvements at Greens Creek

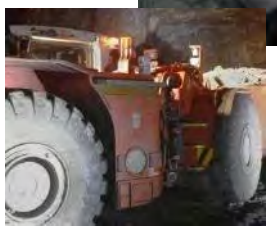



Improvements driven by:
- CO2 used to control PH in mill
- Lead scalping process

## Ventilation on Demand and Teleremote LHD

- Ventilation system drives expected ~$1mm/year in cost savings at Greens Creek
- One operator can run up to 3 machines from the same station





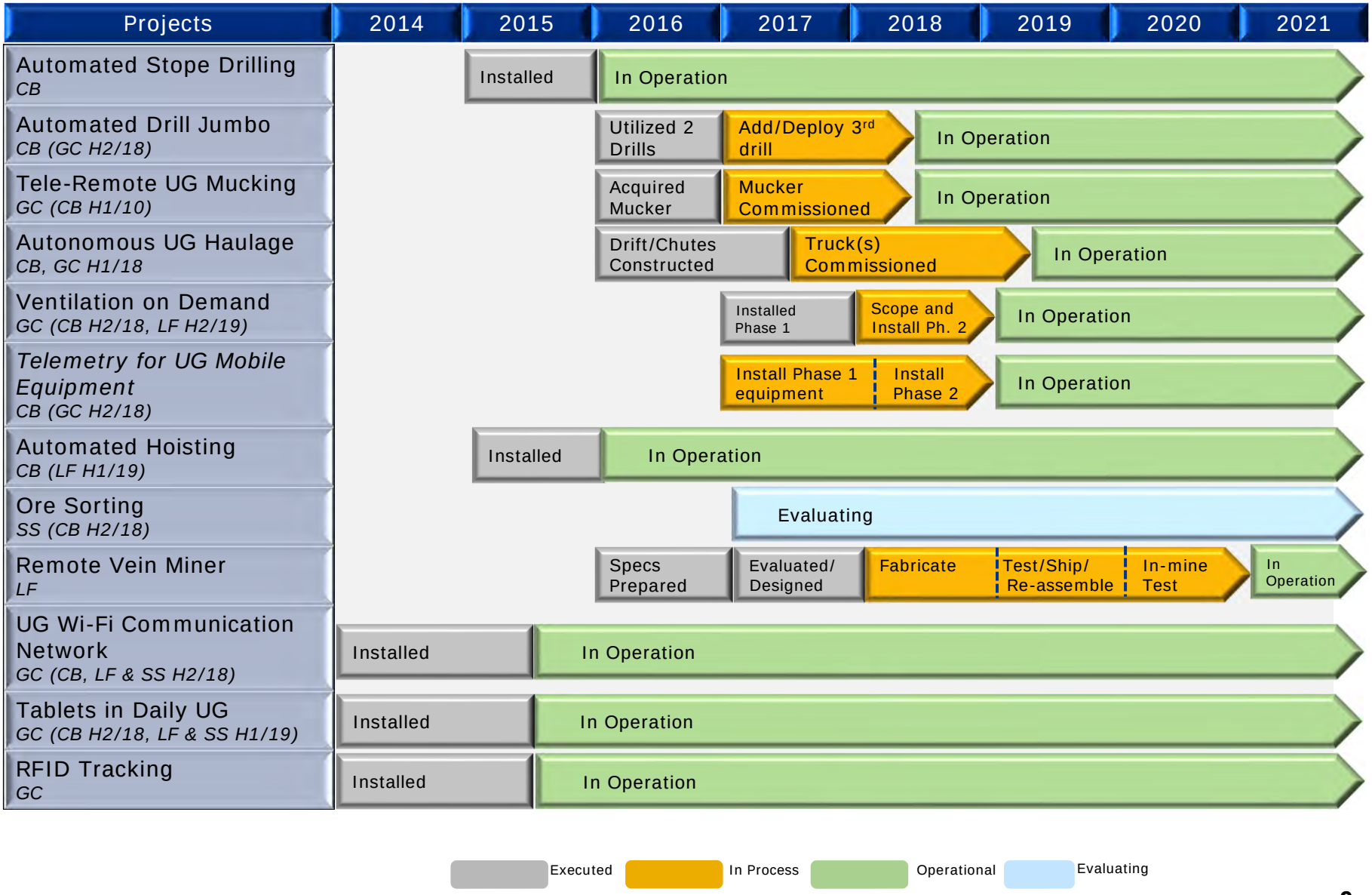
Source: Company disclosures.

# Culture of Innovation Drives Productivity Improvements

*Innovating across the portfolio*

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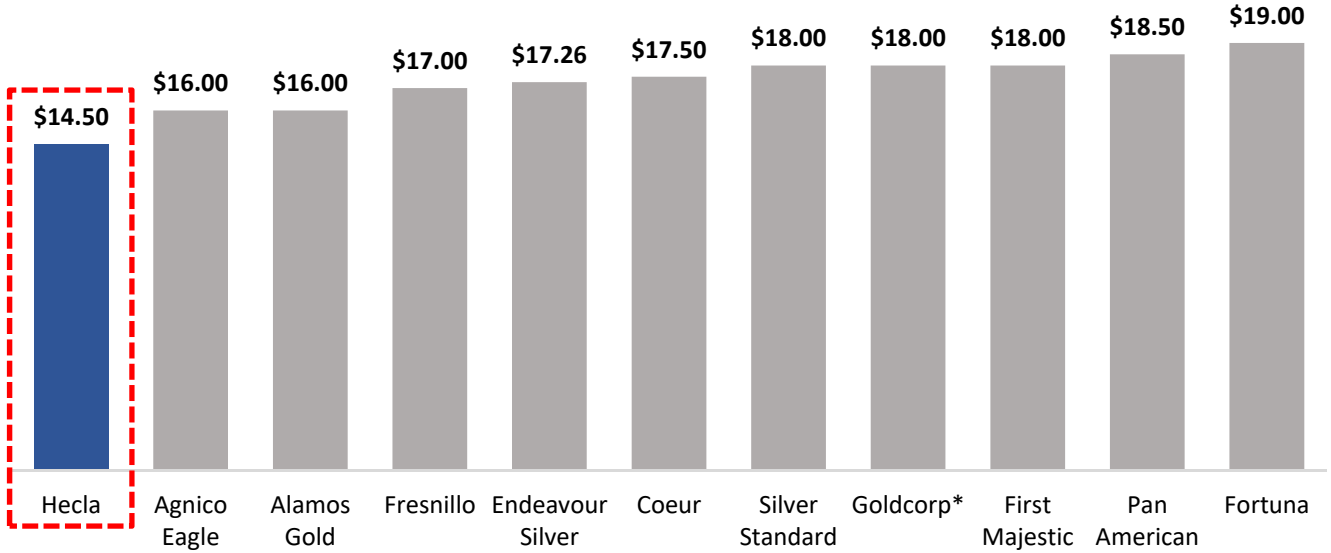
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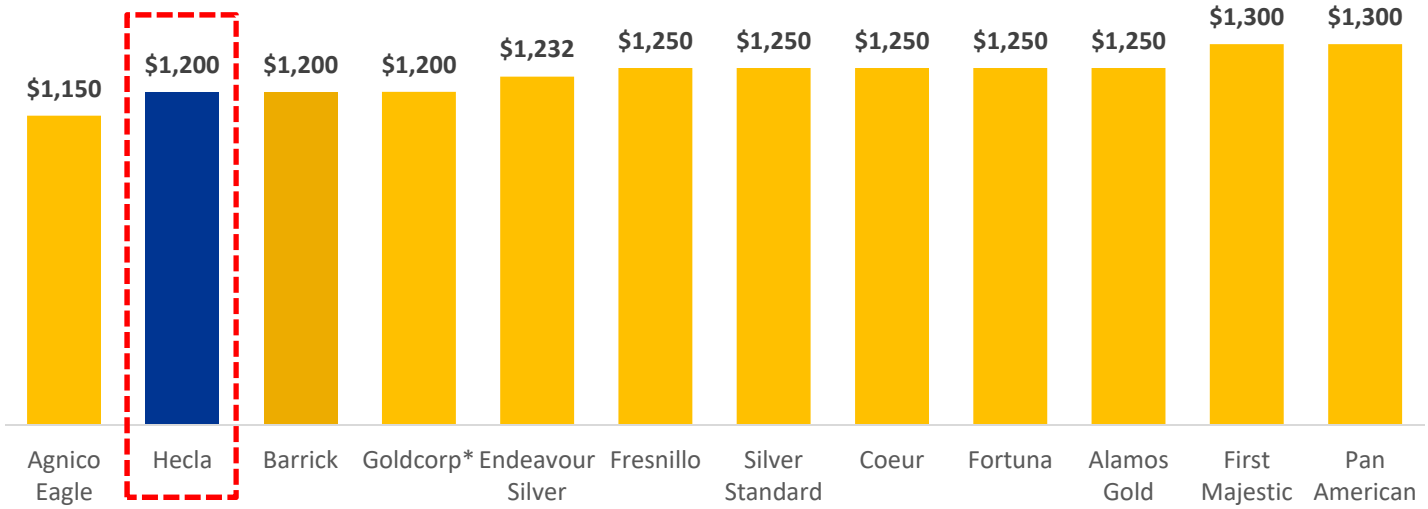
# 2018 Silver and Gold Mineral Reserve Prices

*Company Comparison - Hecla at low end of expected peer range*

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| Year | HL Reserve Prices |
|---|---|
| 2012 | $26.50 |
| 2013 | $20.00 |
| 2014 | $17.25 |
| 2015 | $14.50 |
| 2016 | $14.50 |
| 2017 | $14.50 |



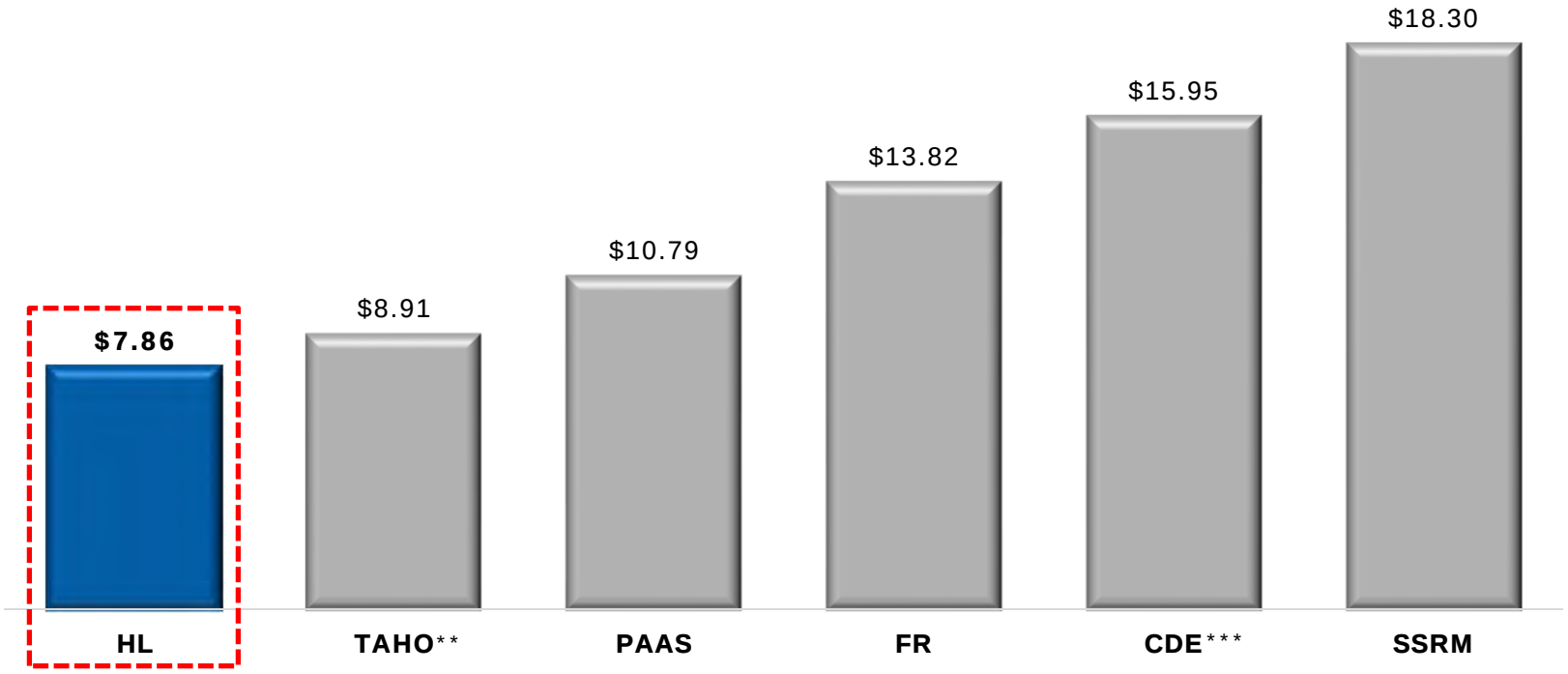

| Year | HL Reserve Prices |
|---|---|
| 2012 | $1,400 |
| 2013 | $1,300 |
| 2014 | $1,225 |
| 2015 | $1,100 |
| 2016 | $1,200 |
| 2017 | $1,200 |

*6/30/17 prices; all others for year-end 2017.

# Silver All-in Sustaining Cash Costs

*Hecla has the lowest AISC among silver peers*

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CDE – Coeur d'Alene Mines, HL – Hecla, PAAS – Pan American, SSRM – SSR Mining, FR – First Majestic, THO - Tahoe

*AISC is a non-GAAP measure; please refer to appendix for reconciliation to GAAP.
**TAHO reported silver AISC through June 2017 only because Escobal was out of commission H2/2017.
***CDE reports silver AISC on a silver equivalent ounce basis.
Source: Company filings

# Diversified Revenue Stream Q3/2018

*Mitigates risk and enhances economics*

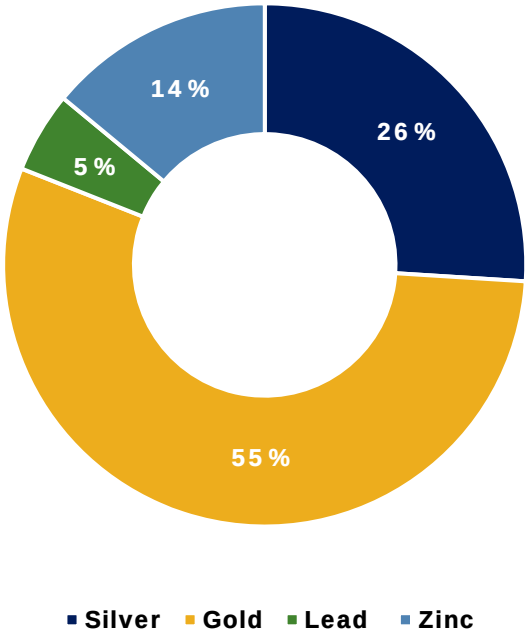
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## #1 Silver and #3 Lead and Zinc Producer in the U.S.

Zinc Production: **12.8 Ktons**
Realized Price: **$1.13/lb**

Lead Production: **4.2 Ktons**
Realized Price: **$0.95/lb**

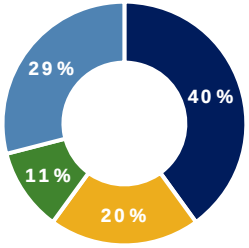
**Q3/2018 Margins**
Silver Margin: **$10.56/oz**
Gold Margin: **$402/oz**




Silver Production: **2.5 Moz**
Cost of Sales: **$66.5 M**[2]
Cash Costs, after by-product credits: **$4.12/oz**[3]
Realized Price: **$14.68/oz**

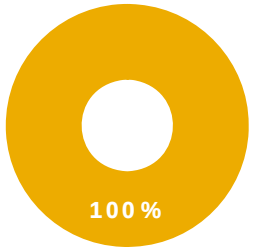
Gold Production: **73 Koz**
Cost of Sales: **$70.6 M**[2]
Cash Costs, after by-product credits: **$803/oz**[3]
Realized Price: **$1,205/oz**

### Greens Creek



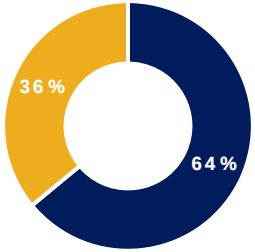

**45%** of Total Revenue

### Casa Berardi



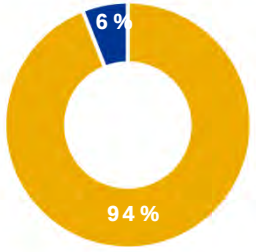

**37%** of Total Revenue

### San Sebastian




**10%** of Total Revenue

### Nevada




**8%** of Total Revenue

# Hecla's Track Record of Adding Value

*An extensive history of optimizing assets*

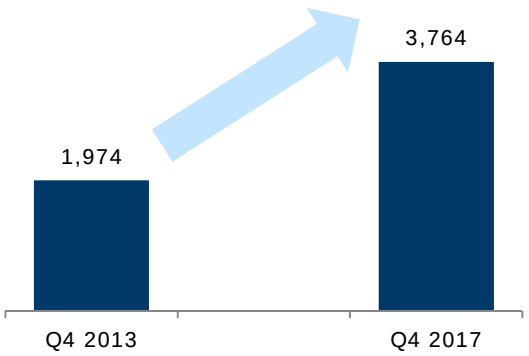
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## Casa Berardi

### Operational enhancements and mill optimization

- Throughput has increased by 91% since Q4 2013
- Open pit mining increased operational flexibility providing ability to keep the mill full
- Investing in productivity improvements and automation
- Strong exploration results since Q4 2013, reserves have increased by 7.2% to 1,494 koz Au

**+91% throughput (Tons per day)**

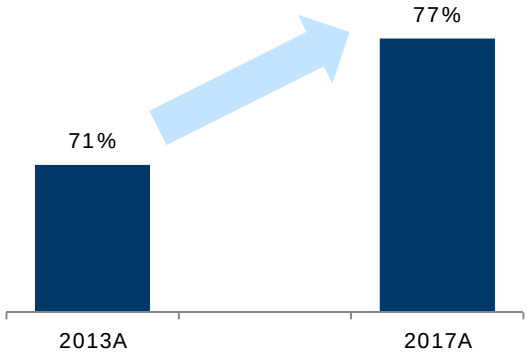



## Greens Creek

### Increased recoveries/ low cost production

- Increased average silver recovery by 6%
- Consistent low-cost production
- Tele-remote mucking has increased productivity
- Adding shallow mineralization to enhance economics
- Maintained reserves over 10 years of ownership

**+6% silver recoveries**

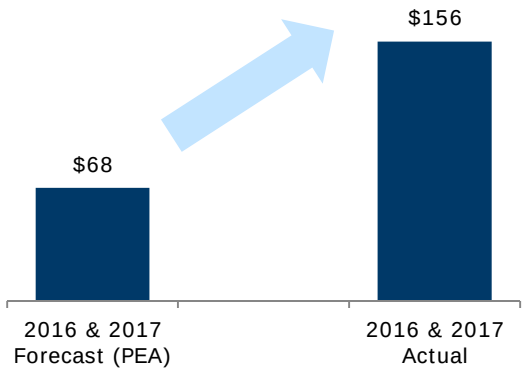



## San Sebastian

### Prudent, high impact capital differentiated mining model

- Only $4 million in capital required to restart the mine with a forecasted IRR of 1,000%+
- Reduced costs by renting third party mill and using contract mining (secured through 2020)
- ~$156 million in operating cash flow after years 1 & 2 (2016 & 2017) which exceeded PEA expectations of $68 million by +129%
- Increased mine life from 1.5 years to more than 5. Likely to increase another 5 years with sulphide deposit

**+129% operating cash flow**




Source: Company disclosure.

# Experienced Management Team

*With excellent track record of developing and operating organic projects*

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| | |
|---|---|
| **Phillips S. Baker, Jr.** *President and CEO* | ▪ Currently serving as Hecla's Director since 2001, CEO since May 2003 and President since November 2001<br>▪ Served as a Director of QEP Resources, Inc. since May 2010, and Director for Questar Corporation from February 2004 through June 2010 |
| **Lindsay A. Hall** *Senior VP and CFO* | ▪ Currently serving as Senior VP and CFO since July, 2016<br>▪ Served as Executive VP, CFO of Goldcorp Inc. from March / April 2006 to March 2016<br>▪ Previously, served in several senior management positions within Placer Dome and Duke Energy Corporation |
| **Lawrence P. Radford** Senior VP and *COO* | ▪ Appointed COO in May 2018 and prior to that, held the position of Senior VP – Operations from July 2013 to April 2018 and VP – Operations from October 2011 to June 2013<br>▪ Prior to joining Hecla, served as VP of South American Operations for Kinross from April 2010 to September 2011<br>▪ Held several key positons within Barrick Gold between 1990 and 2007 including General Manager of the Cowal operations in Australia |
| **Dr. Dean W. A. McDonald** *Senior VP – Exploration* | ▪ Appointed Senior VP – Exploration in July 2013 and prior to that, served as VP – Exploration from August 2006 to June 2013<br>▪ Prior to joining Hecla, held the position of Vice President Exploration and Business Development for Committee Bay Resource Ltd. (a Canadian-based exploration and development company) from 2003 to August 2006<br>▪ Served as Exploration Manager at Miramar Mining Company/Northern Orion Explorations (an exploration company) from 1996 to 2003 |

# 2018 Outlook

*Lowering cash cost and AISC, after by-product credits, per silver ounce*

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## Production Outlook

| | Silver Production (Moz) | | Gold Production (Koz) | | Silver Equivalent (Moz)[1] | | Gold Equivalent (Koz)[1] | |
|---|---|---|---|---|---|---|---|---|
| | Original (if revised) | Current | Original (if revised) | Current | Original (if revised) | Current | Original (if revised) | Current |
| Greens Creek | 7.5-8.1 | 7.6-7.9 | 50-55 | 50-53 | 21.0-22.5 | 21.1-22.1 | 300-315 | 301-310 |
| Lucky Friday | | | | | | | | |
| San Sebastian | 2.0-2.5 | 2.0-2.2 | 15-17 | 15-16 | 2.9-3.7 | 2.9-3.3 | 41-52 | 41-47 |
| Casa Berardi | | | 157-162 | 161-165 | 11.0-11.5 | 11.3-11.7 | 157-162 | 161-165 |
| Nevada Operations | | 0.1-0.2 | 40-50 | 36-41 | 2.9-3.8 | 2.6-3.1 | 41-52 | 37-43 |
| Total | 9.5-10.6 | **9.7-10.3** | 262-284 | **262-275** | 37.8-41.5 | **37.9-40.2** | 539-581 | **540-565** |

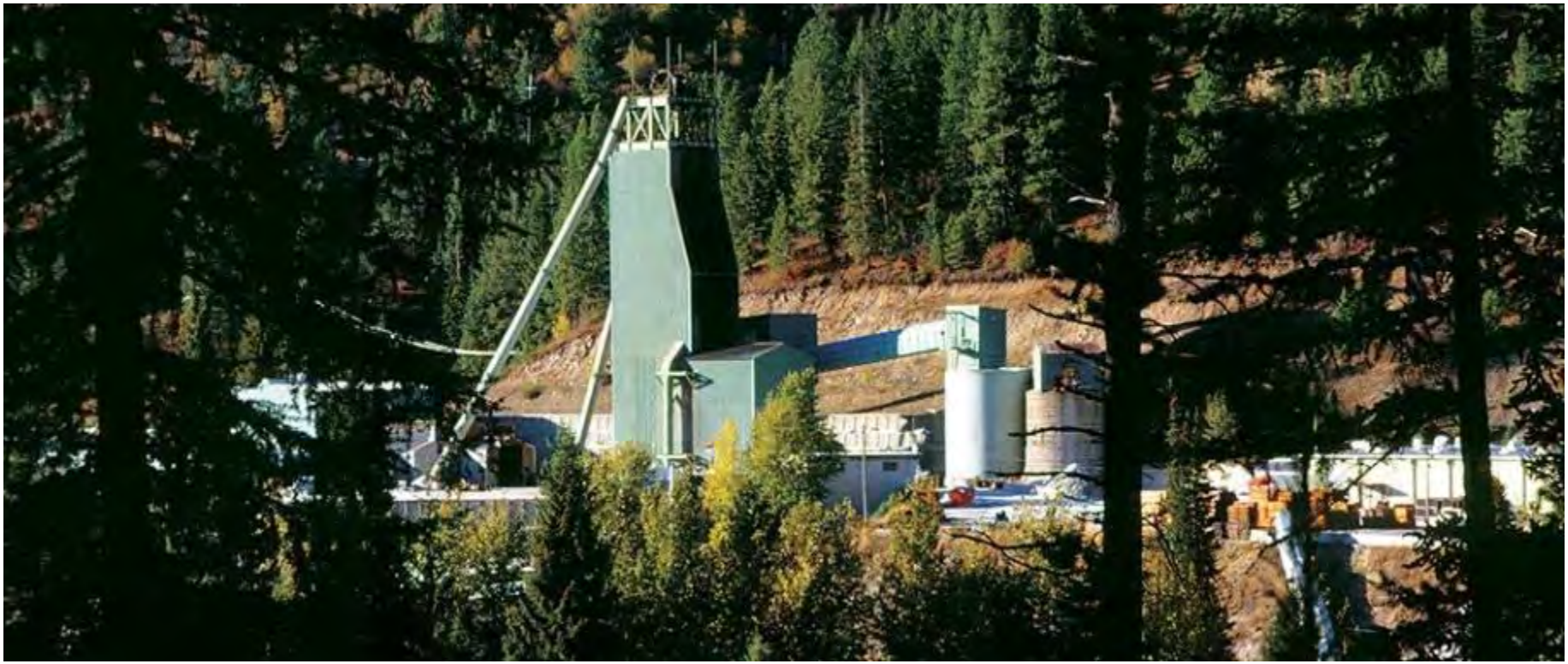
## Cost Outlook

| | Costs of Sales and other direct production costs and depreciation, depletion and amortization (in millions)[2*] | | Cash cost, after by-product credits, per silver / gold ounce[3] | | AISC, after by-product credits, per produced silver / gold ounce[4] | |
|---|---|---|---|---|---|---|
| | Original (if revised) | Current | Original (if revised) | Current | Original (if revised) | Current |
| Greens Creek | $198 | $183 | $(0.50) | $(1.00) | $7.00 | $6.00 |
| Lucky Friday | | | | | | |
| San Sebastian | $44 | $42 | $8.50 | $9.50 | $12.50 | $14.00 |
| Total Silver | $242 | **$225** | $1.50 | **$1.00** | $12.75 | **$12.25** |
| Casa Berardi | $185 | $203 | $800 | $775 | $1,100 | $1,050 |
| Nevada Operations | $68 | $64 | $800 | $1,275 | $1,100 | $1,875 |
| Total Gold | $253 | **$267** | $800 | **$850** | $1,100 | **$1,200** |

## Capital and Exploration Outlook

| | Original (if revised) | Current |
|---|---|---|
| 2018E Capital expenditures[5] (excluding capitalized interest) | | **$140-$145 million** |
| 2018E Exploration expenditures[5] (includes Corporate Development) | $34-$37 million | **$35-$37 million** |
| 2018E Pre-development expenditures[5] | $5 million | $4 million |
| 2018E Research and Development expenditures[5] | $6-$10 million | **$7-9 million** |

*Referred to herein after as "Cost of Sales"



# Operations Overview

# Nevada Operations

*Mines and mill to operate as a cohesive unit, emphasis on cash flow*

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| | Q4/2018 | 2018* |
|---|---|---|
| **Gold Production (Koz)** | **19.1** | 32.9 |
| **Silver Production (Moz)** | **.088** | 0.172 |
| **Cost of Sales[2]** | TBD | TBD |
| **Cash cost, after by-product credits, per gold oz[3]** | TBD | TBD |
| **AISC, after by-product credits, per gold oz[4]** | TBD | TBD |

| | |
|---|---|
| **2P Reserves** | 309 Koz gold @ 0.63 oz/t Au |
| **M+I Resources** | 1.8 Moz gold @ 0.04 oz/t Au |
| | |

*Hecla acquisition of Klondex Mines completed July 20, 2018.

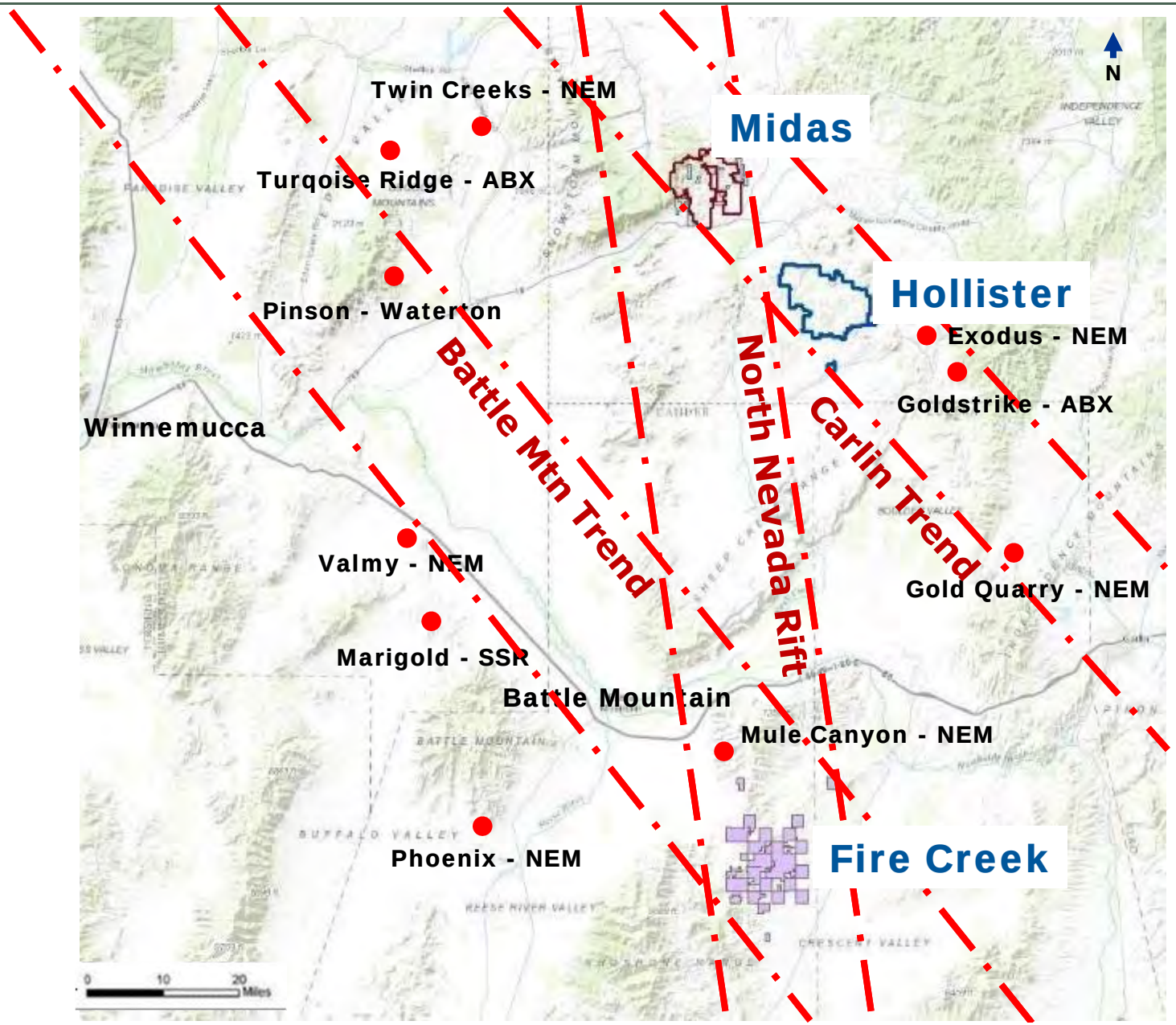
Midas (high cost, short life) being put on care and maintenance, employees and equipment moving to ramp-up Fire Creek and to accelerate development at Hatter Graben

# Excellent Land Position Near Many Large Gold Mines

*Located along significant trends*

Hecla MINING COMPANY

NYSE:HL



# Acquisition of the Nevada Assets: 2018 Plan

*Focus on improving operations, investing in the mines*

NYSE:HL

**Integrated Nevada operations**:

- All operations now report to a single VP and GM, Kevin Shiell.
- Creating a unified mine plan for the mines feeding the Midas Mill.
- Priority is ramping up production at Fire Creek to target of 550 tpd from 350 tpd (57% increase) and beginning development of Hatter Graben. Midas is expected to ramp down as existing reserve is exhausted, with personnel and machines moving to Hollister and Fire Creek.

**Midas mill priorities**:

- Completion of the CIL circuit to improve recoveries for processing Hollister ore.
- Installation of new sampling equipment to better reconcile mill and mine reporting.
- Construction of the new tailings facility.

**The key focus for Fire Creek:**

- Rehabilitate existing mine access, then increase development advance rate from 10 to target of 13,000 feet per year, then ramp-up of tons-per-day of ore produced.
- Rehabilitation to include improving road conditions and introducing in-cycle shotcreting.
- Improving mine to mill reconciliation.

Midas Mill



Fire Creek



# Geotextile Fabric Improves Roadway

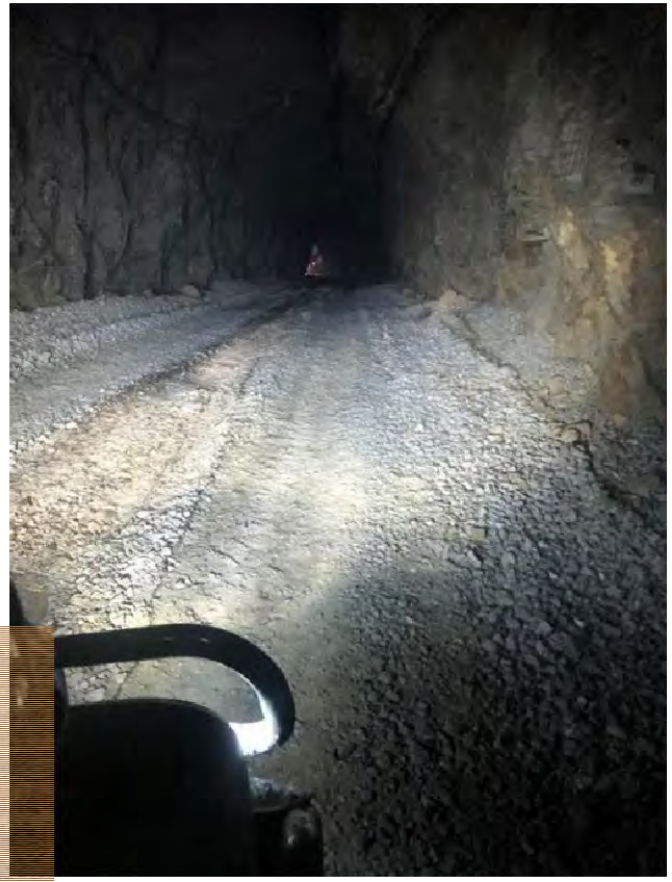
*Important for increasing development/throughput at Fire Creek*

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Before (4 Haulage drift)

After (Spiral 3)

Self-wicking fabric removes water

# Fire Creek Tailings Facility Complete

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# Fire Creek

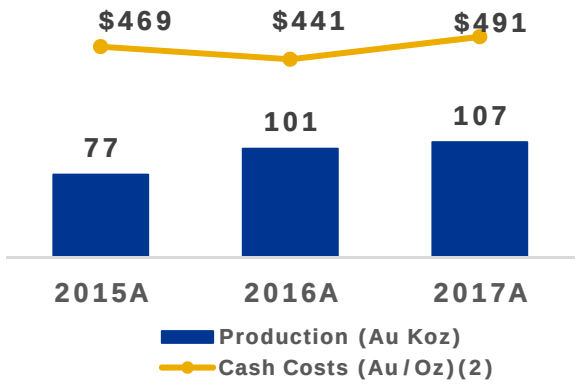
*Premier asset in a top-tier jurisdiction*

NYSE:HL

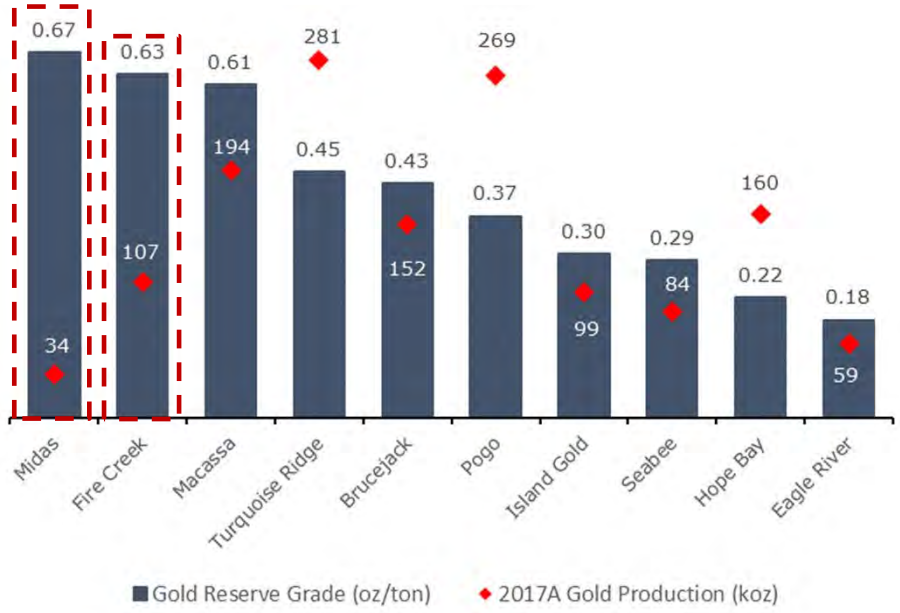
- Producing, narrow vein mine located in Lander County, Nevada, ~63 miles west of Elko, Nevada
- Commenced production in 2014 and has undergone extensive geological testing since 1981
- Processing conducted at Midas located ~109 miles from Fire Creek
- Will apply narrow vein mining expertise to deliver consistent production and mill optimization
- Potential to extend reserves along strike as underground development is extended
- Highly prospective ~32 square mile land package

## Strong Margins and Meaningful Production

| | 2015A | 2016A | 2017A |
|---|---|---|---|
| Revenue | $95.0 | $125.0 | $141.8 |
| Total Cost of Sales | $45.2 | $57.9 | $74.3 |
| Gross Margin | 52.4% | 53.7% | 47.6% |




## Top 10 Highest Grade Producing Gold Mines in North America[1]



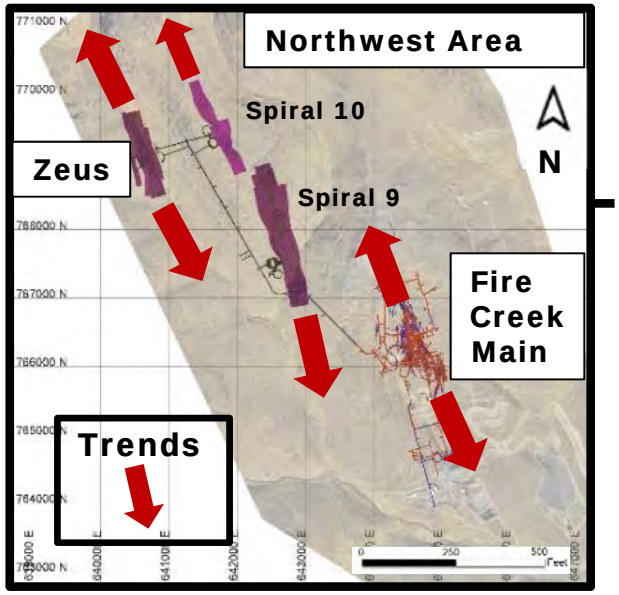

1. Hope Bay production reflects LOM per 2015 pre-feasibility study; Pogo production value as at 2016A.
2. Cash costs per ounce is a non-GAAP measure; please refer to appendix for reconciliation to GAAP.
Source: Company disclosures.

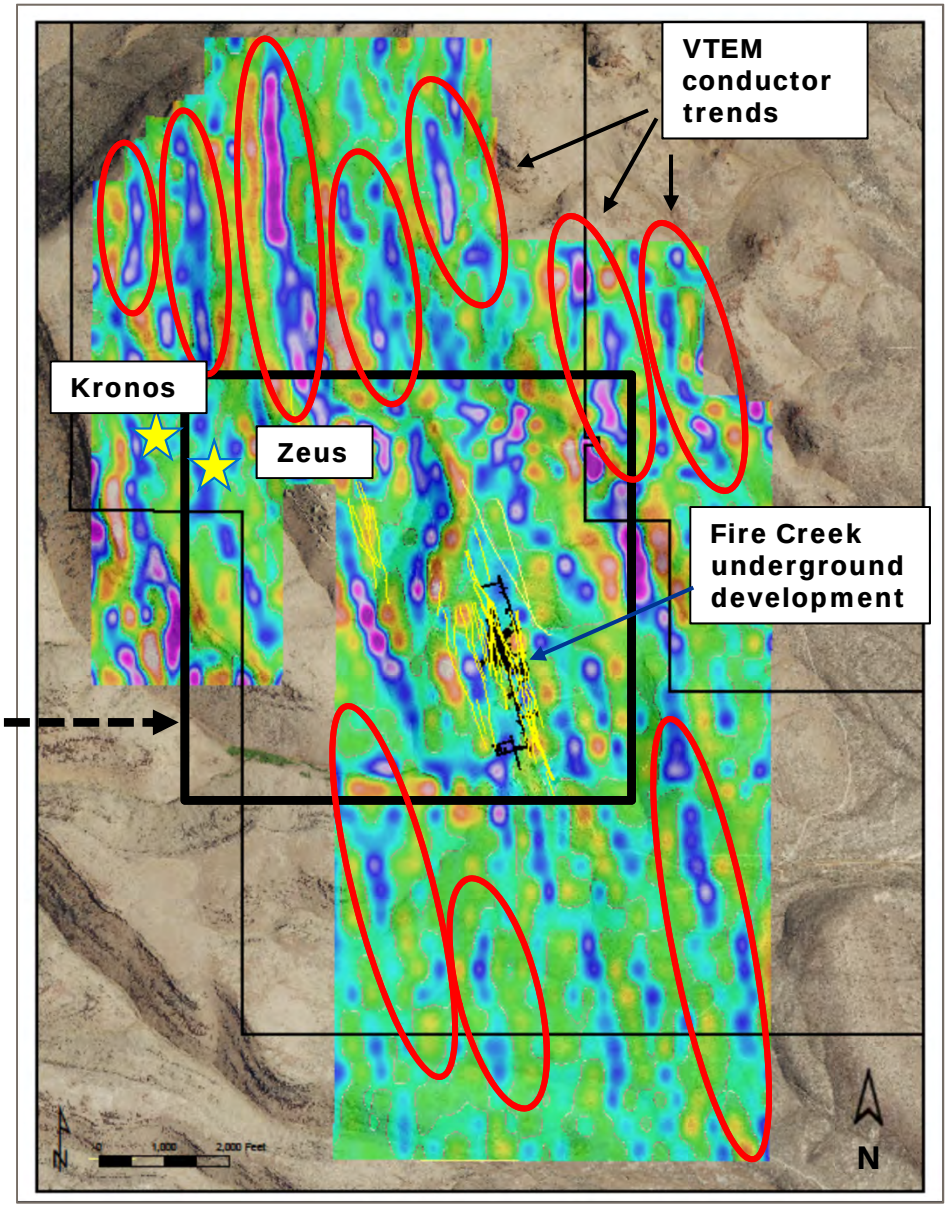
# Fire Creek Vein Networks Offer Extensive Opportunities

*Production centers and vein networks are open in all directions*

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- Mineralized structures have predictive sigmoid pattern
- Current reserves and resources provide mining inventory out to 2023
- Identified veins are open and untested in all directions both locally and regionally
- Geophysical work has identified potential vein extensions (red outlines)
- Very good, near-term exploration potential



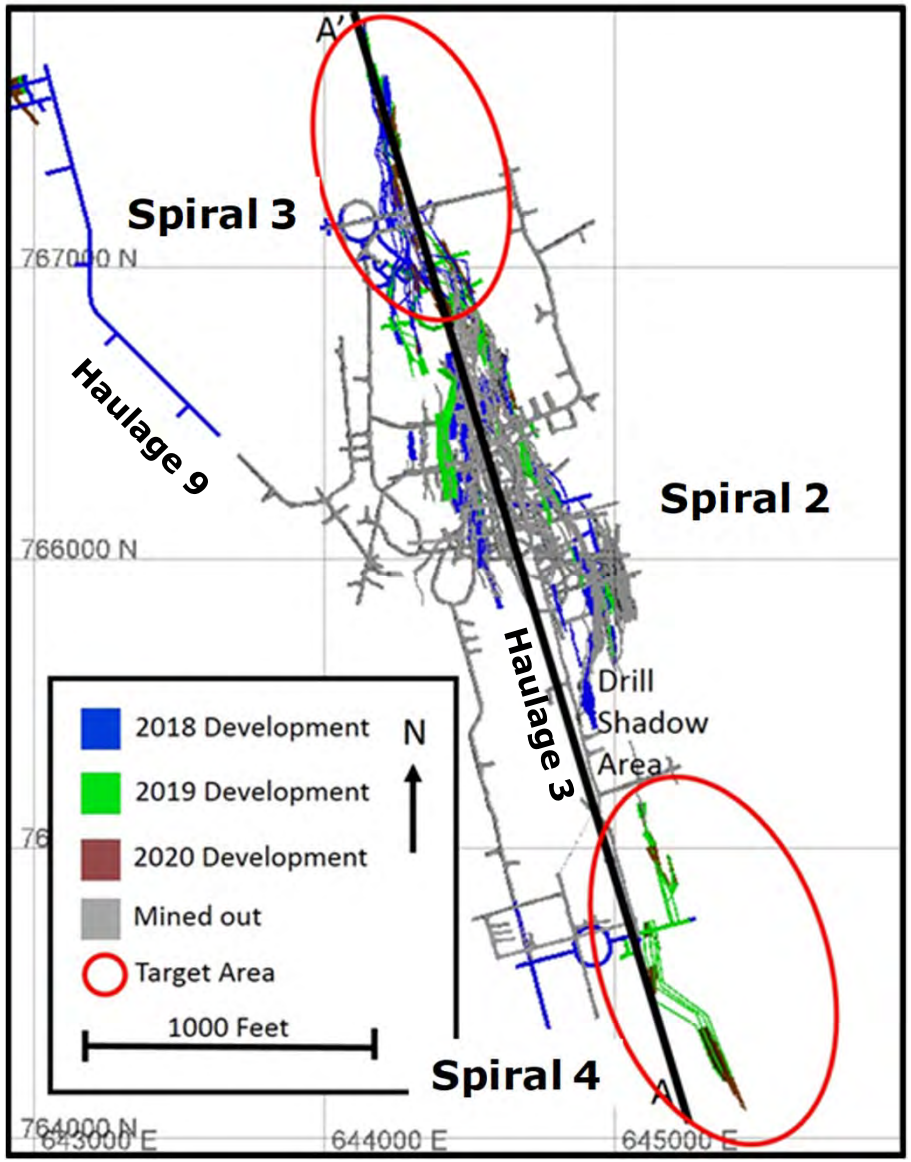




Source: Company disclosures.

# Fire Creek – UG Definition Drilling

*Recent intersections in Spirals 3 and 4 are confirming high-grade along trends*

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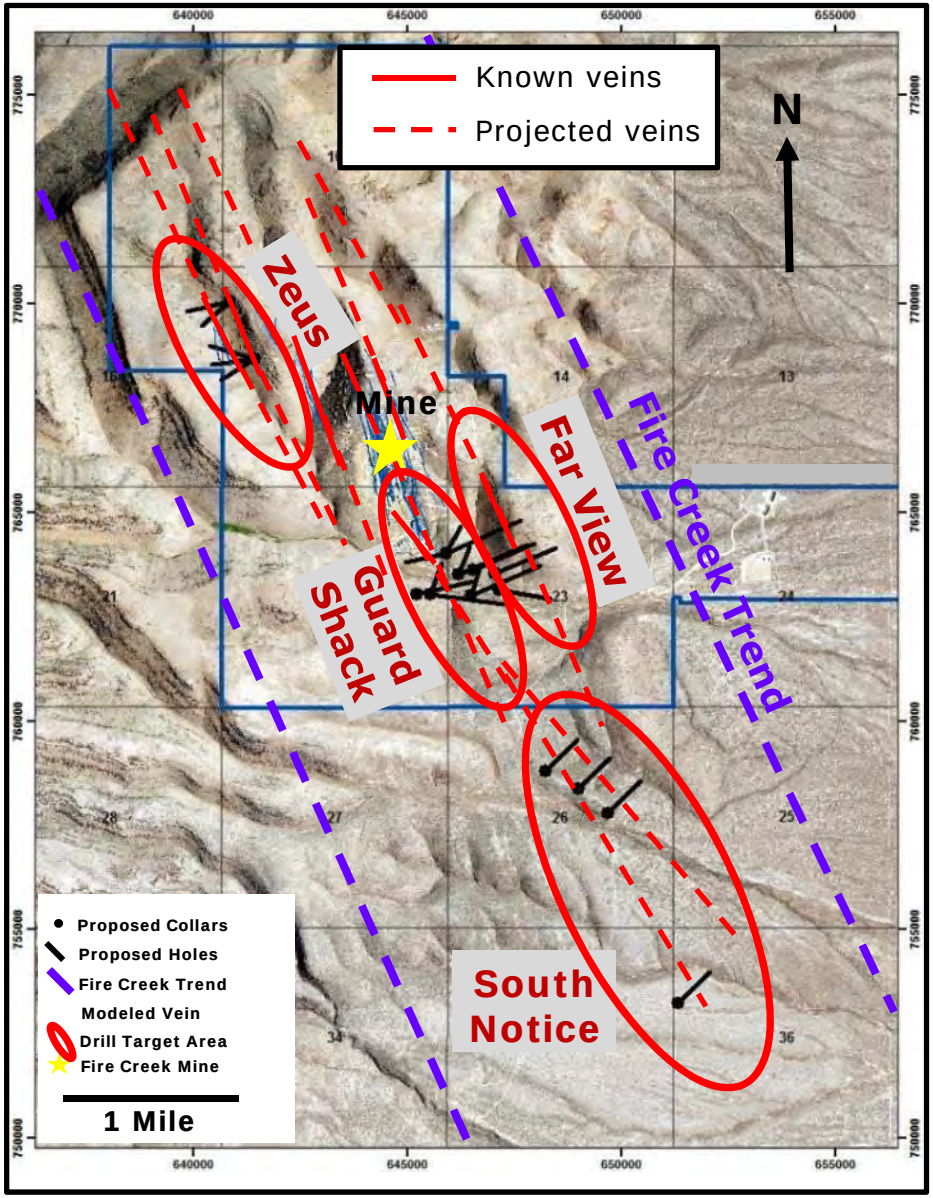


# Fire Creek - Surface Drilling

*Evaluating four targets areas that have multiple veins*

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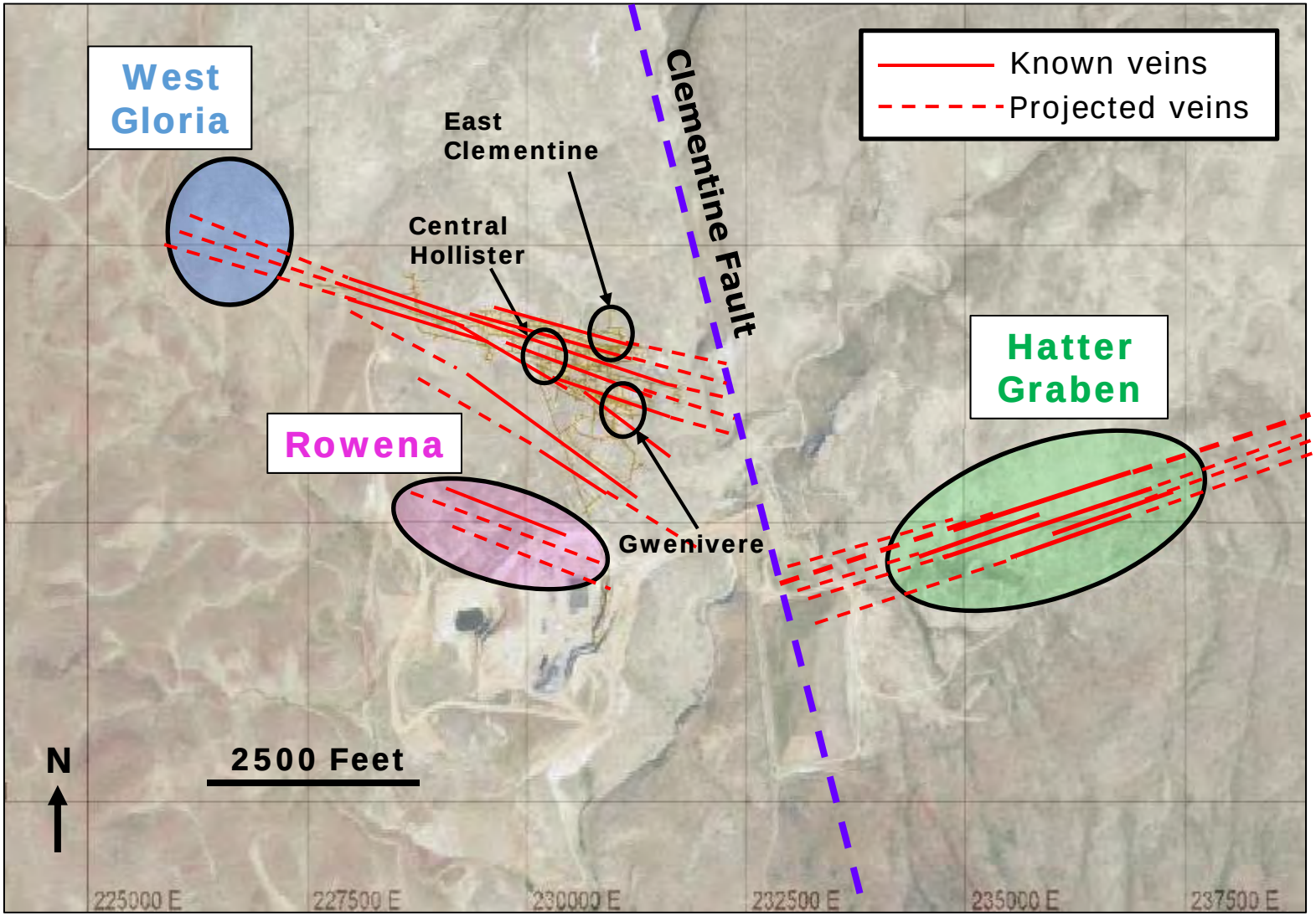


# Hollister – Definition and Exploration Drilling

*Rowena/Gloria targeting near term; Hatter Graben looks like the future*

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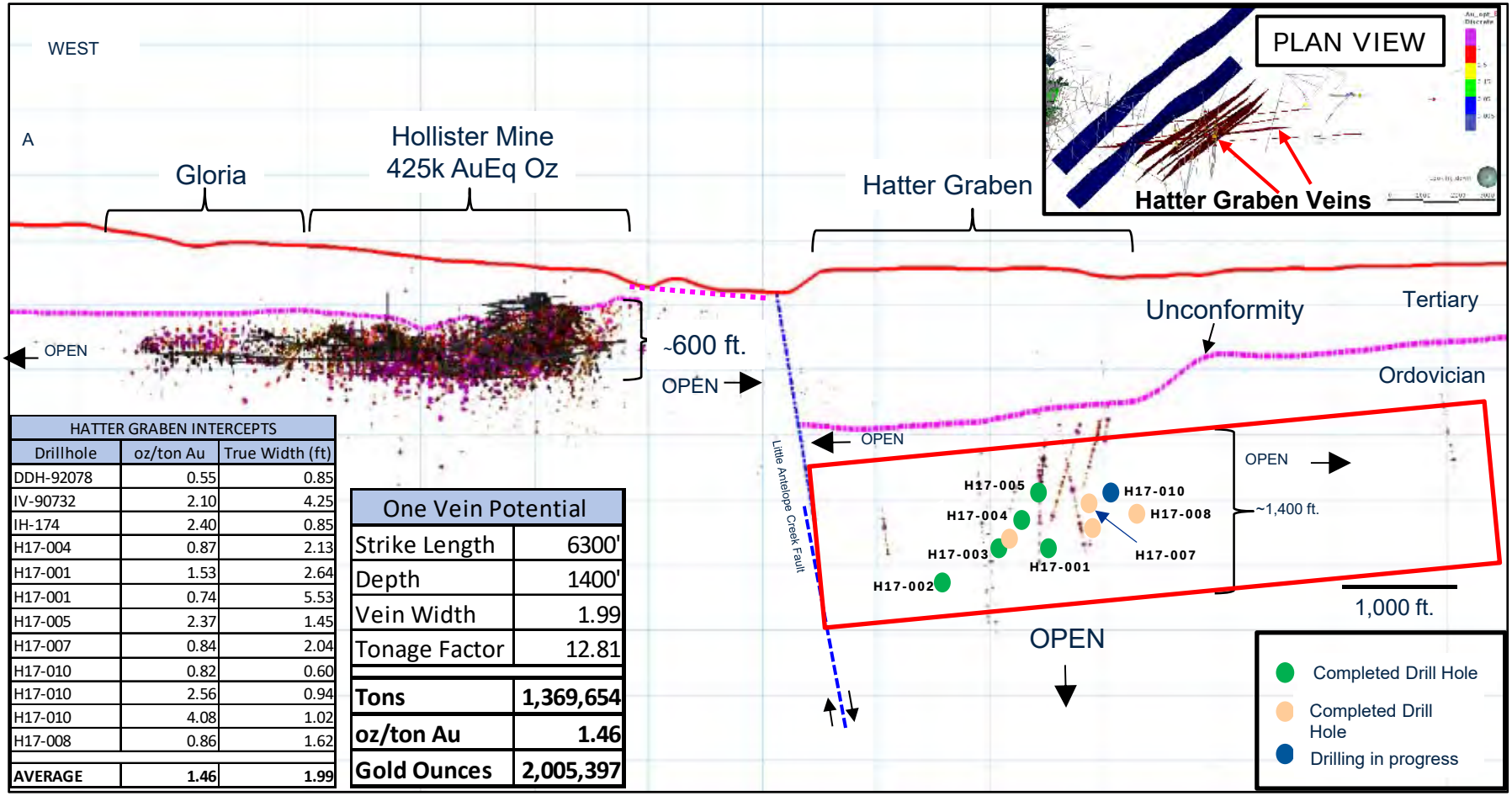
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# Hollister – Upside at Hatter Graben

*Potential of one vein = 1.1 million gold ounces; Multiple veins identified*

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| HATTER GRABEN INTERCEPTS | | |
|---|---|---|
| Drillhole | oz/ton Au | True Width (ft) |
| DDH-92078 | 0.55 | 0.85 |
| IV-90732 | 2.10 | 4.25 |
| IH-174 | 2.40 | 0.85 |
| H17-004 | 0.87 | 2.13 |
| H17-001 | 1.53 | 2.64 |
| H17-001 | 0.74 | 5.53 |
| H17-005 | 2.37 | 1.45 |
| H17-007 | 0.84 | 2.04 |
| H17-010 | 0.82 | 0.60 |
| H17-010 | 2.56 | 0.94 |
| H17-010 | 4.08 | 1.02 |
| H17-008 | 0.86 | 1.62 |
| **AVERAGE** | **1.46** | **1.99** |

| One Vein Potential | |
|---|---|
| Strike Length | 6300' |
| Depth | 1400' |
| Vein Width | 1.99 |
| Tonage Factor | 12.81 |
| **Tons** | **1,369,654** |
| **oz/ton Au** | **1.46** |
| **Gold Ounces** | **2,005,397** |

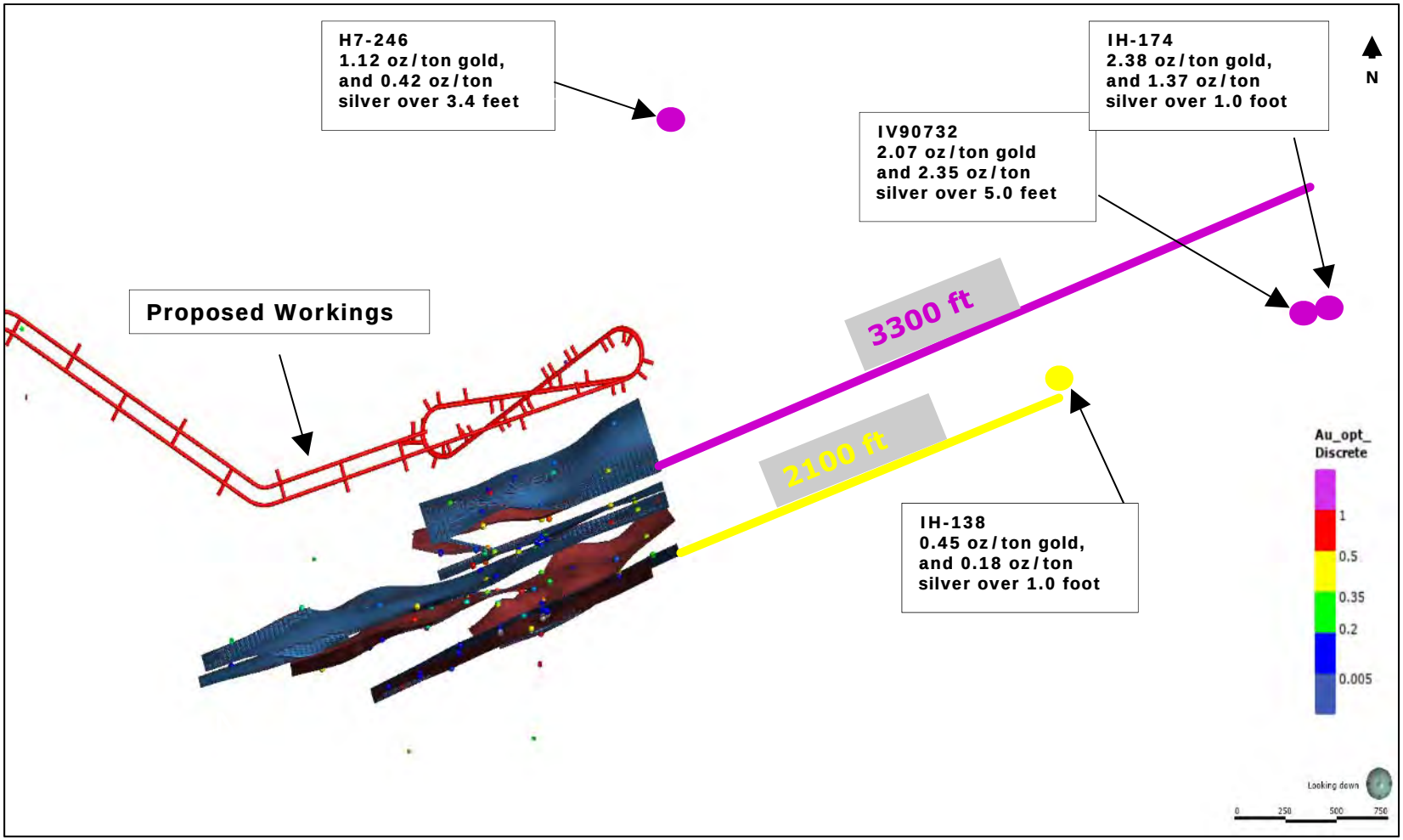
- Vertical dimension of mineralization at Hatter Graben over 1,200 feet

# Hatter Graben – Room to Grow

*Intercepts to the East of the Principal Resource*

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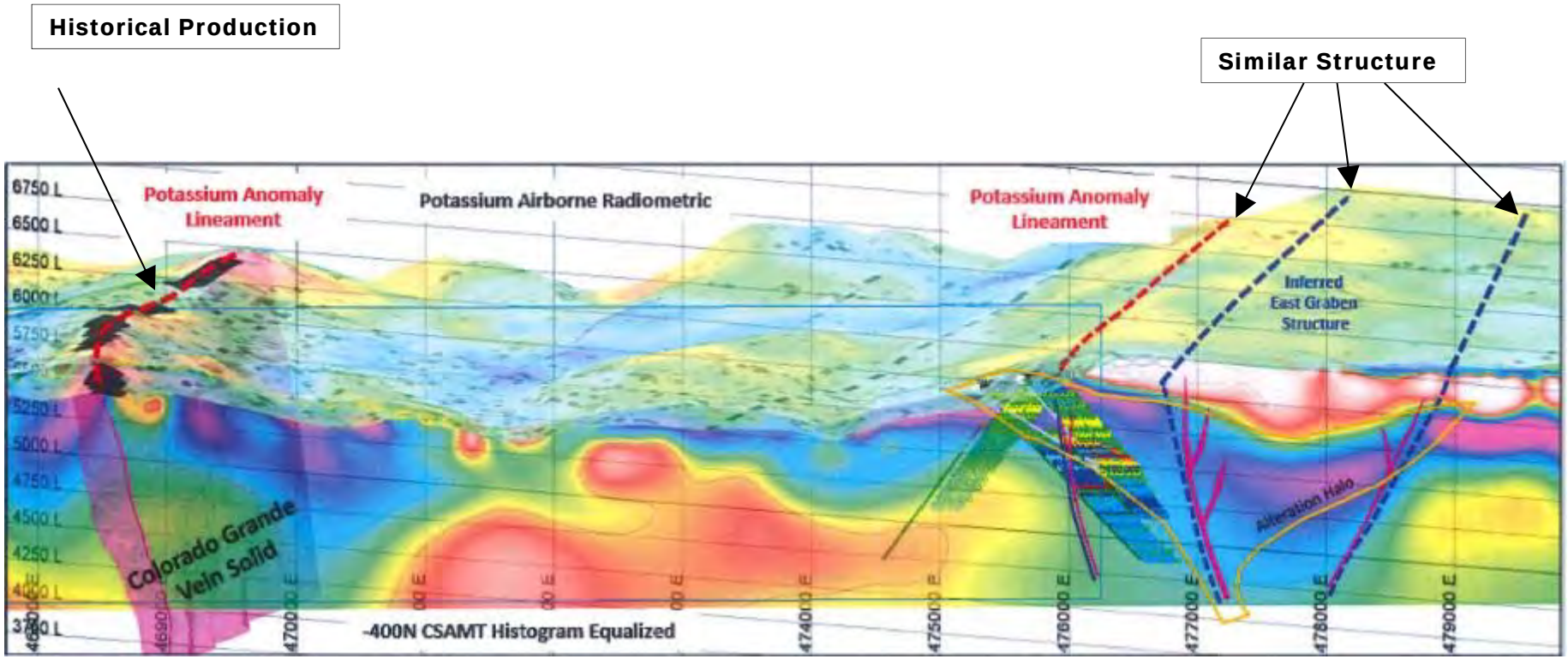
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# Midas - East Basin Opportunity

*Similar K-anomalies and CSAMT anomalies as Colorado Grande (historical mine)*

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# Greens Creek

*Consistent low-cost production in a wilderness area / National Monument*

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| | Q4 2017 | Q4 2018 | 2017 | 2018 |
|---|---|---|---|---|
| **Silver Production (Moz)** | 2.1 | **2.2** | 8.4 | **8.0** |
| **Gold Production (Koz)** | 11.6 | **13.1** | 50.8 | **51.5** |
| **Cost of Sales[2]** | $61.6 M | **TBD** | $201.8 M | **TBD** |
| **Cash cost, after by-product credits, per silver oz[3]** | $0.66/oz | **TBD** | $0.71/oz | **TBD** |
| **AISC, after by-product Credits, per silver oz[4]** | $6.23/oz | **TBD** | $5.76/oz | **TBD** |

| | |
|---|---|
| **2018E Sustaining Capital** | $52 M |
| **FCF 2017[6]** | CF from operating activities of $136.7 M (GAAP) less capital expenditures of $35.3 M resulted in **$101.4 M FCF** (non-GAAP). |
| **FCF 1987 To YE 2017** | CF from operating activities of $2 billion (GAAP) less capital expenditures of $823 M resulted in **~$1.2 billion FCF** (non-GAAP) from 1987 to YE 2017. |

# Greens Creek

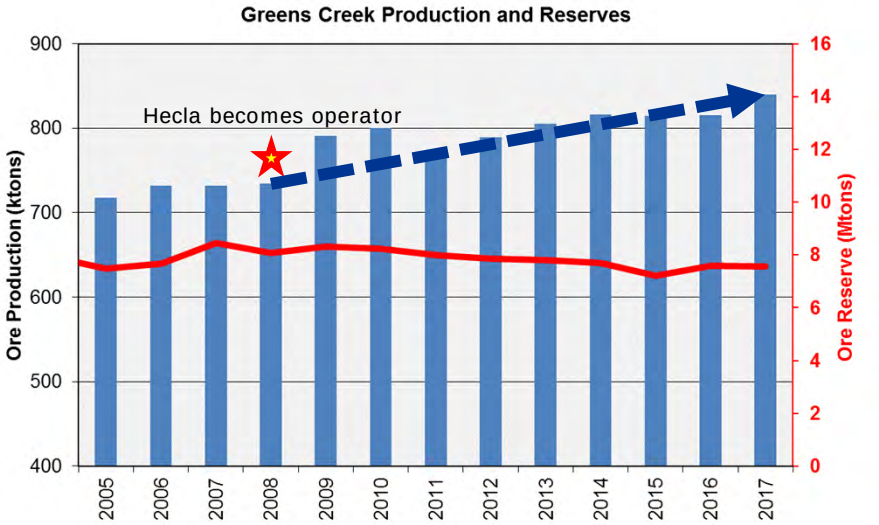
*Significant improvement in performance since Hecla became operator*

NYSE:HL

## Cumulative Net Cash Flow




## Greens Creek throughput has grown 14% since purchase in 2008




- Automation drive beginning in 2017 leads to further efficiencies
- Consistent exploration success enables reserves to be maintained

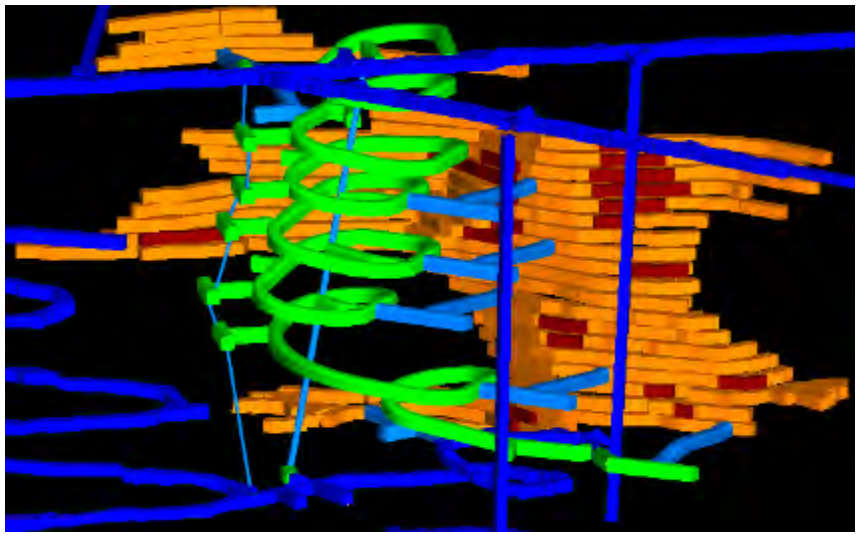
# 2019 Greens Creek Life of Mine

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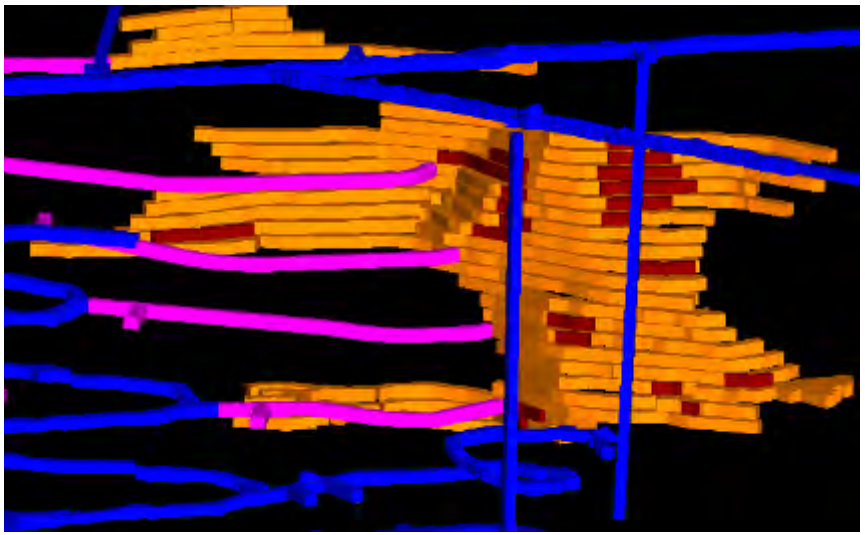
- Moving revenues forward
- East Ore 26 Ramp Redesign is an example of the savings
  - Access ore from existing workings instead of developing new ramp
- Expect mine life to extend

**Old Design**



**New Design**

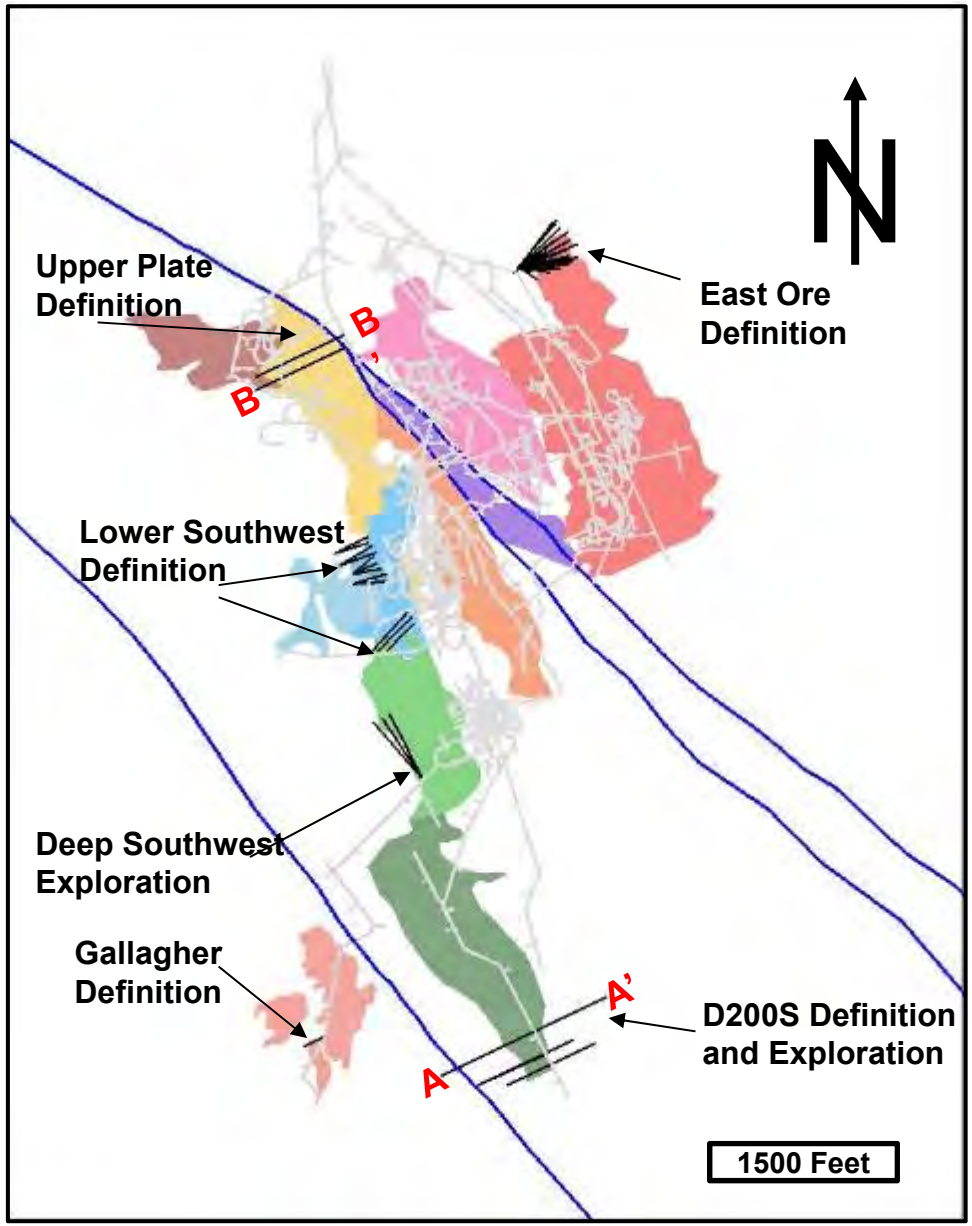
Utilize existing workings



# Greens Creek resources continue to expand

*Adding to known trends throughout the mine; converting resources to reserves*

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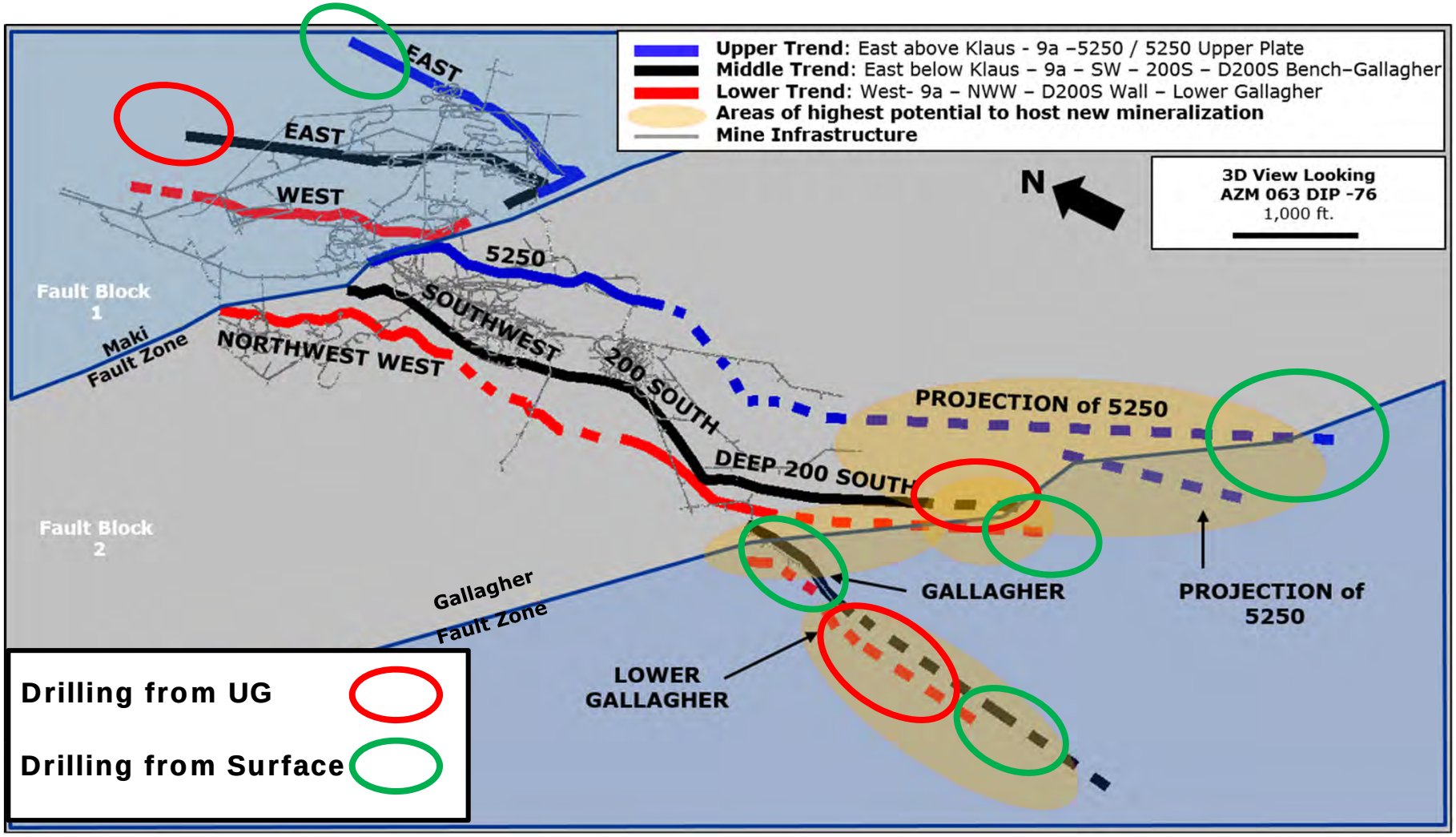


# Greens Creek - Three exploration trends

*Systematically evaluated with drilling from underground and surface*

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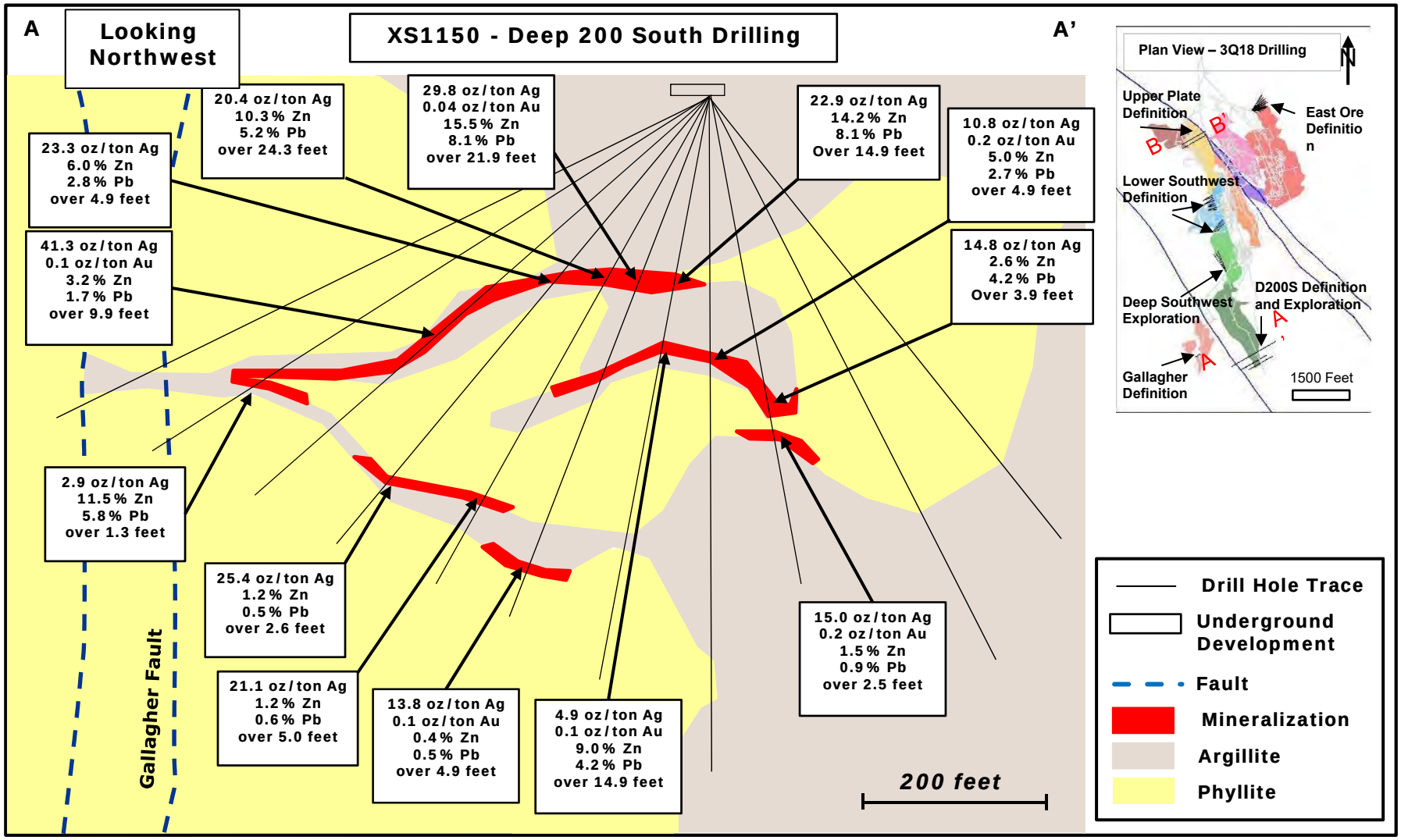
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# Robust Deep 200 South Mineralization

*Defining a series of high-grade mineralized benches*

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# Casa Berardi

*Making a good mine great*

NYSE:HL



| | Q4 2017 | Q4 2018 | 2017 | 2018 |
|---|---|---|---|---|
| **Gold Production (Koz)** | 43.4 | **35.9** | 156.7 | **162.7** |
| **Cost of Sales[1]** | $45.4 M | **TBD** | $180.2 M | **TBD** |
| **Cash cost, after by-product credits, per gold oz[2]** | $719/oz | **TBD** | $820/oz | **TBD** |
| **AISC, after by-product credits, per gold oz[4]** | $1,039/oz | **TBD** | $1,174/oz | **TBD** |

| | |
|---|---|
| **2018E Sustaining Capital** | $45 M |
| **FCF 2017[6]** | CF from operating activities of $69.8 M (GAAP) less capital expenditures of $50.7 M resulted in **$19.1 M FCF** (non-GAAP). |
| **2P Reserves** | 1.5 Moz gold @ 0.11 oz/t gold |
| **M+I Resources** | 1.4 Moz gold @ 0.10 oz/t gold |



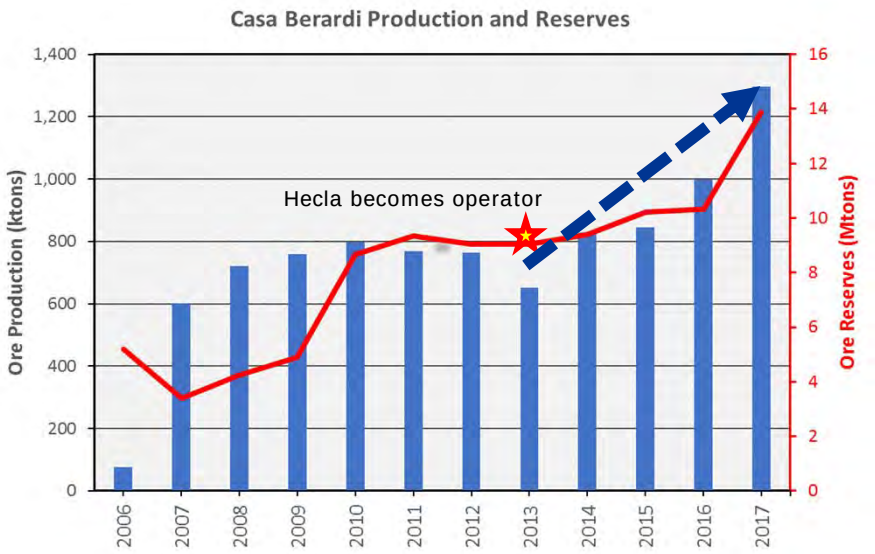

| 2017 | Underground | Open Pit |
|---|---|---|
| **Tons Milled** | 805,047 | 491,177 |
| **Gold Grade (oz/t)** | 0.170 | 0.089 |
| **Gold Production** | 118,739 oz | 37,914 oz |

# Growing Production and Reserves

*Aggressive exploration adds to reserve and resource base*

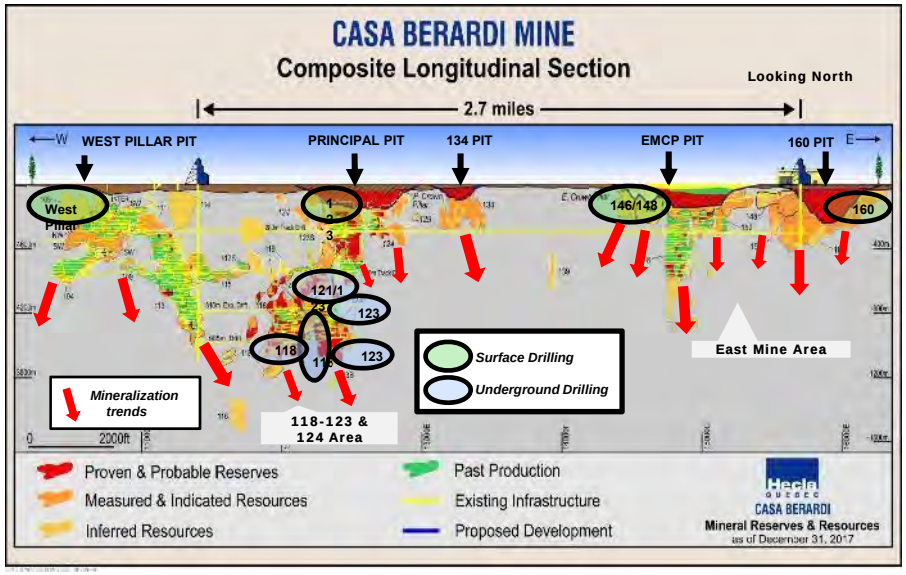
NYSE:HL

**Casa Berardi throughput and reserves have grown 69% and 53% since purchase in 2013**




- Successfully stabilized, then increased throughput rates since becoming operator
- Began surface open-pit mining in 2016
- Consistent exploration success enables reserves to increase

**Casa Berardi Longitudinal Section**

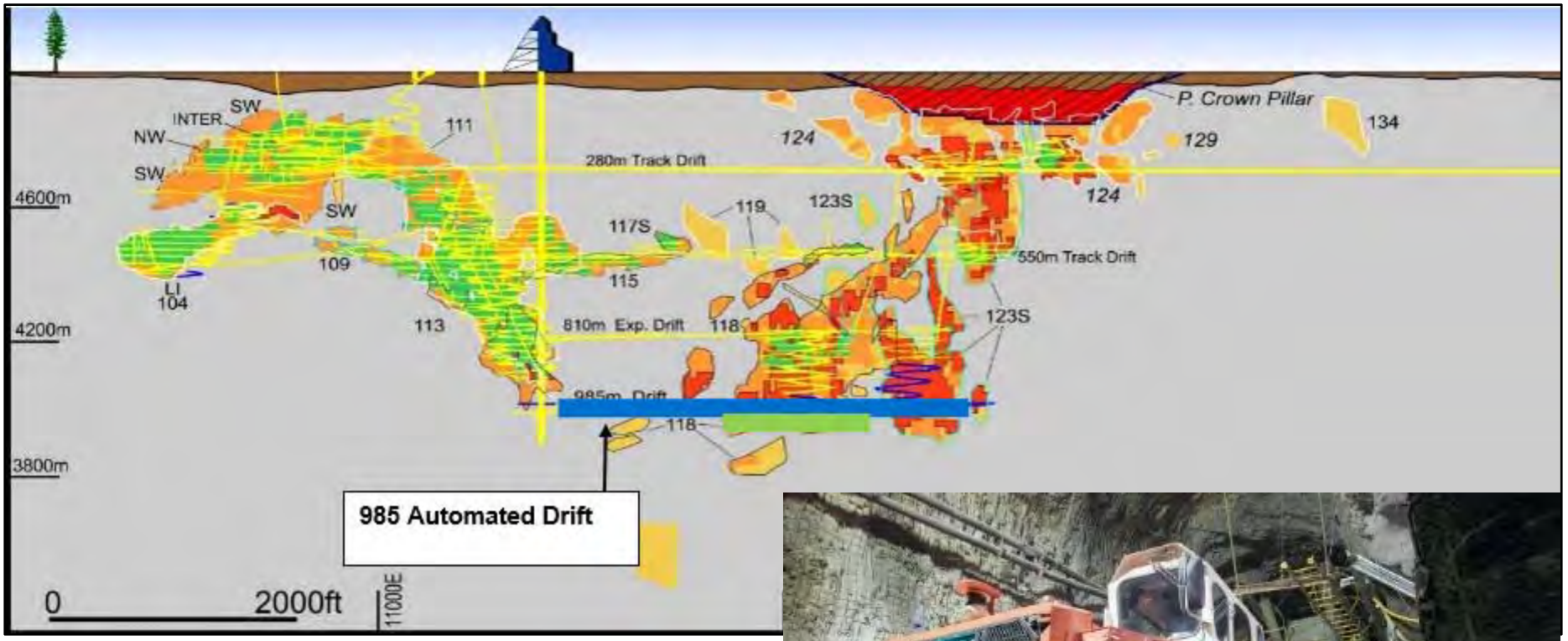


# 985 Drift Autonomous Haulage In Operation

*Truck runs 24 hours a day; cost savings expected*

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Loading 40-tonne autonomous Sandvik truck

# Casa Berardi Control Room

*Adding telemetry and hydraulic rockbreaker*

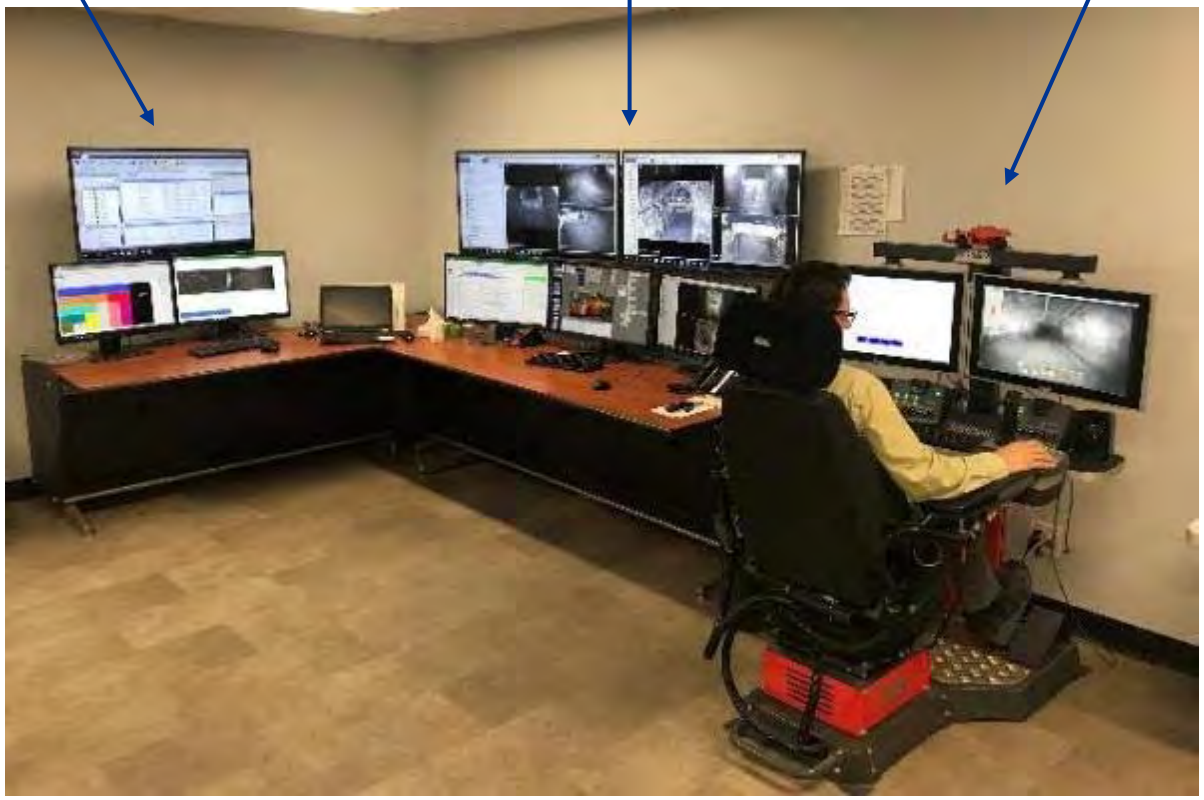
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Telemetry data collection

Autonomous truck monitoring station

Truck manual operation station



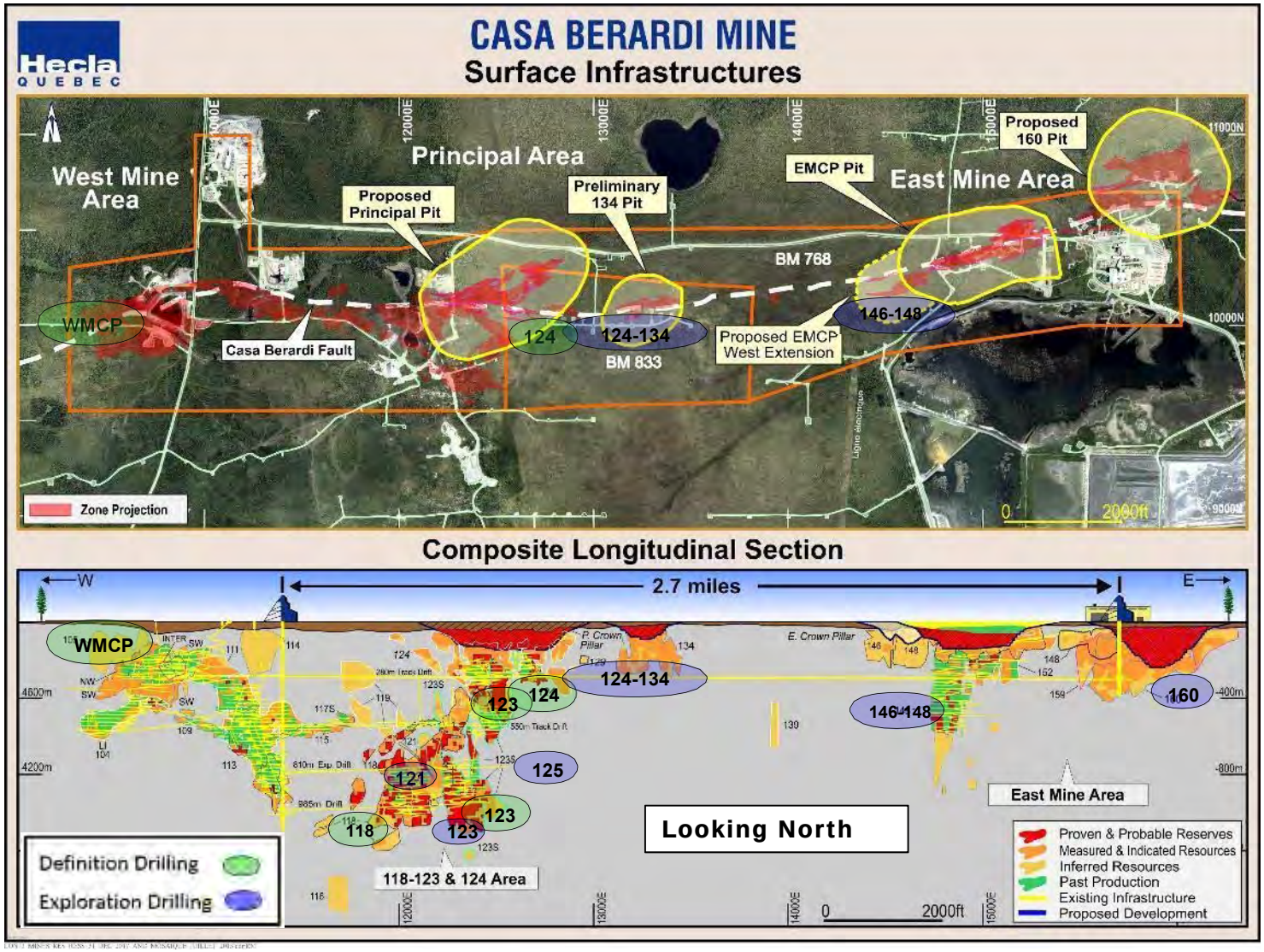


# Casa Berardi gold trends continue to extend

*High-grade mineralized trends developing in the East Mine*

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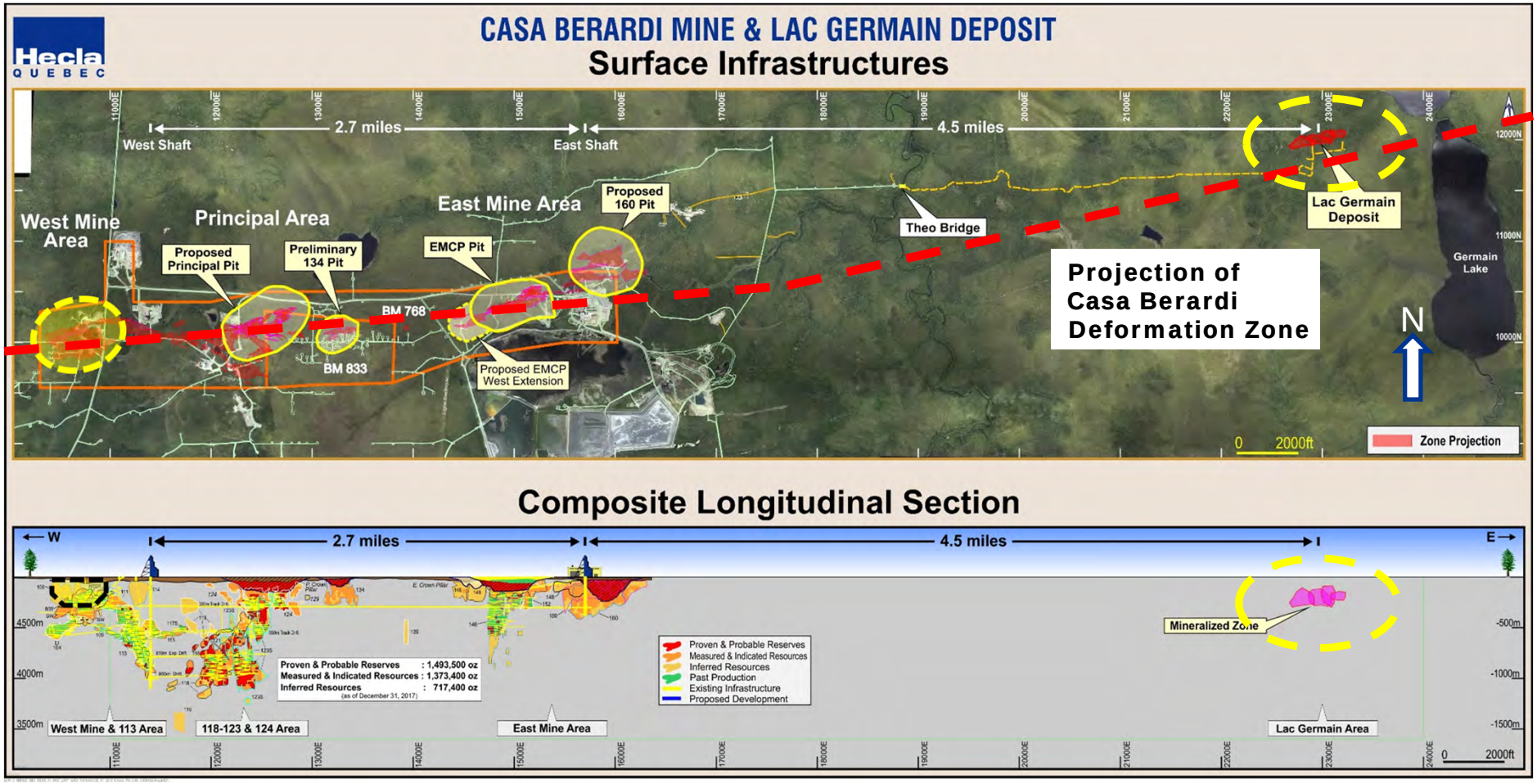
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# Lac Germain 4.5 Miles From Casa Berardi

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# San Sebastian

*Just-in-time mining; looking to make it a long-term mine*

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| | Q4 2017 | Q4 2018 | 2017 | 2018 |
|---|---|---|---|---|
| **Silver Production (Moz)** | 0.759 | **0.443** | 3.3 | **2.0** |
| **Gold Production (Koz)** | 6.0 | **3.0** | 25.2 | **15.0** |
| **Cost of Sales[1]** | $5.3 M | **TBD** | $23.7 M | **TBD** |
| **Cash cost, after by-product credits, per silver oz[2]** | $(3.80)/oz | **TBD** | $(3.36)/oz | **TBD** |
| **AISC, after by-product credits, per silver oz[4]** | $(0.64)/oz | **TBD** | $(0.26)/oz | **TBD** |

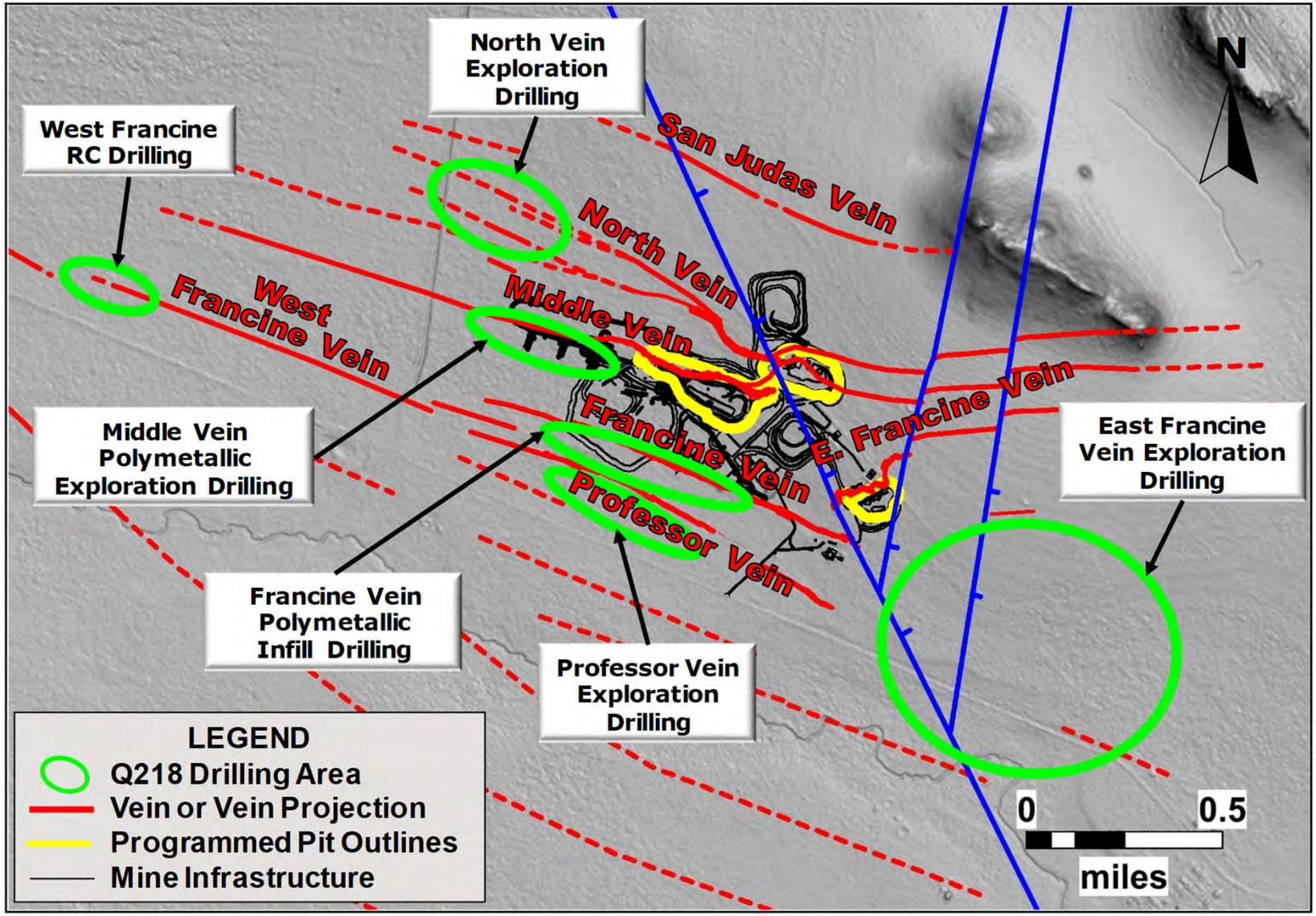
| | |
|---|---|
| **2018E Sustaining Capital** | $3.7 M |
| **FCF 2017[6]** | CF from operating activities of $62.4 M (GAAP) less capital expenditures of $11.2 M resulted in **$51.2 M FCF** (non-GAAP). |
| **2P Reserves** | 5.5 Moz silver @ 13.9 oz/t Ag |
| **M+I Resources** | 8.8 Moz silver @ 5.8 oz/t Ag |

# San Sebastian - Strong Exploration Potential

*Continued strong results near mine infrastructure*

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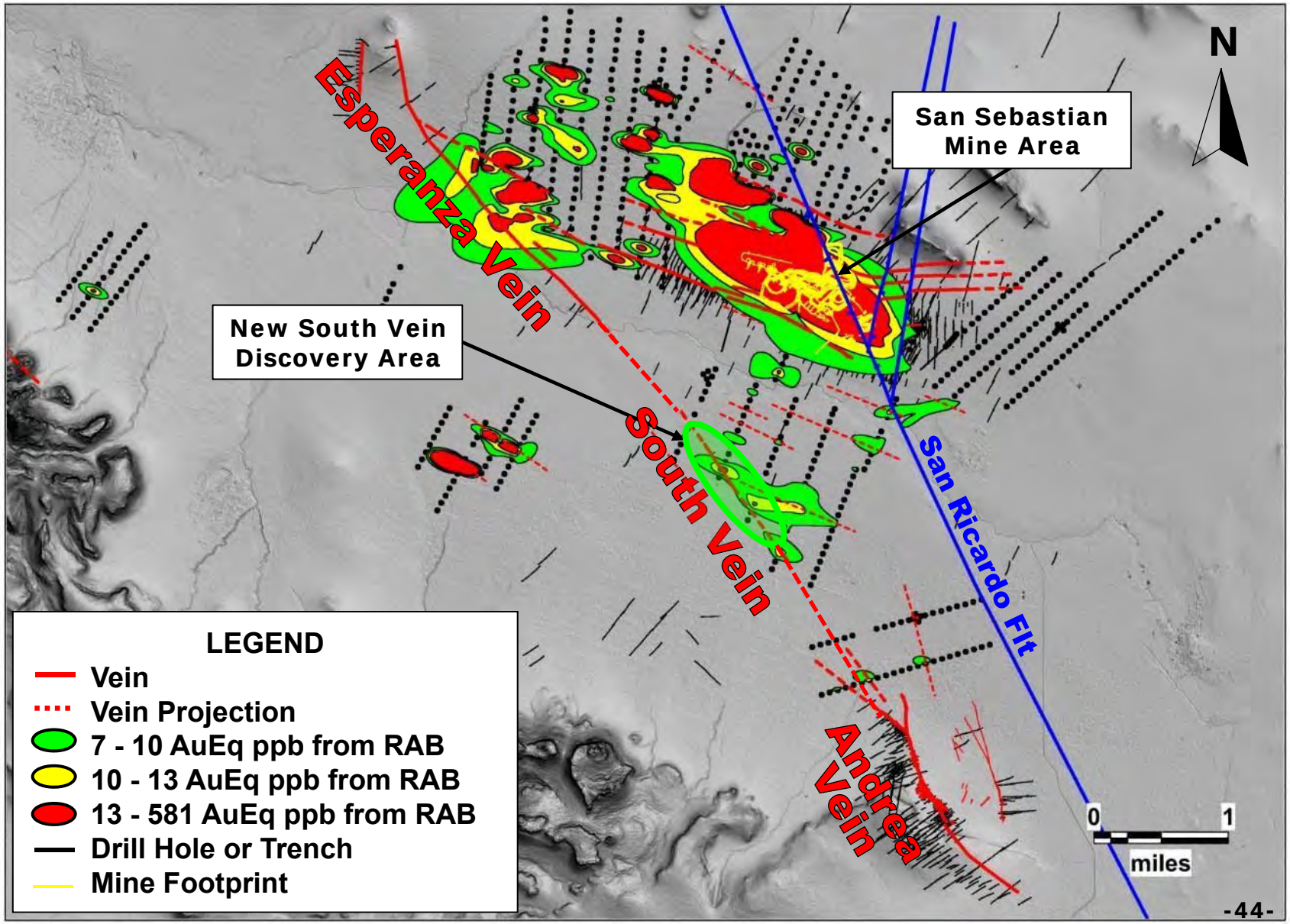


# New Oxide Vein Trend at San Sebastián

*10 miles of vein trend including Esperanza and Andrea*

Hecla MINING COMPANY

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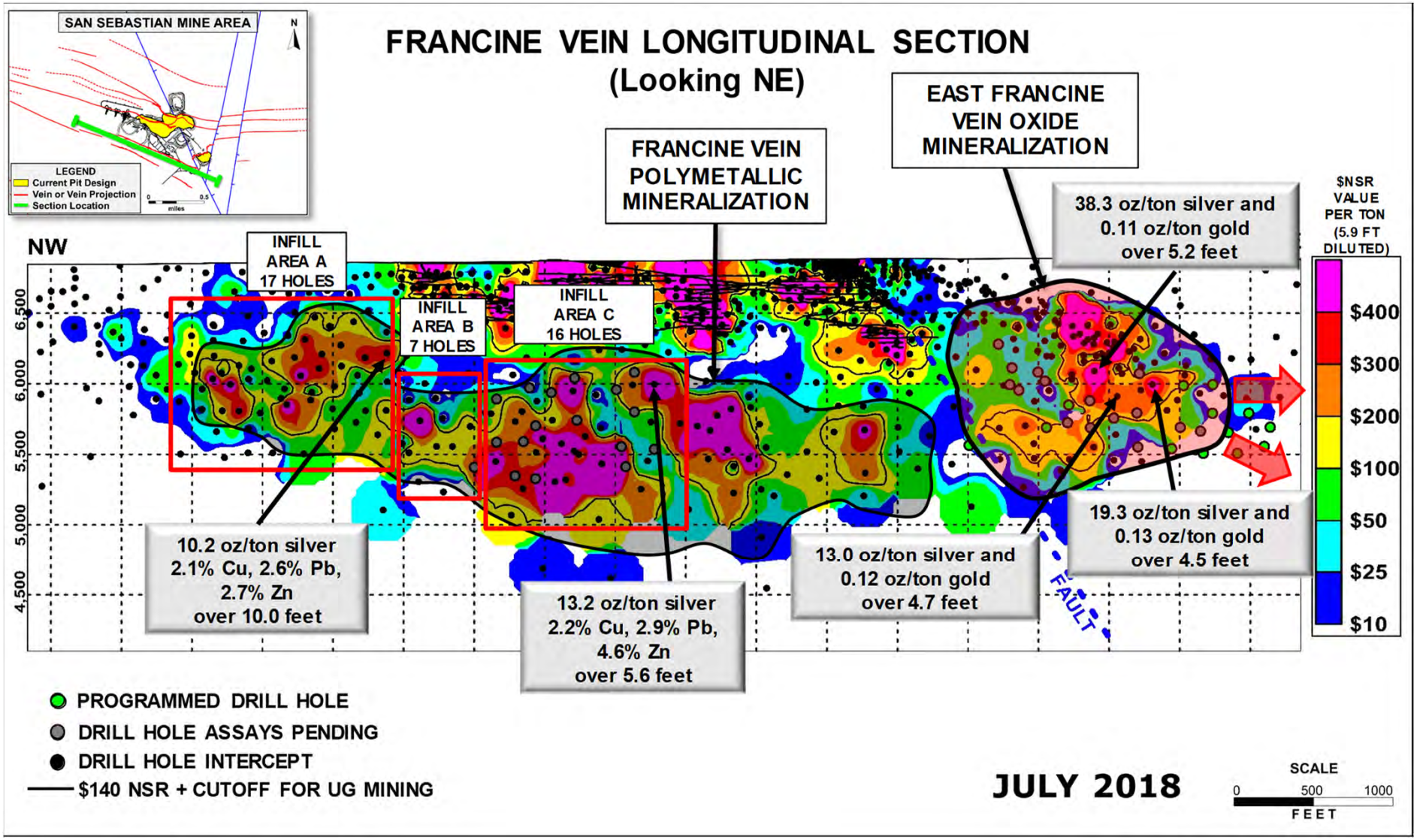


# Francine Vein - Polymetallic and Oxide Potential

*Polymetallic zone traced over 8,000 feet of strike length*

Hecla MINING COMPANY

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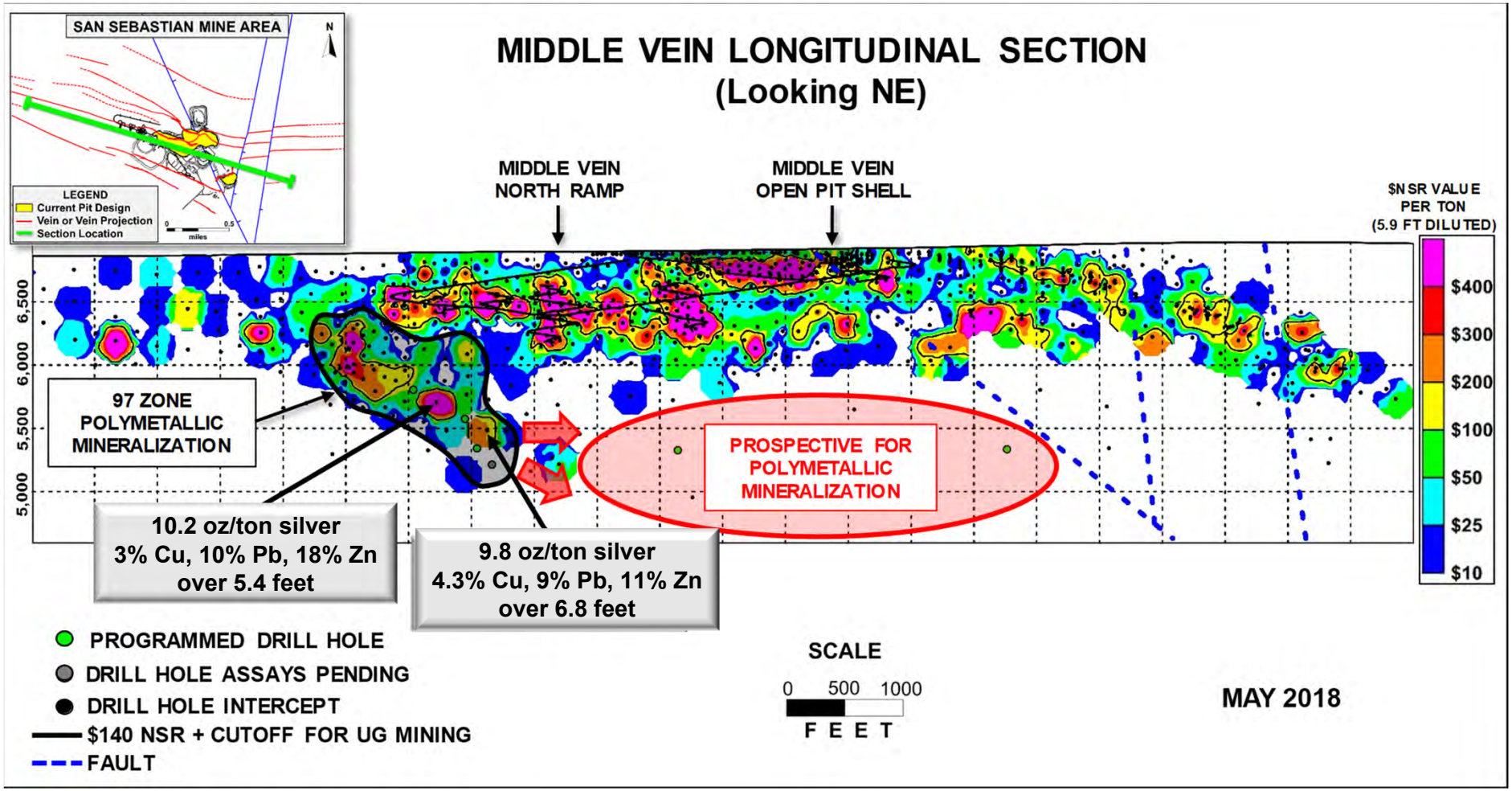


# Middle Vein - Polymetallic Potential

*Predicting a horizonal polymetallic zone below the oxide reserve*

Hecla MINING COMPANY

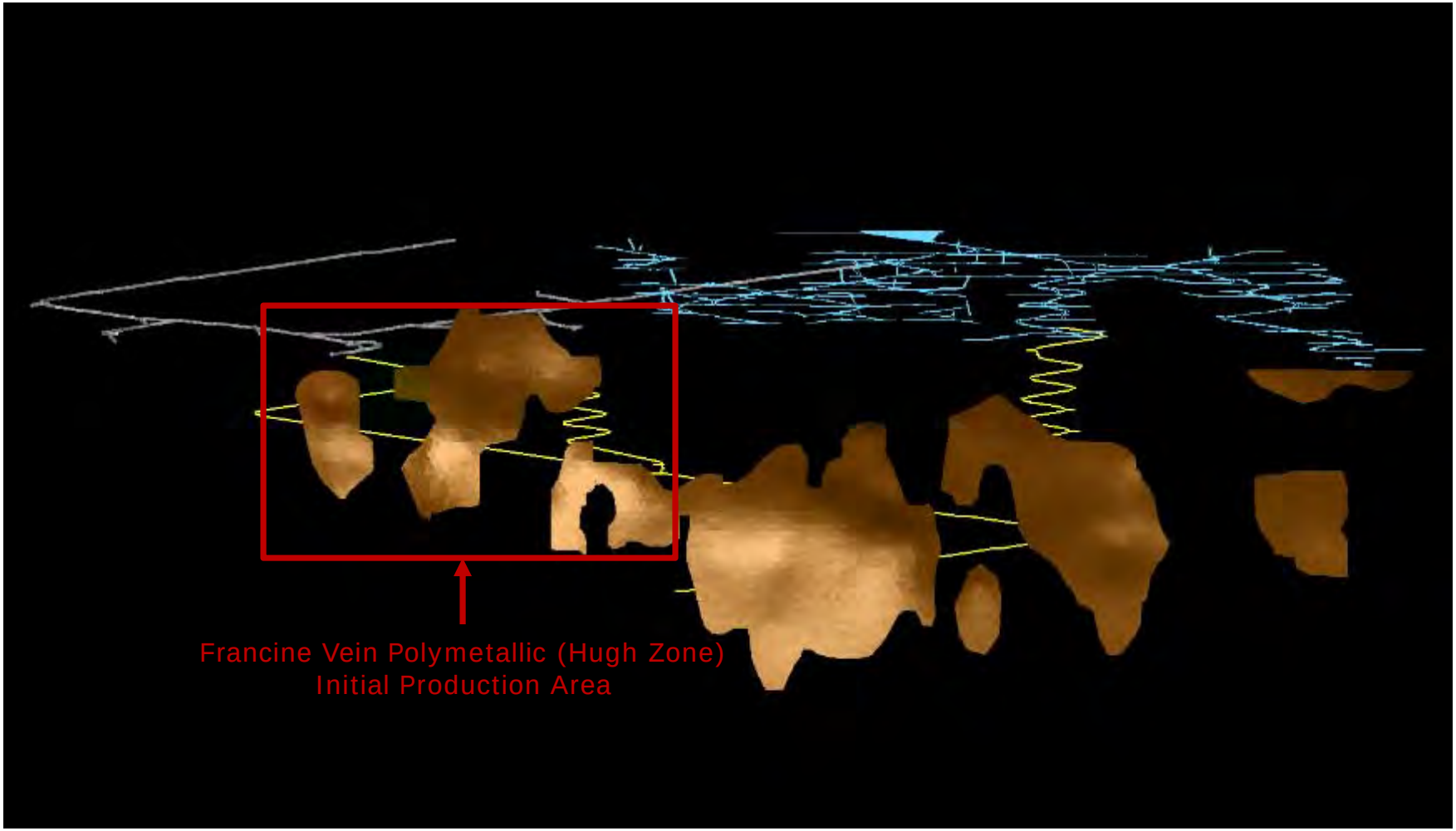
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# Potential Mine Life extension: Sulfides

*15,000 ton bulk sample in Q4 and Q1 to confirm 3rd party mill performance*

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**Potential underground production by late 2019**

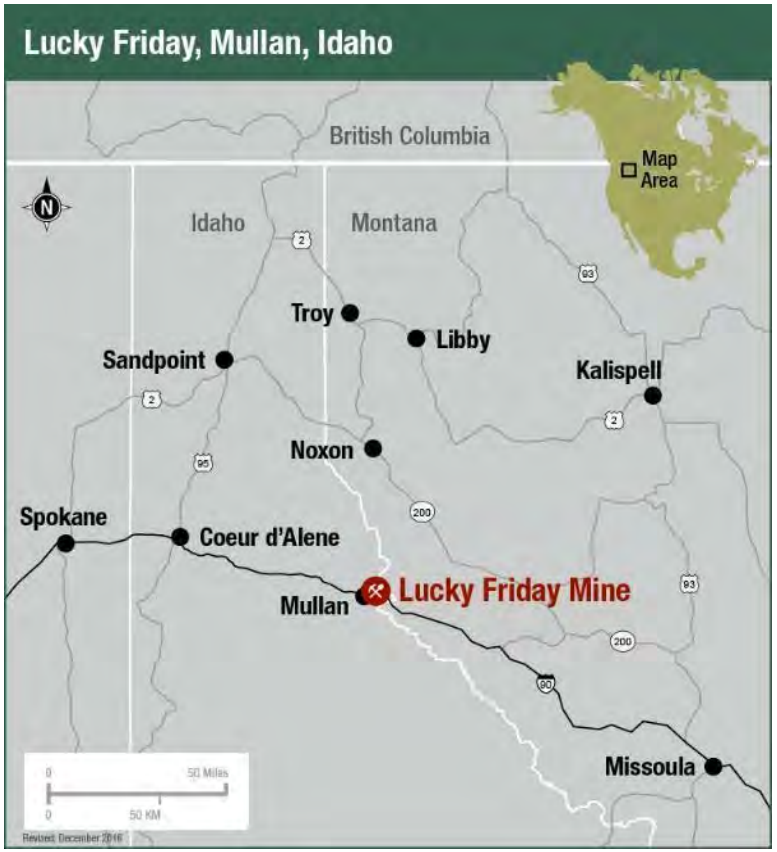
# Lucky Friday

*Positioning for growth and longevity*

Hecla MINING COMPANY

NYSE:HL






| | Q4 2017 | Q4 2018 | 2017 | 2018 |
|---|---|---|---|---|
| **Silver Production (Koz)** | 69.6 | **13.0** | 838.7 | **169** |
| **Cost of Sales[2]** | $0.6 M | **TBD** | $15.1 M | **TBD** |
| **Cash cost, after by-product credits, per silver oz[2]** | $(2.65)/oz | - | $5.82/oz | - |
| **AISC, after by-product credits, per silver oz[4]** | $15.57/oz | N/A | $12.48/oz | N/A |

| | |
|---|---|
| **FCF 2017[6]** | CF from operating activities of $7.8 M (GAAP) less capital expenditures of $6.3 M and suspension costs of $17.1 M resulted in **$(15.6) M FCF** (non-GAAP). |
| **2P Reserves** | 81.3 Moz silver @ 14.4 oz/t Ag |
| **M+I Resources** | 75.1 Moz silver @ 7.7 oz/t Ag |

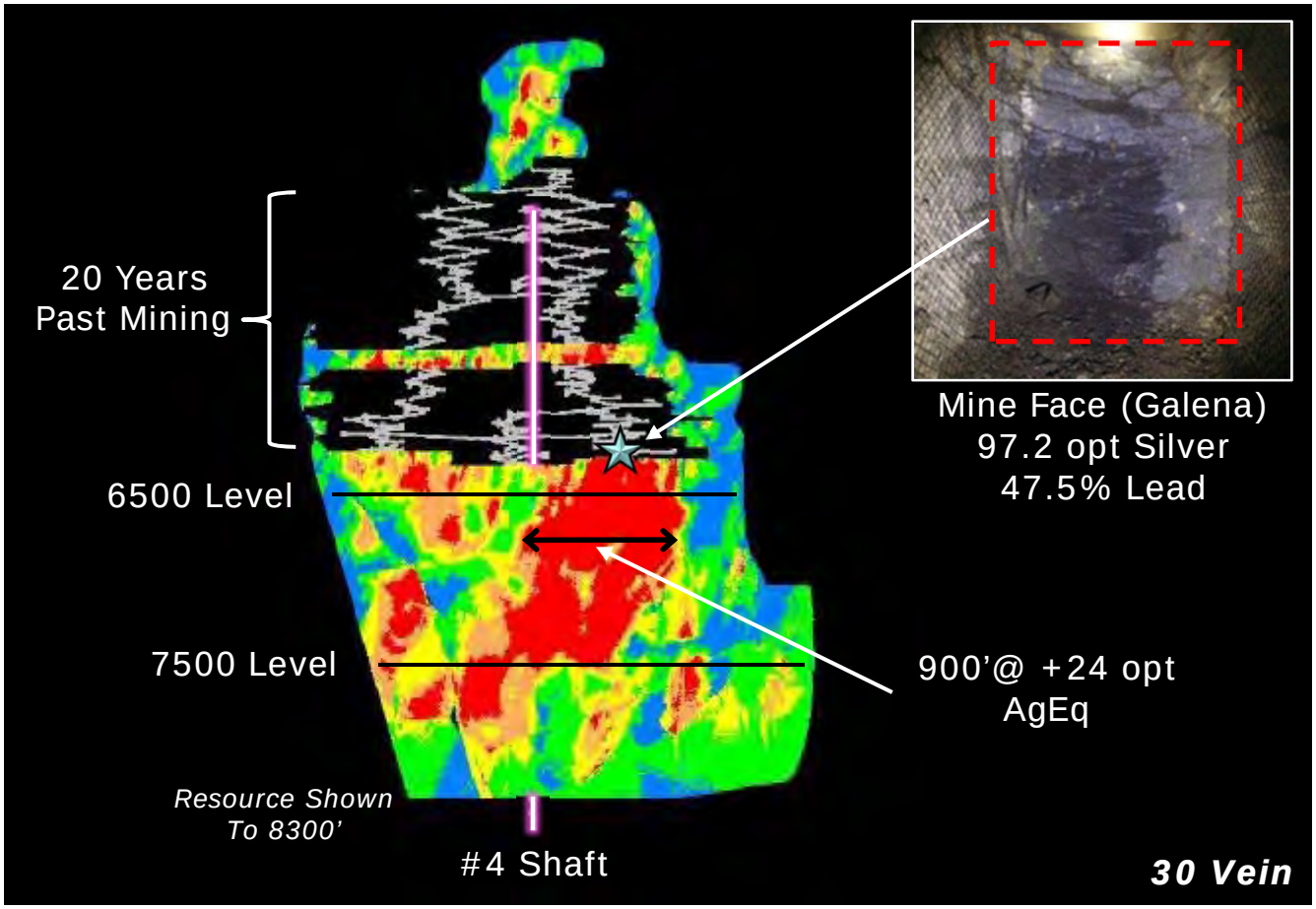
*Union workers currently on strike.*

# #4 Shaft Gives Access to the High Grade Zone

*At least 30 more years of mine-life expected*

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ORE GRADE VALUES
*AgEq Grade (opt)

| | |
|---|---|
| | > 24 |
| | 18 - 24 |
| | 12 - 18 |
| | 6 - 12 |
| | < 6 |

*Dec. 31, 2015*

*Ag Equivalent Values Based Upon: Resource Prices $20.00/oz Ag, $0.90/lb Pb, $0.90/lb Zn

# Lucky Friday: Continuous Mechanical Cutting is Coming

*Delivery late 2019: Could revolutionize the mining by replacing drill and blast*

Hecla MINING COMPANY NYSE:HL



Atlas Copco Test Mine 2016

Fabrication underway in Sweden



3D Graphic of
Remote Vein Miner



# Rock Creek & Montanore

*Final stages of permitting, expecting to advance in 2018*

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## Mine overview

- Montanore, a silver-copper mine located in Libby, Montana, was acquired from Mines Management in 2016
- Rock Creek, a silver-copper mine located in Noxon, Montana, was acquired from Revett in 2015
- Both projects are in the final stages of permitting, and are expected to advance to exploration upon approval

## Impact on Resources

- Although assigned nominal value today, these projects represent meaningful upside for Hecla as they progress through feasibility

Combined, the projects are as large as Hecla's current reserves

## Rock Creek Site Overview




## Project Overview

| Metric | Rock Creek | Montanore |
|---|---|---|
| Potential Mine Life | 20 – 30 Years each | |
| Hecla Stock Acquisition Cost | $19 M | $54 M |
| Advanced Permitting | SEIS | Final EIS, RODs* |
| Well Located | 50 miles from Lucky Friday | |
| Land Position | Great Exploration Potential | |

** Record of Decision

# A Further Transformation of Hecla

*Consistent with strategy and expertise*

Hecla MINING COMPANY

NYSE:HL

- ✓ **Now with seven large land positions located in Alaska, Quebec, Nevada, Mexico and Idaho which are some of the safest and most prolific mining jurisdictions in the world**
- ✓ **Proven operational excellence to be leveraged across expanded portfolio of high-grade mines**
- ✓ **Well capitalized pro-forma company with strong cash flow and solid balance sheet**
- ✓ **Significant production base with significant growth opportunities and cost reduction potential**
- ✓ **Attractive commodity diversification with a focus on precious metals**

# Appendix

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## Midas



## San Sebastian



## Lucky Friday



## Greens Creek



## Fire Creek



## Hollister



## Casa Berardi



# Endnotes



1. Cost of sales and other direct production costs and depreciation, depletion and amortization.
2. Cash cost, after by-product credits, per silver and gold ounce represents a non-GAAP measurement, a reconciliation of which to cost of sales and other direct production costs and depreciation, depletion and amortization (sometimes referred to as "cost of sales" in this release), can be found in the Appendix. It is an important operating statistic that management utilizes to measure each mine's operating performance. It also allows the benchmarking of performance of each mines versus those of our competitors. As a primary silver mining company, management also uses the statistic on an aggregate basis - aggregating the Greens Creek, Lucky Friday and San Sebastian mines - to compare performance with that of other primary silver mining companies. With regard to Casa Berardi, management uses cash cost, after by- product credits, per gold ounce to compare its performance with other gold mines. Similarly, the statistic is useful in identifying acquisition and investment opportunities as it provides a common tool for measuring the financial performance of other mines with varying geologic, metallurgical and operating characteristics. In addition, the Company may use it when formulating performance goals and targets under its incentive program.
3. Silver and gold equivalent is calculated using the average market prices for the time period noted.
4. All in sustaining cost (AISC), after byproduct credits, is a non-GAAP measurement, a reconciliation of which to cost of sales and other direct production costs and depreciation, depletion and amortization, the closest GAAP measurement, can be found in the appendix. AISC, after by-product credits, includes cost of sales and other direct production costs, expenses for reclamation and exploration, and sustaining capital costs at the mines sites. AISC, after by-product credits for our consolidated silver properties also includes corporate costs for all general and administrative expenses, exploration and sustaining capital which support the operating properties. AISC, after by-product credits, is calculated net of depreciation, depletion, and amortization and by-product credits. 2018E refers to Hecla's estimates for 2018. Current GAAP measures used in the mining industry, such as cost of goods sold, do not capture all the expenditures incurred to discover, develop and sustain silver and gold production. Management believes that all in sustaining costs is a non-GAAP measure that provides additional information to management, investors and analysts to help in the understanding of the economics of our operations and performance compared to other producers and in the investor's visibility by better defining the total costs associated with production. Similarly, the statistic is useful in identifying acquisition and investment opportunities as it provides a common tool for measuring the financial performance of other mines with varying geologic, metallurgical and operating characteristics. In addition, the Company may use it when formulating performance goals and targets under its incentive program.
5. 2018E refers to Hecla's estimates for 2018.
6. Free Cash Flow is a non-GAAP measure calculated as Operating Cash Flow (GAAP) less Capex (GAAP). Cash flow conversion calculated as Free Cash Flow from mines divided by Operating Cash Flow.
7. Expectations for 2018 includes silver, gold, lead and zinc production from Lucky Friday, Greens Creek, San Sebastian and Casa Berardi converted using Au $1,250/oz, Ag $16.00/oz, Zn $1.25/lb, Pb $1.00/lb.

# Reconciliation for AISC - 2017

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*In thousands (except per ounce amounts)*

| | Greens Creek | Lucky Friday[2] | San Sebastian | Corporate[3] | Total Silver |
|---|---|---|---|---|---|
| Cost of sales and other direct production costs and depreciation, depletion and amortization | $ 201,803 | $ 15,107 | $ 23,700 | | $ 240,610 |
| Depreciation, depletion and amortization | (56,328) | (2,447) | (2,693) | | (61,468) |
| Treatment costs | 47,774 | 4,759 | 1,185 | | 53,718 |
| Change in product inventory | (2,247) | 1,853 | (55) | | (449) |
| Reclamation and other costs | (2,716) | (115) | (1,467) | | (4,298) |
| Cash Cost, Before By-product Credits [1] | 188,286 | 19,157 | 20,670 | | 228,113 |
| Reclamation and other costs | 2,666 | 217 | 468 | | 3,351 |
| Exploration | 4,265 | (1) | 6,879 | 1,825 | 12,968 |
| Sustaining capital | 35,255 | 5,377 | 2,770 | 2,716 | 46,118 |
| General and administrative | | | | 35,611 | 35,611 |
| AISC, Before By-product Credits [1] | 230,472 | 24,750 | 30,787 | | 326,161 |
| By-product credits: | | | | | |
| Zinc | (96,950) | (4,914) | | | (101,864) |
| Gold | (55,694) | | (31,625) | | (87,319) |
| Lead | (29,717) | (9,367) | | | (39,084) |
| Silver | | | | | |
| Total By-product credits | (182,361) | (14,281) | (31,625) | | (228,267) |
| Cash Cost, After By-product Credits | $ 5,925 | $ 4,876 | $ (10,955) | | $ (154) |
| AISC, After By-product Credits | $ 48,111 | $ 10,469 | $ (838) | | $ 97,894 |
| Divided by ounces produced | 8,352 | 839 | 3,258 | | 12,449 |
| Cash Cost, Before By-product Credits, per Ounce | $ 22.54 | $ 22.83 | $ 6.35 | | $ 18.33 |
| By-product credits per ounce | (21.83) | (17.02) | (9.71) | | (18.34) |
| Cash Cost, After By-product Credits, per Ounce | $ 0.71 | $ 5.81 | $ (3.36) | | $ (0.01) |
| AISC, Before By-product Credits, per Ounce | $ 27.59 | $ 29.50 | $ 9.45 | | $ 26.20 |
| By-product credits per ounce | (21.83) | (17.02) | (9.71) | | (18.34) |
| AISC, After By-product Credits, per Ounce | $ 5.76 | $ 12.48 | $ (0.26) | | $ 7.86 |

(1) Includes all direct and indirect operating costs related 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, before by-product revenues earned from all metals other than the primary metal produced at each unit. AISC, Before By-product Credits also includes on-site exploration, reclamation, and sustaining capital costs.

# Cash Cost and AISC Reconciliation to GAAP

*Silver Operations*

Hecla MINING COMPANY

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**Reconciliation of Cost of Sales and Other Direct Production Costs and Depreciation, Depletion and Amortization (GAAP) to Cash Cost, Before By-product Credits and Cash Cost, After By-product Credits (non-GAAP) and All-In Sustaining Costs, Before By-product Credits, per Ounce and All-In Sustaining Costs, After By-product Credits, per Ounce (non-GAAP)**

*In thousands (except per ounce amounts)*

| | Q3 2018 | Q3 2017 |
|---|---|---|
| Cost of sales and other direct production costs and depreciation, depletion and amortization (GAAP) | $ 66,488 | $48,607 |
| Depreciation, depletion and amortization | (14,223) | (13,248) |
| Treatment costs | 8,606 | 12,929 |
| Change in product inventory | (6,029) | 9,008 |
| Reclamation and other costs | (1,320) | (870) |
| Exclusion of Lucky Friday costs | (236) | - |
| Cash Cost, Before By-product Credits(1) | 53,285 | 56,426 |
| Reclamation and other costs | 954 | 821 |
| Exploration | 4,226 | 3,914 |
| Sustaining capital | 12,219 | 9,836 |
| General and administrative | 10,327 | 9,529 |
| AISC, Before By-product Credits(1,2) | 81,011 | 80,526 |
| Total By-product credits | (43,394) | (57,108) |
| Cash Cost, After By-product Credits, per Silver Ounce | $ 9,891 | $ (682) |
| AISC, After By-product Credits | $ 37,617 | $23,418 |
| Divided by ounces produced | 2,398 | 3,312 |
| Cash Cost, Before By-product Credits, per Silver Ounce | $ 22.22 | $ 17.03 |
| By-products credits per Silver Ounce | (18.10) | (17.66) |
| Cash Cost, After By-product Credits, per Silver Ounce | $ 4.12 | $ (0.63) |
| AISC, Before By-product Credits, per Silver Ounce | $ 33.78 | $ 23.89 |
| By-products credits per Silver Ounce | (18.10) | (17.24) |
| AISC, After By-product Credits, per Silver Ounce | $ 15.68 | $ 6.65 |

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, before by-product revenues earned from all metals other than the primary metal produced at each unit.

# Cash Cost and AISC Reconciliation to GAAP

*Gold Operations*

NYSE:HL

**Reconciliation of Cost of Sales and Other Direct Production Costs and Depreciation, Depletion and Amortization (GAAP) to Cash Cost, Before By-product Credits and Cash Cost, After By-product Credits (non-GAAP) and All-In Sustaining Costs, Before By-product Credits, per Ounce and All-In Sustaining Costs, After By-product Credits, per Ounce (non-GAAP)**

*In thousands (except per ounce amounts)*

| | Q3 2018 | Q3 2017 |
|---|---|---|
| Cost of sales and other direct production costs and depreciation, depletion and amortization (GAAP) | $ 70,586 | $ 49,269 |
| Depreciation, depletion and amortization | (29,241) | (16,270) |
| Treatment costs | 577 | 682 |
| Change in product inventory | 6,008 | (288) |
| Reclamation and other costs | (140) | (124) |
| Cash Cost, Before By-product Credits(1) | 47,790 | 33,269 |
| Reclamation and other costs | 138 | 123 |
| Exploration | 4,176 | 1,161 |
| Sustaining capital | 15,305 | 13,775 |
| General and administrative | - | - |
| AISC, Before By-product Credits(1,2) | 67,409 | 48,328 |
| Total By-product credits | (1,374) | (161) |
| Cash Cost, After By-product Credits, per Gold Ounce | $ 46,416 | $ 33,108 |
| AISC, After By-product Credits | $ 66,035 | $ 48,167 |
| Divided by ounces produced | 58 | 44 |
| Cash Cost, Before By-product Credits, per Gold Ounce | $ 827 | $ 754 |
| By-products credits per Gold Ounce | (24) | (4) |
| Cash Cost, After By-product Credits, per Gold Ounce | $ 803 | $ 750 |
| AISC, Before By-product Credits, per Gold Ounce | $ 1,167 | $ 1,095 |
| By-products credits per Gold Ounce | (24) | (4) |
| AISC, After By-product Credits, per Gold Ounce | $ 1,143 | $ 1,091 |

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, before by-product revenues earned from all metals other than the primary metal produced at each unit.

# Cash Cost and AISC Reconciliation to GAAP

*Nevada Operations*

NYSE:HL

**Reconciliation of Cost of Sales and Other Direct Production Costs and Depreciation, Depletion and Amortization (GAAP) to Cash Cost, Before By-product Credits and Cash Cost, After By-product Credits (non-GAAP) and All-In Sustaining Costs, Before By-product Credits, per Ounce and All-In Sustaining Costs, After By-product Credits, per Ounce (non-GAAP)**

*In thousands (except per ounce amounts)*

| | Q3 2018 | 2018E |
|---|---|---|
| Cost of sales and other direct production costs and depreciation, depletion and amortization (GAAP) | $ 19,319 | $ 64,000 |
| Depreciation, depletion and amortization | (9,187) | (14,000) |
| Treatment costs | 42 | - |
| Change in product inventory | 7,311 | - |
| Reclamation and other costs | - | - |
| Cash cost, before by-product credits[1] | 17,485 | 50,000 |
| Reclamation and other costs | - | - |
| Exploration | 3,322 | 7,000 |
| Sustaining capital | 7,061 | 16,000 |
| AISC, Before By-product Credits[1,2] | 27,868 | 73,000 |
| Total By-products credits | (1,232) | (3,500) |
| Cash Cost, After By-product Credits, per Gold Ounce | $ 16,253 | $ 46,500 |
| AISC, After By-product Credits | $ 26,636 | $ 69,500 |
| Divided by ounces produced | 14 | 37 |
| Cash Cost, Before By-product Credits, per Gold Ounce | $ 1,268 | $ 1,351 |
| By-products credits per Ounce | (89) | (95) |
| Cash Cost, After By-product Credits, per Gold Ounce | $ 1,179 | $ 1,256 |
| AISC, Before By-product Credits, per Gold Ounce | $ 2,021 | $ 1,973 |
| By-products credits per Gold Ounce | $ (89) | $ (95) |
| AISC, After By-product Credits, per Gold Ounce | $ 1,932 | $ 1,878 |

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, before by-product revenues earned from all metals other than the primary metal produced at each unit. In addition, on-site exploration, reclamation, and sustaining capital costs are also included.
2. All-in sustaining costs, before by-product credits for our consolidated silver properties includes corporate costs for all general and administrative expenses and exploration and sustaining capital which support the operating properties.

# Cash Cost and AISC Reconciliation to GAAP

*Greens Creek*

NYSE:HL

**Reconciliation of Cost of Sales and Other Direct Production Costs and Depreciation, Depletion and Amortization (GAAP) to Cash Cost, Before By-product Credits and Cash Cost, After By-product Credits (non-GAAP) and All-In Sustaining Costs, Before By-product Credits, per Ounce and All-In Sustaining Costs, After By-product Credits, per Ounce (non-GAAP)**

*In thousands (except per ounce amounts)*

| | Q4 2017 | 2017 | 2018E |
|---|---|---|---|
| Cost of sales and other direct production costs and depreciation, depletion and amortization (GAAP) | $ 61,561 | $ 201,803 | $ 183,000 |
| Depreciation, depletion and amortization | (16,886) | (56,328) | (44,000) |
| Treatment costs | 10,153 | 47,774 | 38,000 |
| Change in product inventory | (7,645) | (2,247) | 4,000 |
| Reclamation and other costs | (1,240) | (2,715) | - |
| Cash Cost, Before By-product Credits[1] | 45,943 | 188,287 | 181,000 |
| Reclamation and other costs | 667 | 2,666 | 3,000 |
| Exploration | 926 | 4,265 | 3,000 |
| Sustaining capital | 10,360 | 35,255 | 52,000 |
| AISC, Before By-product Credits[1,2] | 57,896 | 230,473 | 239,000 |
| Total By-product credits | (44,518) | (182,360) | (193,000) |
| Cash Cost, After By-product Credits, per Silver Ounce | $ 1,425 | $ 5,927 | $ (12,000) |
| AISC, After By-product Credits | $ 13,378 | $ 48,113 | $ 46,000 |
| Divided by ounces produced | 2,146 | 8,352 | 7,641 |
| Cash Cost, Before By-product Credits, per Silver Ounce | $ 21.42 | $ 22.54 | $ 23.69 |
| By-products credits per Silver Ounce | (20.75) | (21.83) | (25.26) |
| Cash Cost, After By-product Credits, per Silver Ounce | $ 0.67 | $ 0.71 | $ (1.57) |
| AISC, Before By-product Credits, per Silver Ounce | $ 26.98 | $ 27.59 | $ 31.28 |
| By-products credits per Silver Ounce | (20.75) | (21.83) | (25.26) |
| AISC, After By-product Credits, per Silver Ounce | $ 6.23 | $ 5.76 | $ 6.02 |

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, before by-product revenues earned from all metals other than the primary metal produced at each unit. In addition, on-site exploration, reclamation, and sustaining capital costs are also included.
2. All-in sustaining costs, before by-product credits for our consolidated silver properties includes corporate costs for all general and administrative expenses and exploration and sustaining capital which support the operating properties.

# Cash Cost and AISC Reconciliation to GAAP

*Casa Berardi*

Hecla MINING COMPANY

NYSE:HL

**Reconciliation of Cost of Sales and Other Direct Production Costs and Depreciation, Depletion and Amortization (GAAP) to Cash Cost, Before By-product Credits and Cash Cost, After By-product Credits (non-GAAP) and All-In Sustaining Costs, Before By-product Credits, per Ounce and All-In Sustaining Costs, After By-product Credits, per Ounce (non-GAAP)**

*In thousands (except per ounce amounts)*

| | Q4 2017 | 2017 | 2018E |
|---|---|---|---|
| Cost of sales and other direct production costs and depreciation, depletion and amortization (GAAP) | $ 45,438 | $ 180,179 | $ 203,000 |
| Depreciation, depletion and amortization | (15,140) | (54,594) | (72,000) |
| Treatment costs | 658 | 2,432 | 2,000 |
| Change in product inventory | 584 | 1,466 | (2,000) |
| Reclamation and other costs | (122) | (476) | (1,000) |
| Cash cost, before by-product credits[1] | 31,418 | 129,007 | 130,000 |
| Reclamation and other costs | 122 | 475 | - |
| Exploration | 1,322 | 4,351 | 5,000 |
| Sustaining capital | 12,419 | 50,664 | 43,000 |
| AISC, Before By-product Credits[1,2] | 45,281 | 184,497 | 178,000 |
| Total By-products credits | (164) | (614) | (600) |
| Cash Cost, After By-product Credits, per Ounce | $ 31,254 | $ 128,393 | $ 129,400 |
| AISC, After By-product Credits | $ 45,117 | $ 183,883 | $ 177,400 |
| Divided by ounces produced | 43 | 157 | 165 |
| Cash Cost, Before By-product Credits, per Ounce | $ 723.19 | $ 823.52 | $ 788.00 |
| By-products credits per Ounce | (3.77) | (3.92) | (4.00) |
| Cash Cost, After By-product Credits, per Ounce | $ 719.42 | $ 819.60 | $ 784.00 |
| AISC, Before By-product Credits, per Ounce | $ 1,042.28 | $ 1,177.14 | $ 1,079.00 |
| By-products credits per Ounce | $ (3.77) | $ (3.92) | $ (4.00) |
| AISC, After By-product Credits, per Ounce | $ 1,038.51 | $ 1,173.22 | $ 1,075.00 |

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, before by-product revenues earned from all metals other than the primary metal produced at each unit. In addition, on-site exploration, reclamation, and sustaining capital costs are also included.

2. All-in sustaining costs, before by-product credits for our consolidated silver properties includes corporate costs for all general and administrative expenses and exploration and sustaining capital which support the operating properties.

# Cash Cost and AISC Reconciliation to GAAP

*San Sebastian*

NYSE:HL

**Reconciliation of Cost of Sales and Other Direct Production Costs and Depreciation, Depletion and Amortization (GAAP) to Cash Cost, Before By-product Credits and Cash Cost, After By-product Credits (non-GAAP) and All-In Sustaining Costs, Before By-product Credits, per Ounce and All-In Sustaining Costs, After By-product Credits, per Ounce (non-GAAP)**

*In thousands (except per ounce amounts)*

| | Q4 2017 | 2017 | 2018E |
|---|---|---|---|
| Cost of sales and other direct production costs and depreciation, depletion and amortization (GAAP) | $ 5,323 | $ 23,700 | $42,000 |
| Depreciation, depletion and amortization | (657) | (2,693) | (5,000) |
| Treatment costs | 279 | 1,185 | 1,000 |
| Change in product inventory | 137 | (55) | 2,000 |
| Reclamation and other costs | (378) | (1,467) | (1,000) |
| Cash Cost, Before By-product Credits[1] | 4,704 | 20,670 | 39,000 |
| Reclamation and other costs | 117 | 468 | 1,000 |
| Exploration | 1,895 | 6,879 | 7,000 |
| Sustaining capital | 391 | 2,770 | 3,000 |
| AISC, Before By-product Credits[1,2] | 7,107 | 30,787 | 50,000 |
| Total By-product credits | (7,593) | (31,625) | (20,000) |
| Cash Cost, After By-product Credits, per Silver Ounce | $(2,889) | $(10,995) | 30,000 |
| AISC, After By-product Credits | $ (486) | $ (838) | 19,000 |
| Divided by Ounces Produced | 760 | 3,258 | 2,038 |
| Cash Cost, Before By-product Credits, per Silver Ounce | $ 6.19 | $ 6.35 | $ 19.14 |
| By-products credits per Silver Ounce | (9.99) | (9.71) | (9.81) |
| Cash Cost, After By-product Credits, per Silver Ounce | $ (3.80) | $ (3.36) | 9.33 |
| AISC, Before By-product Credits, per Silver Ounce | $ 9.35 | $ (9.45) | $ 24.53 |
| By-products credits per Silver Ounce | (9.99) | (9.71) | (9.81) |
| AISC, After By-product Credits, per Silver Ounce | $ (0.64) | $ (0.26) | $ 14.72 |

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, before by-product revenues earned from all metals other than the primary metal produced at each unit. In addition, on-site exploration, reclamation, and sustaining capital costs are also included.

2. All-in sustaining costs, before by-product credits for our consolidated silver properties includes corporate costs for all general and administrative expenses and exploration and sustaining capital which support the operating properties.

# Cash Cost and AISC Reconciliation to GAAP

*Lucky Friday*

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**Reconciliation of Cost of Sales and Other Direct Production Costs and Depreciation, Depletion and Amortization (GAAP) to Cash Cost, Before By-product Credits and Cash Cost, After By-product Credits (non-GAAP) and All-In Sustaining Costs, Before By-product Credits, per Ounce and All-In Sustaining Costs, After By-product Credits, per Ounce (non-GAAP)**

*In thousands (except per ounce amounts)*

| | Q4 2017 | 2017 |
|---|---|---|
| Cost of sales and other direct production costs and depreciation, depletion and amortization (GAAP) | $ 565 | $ 15,107 |
| Depreciation, depletion and amortization | (14) | (2,447) |
| Treatment costs | 502 | 4,759 |
| Change in product inventory | 42 | 1,853 |
| Reclamation and other costs | 49 | (114) |
| Exclusion of Lucky Friday costs | - | - |
| Cash Cost, Before By-product Credits[1] | 1,144 | 19,158 |
| Reclamation and other costs | - | 217 |
| Exploration | - | (1) |
| Sustaining capital | 1,268 | 5,377 |
| AISC, Before By-product Credits[1,2] | 2,412 | 24,751 |
| Total By-product credits | (1,329) | (14,281) |
| Cash Cost, After By-product Credits, per Silver Ounce | $ (185) | $ 4,877 |
| AISC, After By-product Credits | $ 1,083 | $ 10,470 |
| Divided by ounces produced | 70 | 839 |
| Cash Cost, Before By-product Credits, per Silver Ounce | $ 16.34 | $ 22.83 |
| By-products credits per Silver Ounce | (18.99) | (17.02) |
| Cash Cost, After By-product Credits, per Silver Ounce[3] | $ (2.65) | $ 5.81 |
| AISC, Before By-product Credits, per Silver Ounce | $ 34.57 | $ 29.50 |
| By-products credits per Silver Ounce | (18.99) | (17.02) |
| AISC, After By-product Credits, per Silver Ounce | $ 15.58 | $ 12.48 |

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, before by-product revenues earned from all metals other than the primary metal produced at each unit. In addition, on-site exploration, reclamation, and sustaining capital costs are also included.
2. All-in sustaining costs, before by-product credits for our consolidated silver properties includes corporate costs for all general and administrative expenses and exploration and sustaining capital which support the operating properties.
3. Cash cost, after by-product credits, per silver ounce includes only costs directly related to limited production during the strike and excludes suspension costs, and is not indicative of results under full production.

# Adjusted EBITDA Reconciliation to GAAP

NYSE:HL

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

in thousands (except per ounce amounts)

| | LTM Q3/2018 |
|---|---|
| Net income (loss) | $ (26,836) |
| Plus: Interest expense, net of amount capitalized | 39,608 |
| Plus: Income taxes | 35,959 |
| Plus: Depreciation, depletion and amortization | 132,411 |
| Plus: Exploration expense | 33,497 |
| Plus: Pre-development expense | 5,002 |
| Plus: Acquisition costs | 9,656 |
| Plus: Lucky Friday suspension-related costs | 25,253 |
| Less: Gain on dispostion of properties, plants, equipment and mineral interests | (4,492) |
| Plus: Stock-based compensation | 4,193 |
| Plus: Provision for closed operations and environmental matters | 6,909 |
| Less: Foreign exchange loss (gain) | (2,814) |
| Less: Losses (gains) on derivative contracts | (35,569) |
| Plus: Provisional price losses/(gains) | 3,094 |
| Plus: Unrealized (gain)/loss on investments | 247 |
| Plus: Other | 2,210 |
| **Adjusted EBITDA** | **$ 228,328** |
| Total debt | $ 548,774 |
| Less: Cash, cash equivalents, and short-term investments | (60,856) |
| Net debt | **$ 487,918** |
| **Net debt/LTM adjusted EBITDA (non-GAAP)** | **2.1x** |

# Greens Creek Free Cash Flow Reconciliation

NYSE:HL

## Greens Creek Free Cash Flow Reconciliation

| *(in thousands)* | 2017 | 1987-2017* |
|---|---|---|
| Gross profit | $ 76,588 | $ 1,333,702 |
| Non-cash elements in gross profit: | | |
| Depreciation, depletion and amortization | 56,328 | 668,380 |
| Other | 2,360 | 1,340 |
| Working capital changes | 1,378 | (17,516) |
| Net cash provided by operating activities | 136,654 | 1,985,906 |
| Additions to properties, plants, equipment and mineral interests | (35,255) | (823,678) |
| **Free cash flow** | **$ 101,399** | **$ 1,162,228** |

*1987 – 2017 amounts reflect results of the Greens Creek mine on a 100% joint-venture basis (Hecla owned 29.7% until 2008).

# Operations Free Cash Flow Reconciliation

NYSE:HL

**Greens Creek Free Cash Flow Reconciliation**
(in thousands)

| | 2017 |
|---|---|
| Gross Profit | $ 76,588 |
| Non cash elements in gross profit: | |
| Depreciation, depletion and amortization | 56,328 |
| Other | 2,360 |
| Working Capital Changes | 1,378 |
| Net cash provided by operating activities | 136,654 |
| Additions to properties, plants, equipment and mineral interest | (35,255) |
| **Free cash flow** | **$ 101,399** |

**Lucky Friday Free Cash Flow Reconciliation**
(in thousands)

| | 2017 |
|---|---|
| Gross Profit | $ 6,448 |
| Non cash elements in gross profit: | |
| Depreciation, depletion and amortization | 3,083 |
| Other | (1,072) |
| Working capital changes | (679) |
| Net cash provided by operating activities | 7,780 |
| Care & Maintenance related costs | (17,082) |
| Additions to properties, plants, equipment and mineral interest | (6,268) |
| **Free cash flow** | **$ (15,570)** |

**Casa Berardi Free Cash Flow Reconciliation**
(in thousands)

| | 2017 |
|---|---|
| Gross Profit | $ 11,985 |
| Non cash elements in gross profit: | |
| Depreciation, depletion and amortization | 54,595 |
| Other | 476 |
| Working capital changes | 2,737 |
| Net cash provided by operating activities | 69,793 |
| Additions to properties, plants, equipment and mineral interest | (50,668) |
| **Free cash flow*** | **$ 19,125** |

**San Sebastain Free Cash Flow Reconciliation**
(Dollars in thousands)

| | 2017 | 2016 |
|---|---|---|
| Gross profit | $ 62,059 | $ 82,656 |
| Non-cash elements in gross profit: | | |
| Depreciation, depletion and amortization | 2,958 | 3,782 |
| Other | 566 | (707) |
| Working capital changes | (3,205) | 8,180 |
| Net cash provided by operating activities | 62,378 | 93,911 |
| Additions to properties, plants, equipment and mineral i | (11,239) | (1,540) |
| **Free cash flow** | **$ 51,139** | **$ 92,371** |

* Excludes mining duties paid in Quebic

# Fire Creek Cash Costs Reconciliation to GAAP

NYSE:HL

**Reconciliation of Cash Costs per Gold Ounce for Fire Creek**

| in thousands (except per ounce amounts) | 2017 | 2016 | 2015 |
|---|---|---|---|
| Cost of sales and other direct production costs and depreciation, depletion and amortization | 74,288 | 57,858 | 45,218 |
| Depreciation, depletion and amortization | (20,414) | (11,612) | (7,824) |
| Product Inventory - Writedown | - | - | - |
| Cash Costs, before by-product Credits | 53,874 | 46,246 | 37,394 |
| Less: Silver By-product Credits | (1,292) | (1,623) | (1,284) |
| Cash Costs, after by-product credits | 52,582 | 44,623 | 36,110 |
| Divided by Gold Ounces produced | 107 | 101 | 77 |
| Cash Costs per Gold Ounce, after By-Product Credits | **$ 491** | **$ 441** | **$ 469** |

# Cash Cost and AISC Reconciliation to GAAP

*2018 Estimates - All Operations*

NYSE:HL

**Reconciliation of Cost of Sales and Other Direct Production Costs and Depreciation, Depletion and Amortization (GAAP) to Cash Cost, Before By-product Credits and Cash Cost, After By-product Credits (non-GAAP) and All-In Sustaining Costs, Before By-product Credits, per Ounce and All-In Sustaining Costs, After By-product Credits, per Ounce (non-GAAP)**

| *In thousands (except per ounce amounts)* | Estimate for the Twelve Months Ended December 31, 2018 | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Greens Creek | Lucky Friday[2] | San Sebastian | Corporate[3] | Total Silver | Casa Berardi (Gold) | Nevada Ops [4] | Total Gold |
| Cost of sales and other direct production costs and depreciation, depletion and amortization | $ 183,000 | | $ 42,000 | | $ 225,000 | $ 203,000 | $ 64,000 | $ 267,000 |
| Depreciation, depletion and amortization | (44,000) | | (5,000) | | (49,000) | (72,000) | (14,000) | (86,000) |
| Treatment costs | 38,000 | | 1,000 | | 39,000 | 2,000 | — | 2,000 |
| Change in product inventory | 4,000 | | 2,000 | | 6,000 | (2,000) | — | (2,000) |
| Reclamation and other costs | | | (1,000) | | (1,000) | (1,000) | — | (1,000) |
| Cash Cost, Before By-product Credits [1] | 181,000 | | 39,000 | | 220,000 | 130,000 | 50,000 | 180,000 |
| Reclamation and other costs | 3,000 | | 1,000 | | 4,000 | — | — | — |
| Exploration | 3,000 | | 7,000 | 2,500 | 12,500 | 5,000 | 7,000 | 12,000 |
| Sustaining capital | 52,000 | | 3,000 | 2,000 | 57,000 | 43,000 | 16,000 | 59,000 |
| General and administrative | | | | 35,000 | 35,000 | | | |
| AISC, Before By-product Credits [1] | 239,000 | | 50,000 | | 328,500 | 178,000 | 73,000 | 251,000 |
| By-product credits: | (193,000) | | (20,000) | | (213,000) | (600) | (3,500) | (4,100) |
| Cash Cost, After By-product Credits | $ (12,000) | | $ 19,000 | | $ 7,000 | $ 129,400 | $ 46,500 | $ 175,900 |
| AISC, After By-product Credits | $ 46,000 | | $ 30,000 | | $ 115,500 | $ 177,400 | $ 69,500 | $ 246,900 |
| Divided by ounces produced | 7,641 | | 2,038 | | 9,679 | 165 | 37 | 202 |
| Cash Cost, Before By-product Credits, per Ounce | $ 23.69 | | $ 19.14 | | $ 22.73 | $ 788 | $ 1,351 | $ 891 |
| By-product credits per ounce | (25.26) | | (9.81) | | (22.01) | (4) | (95) | (20) |
| Cash Cost, After By-product Credits, per Ounce | $ (1.57) | | $ 9.33 | | $ 0.72 | $ 784 | $ 1,256 | $ 871 |
| AISC, Before By-product Credits, per Ounce | $ 31.28 | | $ 24.53 | | $ 33.94 | $ 1,079 | $ 1,973 | $ 1,243 |
| By-product credits per ounce | (25.26) | | (9.81) | | (22.01) | (4) | (95) | (20) |
| AISC, After By-product Credits, per Ounce | $ 6.02 | | $ 14.72 | | $ 11.93 | $ 1,075 | $ 1,878 | $ 1,223 |

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, before by-product revenues earned from all metals other than the primary metal produced at each unit. AISC, Before By-product Credits also includes on-site exploration, reclamation, and sustaining capital costs.
2. The unionized employees at Lucky Friday have been on strike since March 13, 2017, and production at Lucky Friday has been limited since that time. As a result, for the first quarter of 2018 and 2017 and the first half of 2018 Cash Cost, Before By-product Credits, Cash Cost, After By-product Credits, AISC, Before By-product Credits, and AISC, After By-product Credits are not presented for Lucky Friday, and costs related to the limited production at Lucky Friday are excluded from the calculation of Cash Cost, Before By-product Credits, Cash Cost, After By-product Credits, AISC, Before By-product Credits, and AISC, After By-product Credits for our combined silver operations.
3. AISC, Before By-product Credits for our consolidated silver properties includes corporate costs for general and administrative expense, exploration and sustaining capital.
4. Nevada 2018 estimate is for the time period July 20 to December 31, 2018.

# Proven & Probable Mineral Reserves

*(on Dec. 31, 2017 unless otherwise noted)*

Hecla MINING COMPANY

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## Reserves – 12/31/2017[1]

**Proven Reserves**

| Asset | Tons (000) | Silver (oz/ton) | Gold (oz/ton) | Lead % | Zinc % | Copper % | Silver (000 oz) | Gold (000 oz) | Lead Tons | Zinc Tons | Copper Tons |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Greens Creek (a) | 7 | 12.2 | 0.09 | 2.4 | 6.1 | - | 89 | 1 | 170 | 440 | - |
| Lucky Friday (a) | 4,246 | 15.4 | - | 9.6 | 4.1 | - | 65,448 | - | 407,520 | 175,400 | - |
| Casa Berardi (2) | 2,458 | - | 0.13 | - | - | - | - | 312 | - | - | - |
| San Sebastian (a) | 31 | 23.3 | 0.19 | - | - | - | 712 | 6 | - | - | - |
| Fire Creek (3)(b) | 74 | 0.9 | 0.94 | - | - | - | 68 | 70 | - | - | - |
| Hollister (4)(b) | 41 | 4.4 | 0.59 | - | - | - | 182 | 24 | - | - | - |
| Midas (5)(b) | 51 | 6.6 | 0.77 | - | - | - | 338 | 40 | - | - | - |
| Total..... | 6,909 | | | | | | 66,838 | 452 | 407,690 | 175,840 | - |

**Probable Reserves**

| Asset | Tons (000) | Silver (oz/ton) | Gold (oz/ton) | Lead % | Zinc % | Copper % | Silver (000 oz) | Gold (000 oz) | Lead Tons | Zinc Tons | Copper Tons |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Greens Creek (a) | 7,543 | 11.9 | 0.10 | 3.0 | 8.1 | - | 90,130 | 725 | 224,880 | 614,390 | - |
| Lucky Friday (a) | 1,387 | 11.4 | - | 7.6 | 3.7 | - | 15,815 | - | 104,720 | 50,640 | - |
| Casa Berardi (2) | 11,413 | - | 0.10 | - | - | - | - | 1,181 | - | - | - |
| San Sebastian (a) | 368 | 13.1 | 0.10 | - | - | - | 4,809 | 37 | - | - | - |
| Fire Creek (3)(b) | 207 | 0.5 | 0.52 | - | - | - | 106 | 108 | - | - | - |
| Hollister (4)(b) | 35 | 5.1 | 0.55 | - | - | - | 178 | 20 | - | - | - |
| Midas (5)(b) | 80 | 6.3 | 0.60 | - | - | - | 502 | 48 | - | - | - |
| Total..... | 21,031 | | | | | | 111,541 | 2,118 | 329,600 | 665,030 | - |

**Proven and Probable Reserves**

| Asset | Tons (000) | Silver (oz/ton) | Gold (oz/ton) | Lead % | Zinc % | Copper % | Silver (000 oz) | Gold 000 oz | Lead Tons | Zinc Tons | Copper Tons |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Greens Creek (a) | 7,550 | 11.9 | 0.10 | 3.0 | 8.1 | - | 90,219 | 725 | 225,050 | 614,840 | - |
| Lucky Friday (a) | 5,632 | 14.4 | - | 9.1 | 4.0 | - | 81,264 | - | 512,240 | 226,030 | - |
| Casa Berardi (2) | 13,871 | - | 0.11 | - | - | - | - | 1,494 | - | - | - |
| San Sebastian (a) | 398 | 13.9 | 0.11 | - | - | - | 5,520 | 43 | - | - | - |
| Fire Creek (3)(b) | 282 | 0.6 | 0.63 | - | - | - | 175 | 177 | - | - | - |
| Hollister (4)(b) | 77 | 4.7 | 0.57 | - | - | - | 360 | 44 | - | - | - |
| Midas (5)(b) | 131 | 6.4 | 0.67 | - | - | - | 840 | 88 | - | - | - |
| Total..... | 27,940 | | | | | | 178,379 | 2,571 | 737,290 | 840,870 | - |

(a) Mineral reserves are based on $1200 gold, $14.50 silver, $0.90 lead, $1.05 zinc, unless otherwise stated.

(b) Mineral reserves are based on $1200 gold and $17.00 silver.

(1) The term "reserve" means that part of a mineral deposit that can be economically and legally extracted or produced at the time of the reserve determination. The term "economically," as used in the definition of reserve, means that profitable extraction or production has been established or analytically demonstrated to be viable and justifiable under reasonable investment and market assumptions. The term "legally," as used in the definition of reserve, does not imply that all permits needed for mining and processing have been obtained or that other legal issues have been completely resolved. However, for a reserve to exist, Hecla must have a justifiable expectation, based on applicable laws and regulations, that issuance of permits or resolution of legal issues necessary for mining and processing at a particular deposit will be accomplished in the ordinary course and in a timeframe consistent with Hecla's current mine plans.

(2) Mineral reserves are based on $1200 gold and a US$/CAN$ exchange rate of 1:1.4 Reserve diluted to an average of 34.7% to minimum width of 9.8 feet (3 m).

Open pit mineral reserves of the Principal Mine were estimated in February 2011 by BBA Inc. based on $950 gold and a US$/CAN$ exchange rate of 1:1. Reserve diluted to 10%

*Technical Report on the Pre-Feasibility Study for the Casa Berardi Principal Zone Open-Pit Project, La Sarre, Quebec, February 2011*

*Prepared by: Patrice Live, Eng. - BBA Inc.; Amanda Fitch, Jr. Eng. - BBA Inc.; Andre Allaire, Eng., M. Eng., Ph.D. - BBA*

Open pit mineral reserves of the 160 and 134 Zones were estimated in January 2018 by Hecla Quebec and Mine Development Associates based on $1225 gold and a US$/CAN$ exchange rate of 1.3. (dilution, mining recovery assumptions)

*Hecla Mining, Casa Berardi 160 and 134 Zones, Open Pit Mining Study - 2017*

*January12, 2018, by Mine Development Associates, Thomas L. Dyer, P.E.*

(3) Mineral reserves as of April 1, 2018. Recoveries applied to Fire Creek for gold and silver are 93% and 88% respectively. Cutoff grade of 0.282 Au opt and an incremental cutoff grade of 0.090 Au opt. Unplanned dilution of 10 to 17% (depending on mining method) and 5% mining loss are included.

(4) Mineral reserves as of April 1, 2018. Recoveries applied to Hollister for gold and silver are 92% and 60% respectively. Cutoff grade of 0.394 Au opt and an incremental cutoff grade of 0.065Au opt. Unplanned dilution of 10 to 17% (depending on mining method) and 5% mining loss are included.

(5) Mineral reserves as of April 1, 2018. Recoveries applied to Midas for gold and silver are 93% and 88% respectively. Cutoff grade of 0.365 Au opt and an incremental cutoff grade of 0.066Au opt. Unplanned dilution of 10 to 15% (depending on mining method) and 5% mining loss are included.

# Measured and Indicated Mineral Resources

*(on Dec. 31, 2017 unless otherwise noted)*

Hecla MINING COMPANY

NYSE:HL

## Resources – 12/31/17

| Measured Resources | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Asset | Tons (000) | Silver (oz/ton) | Gold (oz/ton) | Lead % | Zinc % | Copper % | Silver (000 oz) | Gold (000 oz) | Lead Tons | Zinc Tons | Copper Tons |
| Greens Creek (c) | 341 | 9.1 | 0.09 | 2.4 | 8.3 | - | 3,086 | 30 | 8,090 | 28,420 | |
| Lucky Friday (6)(c) | 7,371 | 7.6 | - | 4.9 | 2.7 | - | 55,947 | - | 361,590 | 200,280 | - |
| Casa Berardi (7) | 2,210 | - | 0.17 | - | - | - | - | 319 | - | - | - |
| San Sebastian (8)(c) | - | - | - | - | - | - | - | - | - | - | - |
| Fire Creek (10)(d) | 67 | 1.1 | 1.22 | - | - | - | 71 | 82 | - | - | - |
| Hollister (11)(d) | 190 | 2.7 | 0.47 | - | - | - | 509 | 89 | - | - | - |
| Midas (12)(e) | 330 | 6.2 | 0.36 | - | - | - | 2,044 | 120 | - | - | - |
| Heva (9) | 5,480 | - | 0.06 | - | - | - | - | 304 | - | - | - |
| Hosco (9) | 33,070 | - | 0.04 | - | - | - | - | 1,296 | - | - | - |
| Rio Grande Silver (14)(c) | - | - | - | - | - | - | - | - | - | - | - |
| Star (15)(a) | - | - | - | - | - | - | - | - | - | - | - |
| Total | 49,058 | | | | | | 61,656 | 2,239 | 369,680 | 228,700 | - |

| Indicated Resources | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Asset | Tons (000) | Silver (oz/ton) | Gold (oz/ton) | Lead % | Zinc % | Copper % | Silver (000 oz) | Gold (000 oz) | Lead Tons | Zinc Tons | Copper Tons |
| Greens Creek (c) | 2,464 | 11.4 | 0.09 | 2.9 | 7.6 | - | 28,211 | 229 | 72,120 | 187,060 | - |
| Lucky Friday (6)(c) | 2,344 | 8.2 | - | 5.3 | 2.5 | - | 19,202 | - | 123,120 | 58,160 | - |
| Casa Berardi (7) | 11,037 | - | 0.10 | - | - | - | - | 1,055 | - | - | - |
| San Sebastian (8)(c) | 1,506 | 5.8 | 0.07 | 2.9 | 3.8 | 1.7 | 8,796 | 103 | 15,520 | 20,350 | 9,020 |
| Fire Creek (10)(d) | 351 | 0.6 | 0.52 | - | - | - | 196 | 181 | - | - | - |
| Fire Creek (Open Pit) (13)(d) | 42,877 | 0.1 | 0.03 | - | - | - | 2,350 | 1,093 | - | - | - |
| Hollister (11)(d) | 228 | 1.7 | 0.38 | - | - | - | 381 | 87 | - | - | - |
| Midas (12)(e) | 574 | 4.2 | 0.32 | - | - | - | 2,397 | 182 | - | - | - |
| Heva (9) | 5,570 | - | 0.07 | - | - | - | - | 369 | - | - | - |
| Hosco (9) | 31,620 | - | 0.04 | - | - | - | - | 1,151 | - | - | - |
| Rio Grande Silver (14) | 516 | 14.8 | - | 2.1 | 1.1 | - | 7,620 | - | 10,760 | 5,820 | - |
| Star (15)(c) | 1,126 | 2.9 | - | 6.2 | 7.4 | - | 3,301 | - | 69,900 | 83,410 | - |
| Total | 100,212 | | | | | | 72,452 | 4,449 | 291,420 | 354,800 | 9,020 |

| Measured & Indicated Resources | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Asset | Tons (000) | Silver (oz/ton) | Gold (oz/ton) | Lead % | Zinc % | Copper % | Silver (000 oz) | Gold (000 oz) | Lead Tons | Zinc Tons | Copper Tons |
| Greens Creek (b) | 2,805 | 11.2 | 0.09 | 2.9 | 7.7 | - | 31,296 | 259 | 80,210 | 215,480 | - |
| Lucky Friday (6)(b) | 9,715 | 7.7 | - | 5.0 | 2.7 | - | 75,148 | - | 484,700 | 258,430 | - |
| Casa Berardi (7) | 13,246 | - | 0.10 | - | - | - | - | 1,373 | - | - | - |
| San Sebastian (8)(b) | 1,506 | 5.8 | 0.07 | 2.9 | 3.8 | 1.7 | 8,796 | 103 | 15,520 | 20,350 | 9,020 |
| Fire Creek (10)(d) | 418 | 0.6 | 0.63 | - | - | - | 267 | 263 | - | - | - |
| Fire Creek (Open Pit) (13)(d) | 42,877 | 0.1 | 0.03 | - | - | - | 2,350 | 1,093 | - | - | - |
| Hollister (11)(d) | 417 | 2.1 | 0.42 | - | - | - | 890 | 176 | - | - | - |
| Midas (12)(e) | 904 | 4.9 | 0.33 | - | - | - | 4,441 | 301 | - | - | - |
| Heva (9) | 11,050 | - | 0.06 | - | - | - | - | 672 | - | - | - |
| Hosco (9) | 64,690 | - | 0.04 | - | - | - | - | 2,447 | - | - | - |
| Rio Grande Silver (14) | 516 | 14.8 | - | 2.1 | 1.1 | - | 7,620 | - | 10,760 | 5,820 | - |
| Star (15)(c) | 1,126 | 2.9 | - | 6.2 | 7.4 | - | 3,301 | - | 69,900 | 83,410 | - |
| Total | 149,269 | | | | | | 134,108 | 6,687 | 661,090 | 583,490 | 9,020 |

# Inferred Mineral Resources

*(on Dec. 31, 2017 unless otherwise noted)*

Hecla MINING COMPANY

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| Inferred Resources | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Asset | Tons (000) | Silver (oz/ton) | Gold (oz/ton) | Lead % | Zinc % | Copper % | Silver (000 oz) | Gold (000 oz) | Lead Tons | Zinc Tons | Copper Tons |
| Greens Creek (c) | 2,708 | 12.1 | 0.08 | 2.7 | 6.9 | - | 32,711 | 222 | 73,350 | 185,660 | - |
| Lucky Friday (16)(c) | 2,820 | 8.7 | - | 6.3 | 2.7 | - | 24,646 | - | 178,970 | 75,270 | - |
| Casa Berardi (7) | 6,980 | - | 0.10 | - | - | - | - | 717 | - | - | - |
| San Sebastian (17) (c) | 2,915 | 5.5 | 0.03 | 1.8 | 2.5 | 1.5 | 15,978 | 95 | 23,660 | 33,770 | 19,520 |
| Fire Creek (10)(d) | 1,170 | 0.4 | 0.45 | - | - | - | 492 | 523 | - | - | - |
| Fire Creek (Open Pit) (13)(d) | 31,707 | 0.1 | 0.03 | - | - | - | 2,882 | 1,085 | - | - | - |
| Hollister (11)(d) | 111 | 2.6 | 0.39 | - | - | - | 285 | 44 | - | - | - |
| Midas (12)(e) | 564 | 2.8 | 0.31 | - | - | - | 1,601 | 172 | - | - | - |
| Heva (9) | 4,210 | - | 0.08 | - | - | - | - | 350 | - | - | - |
| Hosco (9) | 7,650 | - | 0.04 | - | - | - | - | 314 | - | - | - |
| Rio Grande Silver (18) | 3,078 | 10.7 | 0.01 | 1.3 | 1.1 | - | 33,097 | 36 | 40,990 | 34,980 | - |
| Star (19)(c) | 3,157 | 2.9 | - | 5.6 | 5.5 | - | 9,432 | - | 178,670 | 174,450 | - |
| Monte Cristo (20) | 913 | 0.3 | 0.14 | - | - | - | 271 | 131 | - | - | - |
| Rock Creek (21) | 100,086 | 1.5 | - | - | - | 0.7 | 148,736 | - | - | - | 658,680 |
| Montanore (22) | 112,185 | 1.6 | - | - | - | 0.7 | 183,346 | - | - | - | 759,420 |
| Total | 280,253 | | | | | | 453,477 | 3,689 | 495,640 | 504,130 | 1,437,620 |

**Note: All estimates are in-situ except for the proven reserves at Greens Creek and San Sebastian which are in surface stockpiles. Resources are exclusive of reserves.**

(a) Mineral reserves are based on $1200 gold, $14.50 silver, $0.90 lead, $1.05 zinc, unless otherwise stated.
(b) Mineral reserves are based on $1200 gold and $17.00 silver.
(c) Mineral resources are based on $1350 gold, $21 silver, $0.95 lead, $1.10 zinc and $3.00 copper, unless otherwise stated.
(d) Mineral resources are based on $1400 gold and $19.83 silver unless otherwise stated.
(e) Mineral resources are based on $1400 gold and $18.77 silver unless otherwise stated.
of 10 to 15% (depending on mining method) and 5% mining loss are included.
(6) Measured and indicated resources from Gold Hunter and Lucky Friday vein systems are diluted and factored for expected mining recovery.
(7) Measured, indicated and inferred resources are based on $1,350 gold and a US$/CAN$ exchange rate of 1:1.4. Underground resources are reported at a minimum mining width of 6.6 to 9.8 feet (2 m to 3 m)
Open pit mineral resources of the Principal Mine were estimated in February 2011 by BBA Inc. based on $950 gold and a US$/CAN$ exchange rate of 1:1
*Technical Report on the Pre-Feasibility Study for the Casa Berardi Principal Zone Open-Pit Project, La Sarre, Quebec, February 2011*
*Prepared by: Patrice Live, Eng. - BBA Inc.; Amanda Fitch, Jr. Eng. - BBA Inc.; Andre Allaire, Eng., M. Eng., Ph.D. - BBA*
(8) Indicated resources reported at a minimum mining width of 6.6 feet (2 m) for Hugh Zone and 4.9 feet (1.5 m) for Andrea Vein, Middle Vein, and North Vein. East Francine resources reported at actual vein width.
(9) Measured, indicated and inferred resources were estimated in by Goldminds Geoservices Inc. with effective date 12-July-2013, and 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.
*NI43-101 Technical Report, Mineral Resource Update, Heva-Hosco Gold Projects, Rouyn-Noranda, Quebec, Hecla Quebec, December 2013*
*Prepared by: Claude Duplessis, Eng. Project Manager - GoldMinds Geoservices Inc.; Maxime Dupéré, P.Geo - SGS Canada Inc. (Geostat)*
(10) Measured, indicated and inferred resources as of April 1, 2018 at Fire Creek have been calculated using metallurgical recoveries for gold and silver of 94% and 92% respectively. Cut-off grade of 0.974 Au equivalent opt-feet and a diluted
Au equivalent cut-off grade of 0.228 opt. The minimum mining width is defined as four feet or the vein true thickness plus two feet, whichever is greater. Included 7% unplanned dilution and 5% mining losses.
(11) Measured, indicated and inferred resources as of April 1, 2018 at Hollister have been calculated using metallurgical recoveries for gold and silver of 92% and 60% respectively. Cut-off grade of 1.013 Au equivalent opt-feet and a diluted
Au equivalent cut-off grade of 0.239 opt. The minimum mining width is defined as four feet or the vein true thickness plus two feet, whichever is greater. Included 10% unplanned dilution and 5% mining losses.
(12) Measured, indicated and inferred resources as of April 1, 2018 at Midas have been calculated using metallurgical recoveries for gold and silver of 93% and 88% respectively. Cut-off grade of 0.892 Au equivalent opt-feet and a diluted
Au equivalent cut-off grade of 0.203 opt. The minimum mining width is defined as four feet or the vein true thickness plus two feet, whichever is greater. Included 10% unplanned dilution and 5% mining losses.
(13) Indicated and inferred resources as of April 1, 2018 for Fire Creek (open pit) have been calculated using metallurgical recoveries for gold and silver of 65% and 30%, respectively and for oxide mineralization of 60% and 25% respectively
for mixed mineralization. Open pit resources are calculated at a cut-off grade of 0.01 AuEq opt and inclusive of 10% mining dilution and 5% ore loss. Open pit mineral resources are exclusive of underground mineral resources.
(14) Indicated resources reported at a minimum mining width of 6.0 feet for Bulldog; resources based on $26.5 Ag, $0.85 Pb, and $0.85 Zn
(15) Indicated resources reported at a minimum mining width of 4.3 feet.
(16) Inferred resources from Gold Hunter and Lucky Friday vein systems are diluted and factored for expected mining recovery.
(17) Inferred resources reported at a minimum mining width of 6.6 feet (2 m) for Hugh Zone and 4.9 feet (1.5 m) for Andrea Vein, Middle Vein, and North Vein. East Francine resources reported at actual vein width.
(18) Inferred resources reported at a minimum mining width of 6.0 feet for Bulldog, 5.0 feet for Equity & North Amethyst veins; resources based on $1400 Au, $26.5 Ag, $0.85 Pb, and $0.85 Zn.
(19) Inferred resources reported at a minimum mining width of 4.3 feet.
(20) Inferred resource reported at a minimum mining width of 5.0 feet; resources based on $1400 Au, $26.5 Ag.
(21) Inferred resource reported at a minimum thickness of 15 feet
Inferred resources at Rock Creek adjusted given mining restrictions as defined by U.S. Forest Service - Kootenai National Forest in the June 2003 'Record of Decision, Rock Creek Project'.
(22) Inferred resource reported at a minimum thickness of 15 feet
Inferred resources at Montanore adjusted given mining restrictions as defined by U.S. Forest Service, Kootenai National Forest, Montana DEQ in the December 2015 'Joint Final EIS, Montanore Project' and the February 2016 U.S Forest Service - Kootenai National Forest 'Record of Decision, Montanore Project'.

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

# 2008 – 2017 Reserve Table

Hecla MINING COMPANY

NYSE:HL

| 2008 Proven Reserves | Tons | Silver (oz/ton) | Gold (oz/ton) | Silver (ounces) | Gold (ounces) |
|---|---|---|---|---|---|
| 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 | - |

| 2013 Proven Reserves | Tons | Silver (oz/ton) | Gold (oz/ton) | Silver (ounces) | Gold (ounces) |
|---|---|---|---|---|---|
| Greens Creek | 14,000 | 12.90 | 0.130 | 182,000 | 2,000 |
| Lucky Friday | 3,708,000 | 12.10 | - | 44,892,000 | - |
| Casa Berardi | 1,106,000 | - | 0.170 | - | 185,000.00 |
| **Probable Reserves** | | | | | |
| Greens Creek | 7,783,000 | 11.90 | 0.090 | 92,338,000 | 711,000 |
| Lucky Friday | 2,698,000 | 12.00 | - | 32,352,000 | - |
| Casa Berardi | 7,933,000 | - | 0.150 | - | 1,209,000 |
| **2014 Proven Reserves** | | | | | |
| Greens Creek | 4,700 | 15.70 | 0.100 | 74,000 | 5,000 |
| Lucky Friday | 3,840,000 | 13.70 | - | 52,556,000 | - |
| Casa Berardi | 1,606,000 | - | 0.150 | - | 237,000 |
| **Probable Reserves** | | | | | |
| Greens Creek | 7,691,000 | 12.20 | 0.100 | 93,947,000 | 738,000 |
| Lucky Friday | 2,043,000 | 12.90 | - | 26,346,000 | - |
| Casa Berardi | 7,806,000 | - | 0.140 | - | 1,100,000 |
| **2015 Proven Reserves** | | | | | |
| Greens Creek | 10,000 | 20.80 | 0.120 | 210,000 | 1,000 |
| Lucky Friday | 3,510,000 | 16.50 | - | 57,961,000 | - |
| San Sebastian | 5,000 | 14.50 | 0.210 | 72,000 | 1,000 |
| Casa Berardi | 2,119,000 | - | 0.110 | - | 234,000 |
| **Probable Reserves** | | | | | |
| Greens Creek | 7,204,000 | 12.30 | 0.090 | 88,523,000 | 676,000 |
| Lucky Friday | 1,557,000 | 13.30 | - | 20,721,000 | - |
| San Sebastian | 284,000 | 28.00 | 0.220 | 7,943,000 | 63,000 |
| Casa Berardi | 8,104,000 | - | 0.140 | - | 1,098,000 |
| **2016 Proven Reserves** | | | | | |
| Greens Creek | 9,000 | 15.50 | 0.090 | 140,000 | 1,000 |
| Lucky Friday | 3,308,000 | 17.50 | - | 57,925,000 | - |
| San Sebastian | 43,000 | 23.40 | 0.190 | 1,008,000 | 8,000 |
| Casa Berardi | 2,575,000 | - | 0.110 | - | 272,000 |
| **Probable Reserves** | | | | | |
| Greens Creek | 7,585,000 | 11.70 | 0.090 | 88,729,000 | 672,000 |
| Lucky Friday | 1,542,000 | 12.90 | - | 19,912,000 | - |
| San Sebastian | 283,000 | 16.20 | 0.100 | 4,593,000 | 29,000 |
| Casa Berardi | 7,752,000 | - | 0.130 | - | 1,037,000 |
| **2017 Proven Reserves** | | | | | |
| Greens Creek | 7,000 | 12.20 | 0.090 | 89,000 | 1,000 |
| Lucky Friday | 4,246,000 | 15.40 | - | 65,448,000 | - |
| San Sebastian | 31,000 | 23.30 | 0.190 | 712,000 | 6,000 |
| Casa Berardi | 2,458,000 | - | 0.130 | - | 312,000 |
| **Probable Reserves** | | | | | |
| Greens Creek | 7,543,000 | 11.90 | 0.100 | 90,130,000 | 725,000 |
| Lucky Friday | 1,387,000 | 11.40 | - | 15,815,000 | - |
| San Sebastian | 368,000 | 13.10 | 0.100 | 4,809,000 | 37,000 |
| Casa Berardi | 11,413,000 | - | 0.100 | - | 1,181,000 |