



MARKET STATISTICS

Exchange / Symbol	NYSE: HL
Price:	\$2.42
Market Cap (\$mm):	\$1,162.1
Shares Outstanding (mm):	480.2
Float (%):	99.1%
Volume (3 month avg. - mm):	5.5
52 week Range:	\$2.17-\$4.63
Industry:	Mining

CONDENSED BALANCE SHEET

(\$mm, except per share data)

Balance Sheet Date:	9/30/2018
Cash and ST Inv:	\$60.9
Cash/Share:	\$0.13
Debt:	\$534.1
Equity (Book Value):	\$1,722.1
Equity/Share:	\$3.59

CONDENSED INCOME STATEMENTS

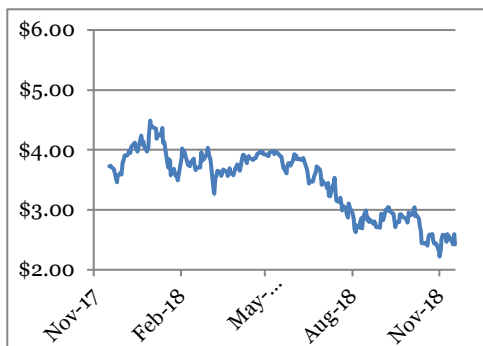
(\$mm, except per share data)

FY - 12/31	Revenue	Income	Adjusted EBITDA	EPS
FY15	\$443.6	\$(87.0)	\$81.3	\$(0.23)
Fy16	\$646.0	\$69.5	\$238.8	\$0.18
FY17	\$577.8	\$(23.5)	\$187.0	\$(0.06)
Q318	\$143.6	\$(23.2)	\$15.3	\$(0.05)

LARGEST SHAREHOLDERS

Van Eck Associates Corp.	59,336,000
The Vanguard Group, Inc.	42,416,900
Dimensional Fund Advisors, LP	32,541,700
Blackrock, Inc.	32,513,500
State Street Global Advisors, Inc.	17,368,100
State of New Jersey Common Pension	9,500,000
Ceredex Value Advisors LLC	7,187,900
Mirae Asset Global Investments Co.	5,679,700
Northern Trust Global Investments.	5,643,500
Global X Management Company, LLC	5,639,800

STOCK CHART



COMPANY DESCRIPTION

Hecla Mining Company is a leading precious metals producer specializing in silver and gold mining. The Company discovers, acquires, develops and produces unrefined precipitate and bullion bars (doré), which is further refined and sold to precious metals traders, as well as lead, zinc and bulk concentrates sold to custom smelters and brokers. Hecla operates silver mines in Alaska, Idaho, and Mexico, as well as gold mines in Nevada and Quebec, Canada. The Company has grown through acquisitions over the years and also has an active exploration and development program in place to grow its reserve levels for future production throughout North America. Hecla was founded in 1891 and is headquartered in Coeur d'Alene, Idaho, with a sister office in Vancouver, B.C. As last reported, the Company employs approximately 1,740 worldwide.

SUMMARY

- As part of a defined strategy for creating shareholder value, Hecla focuses on long-lived, low-cost mines for its portfolio that will generate returns over decades, as opposed to just the near-term.
- The mining industry for precious and base metals is highly competitive as well as highly regulated; Hecla operates in low-risk and mining-friendly jurisdictions with a North American focused asset portfolio, minimizing the geopolitical risk that some of its peers are facing abroad.
- As of 12/31/17, Hecla reported record reserve levels, detailing 177M oz. of silver (3% increase over PY), 2.3M oz. of gold (12% increase over PY), 841,000 tons of zinc (15% increase over PY) and 737,000 tons of lead (8% over PY); these reserves for silver, gold and lead are the highest in Hecla's 127-year history.
- At the close of Q318, the Company was operating 5 producing mining units spread throughout the US, Canada and Mexico – Greens Creek, Lucky Friday, San Sebastian, Casa Berardi, as well as its recent Nevada acquisition.
- Hecla closed on its most recent purchase of the Klondex Mines, Ltd. in July 2018, adding three high-grade gold mines in Nevada, and integration and optimization has begun; this covers more than 110 square miles situated in a historically prolific mining jurisdiction with great potential to increase reserves.
- Management is focused on continued exploration and development in target areas where the Company believes there are untapped reserves, with several projects underway.
- Hecla is at the forefront of innovation and technological advancements within the mining industry; investing in and creating these next-generation mines has increased output as well as reserves, improved margins, extended lives of current mines, improved productivity, and increased safety underground.
- Hecla has been improving its liquidity as well as leverage metrics over the past several fiscal years, alongside record revenue in 2016 of \$646M from a record 46.1M oz. AgEq. production, with 2017 following as the second highest for silver production and third highest for gold production.
- Significant upside exists as the Company is preparing a new mine plan for Greens Creek that increases revenue while decreasing cost; also, Hecla began mining underground at San Sebastian recently (also secured a second mill for 5 years) and is in the permitting process for Rock Creek and Montanore projects in Montana. Finally, the Company believes there is substantial upside for Fire Creek and Hatter Graben in Nevada.
- Workers at Lucky Friday remain on strike (since March 2017); during this period, Hecla is taking the opportunity to prepare for the arrival of the Remote Vein Miner machine in 2019.

We believe that certain near-term catalysts could drive share price appreciation for HL investors, including, but not limited to: ramp up of gold production at newly acquired Fire Creek in Nevada, ending of the strike at Lucky Friday, increases in gold, silver, lead and zinc pricing, exploration discoveries, further progress with permitting for Rock Creek and Montanore, as well as continued increases in the level of Hecla's reserves.

COMPANY OVERVIEW

Hecla Mining Company and its subsidiaries produce and sell precious and base metals operating through five segments: the Greens Creek, Lucky Friday, Casa Berardi, San Sebastian, and Klondex mining units. While the Company continuously focuses on improving operations at these mining locations with a long-term outlook, Hecla has also acquired additional resources at Rock Creek and Montanore, where the teams are advancing permitting for these projects. Management additionally seeks to expand reserves through exploration and development of targeted key mining areas:

- North Idaho's Silver Valley in the Coeur d'Alene mining district
- Greens Creek on Alaska's Admiralty Island near Juneau
- The silver-producing district near Durango, Mexico
- The Abitibi region of northwestern Quebec, Canada
- The gold producing region in northern Nevada

Exhibit 1: Snapshot of Hecla's Operations as of Q318



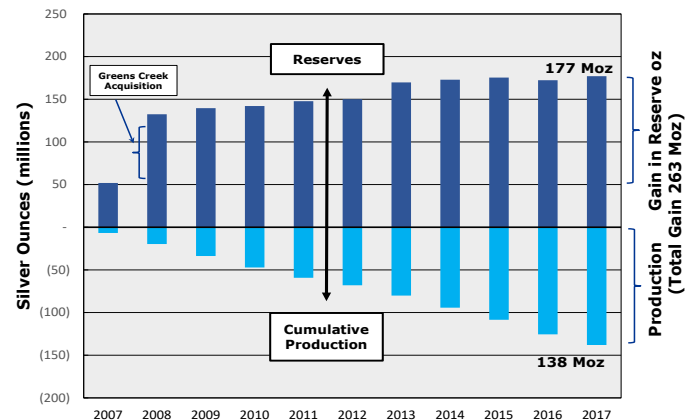
Source: Company Reports

During Q318, the Company closed on the acquisition of the Klondex Mines, adding three high-grade gold mines in Nevada that cover more than 110 square miles situated in a historically prolific mining jurisdiction with great potential to increase gold production. Hecla took possession of the assets in July 2018, and integration and optimization of these mines has now begun.

Hecla is focused on innovation in exploration and mining to increase future productivity alongside cost savings/control, which provides some cushion and flexibility within the frequent industry cycles. Management's top concern is also maintaining the highest standards of safety for its workers, its assets, as well as the environment, and the use of technology and connectivity in the mines increases Hecla's ability to safeguard workers and monitor all activity.

For 2017, Hecla reported silver production of 12.5M oz. for the year, the second highest in the Company's 127-year history, as well as gold production of 232,682 oz., the third highest in the Company's history. For Q318, the Company reported 2.5M oz. of silver and 73K oz. of gold produced. Hecla is currently the #1 primary silver and #3 lead and zinc producer in the U.S.

Exhibit 2: Eleven-year History for Hecla's Silver Production and Reserves



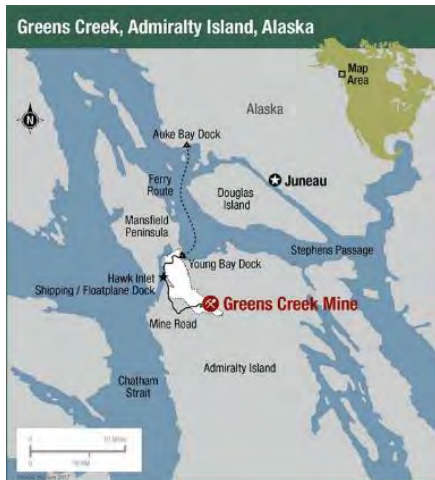
Source: Company Reports

As of year-end 2017, Hecla detailed silver reserves of 177M oz., gold reserves of 2.3M oz., as well as 737K tons of lead and 841K tons of zinc.

MINING PORTFOLIO

The Company's portfolio includes a geographically diverse collection of mines producing silver, gold, zinc and lead.

Greens Creek – Greens Creek is one of the world’s largest silver mines. It is located on Admiralty Island not far from Juneau, Alaska, and it has been producing high-grade ore since 1989. It is 100% owned by Hecla and lies within the Admiralty Island National Monument area. The Greens Creek mine ore body contains silver, zinc, gold and lead, and the property includes the mine, an ore concentrating mill, a tailings impoundment area, a ship-loading facility, camp facilities, a ferry dock, as well as other infrastructure.



As last reported, Greens Creek produced approximately 1.9M oz. of silver and 11.6K oz. of gold in Q318, and estimates for the 2018 year are 7.6 – 7.9M oz. of silver and 50 – 53K oz. of gold. A new mine plan at Greens Creek has moved high-grade mineralization earlier into the mine plan, expanding the mine’s resources based on known mineralized trends. Notably, Greens Creek contributed over \$101M in free cash flow in 2017.

Lucky Friday – Lucky Friday is a deep underground silver, lead and zinc mine situated in northern Idaho. The major ore body extends from 4,000 to 8,300 feet below the mine entrance. This property is 100% owned by Hecla and has been producing since 1942; the mine underwent rehabilitation in 2012 and then resumed production in 2013, returning to historical levels as a result. The Company also brought the #4 Shaft online, extending the depth to access higher grade ore approximately 9,600 feet below the surface, which could extend the life of the mine an additional 20 – 30 years. With Lucky Friday miners are currently on strike (since March 2017), Hecla is using the time to make improvements to the mine; management plans to have Lucky Friday reach its true potential by becoming a more productive, safe and profitable mine through the introduction of a Remote Vein Miner in late 2019, which cuts the rock instead of drilling and blasting.



Supervisors will conduct limited silver production to help minimize the financial cost of the strike.

Miners have met with Hecla representatives more than 20 times since March 13, 2017. A Revised Final Offer (RFO) was presented on 12/15/17, and there have been a few negotiating sessions since then with little progress. On May 4, 2018, Hecla notified the Union that due to the impasse, portions of the RFO were being implemented, effective immediately. The primary issue surrounding the strike is the Union’s desire to continue to allow the miners with the highest seniority to determine where and with whom they will work, regardless of the needs of the mine; this is the last hard rock mine in the U.S. that has such an outdated system. Whereas the Company would like to be able to operate the mine in a more productive and safe manner, improving on its margin and profitability, which is the lowest amongst Hecla’s silver mines

Casa Berardi – The Company has the Casa Berardi mine located in the northwestern region of Quebec, Canada. The asset is 100% owned by Hecla following the acquisition of Aurizon in 2013. Management expects another 15 years plus of mine life for the Casa Berardi mine. In addition to the underground mine, there is the East Mine Crown Pillar open pit (with more surface pits expected over the life of the mine). With the introduction of open pit material in addition to underground, Hecla has doubled the throughput of the mine since it was acquired. Hecla has another 29,000 acres of exploration property located next to Casa Berardi, as well as several leases in place for a sand and gravel pit, tailings, and rock waste and mineral storage.

In Q318, Casa Berardi produced 44.0K oz. of gold and has estimates for 2018 of 161 – 165K oz. of gold. The majority of the tonnage came from the underground vs. open pit, and the mill recorded an 8% increase in throughput over Q317. We note that the Casa Berardi mine generated over \$19M in free cash flow in FY17. Recently, Hecla’s exploration efforts have confirmed discovery of new open pitable material (as well as expansion opportunities for planned pits) and new high-grade lenses underground.



At Casa Berardi, the automated 985 drift project continues with the autonomous haul truck running better and with higher availability than originally anticipated. The second 40-ton Sandvik autonomous haul truck is expected to be delivered Q418; operating two autonomous trucks is expected to result in operating savings of several million dollars a year per management.

San Sebastian – San Sebastian, situated in Durango, Mexico, is 100% owned by the Company (acquired 1999). San Sebastian is a high-grade silver and gold mine sourced in recent years from a series of shallow open pits; however, the mine transitioned in January 2018 from an open pit to an underground mine (was an underground producing mine from 2001 – 2005).



The Company also has an oxide mill leased through 2020 (recently extended) but expects to progress the mine life beyond this timeframe through continuing upgrades. Because of the use of the third-party mill and contract miners, San Sebastian has very low capital requirements. In its second full year of production (2017), it generated over \$51M in free cash flow. Also, Hecla recently announced securing a second mill with Excellon to process sulphide material for a five year term, which is extendable another two years after that. Upon successful completion of a bulk sample from the polymetallic Hugh Zone in late 2018, the Company could begin mining sulphide ore by 2020, offering the potential of running the oxide and sulphide mills concurrently, increasing production and cash flow. The polymetallic material could add 5 or more years to the mine life.

San Sebastian produced 521.9K oz. of silver in Q318 and 3.7K oz. of gold; 2.0 – 2.2M oz. of silver are expected in FY18 as well as 15 – 16K oz. of gold.

Rock Creek and Montanore – The Company acquired Montanore as part of the Mines Management, Inc. purchase in 2016; it is situated adjacent to the Rock Creek project, which was acquired in 2015. Rock Creek and Montanore, located in northwest Montana, just 50 air miles from Hecla's Lucky Friday mine, are two of the largest undeveloped, world-class silver/copper deposits in the U.S. Both are in the permitting process. Rock Creek expects to see a final Record of Decision in 2018 for advancing the project's evaluation phase. Montanore was permitted in 2015, but as directed by a recent court decision, is being re-permitted to authorize the evaluation phase. This revised approval is anticipated for early 2019. Both mines are expected to be long-lived silver/copper mines, and the two combined could

produce as much metal annually as all of Hecla does now. Estimates are for mining to begin at some point in the early 2020's.

Exhibit 3: Outlook for Rock Creek and Montanore



	Rock Creek	Montanore
Potential Mine Life	20-30 years each	
Hecla stock acquisition cost	\$19 M	\$54 M
Big potential	148.1 Moz Ag / 1.3 Blbs Cu	183.4 Moz Ag / 1.5 Blbs Cu
Advanced permitting	SEIS	Final EIS, RODs**

**Record of Decision

Source: Company Reports

Nevada Operations - Hecla closed on the Klondex acquisition and took possession of the assets in July 2018 for total consideration valued at \$407.7M; the purchase includes three high-grade gold mines in Nevada, situated in one of the best mining districts in the world. The mines bring immediate production and cash flow, and management notes substantial opportunity for improvement in the mines' productivity and consistency;



moving forward, Hecla is operating the mines and mill as one unit with a focus on production levels that generate margins and profitability as adjustments are made. Of the three mines, Fire Creek has the best margin and thus is the initial priority.

Updates for the Klondex assets include:

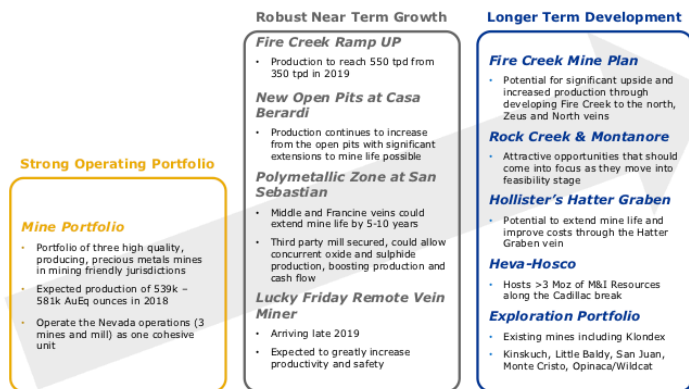
- Fire Creek is ramping up from 350 tpd to 550 tpd, an ~57% increase once development is sped up to 15,000 feet per year
- Development at Hatter Graben is ahead of schedule
- Production at the Midas mine is winding down as reserves are exhausted; personnel and machinery are being relocated to Hollister and Fire Creek
- At the Midas mill, improvements include construction of a new tailings facility, installation of new sampling equipment, and completion of CIL circuit to improve recoveries for processing Hollister ore
- Rehab work is being done on mine access at Fire Creek as well as roadways
- For FY18, production of 36 – 41K oz. of gold is expected

The Company is also exploring the opportunities offered by the 110 square mile package included in the Klondex purchase.

GROWTH STRATEGY

Hecla Mining Company's strategy is to continue to grow and strengthen its results and reserves through acquisitions, further operational efficiencies and continued development.

Exhibit 4: Roadmap for Value and Growth Creation



Source: Company Reports

The Company acquired Rock Creek in 2015 and Montanore in 2016, adding two significant silver/copper assets to the portfolio, both of which are moving forward in the permitting/pre-development phases. San Sebastian was being mined for high-grade silver and gold from a series of shallow pits over a two-year period, and in January 2018, Hecla transitioned to underground mining at the site. Lucky Friday #4 Shaft has become operational and should extend the mine life for an additional 20 – 30 years. Casa Berardi has increased throughput at the mill and received permitting to potentially increase more in the future. And as

previously mentioned, Hecla just closed on the Klondex Mines, Ltd. purchase in July 2018, an acquisition that includes three high-grade gold mines in Nevada and more than 110 square miles along significant structural trends of a historically prolific mining jurisdiction.

Hecla believes that the mining industry is at an inflection point with the technology and innovation advances that have been made, and Hecla is at the forefront. By constantly looking ahead and implementing the latest technological advances in mining, Hecla can reduce costs and increase productivity going forward. Additional benefits include increased reserves, improved mine lives, superior safety records, the ability to mine difficult reserves, and expanded horizons for acquisition opportunities. Hecla is recognized as a leading innovator for companies of its size within the industry.

For example, at Greens Creek, Hecla has extensively “Wi-Fi’d” the mine in order to better gather timely and accurate information; both workers as well as machines can be located and identified at any given point in time by an RFID tag. Machines and workers are less likely to have an accident/collision, and the ventilation system can be programmed for the presence of workers and machines, becoming more of an on-demand system. The newer use of battery trucks vs. diesel also reduces the need for ventilation to clear diesel particulates and excess heat, reducing costs particularly in mines like Lucky Friday. Also, to reduce down time between shifts, the Company is testing in tele-remote load haul dump trucks/muckers, operated from the surface. These automated machines can operate more quickly and continuously than if controlled by humans, and they avoid walls (hence less repairs and maintenance) using sensors.

Additionally, the Company is testing “Ventilation on Demand” where it installs variable frequency drives in its ventilation fans, allowing them to recognize when workers and machines enter or leave an area and adjust the fan speed accordingly. When the miners leave a heading for more than 10 minutes, the fans turn off. When introduced to all 54 fans, it could lead to an annual savings of \$1 million in operating costs.

Hecla has introduced considerable innovation into its other mines as well. In particular, Casa Berardi has been Wi-Fi’d and has an automated haulage drift at the 985 level in which the first automated haulage truck is in operation and the second will arrive Q418. The mine also features computer guided drills and rock breakers that are operated from surface. At Lucky Friday, the Company has tested battery powered equipment and is collaborating on the development of a Remote Vein Miner (RVM) which is designed to cut the rock, rather than drilling and blasting, increasing productivity and improving safety in this very deep mine; the arrival of the RVM is expected late 2019, and it will undergo testing in 2020. If the mine remains on strike at that time, the RVM might first go to Nevada where it will be tested in mine development.

INDUSTRY OVERVIEW

The global recovery in the mining and metals industry has moderated, and metals prices have recently weakened. Despite this, companies are focusing on reinvesting, modernizing and expanding with excess cash. Prior to this, mining companies were passing recent years of downturn attempting to improve balance sheets and to pay off debt from the boom years before, many selling off assets to do so.

Hecla faces a fierce list of competitors, and prime mining properties can be difficult to obtain. Risks affecting all industry players include environmental hazards, mining underground, heavy government regulation, economic and political movement, as well as competitive labor markets that are often characterized by labor disputes, among other known risks.

Success will be driven by continued innovation, increasing mine safety, and increasing productivity. The acquisition of the high-grade Nevada assets will grow production, cash flow, and further strengthen the Company.

Exhibit 5: Historical Pricing for Silver and Gold

All Data Silver Price in USD/oz



All Data Gold Price in USD/oz



Source: Silverprice.org, Goldprice.org

RECENT RESULTS

Below we outline quarterly results detail for Q318 vs. Q317.

Exhibit 6: Q3 2018 Year-over-year Analysis

Hecla Mining Company and Subsidiaries Consolidated Statements of Income (in thousands \$, except per sh. amounts) Fiscal Year: December			
	Q3 2017	Q3 2018	Variance
Sales of products	140,839	143,649	2,810
Cost of sales and direct production costs	68,358	93,609	
Depreciation, depletion, and amortization	29,518	43,464	
Gross (loss) profit	42,963	6,576	(36,387)
	30.5%	4.6%	
Other operating expenses	22,695	36,952	14,257
Income (loss) from operations	20,268	(30,376)	
Total other income / (expense)	(25,084)	4,513	29,597
Pre-tax income (loss)	(4,816)	(25,863)	
Income taxes (expense)	5,130	2,679	(2,451)
Net income (loss)	314	(23,184)	
Preferred stock dividends	(138)	(138)	
Net income (loss) to common	\$ 176	\$ (23,322)	
Diluted EPS (loss)	\$ 0.00	\$ (0.05)	
Fully diluted weighted-average shares outstanding	401,258	452,636	

Sales for Q3 2018 were most affected by higher quantities of silver, gold, lead and zinc sold, partially offset by lower average silver, gold, lead and zinc prices

Cash costs, after by-product credits, increased per silver and gold ounce for the current quarter; lower gross profits were generated by the Greens Creek, Casa Berardi, Lucky Friday, San Sebastian units, and the newly acquired Nevada operations reported a gross loss of \$7.8M in the third quarter of 2018

The increase over the prior year's quarter was principally due higher G&A of \$10.3M (vs. \$9.5M), exploration costs of \$12.4M (vs. \$7.2M), and suspension-related costs of \$6.5M (vs. \$4.8 in prior year), and acquisition costs of \$6.1M

Hecla recognized a gain on derivative contracts (\$19.5M vs. loss of \$11.2M in prior year) and lower foreign exchange losses (\$2.2M vs. \$4.9M in prior year) as well as higher unrealized losses in investments in the current quarter

A tax provision affecting the first nine months of 2017 was primarily the result of a change in income tax position relating to the timing of deduction for #4 Shaft development costs at Lucky Friday

Source: Company Reports, Stonegate Capital Partners

EBITDA delivered by Hecla in Q318 despite lower metals prices is a direct result of the Company's focus on improvements to its mines. Casa Berardi is generating strong cash flow, and Greens Creek also continues to show operational improvements after ~30 years of production. And management noted that its Nevada operations are progressing with further development and the implementation of processes that should increase throughput and make the mines more efficient.

Exhibit 7: Historical Cost Comparisons

	2017	2016	Q318
Cash cost, after by-product credits, per silver oz.	\$(0.01)/oz	\$3.10/oz	\$4.12/oz.
Cash cost, after by-product credits, per gold oz.	\$820/oz	\$764/oz	\$803/oz.
All in sustaining cost (AISC), after by-product credits, per silver oz.	\$7.86/oz	\$11.68/oz	\$15.68/oz.
All in sustaining cost (AISC), after by-product credits, per gold oz.	\$1174/oz	\$1244/oz	\$1143/oz.

Source: Company Reports

CATALYSTS FOR HECLA

We believe that there are several catalysts that could drive price appreciation for HL investors:

1. Continued integration and optimization of high-grade Nevada gold mines and mill from Klondex Mines, Ltd.
2. New mine plan at Greens Creek to move revenues forward and reduce development investment, increasing the NAV of the mine considerably
3. Focus on low cash cost and AISC driving cash flows higher
4. Increasing silver, gold, zinc and lead prices, given current geopolitical climate and global supply concerns
5. Increase in silver and gold reserves using industry-leading conservative price assumptions
6. Permitting progress at Rock Creek and Montanore
7. Further increases in mill throughput and gold production at Casa Berardi
8. Extension of mine life at San Sebastian through the discovery of more high-grade material
9. Resolution of the strike at Lucky Friday and introduction of the Remote Vein Miner machine

BALANCE SHEETS

Hecla Mining Company and Subsidiaries
Consolidated Balance Sheets (in thousands \$)
Fiscal Year: December

ASSETS	FY 2015	FY 2016	FY 2017	Q3 2018
Current Assets				
Cash	\$ 155,209	\$ 169,777	\$ 186,107	\$ 60,856
ST investments	-	29,117	33,758	-
Accounts receivable, trade	13,490	20,082	14,805	12,947
Accounts receivable other, net	27,859	9,967	17,385	26,928
Inventory - concentrates, dore, and stockpiled ore	22,441	25,944	29,366	42,464
Materials and supplies	23,101	24,079	26,100	33,624
Other current assets	27,433	12,125	13,715	21,510
Total Current Assets	269,533	291,091	321,236	198,329
Non-current restricted cash and investments	2,514	7,202	8,593	8,200
Properties, plants, equipment and mineral interests, net	1,896,811	2,032,685	1,999,311	2,487,429
Non-current deferred incomes taxes	36,589	35,815	1,509	1,601
Other non-current assets	16,478	4,884	14,509	14,699
Total Assets	\$ 2,221,925	\$ 2,371,677	\$ 2,345,158	\$ 2,710,258
LIABILITIES AND STOCKHOLDERS' EQUITY				
Current Liabilities				
Accounts payable and accrued liabilities	\$ 51,277	\$ 60,064	\$ 46,549	\$ 65,755
Accrued payroll and related benefits	27,563	36,515	31,259	29,488
Accrued taxes	8,915	9,061	5,919	8,274
Current portion of capital leases	8,735	5,653	5,608	6,069
Current portion of accrued reclamation and closure costs	20,989	5,653	6,679	6,621
Current portion of debt	2,721	470	-	-
Other current liabilities	6,884	8,809	16,116	16,249
Total Current Liabilities	127,084	126,225	112,130	132,456
Long-Term Liabilities				
Capital leases	8,841	5,838	6,193	8,638
Accrued reclamation and closure costs	74,549	79,927	79,366	99,314
Long-term debt	500,199	500,979	502,229	534,067
Non-current deferred tax liability	119,623	122,855	124,352	164,928
Non-current pension liability	46,513	44,491	46,628	44,097
Other non-current liabilities	6,190	11,518	12,983	4,689
Total Long-Term Liabilities	755,915	765,608	771,751	855,733
Stockholders' Equity				
Preferred stock	39	39	39	39
Common stock	95,219	99,806	100,926	121,283
Capital surplus	1,519,598	1,597,212	1,619,816	1,872,946
Accumulated deficit	(232,565)	(167,437)	(218,089)	(223,280)
Accumulated other comprehensive loss	(32,631)	(34,602)	(23,373)	(28,183)
Less treasury stock	(10,734)	(15,174)	(18,042)	(20,736)
Total Stockholders' Equity	1,338,926	1,479,844	1,461,277	1,722,069
Total Liabilities and Stockholders' Equity	\$ 2,221,925	\$ 2,371,677	\$ 2,345,158	\$ 2,710,258
Ratios				
Liquidity				
Current Ratio	2.1x	2.3x	2.9x	1.5x
Quick Ratio	1.5x	1.8x	2.2x	0.8x
Working Capital	\$142,449	\$164,866	\$209,106	\$65,873
Leverage				
Debt To Equity	37.6%	33.9%	34.4%	31.0%
Debt To Capital	27.3%	25.3%	25.6%	23.7%

Source: Company Reports, Stonegate Capital Partners

INCOME STATEMENTS

Hecla Mining Company and Subsidiaries

Consolidated Statements of Income (in thousands \$, except per share amounts)

Fiscal Year: December

	FY 2015	FY 2016	FY 2017	Q3 2018
Sales				
Sales of products	\$ 443,567	\$ 645,957	\$ 577,775	\$ 143,649
Total sales	443,567	645,957	577,775	143,649
Cost of sales				
Cost of sales and other direct production costs	293,567	338,983	304,727	93,609
Depreciation, depletion, and amortization	111,489	115,468	116,062	43,464
Total cost of sales	405,056	454,451	420,789	137,073
Gross profit	38,511	191,506	156,986	6,576
Other operating expenses				
General and administrative	34,201	45,040	35,611	10,327
Exploration	17,745	14,720	23,510	12,411
Pre-development	6,375	5,832	5,448	1,195
Research and development	-	243	3,276	1,269
Other operating expenses	3,581	3,006	2,538	448
Gain on disposition of PP&E and mineral interests	-	-	(6,042)	(3,208)
Lucky Friday suspension-related costs	-	-	21,301	6,519
Acquisition costs	-	-	-	6,139
Provision for closed operations and environmental matters	12,220	5,721	6,701	1,852
Total other operating expenses	74,122	74,562	92,343	36,952
Income (loss) from operations	(35,611)	116,944	64,643	(30,376)
Other income / (expense)				
Gain (Loss) on disposal of investments	(44)	-	(166)	(36)
Unrealized income (loss) on investments	(3,333)	(177)	(247)	(2,207)
Gain (Loss) on derivative contracts	8,252	4,423	(21,250)	19,460
Net foreign exchange loss	24,551	(2,926)	(10,300)	(2,212)
Interest and other income	916	507	1,692	(346)
Interest expense, net	(25,389)	(21,796)	(38,012)	(10,146)
Total other income / (expense):	4,953	(19,969)	(68,283)	4,513
Pre-tax income (loss)	(30,658)	96,975	(3,640)	(25,863)
Income taxes (expense)	(56,310)	(27,428)	(19,879)	2,679
Net income (loss)	\$ (86,968)	\$ 69,547	(23,519)	\$ (23,184)
Preferred stock dividends	(552)	(552)	(552)	(138)
Net income (loss) to common	\$ (87,520)	\$ 68,995	(24,071)	\$ (23,322)
Basic EPS (loss)	\$ (0.23)	\$ 0.18	\$ (0.06)	\$ (0.05)
Diluted EPS (loss)	\$ (0.23)	\$ 0.18	\$ (0.06)	\$ (0.05)
Weighted average number of common shares outstanding - basic	373,954	386,416	397,394	452,636
Weighted average number of common shares outstanding - diluted	373,954	389,322	397,394	452,636
EBITDA	75,878	232,412	180,705	13,088
Adjusted EBITDA	81,303	238,839	187,028	15,319

Margin Analysis

Cost of sales and other direct production costs	66.2%	52.5%	54.0%	65.2%
Depreciation, depletion, and amortization	25.1%	17.9%	20.1%	30.3%
Gross margin	8.7%	29.6%	27.2%	4.6%
General and administrative	7.7%	7.0%	6.2%	7.2%
Exploration	4.0%	2.3%	4.1%	8.6%
Pre-development	1.4%	0.9%	0.9%	0.8%
Operating margin	-8.0%	18.1%	11.2%	-21.1%
Pre-tax margin	-6.9%	15.0%	-0.6%	-18.0%
Net income margin	-19.6%	10.8%	-4.1%	-16.1%
EBITDA margin	17.1%	36.0%	31.3%	9.1%

Source: Company Reports, Stonegate Capital Partners

SIGNIFICANT EVENTS

November 2018 – Hecla reports the largest quarterly exploration program in the Company's history; there were up to 20 drills at 10 properties and 5 operating mines, all in North America

July 2018 – Company closes on acquisition of Klondex Mines, Ltd., adding 3 high-grade mines in Nevada

March 2018 – Hecla receives CAD\$40M investment from Ressources Quebec; plans to acquire 3 high-grade Nevada Gold mines through purchase of Klondex Mines, Ltd. announced

January 2018 – San Sebastian transitions from open pit to underground mine

August 2017 – Hecla secures mill at San Sebastian through 2020 (with a second secured February 2018)

March 2017 – Unionized employees at Lucky Friday vote against contract offer and go on strike (still in effect)

January 2017 – Shaft #4 project completed and commissioned at Lucky Friday, providing access to deeper levels

January 2017 – Began work on new underground decline and rehabilitation of historical underground workings at San Sebastian mine

September 2016 – Company acquires Montanore as part of Mines Management purchase

May 2016 – Hecla enters into \$100M senior secured revolving credit facility with 3-year term

February 2016 – ATM programs begins with approval for up to \$75M

December 2015 – Commenced ore production at San Sebastian in Mexico

June 2015 – Rock Creek acquired as part of Revett Mining Company, Inc. purchase

2014 – An additional \$6.5M in notes issued

2013 – \$500M in senior notes issued and due 2021 at 6.875% and used to fund acquisition (June 2013) of Aurizon Mines Ltd., gaining Casa Berardi mines and others in Quebec

2012 – Board approves stock repurchase program up to 20M shares

2006 – Hecla incorporated in Delaware

1999 – San Sebastian asset acquired through purchase of Monarch assets

1993 – Series B Preferred Stock is issued

1989 – Greens Creek interest acquired with mine in production (1993 – 1996 temporary care and maintenance period)

1958 – Lucky Friday becomes 100% owned and in production (2012 year off for rehabilitation)

1891 – Hecla Mining Company begins operations

CORPORATE GOVERNANCE

Phillips S. Baker, Jr. - President, Chief Executive Officer and Director

Phillips S. Baker, Jr., has been Hecla's Chief Executive Officer since May 2003 and a director since November 2001. Prior to that, Mr. Baker held a variety of other positions with Hecla starting in 2001. Prior to joining Hecla, Mr. Baker served as Vice President and Chief Financial Officer of Battle Mountain Gold Company and before that was CFO at Pegasus Gold Inc. Mr. Baker is currently Chairman of the Board for the National Mining Association. He has over 30 years of mining experience.

Lindsay A. Hall – Senior Vice President and Chief Financial Officer

Lindsay A. Hall was appointed Hecla's Senior Vice President and Chief Financial Officer in July 2016. Prior to joining Hecla, Mr. Hall was Chief Financial Officer and Executive Vice President of Goldcorp Inc. Before that Mr. Hall served as Chief Financial Officer and Executive Vice President for Placer Dome. He has over 30 years of natural resources experience.

Lawrence P. Radford – Chief Operating Officer

Lawrence P. Radford was appointed Hecla's Chief Operating Officer in May 2018, and prior to that was Senior Vice President - Operations. Prior to joining Hecla, Mr. Radford was Vice President of South American Operations for Kinross Gold Corporation. Before that he was General Manager for Barrick Gold Corporation at its Cowal operation (a gold mining operation) in West Wyalong, NSW, Australia. He has over 30 years of mining experience.

Board of Directors:

Theodore Crumley – *Chairman of the Board*

Phillips S. Baker, Jr. – *CEO, President and Director*

Catherine J. Boggs – *Director*

George R. Johnson – *Independent Director*

George R. Nethercutt, Jr. – *Independent Director*

Stephen F. Ralbovsky – *Independent Director*

Terry V. Rogers – *Independent Director*

Charles B. Stanley – *Independent Director*

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