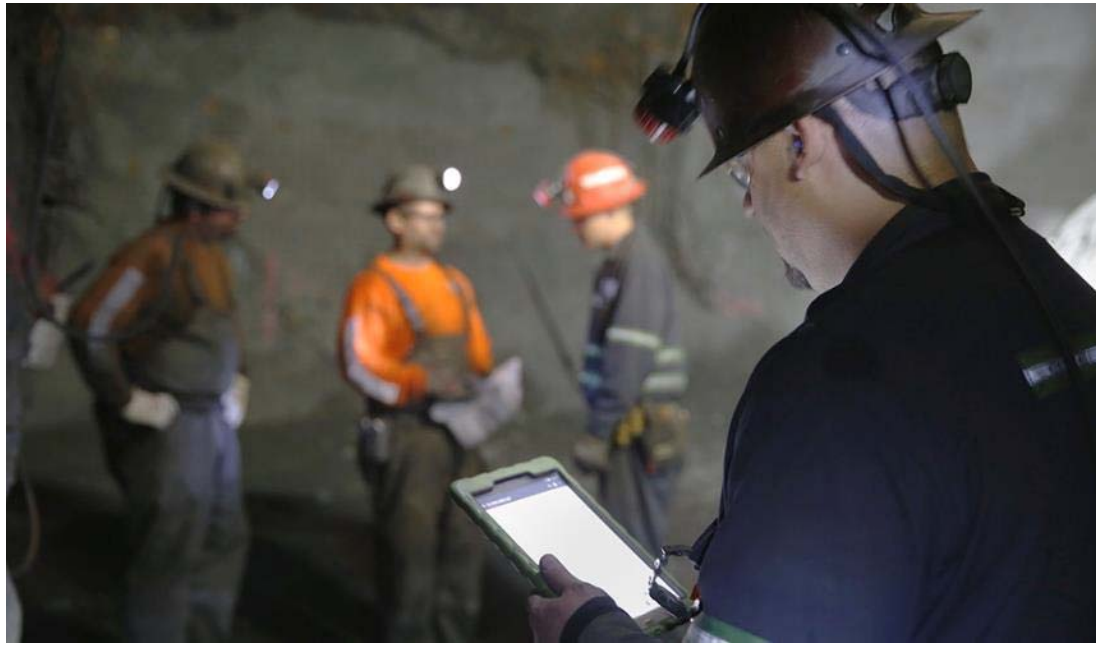
# TUMAZOS CONFERENCE

## CREATING VALUE THROUGH INNOVATIVE MINING

**June 2019**



RESPONSIBLE. SAFE. INNOVATIVE.

# CAUTIONARY STATEMENTS

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 2019, 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 $1,250/oz., silver at $16.00/oz., zinc at $1.25/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 2018 Form 10-K, filed on February 22, 2019, 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 December 31, 2018, 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 December 31, 2018 (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 March 31, 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

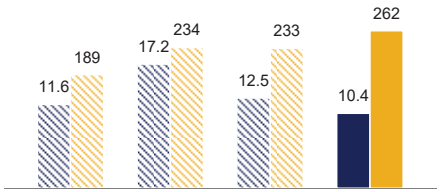
## Positioned for Continued Strong Performance

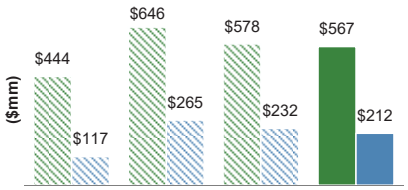
- Largest primary silver producer in the US, third largest producer of lead and zinc
- Good mining jurisdictions: Alaska, Idaho, Nevada, Quebec, and Durango (Mexico)
- Focus is long-lived, low cost mines that can be extended and improved
- Proven and probable reserves totaling ~191 Moz of silver and 2.85 Moz of gold as of 12/31/2018
- Strong silver and growing gold production
- Recently acquired 110 square miles of prospective land with a history of 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




**Established miner, proven operational track record, with assets in mining friendly jurisdictions in North America**

Source: Company disclosures

[1] Adjusted EBITDA is a non-GAAP measure; please refer to appendix for reconciliation to GAAP.

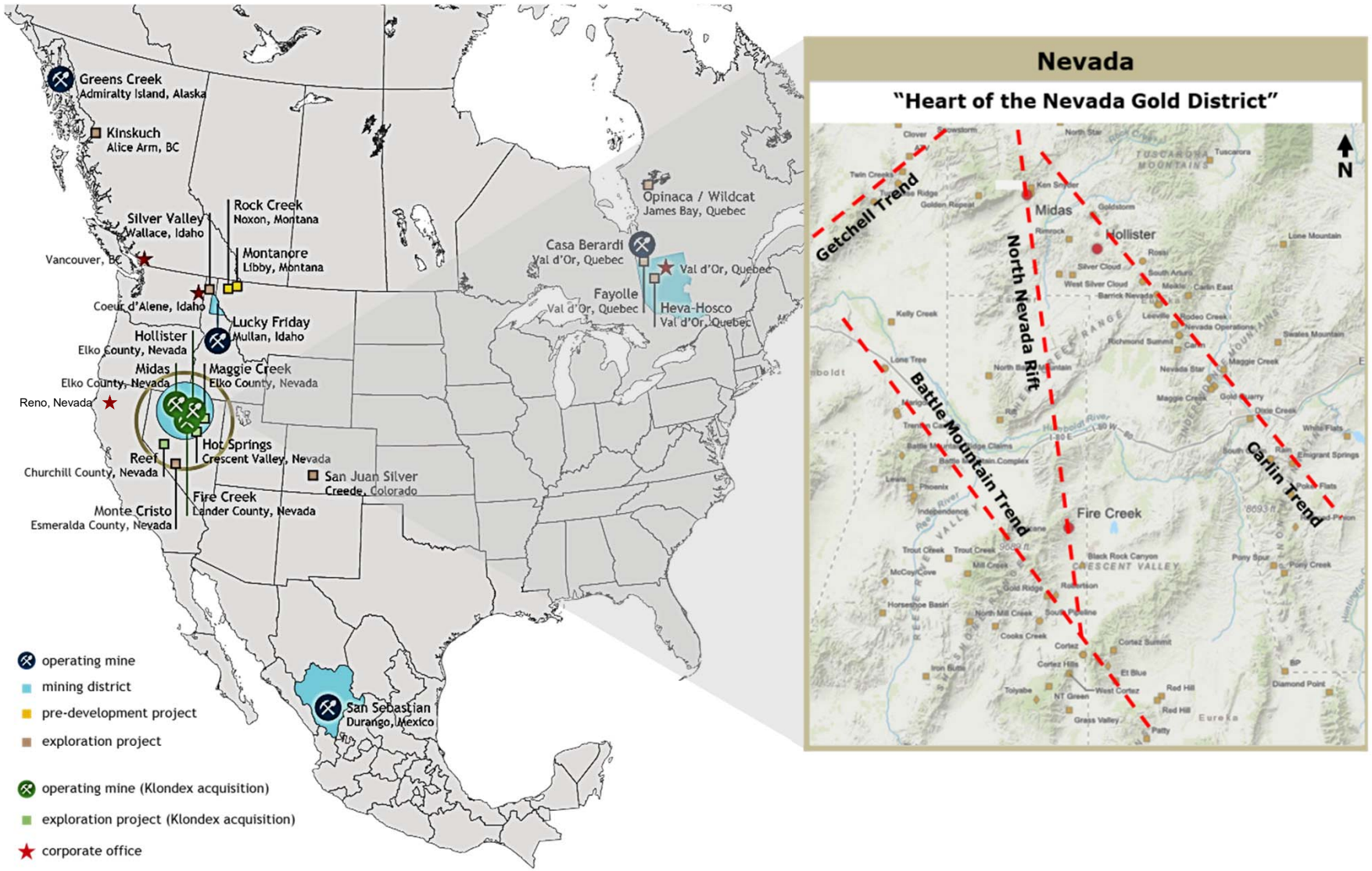
# DIVERSE ASSET PORTFOLIO IN MINING FRIENDLY JURISDICTIONS

| | Primary Operations | | Growth / Transformation | | |
|---|---|---|---|---|---|
| | Greens Creek | Casa Berardi | San Sebastian | Nevada | Lucky Friday |
| |  |  |  |  |  |
| Location/ Risk Score[1] | Alaska, USA (76.9) | Quebec, Canada (87.5) | Durango, Mexico (65.1) | Nevada, USA (90.5) | Idaho, USA (84.5) |
| Primary Product | Silver | Gold | Silver | Gold | Silver / Zinc |
| 2018 % Revenue Contribution | 47 % | 37 % | 9 % | 5 % | 2 % |
| 2018 Reserves | 107.1 Moz silver | 1.9 Moz gold | 2.8 Moz silver | 77 Koz gold | 81 Moz silver |
| 2019E Production[2] | 24.0 Moz AgEq. | 11.7 Moz AgEq. | 3.0 Moz AgEq. | 4.9 Moz AgEq. | 0.2 Moz AgEq. |
| 2019E AISC[3] | $ 5.50 / oz Ag | $ 1,150 / oz Au | $ 12.00 / oz Ag | $ 1,700 / oz Au | N/A |
| 2019E Sustaining Capex | $ 42 M | $ 43 M | $ 1.5 M | – | – |
| 2018 FCF[5] | $ 84 M | $ 43 M | $ (0.8) M | – | – |
| Start-Up Year | 1989 | 1989 | 2015 | 2012 / 2005 | 1942 |
| Mine Life at Start-up | 7 years | 6 years | 18 months | 3 years / 2 years | 2 years |
| Remaining Reserve Life | 11 years | 15 years | 2 years | 3 years / 1 year | 17 years |
| | *Hecla's flagship mine: ~$1bn in cumulative free cash flow over last 10 years* | *Doubled tonnage for economies of scale with open pit supplementing underground* | *Production diversification with attractive upside* | *Large land package with high-grade prospectivity* | *Historic mine with higher grades and new technology in the future* |

[1] Political Risk Score based on Fraser Institute of Mining 2017 Report (Higher is Better).
[2] Please refer to footnote 4 on the Endnotes slide in the Appendix.
[3] AISC, after by-product credits, per produced silver/gold ounce. AISC is a non-GAAP measure; please refer to appendix for reconciliation to GAAP.
[5] FCF is a non-GAAP measure; please refer to appendix for reconciliation to GAAP.

# PORTFOLIO OF QUALITY ASSETS

## GROWING PRESCENCE IN NEVADA



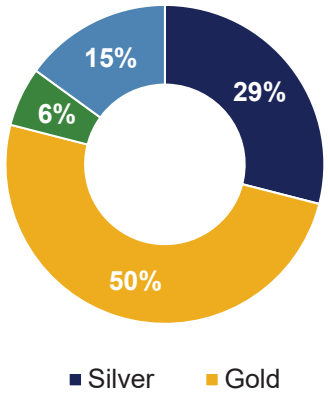

NYSE: HL

Source: Company disclosures.

# LEADING PRECIOUS METAL, LEAD AND ZINC PRODUCER WITH DIVERSE ASSETS AND COMMODITY MIX

## #1 SILVER AND #3 LEAD AND ZINC PRODUCER IN THE U.S.

**Q1 2019 Margins**
Silver Margin: **$13.44/oz**
Gold Margin: **$31.00/oz**

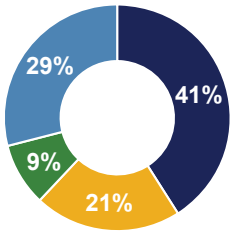
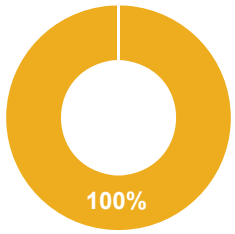
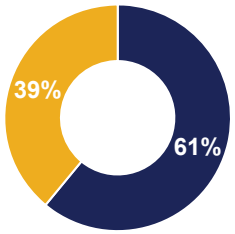
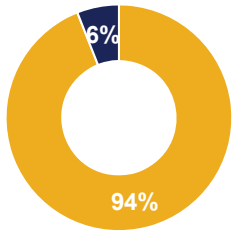
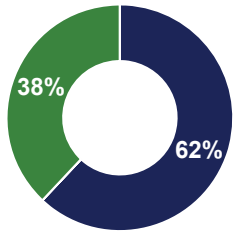



Silver Production: **2.9 Moz**
Cost of Sales[2]: **$68.6 M**
Cash Costs, after by-product credits[3]: **$2.26/oz**
Realized Price: **$15.70/oz**

Gold Production: **60 Koz**
Cost of Sales[2]: **$80.5 M**
Cash Costs, after by-product credits[3]: **$1,277/oz**
Realized Price: **$1,308/oz**

Lead Production: **5.8 Ktons**
Realized Price: **$0.93/lb**

Zinc Production: **13.9 Ktons**
Realized Price: **$1.30/lb**

| Greens Creek | Casa Berardi | San Sebastian | Nevada | Lucky Friday |
|---|---|---|---|---|
|  |  |  |  |  |
| **53%** of Total Revenue | **26%** of Total Revenue | **8%** of Total Revenue | **12%** of Total Revenue | **1%** of Total Revenue |








Note: Based on Q1/2019 Revenue.

# OUR BEST MINES KEEP GETTING BETTER

## NEW TECHNICAL REPORTS SHOW INCREASED MINE LIVES; HIGHER CASH FLOW

### Greens Creek

- **107.1 million** oz P+P silver reserves. [1]
- Life of Mine Plan (LOM) extends to **2030**.
- **97.4 million** oz M&I silver resources.
- Significant exploration potential.
- Generate **$802 million** of free cash flow over the LOM with an after-tax Net Present Value (NPV) of **$638 million** at a 5% discount rate. [2]
- Expect about **20% more cash flow** in the next five years than the $72 million averaged in the past five years.

### Casa Berardi

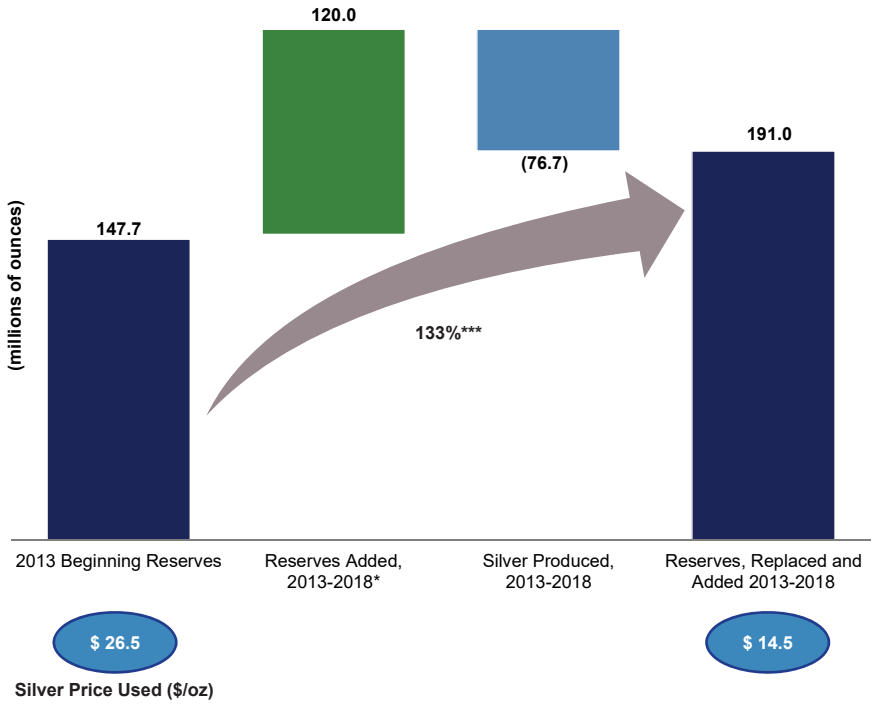
- **1.91 million** oz P+P gold reserves. [1]
- LOM extends to 2034.
- **1.2 million oz** M&I gold resources.
- Substantial reserve increases in the proposed West Mine Crown Pillar and Principal pits, Casa Berardi's highest-grade pits.
- Significant exploration potential.
- Generate **$535 million** (CAN$712 million) of free cash flow over the LOM with an after-tax NPV of **$325 million** (CAN$432 million) at a 5% discount rate.[3]

[1] Silver reserves calculated at $14.50/oz; gold reserves calculated at $1,200/oz.
[2] $1,303.70/oz gold, $15.32/oz silver, $0.91/lb lead and $1.30/lb zinc price assumptions for Greens Creek Technical Report.
[3] $1,300/oz gold and $15.50/oz silver price assumptions for Casa Berardi Technical Report.

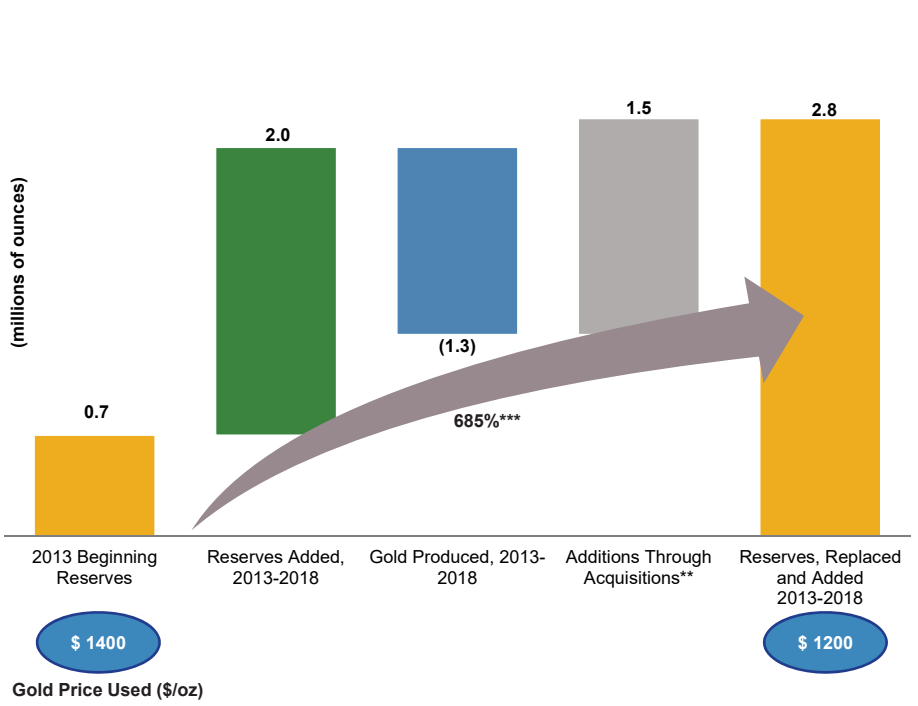
# RECORD OF GROWING RESERVES

## SIGNIFICANT INCREASES AT MUCH LOWER PRICES

### Silver Reserves Growth



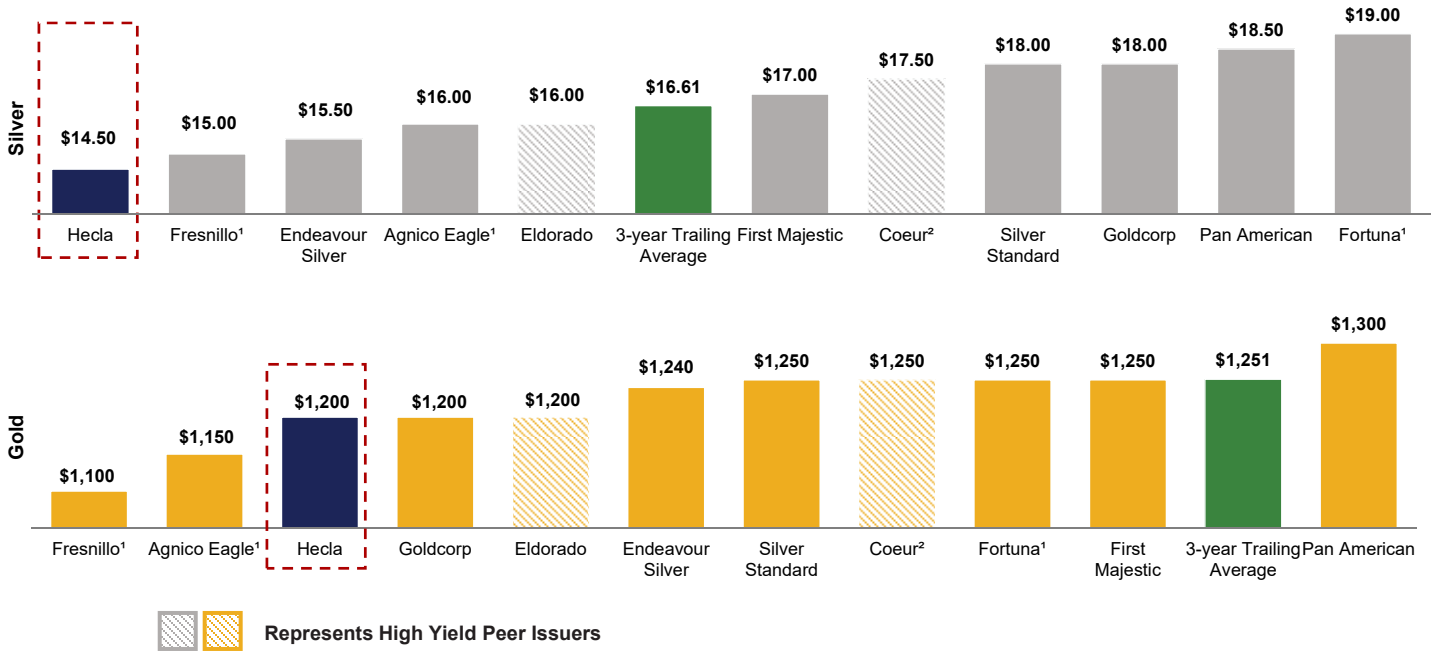

### Gold Reserves Growth



# THE MOST CONSERVATIVE SILVER PRICE ASSUMPTION IN THE INDUSTRY

## RESERVES ARE THE BASIS FOR VALUE CREATION

**Price Assumption is at the discretion of management**




| Year | HL Reserve Prices |
|---|---|
| 2012 | $26.50 |
| 2013 | $20.00 |
| 2014 | $17.25 |
| 2015 | $14.50 |
| 2016 | $14.50 |
| 2017 | $14.50 |
| 2018 | $14.50 |

| Year | HL Reserve Prices |
|---|---|
| 2012 | $1,400 |
| 2013 | $1,300 |
| 2014 | $1,225 |
| 2015 | $1,100 |
| 2016 | $1,200 |
| 2017 | $1,200 |
| 2018 | $1,200 |

# HECLA'S TRACK RECORD OF ADDING VALUE

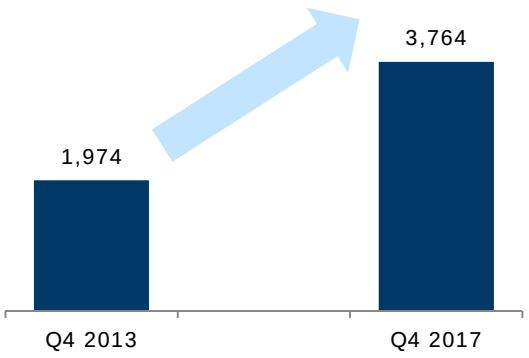
## AN EXTENSIVE HISTORY OF OPTIMIZING ASSETS

### 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)**

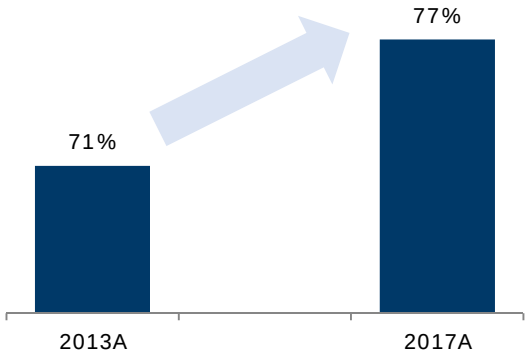



### Greens Creek

**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**

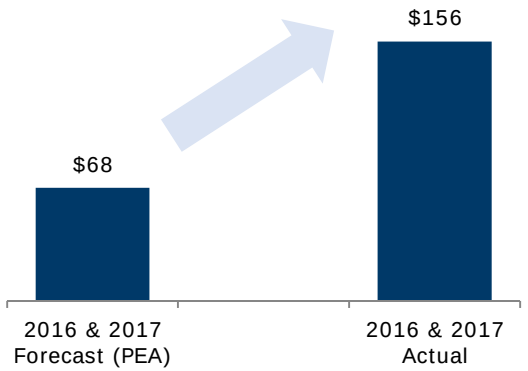



### San Sebastian

**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.

# CULTURE OF INNOVATION DRIVES PRODUCTIVITY IMPROVEMENTS

## TECHNOLOGY AND BEST PRACTICES TO BE LEVERAGED ACROSS KLONDEX' ASSETS

### Autonomous Haulage in Operation at Casa Berardi

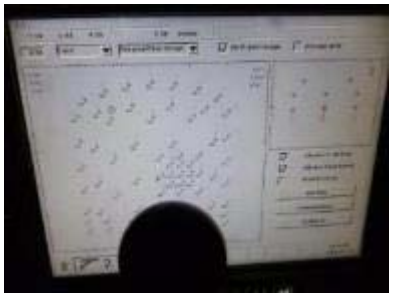
- 2- 24 hour trucks operation drives cost savings
- Increases utilization
- Increases safety
- Expect ~$3mm per year in cost savings from 2 trucks



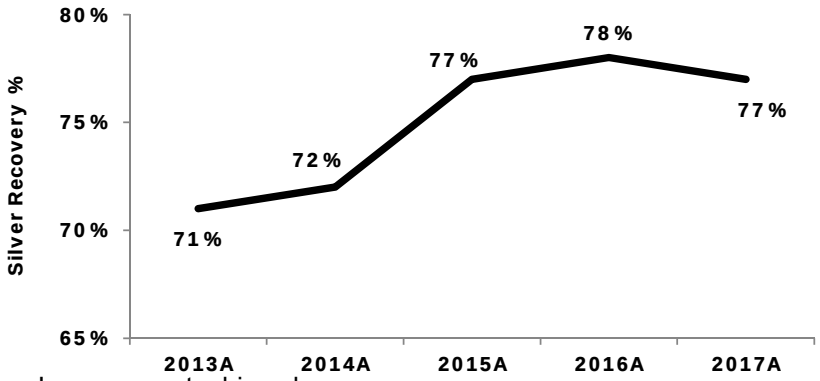


### Jumbo/Stope Drill Automation: Drilling During Shift Change

- 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:

- $CO_2$ 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

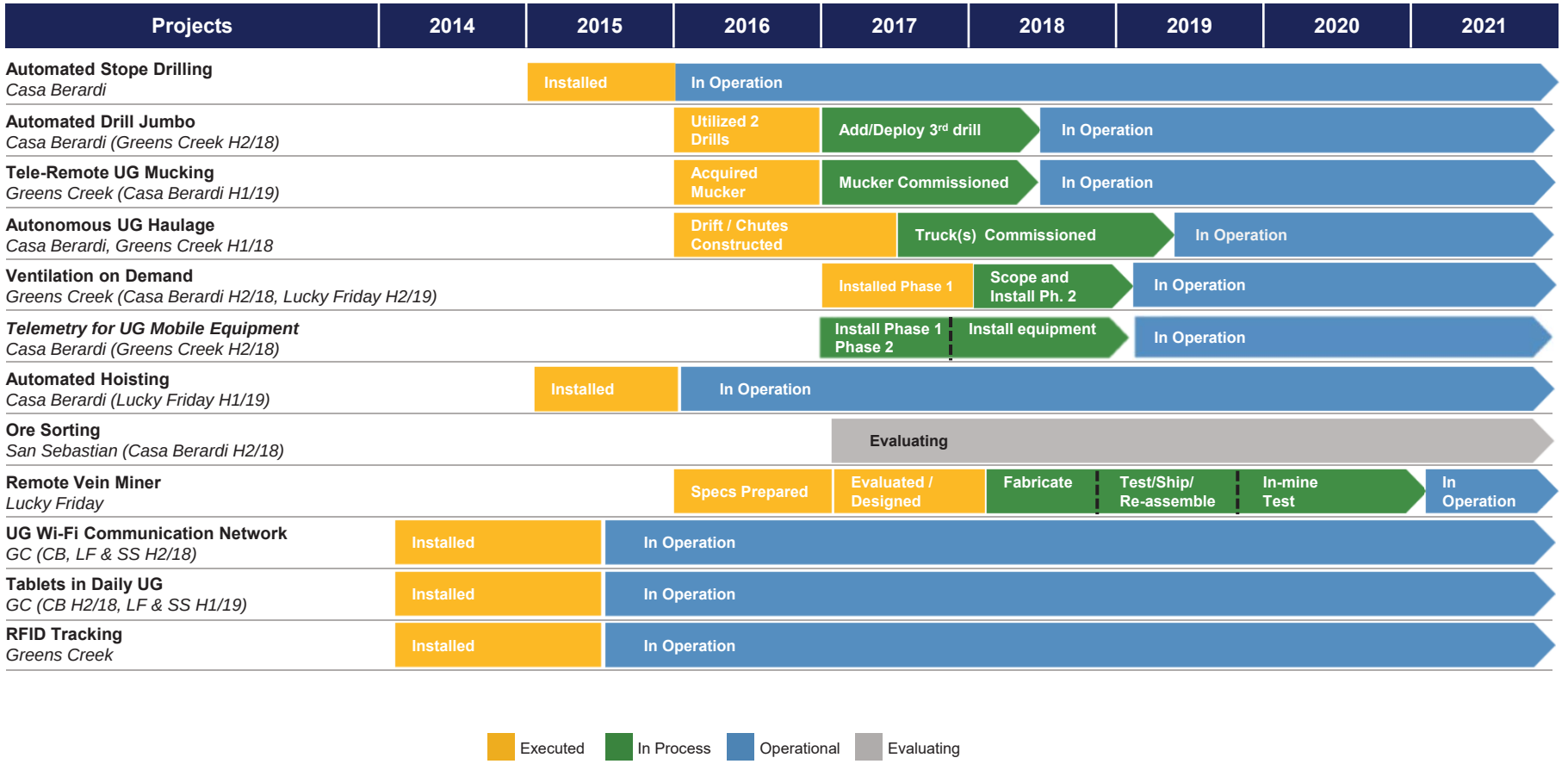




Source: Company disclosures.

# CULTURE OF INNOVATION DRIVES PRODUCTIVITY IMPROVEMENTS

## INNOVATING ACROSS THE PORTFOLIO



# EXPERIENCED MANAGEMENT TEAM

## WITH EXCELLENT TRACK RECORD OF DEVELOPING AND OPERATING ORGANIC PROJECTS

| | |
|---|---|
| **Phillips S. Baker, Jr.**<br>*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**<br>*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**<br>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**<br>*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 |

# 2019 OUTLOOK

## LOWERING CASH COST AND AISC, AFTER BY-PRODUCT CREDITS, PER SILVER OUNCE

Production Outlook

| | Silver Production (Moz) | | Gold Production (Koz) | | Silver Equivalent (Moz) | | Gold Equivalent (Koz) | |
|---|---|---|---|---|---|---|---|---|
| | Original (if revised) | Current | Original (if revised) | Current | Original (if revised) | Current | Original (if revised) | Current |
| Greens Creek | 7.7 | 7.7 | 50 | 50 | 24 | 24 | 305 | 305 |
| Lucky Friday | 0.2 | 0.2 | N/A | N/A | 0.2 | 0.2 | N/A | N/A |
| San Sebastian | 2 | 2 | 14 | 14 | 3 | 3 | 40 | 40 |
| Casa Berardi | N/A | N/A | 150 | 150 | 11.7 | 11.7 | 150 | 150 |
| Nevada Operations | 0.1 | 0.2 | 76 | 60 | 6.1 | 4.9 | 77 | 63 |
| Total[8] | 10 | 10.1 | 290 | 274 | 45 | 43.8 | 572 | 558 |

Cost Outlook

| | Costs of Sales (million) | | Cash cost, after by-product credits, per silver/gold ounce[2,4] | | AISC, after by-product credits, per produced silver/gold ounce[3] | |
|---|---|---|---|---|---|---|
| | Original (if revised) | Current | Original (if revised) | Current | Original (if revised) | Current |
| Greens Creek | $202 | $202 | $0 | $0 | $5.50 | $5.50 |
| Lucky Friday | N/A | N/A | N/A | N/A | N/A | N/A |
| San Sebastian | $41 | $41 | $9.00 | $9.00 | $12.00 | $12.00 |
| Total Silver | $243 | $243 | $1.10 | $1.10 | $11.00 | $11.00 |
| Casa Berardi | $210 | $210 | $850 | $850 | $1,150 | $1,150 |
| Nevada Operations | $90 | $105 | $900 | $1,200 | $1,325 | $1,700 |
| Total Gold[8] | $300 | $315 | $875 | $950 | $1,250 | $1,325 |

Capital and Exploration Outlook

| | Original (if revised) | Current |
|---|---|---|
| 2019E Capital expenditures (excluding capitalized interest) | $150 million | $138 million |
| 2019E Exploration expenditures (includes Corporate Development) | $25 million | $16 million |
| 2019E Pre-development expenditures | $2.5 million | $2.5 million |
| 2019E Research and Development expenditures | $3.5 million | $1 million |

Note: Please see endnotes in the appendix for footnote references.
* AISC is a non-GAAP measure; please refer to appendix for reconciliation to GAAP.

# GOLD SILVER RATIO ABOVE 80 HAD LED TO STRONG INCREASES

## US MINT SOLD OUT OF SILVER EAGLE COINS IN JANUARY WITH ALMOST NO SALES IN FEBRUARY & MARCH

**Gold | Silver**




**Gold / Silver Ratio**



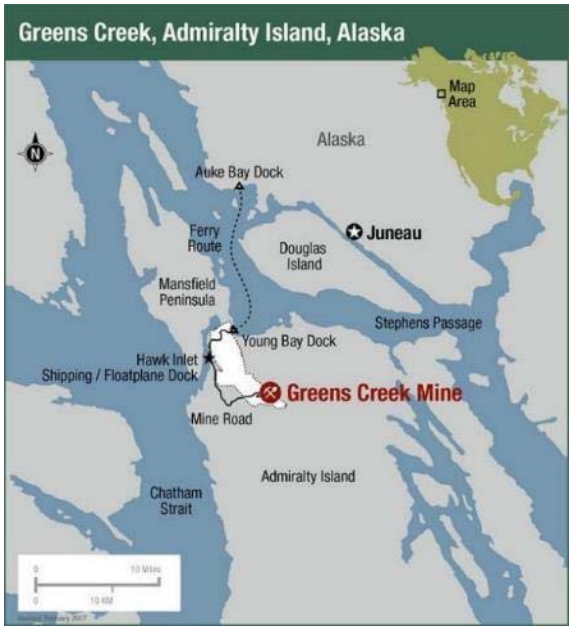

Gold / Silver Ratio  Gold  Silver  20 Year Avg Ratio

# Operations Overview

# GREENS CREEK

## CONSISTENT LOW-COST PRODUCTION IN A WILDERNESS AREA / NATIONAL MONUMENT





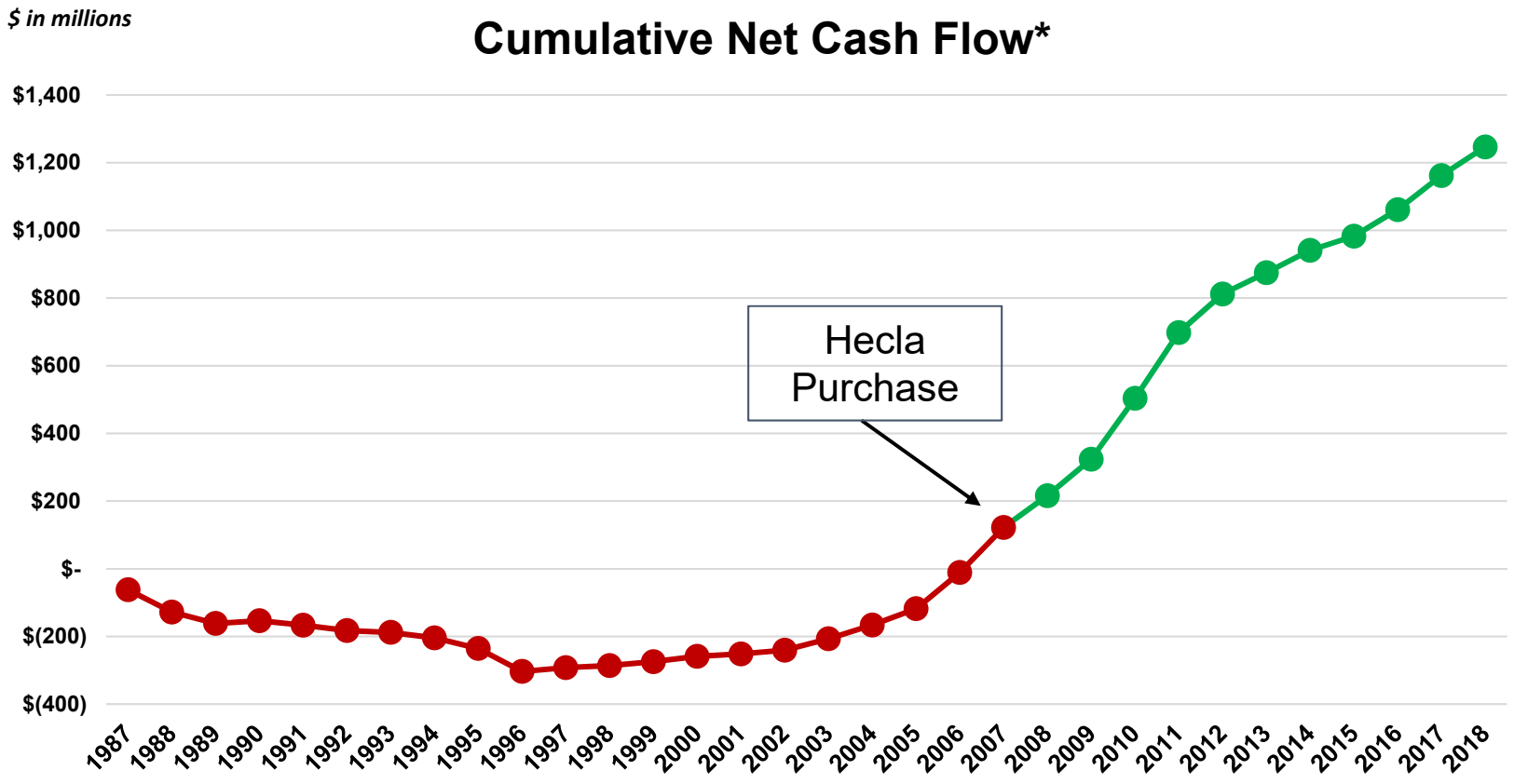

| | 2018 | Q1 2018 | Q1 2019 | 2019E[5] |
|---|---|---|---|---|
| **Silver Production (Moz)** | 8.0 | 1.9 | **2.2** | 7.7 |
| **Gold Production (Koz)** | 51.5 | 13.1 | **14.3** | 50.0 |
| **Cost of Sales[2]** | $190.1 M | $41.9 M | **$54.1 M** | $202 M |
| **Cash cost, after by-product credits, per silver oz[3]** | $(1.13)/oz | $(4.99)/oz | **$0.49/oz** | $0.00/oz |
| **AISC, after by-product Credits, per silver oz[4]** | $5.58/oz | $0.59/oz | **$3.24/oz** | $5.50/oz |

| | |
|---|---|
| **2019E[5] Sustaining Capital** | $42 M |
| **FCF 2018[6]** | CF from operating activities of $125.1 M (GAAP) less capital expenditures of $40.8 M resulted in **$84.3 M FCF** (non-GAAP). |
| **FCF 1987 To YE 2018** | CF from operating activities of $2.11 billion (GAAP) less capital expenditures of $864.6 M resulted in **~$1.25 billion FCF** (non-GAAP) from 1987 to YE 2018. (Note: Capital additions exclude leased equipment.) |

Note: Please see endnotes in the appendix for footnote references.
AISC and FCF are non-GAAP measures; please refer to appendix for reconciliation to GAAP.

# GREENS CREEK HAS GENERATED OVER $1B OF NET CASH FLOW

## CONSUMED CASH EARLY IN ITS LIFE




* Net Cash Flow includes all capex, working capital changes, and lease financing expenses

# CASA BERARDI

## MAKING A GOOD MINE GREAT



| | 2018 | Q1 2018 | Q1 2019 | 2019E[5] |
|---|---|---|---|---|
| **Gold Production (Koz)** | 162.7 | 40.2 | **31.8** | 150.0 |
| **Cost of Sales[2]** | $199.4 M | $49.2 M | **$49.1 M** | $210 M |
| **Cash cost, after by-product credits, per gold oz[3]** | $800/oz | $827/oz | **$1,113/oz** | $850/oz |
| **AISC, after by-product credits, per gold oz[4]** | $1,080/oz | $1,086/oz | **$1,338/oz** | $1,150/oz |



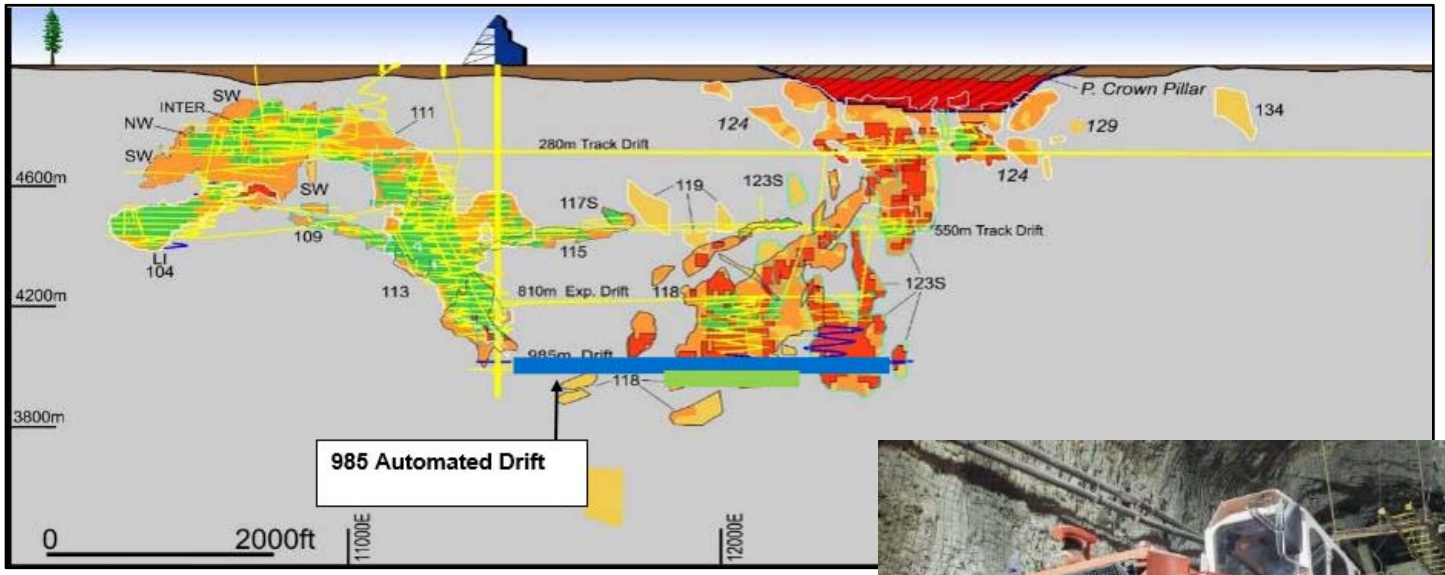

| | |
|---|---|
| **2019E[5] Sustaining Capital** | $43 M |
| **FCF 2018[5]** | CF from operating activities of $82.9 M (GAAP) less capital expenditures of $39.7 M resulted in **$43.2 M FCF** (non-GAAP). |
| **2P Reserves** | 1.9 Moz gold @ 0.08 oz/t gold |
| **M+I Resources** | 1.2 Moz gold @ 0.09 oz/t gold |

| Q1 2019 | Underground | Open Pit |
|---|---|---|
| **Tons Milled** | 189,352 | 140,399 |
| **Gold Grade (oz/t)** | 0.130 | 0.05 |
| **Gold Production (oz)** | 25,264 | 6,535 |

Note: Please see endnotes in the appendix for footnote references.
AISC and FCF are non-GAAP measures; please refer to appendix for reconciliation to GAAP.

# 985 DRIFT AUTONOMOUS HAULAGE IN OPERATION

## TWO TRUCKS RUN 24 HOURS A DAY; COST SAVINGS EXPECTED






Loading 40-tonne autonomous Sandvik truck

# NEVADA OPERATIONS

## MINES AND MILL TO OPERATE AS A COHESIVE UNIT, EMPHASIS ON CASH FLOW





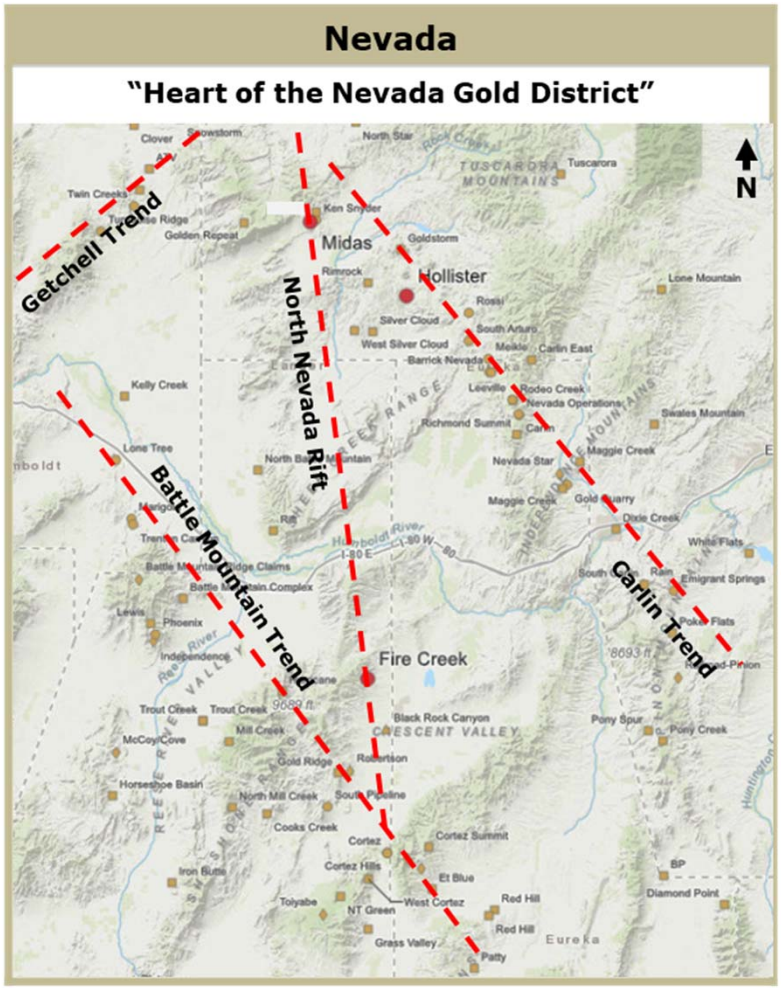

| | 2018* | Q1 2019 | 2019E[6] |
|---|---|---|---|
| **Gold Production (Koz)** | 32.9 | **10.4** | 60 |
| **Silver Production (Koz)** | 172.3 | **67.4** | 0.2 |
| **Cost of Sales[2]** | $47.0 M | **$31.4 M** | $105 M |
| **Cash cost, after by-product credits, per gold oz[3]** | $1,221/oz | **$1,782/oz** | $1,200/oz |
| **AISC, after by-product credits, per gold oz[4]** | $1,950/oz | **$3,056/oz** | $1,700/oz |

| | |
|---|---|
| **2P Reserves** | 77 Koz gold @ 0.63 oz/t gold |
| **M+I Resources** | 1.8 Moz gold @ 0.45 oz/t gold |

Note: Please see endnotes in the appendix for footnote references.
AISC is a non-GAAP measure; please refer to appendix for reconciliation to GAAP.
*Hecla acquisition of Klondex Mines completed July 20, 2018..

# WHY WE INVESTED IN NEVADA

1. The 110-square mile land position with three, one-ounce headgrade mines.
2. Hatter Graben, part of Hollister, that has 1.4 oz headgrades, the potential for a million ounce orebody and will be drill-ready by year end.
3. Improve Fire Creek operations to lower the cut-off grade and increase throughput.

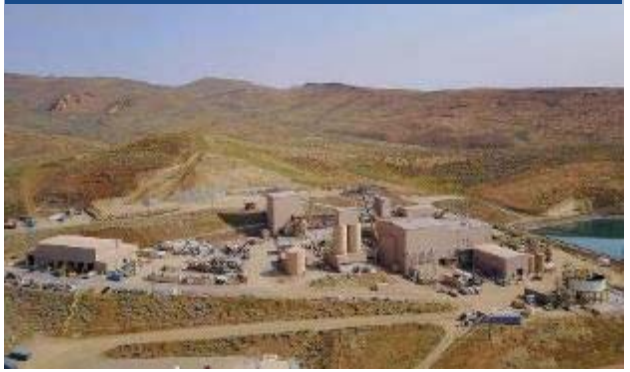


# NEVADA OPERATIONS

## TAKING ACTION TO REDUCE COST STRUCTURE

- Development contractor (AMT) demobilized at Fire Creek.
- Mining of available faces expected to continue at Fire Creek until mid-2020 and until YE 2019 at Midas.
- Hollister mining and Hatter Graben development suspended.
- 25% reduction in personnel in Nevada.
- $25 million in Company-wide reductions in Capital, Exploration and G&A.
- New dewatering techniques being studied and permits pursued.
- Different mining methods and plans.
- Explore third-party milling.

Midas Mill



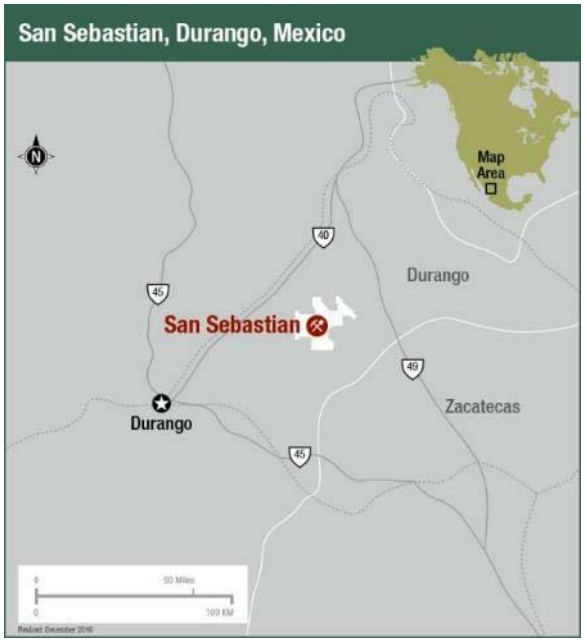
Fire Creek



# SAN SEBASTIAN

## JUST-IN-TIME MINING; LOOKING TO MAKE IT A LONG-LIFE MINE






| | 2018 | Q1 2018 | **Q1 2019** | 2019E[5] |
|---|---|---|---|---|
| **Silver Production (Moz)** | 2.0 | 0.512 | **0.441** | 2.0 |
| **Gold Production (Koz)** | 15.0 | 4.5 | **3.5** | 14.0 |
| **Cost of Sales[2]** | $41.8 M | $5.8 M | **$12.4 M** | $41.0 M |
| **Cash cost, after by-product credits, per silver oz[3]** | $9.69/oz | $2.81/oz | **$11.23/oz** | $9.00/oz |
| **AISC, after by-product credits, per silver oz[4]** | $14.68/oz | $8.37/oz | **$16.55/oz** | $12.00/oz |

| | |
|---|---|
| **2019E[5] Sustaining Capital** | $1.5 M |
| **FCF 2018[6]** | CF from operating activities of $5.4 M (GAAP) less capital expenditures of $6.2 M resulted in **$0.8 M negative FCF** (non-GAAP). |
| **2P Reserves** | 2.8 Moz silver @ 12.3 oz/t Ag |
| **M+I Resources** | 14.7 Moz silver @ 6.5 oz/t Ag |

Note: Please see endnotes in the appendix for footnote references.
* AISC and FCF are non-GAAP measures; please refer to appendix for reconciliation to GAAP..

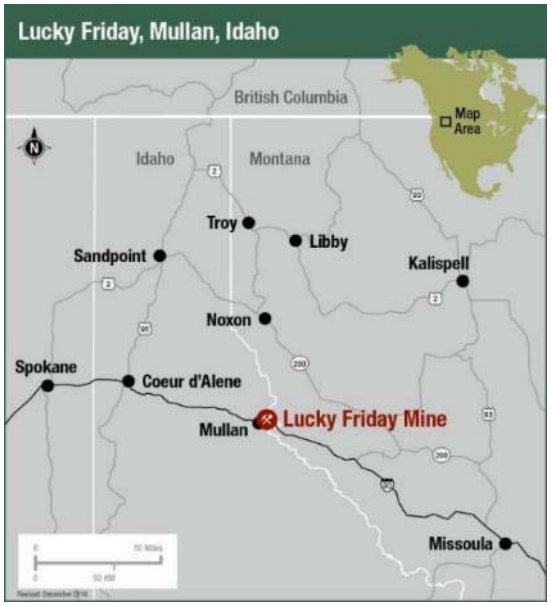
# LUCKY FRIDAY

## POSITIONING FOR GROWTH AND LONGEVITY



| | 2018 | Q1 2018 | **Q1 2019** |
|---|---|---|---|
| **Silver Production (Koz)** | 169 | 100 | **173** |
| **Cost of Sales[2]** | $9.8 M | $4.1 M | **$2.2 M** |
| **Cash cost, after by-product credits, per silver oz[3]** | N/A | N/A | N/A |
| **AISC, after by-product credits, per silver oz[4]** | N/A | N/A | N/A |

| | |
|---|---|
| **2P Reserves** | 81 Moz silver @ 14.4 oz/t Ag |
| **M+I Resources** | 77.4 Moz silver @ 7.7 oz/t Ag |




*Union workers currently on strike.*

# LUCKY FRIDAY: CONTINUOUS MECHANICAL CUTTING IS COMING

## DELIVERY 2020: COULD REPLACE DRILL AND BLAST

Hecla MINING COMPANY

**Remote Vein Miner Fabrication Underway in Sweden**




Cutter Head and Machine

# Other Supporting Information

# RESPONSIBLE. SAFE. INNOVATIVE.

## BELIEVE IN EARNING AND MAINTAINING OUR SOCIAL LICENSE TO OPERATE

- We must be responsible operators in the communities where we live and work
  - We provide career jobs for our 1,800 employees
  - Create a culture where safety is non-negotiable
  - Protect and partner with the community
  - Generate shareholder return
  - Work every day to safeguard the environment
- Our goal is to be responsible, safe and innovative in everything we do and everywhere we operate



# OUR PRIORITY: ESG

## IMPLEMENT SASB STANDARDS ON ESG

- Our core values of being responsible, safe and innovative are reflected in our commitment to operating as a responsible, ethical and sustainable business
- Utilize the industry-specific SASB standards to report on the ESG aspects of our company
- Continue to integrate ESG factors into Hecla that will bring value and positively impact environmental, social and governance areas



# OUR COMMITMENT: ENVIRONMENT

## REDUCING GREENHOUSE GAS EMISSIONS AND CONSERVING ENERGY

- 60% less diesel fuel consumption at Greens Creek through the use of interruptible hydropower
- The biomass heating project installed at the Casa Berardi Mine is expected to reduce 2,732 tonnes of greenhouse gas emissions per year by using biomass instead of propane
- More than $1 million in annual energy savings at Greens Creek due to on-demand ventilation
- Autonomous haulage at Casa Berardi increased payloads by 8% and decreased energy use 17% per vehicle
- Track on-site consumption of carbon-based fuels at all operating properties

Autonomous haulage increased payloads by 8%



# OUR COMMITMENT: TAILINGS MANAGEMENT

## EMPHASIS ON SAFETY AND STABILITY

- Design, construct, operate, decommission and close our tailings facilities to ensure stability
- Approximately half of the tailings produced is used as backfill at Greens Creek, Lucky Friday, and Casa Berardi
- Early adopter of the dry-stack method of tailings management at the Greens Creek Mine
- Dry-stack method minimizes tailings surface footprint, reduces amount of water retained in the tailings and lessens  consequences for any potential failure
- Completed independent tailings stewardship reviews at both Casa Berardi and Midas Mines in 2018



# OUR COMMITMENT: RECLAMATION

## EVERY MINE BEGINS WITH A RECLAMATION PLAN

- Begin each mine with a reclamation plan to restore the land to its natural state for productive uses
- More than $175 million committed to ensuring mined lands are successfully reclaimed following operations
- Completed reclamation of the 570-acre Grouse Creek Mine in 2013 and saw the return of the financial assurance demonstrating governmental agencies' acceptance of the site reclamation works
- Reclamation on track at the former Troy Mine in Montana, where more than 90% of tailings have been covered or top soiled and seeded
- Partnered with the Western Shoshone Tribe in concurrent reclamation at Hollister Mine – and in siting exploration pads to minimize disturbance

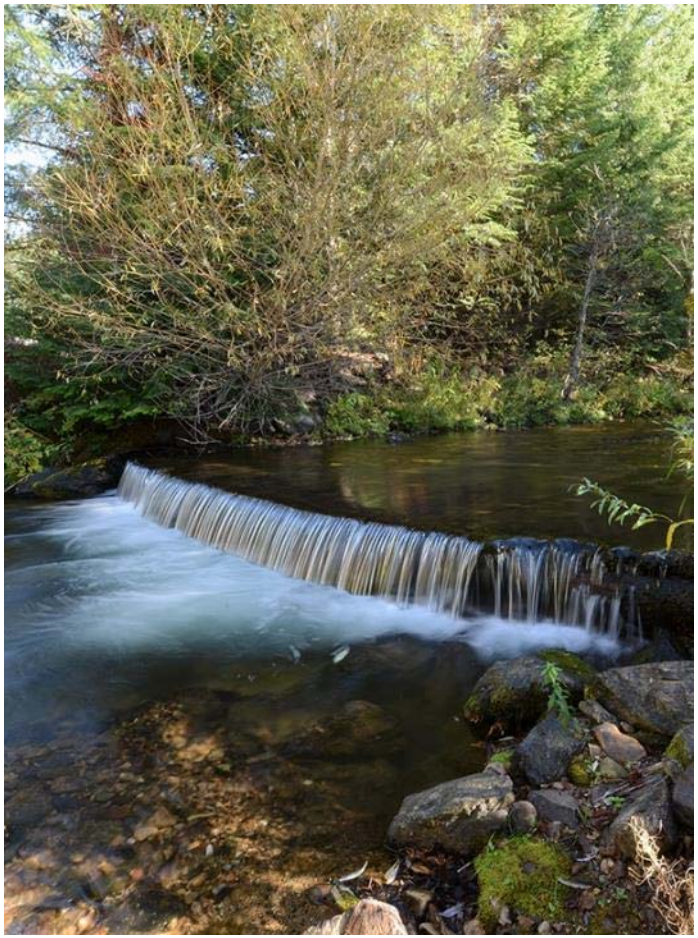





# OUR COMMITMENT: WATER MANAGEMENT

## ROBUST PROGRAM OF SAMPLING, QUALITY ANALYSIS AND AUDITS

- All water output must meet applicable federal and state (or provincial) water quality permit conditions
- More than 95 percent of the process plant water needs at our Casa Berardi Mine are met by recycling water from the tailings pond
- Conduct water audits to understand usage, find opportunities to reduce consumption, and reduce the associated volume of treated water to ensure that natural waters are protected



# OUR COMMITMENT: SAFETY

## SAFETY IS NON-NEGOTIABLE AT HECLA

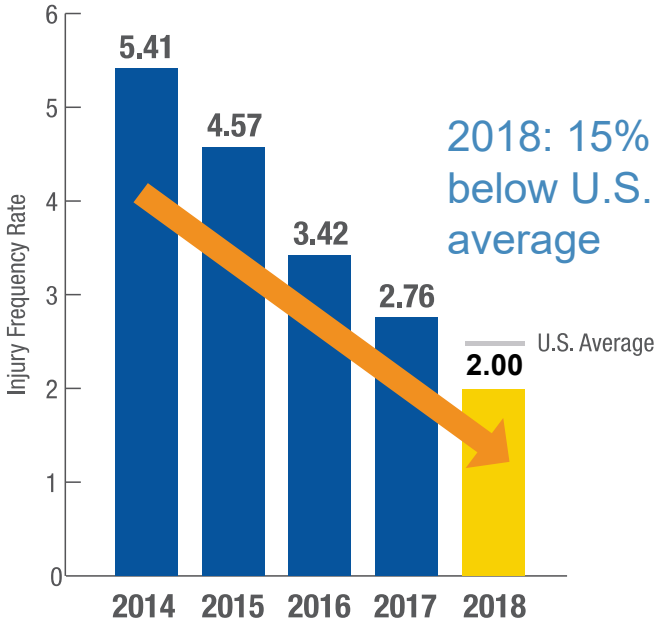
- Practice continuous improvement where we adapt/change to minimize risks of injury or an accident
- Goal is always 0 injuries/fatalities
- First hardrock mining company to achieve NMA's CoreSafety certification (2016)
- Casa Berardi Mine in Quebec was the first international mine to receive certification under the CORESafety system (2018)
- Workers received a minimum of 53,000 hours—or 40 hours per person--of safety and health training in 2017
- Lucky Friday Mine Rescue Team earned first place in the 2018 Central Mine Rescue Competition and the Greens Creek's Mine Rescue Team took second

**SAFETY IS EMBEDDED IN OUR CULTURE**



# OUR COMMITMENT: SAFETY

## ALL INJURY FREQUENCY RATE IS 15% BELOW THE U.S. AVERAGE






Injury frequency rates have been on a **steady decline since 2014**

2019 goal is a **10% reduction** from the 2018 target rate

# OUR COMMITMENT: COMMUNITIES AND EDUCATION

## INVESTING IN FUTURE GENERATIONS AND COMMUNITIES

### Charitable Donations and Volunteerism

- More than $2.9 million in Hecla Charitable Foundation contributions since 2009
- Foundation is focused on four areas: education, community programs, youth activities, and health services
- Culture of Volunteerism—our employees volunteer as firefighters, coaches, school board members
- Sponsoring youth programs






# OUR COMMITMENT: COMMUNITIES AND EDUCATION

## INVESTING IN FUTURE GENERATIONS AND COMMUNITIES

### Education and Training

- $900,000 toward sustainable career development programs at Greens Creek Mine since 2011
- More than $1 million in donations toward student scholarships by the Hecla UQAT Foundation in Quebec since 2009
- Pathways in Alaska program begins with middle school tours and runs through high school with job shadowing and instruction
- In 2014, we hired the first two successful certification graduates, both of whom started in our Pathway program in middle school





# OUR COMMITMENT: INDIGENOUS PEOPLES

## WE PARTNER WITH FIRST NATIONS IN THE LOCAL COMMUNITIES

- Hecla Quebec and the Gitanyow Band in upper British Columbia have entered into an exploration agreement that addresses mutual benefits from future exploration activity in the area – including employment, contracting, environment, and permitting
- Hecla Quebec has signed a Memorandum of Understanding with the Pikogan First Nations that could guide development of a collaboration agreement
- Working with the Western Shoshone Tribe and the Te-Moak Council in Nevada on cultural and environmental matters, including siting and reclamation of exploration drill sites
- Our Greens Creek Mine, in partnership with the University of Alaska, hosted community workshops to educate and address questions on sustenance fisheries and the impacts of global mercury releases to the environment



# OUR COMMITMENT: GOVERNANCE

## YOU SPOKE, WE LISTENED

| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 |
|---|---|---|---|---|---|---|
| Eliminated tax gross-ups | | ✓ | | | | ✓ |
| Amended guidelines for succession of CEO/Chairman | ✓ | | | | | ✓ |
| Increased Diversity– added female director to the Board | | | | ✓ | | ✓ |
| Shortened Board tenure | | | ✓ | | | ✓ |
| Added Director Resignation Policy | | | | ✓ | | ✓ |
| Increased disclosure on ESG | | | | | ✓ | ✓ |
| Increased transparency of LTIP and AIP metrics and goals in proxy | ✓ | | | | | ✓ |
| Made AIP more formulaic, less discretionary | ✓ | | | | | ✓ |
| Implemented CIC double trigger for equity investing | ✓ | | | | | ✓ |

# ADUSTED EBITDA RECONCILLIATION TO GAAP

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

*Dollars in thousands (USD)*

| | Twelve Months Ended | | | | | |
|---|---|---|---|---|---|---|
| | 31-Dec-13 | 31-Dec-14 | 31-Dec-15 | 31-Dec-16 | 31-Dec-17 | 31-Dec-18 |
| Net (loss) income | $ (25,130) | $ 17,824 | $ (94,738) | $ 61,569 | $ (28,520) | $ (26,563) |
| Plus: Interest expense, net of amount capitalized | 21,689 | 26,775 | 25,389 | 21,796 | 38,012 | 40,944 |
| Plus/(Less): Income taxes | (9,795) | (5,240) | 56,999 | 28,090 | 20,963 | (6,701) |
| Plus: Depreciation, depletion and amortization | 81,127 | 111,134 | 119,386 | 123,631 | 120,599 | 134,044 |
| Plus: Exploration expense | 23,502 | 17,698 | 17,745 | 14,720 | 23,510 | 35,695 |
| Plus: Pre-development expense | 14,148 | 1,969 | 4,213 | 3,137 | 5,448 | 4,887 |
| Plus: Acquisition costs | 26,947 | 0 | 2,162 | - | 25 | 10,045 |
| Plus: Suspension costs | (1,401) | 0 | - | - | 21,301 | 20,693 |
| Less: Gain on dispostion of properties, plants, equipment and mineral interests | | | 404 | (147) | (6,042) | (2,793) |
| Plus: Stock-based compensation | 4,574 | 9,494 | 5,425 | 5,932 | 6,331 | 6,242 |
| Plus: Provision for closed operations | 1,788 | 10,215 | 12,036 | 4,813 | 4,508 | 6,090 |
| Plus/(Less): Foreign exchange (gain) loss | (2,959) | (11,535) | (24,178) | 2,737 | 9,680 | (10,310) |
| Plus/(Less): Loss (gain) on derivative contracts | (17,979) | (9,134) | 10,520 | (4,423) | 18,063 | (7,936) |
| Plus/(Less): Provisional price (loss) gain | 16,955 | 2,277 | (634) | 918 | (742) | 3,803 |
| Plus: Unrealized loss on investments | 2,639 | 3,224 | 3,333 | 177 | 247 | 2,816 |
| Plus/(Less): Other | (859) | (286) | (468) | (507) | (1,526) | 941 |
| **Adjusted EBITDA** | **$ 135,246** | **$ 174,415** | **$ 137,594** | **$ 265,138** | **$ 231,857** | **$ 211,897** |

# CASH COST AND AISC RECONCILIATION TO GAAP

## 2019 SILVER ESTIMATES

**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 Twelve Months Ended December 31, 2019 | | | | |
|---|---|---|---|---|---|
| | Greens Creek | Lucky Friday[2] | San Sebastia | Corporate[3] | Total Silver |
| Cost of sales and other direct production costs and depreciation, depletion and amortization | $ 202,000 | | $ 41,000 | | $ 243,000 |
| Depreciation, depletion and amortization | (45,000) | | (4,000) | | (49,000) |
| Treatment costs | 38,000 | | 1,000 | | 39,000 |
| Change in product inventory | (1,000) | | — | | (1,000) |
| Reclamation and other costs | (1,000) | | (1,000) | | (2,000) |
| Cash Cost, Before By-product Credits [1] | 193,000 | | 37,000 | | 230,000 |
| Reclamation and other costs | 1,000 | | 1,000 | | 2,000 |
| Exploration | 2,000 | | 3,500 | | 5,500 |
| Sustaining capital | 42,000 | | 1,500 | | 43,500 |
| General and administrative | — | | — | 40,000 | 40,000 |
| AISC, Before By-product Credits [1] | 238,000 | | 43,000 | | 321,000 |
| By-product credits: | | | | | |
| Zinc | (109,000) | | | | (109,000) |
| Gold | (55,000) | | (19,000) | | (74,000) |
| Lead | (34,000) | | | | (34,000) |
| Total By-product credits | (198,000) | | (19,000) | | (217,000) |
| Cash Cost, After By-product Credits | $ (5,000) | | $ 18,000 | | $ 13,000 |
| AISC, After By-product Credits | $ 40,000 | | $ 24,000 | | $ 104,000 |
| Divided by ounces produced | 7,700 | | 2,000 | | 9,700 |
| Cash Cost, Before By-product Credits, per Silver Ounce | $ 25.06 | | $ 18.50 | | $ 23.71 |
| By-product credits per ounce | (25.71) | | (9.50) | | (22.37) |
| Cash Cost, After By-product Credits, per Silver Ounce | $ (0.65) | | $ 9.00 | | $ 1.34 |
| AISC, Before By-product Credits, per Silver Ounce | $ 30.91 | | $ 21.50 | | $ 33.09 |
| By-product credits per ounce | (25.71) | | (9.50) | | (22.37) |
| AISC, After By-product Credits, per Silver Ounce | $ 5.20 | | $ 12.00 | | $ 10.72 |

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. AISC, Before By-product Credits also includes on-site exploration, reclamation, and sustaining capital costs.

# CASH COST AND AISC RECONCILIATION TO GAAP

## 2019 GOLD ESTIMATES

**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 Twelve Months Ended December 31, 2019 | | |
|---|---|---|---|
| | Casa Berardi | Nevada Operations | Total Gold |
| Cost of sales and other direct production costs and depreciation, depletion and amortization | $ 210,000 | $ 105,000 | $ 315,000 |
| Depreciation, depletion and amortization | (80,000) | (25,000) | (105,000) |
| Treatment costs | — | — | — |
| Change in product inventory | (2,000) | (1,000) | (3,000) |
| Reclamation and other costs | 1,000 | (2,800) | (1,800) |
| Cash Cost, Before By-product Credits [1] | 129,000 | 76,200 | 205,200 |
| Reclamation and other costs | 1,000 | 850 | 1,850 |
| Exploration | 4,000 | 5,000 | 9,000 |
| Sustaining capital | 43,000 | 24,000 | 67,000 |
| AISC, Before By-product Credits [1] | 177,000 | 106,050 | 283,050 |
| By-product credits: | | — | |
| Silver | (2,000) | (4,000) | (6,000) |
| Total By-product credits | (2,000) | (4,000) | (6,000) |
| Cash Cost, After By-product Credits | $ 127,000 | $ 72,200 | $ 199,200 |
| AISC, After By-product Credits | $ 175,000 | $ 102,050 | $ 277,050 |
| Divided by gold ounces produced | 150 | 60 | 210 |
| Cash Cost, Before By-product Credits, per Gold Ounce | $ 860 | $ 1,279 | $ 977 |
| By-product credits per ounce | (13) | (67) | (29) |
| Cash Cost, After By-product Credits, per Gold Ounce | $ 847 | $ 1,203 | $ 949 |
| AISC, Before By-product Credits, per Gold Ounce | $ 1,180 | $ 1,768 | $ 1,348 |
| By-product credits per ounce | (13) | (67) | (29) |
| AISC, After By-product Credits, per Gold Ounce | $ 1,167 | $ 1,701 | $ 1,319 |

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.

# CASH COST AND AISC RECONCILIATION TO GAAP

## SILVER OPERATIONS

**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)*

| | Q1 2019 | Q1 2018 |
|---|---|---|
| Cost of sales and other direct production costs and depreciation, depletion and amortization (GAAP) | $ 68,645 | $ 51,736 |
| Depreciation, depletion and amortization | (14,299) | (11,944) |
| Treatment costs | 11,293 | 12,164 |
| Change in product inventory | (3,234) | 6,770 |
| Reclamation and other costs | (727) | (1,451) |
| Exclusion of Lucky Friday costs | (4,305) | (2,984) |
| Cash Cost, Before By-product Credits(1) | 57,372 | 54,291 |
| Reclamation and other costs | 860 | 955 |
| Exploration | 2,239 | 3,116 |
| Sustaining capital | 5,879 | 10,029 |
| General and administrative | 9,959 | 7,735 |
| AISC, Before By-product Credits(1,2) | 76,309 | 76,126 |
| Total By-product credits | (51,322) | (62,406) |
| Cash Cost, After By-product Credits, per Silver Ounce | $ 6,050 | $ (8,115) |
| AISC, After By-product Credits | $ 24,987 | $ 13,720 |
| Divided by ounces produced | 2,674 | 2,425 |
| Cash Cost, Before By-product Credits, per Silver Ounce | $ 21.45 | $ 22.38 |
| By-products credits per Silver Ounce | (19.19) | (25.73) |
| Cash Cost, After By-product Credits, per Silver Ounce | $ 2.26 | $ (3.35) |
| AISC, Before By-product Credits, per Silver Ounce | $ 28.53 | $ 31.39 |
| By-products credits per Silver Ounce | (19.19) | (25.73) |
| AISC, After By-product Credits, per Silver Ounce | $ 9.34 | $ 5.66 |

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.
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

## GOLD OPERATIONS

**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)*

| | Q1 2019 | Q1 2018 |
|---|---|---|
| Cost of sales and other direct production costs and depreciation, depletion and amortization (GAAP) | $80,528 | $49,187 |
| Depreciation, depletion and amortization | (24,488) | (16,110) |
| Treatment costs | 480 | 535 |
| Change in product inventory | (978) | (101) |
| Reclamation and other costs | (508) | (142) |
| Cash Cost, Before By-product Credits(1) | 55,034 | 33,369 |
| Reclamation and other costs | 507 | 143 |
| Exploration | 1,464 | 1,190 |
| Sustaining capital | 18,399 | 9,067 |
| General and administrative | - | - |
| AISC, Before By-product Credits(1,2) | 75,404 | 43,769 |
| Total By-product credits | (1,183) | (148) |
| Cash Cost, After By-product Credits, per Gold Ounce | $53,851 | $33,221 |
| AISC, After By-product Credits | $74,221 | $43,621 |
| Divided by ounces produced | 42 | 40 |
| Cash Cost, Before By-product Credits, per Gold Ounce | $ 1,305 | $ 831 |
| By-products credits per Gold Ounce | (28) | (4) |
| Cash Cost, After By-product Credits, per Gold Ounce | $ 1,277 | $ 827 |
| AISC, Before By-product Credits, per Gold Ounce | $ 1,788 | $ 1,090 |
| By-products credits per Gold Ounce | (28) | (4) |
| AISC, After By-product Credits, per Gold Ounce | $ 1,760 | $ 1,086 |

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.
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

**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)*

| | Q1 2018 | 2018 | Q1 2019 |
|---|---|---|---|
| Cost of sales and other direct production costs and depreciation, depletion and amortization (GAAP) | $ 41,861 | $ 190,066 | $ 54,113 |
| Depreciation, depletion and amortization | (10,639) | (46,511) | (12,370) |
| Treatment costs | 11,388 | 38,174 | 10,352 |
| Change in product inventory | 5,154 | 3,087 | (3,865) |
| Reclamation and other costs | (912) | (2,911) | (415) |
| Cash Cost, Before By-product Credits[1] | 46,852 | 181,905 | 47,815 |
| Reclamation and other costs | 849 | 3,397 | 737 |
| Exploration | 360 | 3,151 | 81 |
| Sustaining capital | 9,482 | 46,864 | 5,312 |
| AISC, Before By-product Credits[1,2] | 57,543 | 235,317 | 53,945 |
| Total By-product credits | (56,408) | (190,924) | (46,720) |
| Cash Cost, After By-product Credits | $ (9,556) | $ (9,019) | $ 1,095 |
| AISC, After By-product Credits | $ 1,135 | $ 44,393 | $ 7,225 |
| Divided by ounces produced | 1,913 | 7,953 | 2,233 |
| Cash Cost, Before By-product Credits, per Silver Ounce | $ 24.49 | $ 22.88 | $ 21.41 |
| By-products credits per Silver Ounce | (29.48) | (24.01) | (20.92) |
| Cash Cost, After By-product Credits, per Silver Ounce | $ (4.99) | $ (1.13) | $ 0.49 |
| AISC, Before By-product Credits, per Silver Ounce | $ 30.07 | $ 29.59 | $ 24.16 |
| By-products credits per Silver Ounce | (29.48) | (24.01) | (20.92) |
| AISC, After By-product Credits, per Silver Ounce | $ 0.59 | $ 5.58 | $ 3.24 |

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.
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

**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)*

| | Q1 2018 | 2018 | Q1 2019 |
|---|---|---|---|
| Cost of sales and other direct production costs and depreciation, depletion and amortization (GAAP) | $ 49,187 | $ 199,402 | $ 49,081 |
| Depreciation, depletion and amortization | (16,110) | (71,302) | (16,155) |
| Treatment costs | 535 | 2,068 | 442 |
| Change in product inventory | (101) | 1,205 | 2,268 |
| Reclamation and other costs | (142) | (558) | (129) |
| Cash cost, before by-product credits[1] | 33,369 | 130,815 | 35,507 |
| Reclamation and other costs | 143 | 558 | 129 |
| Exploration | 1,190 | 4,277 | 1,346 |
| Sustaining capital | 9,067 | 40,711 | 5,692 |
| AISC, Before By-product Credits[1,2] | 43,769 | 176,361 | 42,674 |
| Total By-products credits | (148) | (597) | (126) |
| Cash Cost, After By-product Credits | $ 33,221 | $ 130,218 | $ 35,381 |
| AISC, After By-product Credits | $ 43,621 | $ 175,764 | $ 42,548 |
| Divided by ounces produced | 40 | 163 | 32 |
| Cash Cost, Before By-product Credits, per Gold Ounce | $ 834 | $ 804 | $ 1,117 |
| By-products credits per Gold Ounce | $ (4) | $ (4) | $ (4) |
| Cash Cost, After By-product Credits, per Gold Ounce | $ 831 | $ 800 | $ 1,113 |
| AISC, Before By-product Credits, per Gold Ounce | $ 1,094 | $ 1,084 | $ 1,342 |
| By-products credits per Gold Ounce | $ (4) | $ (4) | $ (4) |
| AISC, After By-product Credits, per Gold Ounce | $ 1,091 | $ 1,080 | $ 1,338 |

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.
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

## NEVADA OPERATIONS

**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)*

| | 2018* | Q1 2019 |
|---|---|---|
| Cost of sales and other direct production costs and depreciation, depletion and amortization (GAAP) | $ 47,005 | $ 31,447 |
| Depreciation, depletion and amortization | (10,617) | (8,333) |
| Treatment costs | 90 | 38 |
| Change in product inventory | 7,138 | (3,246) |
| Reclamation and other costs | (954) | (379) |
| Cash cost, before by-product credits[1] | 42,662 | 19,527 |
| Reclamation and other costs | 567 | 378 |
| Exploration | 6,345 | 118 |
| Sustaining capital | 17,079 | 12,707 |
| AISC, Before By-product Credits[1,2] | 66,653 | 32,730 |
| Total By-products credits | (2,512) | (1,057) |
| Cash Cost, After By-product Credits | $ 40,150 | $ 18,470 |
| AISC, After By-product Credits | $ 64,141 | $ 31,673 |
| Divided by ounces produced | 33 | 10 |
| Cash Cost, Before By-product Credits, per Gold Ounce | $ 1,297 | $ 1,884 |
| By-products credits per Ounce | (76) | (102) |
| Cash Cost, After By-product Credits, per Gold Ounce | $ 1,221 | $ 1,782 |
| AISC, Before By-product Credits, per Gold Ounce | $ 2,026 | $ 3,158 |
| By-products credits per Gold Ounce | $ (76) | $ (102) |
| AISC, After By-product Credits, per Gold Ounce | $ 1,950 | $ 3,056 |

*Nevada properties acquired from Klondex Mines on July 20, 2018.

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.
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

**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)*

| | Q1 2018 | 2018 | Q1 2019 |
|---|---|---|---|
| Cost of sales and other direct production costs and depreciation, depletion and amortization (GAAP) | $ 5,775 | $ 41,815 | $ 12,351 |
| Depreciation, depletion and amortization | (684) | (4,602) | (1,760) |
| Treatment costs | 204 | 807 | 131 |
| Change in product inventory | 2,638 | 2,385 | $ (853) |
| Reclamation and other costs | (494) | (1,559) | (312) |
| Cash Cost, Before By-product Credits[1] | 7,439 | 38,846 | 9,557 |
| Reclamation and other costs | 106 | 419 | 123 |
| Exploration | 2,312 | 7,792 | 1,717 |
| Sustaining capital | 430 | 1,947 | 506 |
| AISC, Before By-product Credits[1,2] | 10,287 | 49,004 | 11,903 |
| Total By-product credits | (5,998) | (19,100) | (4,602) |
| Cash Cost, After By-product Credits, per Silver Ounce | 1,441 | 19,746 | 4,955 |
| AISC, After By-product Credits | 4,289 | 29,904 | 7,301 |
| Divided by Ounces Produced | 512 | 2,037 | 441 |
| Cash Cost, Before By-product Credits, per Silver Ounce | $ 14.52 | $ 19.07 | $ 21.67 |
| By-products credits per Silver Ounce | (11.71) | (9.38) | (10.44) |
| Cash Cost, After By-product Credits, per Silver Ounce | 2.81 | 9.69 | 11.23 |
| AISC, Before By-product Credits, per Silver Ounce | $ 20.08 | $ 24.06 | $ 26.99 |
| By-products credits per Silver Ounce | (11.71) | (9.38) | (10.44) |
| AISC, After By-product Credits, per Silver Ounce | $ 8.37 | $ 14.68 | $ 16.55 |

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.
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

**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)*

| | Q1 2018 | 2018 | Q1 2019 |
|---|---|---|---|
| Cost of sales and other direct production costs and depreciation, depletion and amortization (GAAP) | $ 4,100 | $ 9,750 | $ 2,181 |
| Depreciation, depletion and amortization | (621) | (1,012) | (169) |
| Treatment costs | 572 | 839 | 810 |
| Change in product inventory | (1,022) | (2,330) | 1,483 |
| Reclamation and other costs | (45) | - | - |
| Exclusion of Lucky Friday costs | (2,984) | (7,247) | (4,305) |
| Cash Cost, Before By-product Credits[1] | - | - | - |
| Reclamation and other costs | - | - | - |
| Exploration | - | - | - |
| Sustaining capital | - | - | - |
| AISC, Before By-product Credits[1,2] | - | - | - |
| Total By-product credits | - | - | - |
| Cash Cost, After By-product Credits, per Silver Ounce | - | - | - |
| AISC, After By-product Credits | - | - | - |
| Divided by ounces produced | - | - | - |
| Cash Cost, Before By-product Credits, per Silver Ounce | - | - | - |
| By-products credits per Silver Ounce | - | - | - |
| Cash Cost, After By-product Credits, per Silver Ounce[3] | - | - | - |
| AISC, Before By-product Credits, per Silver Ounce | - | - | - |
| By-products credits per Silver Ounce | - | - | - |
| AISC, After By-product Credits, per Silver Ounce | - | - | - |

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.

# GREENS CREEK FREE CASH FLOW RECONCILIATION

## Greens Creek Free Cash Flow Reconciliation

*(in thousands)*

| | 2018 | 1987-2018 [1] |
|---|---|---|
| Gross profit | $ 75,288 | $ 1,408,990 |
| Non-cash elements in gross profit: | | |
| Depreciation, depletion and amortization | 49,908 | 718,288 |
| Other | (1) | 1,339 |
| Working capital changes | (57) | (17,573) |
| Net cash provided by operating activities | 125,138 | 2,111,044 |
| Additions to properties, plants, equipment and mineral interests[2] | (40,882) | (864,560) |
| **Free cash flow** | **$ 84,256** | **$ 1,246,484** |

1. 1987 – 2018 amounts reflect results of the Greens Creek mine on a 100% joint-venture basis (Hecla owned 29.7% until 2008).
2. Additions to capital exclude leased equipment.

# OPERATIONS FREE CASH FLOW RECONCILIATION

### Greens Creek Free Cash Flow Reconciliation

*(in thousands)*

| | 2018 | 1987-2018[1] |
|---|---|---|
| Gross profit | $ 75,288 | $ 1,408,990 |
| Non-cash elements in gross profit: | | |
| Depreciation, depletion and amortization | 49,908 | 718,288 |
| Other | (1) | 1,339 |
| Working capital changes | (57) | (17,573) |
| Net cash provided by operating activities | 125,138 | 2,111,044 |
| Additions to properties, plants, equipment and mineral interests[2] | (40,882) | (864,560) |
| **Free cash flow** | **$ 84,256** | **$ 1,246,484** |

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

| | 2018 |
|---|---|
| Gross Profit | $ 10,938 |
| Non cash elements in gross profit: | |
| Depreciation, depletion and amortization | 71,302 |
| Other | 557 |
| Working capital changes | 56 |
| Net cash provided by operating activities | 82,853 |
| Additions to properties, plants, equipment and mineral interest | (39,684) |
| **Free cash flow *** | **$ 43,169** |

### San Sebastian Free Cash Flow Reconciliation
(in thousands)

| | 2018 |
|---|---|
| Gross Profit | $ 8,409 |
| Non cash elements in gross profit: | |
| Depreciation, depletion and amortization | 4,884 |
| Other | 1,288 |
| Working capital changes | (9,180) |
| Net cash provided by operating activities | 5,401 |
| Additions to properties, plants, equipment and mineral interest | (6,219) |
| **Free cash flow** | **$ (818)** |

* Excludes mining duties paid in Quebec.
1. 1987 – 2018 amounts reflect results of the Greens Creek mine on a 100% joint-venture basis (Hecla owned 29.7% until 2008).
2. Additions to capital exclude leased equipment.

# PROVEN & PROBABLE MINERAL RESERVES

## (ON DECEMBER 31, 2018 UNLESS OTHERWISE NOTED)

Hecla MINING COMPANY

### Reserves and Resources – 12/31/18[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 [2] | 6 | 13.8 | 0.10 | 2.8 | 7.0 | - | 86 | 1 | 180 | 440 | - |
| Lucky Friday [2] | 4,230 | 15.4 | - | 9.6 | 4.1 | - | 65,234 | - | 406,080 | 174,630 | - |
| Casa Berardi [3] | 6,790 | - | 0.08 | - | - | - | - | 563 | - | - | - |
| San Sebastian [2] | 22 | 3.9 | 0.08 | - | - | - | 85 | 2 | - | - | - |
| Fire Creek [2,4] | 24 | 1.1 | 1.21 | - | - | - | 27 | 29 | - | - | - |
| Hollister [2,5] | 2 | 7.0 | 0.73 | - | - | - | 17 | 2 | - | - | - |
| Total..... | 11,074 | | | | | | 65,448 | 596 | 406,260 | 175,070 | - |

| 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 [2] | 9,270 | 11.5 | 0.09 | 2.8 | 7.6 | - | 106,972 | 840 | 262,760 | 706,040 | - |
| Lucky Friday [2] | 1,387 | 11.4 | - | 7.6 | 3.7 | - | 15,815 | - | 104,720 | 50,640 | - |
| Casa Berardi [3] | 16,954 | - | 0.08 | - | - | - | - | 1,343 | - | - | - |
| San Sebastian [2] | 206 | 13.1 | 0.10 | - | - | - | 2,705 | 21 | - | - | - |
| Fire Creek [2,4] | 91 | 0.3 | 0.44 | - | - | - | 30 | 40 | - | - | - |
| Hollister [2,5] | 9 | 7.2 | 0.65 | - | - | - | 66 | 6 | - | - | - |
| Total..... | 27,917 | | | | | | 125,588 | 2,250 | 367,480 | 756,680 | - |

| 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 [2] | 9,277 | 11.5 | 0.09 | 2.8 | 7.6 | - | 107,058 | 840 | 262,940 | 706,470 | - |
| Lucky Friday [2] | 5,617 | 14.4 | - | 9.1 | 4.0 | - | 81,049 | - | 510,800 | 225,260 | - |
| Casa Berardi [3] | 23,743 | - | 0.08 | - | - | - | - | 1,907 | - | - | - |
| San Sebastian [2] | 228 | 12.3 | 0.10 | - | - | - | 2,790 | 23 | - | - | - |
| Fire Creek [2,4] | 115 | 0.5 | 0.60 | - | - | - | 57 | 69 | - | - | - |
| Hollister [2,5] | 11 | 7.2 | 0.67 | - | - | - | 82 | 8 | - | - | - |
| Total..... | 38,991 | | | | | | 191,036 | 2,846 | 773,740 | 931,730 | - |

# PROVEN & PROBABLE MINERAL RESERVES

## (ON DECEMBER 31, 2018 UNLESS OTHERWISE NOTED)

| |
|---|
| [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, $14.50 silver, $0.90 lead, $1.15 zinc, unless otherwise stated. |
| [3] Mineral reserves are based on $1200 gold and a US$/CAN$ exchange rate of 1:1.33 Reserve diluted to an average of 34.7% to minimum width of 9.8 feet (3 m) |
| Reserves at Casa Berardi were determined by Jonathan Archambault-Giroux, P. Geo., Que., Real Parent, P.Geo. Que., and Alain Quenneville, P. Eng., Que. unless otherwise stated. |
| Open pit mineral reserves of the Principal Mine were estimated in September 2018 by Hecla Quebec and Mine Development Associates based on $1225 gold and a US$/CAN$ exchange rate of 1:3. |
| *Hecla Mining Company, Principal Deposit Open Pit Mining Study - 2018* |
| *September 1, 2018, by Mine Development Associates, Thomas L. Dyer, P.E.* |
| 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. |
| *Hecla Mining, Casa Berardi 160 and 134 Zones, Open Pit Mining Study - 2017* |
| *January 12, 2018, by Mine Development Associates, Thomas L. Dyer, P.E.* |
| Open pit mineral reserves of the West Mine Crown Pillar were estimated in January 2019 by Hecla Quebec and Mine Development Associates based on $1225 gold and a US$/CAN$ exchange rate of 1.3. |
| *Hecla Mining Company, West Mine Crown Pillar Deposit, Open Pit Mining Study - 2018* |
| *January 10, 2019, by Mine Development Associates, Thomas L. Dyer, P.E.* |
| Open pit mineral reserves of the East Mine Crown Pillar Expansion were estimated in August 2018 by Hecla Quebec and Mine Development Associates based on $1225 gold and a US$/CAN$ exchange rate of 1.3. |
| *Hecla Mining Company, East Mine Crown Pillar Expansion, Open Pit Mining Study - 2018* |
| *August 22, 2018, by Mine Development Associates, Thomas L. Dyer, P.E.* |
| [4] Recoveries at Fire Creek for gold and silver are 94% and 92%. Cutoff grade of 0.339 Au Equivalent oz/ton and incremental cutoff grade of 0.11 Au Equivalent oz/ton. Unplanned dilution of 10% to 17% included depending on mining method. |
| [5] Recoveries at Hollister for gold and silver are 87% and 80%. Cutoff grade of 0.396 Au Equivalent oz/ton and incremental cutoff grade of 0.07 Au Equivalent oz/ton. Unplanned dilution of 10% to 17% and 5% mining loss included. |

# MEASURED AND INDICATED MINERAL RESOURCES

## (ON DECEMBER 31, 2018 UNLESS OTHERWISE NOTED)

Hecla MINING COMPANY

Measured and Indicated Resources – 12/31/18

| 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 [6] | 339 | 9.5 | 0.11 | 2.6 | 9.4 | - | 3,233 | 36 | 8,800 | 31,700 | - |
| Lucky Friday [6,7] | 7,587 | 7.6 | - | 4.9 | 2.7 | - | 57,314 | - | 370,240 | 204,490 | - |
| Casa Berardi [8] | 1,952 | - | 0.15 | - | - | - | - | 299 | - | - | - |
| San Sebastian [6,9] | - | - | - | - | - | - | - | - | - | - | - |
| Fire Creek [6,10] | 64 | 0.7 | 0.92 | - | - | - | 47 | 58 | - | - | - |
| Hollister [6,11] | 104 | 4.0 | 0.92 | - | - | - | 420 | 96 | - | - | - |
| Midas [6,12] | 183 | 6.7 | 0.45 | - | - | - | 1,235 | 82 | - | - | - |
| Heva [14] | 5,480 | - | 0.06 | - | - | - | - | 304 | - | - | - |
| Hosco [14] | 33,070 | - | 0.04 | - | - | - | - | 1,296 | - | - | - |
| Rio Grande Silver [15] | - | - | - | - | - | - | - | - | - | - | |
| Star [16] | - | - | - | - | - | - | - | - | - | - | - |
| Total..... | 48,778 | | | | | | 62,249 | 2,172 | 379,040 | 236,190 | - |

| 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 [6] | 7,128 | 13.2 | 0.10 | 3.1 | 8.1 | - | 94,197 | 690 | 218,950 | 577,650 | - |
| Lucky Friday [6,7] | 2,498 | 8.0 | - | 5.2 | 2.5 | - | 20,049 | - | 128,830 | 61,480 | - |
| Casa Berardi [8] | 10,797 | - | 0.08 | - | - | - | - | 906 | - | - | - |
| San Sebastian [6,9] | 2,243 | 6.5 | 0.05 | 2.5 | 3.5 | 1.6 | 14,690 | 115 | 30,410 | 42,710 | 19,780 |
| Fire Creek [6,10] | 307 | 0.5 | 0.54 | - | - | - | 158 | 164 | - | - | - |
| Fire Creek - Open Pit [13] | 42,877 | 0.1 | 0.03 | - | - | - | 2,350 | 1,093 | - | - | |
| Hollister [6,11] | 135 | 2.6 | 0.64 | - | - | - | 350 | 86 | - | - | - |
| Midas [6,12] | 722 | 4.5 | 0.37 | - | - | - | 3,228 | 267 | - | - | - |
| Heva [14] | 5,570 | - | 0.07 | - | - | - | - | 369 | - | - | - |
| Hosco [14] | 31,620 | - | 0.04 | - | - | - | - | 1,151 | - | - | - |
| Rio Grande Silver [15] | 516 | 14.8 | - | 2.1 | 1.1 | - | 7,620 | - | 10,760 | 5,820 | - |
| Star [16] | 1,126 | 2.9 | - | 6.2 | 7.4 | - | 3,301 | - | 69,900 | 83,410 | - |
| Total..... | 105,538 | | | | | | 145,944 | 4,841 | 458,850 | 771,070 | 19,780 |

| 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 [6] | 7,467 | 13.0 | 0.10 | 3.1 | 8.2 | - | 97,430 | 726 | 227,740 | 609,350 | - |
| Lucky Friday [6,7] | 10,084 | 7.7 | - | 4.9 | 2.6 | - | 77,363 | -- | 499,070 | 265,970 | - |
| Casa Berardi [8] | 12,749 | - | 0.09 | - | - | - | - | 1,205 | - | - | - |
| San Sebastian [6,9] | 2,243 | 6.5 | 0.05 | 2.5 | 3.5 | 1.6 | 14,690 | 115 | 30,410 | 42,710 | 19,780 |
| Fire Creek [6,10] | 371 | 0.6 | 0.60 | - | - | - | 205 | 222 | - | - | |
| Fire Creek - Open Pit [13] | 42,877 | 0.1 | 0.03 | - | - | - | 2,350 | 1,093 | - | - | - |
| Hollister [6,11] | 239 | 3.2 | 0.76 | - | - | - | 770 | 182 | - | - | - |
| Midas [6,12] | 905 | 4.9 | 0.39 | - | - | - | 4,463 | 349 | - | - | - |
| Heva [14] | 11,050 | - | 0.06 | - | - | - | - | 672 | - | - | - |
| Hosco [14] | 64,690 | - | 0.04 | - | - | - | - | 2,447 | - | - | - |
| Rio Grande Silver [15] | 516 | 14.8 | - | 2.1 | 1.1 | - | 7,620 | - | 10,760 | 5,820 | - |
| Star [16] | 1,126 | 2.9 | - | 6.2 | 7.4 | - | 3,301 | - | 69,900 | 83,410 | |
| Total..... | 154,316 | | | | | | 208,193 | 7,012 | 837,880 | 1,007,260 | 19,780 |

# INFERRED MINERAL RESOURCES

## (ON DECEMBER 31, 2018 UNLESS OTHERWISE NOTED)

| 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 [6] | 2,470 | 14.6 | 0.09 | 3.0 | 7.3 | - | 35,982 | 219 | 74,410 | 181,400 | - |
| Lucky Friday [6,7] | 2,861 | 8.7 | - | 6.3 | 2.6 | - | 24,809 | - | 181,180 | 74,430 | - |
| Casa Berardi [8] | 6,222 | - | 0.10 | - | - | - | - | 652 | - | - | - |
| San Sebastian [6,17] | 3,487 | 6.6 | 0.04 | 1.7 | 2.5 | 1.3 | 22,948 | 143 | 12,110 | 17,440 | 8,890 |
| Fire Creek [6,10] | 565 | 0.5 | 0.53 | - | - | - | 288 | 299 | - | - | - |
| Fire Creek - Open Pit [13] | 31,707 | 0.1 | 0.03 | - | - | - | 2,882 | 1,085 | - | - | - |
| Hollister [6,11,18] | 550 | 3.1 | 0.40 | - | - | - | 1,716 | 223 | - | - | - |
| Midas [6,12] | 573 | 3.0 | 0.34 | - | - | - | 1,723 | 198 | - | - | - |
| Heva [14] | 4,210 | - | 0.08 | - | - | - | - | 350 | - | - | - |
| Hosco [14] | 7,650 | - | 0.04 | - | - | - | - | 314 | - | - | - |
| Rio Grande Silver [19] | 3,078 | 10.7 | 0.01 | 1.3 | 1.1 | - | 33,097 | 36 | 40,990 | 34,980 | - |
| Star [16] | 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…… | 279,714 | | | | | | 465,229 | 3,648 | 487,360 | 482,700 | 1,426,990 |

# INFERRED MINERAL RESOURCES

## (ON DECEMBER 31, 2018 UNLESS OTHERWISE NOTED)

**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.**

(6) Mineral resources are based on $1350 gold, $21 silver, $1.10 lead, $1.20 zinc and $3.00 copper, unless otherwise stated.

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

(8) Measured, indicated and inferred resources are based on $1,350 gold and a US$/CAN$ exchange rate of 1:1.33 Underground resources are reported at a minimum mining width of 6.6 to 9.8 feet (2 m to 3 m)

Resources at Casa Berardi were determined by Jonathan Archambault-Giroux, P. Geo., Que., Real Parent, P.Geo. Que., and Alain Quenneville, P. Eng., Que. unless otherwise stated.

(9) Indicated resources reported at a minimum mining width of 5.9 feet (1.8 m) for Hugh Zone, Middle Vein, North Vein, and East Francine Vein and 4.9 feet (1.5 m) for Andrea Vein

San Sebastian lead, zinc and copper grades are for 1,224,900 tons of indicated resource within the Middle Vein and the Hugh Zone of the Francine Vein.

(10) Recoveries at Fire Creek for gold and silver are 94% and 92%. Au equivalent cutoff grade of 0.297 oz/ton. The minimum mining width is defined as four feet or the vein true thickness plus two feet, whichever is greater.

(11) Recoveries at Hollister for gold and silver are 87% and 80%. Au equivalent cutoff grade of 0.352 oz/ton. The minimum mining width is defined as four feet or the vein true thickness plus two feet, whichever is greater.

(12) Recoveries at Midas for gold and silver are 93% and 88% Au equivalent cutoff grade of 0.217 oz/ton. The minimum mining width is defined as four feet or the vein true thickness plus two feet, whichever is greater.

(13) Indicated and inferred open-pit resources for Fire Creek were calculated November 30, 2017 using recoveries for gold and silver of 65% and 30% for oxide material and 60% and 25% for mixed oxide-sulfide material.

Open pit resources are calculated at $1400 gold and $19.83 silver and cut-off grade of 0.01 Au Equivalent oz/ton and is inclusive of 10% mining dilution and 5% ore loss. Open pit mineral resources exclusive of underground mineral resources.

*NI43-101 Technical Report for the Fire Creek Project, Lander County, Nevada; Effective Date March 31, 2018; prepared by Practical Mining LLC, Mark Odell, P.E. for Hecla Mining Company, June28, 2018*

(14) 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)*

(15) 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

(16) Indicated and Inferred resources reported using $21 silver, $0.95 lead, $1.10 lead minimum mining width of 4.3 feet.

(17) Inferred resources reported at a minimum mining width of 5.9 feet (1.8 m) for Hugh Zone, Middle Vein, North Vein, and East Francine Vein and 4.9 feet (1.5 m) for Andrea Vein

San Sebastian lead, zinc and copper grades are for 702,600 tons of inferred resource within the Middle Vein and the Hugh Zone of the Francine Vein.

(18) Inferred resources for the Hatter Project at the Hollister Mine calculated using recoveries for gold and silver of 82.7% and 71.8% and an Au equivalent cutoff grade of 0.27 oz/ton

(19) 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.

(20) Inferred resource reported at a minimum mining width of 5.0 feet; resources based on $1400 Au, $26.5 Ag.

(21) Inferred resource at Rock Creek reported at a minimum thickness of 15 feet and 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 at Montanore reported at a minimum thickness of 15 feet and adjusted given mining restrictions defined by U.S. Forest Service, Kootenai National Forest, Montana DEQ in December 2015 'Joint Final EIS, Montanore Project'

and the February 2016 U.S Forest Service - Kootenai National Forest 'Record of Decision, Montanore Project'.

# 2008 – 2018 RESERVE TABLE

| 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** | | | | | |
| 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 | Tons | Silver (oz/ton) | Gold (oz/ton) | Silver (ounces) | Gold (ounces) |
|---|---|---|---|---|---|
| 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 |
| **2018 Proven Reserves** | | | | | |
| Greens Creek | 6,000 | 13.80 | 0.100 | 86,000 | 1,000 |
| Lucky Friday | 4,230,000 | 15.40 | - | 65,234,000 | - |
| San Sebastian | 22,000 | 3.90 | 0.080 | 85,000 | 2,000 |
| Casa Berardi | 6,790,000 | - | 0.080 | - | 563,000 |
| Fire Creek | 24,000 | 1.10 | 1.210 | 27,000 | 29,000 |
| Hollister | 2,000 | 7.00 | 0.730 | 17,000 | 2,000 |
| **Probable Reserves** | | | | | |
| Greens Creek | 9,270,000 | 11.50 | 0.090 | 106,972,000 | 840,000 |
| Lucky Friday | 1,387,000 | 11.40 | - | 15,815,000 | - |
| San Sebastian | 206,000 | 12.30 | 0.100 | 2,790,000 | 23,000 |
| Casa Berardi | 16,954,000 | - | 0.080 | - | 1,343,000 |
| Fire Creek | 91,000 | 0.30 | 0.440 | 30,000 | 40,000 |
| Hollister | 9,000 | 7.20 | 0.650 | 66,000 | 6,000 |

# ENDNOTES

1. Silver and gold equivalent is calculated using the average market prices for the time period noted.
2. Cost of sales and other direct production costs and depreciation, depletion and amortization.
3. 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 mine versus those of our competitors. As a primary U.S. 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 and Nevada Operations, 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. The estimated fair value of the stockpile acquired at Hollister has been removed from the cash cost, after by-product credits calculation.
4. All-in sustaining cost (AISC), after by-product 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. 2019E refers to Hecla's estimates for 2019. 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. 2018 AISC, after by-product credits, per gold ounce for the Nevada operations excludes $5 million of capital as it distorts the AISC estimates for the remainder part of the year. The estimated fair value of the stockpile acquired at Hollister has been removed from the AISC, after by-product credits calculation.
5. 2019E refers to Hecla's estimates for 2019.
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 2019 includes silver, gold, lead and zinc production from Lucky Friday, Greens Creek, San Sebastian, Casa Berardi and Nevada Operations converted using Au $1,250/oz, Ag $16.00/oz, Zn $1.25/lb, Pb $1.00/lb. (Numbers may be rounded.)