

**Section 1: 8-K (HECLA MINING COMPANY 8-K)**

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549**

**FORM 8-K**

**CURRENT REPORT  
PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934**

Date of Report (Date of earliest event reported): **February 6, 2020**

**HECLA MINING COMPANY**  
(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction  
of incorporation)

**001-08491**  
(Commission File Number)

**77-0664171**  
(IRS Employer Identification No.)

**6500 North Mineral Drive, Suite 200  
Coeur D'Alene, Idaho 83815-9408**  
(Address of principal executive offices) (Zip Code)

**(208) 769-4100**  
Registrant's telephone number, including area code

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

| Title of each class | Trading Symbol(s) | Name of each exchange on which registered |
|---------------------|-------------------|---|
| Common Stock        | HL                | New York Stock Exchange                   |
| Preferred Stock     | HL-PB             | New York Stock Exchange                   |

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

**Item 2.02 Results of Operations and Financial Condition.**

On February 6, 2020, Hecla Mining Company (the "Company") issued a news release announcing the Company's fourth quarter 2019 and twelve months ended December 31, 2019 financial results. The news release is attached hereto as Exhibit 99.1 to this Form 8-K.

In accordance with General Instruction B.2 of Form 8-K, the information in this Item 2.02, including Exhibit 99.1, shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liability of that section, and shall not be incorporated by reference into any of the Company's filings or other documents filed under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits

| <b>Exhibit Number</b> | <b>Description</b>  |
|-----------------------|---|
| <a href="#">99.1</a>  | <a href="#">News Release, dated February 6, 2020.*</a>                                    |
| 104                   | Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101). |

\* Furnished herewith

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SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

HECLA MINING COMPANY

By: /s/ David C. Sienko  
David C. Sienko  
Vice President and General Counsel

Dated: February 6, 2020  
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## Section 2: EX-99.1 (EXHIBIT 99.1)

Exhibit 99.1

### Hecla's Fourth Quarter Continues a Strong Second Half Of 2019

*Hecla reports record annual revenue, gold production and silver reserves*

COEUR D'ALENE, Idaho--(BUSINESS WIRE)--February 6, 2020--Hecla Mining Company (NYSE:HL) today announced fourth quarter and full year 2019 financial and operating results.

#### HIGHLIGHTS

- Fourth quarter sales of \$225 million; cash flow from operations of \$57 million; net loss of \$8.0 million; and adjusted EBITDA of \$62 million.<sup>1</sup>
- 2019 silver production of 12.6 million ounces, up 22% and record gold production of 272,873 ounces, up 4%, over 2018.
- 2019 sales of \$673.3 million (the highest in the company's history); cash flow from operations of \$120.9 million; net loss of \$99.6 million; and adjusted EBITDA of \$177.7 million.<sup>1</sup>
- Record reserves for silver, lead and zinc; increases of 11%, 5% and 8%, respectively over 2018.
- Net debt reduction of approximately \$136 million, or more than 23%, from the peak net debt mid-year.
- Cash and cash equivalents of \$62 million at year end, an increase of \$35 million with no borrowings on the revolving line of credit facility.
- Lowest All Injury Frequency Rate (AIFR) in Company history.
- Lucky Friday return to full production is underway and expected to be complete by the end of 2020.
- Moody's Investors Service upgraded Hecla's Corporate Family Rating from Caa1 to B3 with a stable outlook.

"2019 was a tale of two halves where the second half had higher production, higher prices, better earnings and more cash flow," said Phillips S. Baker, Jr., President and CEO. "The strong third and fourth quarters markedly improved our financial condition, putting us in a better position to refinance the Senior Notes."

"In 2020, at current prices, we expect continued strong cash flow generation with the ongoing solid performance at Greens Creek, the ramp-up of Lucky Friday, expected improvements at Casa Berardi and the potential mine life extension at San Sebastian from the Hugh Zone," Mr. Baker added.

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## SILVER AND GOLD RESERVE SUMMARY

Proven and probable reserves are 212 million ounces of silver, an increase of 11% over last year and 2.71 million ounces of gold, a decrease of 5%. Proven and probable lead and zinc reserves of 810,930 tons and 1,001,930 tons are increases of 5% and 8%, respectively. The reserves for silver, lead and zinc are the highest in Company history. The price assumptions used for 2019 reserves of \$14.50 for silver, \$1.15 for zinc and \$0.90 for lead are unchanged this year and our assumption for gold is \$100 higher at \$1,300 per ounce. The silver price assumption is among the lowest in the industry again this year.

Please refer to the reserves and resources tables at the end of this press release, or to the press release entitled "Hecla Reports Record Silver, Lead and Zinc Reserves" released on February 5, 2020, for the breakdown between proven and probable reserve and resource levels, as well as a detailed summary of the Company's exploration programs.

## FINANCIAL OVERVIEW

|  | Fourth Quarter Ended |                   | Twelve Months Ended |                   |
|--|----------------------|-------------------|---------------------|-------------------|
|  | December 31, 2019    | December 31, 2018 | December 31, 2019   | December 31, 2018 |
| <b>HIGHLIGHTS</b>                            |                      |                   |                     |                   |
| <b>FINANCIAL DATA</b>                        |                      |                   |                     |                   |
| Sales (000)                                  | \$ 224,945           | \$ 136,520        | \$ 673,266          | \$ 567,137        |
| Gross profit (loss) (000)                    | \$ 25,318            | \$ (1,265)        | \$ 23,399           | \$ 79,099         |
| Loss applicable to common stockholders (000) | \$ (8,114)           | \$ (23,831)       | \$ (100,109)        | \$ (27,115)       |
| Basic and diluted loss per common share      | \$ (0.02)            | \$ (0.05)         | \$ (0.20)           | \$ (0.06)         |
| Cash provided by operating activities (000)  | \$ 57,257            | \$ 19,011         | \$ 120,866          | \$ 94,221         |

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Net loss applicable to common stockholders for the fourth quarter and full year of 2019 was \$8.1 million and \$100.1 million, or \$0.02 and \$0.20 per basic share, respectively, compared to net losses applicable to common stockholders of \$23.8 million and \$27.1 million, or \$0.05 and \$0.06 per basic share, respectively, for the fourth quarter and full year of 2018. Among items impacting the results for the 2019 periods compared to 2018 were the following:

- Gross profit for the fourth quarter of 2019 was higher by \$26.6 million. The variance was due in part to higher gross profit at Greens Creek and San Sebastian of \$22.0 million and \$4.2 million, respectively, and lower losses in Nevada and Lucky Friday of \$3.1 million and \$2.4 million, respectively, partly offset by higher losses at Casa Berardi of \$5.1 million for the fourth quarter.
  - Gross profit for the full year of 2019 was \$55.7 million less, principally due to depreciation expense in Nevada.
  - Losses on metal derivative contracts for the fourth quarter and full year of 2019 of \$1.3 million and \$4.0 million, respectively, compared to a slight loss in the fourth quarter and a gain of \$40.3 million in the full year. During the third quarters of 2019 and 2018, the Company settled in-the-money contracts prior to their maturity date, for cash proceeds of approximately \$6.7 million and \$32.8 million, respectively.
  - Foreign exchange losses of \$1.5 million and \$8.2 million were recognized in the fourth quarter and full year of 2019, respectively, compared to gains of \$7.5 million and \$10.3 million, respectively. The variances were primarily due to changes in the value of the Canadian dollar relative to the U.S. dollar.
  - Interest expense was \$14.7 million in the fourth quarter and \$48.4 million for the full year of 2019 compared to \$10.9 million and \$40.9 million, respectively. The increase in the 2019 periods was due to a loss on the prepayment of the Ressources Quebec Note and increased amounts drawn on the revolving credit facility, which were repaid, leaving no amount drawn as of December 31, 2019.
  - Income tax benefit for the fourth quarter and full year of 2019 of \$4.1 million and \$24.1 million, respectively, compared to benefits of \$5.2 million and \$6.7 million, respectively.
  - Suspension costs for the fourth quarter of \$3.3 million and \$12.1 million for the full year of 2019, compared to costs of \$2.4 million and \$20.7 million, respectively.
  - Exploration and pre-development expense was \$3.0 million for the fourth quarter and \$19.1 million for the full year of 2019, compared to \$9.4 million and \$40.6 million, respectively due to reduced spending at all sites.
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Cash provided by operating activities for the fourth quarter and full year of 2019 of \$57.3 million and \$120.9 million, respectively, was \$38.2 million and \$26.6 million higher, respectively, compared to the prior year periods. The increase in the fourth quarter of 2019 was primarily due to lower spending in Nevada, higher sales and lower exploration. The increase for the full year of 2019 was a result of the same factors, along with lower acquisition costs and Lucky Friday suspension costs and the impact of working capital changes, partially offset by lower cash proceeds from settlement of base metals derivative contracts prior to their maturity date.

Adjusted EBITDA increased \$43.2 million quarter-over-quarter, and the \$177.7 million in 2019 was \$6.4 million more than 2018.<sup>1</sup> The increases were primarily due to lower spending in Nevada, higher sales, and lower exploration spending.

Fourth quarter capital expenditures totaled \$23.8 million, including \$12.9 million at Greens Creek, \$7.7 million at Casa Berardi, and \$3.0 million at Lucky Friday. Capital expenditures, including non-cash items for equipment acquired under finance leases, for the year 2019 totaled \$128.1 million, compared to last year's \$140.6 million.

#### **Metals Prices**

Average realized silver prices in the fourth quarter and full year 2019 were \$17.47 and \$16.65 per ounce, respectively, compared to \$14.58 and \$15.63, respectively, for the prior year periods. Average realized prices for gold for the fourth quarter and full year 2019 were \$1,488 and \$1,413 per ounce, respectively, higher by 20% and 12%, respectively, compared to the prior year periods. Average realized prices for lead were 3% higher, with the zinc price 4% lower quarter-over-quarter. The average realized prices for lead and zinc for the full year of 2019 were 13% and 10% lower, respectively, compared to 2018.

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## OPERATIONS OVERVIEW

### Overview

The following table provides the production summary on a consolidated basis for the fourth quarter and twelve months ended December 31, 2019 and 2018:

|                           | Fourth Quarter Ended |                   | Twelve Months Ended |                   |
|---------------------------|----------------------|-------------------|---------------------|-------------------|
|                           | December 31, 2019    | December 31, 2018 | December 31, 2019   | December 31, 2018 |
| <b>PRODUCTION SUMMARY</b> |                      |                   |                     |                   |
| Silver - Ounces produced  | <b>3,411,988</b>     | 2,715,385         | <b>12,605,234</b>   | 10,369,503        |
| Payable ounces sold       | <b>3,999,013</b>     | 2,260,690         | <b>11,548,373</b>   | 9,254,385         |
| Gold - Ounces produced    | <b>74,773</b>        | 70,987            | <b>272,873</b>      | 262,103           |
| Payable ounces sold       | <b>85,237</b>        | 64,478            | <b>275,060</b>      | 247,528           |
| Lead - Tons produced      | <b>6,804</b>         | 4,704             | <b>24,210</b>       | 20,091            |
| Payable tons sold         | <b>7,118</b>         | 3,615             | <b>19,746</b>       | 16,214            |
| Zinc - Tons produced      | <b>16,185</b>        | 13,711            | <b>58,857</b>       | 56,023            |
| Payable tons sold         | <b>12,147</b>        | 9,201             | <b>39,381</b>       | 39,273            |

The following tables provides a summary of the final production, cost of sales and other direct production costs and depreciation, depletion and amortization ("cost of sales"), cash cost, after by-product credits, per silver or gold ounce, and All in Sustaining Cost ("AISC"), after by-product credits, per silver and gold ounce, for the fourth quarter and twelve months ended December 31, 2019:

| Fourth Quarter Ended<br>December 31, 2019  | Total     |            | Greens Creek |        | Lucky<br>Friday<br>Silver | San Sebastian |       | Casa Berardi |        | Nevada Operations |        |
|--|-----------|------------|--------------|--------|---------------------------|---------------|-------|--------------|--------|-------------------|--------|
|  | Silver    | Gold       | Silver       | Gold   | Silver                    | Silver        | Gold  | Gold         | Silver | Gold              | Silver |
| Production (ounces)  | 3,411,988 | 74,773     | 2,741,090    | 15,356 | 216,488                   | 422,434       | 3,897 | 34,793       | 10,499 | 20,727            | 21,477 |
| Increase/(decrease) over 2018  | 26%       | 5%         | 27%          | 17%    | 1,562%                    | (5)%          | 33%   | (3)%         | 43%    | 9%                | (76)%  |
| Cost of sales & other direct production costs and depreciation, depletion and amortization (000) | \$ 91,124 | \$ 108,503 | \$ 71,481    | N/A    | \$ 5,472                  | \$ 14,171     | N/A   | \$ 60,444    | N/A    | \$ 48,059         | N/A    |
| Increase/(decrease) over 2018  | 45%       | 45%        | 48%          | N/A    | 40%                       | 33%           | N/A   | 28%          | N/A    | 74%               | N/A    |
| Cash costs, after by-prod credits, per silver or gold ounce <sup>2,4</sup>                       | \$ 3.58   | \$ 1,003   | \$ 2.76      | N/A    | N/A                       | \$ 8.89       | N/A   | \$ 1,037     | N/A    | \$ 946            | N/A    |
| Increase/(decrease) over 2018  | \$ (0.43) | \$ (45)    | \$ 0.97      | N/A    | N/A                       | \$ (5.89)     | N/A   | \$ 97        | N/A    | \$ (305)          | N/A    |
| AISC, after by-prod credits, per silver or gold ounce <sup>3</sup>                               | \$ 11.31  | \$ 1,187   | \$ 7.86      | N/A    | N/A                       | \$ 11.78      | N/A   | \$ 1,278     | N/A    | \$ 1,024          | N/A    |
| Increase/(decrease) over 2018  | \$ (2.22) | \$ (395)   | \$ (0.06)    | N/A    | N/A                       | \$ (7.73)     | N/A   | \$ (70)      | N/A    | \$ (996)          | N/A    |

| Twelve Months Ended<br>December 31, 2019   | Total      |           | Greens Creek |        | Lucky<br>Friday | San Sebastian |        | Casa Berardi |        | Nevada Operations |         |
|--|------------|-----------|--------------|--------|-----------------|---------------|--------|--------------|--------|-------------------|---------|
|  | Silver     | Gold      | Silver       | Gold   | Silver          | Silver        | Gold   | Gold         | Silver | Gold              | Silver  |
| Production (ounces)  | 12,605,234 | 272,873   | 9,890,125    | 56,625 | 632,944         | 1,868,884     | 15,673 | 134,409      | 31,540 | 66,166            | 181,741 |
| Increase/(decrease) over 2018  | 22%        | 4%        | 24%          | 10%    | 274%            | (8)%          | 5%     | (17)%        | (17)%  | N/A               | N/A     |
| Cost of sales & other direct production costs and depreciation, depletion and amortization (000) | \$ 278,849 | \$371,018 | \$ 211,719   | N/A    | \$16,621        | \$ 50,509     | N/A    | \$217,682    | N/A    | \$ 153,336        | N/A     |
| Increase/(decrease) over 2018  | 15%        | 51%       | 11%          | N/A    | 70%             | 21%           | N/A    | 9%           | N/A    | N/A               | N/A     |
| Cash costs, after by-prod credits, per silver or gold ounce <sup>2,4</sup>                       | \$ 2.93    | \$ 1,066  | \$ 1.97      | N/A    | N/A             | \$ 8.02       | N/A    | \$ 1,051     | N/A    | \$ 1,096          | N/A     |
| Increase/(decrease) over 2018  | \$ 1.85    | \$ 195    | \$ 3.10      | N/A    | N/A             | \$ (1.67)     | N/A    | \$ 251       | N/A    | N/A               | N/A     |
| AISC, after by-prod credits, per silver or gold ounce <sup>3</sup>                               | \$ 10.13   | \$ 1,411  | \$ 5.99      | N/A    | N/A             | \$ 12.10      | N/A    | \$ 1,354     | N/A    | \$ 1,527          | N/A     |
| Increase/(decrease) over 2018  | \$ (1.31)  | \$ 185    | \$ 0.41      | N/A    | N/A             | \$ (2.58)     | N/A    | \$ 274       | N/A    | N/A               | N/A     |

#### Greens Creek Mine - Alaska

The increase in silver and gold production for the quarter and full year resulted from higher grades, with the quarterly increase also due to higher throughput. The mill operated at an average of 2,351 tons per day (tpd) in the fourth quarter and 2,318 tpd for the full year. The annual throughput was a record.

The higher cost of sales and per silver ounce cash costs, for the periods were primarily due to higher production costs and treatment charges. The decrease in AISC per silver ounce, for the quarter resulted from higher silver production.

For the full year of 2019, Greens Creek generated cash provided by operating activities of approximately \$136.2 million and spent \$29.3 million on additions to properties, plants and equipment, resulting in free cash flow of \$106.9 million.<sup>5</sup>

#### Casa Berardi - Quebec

Lower quarterly and annual gold production was due to lower grades, as planned. Gold production was also impacted by lower mill throughput and recoveries in the first half of 2019 due to planned adjustments to a number of mill components to accommodate higher throughput, and the requirement for a new carbon in leach (CIL) tank drive-train, which was installed in May 2019. The mill operated at an average of 3,950 tpd in the fourth quarter 2019 and 3,775 tpd for the year.

Higher quarterly and annual cost of sales were due to the extension of stripping at the East Mine Crown Pillar (EMCP) pit as well as increased quantities of waste and ore extracted from the pit and higher haulage costs due to deepening of the pit. Milling costs were also higher due to costs for pre-crushing of ore to allow for increased throughput, and higher costs for mill enhancements, maintenance and reagents. These factors impacting mining and milling costs, along with lower gold production, also resulted in increased cash costs per gold ounce. However, AISC per gold ounce declined in the fourth quarter due to lower capital spending.

For the full year of 2019, Casa Berardi generated cash provided by operating activities of approximately \$55.7 million and spent \$35.8 million on additions to properties, plants and equipment, resulting in free cash flow of \$20.0 million.<sup>5</sup>

Process improvement studies are being implemented in 2020 in an effort to improve throughput, recovery and lower costs to increase cash flow.



### **San Sebastian - Mexico**

San Sebastian's lower metal production was expected due to the transition from shallow, high-grade open pits to lower-grade underground production. The mill operated at an average of 425 tpd in the fourth quarter 2019 and 479 tpd for the year.

The higher cost of sales was due to the higher cost of underground mining and depreciation. Cash cost and AISC per ounce, after by-product credits, were lower as a result of higher by-product credits, due to higher gold production prices, with AISC also impacted by lower exploration spending.

For the full year of 2019, San Sebastian generated cash provided by operating activities of approximately \$19.1 million and spent \$5.0 million on additions to properties, plants and equipment, resulting in free cash flow of \$14.1 million.<sup>5</sup>

The Company is completing its study on the Hugh Zone sulfide ore and expects a decision on development in the first quarter, which would allow production to begin by the end of the year.

### **Nevada Operations**

Gold production was 9% higher quarter-over-quarter. The assets were acquired on July 20, 2018. During 2019, ore was processed at an average of 576 tpd.

Cost of sales for the year rose primarily as a result of reporting a full year's results, and were higher for the fourth quarter due to higher sales volume and increased depreciation. However, per gold ounce cash costs and AISC declined for the fourth quarter by \$305 and \$996 per gold ounce because of increased gold production resulting from higher grades, with the decrease in AISC also due to lower exploration spending, partially offset by higher sustaining capital.

The mining of developed ore is expected to continue at Fire Creek until about mid-year, when the mining activities are planned to pause. To lower the cut-off grade, the Company is studying mining methods, processing of refractory ore and hydrology. Production is not anticipated to begin again until these studies are successfully completed and permitted.

### **Lucky Friday Mine - Idaho**

Production in 2019 was similar to 2018 with the production and capital improvements being performed by salaried staff.

Union workers at Lucky Friday ratified the collective bargaining agreement in January 2020, and many are beginning to return to work. The Company anticipates re-staffing of the mine to take place in stages, with a ramp-up to full production levels expected by the end of 2020.

Underground testing and modification of the Remote Vein Mining (RVM) machine is underway in Sweden. The machine is expected to be sent to Lucky Friday by late 2020.

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## **EXPLORATION AND PRE-DEVELOPMENT**

### **Exploration**

Exploration (including corporate development) expenses were \$2.4 million and \$15.9 million for the fourth quarter and full year 2019, respectively. This represents a decrease of 71% and 55% over the fourth quarter and full year 2018. These decreases were primarily the result of lower expenses at the Nevada operations and overall decreased site exploration during 2019.

A complete summary of exploration activities can be found in the news release entitled "Hecla Reports Record Silver, Lead and Zinc Reserves" released on February 5, 2020.

### **Pre-development**

Pre-development spending was \$0.6 million in the fourth quarter and \$3.2 million for the full year 2019, principally to advance the permitting at Rock Creek and Montanore.

### **Rock Creek/Montanore**

At Rock Creek, the Company updated and the Kootenai National Forest partially approved its plan of operation to reflect the Record of Decision (ROD) issued in 2018. In December 2019, the Company submitted an amendment application to the Montana Department of Environmental Quality to modify the existing Exploration License to match the ROD. The Company plans to continue the permitting process at the site despite the existence of litigation challenging the project.

At Montanore, the Kootenai National Forest issued a draft Supplemental Environmental Impact Study for the evaluation phase for public comment in the third quarter of 2019. The project remains the subject of ongoing litigation. The Company plans to continue the permitting process at the site despite the existence of litigation challenging the project.

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## METALS AND CURRENCY DERIVATIVES

### Base Metals Forward Sales Contracts

The following table summarizes the quantities of base metals committed under financially settled forward sales contracts, other than provisional hedges (which address changes in prices between shipment and settlement with customers), at December 31, 2019:

|                               | Pounds Under Contract |        | Average Price per Pound |         |
|-------------------------------|-----------------------|--------|-------------------------|---------|
|                               | (in thousands)        |        | Zinc                    | Lead    |
|                               | Zinc                  | Lead   | Zinc                    | Lead    |
| Contracts on forecasted sales |                       |        |                         |         |
| 2020 settlements              | 441                   | 11,740 | \$ 1.13                 | \$ 0.98 |

The contracts represent 1% of the forecasted payable zinc production for the year at an average price of \$1.13 per pound, and 30% of the forecasted payable lead production for the next year at an average price of \$0.98 per pound.

### Precious Metals Put Option Contracts

In June 2019, we began using financially-settled put option contracts to manage the exposure of our forecasted future gold and silver sales to potential declines in market prices for those metals. These put contracts give us the option, but not the obligation, to realize established prices on quantities of silver and gold to be sold in the future. The following table summarizes the quantities of metals for which we have entered into put contracts and the average exercise prices as of December 31, 2019:

|                               | Ounces under contract |                  | Average price per ounce |                  |
|-------------------------------|-----------------------|------------------|-------------------------|------------------|
|                               | (in thousands)        |                  | Silver                  | Gold             |
|                               | Silver<br>(ounces)    | Gold<br>(ounces) | Silver<br>(ounces)      | Gold<br>(ounces) |
| Contracts on forecasted sales |                       |                  |                         |                  |
| 2020 settlements              | 5,700                 | 130              | \$ 15.73                | \$ 1,435         |

### Foreign Currency Forward Purchase Contracts

The following table summarizes the Canadian dollars and Mexican pesos the Company has committed to purchase under foreign exchange forward contracts at December 31, 2019:

|                  | Currency Under Contract   |       | Average Exchange Rate |         |
|------------------|---------------------------|-------|-----------------------|---------|
|                  | (in thousands of CAD/MXN) |       | CAD/USD               | MXN/USD |
|                  | CAD                       | MXN   | CAD/USD               | MXN/USD |
| 2020 settlements | 110,300                   | 7,100 | 1.30                  | 20.72   |
| 2021 settlements | 80,700                    |       | 1.29                  |         |
| 2022 settlements | 63,300                    |       | 1.30                  |         |
| 2023 settlements | 24,700                    |       | 1.31                  |         |

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2020 ESTIMATES<sup>6</sup>

## 2020 Production Outlook

|   | Silver Production<br>(Moz) | Gold Production<br>(Koz) | Silver Equivalent<br>(Moz) | Gold Equivalent<br>(Koz) |
|---|----------------------------|--------------------------|----------------------------|--------------------------|
| Greens Creek *  | 8.9 - 9.3                  | 46 - 48                  | 21.5 - 22.1                | 240 - 246                |
| Lucky Friday *  | 1.4 - 1.8                  | N/A                      | 3.2 - 3.6                  | 35 - 40                  |
| San Sebastian   | 0.8 - 1.0                  | 7 - 8                    | 1.4 - 1.7                  | 16 - 19                  |
| Casa Berardi  | N/A                        | 135 - 140                | 12.1 - 12.6                | 135 - 140                |
| Nevada Operations                                     | N/A                        | 24 - 29                  | 2.2 - 2.6                  | 24 - 29                  |
| Total   | 11.1 - 12.1                | 212 - 225                | 40.4 - 42.6                | 450 - 474                |
| * Equivalent ounces includes Lead and Zinc production |                            |                          |                            |                          |

## 2020 Cost Outlook

|   | Costs of<br>Sales<br>(million) | Cash cost, after<br>by-product credits, per<br>silver/gold ounce <sup>2,4</sup> | AISC, after by-product<br>credits, per produced<br>silver/gold ounce <sup>3</sup> |
|---|--------------------------------|---|---|
| Greens Creek  | \$200                          | \$4.25 - \$5.00   | \$8.50 - \$9.75   |
| Lucky Friday *  | \$15                           | \$5.25 - \$5.50   | \$8.75 - \$9.00   |
| San Sebastian   | \$25                           | \$3.00 - \$4.25   | \$6.25 - \$8.50   |
| Total Silver  | \$240                          | \$4.00 - \$5.00   | \$11.00 - \$12.25   |
| Casa Berardi  | \$185                          | \$875 - \$900   | \$1,225 - \$1,275   |
| Nevada Operations   | \$50                           | \$825 - \$1,000   | \$850 - \$1,050   |
| Total Gold  | \$235                          | \$850 - \$925   | \$1,150 - \$1,250   |
| * Expected cost of sales during full production. LF cash costs and AISC are calculated using only Q4 production and costs |                                |   |   |

## 2020 Capital and Exploration Outlook

|   |               |
|---|---------------|
| 2020E Capital expenditures (excluding capitalized interest)     | \$115 million |
| 2020E Exploration expenditures (includes Corporate Development) | \$15 million  |
| 2020E Pre-development expenditures                              | \$2.5 million |
| 2020E Research and Development expenditures                     | \$0 million   |

## CONFERENCE CALL AND WEBCAST

A conference call and webcast will be held today, Thursday, February 6, at 10:00 a.m. Eastern Time to discuss these results. You may join the conference call by dialing toll-free 1-855-760-8158 or for international by dialing 1-720-634-2922. The participant passcode is HECLA. Hecla's live and archived webcast can be accessed at [www.hecla-mining.com](http://www.hecla-mining.com) under Investors or via Thomson Reuters Eikon, a password-protected event management site.

## ABOUT HECLA

Founded in 1891, Hecla Mining Company (NYSE:HL) is a leading low-cost U.S. silver producer with operating mines in Alaska, Idaho and Mexico, and is a growing gold producer with operating mines in Nevada and Quebec, Canada. The Company also has exploration and pre-development properties in eight world-class silver and gold mining districts in the U.S., Canada and Mexico, and an exploration office and investments in early-stage silver exploration projects in Canada.

## NOTES

### Non-GAAP Financial Measures

Non-GAAP financial measures are intended to provide additional information only and do not have any standard meaning prescribed by United States generally accepted accounting principles (GAAP). These measures should not be considered in isolation or as a substitute for measures of performance prepared in accordance with GAAP. The non-GAAP financial measures cited in this release and listed below are reconciled to their most comparable GAAP measure at the end of this release.

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<sup>(1)</sup> Adjusted EBITDA is a non-GAAP measurement, a reconciliation of which to net income, the most comparable GAAP measure, can be found at the end of the release. Adjusted EBITDA is a measure used by management to evaluate the Company's operating performance but should not be considered an alternative to net income, or cash provided by operating activities as those terms are defined by GAAP, and does not necessarily indicate whether cash flows will be sufficient to fund cash needs. In addition, the Company may use it when formulating performance goals and targets under its incentive program.

<sup>(2)</sup> Cash cost, after by-product credits, per silver and gold ounce is 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 at the end of the release. 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 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.

<sup>(3)</sup> 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 end of the release. AISC, after by-product credits, includes cost of sales and other direct production costs, expenses for reclamation and exploration at the mines sites, corporate exploration related to sustaining operations, and all site sustaining capital costs. AISC, after by-product credits, is calculated net of depreciation, depletion, and amortization and by-product credits.

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 (i) in the understanding of the economics of our operations and performance compared to other producers and (ii) in the transparency 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.

<sup>(4)</sup> Cash cost, after by-product credits, per gold ounce, is a Non-GAAP measurement only applicable to Casa Berardi and Nevada Operations production. Gold produced from Greens Creek and San Sebastian is treated as a by-product credit against the silver cash cost.

<sup>(5)</sup> Free cash flow is a non-GAAP measure calculated as cash provided by operating activities less additions to properties, plants and equipment.

#### **Other**

<sup>(6)</sup> Expectations for 2020 include silver, gold, lead and zinc production from Greens Creek, Lucky Friday, San Sebastian, Casa Berardi and Nevada Operations converted using Au \$1,525/oz, Ag \$17/oz, Zn \$1.00/lb, and Pb \$0.85/lb. Numbers may be rounded.

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### **Cautionary Statement Regarding Forward Looking Statements, Including 2020 Outlook**

This news release 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 full-year 2020 silver and gold production, cost of sales, cash costs, after by-product credits, AISC, after by-product credits as well as estimated spending on capital, exploration, pre-development and research and development (which assumes metal prices of gold at \$1,525/oz, Ag \$17/oz, Zn \$1.00/lb, Pb \$0.85/lb; USD/CAD assumed to be \$0.77, USD/MXN assumed to be \$0.05; (ii) the Company’s mineral reserves and resources; (iii) the strong second half of 2019 puts Hecla in a better position to refinance the Senior Notes; (iv) expectations that strong cash flow generation will continue in 2020; (v) ramp-up of Lucky Friday to full production by the end of 2020; (vi) potential mine life extension at San Sebastian from the Hugh zone with production beginning later this year; (vii) improvement studies underway at Casa Berardi in an effort to improve throughput, recovery and cost gains to increase cash flow; (viii) number of employees at Lucky Friday that return to work; (ix) expectation that the RVM to be sent to Lucky Friday following successful completion of testing, estimated to be in late 2020; and (x) the ability to continue the permitting process at Rock Creek and Montanore despite litigation. 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: (a) there being no significant change to current geotechnical, metallurgical, hydrological and other physical conditions; (b) permitting, development, operations and expansion of the Company’s projects being consistent with current expectations and mine plans; (c) political/regulatory developments in any jurisdiction in which the Company operates being consistent with its current expectations; (d) the exchange rate for the Canadian dollar to the U.S. dollar, being approximately consistent with current levels; (e) certain price assumptions for gold, silver, lead and zinc; (f) prices for key supplies being approximately consistent with current levels; (g) the accuracy of our current mineral reserve and mineral resource estimates; and (h) 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, including the Company’s 2019 10-K expected to be filed on February 10, 2020. 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 news release, 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.

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## **Cautionary Statements to Investors on Reserves and Resources**

Reporting requirements in the United States for disclosure of mineral properties are governed by the SEC and included in the SEC's Securities Act Industry Guide 7, entitled "Description of Property by Issuers Engaged or to be Engaged in Significant Mining Operations" (Guide 7). Although the SEC has recently issued new rules rescinding Guide 7, the new rules are not binding until January 1, 2021, and at this time the Company still reports in accordance with Guide 7. However, the Company is also a "reporting issuer" under Canadian securities laws, which require estimates of mineral resources and reserves to be prepared in accordance with Canadian National Instrument 43-101 (NI 43-101). NI 43-101 requires all disclosure of estimates of potential mineral resources and reserves to be disclosed in accordance with its requirements. Such Canadian information is included herein to satisfy the Company's "public disclosure" obligations under Regulation FD of the SEC and to provide U.S. holders with ready access to information publicly available in Canada.

Reporting requirements in the United States for disclosure of mineral properties under Guide 7 and the requirements in Canada under NI 43-101 standards are substantially different. This document contains a summary of certain estimates of the Company, not only of proven and probable reserves within the meaning of Guide 7, but also of mineral resource and mineral reserve estimates estimated in accordance with the definitional standards of the Canadian Institute of Mining, Metallurgy and Petroleum referred to in NI 43-101. Under Guide 7, 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. The terms "measured resources", "indicated resources," and "inferred resources" are Canadian mining terms as defined in accordance with NI 43-101. These terms are not defined under Guide 7 and are not normally permitted to be used in reports and registration statements filed with the SEC in the United States, except where required to be disclosed by foreign law. The term "resource" does not equate to the term "reserve". Under Guide 7, the material described herein as "indicated resources" and "measured resources" would be characterized as "mineralized material" and is permitted to be disclosed in tonnage and grade only, not ounces. The category of "inferred resources" is not recognized by Guide 7. Investors are cautioned not to assume that any part or all of the mineral deposits in such categories will ever be converted into proven or probable reserves. "Resources" have a great amount of uncertainty as to their existence, and great uncertainty as to their economic and legal feasibility. It cannot be assumed that all or any part of such a "resource" will ever be upgraded to a higher category or will ever be economically extracted. Investors are cautioned not to assume that all or any part of a "resource" exists or is economically or legally mineable. Investors are also especially cautioned that the mere fact that such resources may be referred to in ounces of silver and/or gold, rather than in tons of mineralization and grades of silver and/or gold estimated per ton, is not an indication that such material will ever result in mined ore which is processed into commercial silver or gold.

## **Qualified Person (QP) Pursuant to Canadian National Instrument 43-101**

Kurt D. Allen, MSc., CPG, Director - Exploration of Hecla Limited and Keith Blair, MSc., CPG, Chief Geologist of Hecla Limited, who serve 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 news release, 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](http://www.sedar.com). Mr. Allen and Mr. Blair reviewed and verified information regarding drill sampling, data verification of all digitally-collected data, drill surveys and specific gravity determinations relating to all the mines. 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.

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**HECLA MINING COMPANY**  
Condensed Consolidated Statements of (Loss) Income  
(dollars and shares in thousands, except per share amounts - unaudited)

|   | Fourth Quarter Ended |                      | Twelve Months Ended  |                      |
|---|----------------------|----------------------|----------------------|----------------------|
|   | December 31,<br>2019 | December 31,<br>2018 | December 31,<br>2019 | December 31,<br>2018 |
| Sales of products   | \$ 224,945           | \$ 136,520           | \$ 673,266           | \$ 567,137           |
| Cost of sales and other direct production costs                                 | 139,147              | 102,192              | 450,349              | 353,994              |
| Depreciation, depletion and amortization  | 60,480               | 35,593               | 199,518              | 134,044              |
| Total cost of sales   | 199,627              | 137,785              | 649,867              | 488,038              |
| Gross profit (loss)   | 25,318               | (1,265)              | 23,399               | 79,099               |
| Other operating expenses:   |                      |                      |                      |                      |
| General and administrative  | 8,977                | 8,693                | 35,832               | 36,542               |
| Exploration   | 2,363                | 8,086                | 15,919               | 35,695               |
| Pre-development   | 615                  | 1,272                | 3,150                | 4,887                |
| Research and development  | (79)                 | 399                  | 535                  | 5,441                |
| Other operating (income) expense  | 1,362                | (171)                | 3,043                | 1,596                |
| Loss (gain) on disposition of property, plants, equipment and mineral interests | (23)                 | 581                  | 4,643                | (2,793)              |
| Suspension-related costs  | 3,285                | 2,356                | 12,051               | 20,693               |
| Acquisition costs   | 52                   | 389                  | 645                  | 10,045               |
| Provision for closed operations and reclamation                                 | 1,161                | 1,585                | 4,690                | 6,119                |
|   | 17,713               | 23,190               | 80,508               | 118,225              |
| Income (loss) from operations   | 7,605                | (24,455)             | (57,109)             | (39,126)             |
| Other income (expense):   |                      |                      |                      |                      |
| (Loss) gain on derivative contracts   | (1,252)              | (18)                 | (3,971)              | 40,253               |
| Gain (loss) on disposition of investments                                       | (4)                  | 2                    | 923                  | (34)                 |
| Unrealized loss on investments  | (1,230)              | (355)                | (2,389)              | (2,816)              |
| Net foreign exchange gain (loss)  | (1,495)              | 7,454                | (8,236)              | 10,310               |
| Interest and other (expense) income   | (1,022)              | (613)                | (4,429)              | (907)                |
| Interest expense  | (14,670)             | (10,925)             | (48,447)             | (40,944)             |
|   | (19,673)             | (4,455)              | (66,549)             | 5,862                |
| (Loss) before income taxes  | (12,068)             | (28,910)             | (123,658)            | (33,264)             |
| Income tax benefit (provision)  | 4,092                | 5,217                | 24,101               | 6,701                |
| Net loss  | (7,976)              | (23,693)             | (99,557)             | (26,563)             |
| Preferred stock dividends   | (138)                | (138)                | (552)                | (552)                |
| Loss applicable to common stockholders  | \$ (8,114)           | \$ (23,831)          | \$ (100,109)         | \$ (27,115)          |
| Basic loss per common share after preferred dividends                           | \$ (0.02)            | \$ (0.05)            | \$ (0.20)            | \$ (0.06)            |
| Diluted loss per common share after preferred dividends                         | \$ (0.02)            | \$ (0.05)            | \$ (0.20)            | \$ (0.06)            |
| Weighted average number of common shares outstanding basic                      | 502,902              | 480,572              | 490,449              | 433,419              |
| Weighted average number of common shares outstanding diluted                    | 502,902              | 480,572              | 490,449              | 433,419              |

**HECLA MINING COMPANY**  
Condensed Consolidated Balance Sheets  
(dollars and shares in thousands - unaudited)

**December 31, 2019** December 31, 2018

| <b>ASSETS</b>  |                     |                     |
|--|---------------------|---------------------|
| Current assets:  |                     |                     |
| Cash and cash equivalents                                | \$ 62,452           | \$ 27,389           |
| Investments  | —                   | —                   |
| Accounts receivable                                      | 38,421              | 25,818              |
| Inventories  | 66,213              | 87,533              |
| Other current assets                                     | 12,038              | 23,410              |
| <b>Total current assets</b>                              | <b>179,124</b>      | 164,150             |
| Non-current investments                                  | 6,207               | 6,583               |
| Non-current restricted cash and investments              | 1,025               | 1,025               |
| Properties, plants, equipment and mineral interests, net | 2,423,698           | 2,520,004           |
| Operating lease right-of-use assets                      | 16,381              | —                   |
| Deferred income tax asset                                | 3,537               | 1,987               |
| Other non-current assets and deferred charges            | 7,336               | 10,195              |
| <b>Total assets</b>                                      | <b>\$ 2,637,308</b> | <b>\$ 2,703,944</b> |
| <b>LIABILITIES</b>                                       |                     |                     |
| Current liabilities:                                     |                     |                     |
| Accounts payable and accrued liabilities                 | \$ 57,716           | \$ 77,861           |
| Accrued payroll and related benefits                     | 26,916              | 30,034              |
| Accrued taxes  | 4,776               | 7,727               |
| Current portion of capital leases                        | 5,429               | 5,264               |
| Current portion of accrued reclamation and closure costs | 4,581               | 3,410               |
| Current portion of operating leases                      | 5,580               | —                   |
| Accrued interest   | 5,804               | 5,961               |
| Other current liabilities                                | 6,172               | 5,937               |
| <b>Total current liabilities</b>                         | <b>116,974</b>      | 136,194             |
| Capital leases   | 7,214               | 7,871               |
| Accrued reclamation and closure costs                    | 103,793             | 104,979             |
| Long-term debt   | 504,729             | 532,799             |
| Long-term operating leases                               | 10,818              | —                   |
| Deferred income tax liability                            | 138,282             | 173,537             |
| Non-current pension liability                            | 56,219              | 47,711              |
| Other non-current liabilities                            | 6,856               | 9,890               |
| <b>Total liabilities</b>                                 | <b>944,885</b>      | 1,012,981           |
| <b>STOCKHOLDERS' EQUITY</b>                              |                     |                     |
| Preferred stock  | 39                  | 39                  |
| Common stock   | 132,292             | 121,956             |
| Capital surplus  | 1,973,700           | 1,880,481           |
| Accumulated deficit                                      | (353,331)           | (248,308)           |
| Accumulated other comprehensive loss                     | (37,310)            | (42,469)            |
| Treasury stock   | (22,967)            | (20,736)            |
| <b>Total stockholders' equity</b>                        | <b>1,692,423</b>    | 1,690,963           |
| <b>Total liabilities and stockholders' equity</b>        | <b>\$ 2,637,308</b> | <b>\$ 2,703,944</b> |
| Common shares outstanding                                | 522,896             | 482,604             |

**HECLA MINING COMPANY**  
Condensed Consolidated Statements of Cash Flows  
(dollars in thousands - unaudited)

|  | December 31,<br>2019 | December 31,<br>2018 |
|--|----------------------|----------------------|
| <b>OPERATING ACTIVITIES</b>  |                      |                      |
| Net loss   | \$ (99,557)          | \$ (26,563)          |
| Non-cash elements included in net loss:  |                      |                      |
| Depreciation, depletion and amortization   | 204,475              | 140,905              |
| Loss on disposition of investments   | (927)                | —                    |
| Unrealized loss on investments   | 2,386                | 2,816                |
| Gain on disposition of properties, plants, equipment and mineral interests           | 4,643                | (2,793)              |
| Provision for reclamation and closure costs  | 6,914                | 6,090                |
| Deferred income taxes  | (33,387)             | (9,699)              |
| Stock compensation   | 5,668                | 6,278                |
| Amortization of loan origination fees  | 2,637                | 2,077                |
| (Gain) loss on derivative contracts  | 5,613                | (15,366)             |
| Foreign exchange (gain) loss   | 8,025                | (7,104)              |
| Adjustment of inventory to market value  | 1,399                | 8,191                |
| Fee on prepayment of debt with shares of common stock                                | 2,855                | —                    |
| Other non-cash charges, net  | 49                   | (32)                 |
| Change in assets and liabilities:  |                      |                      |
| Accounts receivable  | (10,939)             | 9,843                |
| Inventories  | 16,146               | (27,512)             |
| Other current and non-current assets   | 15,618               | (1,726)              |
| Accounts payable and accrued liabilities   | (24,355)             | 17,795               |
| Accrued payroll and related benefits   | 9,226                | (2,425)              |
| Accrued taxes  | (3,155)              | 645                  |
| Accrued reclamation and closure costs and other non-current liabilities              | 7,532                | (7,199)              |
| <b>Cash provided by operating activities</b>   | <b>120,866</b>       | <b>94,221</b>        |
| <b>INVESTING ACTIVITIES</b>  |                      |                      |
| Additions to properties, plants, equipment and mineral interests                     | (121,421)            | (136,933)            |
| Purchase of other companies, net of cash and restricted cash acquired                | —                    | (139,326)            |
| Proceeds from sale of investments  | 1,760                | —                    |
| Proceeds from disposition of properties, plants and equipment                        | 183                  | 2,411                |
| Insurance proceeds received for damaged property                                     | —                    | 4,377                |
| Purchases of investments   | (389)                | (31,971)             |
| Maturities of investments  | —                    | 64,895               |
| <b>Net cash used in investing activities</b>   | <b>(119,867)</b>     | <b>(236,547)</b>     |
| <b>FINANCING ACTIVITIES</b>  |                      |                      |
| Acquisition of treasury shares   | (2,231)              | (2,694)              |
| Proceeds from issuance of common stock and warrants, net of related expense          | 49,019               | 6,744                |
| Dividends paid to common stockholders  | (4,914)              | (4,393)              |
| Dividends paid to preferred stockholders   | (552)                | (552)                |
| Borrowings on debt   | 279,500              | 102,024              |
| Payments on debt   | (279,500)            | (106,036)            |
| Debt issuance and loan origination fees paid   | (976)                | (2,638)              |
| Repayments of capital leases   | (7,157)              | (7,339)              |
| <b>Net cash provided by (used in) financing activities</b>                           | <b>33,189</b>        | <b>(14,884)</b>      |
| Effect of exchange rates on cash   | 875                  | (1,515)              |
| Net increase in cash, cash equivalents and restricted cash and cash equivalents      | 35,063               | (158,725)            |
| Cash, cash equivalents and restricted cash and cash equivalents at beginning of year | 28,414               | 187,139              |
| Cash, cash equivalents and restricted cash and cash equivalents at end of year       | <b>\$ 63,477</b>     | <b>\$ 28,414</b>     |

HECLA MINING COMPANY

Metal Prices

|                                | Fourth Quarter Ended |              | Twelve Months Ended |              |
|--------------------------------|----------------------|--------------|---------------------|--------------|
|                                | December 31,         | December 31, | December 31,        | December 31, |
|                                | 2019                 | 2018         | 2019                | 2018         |
| <b>AVERAGE METAL PRICES</b>    |                      |              |                     |              |
| Silver - London PM Fix (\$/oz) | \$ 17.30             | \$ 14.55     | \$ 16.20            | \$ 15.71     |
| Realized price per ounce       | \$ 17.47             | \$ 14.58     | \$ 16.65            | \$ 15.63     |
| Gold - London PM Fix (\$/oz)   | \$ 1,480             | \$ 1,228     | \$ 1,392            | \$ 1,269     |
| Realized price per ounce       | \$ 1,488             | \$ 1,237     | \$ 1,413            | \$ 1,265     |
| Lead - LME Cash (\$/pound)     | \$ 0.92              | \$ 0.89      | \$ 0.91             | \$ 1.02      |
| Realized price per pound       | \$ 0.91              | \$ 0.88      | \$ 0.91             | \$ 1.04      |
| Zinc - LME Cash (\$/pound)     | \$ 1.08              | \$ 1.19      | \$ 1.16             | \$ 1.33      |
| Realized price per pound       | \$ 1.10              | \$ 1.15      | \$ 1.14             | \$ 1.27      |

Production Data

|  | Fourth Quarter Ended |              | Twelve Months Ended |              |
|--|----------------------|--------------|---------------------|--------------|
|  | December 31,         | December 31, | December 31,        | December 31, |
|  | 2019                 | 2018         | 2019                | 2018         |
| <b>GREENS CREEK UNIT</b>   |                      |              |                     |              |
| Tons of ore processed  | 216,324              | 212,522      | 846,076             | 845,398      |
| Mining cost per ton  | \$ 81.82             | \$ 77.87     | \$ 80.57            | \$ 71.37     |
| Milling cost per ton   | \$ 40.31             | \$ 35.93     | \$ 37.02            | \$ 33.53     |
| Ore grade milled - Silver (oz./ton)  | 15.69                | 12.81        | 14.64               | 12.16        |
| Ore grade milled - Gold (oz./ton)  | 0.10                 | 0.09         | 0.10                | 0.09         |
| Ore grade milled - Lead (%)  | 3.07                 | 2.67         | 2.92                | 2.80         |
| Ore grade milled - Zinc (%)  | 7.88                 | 7.12         | 7.43                | 7.47         |
| Silver produced (oz.)  | 2,741,090            | 2,163,563    | 9,890,125           | 7,953,003    |
| Gold produced (oz.)  | 15,356               | 13,097       | 56,625              | 51,493       |
| Lead produced (tons)   | 5,444                | 4,608        | 20,112              | 18,960       |
| Zinc produced (tons)   | 15,475               | 13,677       | 56,805              | 55,350       |
| Total cash cost, after by-product credits, per silver ounce <sup>(1)</sup> | \$ 2.76              | \$ 1.79      | \$ 1.97             | \$ (1.13)    |
| AISC, after by-product credits, per silver ounce <sup>(1)</sup>            | \$ 7.86              | \$ 7.92      | \$ 5.99             | \$ 5.58      |
| Capital additions (in thousands)   | \$ 12,886            | \$ 12,170    | \$ 35,829           | \$ 46,864    |

| <b>LUCKY FRIDAY UNIT</b>  |                  |           |                  |           |
|---|------------------|-----------|------------------|-----------|
| Tons of ore processed   | <b>16,337</b>    | 1,297     | <b>57,091</b>    | 17,309    |
| Mining cost per ton   | <b>\$ 103.83</b> | \$ 67.91  | \$ —             | \$ —      |
| Milling cost per ton  | <b>\$ 32.41</b>  | \$ 22.32  | \$ —             | \$ —      |
| Ore grade milled - Silver (oz./ton)   | <b>14.02</b>     | 7.33      | <b>11.83</b>     | 10.78     |
| Ore grade milled - Lead (%)   | <b>9.01</b>      | 6.89      | <b>7.86</b>      | 7.19      |
| Ore grade milled - Zinc (%)   | <b>5.11</b>      | 3.13      | <b>4.25</b>      | 4.20      |
| Silver produced (oz.)   | <b>216,488</b>   | 13,026    | <b>632,944</b>   | 169,041   |
| Lead produced (tons)  | <b>1,360</b>     | 96        | <b>4,098</b>     | 1,131     |
| Zinc produced (tons)  | <b>710</b>       | 34        | <b>2,052</b>     | 673       |
| Total cash cost, net of by-product credits, per silver ounce <sup>(1)</sup> | <b>N/A</b>       | N/A       | <b>N/A</b>       | N/A       |
| AISC, after by-product credits, per silver ounce <sup>(1)</sup>             | <b>N/A</b>       | N/A       | <b>N/A</b>       | N/A       |
| Capital additions (in thousands)  | <b>\$ 3,043</b>  | \$ 7,347  | <b>\$ 8,989</b>  | \$ 14,236 |
| <b>SAN SEBASTIAN UNIT</b>   |                  |           |                  |           |
| Tons of ore processed   | <b>39,137</b>    | 44,817    | <b>174,713</b>   | 156,733   |
| Mining cost per ton   | <b>\$ 107.43</b> | \$ 131.16 | <b>\$ 111.11</b> | \$ 149.77 |
| Milling cost per ton  | <b>\$ 78.15</b>  | \$ 64.03  | <b>\$ 65.74</b>  | \$ 65.55  |
| Ore grade milled - Silver (oz./ton)   | <b>11.80</b>     | 10.85     | <b>11.78</b>     | 14.07     |
| Ore grade milled - Gold (oz./ton)   | <b>0.115</b>     | 0.082     | <b>0.106</b>     | 0.11      |
| Silver produced (oz.)   | <b>422,434</b>   | 443,302   | <b>1,868,884</b> | 2,037,072 |
| Gold produced (oz.)   | <b>3,897</b>     | 2,928     | <b>15,673</b>    | 14,979    |
| Total cash cost, net of by-product credits, per silver ounce <sup>(1)</sup> | <b>\$ 8.89</b>   | \$ 14.78  | <b>\$ 8.02</b>   | \$ 9.69   |
| AISC, after by-product credits, per silver ounce <sup>(1)</sup>             | <b>\$ 11.78</b>  | \$ 19.51  | <b>\$ 12.10</b>  | \$ 14.68  |
| Capital additions (in thousands)  | <b>\$ (458)</b>  | \$ 2,527  | <b>\$ 5,035</b>  | \$ 6,219  |
| <b>CASA BERARDI UNIT</b>  |                  |           |                  |           |
| Tons of ore processed - underground   | <b>201,937</b>   | 187,956   | <b>784,568</b>   | 744,947   |
| Tons of ore processed - surface pit   | <b>161,430</b>   | 135,436   | <b>593,497</b>   | 630,771   |
| Tons of ore processed - total   | <b>363,367</b>   | 323,392   | <b>1,378,065</b> | 1,375,718 |
| Surface tons mined - ore and waste  | <b>1,797,105</b> | 1,773,114 | <b>9,329,268</b> | 6,902,760 |
| Mining cost per ton - underground   | <b>\$ 98.03</b>  | \$ 106.75 | <b>\$ 99.14</b>  | \$ 105.78 |
| Mining cost per ton - combined  | <b>\$ 74.54</b>  | \$ 81.92  | <b>\$ 79.27</b>  | \$ 74.44  |
| Mining cost per ton or ore and waste - surface tons mined                   | <b>\$ 4.05</b>   | \$ 3.10   | <b>\$ 3.37</b>   | \$ 3.56   |
| Milling cost per ton  | <b>\$ 20.22</b>  | \$ 15.61  | <b>\$ 18.22</b>  | \$ 15.84  |
| Ore grade milled - Gold (oz./ton) - underground                             | <b>0.164</b>     | 0.189     | <b>0.168</b>     | 0.203     |
| Ore grade milled - Gold (oz./ton) - surface pit                             | <b>0.064</b>     | 0.041     | <b>0.055</b>     | 0.059     |
| Ore grade milled - Gold (oz./ton) - combined                                | <b>0.119</b>     | 0.129     | <b>0.120</b>     | 0.136     |
| Ore grade milled - Silver (oz./ton)   | <b>0.04</b>      | 0.03      | <b>0.03</b>      | 0.03      |
| Gold produced (oz.) - underground   | <b>26,506</b>    | 31,015    | <b>106,821</b>   | 130,647   |
| Gold produced (oz.) - surface pit   | <b>8,287</b>     | 4,849     | <b>27,588</b>    | 32,097    |
| Gold produced (oz.) - total   | <b>34,793</b>    | 35,864    | <b>134,409</b>   | 162,744   |
| Silver produced (oz.) - total   | <b>10,499</b>    | 7,338     | <b>31,540</b>    | 38,086    |
| Total cash cost, net of by-product credits, per gold ounce <sup>(1)</sup>   | <b>\$ 1,037</b>  | \$ 940    | <b>\$ 1,051</b>  | \$ 800    |
| AISC, after by-product credits, per gold ounce <sup>(1)</sup>               | <b>\$ 1,278</b>  | \$ 1,348  | <b>\$ 1,354</b>  | \$ 1,080  |
| Capital additions (in thousands)  | <b>\$ 7,699</b>  | \$ 13,590 | <b>\$ 36,059</b> | \$ 40,710 |
| <b>NEVADA OPERATIONS</b>  |                  |           |                  |           |
| Tons of ore processed   | <b>46,661</b>    | 60,484    | <b>210,397</b>   | 116,383   |
| Mining cost per ton   | <b>\$ 215.05</b> | \$ 245.15 | <b>\$ 170.85</b> | \$ 216.80 |
| Milling cost per ton  | <b>\$ 88.39</b>  | \$ 79.09  | <b>\$ 83.20</b>  | \$ 74.91  |
| Ore grade milled - Gold (oz./ton)   | <b>0.502</b>     | 0.365     | <b>0.361</b>     | 0.328     |
| Silver produced (oz.)   | <b>21,477</b>    | 88,156    | <b>181,741</b>   | 172,301   |
| Gold produced (oz.)   | <b>20,727</b>    | 19,098    | <b>66,166</b>    | 32,887    |
| Total cash cost, net of by-product credits, per gold ounce <sup>(1)</sup>   | <b>\$ 946</b>    | \$ 1,251  | <b>\$ 1,096</b>  | \$ 1,221  |
| AISC, after by-product credits, per gold ounce <sup>(1)</sup>               | <b>\$ 1,024</b>  | \$ 2,020  | <b>\$ 1,527</b>  | \$ 1,950  |
| Capital additions (in thousands)  | <b>\$ 608</b>    | \$ 17,589 | <b>\$ 42,184</b> | \$ 32,587 |

(1) Cash cost, after by-product credits, per ounce and AISC, after by-product credits, per ounce represent non-U.S. Generally Accepted Accounting Principles (GAAP) measurements. A reconciliation of cost of sales and other direct production costs and depreciation, depletion and amortization (GAAP) to cash cost, after by-product credits can be found in the cash cost per ounce reconciliation section of this news release. Gold, lead and zinc produced have been treated as by-product credits in calculating silver costs per ounce. The primary metal produced at Casa Berardi and Nevada Operations is gold, with a by-product credit for the value of silver production.

Non-GAAP Measures  
(Unaudited)

***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 Cost, Before By-product Credits and All-In Sustaining Cost, After By-product Credits (non-GAAP)***

The tables below present reconciliations between the most comparable GAAP measure of cost of sales and other direct production costs and depreciation, depletion and amortization to the non-GAAP measures of (i) Cash Cost, Before By-product Credits, (ii) Cash Cost, After By-product Credits, (iii) AISC, Before By-product Credits and (iv) AISC, After By-product Credits for our operations at the Greens Creek, Lucky Friday, San Sebastian, Casa Berardi and Nevada Operations units and for the Company for the three- and twelve-month periods ended December 31, 2019 and 2018, and for estimated amounts for the twelve months ended December 31, 2020.

Cash Cost, After By-product Credits, per Ounce is a measure developed by precious metals companies (including the Silver Institute) in an effort to provide a uniform standard for comparison purposes. There can be no assurance, however, that these non-GAAP measures as we report them are the same as those reported by other mining companies.

Cash Cost, After By-product Credits, per Ounce is an important operating statistic that we utilize to measure each mine's operating performance. We have recently started reporting AISC, After By-product Credits, per Ounce which we use as a measure of our mines' net cash flow after costs for exploration, pre-development, reclamation, and sustaining capital. This is similar to the Cash Cost, After By-product Credits, per Ounce non-GAAP measure we report, but also includes on-site exploration, reclamation, and sustaining capital costs. 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. Cash Cost, After By-product Credits, per Ounce and AISC, After By-product Credits, per Ounce also allow us to benchmark the performance of each of our mines versus those of our competitors. As a primary silver and gold mining company, we also use these statistics on an aggregate basis. We aggregate the Greens Creek, Lucky Friday and San Sebastian mines to compare our performance with that of other primary silver mining companies and aggregate the Casa Berardi and Nevada Operations units to compare our performance with that of other primary gold mining companies. Similarly, these statistics are useful in identifying acquisition and investment opportunities as they provide a common tool for measuring the financial performance of other mines with varying geologic, metallurgical and operating characteristics.

Cash Cost, Before By-product Credits and AISC, Before By-product Credits include 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 expense, on-site general and administrative costs, royalties and mining production taxes. AISC, Before By-product Credits for each mine also includes on-site exploration, reclamation, and sustaining capital costs. AISC, Before By-product Credits for our consolidated silver properties also includes corporate costs for general and administrative expense, exploration and sustaining capital projects. By-product credits include revenues earned from all metals other than the primary metal produced at each unit. As depicted in the tables below, by-product credits comprise an essential element of our silver unit cost structure, distinguishing our silver operations due to the polymetallic nature of their orebodies.

In addition to the uses described above, Cash Cost, After By-product Credits, per Ounce and AISC, After By-product Credits, per Ounce provide management and investors an indication of operating cash flow, after consideration of the average price, received from production. We also use these measurements for the comparative monitoring of performance of our mining operations period-to-period from a cash flow perspective.

The Casa Berardi and Nevada Operations sections below report Cash Cost, After By-product Credits, per Gold Ounce and AISC, After By-product Credits, per Gold Ounce for the production of gold, their primary product, and by-product revenues earned from silver, which is a by-product at Casa Berardi and Nevada Operations. Only costs and ounces produced relating to units with the same primary product are combined to represent Cash Cost, After By-product Credits, per Ounce and AISC, After By-product Credits, per Ounce. Thus, the gold produced at our Casa Berardi and Nevada Operations units is not included as a by-product credit when calculating Cash Cost, After By-product Credits, per Silver Ounce and AISC, After By-product Credits, per Silver Ounce for the total of Greens Creek, Lucky Friday and San Sebastian, our combined silver properties. Similarly, the silver produced at our other three units is not included as a by-product credit when calculating the similar gold metrics for Casa Berardi.

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In thousands (except per ounce amounts)

Three Months Ended December 31, 2019

|  | Greens<br>Creek | Lucky<br>Friday <sup>(2)</sup> | San<br>Sebastian | Corporate <sup>(3)</sup> | Total Silver |
|--|-----------------|--------------------------------|------------------|--------------------------|--------------|
| Cost of sales and other direct production costs and depreciation, depletion and amortization | \$ 71,481       | \$ 5,472                       | \$ 14,171        |                          | \$ 91,124    |
| Depreciation, depletion and amortization   | (15,359)        | (284)                          | (2,838)          |                          | (18,481)     |
| Treatment costs  | 14,168          | 1,050                          | 328              |                          | 15,546       |
| Change in product inventory  | (10,323)        | 308                            | (1,575)          |                          | (11,590)     |
| Reclamation and other costs  | (1,083)         | —                              | (558)            |                          | (1,641)      |
| Exclusion of Lucky Friday costs  | —               | (6,546)                        | —                |                          | (6,546)      |
| Cash Cost, Before By-product Credits <sup>(1)</sup>  | 58,884          | —                              | 9,528            |                          | 68,412       |
| Reclamation and other costs  | 737             | —                              | 123              |                          | 860          |
| Exploration  | 357             | —                              | 215              | 227                      | 799          |
| Sustaining capital   | 12,886          | —                              | 884              | 35                       | 13,805       |
| General and administrative   |                 |                                |                  | 8,977                    | 8,977        |
| AISC, Before By-product Credits <sup>(1)</sup>   | 72,864          | —                              | 10,750           |                          | 92,853       |
| By-product credits:  |                 |                                |                  |                          |              |
| Zinc   | (23,478)        | —                              |                  |                          | (23,478)     |
| Gold   | (20,006)        |                                | (5,767)          |                          | (25,773)     |
| Lead   | (7,825)         | —                              |                  |                          | (7,825)      |
| Total By-product credits   | (51,309)        | —                              | (5,767)          |                          | (57,076)     |
| Cash Cost, After By-product Credits  | \$ 7,575        | \$ —                           | \$ 3,761         |                          | \$ 11,336    |
| AISC, After By-product Credits   | \$ 21,555       | \$ —                           | \$ 4,983         |                          | \$ 35,777    |
| Divided by ounces produced   | 2,741           | —                              | 423              |                          | 3,164        |
| Cash Cost, Before By-product Credits, per Silver Ounce                                       | \$ 21.49        | \$ —                           | \$ 22.52         |                          | \$ 21.62     |
| By-product credits per ounce   | (18.73)         | —                              | (13.63)          |                          | (18.04)      |
| Cash Cost, After By-product Credits, per Silver Ounce  | \$ 2.76         | \$ —                           | \$ 8.89          |                          | \$ 3.58      |
| AISC, Before By-product Credits, per Silver Ounce  | \$ 26.59        | \$ —                           | \$ 25.41         |                          | \$ 29.35     |
| By-product credits per ounce   | (18.73)         | —                              | (13.63)          |                          | (18.04)      |
| AISC, After By-product Credits, per Silver Ounce   | \$ 7.86         | \$ —                           | \$ 11.78         |                          | \$ 11.31     |

In thousands (except per ounce amounts)

|  | Three Months Ended December 31, 2019 |                   |            |
|--|--------------------------------------|-------------------|------------|
|  | Casa Berardi                         | Nevada Operations | Total Gold |
| Cost of sales and other direct production costs and depreciation, depletion and amortization | \$ 60,444                            | \$ 48,059         | \$ 108,503 |
| Depreciation, depletion and amortization   | (20,154)                             | (21,845)          | (41,999)   |
| Treatment costs  | 447                                  | 39                | 486        |
| Change in product inventory  | (4,343)                              | (5,896)           | (10,239)   |
| Reclamation and other costs  | (130)                                | (378)             | (508)      |
| Cash Cost, Before By-product Credits <sup>(1)</sup>  | 36,264                               | 19,979            | 56,243     |
| Reclamation and other costs  | 129                                  | 378               | 507        |
| Exploration  | 560                                  | 285               | 845        |
| Sustaining capital   | 7,699                                | 946               | 8,645      |
| AISC, Before By-product Credits <sup>(1)</sup>   | 44,652                               | 21,588            | 66,240     |
| By-product credits:  |                                      |                   |            |
| Silver   | (180)                                | (371)             | (551)      |
| Total By-product credits   | (180)                                | (371)             | (551)      |
| Cash Cost, After By-product Credits  | \$ 36,084                            | \$ 19,608         | \$ 55,692  |
| AISC, After By-product Credits   | \$ 44,472                            | \$ 21,217         | \$ 65,689  |
| Divided by gold ounces produced  | 35                                   | 21                | 56         |
| Cash Cost, Before By-product Credits, per Gold Ounce   | \$ 1,042                             | \$ 964            | \$ 1,003   |
| By-product credits per ounce   | (5)                                  | (18)              | (10)       |
| Cash Cost, After By-product Credits, per Gold Ounce  | \$ 1,037                             | \$ 946            | \$ 993     |
| AISC, Before By-product Credits, per Gold Ounce  | \$ 1,283                             | \$ 1,042          | \$ 1,197   |
| By-product credits per ounce   | (5)                                  | (18)              | (10)       |
| AISC, After By-product Credits, per Gold Ounce   | \$ 1,278                             | \$ 1,024          | \$ 1,187   |



In thousands (except per ounce amounts)

|  | Three Months Ended December 31, 2019 |            |            |
|--|--------------------------------------|------------|------------|
|  | Total Silver                         | Total Gold | Total      |
| Cost of sales and other direct production costs and depreciation, depletion and amortization | \$ 91,124                            | \$ 108,503 | \$ 199,627 |
| Depreciation, depletion and amortization   | (18,481)                             | (41,999)   | (60,480)   |
| Treatment costs  | 15,546                               | 486        | 16,032     |
| Change in product inventory  | (11,590)                             | (10,239)   | (21,829)   |
| Reclamation and other costs  | (1,641)                              | (508)      | (2,149)    |
| Exclusion of Lucky Friday costs  | (6,546)                              |            | (6,546)    |
| Cash Cost, Before By-product Credits <sup>(1)</sup>  | 68,412                               | 56,243     | 124,655    |
| Reclamation and other costs  | 860                                  | 507        | 1,367      |
| Exploration  | 799                                  | 845        | 1,644      |
| Sustaining capital   | 13,805                               | 8,645      | 22,450     |
| General and administrative   | 8,977                                | —          | 8,977      |
| AISC, Before By-product Credits <sup>(1)</sup>   | 92,853                               | 66,240     | 159,093    |
| By-product credits:  |                                      |            |            |
| Zinc   | (23,478)                             | —          | (23,478)   |
| Gold   | (25,773)                             | —          | (25,773)   |
| Lead   | (7,825)                              | —          | (7,825)    |
| Silver   |                                      | (551)      | (551)      |
| Total By-product credits   | (57,076)                             | (551)      | (57,627)   |
| Cash Cost, After By-product Credits  | \$ 11,336                            | \$ 55,692  | \$ 67,028  |
| AISC, After By-product Credits   | \$ 35,777                            | \$ 65,689  | \$ 101,466 |
| Divided by ounces produced   | 3,164                                | 56         |            |
| Cash Cost, Before By-product Credits, per Ounce  | \$ 21.62                             | \$ 1,003   |            |
| By-product credits per ounce   | (18.04)                              | (10)       |            |
| Cash Cost, After By-product Credits, per Ounce   | \$ 3.58                              | \$ 993     |            |
| AISC, Before By-product Credits, per Ounce   | \$ 29.35                             | \$ 1,197   |            |
| By-product credits per ounce   | (18.04)                              | (10)       |            |
| AISC, After By-product Credits, per Ounce  | \$ 11.31                             | \$ 1,187   |            |

In thousands (except per ounce amounts)

|  | Three Months Ended December 31, 2018 |                             |               |                          | Total Silver |
|--|--------------------------------------|-----------------------------|---------------|--------------------------|--------------|
|  | Greens Creek                         | Lucky Friday <sup>(2)</sup> | San Sebastian | Corporate <sup>(3)</sup> |              |
| Cost of sales and other direct production costs and depreciation, depletion and amortization | \$ 48,302                            | \$ 3,906                    | \$ 10,638     |                          | \$ 62,846    |
| Depreciation, depletion and amortization   | (11,631)                             | (209)                       | (1,016)       |                          | (12,856)     |
| Treatment costs  | 9,038                                | 78                          | 180           |                          | 9,296        |
| Change in product inventory  | 2,092                                | (148)                       | 527           |                          | 2,471        |
| Reclamation and other costs  | (587)                                | —                           | (185)         |                          | (772)        |
| Exclusion of Lucky Friday costs  | —                                    | (3,627)                     | —             |                          | (3,627)      |
| Cash Cost, Before By-product Credits <sup>(1)</sup>  | 47,214                               | —                           | 10,144        |                          | 57,358       |
| Reclamation and other costs  | 849                                  | —                           | 105           |                          | 954          |
| Exploration  | 242                                  | —                           | 1,164         | 608                      | 2,014        |
| Sustaining capital   | 12,170                               | —                           | 828           | 157                      | 13,155       |
| General and administrative   |                                      |                             |               | 8,693                    | 8,693        |
| AISC, Before By-product Credits <sup>(1)</sup>   | 60,475                               | —                           | 12,241        |                          | 82,174       |
| By-product credits:  |                                      |                             |               |                          |              |
| Zinc   | (22,788)                             | —                           |               |                          | (22,788)     |
| Gold   | (14,079)                             |                             | (3,595)       |                          | (17,674)     |
| Lead   | (6,475)                              | —                           |               |                          | (6,475)      |
| Silver   |                                      |                             |               |                          |              |
| Total By-product credits   | (43,342)                             | —                           | (3,595)       |                          | (46,937)     |
| Cash Cost, After By-product Credits  | \$ 3,872                             | \$ —                        | \$ 6,549      |                          | \$ 10,421    |
| AISC, After By-product Credits   | \$ 17,133                            | \$ —                        | \$ 8,646      |                          | \$ 35,237    |
| Divided by silver ounces produced  | 2,164                                | —                           | 443           |                          | 2,607        |
| Cash Cost, Before By-product Credits, per Silver Ounce                                       | \$ 21.83                             | \$ —                        | \$ 22.90      |                          | \$ 22.01     |
| By-product credits per Silver ounce  | (20.04)                              | —                           | (8.12)        |                          | (18.00)      |
| Cash Cost, After By-product Credits, per Silver Ounce  | \$ 1.79                              | \$ —                        | \$ 14.78      |                          | \$ 4.01      |
| AISC, Before By-product Credits, per Silver Ounce  | \$ 27.96                             | \$ —                        | \$ 27.63      |                          | \$ 31.53     |
| By-product credits per Silver ounce  | (20.04)                              | —                           | (8.12)        |                          | (18.00)      |
| AISC, After By-product Credits, per Silver Ounce   | \$ 7.92                              | \$ —                        | \$ 19.51      |                          | \$ 13.53     |

In thousands (except per ounce amounts)

Three Months Ended December 31, 2018

|  | Nevada       |            | Total Gold |
|--|--------------|------------|------------|
|  | Casa Berardi | Operations |            |
| Cost of sales and other direct production costs and depreciation, depletion and amortization | \$ 47,253    | \$ 27,686  | \$ 74,939  |
| Depreciation, depletion and amortization   | (16,423)     | (6,314)    | (22,737)   |
| Treatment costs  | 440          | 48         | 488        |
| Change in product inventory  | 2,686        | 4,711      | 7,397      |
| Reclamation and other costs  | (137)        | (954)      | (1,091)    |
| Cash Cost, Before By-product Credits <sup>(1)</sup>  | 33,819       | 25,177     | 58,996     |
| Reclamation and other costs  | 137          | 567        | 704        |
| Exploration  | 903          | 4,101      | 5,004      |
| Sustaining capital   | 13,591       | 10,018     | 23,609     |
| AISC, Before By-product Credits <sup>(1)</sup>   | 48,450       | 39,863     | 88,313     |
| By-product credits:  |              |            |            |
| Silver   | (106)        | (1,280)    | (1,386)    |
| Total By-product credits   | (106)        | (1,280)    | (1,386)    |
| Cash Cost, After By-product Credits  | \$ 33,713    | \$ 23,897  | \$ 57,610  |
| AISC, After By-product Credits   | \$ 48,344    | \$ 38,583  | \$ 86,927  |
| Divided by gold ounces produced  | 36           | 19         | 55         |
| Cash Cost, Before By-product Credits, per Gold Ounce   | \$ 943       | \$ 1,318   | \$ 1,073   |
| By-product credits per Gold Ounce  | (3)          | (67)       | (25)       |
| Cash Cost, After By-product Credits, per Gold Ounce  | \$ 940       | \$ 1,251   | \$ 1,048   |
| AISC, Before By-product Credits, per Gold Ounce  | \$ 1,351     | \$ 2,087   | \$ 1,607   |
| By-product credits per Gold Ounce  | (3)          | (67)       | (25)       |
| AISC, After By-product Credits, per Gold Ounce   | \$ 1,348     | \$ 2,020   | \$ 1,582   |

In thousands (except per ounce amounts)

|  | Three Months Ended December 31, 2018 |            |            |
|--|--------------------------------------|------------|------------|
|  | Total Silver                         | Total Gold | Total      |
| Cost of sales and other direct production costs and depreciation, depletion and amortization | \$ 62,846                            | 74,939     | \$ 137,785 |
| Depreciation, depletion and amortization   | (12,856)                             | (22,737)   | (35,593)   |
| Treatment costs  | 9,296                                | 488        | 9,784      |
| Change in product inventory  | 2,471                                | 7,397      | 9,868      |
| Reclamation and other costs  | (772)                                | (1,091)    | (1,863)    |
| Exclusion of Lucky Friday costs  | (3,627)                              |            | (3,627)    |
| Cash Cost, Before By-product Credits <sup>(1)</sup>  | 57,358                               | 58,996     | 116,354    |
| Reclamation and other costs  | 954                                  | 704        | 1,658      |
| Exploration  | 2,014                                | 5,004      | 7,018      |
| Sustaining capital   | 13,155                               | 23,609     | 36,764     |
| General and administrative   | 8,693                                | —          | 8,693      |
| AISC, Before By-product Credits <sup>(1)</sup>   | 82,174                               | 88,313     | 170,487    |
| By-product credits:  |                                      |            |            |
| Zinc   | (22,788)                             | —          | (22,788)   |
| Gold   | (17,674)                             | —          | (17,674)   |
| Lead   | (6,475)                              | —          | (6,475)    |
| Silver   |                                      | (1,386)    | (1,386)    |
| Total By-product credits   | (46,937)                             | (1,386)    | (48,323)   |
| Cash Cost, After By-product Credits  | \$ 10,421                            | \$ 57,610  | \$ 68,031  |
| AISC, After By-product Credits   | \$ 35,237                            | \$ 86,927  | \$ 122,164 |
| Divided by ounces produced   | 2,607                                | 55         |            |
| Cash Cost, Before By-product Credits, per Ounce  | \$ 22.01                             | \$ 1,073   |            |
| By-product credits per ounce   | (18.00)                              | (25)       |            |
| Cash Cost, After By-product Credits, per Ounce   | \$ 4.01                              | \$ 1,048   |            |
| AISC, Before By-product Credits, per Ounce   | \$ 31.53                             | \$ 1,607   |            |
| By-product credits per ounce   | (18.00)                              | (25)       |            |
| AISC, After By-product Credits, per Ounce  | \$ 13.53                             | \$ 1,582   |            |

In thousands (except per ounce amounts)

|  | Twelve Months Ended December 31, 2019 |                             |               |                          | Total Silver |
|--|---------------------------------------|-----------------------------|---------------|--------------------------|--------------|
|  | Greens Creek                          | Lucky Friday <sup>(2)</sup> | San Sebastian | Corporate <sup>(3)</sup> |              |
| Cost of sales and other direct production costs and depreciation, depletion and amortization | \$ 211,719                            | \$ 16,621                   | \$ 50,509     |                          | \$278,849    |
| Depreciation, depletion and amortization   | (47,587)                              | (1,175)                     | (9,772)       |                          | (58,534)     |
| Treatment costs  | 48,487                                | 2,884                       | 760           |                          | 52,131       |
| Change in product inventory  | (1,155)                               | 1,016                       | (2,953)       |                          | (3,092)      |
| Reclamation and other costs  | (2,523)                               | —                           | (1,588)       |                          | (4,111)      |
| Exclusion of Lucky Friday costs  | —                                     | (19,346)                    | —             |                          | (19,346)     |
| Cash Cost, Before By-product Credits <sup>(1)</sup>  | 208,941                               | —                           | 36,956        |                          | 245,897      |
| Reclamation and other costs  | 2,949                                 | —                           | 492           |                          | 3,441        |
| Exploration  | 982                                   | —                           | 4,667         | 1,332                    | 6,981        |
| Sustaining capital   | 35,829                                | —                           | 2,461         | 108                      | 38,398       |
| General and administrative   |                                       |                             |               | 35,832                   | 35,832       |
| AISC, Before By-product Credits <sup>(1)</sup>   | 248,701                               | —                           | 44,576        |                          | 330,549      |
| By-product credits:  |                                       |                             |               |                          |              |
| Zinc   | (91,435)                              | —                           |               |                          | (91,435)     |
| Gold   | (69,391)                              | —                           | (21,960)      |                          | (91,351)     |
| Lead   | (28,589)                              | —                           |               |                          | (28,589)     |
| Total By-product credits   | (189,415)                             | —                           | (21,960)      |                          | (211,375)    |
| Cash Cost, After By-product Credits  | \$ 19,526                             | \$ —                        | \$ 14,996     |                          | \$ 34,522    |
| AISC, After By-product Credits   | \$ 59,286                             | \$ —                        | \$ 22,616     |                          | \$119,174    |
| Divided by silver ounces produced  | 9,890                                 | —                           | 1,869         |                          | 11,759       |
| Cash Cost, Before By-product Credits, per Silver Ounce                                       | \$ 21.12                              | \$ —                        | \$ 19.77      |                          | \$ 20.91     |
| By-product credits per Silver ounce  | (19.15)                               | —                           | (11.75)       |                          | (17.98)      |
| Cash Cost, After By-product Credits, per Silver Ounce  | \$ 1.97                               | \$ —                        | \$ 8.02       |                          | \$ 2.93      |
| AISC, Before By-product Credits, per Silver Ounce  | \$ 25.14                              | \$ —                        | \$ 23.85      |                          | \$ 28.11     |
| By-product credits per Silver ounce  | (19.15)                               | —                           | (11.75)       |                          | (17.98)      |
| AISC, After By-product Credits, per Silver Ounce   | \$ 5.99                               | \$ —                        | \$ 12.10      |                          | \$ 10.13     |

In thousands (except per ounce amounts)

|  | 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 | \$ 217,682                            | \$ 153,336        | \$ 371,018 |
| Depreciation, depletion and amortization   | (73,960)                              | (67,024)          | (140,984)  |
| Treatment costs  | 1,876                                 | 158               | 2,034      |
| Change in product inventory  | (3,371)                               | (9,008)           | (12,379)   |
| Reclamation and other costs  | (515)                                 | (2,019)           | (2,534)    |
| Cash Cost, Before By-product Credits <sup>(1)</sup>  | 141,712                               | 75,443            | 217,155    |
| Reclamation and other costs  | 515                                   | 1,512             | 2,027      |
| Exploration  | 3,450                                 | 2,333             | 5,783      |
| Sustaining capital   | 36,825                                | 24,652            | 61,477     |
| AISC, Before By-product Credits <sup>(1)</sup>   | 182,502                               | 103,940           | 286,442    |
| By-product credits:  |                                       |                   |            |
| Silver   | (508)                                 | (2,922)           | (3,430)    |
| Total By-product credits   | (508)                                 | (2,922)           | (3,430)    |
| Cash Cost, After By-product Credits  | \$ 141,204                            | \$ 72,521         | \$ 213,725 |
| AISC, After By-product Credits   | \$ 181,994                            | \$ 101,018        | \$ 283,012 |
| Divided by gold ounces produced  | 134                                   | 66                | 200        |
| Cash Cost, Before By-product Credits, per Gold Ounce   | \$ 1,055                              | \$ 1,140          | \$ 1,083   |
| By-product credits per Gold ounce  | (4)                                   | (44)              | (17)       |
| Cash Cost, After By-product Credits, per Gold Ounce  | \$ 1,051                              | \$ 1,096          | \$ 1,066   |
| AISC, Before By-product Credits, per Gold Ounce  | \$ 1,358                              | \$ 1,571          | \$ 1,428   |
| By-product credits per Gold ounce  | (4)                                   | (44)              | (17)       |
| AISC, After By-product Credits, per Gold Ounce   | \$ 1,354                              | \$ 1,527          | \$ 1,411   |

In thousands (except per ounce amounts)

|  | Twelve Months Ended December 31, 2019 |            |            |
|--|---------------------------------------|------------|------------|
|  | Total Silver                          | Total Gold | Total      |
| Cost of sales and other direct production costs and depreciation, depletion and amortization | \$ 278,849                            | \$ 371,018 | \$ 649,867 |
| Depreciation, depletion and amortization   | (58,534)                              | (140,984)  | (199,518)  |
| Treatment costs  | 52,131                                | 2,034      | 54,165     |
| Change in product inventory  | (3,092)                               | (12,379)   | (15,471)   |
| Reclamation and other costs  | (4,111)                               | (2,534)    | (6,645)    |
| Exclusion of Lucky Friday costs  | (19,346)                              |            | (19,346)   |
| Cash Cost, Before By-product Credits <sup>(1)</sup>  | 245,897                               | 217,155    | 463,052    |
| Reclamation and other costs  | 3,441                                 | 2,027      | 5,468      |
| Exploration  | 6,981                                 | 5,783      | 12,764     |
| Sustaining capital   | 38,398                                | 61,477     | 99,875     |
| General and administrative   | 35,832                                | —          | 35,832     |
| AISC, Before By-product Credits <sup>(1)</sup>   | 330,549                               | 286,442    | 616,991    |
| By-product credits:  |                                       |            |            |
| Zinc   | (91,435)                              |            | (91,435)   |
| Gold   | (91,351)                              |            | (91,351)   |
| Lead   | (28,589)                              |            | (28,589)   |
| Silver   |                                       | (3,430)    | (3,430)    |
| Total By-product credits   | (211,375)                             | (3,430)    | (214,805)  |
| Cash Cost, After By-product Credits  | \$ 34,522                             | \$ 213,725 | \$ 248,247 |
| AISC, After By-product Credits   | \$ 119,174                            | \$ 283,012 | \$ 402,186 |
| Divided by ounces produced   | 11,759                                | 200        |            |
| Cash Cost, Before By-product Credits, per Ounce  | \$ 20.91                              | \$ 1,083   |            |
| By-product credits per ounce   | (17.98)                               | (17)       |            |
| Cash Cost, After By-product Credits, per Ounce   | \$ 2.93                               | \$ 1,066   |            |
| AISC, Before By-product Credits, per Ounce   | \$ 28.11                              | \$ 1,428   |            |
| By-product credits per ounce   | (17.98)                               | (17)       |            |
| AISC, After By-product Credits, per Ounce  | \$ 10.13                              | \$ 1,411   |            |

In thousands (except per ounce amounts)

Twelve Months Ended December 31, 2018

|  | Greens Creek | Lucky<br>Friday <sup>(2)</sup> | San Sebastian | Corporate <sup>(3)</sup> | Total Silver |
|--|--------------|--------------------------------|---------------|--------------------------|--------------|
| Cost of sales and other direct production costs and depreciation, depletion and amortization | \$ 190,066   | \$ 9,750                       | \$ 41,815     |                          | \$ 241,631   |
| Depreciation, depletion and amortization   | (46,511)     | (1,012)                        | (4,602)       |                          | (52,125)     |
| Treatment costs  | 38,174       | 839                            | 807           |                          | 39,820       |
| Change in product inventory  | 3,087        | (2,330)                        | 2,385         |                          | 3,142        |
| Reclamation and other costs  | (2,911)      | —                              | (1,559)       |                          | (4,470)      |
| Exclusion of Lucky Friday costs  | —            | (7,247)                        |               |                          | (7,247)      |
| Cash Cost, Before By-product Credits <sup>(1)</sup>  | 181,905      | —                              | 38,846        |                          | 220,751      |
| Reclamation and other costs  | 3,397        | —                              | 419           |                          | 3,816        |
| Exploration  | 3,151        | —                              | 7,792         | 1,959                    | 12,902       |
| Sustaining capital   | 46,864       | —                              | 1,947         | 1,495                    | 50,306       |
| General and administrative   |              |                                |               | 36,542                   | 36,542       |
| AISC, Before By-product Credits <sup>(1)</sup>   | 235,317      | —                              | 49,004        |                          | 324,317      |
| By-product credits:  |              |                                |               |                          |              |
| Zinc   | (103,096)    | —                              |               |                          | (103,096)    |
| Gold   | (57,316)     |                                | (19,100)      |                          | (76,416)     |
| Lead   | (30,512)     | —                              |               |                          | (30,512)     |
| Silver   |              |                                |               |                          |              |
| Total By-product credits   | (190,924)    | —                              | (19,100)      |                          | (210,024)    |
| Cash Cost, After By-product Credits  | \$ (9,019)   | \$ —                           | \$ 19,746     |                          | \$ 10,727    |
| AISC, After By-product Credits   | \$ 44,393    | \$ —                           | \$ 29,904     |                          | \$ 114,293   |
| Divided by silver ounces produced  | 7,953        | —                              | 2,037         |                          | 9,990        |
| Cash Cost, Before By-product Credits, per Silver Ounce                                       | \$ 22.88     | \$ —                           | \$ 19.07      |                          | \$ 22.10     |
| By-product credits per silver ounce  | (24.01)      | —                              | (9.38)        |                          | (21.02)      |
| Cash Cost, After By-product Credits, per Silver Ounce  | \$ (1.13)    | \$ —                           | \$ 9.69       |                          | \$ 1.08      |
| AISC, Before By-product Credits, per Silver Ounce  | \$ 29.59     | \$ —                           | \$ 24.06      |                          | \$ 32.46     |
| By-product credits per silver ounce  | (24.01)      | —                              | (9.38)        |                          | (21.02)      |
| AISC, After By-product Credits, per Silver Ounce   | \$ 5.58      | \$ —                           | \$ 14.68      |                          | \$ 11.44     |



In thousands (except per ounce amounts)

|  | Twelve Months Ended December 31, 2018 |                   |            |
|--|---------------------------------------|-------------------|------------|
|  | Casa Berardi                          | Nevada Operations | Total Gold |
| Cost of sales and other direct production costs and depreciation, depletion and amortization | \$ 199,402                            | \$ 47,005         | \$ 246,407 |
| Depreciation, depletion and amortization   | (71,302)                              | (10,617)          | (81,919)   |
| Treatment costs  | 2,068                                 | 90                | 2,158      |
| Change in product inventory  | 1,205                                 | 7,138             | 8,343      |
| Reclamation and other costs  | (558)                                 | (954)             | (1,512)    |
| Cash Cost, Before By-product Credits <sup>(1)</sup>  | 130,815                               | 42,662            | 173,477    |
| Reclamation and other costs  | 558                                   | 567               | 1,125      |
| Exploration  | 4,277                                 | 6,345             | 10,622     |
| Sustaining capital   | 40,711                                | 17,079            | 57,790     |
| AISC, Before By-product Credits <sup>(1)</sup>   | 176,361                               | 66,653            | 243,014    |
| By-product credits:  |                                       |                   |            |
| Zinc   |                                       |                   |            |
| Gold   |                                       |                   |            |
| Lead   |                                       |                   |            |
| Silver   | (597)                                 | (2,512)           | (3,109)    |
| Total By-product credits   | (597)                                 | (2,512)           | (3,109)    |
| Cash Cost, After By-product Credits  | \$ 130,218                            | \$ 40,150         | \$ 170,368 |
| AISC, After By-product Credits   | \$ 175,764                            | \$ 64,141         | \$ 239,905 |
| Divided by gold ounces produced  | 163                                   | 33                | 196        |
| Cash Cost, Before By-product Credits, per Gold Ounce   | \$ 804                                | \$ 1,297          | \$ 887     |
| By-product credits per gold ounce  | (4)                                   | (76)              | (16)       |
| Cash Cost, After By-product Credits, per Gold Ounce  | \$ 800                                | \$ 1,221          | \$ 871     |
| AISC, Before By-product Credits, per Gold Ounce  | \$ 1,084                              | \$ 2,026          | \$ 1,242   |
| By-product credits per ounce   | (4)                                   | (76)              | (16)       |
| AISC, After By-product Credits, per Gold Ounce   | \$ 1,080                              | \$ 1,950          | \$ 1,226   |

In thousands (except per ounce amounts)

|  | Twelve Months Ended December 31, 2018 |            |            |
|--|---------------------------------------|------------|------------|
|  | Total Silver                          | Total Gold | Total      |
| Cost of sales and other direct production costs and depreciation, depletion and amortization | \$ 241,631                            | \$ 246,407 | \$ 488,038 |
| Depreciation, depletion and amortization   | (52,125)                              | (81,919)   | (134,044)  |
| Treatment costs  | 39,820                                | 2,158      | 41,978     |
| Change in product inventory  | 3,142                                 | 8,343      | 11,485     |
| Reclamation and other costs  | (4,470)                               | (1,512)    | (5,982)    |
| Exclusion of Lucky Friday costs  | (7,247)                               |            | (7,247)    |
| Cash Cost, Before By-product Credits <sup>(1)</sup>  | 220,751                               | 173,477    | 394,228    |
| Reclamation and other costs  | 3,816                                 | 1,125      | 4,941      |
| Exploration  | 12,902                                | 10,622     | 23,524     |
| Sustaining capital   | 50,306                                | 57,790     | 108,096    |
| General and administrative   | 36,542                                | —          | 36,542     |
| AISC, Before By-product Credits <sup>(1)</sup>   | 324,317                               | 243,014    | 567,331    |
| By-product credits:  |                                       |            |            |
| Zinc   | (103,096)                             |            | (103,096)  |
| Gold   | (76,416)                              |            | (76,416)   |
| Lead   | (30,512)                              |            | (30,512)   |
| Silver   |                                       | (3,109)    | (3,109)    |
| Total By-product credits   | (210,024)                             | (3,109)    | (213,133)  |
| Cash Cost, After By-product Credits  | \$ 10,727                             | \$ 170,368 | \$ 181,095 |
| AISC, After By-product Credits   | \$ 114,293                            | \$ 239,905 | \$ 354,198 |
| Divided by ounces produced   | 9,990                                 | 196        |            |
| Cash Cost, Before By-product Credits, per Ounce  | \$ 22.10                              | \$ 887     |            |
| By-product credits per ounce   | (21.02)                               | (16)       |            |
| Cash Cost, After By-product Credits, per Ounce   | \$ 1.08                               | \$ 871     |            |
| AISC, Before By-product Credits, per Ounce   | \$ 32.46                              | \$ 1,242   |            |
| By-product credits per ounce   | (21.02)                               | (16)       |            |
| AISC, After By-product Credits, per Ounce  | \$ 11.44                              | \$ 1,226   |            |

In thousands (except per ounce amounts)

Estimate for Twelve Months Ended December 31, 2020

|  | Lucky        |                       |               | Corporate <sup>(3)</sup> | Total Silver |
|--|--------------|-----------------------|---------------|--------------------------|--------------|
|  | Greens Creek | Friday <sup>(2)</sup> | San Sebastian |                          |              |
| Cost of sales and other direct production costs and depreciation, depletion and amortization | \$ 200,000   | \$ 14,500             | \$ 25,000     |                          | \$ 239,500   |
| Depreciation, depletion and amortization   | (42,000)     | (3,500)               | (7,000)       |                          | (52,500)     |
| Treatment costs  | 33,700       | 2,750                 | 850           |                          | 37,300       |
| Change in product inventory  | 15,500       | —                     | (5,200)       |                          | 10,300       |
| Reclamation and other costs  | 3,500        | 250                   | 1,300         |                          | 5,050        |
| Cash Cost, Before By-product Credits <sup>(1)</sup>  | 210,700      | 14,000                | 14,950        |                          | 239,650      |
| Reclamation and other costs  | 5,000        | —                     | 500           |                          | 5,500        |
| Exploration  | 800          | —                     | 2,300         |                          | 3,100        |
| Sustaining capital   | 35,500       | 2,500                 | 600           |                          | 38,600       |
| General and administrative   | —            | —                     | —             | 29,000                   | 29,000       |
| AISC, Before By-product Credits <sup>(1)</sup>   | 252,000      | 16,500                | 18,350        |                          | 315,850      |
| By-product credits:  |              |                       |               |                          |              |
| Zinc   | (79,000)     | (2,700)               |               |                          | (81,700)     |
| Gold   | (63,000)     |                       | (12,000)      |                          | (75,000)     |
| Lead   | (29,000)     | (7,600)               |               |                          | (36,600)     |
| Total By-product credits   | (171,000)    | (10,300)              | (12,000)      |                          | (193,300)    |
| Cash Cost, After By-product Credits  | \$ 39,700    | \$ 3,700              | \$ 2,950      |                          | \$ 46,350    |
| AISC, After By-product Credits   | \$ 81,000    | \$ 6,200              | \$ 6,350      |                          | \$ 122,550   |
| Divided by silver ounces produced  | 9,100        | 700                   | 900           |                          | 10,700       |
| Cash Cost, Before By-product Credits, per Silver Ounce                                       | \$ 23.15     | \$ 20.00              | \$ 16.61      |                          | \$ 22.40     |
| By-product credits per silver ounce  | (18.79)      | (14.71)               | (13.33)       |                          | (18.07)      |
| Cash Cost, After By-product Credits, per Silver Ounce  | \$ 4.36      | \$ 5.29               | \$ 3.28       |                          | \$ 4.33      |
| AISC, Before By-product Credits, per Silver Ounce  | \$ 27.69     | \$ 23.57              | \$ 20.39      |                          | \$ 29.52     |
| By-product credits per silver ounce  | (18.79)      | (14.71)               | (13.33)       |                          | (18.07)      |
| AISC, After By-product Credits, per Silver Ounce   | \$ 8.90      | \$ 8.86               | \$ 7.06       |                          | \$ 11.45     |

In thousands (except per ounce amounts)

|  | Estimate for Twelve Months Ended December 31, 2020 |                   |            |
|--|--|-------------------|------------|
|  | Casa Berardi                                       | Nevada Operations | Total Gold |
| Cost of sales and other direct production costs and depreciation, depletion and amortization | \$ 185,000   | \$ 50,000         | \$ 235,000 |
| Depreciation, depletion and amortization   | (57,000)   | (23,000)          | (80,000)   |
| Treatment costs  | —  | —                 | —          |
| Change in product inventory  | (7,000)  | (4,000)           | (11,000)   |
| Reclamation and other costs  | 1,000  | 1,250             | 2,250      |
| Cash Cost, Before By-product Credits <sup>(1)</sup>  | 122,000  | 24,250            | 146,250    |
| Reclamation and other costs  | 600  | 200               | 800        |
| Exploration  | 2,600  | —                 | 2,600      |
| Sustaining capital   | 46,000   | 1,000             | 47,000     |
| AISC, Before By-product Credits <sup>(1)</sup>   | 171,200  | 25,450            | 196,650    |
| By-product credits:  |  | —                 |            |
| Silver   | (500)  | (500)             | (1,000)    |
| Total By-product credits   | (500)  | (500)             | (1,000)    |
| Cash Cost, After By-product Credits  | \$ 121,500   | \$ 23,750         | \$ 145,250 |
| AISC, After By-product Credits   | \$ 170,700   | \$ 24,950         | \$ 195,650 |
| Divided by gold ounces produced  | 137  | 27                | 164        |
| Cash Cost, Before By-product Credits, per Gold Ounce   | \$ 891   | \$ 898            | \$ 892     |
| By-product credits per gold ounce  | (4)  | (19)              | (6)        |
| Cash Cost, After By-product Credits, per Gold Ounce  | \$ 887   | \$ 879            | \$ 886     |
| AISC, Before By-product Credits, per Gold Ounce  | \$ 1,250   | \$ 943            | \$ 1,199   |
| By-product credits per gold ounce  | (4)  | (19)              | (6)        |
| AISC, After By-product Credits, per Gold Ounce   | \$ 1,246   | \$ 924            | \$ 1,193   |

In thousands (except per ounce amounts)

|  | Estimate for Twelve Months Ended December 31, 2020 |            |            |
|--|--|------------|------------|
|  | Total Silver                                       | Total Gold | Total      |
| Cost of sales and other direct production costs and depreciation, depletion and amortization | \$ 252,500   | \$ 220,000 | \$ 472,500 |
| Depreciation, depletion and amortization   | (52,500)   | (80,000)   | (132,500)  |
| Treatment costs  | 37,300   | —          | 37,300     |
| Change in product inventory  | (2,700)  | 4,000      | 1,300      |
| Reclamation and other costs  | 5,050  | 2,250      | 7,300      |
| Cash Cost, Before By-product Credits <sup>(1)</sup>  | 239,650  | 146,250    | 385,900    |
| Reclamation and other costs  | 5,500  | 800        | 6,300      |
| Exploration  | 3,100  | 2,600      | 5,700      |
| Sustaining capital   | 38,600   | 47,000     | 85,600     |
| General and administrative   | 29,000   | —          | 29,000     |
| AISC, Before By-product Credits <sup>(1)</sup>   | 315,850  | 196,650    | 512,500    |
| By-product credits:  |  |            |            |
| Zinc   | (81,700)   | —          | (81,700)   |
| Gold   | (75,000)   | —          | (75,000)   |
| Lead   | (36,600)   | —          | (36,600)   |
| Silver   | —  | (1,000)    | (1,000)    |
| Total By-product credits   | (193,300)  | (1,000)    | (194,300)  |
| Cash Cost, After By-product Credits  | \$ 46,350  | \$ 145,250 | \$ 191,600 |
| AISC, After By-product Credits   | \$ 122,550   | \$ 195,650 | \$ 318,200 |
| Divided by ounces produced   | 10,700   | 164        |            |
| Cash Cost, Before By-product Credits, per Ounce  | \$ 22.40   | \$ 892     |            |
| By-product credits per ounce   | (18.07)  | (6)        |            |
| Cash Cost, After By-product Credits, per Ounce   | \$ 4.33  | \$ 886     |            |
| AISC, Before By-product Credits, per Ounce   | \$ 29.52   | \$ 1,199   |            |
| By-product credits per ounce   | (18.07)  | (6)        |            |
| AISC, After By-product Credits, per Ounce  | \$ 11.45   | \$ 1,193   |            |

- (1) Includes all direct and indirect operating costs related to the physical activities of producing metals, including mining, processing and other plant costs, third-party refining and marketing expense, on-site general and administrative costs, royalties and mining production taxes, before by-product revenues earned from all metals other than the primary metal produced at each unit. AISC, Before By-product Credits also includes on-site exploration, reclamation, and sustaining capital costs.
- (2) The unionized employees at Lucky Friday had been on strike from March 13, 2017, until January 7, 2020, and production at Lucky Friday has been limited since that time. For 2019 and 2018, costs related to suspension of full production totaling approximately \$7.8 million and \$14.6 million, respectively, along with \$4.3 million and \$5.0 million, respectively, in non-cash depreciation expense for that period, have been excluded from the calculations of cost of sales and other direct production costs and depreciation, depletion and amortization, Cash Cost, Before By-product Credits, Cash Cost, After By-product Credits, AISC, Before By-product Credits, and AISC, After By-product Credits.
- (3) AISC, Before By-product Credits for our consolidated silver properties includes corporate costs for general and administrative expense, exploration and sustaining capital.

## Reconciliation of Net (Loss) Income Applicable to Common Shareholders (GAAP) to Adjusted Net Income (Loss) Applicable to Common Shareholders (non-GAAP)

This release refers to a non-GAAP measure of adjusted net income (loss) applicable to common stockholders and adjusted net income (loss) per share, which are indicators of our performance. They exclude certain impacts which are of a nature which we believe are not reflective of our underlying performance. Management believes that adjusted net income (loss) per common share provides investors with the ability to better evaluate our underlying operating performance.

| <i>Dollars in thousands (except per share amounts)</i>                            | Three Months Ended |             | Twelve Months Ended |             |
|---|--------------------|-------------|---------------------|-------------|
|   | December 31,       |             | December 31,        |             |
|   | 2019               | 2018        | 2019                | 2018        |
| Net loss applicable to common stockholders (GAAP)                                 | \$ (8,114)         | \$ (23,831) | \$ (100,109)        | \$ (27,115) |
| Adjusting items:  |                    |             |                     |             |
| Loss (gain) on derivatives contracts  | 1,252              | 18          | 3,971               | (40,253)    |
| Provisional price (gain) loss   | (855)              | 531         | (597)               | 3,803       |
| Suspension-related costs  | 3,285              | 2,356       | 12,051              | 20,693      |
| Environmental accruals  | —                  | 250         | 472                 | 250         |
| Foreign exchange loss (gain)  | 1,495              | (7,454)     | 8,236               | (10,310)    |
| Acquisition costs   | 52                 | 389         | 645                 | 10,045      |
| Unrealized loss on investments  | 1,230              | 355         | 2,389               | 2,816       |
| Loss on prepayment of debt with shares  | 2,855              | —           | 2,855               | —           |
| (Gain) loss on disposition of properties, plants, equipment and mineral interests | (23)               | 581         | 4,643               | (2,793)     |
| Change in deferred tax asset valuation allowance                                  | —                  | (862)       | —                   | (862)       |
| Adjusted net income (loss) applicable to common stockholders                      | \$ 1,177           | \$ (27,667) | \$ (65,444)         | \$ (43,726) |
| Weighted average shares - basic   | 502,902            | 480,572     | 490,449             | 433,419     |
| Weighted average shares - diluted   | 502,902            | 480,572     | 490,449             | 433,419     |
| Basic adjusted net (loss) income per common share                                 | \$ —               | \$ (0.06)   | \$ (0.13)           | \$ (0.10)   |
| Diluted adjusted net (loss) income per common share                               | \$ —               | \$ (0.06)   | \$ (0.13)           | \$ (0.10)   |

## Reconciliation of Net Loss (GAAP) and Debt (GAAP) to Adjusted EBITDA (non-GAAP) and Net Debt (non-GAAP)

This release refers to the non-GAAP measures of adjusted earnings before interest, taxes, depreciation and amortization ("Adjusted EBITDA"), which is a measure of our operating performance, and net debt to adjusted EBITDA for the last 12 months (or "LTM adjusted EBITDA"), which is a measure of our ability to service our debt. Adjusted EBITDA is calculated as net income (loss) before the following items: interest expense, income tax provision, depreciation, depletion, and amortization expense, exploration expense, pre-development expense, acquisition costs, interest and other income (expense), foreign exchange gains and losses, gains and losses on derivative contracts, unrealized gains on investments, provisions for environmental matters, stock-based compensation, and provisional price gains and losses. Net debt is calculated as total debt, which consists of the liability balances for our Senior Notes, capital leases, and other notes payable, less the total of our cash and cash equivalents and short-term investments. Management believes that, when presented in conjunction with comparable GAAP measures, adjusted EBITDA and net debt to LTM adjusted EBITDA are useful to investors in evaluating our operating performance and ability to meet our debt obligations. The following table reconciles net loss and debt to adjusted EBITDA and net debt:

*Dollars are in thousands*

|   | Three Months Ended   |                      | Twelve Months Ended  |                      |
|---|----------------------|----------------------|----------------------|----------------------|
|   | December 31,<br>2019 | December 31,<br>2018 | December 31,<br>2019 | December 31,<br>2018 |
| Net loss  | \$ (7,976)           | \$ (23,693)          | \$ (99,557)          | \$ (26,563)          |
| Plus: Interest expense  | 14,670               | 10,925               | 48,447               | 40,944               |
| Plus (Less): Income taxes   | (4,092)              | (5,217)              | (24,101)             | (6,701)              |
| Plus: Depreciation, depletion and amortization  | 60,480               | 35,593               | 199,518              | 134,044              |
| Plus: Acquisition costs   | 52                   | 389                  | 645                  | 10,045               |
| Plus: Suspension-related costs  | 3,285                | 2,356                | 12,051               | 20,693               |
| Less: Deferred revenue net of production costs  | (10,912)             | —                    | —                    | —                    |
| (Less)/Plus: (Gain) loss on disposition of properties, plants, equipment, and mineral interests | (23)                 | 581                  | 4,643                | (2,793)              |
| Plus/(Less): Foreign exchange (gain) loss   | 1,495                | (7,454)              | 8,236                | (10,310)             |
| Plus/(Less): Unrealized loss (gain) on derivative contracts                                     | 1,035                | 18                   | 9,959                | (7,936)              |
| (Less)/Plus: Provisional price (gain) loss  | (855)                | 531                  | (597)                | 3,803                |
| Plus: Provision for closed operations and environmental matters                                 | 1,616                | 2,133                | 6,914                | 6,090                |
| Plus: Stock-based compensation  | 910                  | 1,606                | 5,668                | 6,242                |
| Plus: Unrealized loss on investments  | 1,230                | 355                  | 2,389                | 2,816                |
| Plus/(Less): Other  | 1,026                | 611                  | 3,506                | 941                  |
| Adjusted EBITDA   | <u>\$ 61,941</u>     | <u>\$ 18,734</u>     | <u>\$ 177,721</u>    | <u>\$ 171,315</u>    |
| Total debt  |                      |                      | \$ 517,372           | \$ 545,934           |
| Less: Cash, cash equivalents and short-term investments   |                      |                      | 62,452               | 27,389               |
| Net debt  |                      |                      | <u>\$ 454,920</u>    | <u>\$ 518,545</u>    |
| Net debt/LTM adjusted EBITDA (non-GAAP)   |                      |                      | 2.6                  | 3.0                  |

## Reconciliation of Cash Provided by Operating Activities (GAAP) to Free Cash Flow (non-GAAP)

This release refers to a non-GAAP measure of free cash flow, calculated as cash provided by operating activities, less additions to properties, plants, equipment and mineral interests and a one-time item for settlement of an insurance policy for reclamation of the Troy Mine. Management believes that, when presented in conjunction with comparable GAAP measures, free cash flow is useful to investors in evaluating our operating performance. The following table reconciles cash provided by operating activities to free cash flow:

|   | Hecla Consolidated                    |             |  |             | Greens<br>Creek                       | Casa<br>Berardi | Nevada<br>Operations | San<br>Sebastian | Lucky<br>Friday <sup>1</sup> |
|---|---------------------------------------|-------------|--|-------------|---------------------------------------|-----------------|----------------------|------------------|------------------------------|
|   | Three Months<br>Ended<br>December 31, |             | Twelve Months<br>Ended<br>December 31, |             |                                       |                 |                      |                  |                              |
|   | 2019                                  | 2018        | 2019                                   | 2018        | Twelve Months Ended December 31, 2019 |                 |                      |                  |                              |
| Cash provided (used) by operating activities <sup>2</sup>             | \$ 57,257                             | \$ 19,011   | \$ 120,866                             | \$ 94,221   | \$ 136,204                            | \$ 55,726       | \$ 25,204            | \$ 19,136        | \$(12,603)                   |
| Less: Additions to properties, plants equipment and mineral interests | (24,083)                              | (53,648)    | (121,421)                              | (136,933)   | (29,323)                              | (35,762)        | (42,893)             | (5,035)          | (8,232)                      |
| Free cash flow  | \$ 33,174                             | \$ (34,637) | \$ (555)                               | \$ (42,712) | \$ 106,881                            | \$ 19,964       | \$ (17,689)          | \$ 14,101        | \$(20,835)                   |

Dollars are in thousands

(1) Cash used by operating activities for Lucky Friday includes \$7.8 million for suspension costs incurred during the strike.

(2) Cash provided (used) by operating activities for the operating segments excludes exploration expense, as it is a discretionary expenditure and not a component of the mines' operating performance. Consolidated cash provided by operating activities for the twelve months ended December 31, 2019 includes exploration expense of \$1.0 million for Greens Creek, \$4.3 million for Casa Berardi, \$3.0 million for Nevada Operations and \$4.8 million for San Sebastian.



**Reserves - 12/31/19<sup>(1)</sup>**

| <b>Proven Reserves</b>                  |               |                 |                 |             |             |               |                 |                 |                |                  |               |
|---|---------------|-----------------|-----------------|-------------|-------------|---------------|-----------------|-----------------|----------------|------------------|---------------|
| <b>Asset</b>                            | <b>Tons</b>   | <b>Silver</b>   | <b>Gold</b>     | <b>Lead</b> | <b>Zinc</b> | <b>Copper</b> | <b>Silver</b>   | <b>Gold</b>     | <b>Lead</b>    | <b>Zinc</b>      | <b>Copper</b> |
|   | <b>(000)</b>  | <b>(oz/ton)</b> | <b>(oz/ton)</b> | <b>%</b>    | <b>%</b>    | <b>%</b>      | <b>(000 oz)</b> | <b>(000 oz)</b> | <b>(Tons)</b>  | <b>(Tons)</b>    | <b>(Tons)</b> |
| Greens Creek <sup>(2)</sup>             | 7             | 14.8            | 0.08            | 2.6         | 5.4         | —             | 106             | 1               | 180            | 390              | —             |
| Lucky Friday <sup>(2)</sup>             | 4,185         | 15.4            | —               | 9.6         | 4.1         | —             | 64,506          | —               | 401,020        | 172,880          | —             |
| Casa Berardi Open Pit <sup>(3)</sup>    | 5,873         | —               | 0.08            | —           | —           | —             | —               | 447             | —              | —                | —             |
| Casa Berardi Underground <sup>(3)</sup> | 974           | —               | 0.16            | —           | —           | —             | —               | 156             | —              | —                | —             |
| San Sebastian <sup>(2)</sup>            | 35            | 4.8             | 0.08            | —           | —           | —             | 166             | 3               | —              | —                | —             |
| Fire Creek <sup>(2,4)</sup>             | 22            | 1.2             | 1.51            | —           | —           | —             | 28              | 33              | —              | —                | —             |
| <b>Total</b>                            | <b>11,096</b> |                 |                 |             |             |               | <b>64,805</b>   | <b>640</b>      | <b>401,200</b> | <b>173,270</b>   | <b>—</b>      |
| <b>Probable Reserves</b>                |               |                 |                 |             |             |               |                 |                 |                |                  |               |
| <b>Asset</b>                            | <b>Tons</b>   | <b>Silver</b>   | <b>Gold</b>     | <b>Lead</b> | <b>Zinc</b> | <b>Copper</b> | <b>Silver</b>   | <b>Gold</b>     | <b>Lead</b>    | <b>Zinc</b>      | <b>Copper</b> |
|   | <b>(000)</b>  | <b>(oz/ton)</b> | <b>(oz/ton)</b> | <b>%</b>    | <b>%</b>    | <b>%</b>      | <b>(000 oz)</b> | <b>(000 oz)</b> | <b>(Tons)</b>  | <b>(Tons)</b>    | <b>(Tons)</b> |
| Greens Creek <sup>(2)</sup>             | 10,713        | 12.2            | 0.09            | 2.8         | 7.3         | —             | 130,791         | 932             | 305,010        | 778,020          | —             |
| Lucky Friday <sup>(2)</sup>             | 1,386         | 11.4            | —               | 7.6         | 3.7         | —             | 15,815          | —               | 104,720        | 50,640           | —             |
| Casa Berardi Open Pit <sup>(3)</sup>    | 11,802        | —               | 0.07            | —           | —           | —             | —               | 809             | —              | —                | —             |
| Casa Berardi Underground <sup>(3)</sup> | 1,978         | —               | 0.15            | —           | —           | —             | —               | 305             | —              | —                | —             |
| San Sebastian <sup>(2)</sup>            | 66            | 10.9            | 0.07            | —           | —           | —             | 716             | 5               | —              | —                | —             |
| Fire Creek <sup>(2,4)</sup>             | 37            | 0.6             | 0.56            | —           | —           | —             | 23              | 21              | —              | —                | —             |
| <b>Total</b>                            | <b>25,983</b> |                 |                 |             |             |               | <b>147,346</b>  | <b>2,072</b>    | <b>409,730</b> | <b>828,660</b>   | <b>—</b>      |
| <b>Proven and Probable Reserves</b>     |               |                 |                 |             |             |               |                 |                 |                |                  |               |
| <b>Asset</b>                            | <b>Tons</b>   | <b>Silver</b>   | <b>Gold</b>     | <b>Lead</b> | <b>Zinc</b> | <b>Copper</b> | <b>Silver</b>   | <b>Gold</b>     | <b>Lead</b>    | <b>Zinc</b>      | <b>Copper</b> |
|   | <b>(000)</b>  | <b>(oz/ton)</b> | <b>(oz/ton)</b> | <b>%</b>    | <b>%</b>    | <b>%</b>      | <b>(000 oz)</b> | <b>(000 oz)</b> | <b>(Tons)</b>  | <b>(Tons)</b>    | <b>(Tons)</b> |
| Greens Creek <sup>(2)</sup>             | 10,721        | 12.2            | 0.09            | 2.8         | 7.3         | —             | 130,897         | 932             | 305,190        | 778,410          | —             |
| Lucky Friday <sup>(2)</sup>             | 5,571         | 14.4            | —               | 9.1         | 4.0         | —             | 80,321          | —               | 505,740        | 223,520          | —             |
| Casa Berardi Open Pit <sup>(3)</sup>    | 17,675        | —               | 0.07            | —           | —           | —             | —               | 1,257           | —              | —                | —             |
| Casa Berardi Underground <sup>(3)</sup> | 2,952         | —               | 0.16            | —           | —           | —             | —               | 461             | —              | —                | —             |
| San Sebastian <sup>(2)</sup>            | 100           | 8.8             | 0.08            | —           | —           | —             | 881             | 8               | —              | —                | —             |
| Fire Creek <sup>(2,4)</sup>             | 59            | 0.9             | 0.92            | —           | —           | —             | 51              | 54              | —              | —                | —             |
| <b>Total</b>                            | <b>37,078</b> |                 |                 |             |             |               | <b>212,151</b>  | <b>2,712</b>    | <b>810,930</b> | <b>1,001,930</b> | <b>—</b>      |

<sup>(1)</sup> 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.

<sup>(2)</sup> Mineral reserves are based on \$1300 gold, \$14.50 silver, \$0.90 lead, \$1.15 zinc, unless otherwise stated. The NSR cut-off grades are \$190/ton for Greens Creek, \$216.19 for the 30 Vein and \$230.98 for the Intermediate Veins at Lucky Friday, and \$127/ton (\$140/tonne) for underground and \$90.72/ton (\$100/tonne) for open pit reserves at San Sebastian.

<sup>(3)</sup> Mineral reserves are based on \$1300 gold and a US\$/CAN\$ exchange rate of 1:1.35 Reserve diluted to an average of 34.7% to minimum width of 9.8 feet (3 m). The average cut-off grades at Casa Berardi are 0.105 oz/ton gold (3.49 g/tonne) for underground mineral reserves and 0.025 oz/ton gold (0.85 g/tonne) for open pit mineral reserves.

<sup>(4)</sup> Fire Creek mineral reserves are based on a cut-off grade of 0.433 gold equivalent oz/ton and incremental cut-off grade of 0.135 gold equivalent oz/ton. Unplanned dilution of 10% to 17% included depending on mining method.

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

**Mineral Resources - 12/31/2019**

| <b>Measured Resources</b>               |                       |                            |                          |                   |                   |                     |                            |                          |                        |                        |                          |
|---|-----------------------|----------------------------|--------------------------|-------------------|-------------------|---------------------|----------------------------|--------------------------|------------------------|------------------------|--------------------------|
| <b>Asset</b>                            | <b>Tons<br/>(000)</b> | <b>Silver<br/>(oz/ton)</b> | <b>Gold<br/>(oz/ton)</b> | <b>Lead<br/>%</b> | <b>Zinc<br/>%</b> | <b>Copper<br/>%</b> | <b>Silver<br/>(000 oz)</b> | <b>Gold<br/>(000 oz)</b> | <b>Lead<br/>(Tons)</b> | <b>Zinc<br/>(Tons)</b> | <b>Copper<br/>(Tons)</b> |
| Greens Creek <sup>(5)</sup>             | 76                    | 12.5                       | 0.09                     | 2.6               | 9.4               | —                   | 949                        | 7                        | 2,000                  | 7,140                  | —                        |
| Lucky Friday <sup>(5,6)</sup>           | 8,060                 | 7.5                        | —                        | 4.8               | 2.6               | —                   | 60,788                     | —                        | 385,040                | 210,730                | —                        |
| Casa Berardi<br>Open Pit <sup>(7)</sup> | 193                   | —                          | 0.02                     | —                 | —                 | —                   | —                          | 4                        | —                      | —                      | —                        |
| Casa Berardi Underground <sup>(7)</sup> | 1,841                 | —                          | 0.15                     | —                 | —                 | —                   | —                          | 273                      | —                      | —                      | —                        |
| San Sebastian <sup>(5,8)</sup>          | —                     | —                          | —                        | —                 | —                 | —                   | —                          | —                        | —                      | —                      | —                        |
| Fire Creek <sup>(5,9)</sup>             | 47                    | 0.7                        | 0.92                     | —                 | —                 | —                   | 34                         | 43                       | —                      | —                      | —                        |
| Hollister <sup>(5,10)</sup>             | 103                   | 3.6                        | 0.57                     | —                 | —                 | —                   | 376                        | 59                       | —                      | —                      | —                        |
| Midas <sup>(5,11)</sup>                 | 134                   | 6.9                        | 0.44                     | —                 | —                 | —                   | 927                        | 59                       | —                      | —                      | —                        |
| Heva <sup>(12)</sup>                    | 5,480                 | —                          | 0.06                     | —                 | —                 | —                   | —                          | 304                      | —                      | —                      | —                        |
| Hosco <sup>(12)</sup>                   | 33,070                | —                          | 0.04                     | —                 | —                 | —                   | —                          | 1,296                    | —                      | —                      | —                        |
| Rio Grande Silver <sup>(13)</sup>       | —                     | —                          | —                        | —                 | —                 | —                   | —                          | —                        | —                      | —                      | —                        |
| Star <sup>(14)</sup>                    | —                     | —                          | —                        | —                 | —                 | —                   | —                          | —                        | —                      | —                      | —                        |
| <b>Total</b>                            | <b>49,004</b>         |                            |                          |                   |                   |                     | <b>63,073</b>              | <b>2,044</b>             | <b>387,040</b>         | <b>217,870</b>         | <b>—</b>                 |
| <b>Indicated Resources</b>              |                       |                            |                          |                   |                   |                     |                            |                          |                        |                        |                          |
| <b>Asset</b>                            | <b>Tons<br/>(000)</b> | <b>Silver<br/>(oz/ton)</b> | <b>Gold<br/>(oz/ton)</b> | <b>Lead<br/>%</b> | <b>Zinc<br/>%</b> | <b>Copper<br/>%</b> | <b>Silver<br/>(000 oz)</b> | <b>Gold<br/>(000 oz)</b> | <b>Lead<br/>(Tons)</b> | <b>Zinc<br/>(Tons)</b> | <b>Copper<br/>(Tons)</b> |
| Greens Creek <sup>(5)</sup>             | 8,569                 | 11.7                       | 0.1                      | 2.8               | 8.1               | —                   | 100,187                    | 828                      | 242,010                | 691,750                | —                        |
| Lucky Friday <sup>(5,6)</sup>           | 2,720                 | 8.0                        | —                        | 5.1               | 2.4               | —                   | 21,641                     | —                        | 138,620                | 65,930                 | —                        |
| Casa Berardi<br>Open Pit <sup>(7)</sup> | 3,341                 | —                          | 0.05                     | —                 | —                 | —                   | —                          | 155                      | —                      | —                      | —                        |
| Casa Berardi Underground <sup>(7)</sup> | 4,463                 | —                          | 0.14                     | —                 | —                 | —                   | —                          | 631                      | —                      | —                      | —                        |
| San Sebastian <sup>(5,8)</sup>          | 2,846                 | 6.3                        | 0.05                     | 2.2               | 3.3               | 1.4                 | 17,952                     | 155                      | 30,300                 | 45,660                 | 19,900                   |
| Fire Creek <sup>(5,9)</sup>             | 211                   | 0.7                        | 0.66                     | —                 | —                 | —                   | 142                        | 140                      | —                      | —                      | —                        |
| Hollister <sup>(5,10)</sup>             | 182                   | 2.2                        | 0.58                     | —                 | —                 | —                   | 410                        | 105                      | —                      | —                      | —                        |
| Midas <sup>(5,11)</sup>                 | 616                   | 5.0                        | 0.37                     | —                 | —                 | —                   | 3,064                      | 229                      | —                      | —                      | —                        |
| Heva <sup>(12)</sup>                    | 5,570                 | —                          | 0.07                     | —                 | —                 | —                   | —                          | 369                      | —                      | —                      | —                        |
| Hosco <sup>(12)</sup>                   | 31,620                | —                          | 0.04                     | —                 | —                 | —                   | —                          | 1,151                    | —                      | —                      | —                        |
| Rio Grande Silver <sup>(13)</sup>       | 516                   | 14.8                       | —                        | 2.1               | 1.1               | —                   | 7,620                      | —                        | 10,760                 | 5,820                  | —                        |
| Star <sup>(14)</sup>                    | 1,126                 | 2.9                        | —                        | 6.2               | 7.4               | —                   | 3,301                      | —                        | 69,900                 | 83,410                 | —                        |
| <b>Total</b>                            | <b>61,779</b>         |                            |                          |                   |                   |                     | <b>154,315</b>             | <b>3,762</b>             | <b>491,590</b>         | <b>892,570</b>         | <b>19,900</b>            |

| Measured & Indicated Resources          |                |                    |                  |           |           |             |                    |                  |                |                  |                  |
|---|----------------|--------------------|------------------|-----------|-----------|-------------|--------------------|------------------|----------------|------------------|------------------|
| Asset                                   | Tons<br>(000)  | Silver<br>(oz/ton) | Gold<br>(oz/ton) | Lead<br>% | Zinc<br>% | Copper<br>% | Silver<br>(000 oz) | Gold<br>(000 oz) | Lead<br>(Tons) | Zinc<br>(Tons)   | Copper<br>(Tons) |
| Greens Creek <sup>(5)</sup>             | 8,645          | 11.7               | 0.1              | 2.8       | 8.1       | —           | 101,135            | 835              | 244,010        | 698,880          | —                |
| Lucky Friday <sup>(5,6)</sup>           | 10,780         | 7.6                | —                | 4.9       | 2.6       | —           | 82,428             | —                | 523,670        | 276,660          | —                |
| Casa Berardi<br>Open Pit <sup>(7)</sup> | 3,534          | —                  | 0.04             | —         | —         | —           | —                  | 158              | —              | —                | —                |
| Casa Berardi Underground <sup>(7)</sup> | 6,304          | —                  | 0.14             | —         | —         | —           | —                  | 904              | —              | —                | —                |
| San Sebastian <sup>(5,8)</sup>          | 2,846          | 6.3                | 0.05             | 2.2       | 3.3       | 1.4         | 17,952             | 155              | 30,300         | 45,660           | 19,900           |
| Fire Creek <sup>(5,9)</sup>             | 257            | 0.7                | 0.71             | —         | —         | —           | 176                | 182              | —              | —                | —                |
| Hollister <sup>(5,10)</sup>             | 285            | 2.8                | 0.58             | —         | —         | —           | 786                | 164              | —              | —                | —                |
| Midas <sup>(5,11)</sup>                 | 750            | 5.3                | 0.38             | —         | —         | —           | 3,990              | 288              | —              | —                | —                |
| Heva <sup>(12)</sup>                    | 11,050         | —                  | 0.06             | —         | —         | —           | —                  | 672              | —              | —                | —                |
| Hosco <sup>(12)</sup>                   | 64,690         | —                  | 0.04             | —         | —         | —           | —                  | 2,447            | —              | —                | —                |
| Rio Grande Silver <sup>(13)</sup>       | 516            | 14.8               | —                | 2.1       | 1.1       | —           | 7,620              | —                | 10,760         | 5,820            | —                |
| Star <sup>(14)</sup>                    | 1,126          | 2.9                | —                | 6.2       | 7.4       | —           | 3,301              | —                | 69,900         | 83,410           | —                |
| <b>Total</b>                            | <b>110,782</b> |                    |                  |           |           |             | <b>217,388</b>     | <b>5,805</b>     | <b>878,640</b> | <b>1,110,430</b> | <b>19,900</b>    |

| Inferred Resources                      |                |                    |                  |           |           |             |                    |                  |                |                |                  |
|---|----------------|--------------------|------------------|-----------|-----------|-------------|--------------------|------------------|----------------|----------------|------------------|
| Asset                                   | Tons<br>(000)  | Silver<br>(oz/ton) | Gold<br>(oz/ton) | Lead<br>% | Zinc<br>% | Copper<br>% | Silver<br>(000 oz) | Gold<br>(000 oz) | Lead<br>(Tons) | Zinc<br>(Tons) | Copper<br>(Tons) |
| Greens Creek <sup>(5)</sup>             | 1,848          | 13.7               | 0.09             | 3.1       | 7.4       | —           | 25,393             | 159              | 56,670         | 135,880        | —                |
| Lucky Friday <sup>(5,6)</sup>           | 3,050          | 8.6                | —                | 6.2       | 2.7       | —           | 26,155             | —                | 190,500        | 82,250         | —                |
| Casa Berardi<br>Open Pit <sup>(7)</sup> | 11,724         | —                  | 0.04             | —         | —         | —           | —                  | 498              | —              | —              | —                |
| Casa Berardi Underground <sup>(7)</sup> | 2,485          | —                  | 0.19             | —         | —         | —           | —                  | 471              | —              | —              | —                |
| San Sebastian <sup>(5,15)</sup>         | 3,518          | 6.3                | 0.04             | 1.7       | 2.4       | 0.9         | 22,189             | 147              | 13,250         | 19,200         | 7,440            |
| Fire Creek <sup>(5,9)</sup>             | 543            | 0.5                | 0.51             | —         | —         | —           | 295                | 278              | —              | —              | —                |
| Fire Creek - Open Pit <sup>(16)</sup>   | 74,584         | 0.1                | 0.03             | —         | —         | —           | 5,232              | 2,178            | —              | —              | —                |
| Hollister <sup>(5,10,17)</sup>          | 466            | 2.7                | 0.4              | —         | —         | —           | 1,247              | 185              | —              | —              | —                |
| Midas <sup>(5,11)</sup>                 | 552            | 2.7                | 0.33             | —         | —         | —           | 1,489              | 183              | —              | —              | —                |
| Heva <sup>(12)</sup>                    | 4,210          | —                  | 0.08             | —         | —         | —           | —                  | 350              | —              | —              | —                |
| Hosco <sup>(12)</sup>                   | 7,650          | —                  | 0.04             | —         | —         | —           | —                  | 314              | —              | —              | —                |
| Rio Grande Silver <sup>(18)</sup>       | 3,078          | 10.7               | 0.01             | 1.3       | 1.1       | —           | 33,097             | 36               | 40,990         | 34,980         | —                |
| Star <sup>(14)</sup>                    | 3,157          | 2.9                | —                | 5.6       | 5.5       | —           | 9,432              | —                | 178,670        | 174,450        | —                |
| Monte Cristo <sup>(19)</sup>            | 913            | 0.3                | 0.14             | —         | —         | —           | 271                | 131              | —              | —              | —                |
| Rock Creek <sup>(20)</sup>              | 100,086        | 1.5                | —                | —         | —         | 0.7         | 148,736            | —                | —              | —              | 658,680          |
| Montanore <sup>(21)</sup>               | 112,185        | 1.6                | —                | —         | —         | 0.7         | 183,346            | —                | —              | —              | 759,420          |
| <b>Total</b>                            | <b>330,050</b> |                    |                  |           |           |             | <b>456,881</b>     | <b>4,929</b>     | <b>480,080</b> | <b>446,760</b> | <b>1,425,540</b> |

**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.**

- (5) Mineral resources are based on \$1500 gold, \$21 silver, \$1.15 lead, \$1.35 zinc and \$3.00 copper, unless otherwise stated. Cut-off grades are as above unless otherwise stated.
- (6) Measured and indicated resources from Gold Hunter and Lucky Friday vein systems are diluted and factored for expected mining recovery using NSR cut-off grades of \$170.18 for the 30 Vein, \$184.97 for the Intermediate Veins and \$207.15 for the Lucky Friday Vein.
- (7) Measured, indicated and inferred resources are based on \$1,500 gold and a US\$/CAN\$ exchange rate of 1:1.35 Underground resources are reported at a minimum mining width of 6.6 to 9.8 feet (2 m to 3 m). The average cut-off grades at Casa Berardi are 0.105 oz/ton gold (3.49 g/tonne) for underground mineral resources and 0.025 oz/ton gold (0.85 g/tonne) for open pit mineral resources.
- (8) 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 using a cut-off grade of \$90.72/ton (\$100/tonne). San Sebastian lead, zinc and copper grades are for 1,376,500 tons of indicated resource within the Middle Vein and the Hugh Zone of the Francine Vein.
- (9) Fire Creek mineral resources are reported at a gold equivalent cut-off grade of 0.306 oz/ton. The minimum mining width is defined as four feet or the vein true thickness plus two feet, whichever is greater.
- (10) Hollister mineral resources are reported at a gold equivalent cut-off grade of 0.294 oz/ton. The minimum mining width is defined as four feet or the vein true thickness plus two feet, whichever is greater.
- (11) Midas mineral resources are reported at a gold equivalent cut-off grade of 0.223 oz/ton. The minimum mining width is defined as four feet or the vein true thickness plus two feet, whichever is greater.
- (12) 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 at a cut-off grade of 0.011 oz/ton gold (0.37 g/tonne) for open pit and 0.06 oz/ton gold (2.0 g/tonne) for underground.  
*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)*
- (13) 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 and a cut-off grade of 6.0 silver equivalent oz/ton.
- (14) Indicated and Inferred resources reported using \$21 silver, \$0.95 lead, \$1.10 lead minimum mining width of 4.3 feet and a cut-off grade of \$100/ton.
- (15) 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 ) for Andrea Vein using a cut-off grade of \$90.72/ton (\$100/tonne).  
San Sebastian lead, zinc and copper grades are for 792,900 tons of inferred resource within the Middle Vein and the Hugh Zone of the Francine Vein.
- (16) Inferred open-pit resources for Fire Creek calculated November 30, 2017 using gold and silver recoveries of 65% and 30% for oxide material and 60% and 25% for mixed oxide-sulfide material. Indicated Resources reclassified as Inferred for 2019.  
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, June 28, 2018*
- (17) 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 cut-off grade of 0.294 oz/ton
- (18) Inferred resources reported at a minimum mining width of 6.0 feet for Bulldog and a cut-off grade of 6.0 equivalent oz/ton silver and 5.0 feet for Equity and North Amethyst vein at a cut-off grade of \$50/ton and \$100/ton; based on \$1400 Au, \$26.5 Ag, \$0.85 Pb, and \$0.85 Zn.
- (19) Inferred resource reported at a minimum mining width of 5.0 feet; resources based on \$1400 Au, \$26.5 Ag using a 0.06 oz/ton gold cut-off grade.
- (20) Inferred resource at Rock Creek reported at a minimum thickness of 15 feet and a cut-off grade of \$24.50/ton NSR 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'.
- (21) Inferred resource at Montanore reported at a minimum thickness of 15 feet and a cut-off grade of \$24.50/ton NSR 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'.

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

## Contacts

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