H. C. Wainwright Global Investment Conference

Value in Precious Metals

September 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. When a forward-looking statement 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. Forward-looking statements often address our expected future business and financial performance and financial condition, and often contain words such as "anticipate," "intend," "plan," "will," "could," "would," "estimate," "should," "expect," "believe," "project," "target," "indicative," "preliminary," "potential" and similar expressions. Forward-looking statements in this presentation may include, without limitation: (i) over the next five years we expect to see higher than the average reserve grade and cash flow at Greens Creek; (ii) Greens Creek's strong cash flows in the first half of the year should be repeated in the second half and into the future, including 40% more cash flow over the next 5 years compared to the last 5 years at current prices; (iii) we expect there to be more than a decade of reserve life at each of Greens Creek, Casa Berardi and Lucky Friday; (iv) our ability to make our mines better with new technologies that can generate returns for many years to come, including automation at Casa Berardi reducing operating costs to $1.50/ton; (v) our efforts to reduce planned 2019 expenditures by $25 million; (vi) the expectation that our cash flow will increase over the remainder of 2019, including generating more cash than we spend in the third quarter; (vii) cash generation increasing in the fourth quarter; (viii) the expectation that we can generate additional EBITDA so that our debt to EBITDA will be less than 2.5x and the stabilization of our financial position will be reflected by year end; (ix) that we will not experience any constraints on availability of the revolver due to compliance with covenants; (x) that we will be able to successfully refinance our outstanding senior notes in the 1H2020; (xi) that we will receive additional revenues from anticipated higher commodity prices and higher production of gold in 2H19 along with similar silver production; (xii) improvement in our net debt to EBITDA ratio covenant in the revolver; (xiii) that the net balance drawn on the revolver is expected to be zero by the end of the year; (xiv) we are taking the necessary actions on a timely basis that we think will improve our financial position; (xv) that we expect to mine out Fire Creek by the middle of next year; (xvi) that in the near future we will obtain approval from the U.S. Bureau of Land Management to increase permitted water discharge at Fire Creek; (xvii) we expect water inflows of approximately 300 gallons per minute in the future at Fire Creek; (xviii) we expect to obtain a non-consumptive water right of 1000 gallons per minute at Fire Creek from the State of Nevada within 12 months; (xix) ability to achieve forecast silver and gold production, cost of sales, cash and all in sustaining cost, after by-product credit and sustaining capital estimates at Greens Creek, Casa Berardi, Lucky Friday, San Sebastian and in Nevada; (xx) stope development at Fire Creek should be completed in September 2019; (xxi) we project the AISC, after by-product credits to be under $1,000 in the second half of 2019 at our Nevada Operations unit; (xxii) we forecast 2019 annual silver production of 9 million ounces; (xxiii) at Casa Berardi, we expect to continue pre-crushing ore and that this yield an additional 400 tons per day of throughput and several thousand ounces in the second half of the year; (xxiv) we expect grades to improve by 10% in the second half of 2019 at Casa Berardi; (xxv) we reach our estimate of 2019 annual production at Lucky Friday; (xxvi) at San Sebastian, we expect the contractor should begin the long-hole mining trial soon, and the sulfide bulk sample is progressing well and could add 1.2 million tons or 5 years of mine life; (xxvii) that the plan to move high-grade forward in the mine plan at Greens Creek will occur in 2020 as planned; (xxviii) that drilling in the 148 and 152 zones at Casa Berardi has potential to be brought in as additional production in 2020; (xix) that the El Toro exploration has the potential to extend San Sebastian production past 2020; (xxx) that exploration results in the 160 zone at Casa Berardi could lead to production using bulk mining methods; (xxxi) surface drilling will commence at the surface at Hollister east of the current Hatter Graben resource; (xxxii) ability to secure third party toll milling and realize lower milling and transportation costs at Fire Creek which could lower the cutoff grade; (xxxiii) ability to mine Fire Creek reserves and resources to 2023; and (xxxiv) successful deliver of remote vein mining machine to Lucky Friday in the second quarter of 2020 and its ability to increase production and development in 2020. The material factors or assumptions used to develop such forward-looking statements or forward-looking information include that 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, to which the Company's operations are subject.

Estimates or expectations of future events or results are based upon certain assumptions, which may prove to be incorrect, which could cause actual results to differ from forward-looking statements. 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; (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; (ix) counterparties performing their obligations under hedging instruments and put option contracts; (x) sufficient workforce is available and trained to perform assigned tasks; (xi) weather patterns and rain/snowfall within normal seasonal ranges so as not to impact operations; (xii) relations with interested parties, including Native Americans, remain productive; (xiii) economic terms can be reached with third-party mill operators who have capacity to process our ore; (xiv) maintaining availability of water rights; (xv) factors do not arise that reduce available cash balances, (xvi) there being no material increases in our current requirements to post or maintain reclamation and performance bonds or collateral related thereto, and (xvii) the Company's plans for refinancing its high yield notes proceeding as expected.

CAUTIONARY STATEMENTS (cont'd)

Cautionary Statement Regarding Forward Looking Statements (Cont'd)

In addition, material risks that could cause actual results to differ from forward-looking statements include, but are not limited to: (i) gold, silver and other metals price volatility; (ii) operating risks; (iii) currency fluctuations; (iv) increased production costs and variances in ore grade or recovery rates from those assumed in mining plans; (v) community relations; (vi) conflict resolution and outcome of projects or oppositions; (vii) litigation, political, regulatory, labor and environmental risks; (viii) 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; (ix) the failure of counterparties to perform their obligations under hedging instruments, including put option contracts; (x) our plans for improvements at our Nevada operations, including at Fire Creek, are not successful; (xi) our estimates for the third and fourth quarter results are inaccurate; (xii) we take a material impairment charge on our Nevada operations; (xiii) we are unable to remain in compliance with all terms of the credit agreement in order to maintain continued access to the revolver, and (xiv) we are unable to refinance the maturing high yield notes. For a more detailed discussion of such risks and other factors, see the Company's 2018 Form 10-K, filed on February 22, 2019, and Form 10-Q filed on each of May 9, and August 7, 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 HAS FUNDAMENTAL VALUE

Strength obscured by the Nevada acquisition

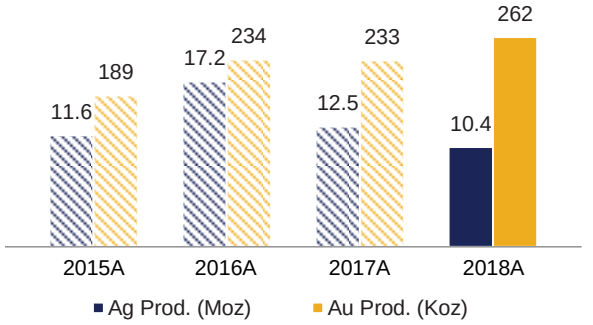
Characteristics are unique among peers

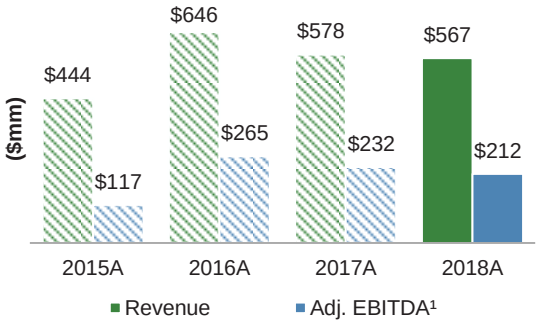
- Largest primary silver producer in the US, third largest producer of lead and zinc
- Best mining jurisdictions: Alaska, Quebec, Idaho, Nevada, and Durango (Mexico)
- Mine lives are long: most mines have 10+ year lives
- Low-cost, high-margin: silver margin of $5.50, gold margin of $75 at $18/oz silver and $1,500/oz gold
- Proven history
- Brand value of Hecla equity having been among the best performing NYSE stocks multiple times

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.

SOLID PLANS TO DEAL WITH CHALLENGES

Does not impair Hecla's fundamental value found in Greens Creek and Casa Berardi

Challenges	Plans
Refinancing the 2021 debt	• Bring the net revolver debt to zero by year end • Increase EBITDA so Debt/EBITDA ratio is < 2.5 • Refinance in 1H20
Ramping Lucky Friday production	• Continuous mining machine on site in 2Q20 • Increase production/development in 2020 • Workforce slowly returning, supplement with others

Methodically improving Nevada	• Pause on significant investment until have clearer ability to generate returns
	• Focus on
	  • Water rights and permits
	  • Third Party processing of refractory ore
	  • Lower mining costs

DIVERSE ASSET PORTFOLIO IN MINING FRIENDLY JURISDICTIONS

	Fundamental 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.	12.7 Moz AgEq.	3.0 Moz AgEq.	5.5 Moz AgEq.	1.3 Moz AgEq.
2019E Cost of Sales	$201 M	$210 M	$46 M	$147 M	N/A
2019E AISC[3]	$ 7.50 / oz Ag	$ 1,250 / oz Au	$ 13.00 / oz Ag	$ 1,600 / oz Au	N/A
2019E Sustaining Capex	$ 42 M	$ 43 M	$ 1.5 M	–	–
2018 Gross Profit	$75 M	$11 M	$8 M	–	–
2018 FCF[3]	$ 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 3 on the Endnotes slide in the Appendix.
[3] AISC, after by-product credits, per produced silver/gold ounce. AISC and FCF are non-GAAP measures; please refer to appendix for reconciliation to GAAP.

OUR BEST MINES KEEP GETTING BETTER

New Technical Reports show over $1.5 billion of NPV from reserves alone

Greens Creek

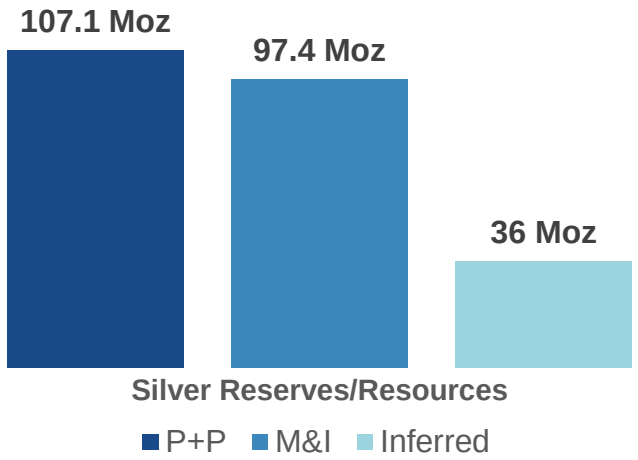
- **Expect 40% more free cash flow** in the next 5 years than the $72 million averaged in the past 5 years (current prices).
- Generates an after-tax Net Present Value (NPV) of **$1 billion** at a 5% discount rate [2]
- Significant exploration potential
- Significant gold, zinc and lead reserves too

Casa Berardi

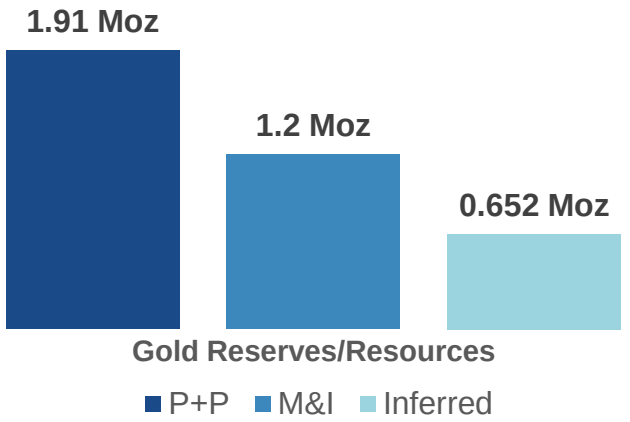
- Once pits stripped could generate Greens Creek-like free cash flow.
- Generates an after-tax NPV of **$545 million** (CAN$735 million) at a 5% discount rate[3]
- Significant exploration potential
- Consolidated land package

More Value Beyond the Known Reserves

Reserve Life of Mine to 2030



Reserve Life of Mine to 2034



[1] Silver reserves calculated at $14.50/oz; gold reserves calculated at $1,200/oz.
[2] For price assumptions refer to the Greens Creek Technical Report, which can be found on the Company's website.
[3] For price assumptions refer to the Casa Berardi Technical Report, which can be found on the Company's website.

GREENS CREEK: STRONG PRODUCTION, CASH FLOW

30th year of operations, long runway ahead

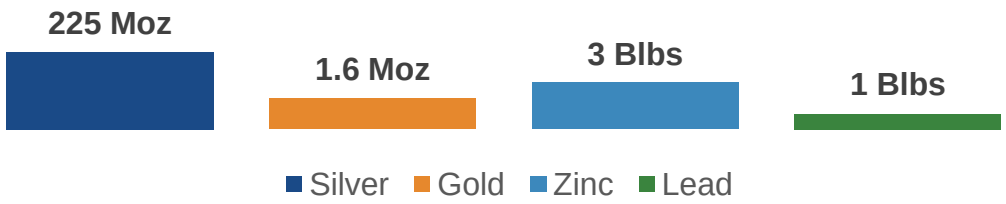






	Q2 2019	2019E[4]
Silver Production (Moz)	**2.4**	9.0
Gold Production (Koz)	**13.3**	52.0
Cost of Sales[1]	**$45.6 M**	$202 M
Cash cost, after by-product credits, per silver oz[2]	**$2.38/oz**	$2.25/oz
AISC, after by-product Credits, per silver oz[3]	**$6.37/oz**	$7.50/oz

Metal Produced Over Past 30 Years

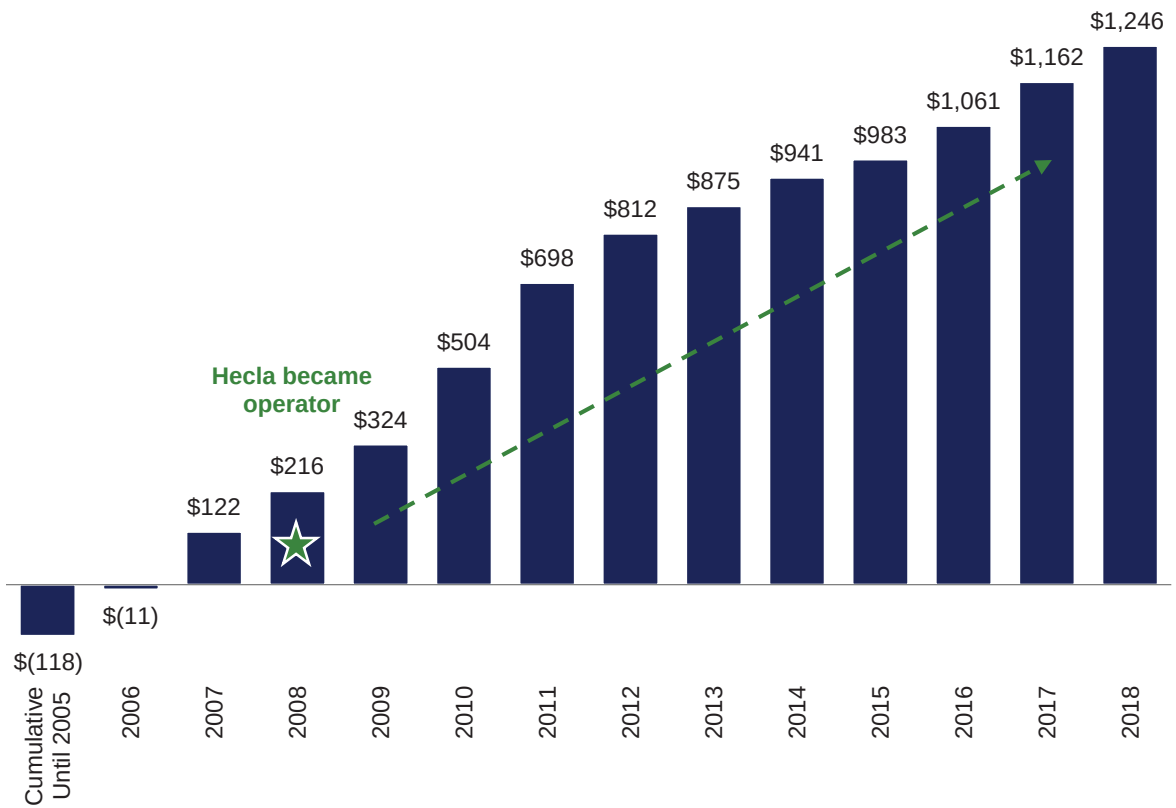


Note: Please see endnotes in the appendix for footnote references.
AISC and FCF are non-GAAP measures; please refer to appendix for reconciliation to GAAP.

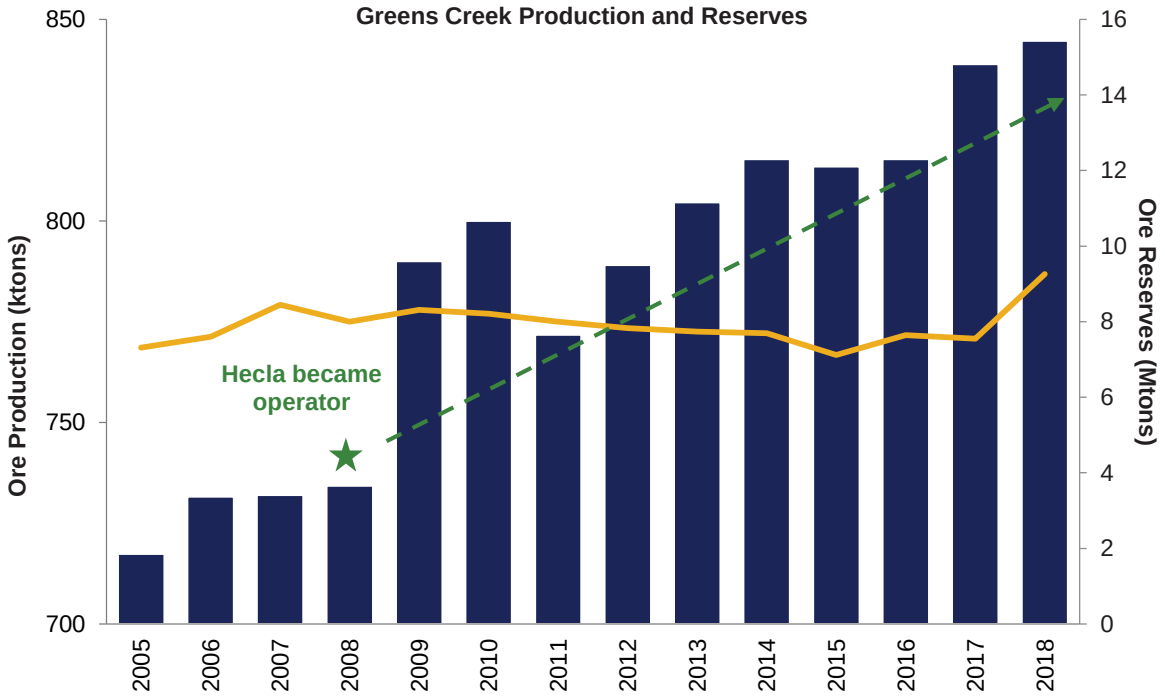
GREENS CREEK HAS GENERATED OVER $1B OF NET CASH FLOW

Significant improvement in performance since Hecla became operator

Cumulative Net Cash Flow



Greens Creek Throughput has Grown 15% Since Purchase in 2008



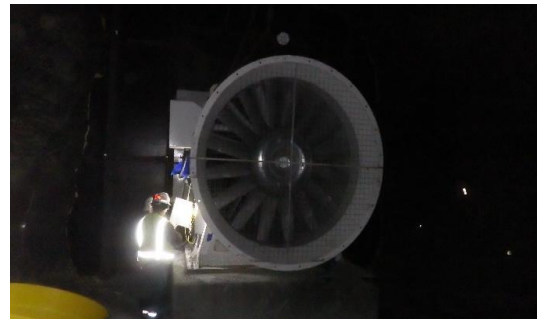
- Automation drive beginning in 2017 leads to further efficiencies
- Consistent exploration success enables reserves to be maintained

GREENS CREEK

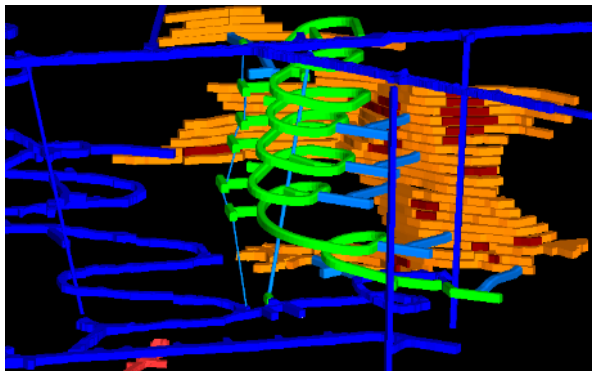
Continuous improvement projects adding value

- Ventilation on demand reduces energy usage.
  - $300,000 project to add variable speed drives saves $200,000 in annual electricity cost.
- Automation increases efficiency by operating during down-times (teleremote LHD).
- Mine planning moving high grade forward in plan and reducing development adding 40 percent more cash flow over next 5 years at current prices.

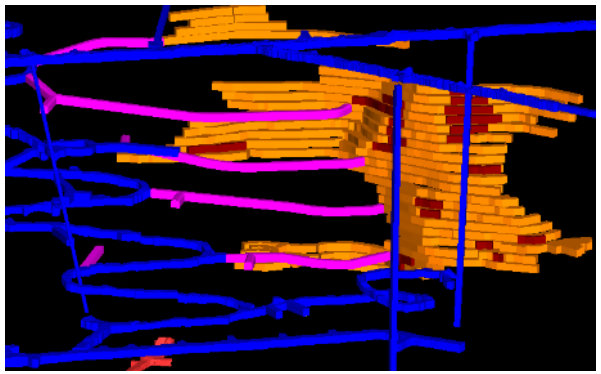
Ventilation Fan



Old Design



New Mine Plan Design
Utilize existing workings



Teleremote LHD

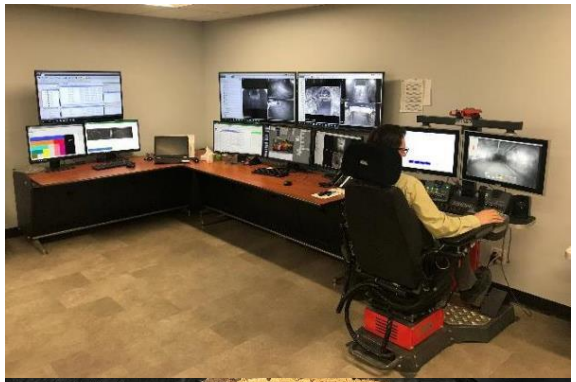




CASA BERARDI

Large reserves and resources position for strong cash flow









	Q2 2019	2019E[4]
Gold Production (Koz)	**31.3**	146.0
Cost of Sales[1]	**$55.2 M**	$210 M
Cash cost, after by-product credits, per gold oz[2]	**$1,101/oz**	$950/oz
AISC, after by-product credits, per gold oz[3]	**$1,437/oz**	$1,250/oz

2019E Sustaining Capital	$43 M	
FCF 2018[6]	CF from operating activities of $82.9 M (GAAP) less capital expenditures of $39.7 M resulted in **$43.2 M FCF** (non-GAAP).	
	At 12/31/18	**At 12/31/17**
2P Reserves	1.9 Moz gold @ 0.08 oz/t gold	1.49 Moz @ 0.11 oz/t gold
M+I Resources	1.2 Moz gold @ 0.09 oz/t gold	1.4 Moz @ 0.10 oz/t gold

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.

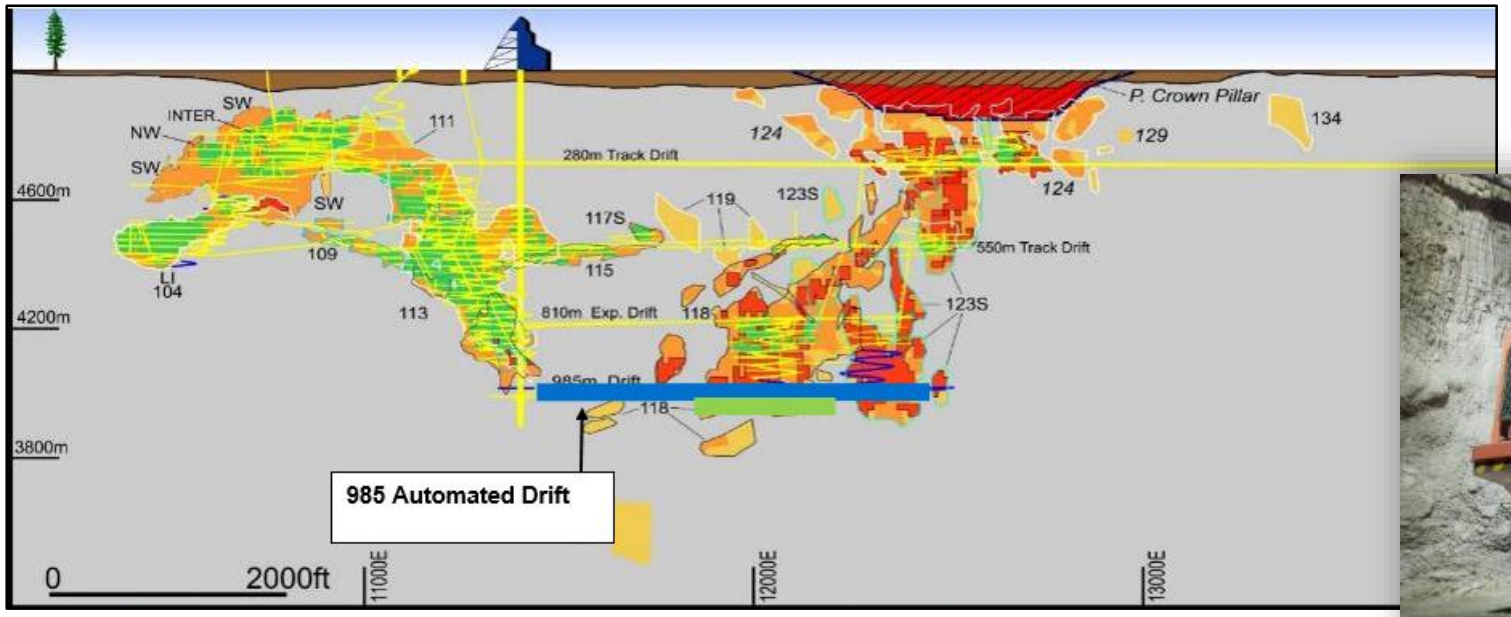
CASA BERARDI

Increasing safety, productivity with a commitment to innovation



985 DRIFT AUTONOMOUS HAULAGE IN OPERATION

Two trucks run 24 hours a day; cost savings realized



Loading 40-tonne autonomous Sandvik truck

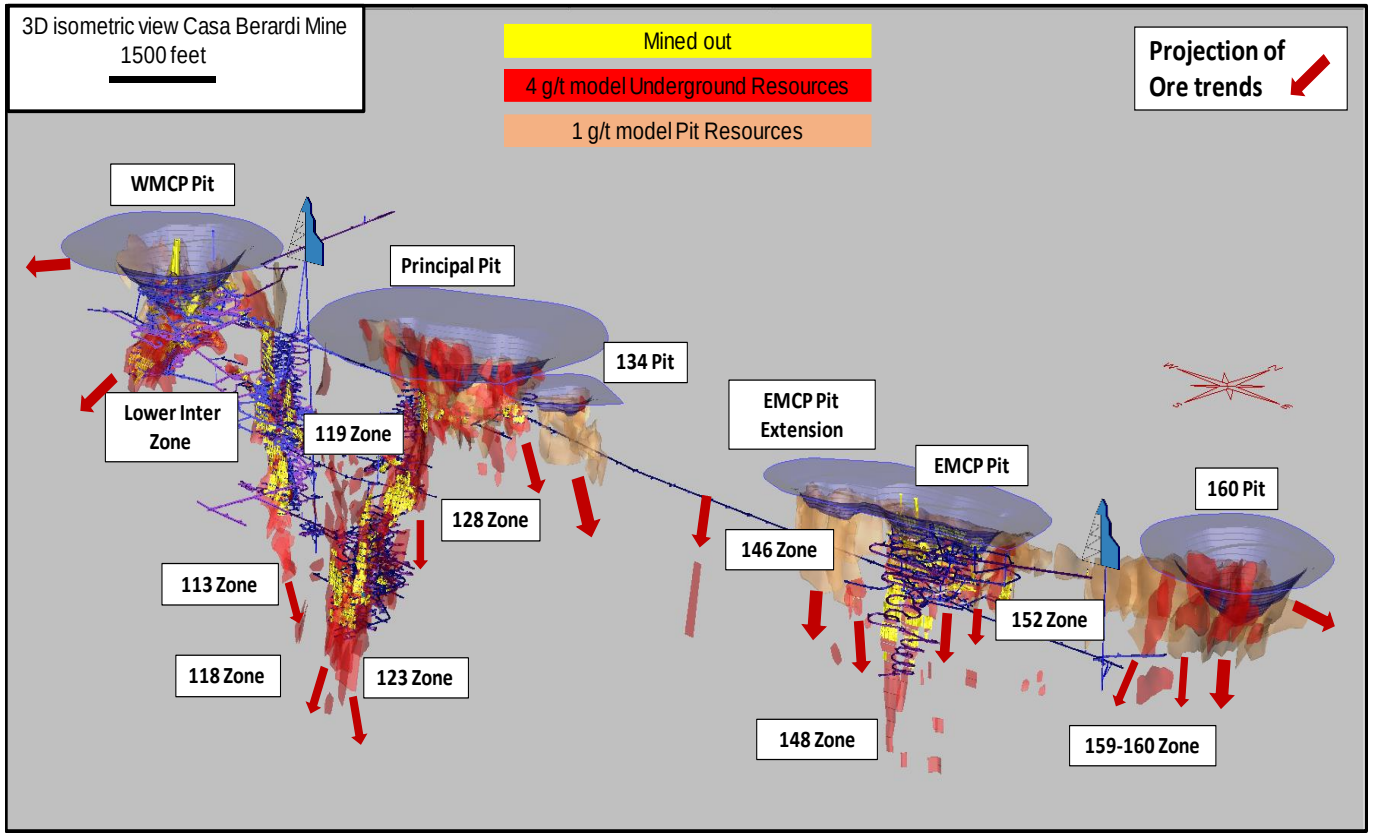


- 2 self-driving underground haulage vehicles instead of 5 manned vehicles
- Capital investment was $3.5 M vs $5.5 M for traditional manned vehicles (includes rebate)
- Operating costs per ton are reduced by more than 50% ($2.58/tonne vs $5.15/tonne traditional)
- Expected to decline to $1.50/tonne over time

GROWING OPEN PITS AND NEW HIGH GRADE UNDERGROUND

West Mine Crown Pillar (WMCP) latest addition to the pits; 148 to the underground are improving the dynamic Casa Berardi

- 28% increase in gold reserves
- Now 5 proposed open pits that are growing in size
- Successful underground exploration is extending the reserve
- High grade discovered in 148 Zone (East mine) added earlier in mine plan
- Excellent exploration potential along 30 kilometers of the Casa Berardi break
- 2019 Technical Report highlighted significant increases in mine life, has improved further since

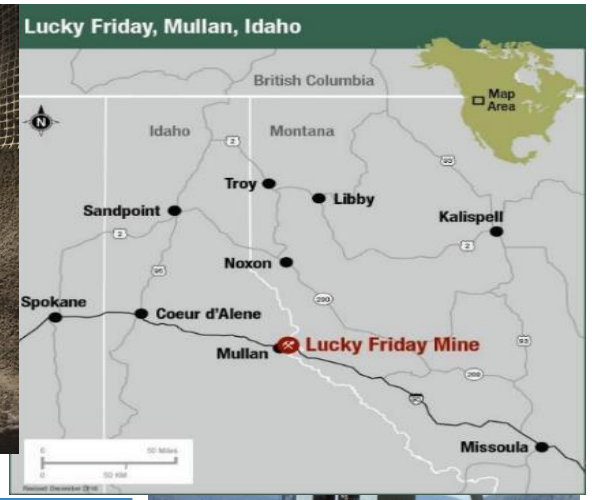


Growth/Transformative Mines

LUCKY FRIDAY HAS A LONG HISTORY OF INNOVATION







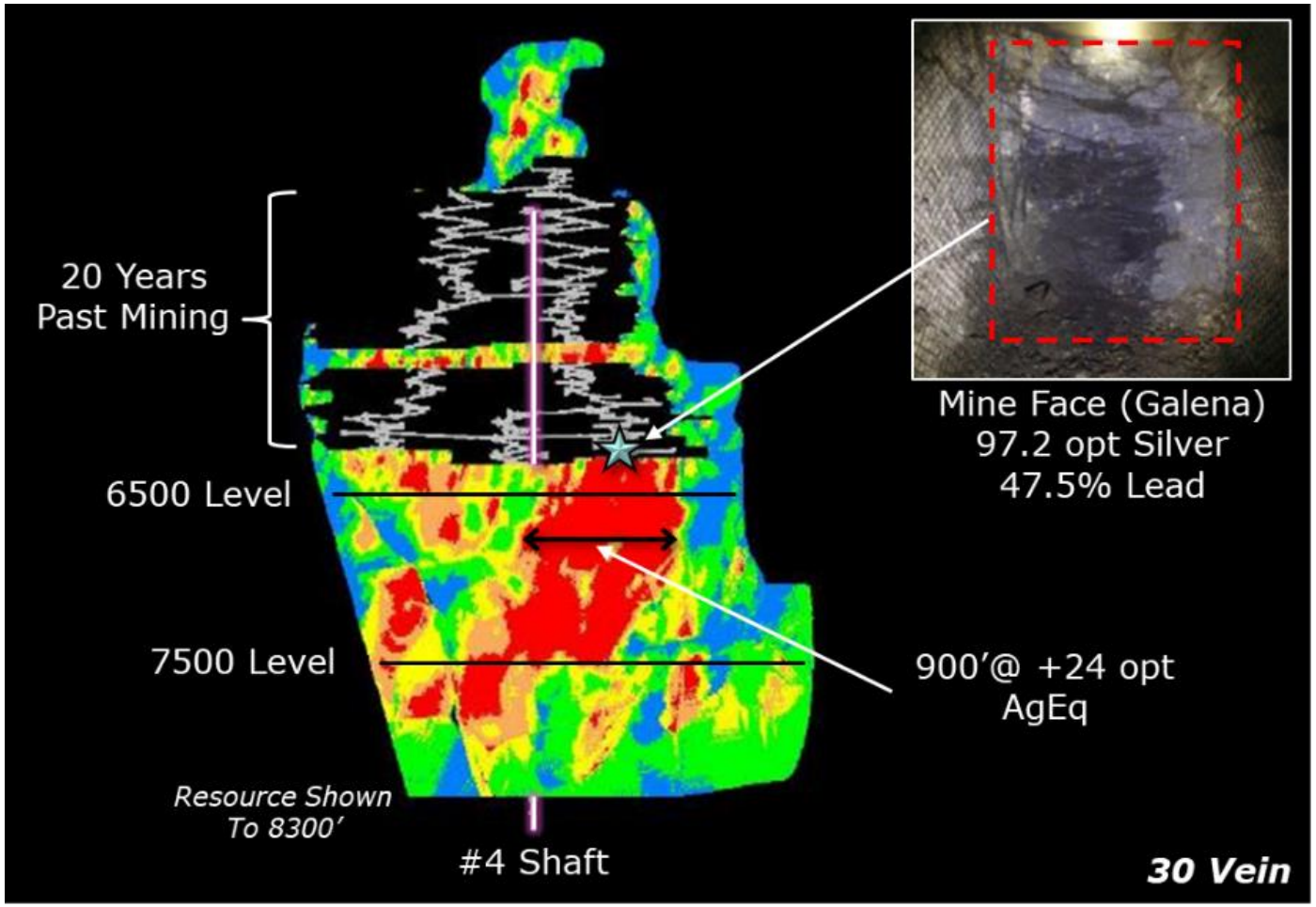
History	Long-term Goals	Strike	Safety
First paste fill plant in US	Increase safety	Continue negotiating	CORESafety registered
First circular shaft in CDA District	Higher productivity: tons/employee vs industry	Focus is on preparing the mine for the RVM and production at the higher prices	AIFR below the national average
Completed #4 shaft	Increase throughput		Sentinels of Safety
First underhand cut and fill mine in U.S.			





LUCKY FRIDAY GRADE INCREASING AT DEPTH

Eventually expect 60% more annual silver production compared to historic production



ORE GRADE VALUES
*AgEq Grade (opt)

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

Dec. 31, 2015

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

CONTINUOUS MECHANICAL CUTTING IS COMING

Currently undergoing test mining in Sweden

Remote Vein Miner Fabrication Completed







NEVADA IS HECLA'S NEWEST ASSET

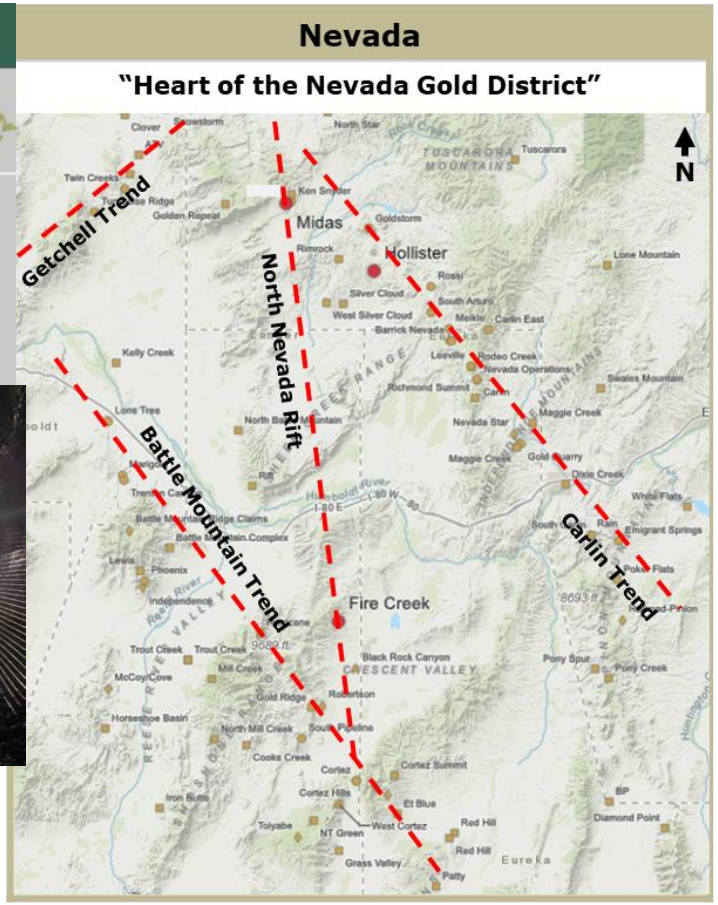
Why we invested in Nevada

- 110-square mile land position with three, one-ounce head grade mines.
- Hatter Graben, part of Hollister, that has 1.4 oz head grades, the potential for a million-ounce orebody.
- Opportunity to improve Fire Creek operations to lower the cut-off grade and increase throughput.





Hatter Graben Development





Fire Creek Vein 76



SAN SEBASTIAN

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



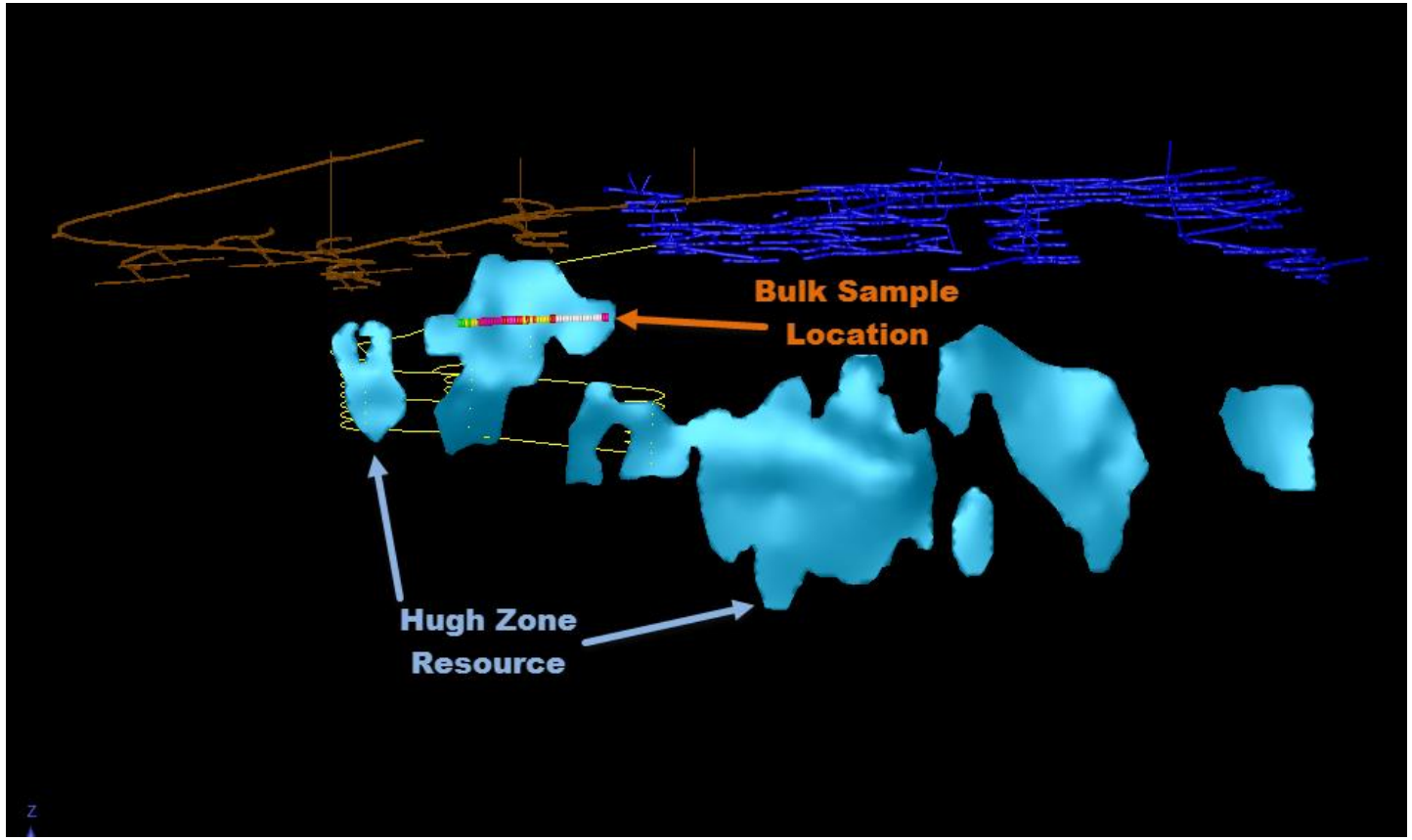




- Mined from 2001-2005, restarted in 2016 with 18-month life
- Great return on $15 million of capital invested
  - Using leased mill and contract miners
- Oxide production continues in 2020
  - El Toro vein has good potential to extend it further
- Sulfide bulk sample progress is positive; final results expected by year end

SAN SEBASTIAN SULFIDES COULD EXTEND MINE LIFE

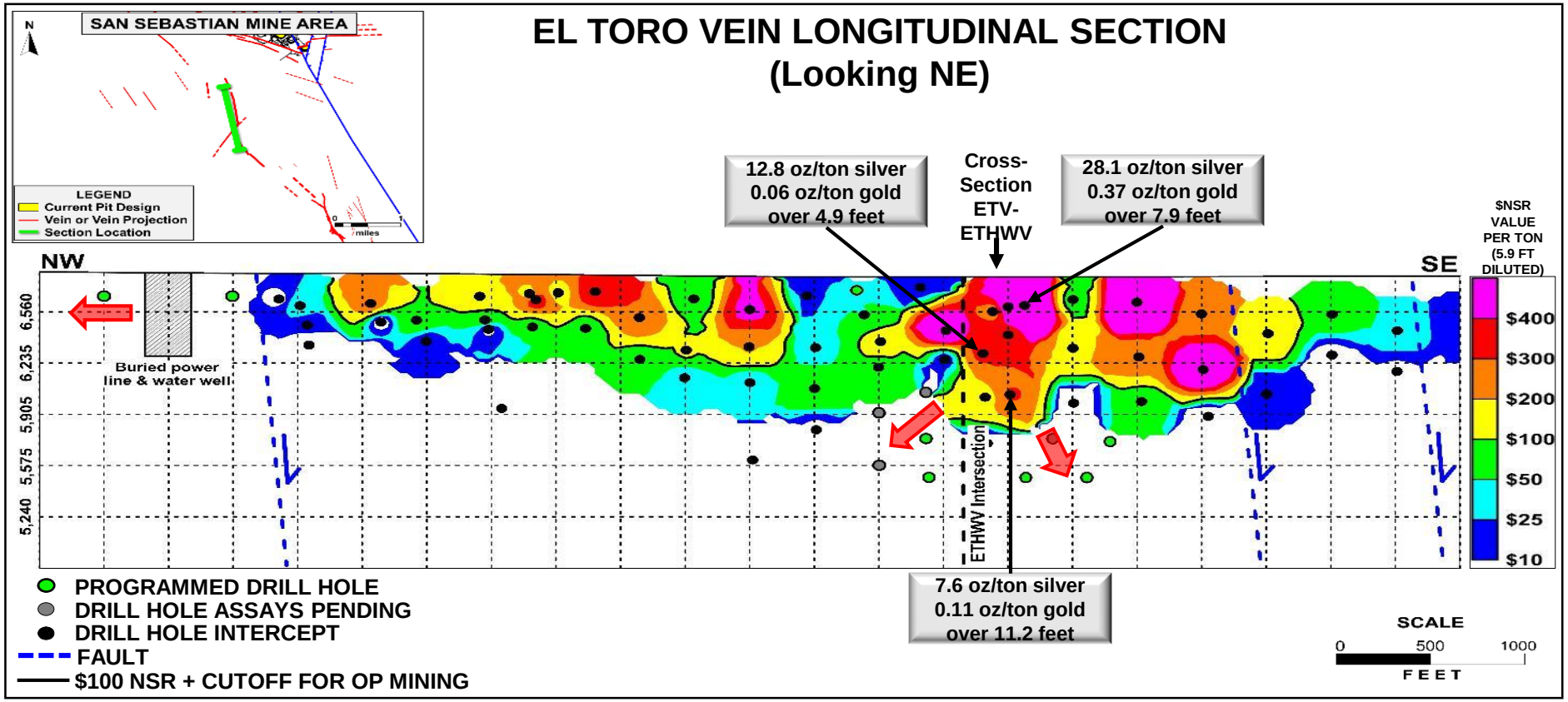
Bulk sample on track; results by year end



- Bulk sample test underway
- Long-hole stoping testing
  - Sills complete
  - Long holes are exceeding design
- Third-party mill testing of 24,000 tons
  - Batch process every few weeks
  - Results over the remainder of the year
- 1.2 million ton potential or five more years of mine life

EL TORO OXIDE CONTINUES TO GROW

Intersection with HW Vein causes bulge; mining scenarios being evaluated



- Growing high-grade, near surface oxide resource
- Intersection of El Toro and Hangingwall vein producing strong intersections, good widths
- Starting the mine planning and permitting process

Stabilized Financial Position

HECLA POSITIONED FOR REFINANCING HIGH YIELD NOTES

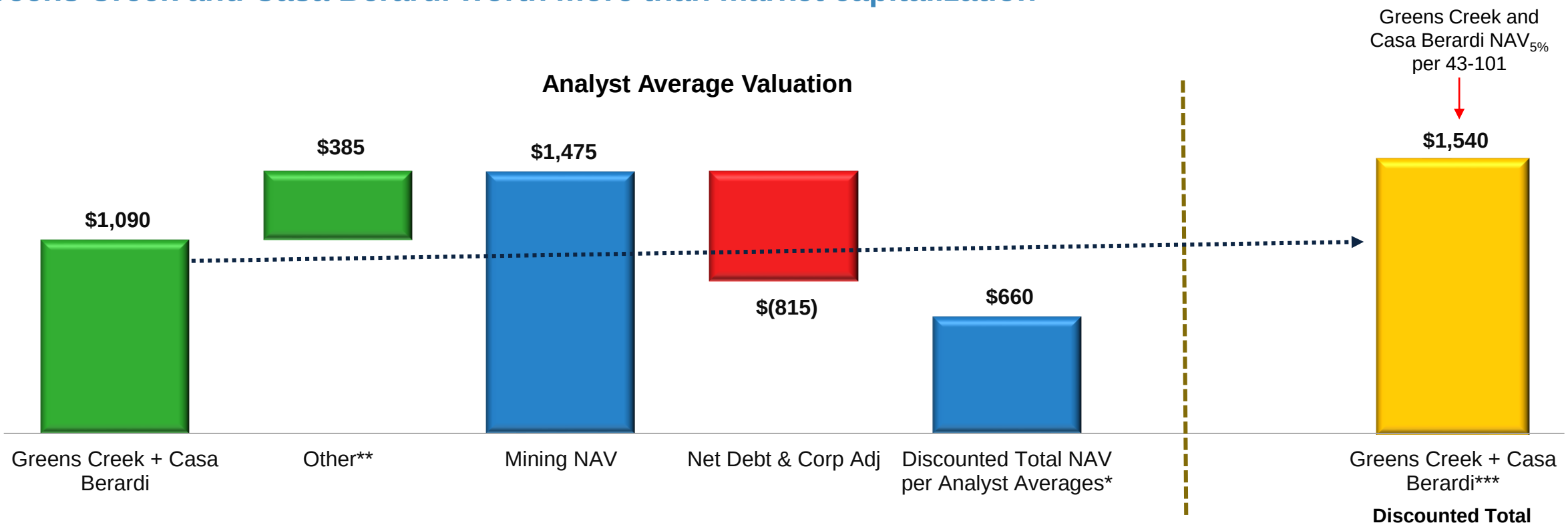
Expect 2H19 to have increased production, lower costs and higher free cash flow

- Expect more gold production in 2H19
- Expect similar silver production in 2H19
- Gold and silver prices are higher
- Stopped the outspend in Nevada
- Reduced capital, exploration and G&A by $25m in the second half
- Revolver repayment is a priority
- Objective is to be no more than 2.5 times Debt to EBITDA

Why Hecla is a Value Proposition?

MARKET IS UNDERVALUING GREENS CREEK & CASA BERARDI

Greens Creek and Casa Berardi worth more than market capitalization



Discounted Total $NAV_{5\%}$ with 43-101 valuations is approximately $1.1 Billion

Our Total Discounted $NAV_{5\%}$ using 43-101 Estimates for Greens Creek and Casa Berardi is $1.5 Billion

- 68% higher than discounted $NAV_{5\%}$ per analyst average
- 26% higher than current Market Cap of $880 million(1)

(1) Market cap as of September 5, 2019
*Analyst NAVs based on averages of the following banks: H.C. Wainwright, Canaccord-Genuity, CIBC, BMO, Scotiabank, RBC, Bank of America Merrill Lynch
** Other includes: Lucky Friday ($209 mm), San Sebastian ($27 million), Nevada ($57 million), Exploration/Other ($92 million)
*** 5% discounted NAV's from 43-101s filed on April 1, 2019. Greens Creek: $1 billion (at $1500 gold, $17.62 silver), Casa Berardi: $540 million ((at $1500 gold)

MOVING TO CREATING VALUE

Foundation is set, additional value creation expected

- Foundation is built on Greens Creek & Casa Berardi
- Other mines could be meaningful contributors
- Financial position has stabilized and expect to be reflected by year-end
- We feel market has oversold us over Nevada and refinancing risk
- Fundamental equity value just on proven and probable reserves at Greens Creek & Casa Berardi
- Additional reserves expected there and at our growth/transformational assets

Other Supporting Information

STEPS TAKEN TO IMPROVE NEAR-TERM LIQUIDITY

- Reduced expenditures by $25 million (Capital, Exploration and G&A)
- Bought put option contracts to establish a floor for silver and gold prices through Q1 2020
- Worked with revolver syndicate of banks to relieve leverage covenants through the expected refinancing of the debt
- Continued limited production at Lucky Friday reduces cash usage
- Expect revolver to be fully repaid by year end
- Higher precious metals prices helping

LONGER TERM VIEW

Are comfortable carrying some debt as part of capital structure

- Reduces the need for large, dilutive equity issuances
- Revenue comes from four metals, reduces risk

Expect to refinance high yield debt by May 2020 (due May 2021)

Reviewing other options including amortizing bank loan

A long-term target of net debt/EBITDA of less than 2.5x

NEVADA OPERATIONAL CHANGES

Taking action to reduce cost structure

- Mining of available faces expected to continue at Fire Creek until mid-2020 and until Q3 2019 at Midas.
- Reduction of $25 million in expenditures in Capital, Exploration and G&A.
- 25% reduction in personnel in Nevada completed.
- About $5 million of capital expenditures in H2.
- Progressed dewatering strategy at Fire Creek.
- Continued toll milling discussions.

Midas Mill



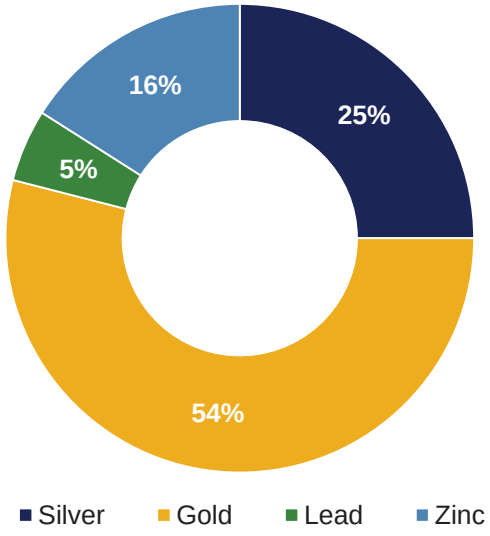
Fire Creek



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.

Q2 2019 Margins
Silver Margin: **$11.51/oz**
Gold Margin: **$171.00/oz**

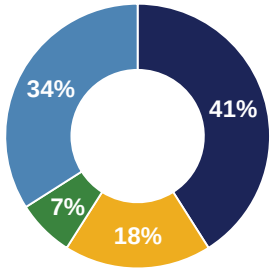
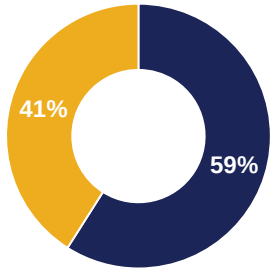
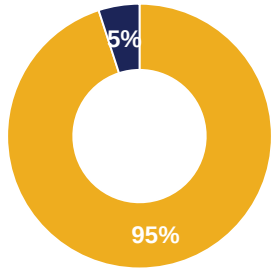
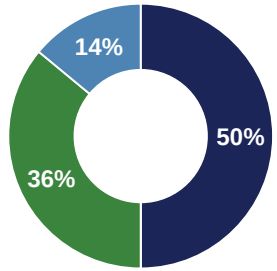


Silver Production: **3.0 Moz**
Cost of Sales: **$61.7 M**
Cash Costs, after by-product credits: **$3.50/oz**
Realized Price: **$15.01/oz**

Gold Production: **60.8 Koz**
Cost of Sales: **$92.7 M**
Cash Costs, after by-product credits: **$1,151/oz**
Realized Price: **$1,322/oz**

Lead Production: **5.5 Ktons**
Realized Price: **$0.84/lb**

Zinc Production: **13.3 Ktons**
Realized Price: **$1.17/lb**

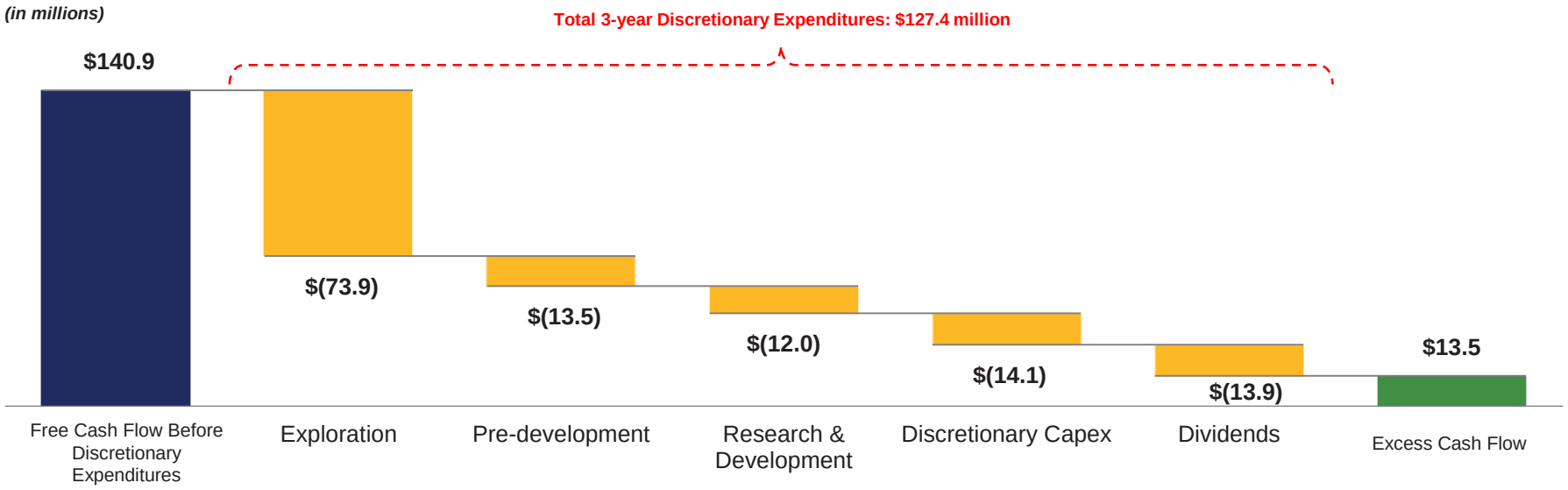
Greens Creek	Casa Berardi	San Sebastian	Nevada	Lucky Friday
				
41% of Total Revenue	**34%** of Total Revenue	**8%** of Total Revenue	**13%** of Total Revenue	**4%** of Total Revenue

CAPITAL ALLOCATION PRIORITIES (AFTER DEBT SERVICE)

Strong cash flow from operations invested in discretionary projects

Investment in exploration, technology and innovation has generated robust double digit returns: Much higher than dividends, share buybacks, debt repayment

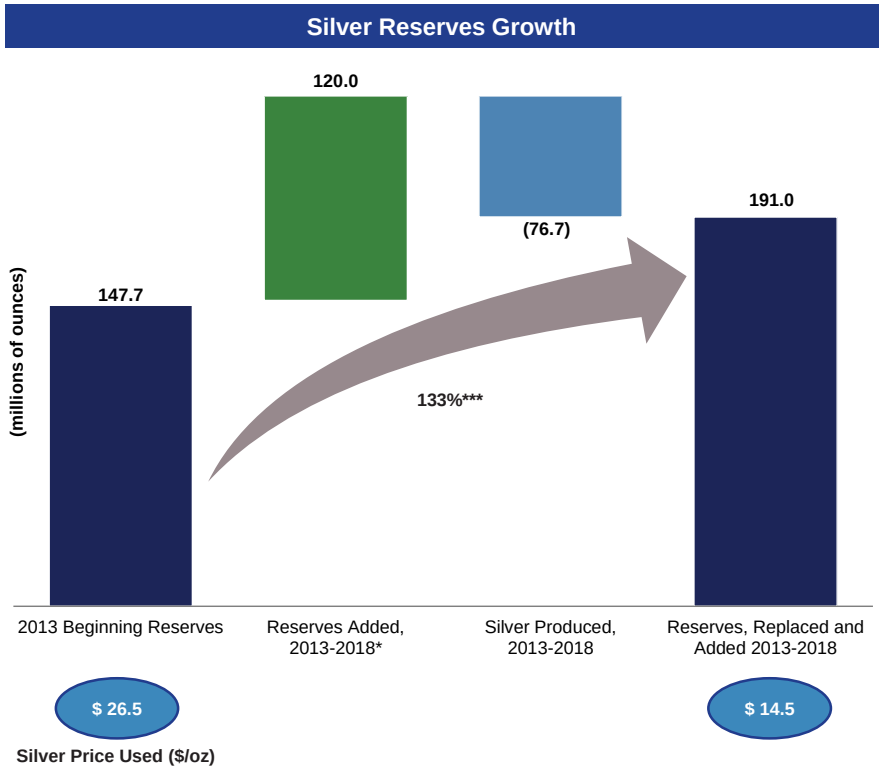
(in millions)

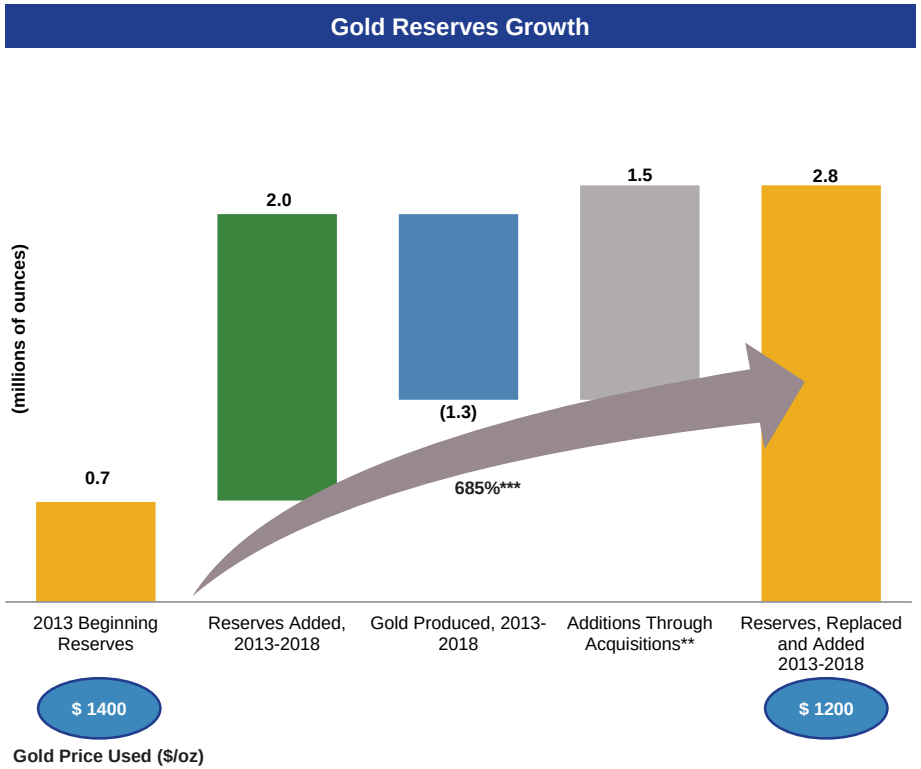


Robust 3-year free cash flow generation, with excess cash reinvested in the business as a first priority

RECORD OF GROWING RESERVES

Significant increases at much lower prices

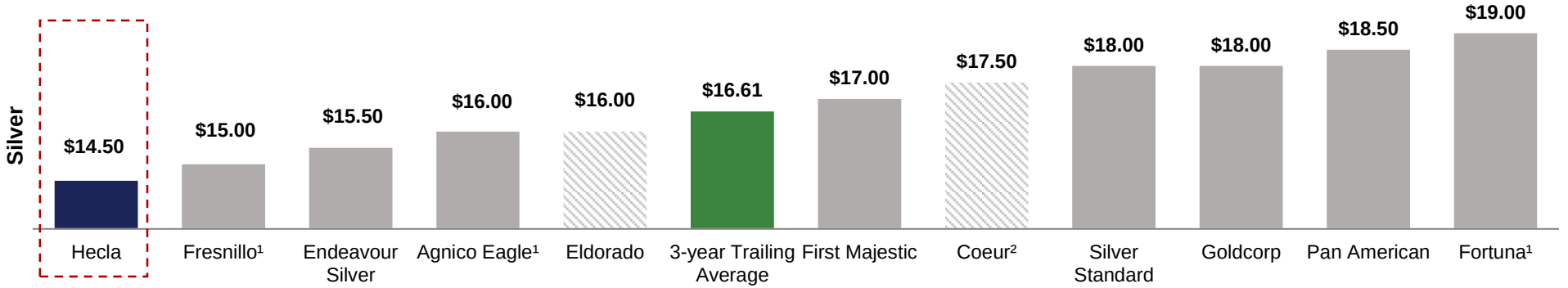




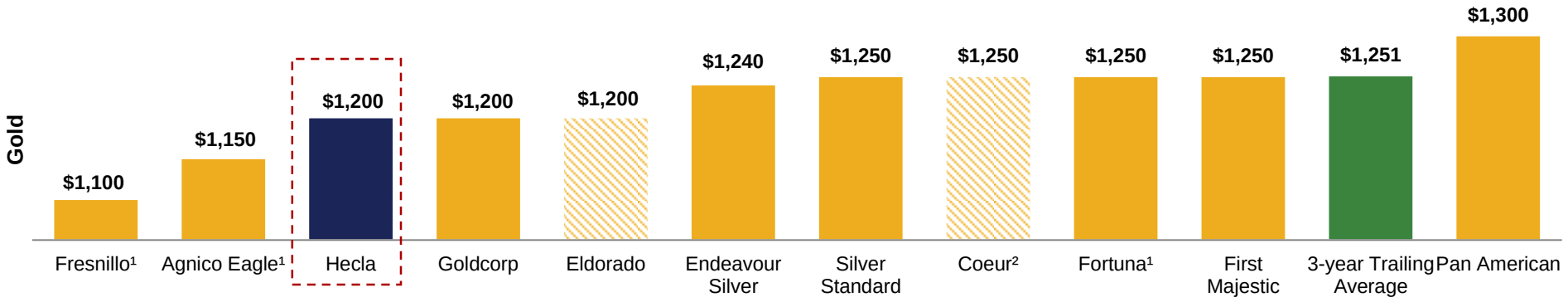
THE MOST CONSERVATIVE SILVER PRICE ASSUMPTION IN THE INDUSTRY

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

Represents High Yield Peer Issuers

CULTURE OF INNOVATION DRIVES PRODUCTIVITY IMPROVEMENTS

Technology and best practices to be leveraged across Klondex' assets

Autonomous Haulage in Operation at Casa Berardi

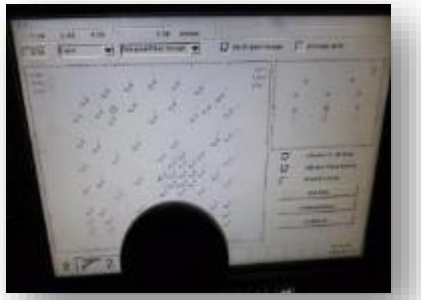
- 2- 24 hour trucks operation drives cost savings
- Increases utilization
- Increases safety
- Expect ~$3mm per year in cost savings from 2 trucks



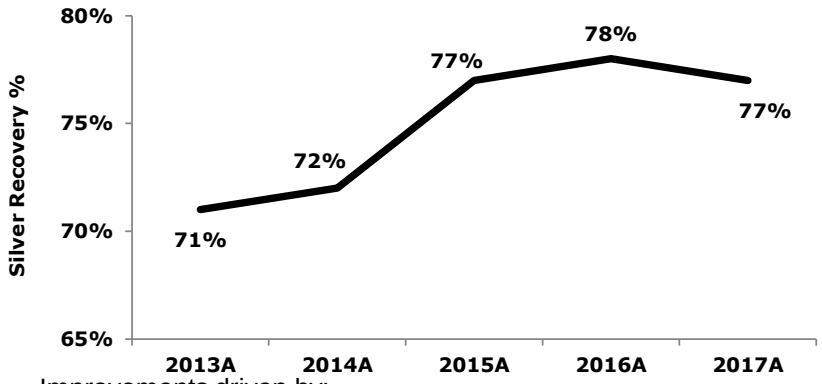


Jumbo/Stope Drill Automation: Drilling During Shift Change

- 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

Source: Company disclosures.

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





SIGNIFICANT RETURNS ON INNOVATION INVESTMENTS

Small investments can result in large returns: 2 case studies

Greens Creek (ventilation on demand)

- Installing variable speed drives in ventilation fans
- Budget $307,000
- Annual energy savings $196,000
- IRR (7 yrs) 62%
- NPV (7%) of 702,000

Casa Berardi (automated haulage)

- 2 self-driving underground haulage vehicles instead of 5 manned vehicles
- Capital investment was $3.5 M vs $5.5 M for traditional manned vehicles (includes rebate)
- Operating costs per ton are reduced by more than 50% ($2.58/tonne vs $5.15/tonne traditional)
- Expected to decline to $1.50/tonne over time

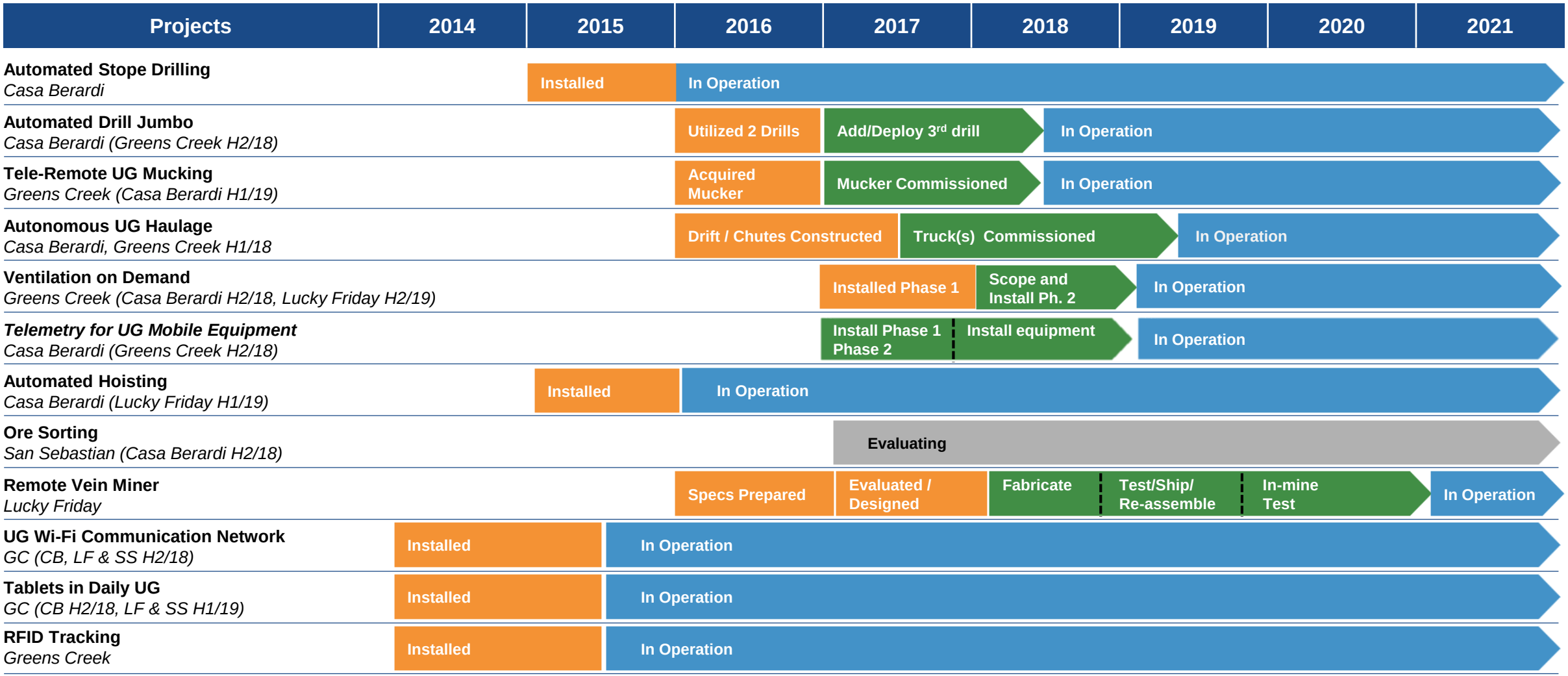
SOLID RETURNS FROM DISCRETIONARY EXPENSES

Returns quantitative/foundations for safety and efficiency

Discretionary Item	Returns
Recovery Improvements driven by PH control using CO2 & Lead scalping process - GC	Increased Silver recoveries 6% to 7% per year, has returned $50M cash to date and another estimated $200M is expected over the remaining reserve and resource life.
Autonomous UG Haulage – CB (GC H1/18)	30% lower maintenance costs, totaling savings of $3m per year
Ventilation on Demand – GC (CB H2/18, LF H2/19)	Cost savings $23k per fan, expected 1-year payback
Automated Stope Drilling – CB	Adds one hole/shift on average
Automated Drill Jumbo – CB (GC H2/18)	Roughly 3% reduction in overbreak that can translate into similar development advance gain
Tele-remote UG Mucking – GC (CB H1/10)	Proven as concept but limited so far in utilization for various reasons; new higher utilization target set
UG Wi-Fi Communication Network – GC (CB, LF &SS H2/18)	Significant and foundational, enabling step for future communications-based improvement including VOD and other automation
Tablets in Daily UG – GC (CB H2/18, LF & SS H1/19)	Provides convenient access to network data, eliminates written record input
RFID Tracking - GC	Improves safety; required for VOD and all levels of autonomous machine operation

CULTURE OF INNOVATION DRIVES PRODUCTIVITY IMPROVEMENTS

Problem solving drives the innovation



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 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)	Current Estimate for Twelve Months Ended December 31, 2019							
	Greens Creek	Lucky Friday[2]	San Sebastian	Corporate[3]	Total Silver	Casa Berardi	Nevada	Total Gold
Cost of sales and other direct production costs and depreciation, depletion and amortization	$ 201,000		$ 46,000		$ 247,000	$ 210,000	$ 147,000	$ 357,000
Depreciation, depletion and amortization	(47,000)		(10,000)		(57,000)	(77,000)	(68,000)	(145,000)
Treatment costs	48,000		1,000		49,000	—	—	—
Change in product inventory	(1,000)		—		(1,000)	3,000	—	3,000
Reclamation and other costs	4,000		(1,000)		3,000	4,500	5,000	9,500
Cash Cost, Before By-product Credits [1]	205,000		36,000		241,000	140,500	84,000	224,500
Reclamation and other costs	5,000		500		5,500	2,000	1,000	3,000
Exploration	1,000		4,000	2,500	7,500	4,000	1,500	5,500
Sustaining capital	45,000		4,500	2,500	52,000	40,000	18,000	58,000
General and administrative				35,000	35,000			
AISC, Before By-product Credits [1]	256,000		45,000		341,000	186,500	104,500	291,000
By-product credits	(186,000)		(19,000)		(205,000)	(500)	(3,000)	(3,500)
Cash Cost, After By-product Credits	$ 19,000		$ 17,000		$ 36,000	$ 140,000	$ 81,000	$ 221,000
AISC, After By-product Credits	$ 70,000		$ 26,000		$ 136,000	$ 186,000	$ 101,500	$ 287,500
Divided by ounces produced	9,000		2,000		11,000	146	62	208
Cash Cost, Before By-product Credits, per Ounce	$ 22.78		$ 18.00		$ 21.91	$ 962	$ 1,355	$ 1,079
By-product credits per ounce	(20.67)		(9.50)		(18.64)	(3)	(48)	(17)
Cash Cost, After By-product Credits, per Ounce	$ 2.11		$ 8.50		$ 3.27	$ 959	$ 1,307	$ 1,062
AISC, Before By-product Credits, per Ounce	$ 28.44		$ 22.50		$ 31.00	$ 1,277	$ 1,685	$ 1,399
By-product credits per ounce	(20.67)		(9.50)		(18.64)	(3)	(48)	(17)
AISC, After By-product Credits, per Ounce	$ 7.77		$ 13.00		$ 12.36	$ 1,274	$ 1,637	$ 1,382

1. Includes all direct and indirect operating cash costs related directly to the physical activities of producing metals, including mining, processing and other plant costs, third-party refining and marketing expense, on-site general and administrative costs, royalties and mining production taxes, before by-product revenues earned from all metals other than the primary metal produced at each unit. AISC, Before By-product Credits also includes on-site exploration, reclamation, and sustaining capital costs.
2. The unionized employees at Lucky Friday have been on strike since March 13, 2017, and production at Lucky Friday has been limited since that time. As a result, for the first quarter of 2018 Cash Cost, Before By-product Credits, Cash Cost, After By-product Credits, AISC, Before By-product Credits, and AISC, After By-product Credits are not presented for Lucky Friday, and costs related to the limited production at Lucky Friday are excluded from the calculation of Cash Cost, Before By-product Credits, Cash Cost, After By-product Credits, AISC, Before By-product Credits, and AISC, After By-product Credits for our combined silver operations.
3. AISC, Before By-product Credits for our consolidated silver properties includes corporate costs for general and administrative expense, exploration and sustaining capital.

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)

	Q2 2019	Q2 2018
Cost of sales and other direct production costs and depreciation, depletion and amortization (GAAP)	$ 61,744	$ 60,562
Depreciation, depletion and amortization	(13,120)	(13,102)
Treatment costs	11,726	9,652
Change in product inventory	3,746	(70)
Reclamation and other costs	(1,355)	(826)
Exclusion of Lucky Friday costs	(4,412)	(399)
Cash Cost, Before By-product Credits[1]	58,329	55,817
Reclamation and other costs	861	953
Exploration	2,059	3,546
Sustaining capital	9,985	16,380
General and administrative	8,918	9,787
AISC, Before By-product Credits[1,2]	80,152	86,483
Total By-product credits	(48,414)	(57,287)
Cash Cost, After By-product Credits, per Silver Ounce	$ 9,915	$ (1,470)
AISC, After By-product Credits	$ 31,738	$ 29,196
Divided by ounces produced	2,836	2,560
Cash Cost, Before By-product Credits, per Silver Ounce	$ 20.57	$ 21.80
By-product credits per Silver Ounce	(17.07)	(22.38)
Cash Cost, After By-product Credits, per Silver Ounce	$ 3.50	$ (0.58)
AISC, Before By-product Credits, per Silver Ounce	$ 28.26	$ 33.78
By-products credit per Silver Ounce	(17.07)	(22.38)
AISC, After By-product Credits, per Silver Ounce	$ 11.19	$ 11.40

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)

	Q2 2019	Q2 2018
Cost of sales and other direct production costs and depreciation, depletion and amortization (GAAP)	$ 92,671	$ 51,695
Depreciation, depletion and amortization	(36,357)	(18,715)
Treatment costs	463	559
Change in product inventory	(4,336)	(78)
Reclamation and other costs	(1,013)	(139)
Cash Cost, Before By-product Credits[1]	51,428	33,322
Reclamation and other costs	505	140
Exploration	1,639	1,330
Sustaining capital	21,984	9,809
AISC, Before By-product Credits[1,2]	75,556	44,601
Total By-product credits	(830)	(201)
Cash Cost, After By-product Credits, per Gold Ounce	$ 50,598	$ 33,121
AISC, After By-product Credits	$ 74,726	$ 44,400
Divided by ounces produced	44	43
Cash Cost, Before By-product Credits, per Gold Ounce	$ 1,170	$ 780
By-product credits per Gold Ounce	(19)	(5)
Cash Cost, After By-product Credits, per Gold Ounce	$ 1,151	$ 775
AISC, Before By-product Credits, per Gold Ounce	$ 1,719	$ 1,044
By-product credits per Gold Ounce	(19)	(5)
AISC, After By-product Credits, per Gold Ounce	$ 1,700	$ 1,039

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)

	2018	Q2 2018	Q2 2019	2019E
Cost of sales and other direct production costs and depreciation, depletion and amortization (GAAP)	$ 190,066	$ 47,742	$ 45,650	$ 202,000
Depreciation, depletion and amortization	(46,511)	(11,813)	(10,850)	(47,000)
Treatment costs	38,174	9,481	10,964	48,000
Change in product inventory	3,087	321	4,577	(1,000)
Reclamation and other costs	(2,911)	(449)	(933)	3,000
Cash Cost, Before By-product Credits[1]	181,905	45,282	49,408	205,000
Reclamation and other costs	3,397	850	738	5,000
Exploration	3,151	778	79	1,000
Sustaining capital	46,864	14,183	8,665	45,000
AISC, Before By-product Credits[1,2]	235,317	61,093	58,890	256,000
Total By-product credits	(190,924)	(52,230)	(43,769)	(186,000)
Cash Cost, After By-product Credits	$ (9,019)	$ (6,948)	$ 5,639	$ 19,000
AISC, After By-product Credits	$ 44,393	$ 8,863	$ 15,121	$ 70,000
Divided by ounces produced	7,953	2,000	2,372	9,000
Cash Cost, Before By-product Credits, per Silver Ounce	$ 22.88	$ 22.64	$ 20.83	$ 22.78
By-products credits per Silver Ounce	(24.01)	(26.12)	(18.45)	(20.67)
Cash Cost, After By-product Credits, per Silver Ounce	$ (1.13)	$ (3.48)	$ 2.38	$ 2.11
AISC, Before By-product Credits, per Silver Ounce	$ 29.59	$ 30.55	$ 24.83	$ 28.44
By-product credits per Silver Ounce	(24.01)	(26.12)	(18.45)	(20.67)
AISC, After By-product Credits, per Silver Ounce	$ 5.58	$ 4.43	$ 6.38	$ 7.77

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)

	2018	Q2 2018	Q2 2019	2019E
Cost of sales and other direct production costs and depreciation, depletion and amortization (GAAP)	$ 199,402	$ 51,695	$ 55,152	$ 210,000
Depreciation, depletion and amortization	(71,302)	(18,715)	(18,561)	(77,000)
Treatment costs	2,068	559	427	-
Change in product inventory	1,205	(78)	(2,367)	3,000
Reclamation and other costs	(558)	(139)	(128)	4,500
Cash cost, before by-product credits[1]	130,815	33,322	34,523	140,500
Reclamation and other costs	558	140	127	2,000
Exploration	4,277	1,330	941	4,000
Sustaining capital	40,711	9,809	9,431	40,000
AISC, Before By-product Credits[1,2]	176,361	44,601	45,022	186,500
Total By-products credits	(597)	(201)	(91)	(500)
Cash Cost, After By-product Credits	$ 130,218	$ 33,121	$ 34,432	$ 140,000
AISC, After By-product Credits	$ 175,764	$ 44,400	$ 44,931	$ 186,000
Divided by ounces produced	163	43	31	146
Cash Cost, Before By-product Credits, per Gold Ounce	$ 804	$ 780	$ 1,104	$ 962
By-product credits per Gold Ounce	$ (4)	$ (5)	$ (3)	$ (3)
Cash Cost, After By-product Credits, per Gold Ounce	$ 800	$ 775	$ 1,101	$ 959
AISC, Before By-product Credits, per Gold Ounce	$ 1,084	$ 1,044	$ 1,440	$ 1,277
By-product credits per Gold Ounce	$ (4)	$ (5)	$ (3)	$ (3)
AISC, After By-product Credits, per Gold Ounce	$ 1,080	$ 1,039	$ 1,437	$ 1,274

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*	Q2 2019	2019E
Cost of sales and other direct production costs and depreciation, depletion and amortization (GAAP)	$ 47,005	$ 37,519	$ 147,000
Depreciation, depletion and amortization	(10,617)	(17,796)	(68,000)
Treatment costs	90	36	-
Change in product inventory	7,138	(1,969)	-
Reclamation and other costs	(954)	(885)	5,000
Cash cost, before by-product credits[1]	42,662	16,905	84,000
Reclamation and other costs	567	378	1,000
Exploration	6,345	698	1,500
Sustaining capital	17,079	12,553	18,000
AISC, Before By-product Credits[1,2]	66,653	30,534	104,500
Total By-products credits	(2,512)	(739)	(3,000)
Cash Cost, After By-product Credits	$ 40,150	$ 16,165	$ 81,000
AISC, After By-product Credits	$ 64,141	$ 29,795	$ 101,500
Divided by ounces produced	33	13	62
Cash Cost, Before By-product Credits, per Gold Ounce	$ 1,297	$ 1,332	$ 1,355
By-product credits per Gold Ounce	(76)	(58)	(48)
Cash Cost, After By-product Credits, per Gold Ounce	$ 1,221	$ 1,474	$ 1,307
AISC, Before By-product Credits, per Gold Ounce	$ 2,026	$ 2,405	$ 1,685
By-product credits per Gold Ounce	$ (76)	$ (58)	$ (48)
AISC, After By-product Credits, per Gold Ounce	$ 1,950	$ 2,347	$ 1,637

*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)

	2018	Q2 2018	Q2 2019	2019E
Cost of sales and other direct production costs and depreciation, depletion and amortization (GAAP)	$ 41,815	$ 11,076	$ 11,143	$ 46,000
Depreciation, depletion and amortization	(4,602)	(1,107)	(1,848)	(9,000)
Treatment costs	807	116	138	1,000
Change in product inventory	2,385	769	$ (190)	-
Reclamation and other costs	(1,559)	(319)	(422)	(1,000)
Cash Cost, Before By-product Credits[1]	38,846	10,535	8,921	37,000
Reclamation and other costs	419	103	123	500
Exploration	7,792	2,334	1,483	4,000
Sustaining capital	1,947	1,680	1,308	3,500
AISC, Before By-product Credits[1,2]	49,004	14,652	11,835	45,000
Total By-product credits	(19,100)	(5,057)	(4,645)	(19,000)
Cash Cost, After By-product Credits, per Silver Ounce	19,746	5,478	4,276	18,000
AISC, After By-product Credits	29,904	9,595	7,190	26,000
Divided by Ounces Produced	2,037	560	464	2,000
Cash Cost, Before By-product Credits, per Silver Ounce	$ 19.07	$ 18.81	$ 19.23	$ 18.50
By-products credits per Silver Ounce	(9.38)	(9.03)	(10.01)	(9.50)
Cash Cost, After By-product Credits, per Silver Ounce	9.69	9.78	9.22	9.00
AISC, Before By-product Credits, per Silver Ounce	$ 24.06	$ 26.16	$ 25.51	$ 22.50
By-products credits per Silver Ounce	(9.38)	(9.03)	(10.01)	(9.50)
AISC, After By-product Credits, per Silver Ounce	$ 14.68	$ 17.13	$ 15.50	$ 13.00

1. Includes all direct and indirect operating cash costs related directly to the physical activities of producing metals, including mining, processing and other plant costs, third-party refining and marketing expense, on-site general and administrative costs, royalties and mining production taxes, before by-product revenues earned from all metals other than the primary metal produced at each unit.
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)

	2018	Q2 2018	Q2 2019
Cost of sales and other direct production costs and depreciation, depletion and amortization (GAAP)	$ 9,750	$ 1,744	$ 4,951
Depreciation, depletion and amortization	(1,012)	(182)	(422)
Treatment costs	839	55	524
Change in product inventory	(2,330)	(1,160)	(641)
Reclamation and other costs	-	(58)	-
Exclusion of Lucky Friday costs	(7,247)	(399)	(4,412)
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.

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)

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	-

Investors are cautioned that Reserves and Resources are as of December 31, 2018, and are dynamic during the year due to mining depletion, changing metal prices, changing costs or project economics, and new drill or mining information. These factors can impact Reserves and Resources either positively or negatively.

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 DEC. 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

Investors are cautioned that Reserves and Resources are as of December 31, 2018, and are dynamic during the year due to mining depletion, changing metal prices, changing costs or project economics, and new drill or mining information. These factors can impact Reserves and Resources either positively or negatively.

INFERRED MINERAL RESOURCES

(ON DEC. 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

Investors are cautioned that Reserves and Resources are as of December 31, 2018, and are dynamic during the year due to mining depletion, changing metal prices, changing costs or project economics, and new drill or mining information. These factors can impact Reserves and Resources either positively or negatively.

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 mine 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. 2019 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 $1,400/oz, Ag $16.00/oz, Zn $1.25/lb, Pb $1.00/lb. (Numbers may be rounded.)