Hecla Mining Company is not only the largest and one of the lowest-cost U.S. silver producers, and the third largest U.S. producer of both zinc and lead, but also a growing gold producer.

Hecla owns and operates mines on district-sized land packages in mining-friendly North American jurisdictions: Greens Creek in Alaska, one of the largest and highest-margin primary silver mines in the world; the Lucky Friday silver mine in North Idaho; the San Sebastian silver-gold mine near Durango, Mexico; the Casa Berardi gold mine in Quebec; and the Fire Creek/Midas gold mines in Nevada. In addition to its diversified silver and gold operating and cash-flow generating base, Hecla has a number of exploration properties and pre-development projects in eight world-class silver and gold mining districts in the U.S., Canada, and Mexico.

2018 silver production was 10.4 million ounces and a company record of 262,103 ounces of gold production. 2019 company-wide production is estimated to be 11.7 million ounces of silver and 274,000 ounces of gold.

Greens Creek – Admiralty Island, Alaska
- One of the world’s largest and lowest-cost primary silver mines.
- Produced approx. 226M oz of silver and 1.6M oz of gold since startup in 1989.
- 2.5M oz of silver production and 13,684 oz of gold production in Q3/19; 2019E silver production of 9M oz and 52k oz of gold.

Casa Berardi – Val d’Or, Quebec
- 36,547 oz of gold production in Q3/19; 2019E gold production of 146k oz.
- High-grade intersections discovered at East Mine.

San Sebastian – Durango, Mexico
- 541,636 oz of silver production and 4,699 oz of gold production in Q3/19; 2019E silver production of 2M oz and 14k oz of gold.
- Strong exploration potential to extend mine life with El Toro and Hugo Zone deposits.
- Third-party mill secured through 2020.

Nevada Operations – Elko, Nevada

Lucky Friday – Mullan, Idaho
- Tentative agreement reached with union which requires ratification by majority of union members (workers on strike since March 13, 2017).
- 115,682 oz of silver production in Q3/19; 2019E silver production of 500,000 oz.
- Remote Vein Miner construction complete; expect delivery in 2020 after completion of testing in Sweden.

Multiple Secure Revenue Streams
- Strong Cash Flow Flexibility
- Low Political Risk Jurisdictions
- Healthy Cash Margins
- Established Work Force
- Strong Investment Fundamentals
- Commitment to Safety
- High-Quality Operations

Share Performance
NYSE: HL
end of Q3: 09/30/19, (1) as of 10/25/19
Share Price: $2.10 (1)
52-Week Range: $1.21 – $3.07 (1)
Basic Shares: 490.3 million
Fully Diluted: 501.1 million
Market Capitalization: $1.0B (1)

OPERATING MINES

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KEY GROWTH INITIATIVES

Nevada Operations – Hecla has completed a comprehensive review of these operations and changes are being made to improve the economics of the operations.

San Sebastian – San Sebastian is a silver and gold mine in Mexico. The Company has extended the mill lease through 2020 and underground mining began in January 2018. A review of sulfide ore is underway, including a bulk sample from the Hug Zone to test for suitability for sulfide production. This could potentially lead to development and mining this area, which could mean another five or more years of mine life.

Rock Creek and Montanore – Rock Creek (acquired in 2015) and Montanore (acquired in September 2016) are two large silver/ copper deposits in Montana. Rock Creek received a Final environmental impact statement (EIS). The Record of Decision (ROD) was issued in August 2018. The U.S. Forest Service is preparing a supplemental EIS statement focusing on the evaluation phase of the Montanore Project and a ROD is anticipated in the first half of 2020.

FINANCIAL HIGHLIGHTS

(dollars in thousands, except per share amounts)

Sales of products $161,532 $134,172 $152,617 $567,137 $577,775
Net income (loss) (19,516) (46,532) (25,533) (26,563) (28,520)
Cash (used in) provided by operating activities 63,609 11,317 20,030 (26,563) 115,878
Cash, cash equivalents and short-term investments at end of reporting period 32,995 9,434 11,797 27,389 29,865
Dividend per Common Share 0.0025 0.0025 0.0025 0.01 0.01

Reconciliation of Cost of Sales and Other Direct Production Costs and Depreciation, Depletion and Amortization, the most comparable GAAP measurement, to Cash Cost, After by-Product Credits, per Silver Ounce

(dollars and ounces in thousands, except per ounce)

Costs of sales and other direct production costs and depreciation, depletion and amortization (GAAP) $68,468 $62,846 $66,645 $61,744 $57,335
Depreciation, depletion and amortization (14,223) (12,895) (14,299) (13,120) (12,834)
Treatability costs 8,606 9,296 11,293 11,726 13,566
Change in production inventory (6,029) 2,471 (3,336) 3,746 7,987
Reclamation and other costs (1,177) (727) (1,305) (396)
Exclusion of Lucky Friday Costs (236) (3,627) (4,305) (4,412) (4,084)
Cash cost, before by-product credits (1) 53,286 57,358 57,373 58,329 61,784
By-product credits (43,394) (40,937) (51,322) (48,416) (54,564)
Cash cost, after by-product credits $ 9,892 $16,421 $2,052 $4,913 $7,220
Divided by silver ounces produced 2,388 2,667 2,674 2,839 3,065
Cash cost, before by-product credits, per silver ounce $ 22.22 $ 22.01 $ 21.45 $ 20.57 $ 20.03
By-product credits, per silver ounce ($18.15) ($18.00) ($19.19) ($17.67) ($17.69)
Cash cost, after by-product credits, per silver ounce $ 4.07 $ 4.01 $ 2.26 $ 2.90 $ 2.34

Leading Silver Producer with Strong Cash Margins (Greens Creek, Lucky Friday & San Sebastian)

(1) Cash cost, after by-product credits, per silver ounce represents non-U.S. Generally Accepted Accounting Principles (GAAP) measurement; a reconciliation of which to the cost of sales and other direct production costs and depreciation, depletion and amortization (GAAP) can be found below.

(2) Realized prices are calculated by dividing gross receipts for each metal by the payable quantities of each metal included in the concentrate and doré sold during the period.

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LARGEST INSTITUTIONAL OWNERS