



# Hecla Mining Company

European Gold Forum  
April 2010

# Cautionary Statements

## Cautionary Note Regarding Forward Looking Statements

Statements made which are not historical facts, such as anticipated payments, litigation outcome, production, sales of assets, exploration results and plans, costs, and prices or sales performance are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, and involve a number of risks and uncertainties that could cause actual results to differ materially from those projected, anticipated, expected or implied. These risks and uncertainties include, but are not limited to, metals price volatility, volatility of metals production and costs, exploration risks and results, political risks, project development risks, labor issues and ability to raise financing. Refer to the company's Form 10-Q and 10-K reports for a more detailed discussion of factors that may impact expected future results. The company undertakes no obligation and has no intention of updating forward-looking statements.

## Cautionary Note Regarding Estimates of Measured, Indicated and Inferred Resources

The United States Securities and Exchange Commission permits mining companies, in their filings with the SEC, to disclose only those mineral deposits that a company can economically and legally extract or produce. We use certain terms in this presentation, such as "measured," "indicated," and "inferred resources" that the SEC guidelines strictly prohibit us from including in our filing with the SEC. U.S. investors are cautioned not to assume that any or all of measured, indicated or inferred resources are economically or legally mineable or that these resources will ever be converted into reserves. U.S. Investors are urged to consider closely the disclosure in our Form 10-K and Form 10-Q. You can review and obtain copies of these filings from the SEC's website at <http://www.sec.gov>.

# Corporate Profile

- NYSE Listed - Symbol HL
- Market Capitalization - \$1.42 billion\*
- Recent Price - \$5.90\*
- Annual silver production of 10 - 11 million ozs.
- Low cash costs
- 60,000 oz/yr gold plus zinc, lead
- Two operating US mines

# Hecla is Unique – Established, Growing

## ➤ Largest producer of silver in US

- 2<sup>nd</sup> largest zinc; 3<sup>rd</sup> largest lead; plus gold

## ➤ Low-cost producer

- Cash cost of \$1.91/oz in 2009

## ➤ Long-life mines

- Record reserves of 140 mm oz Ag

## ➤ Production & resource growth

- 3 years of increasing silver production

▲ Greens Creek Mine, Alaska – Since 1989

◆ Vancouver, BC

◆ Coeur d'Alene, Idaho

▲ Lucky Friday Mine, Idaho – Since 1942

▲ *San Juan Silver, Colorado*

▲ *San Sebastian, Mexico*

# 2009: A Record Year for Hecla

- Record cash flow
- Record silver production
- Record lead-zinc production
- Record growth in silver reserves at Lucky Friday
- Debt eliminated
- More than \$100 million in cash at year-end



# Record Cash Flow of \$115 Million in 2009

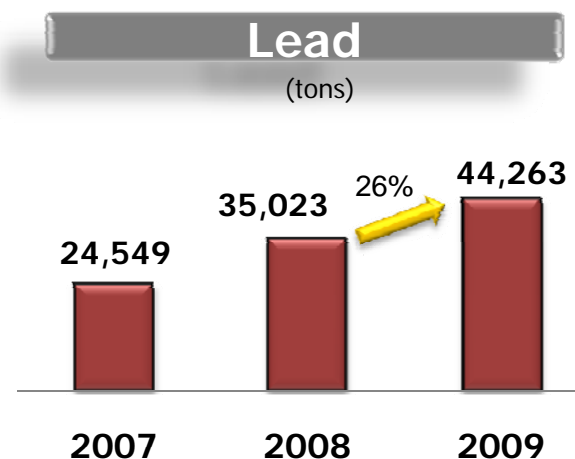
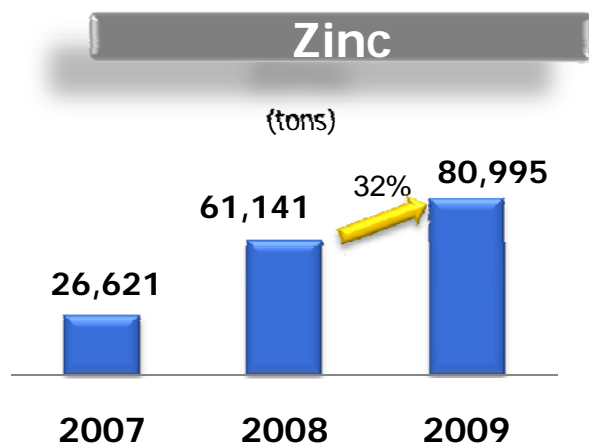
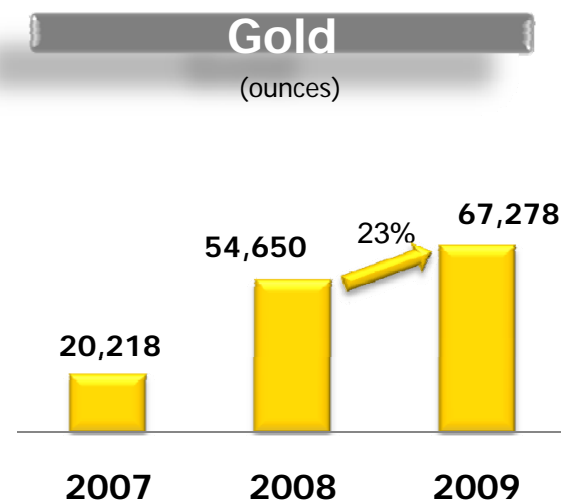
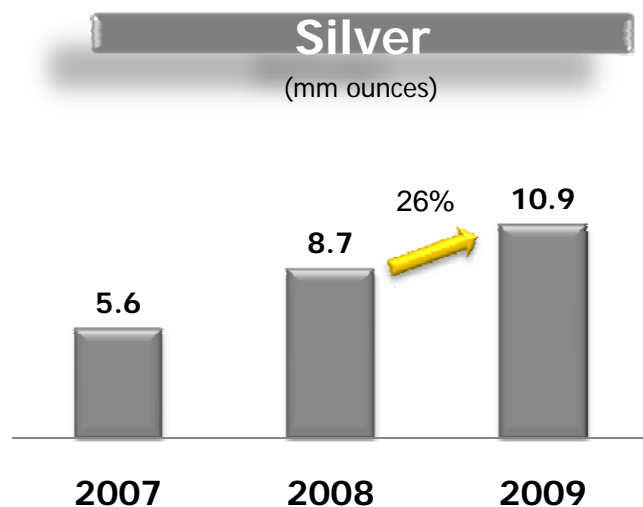
## Net Income\*



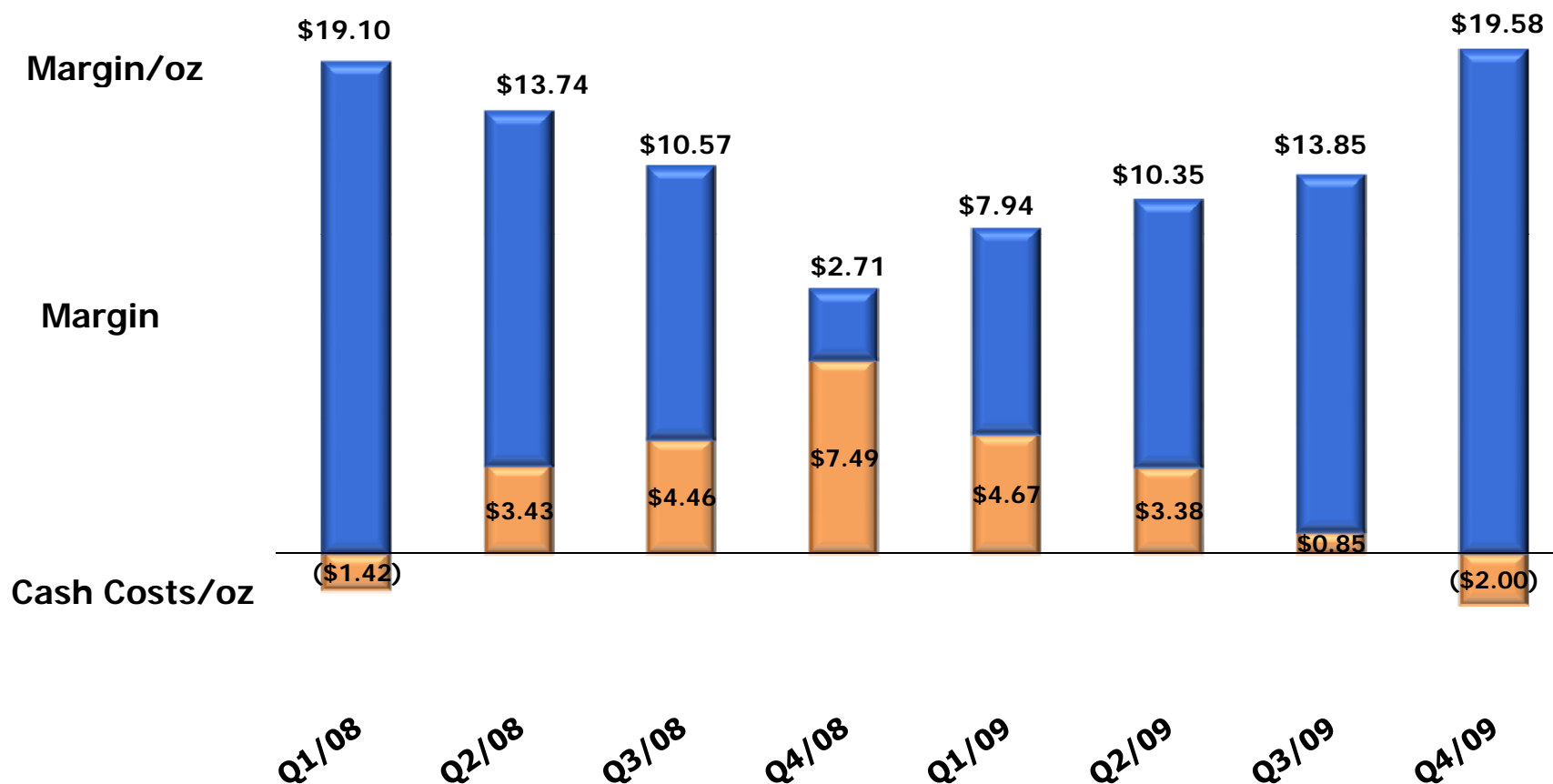
## Cash Flow from Operations



# Record Silver, Lead and Zinc Production



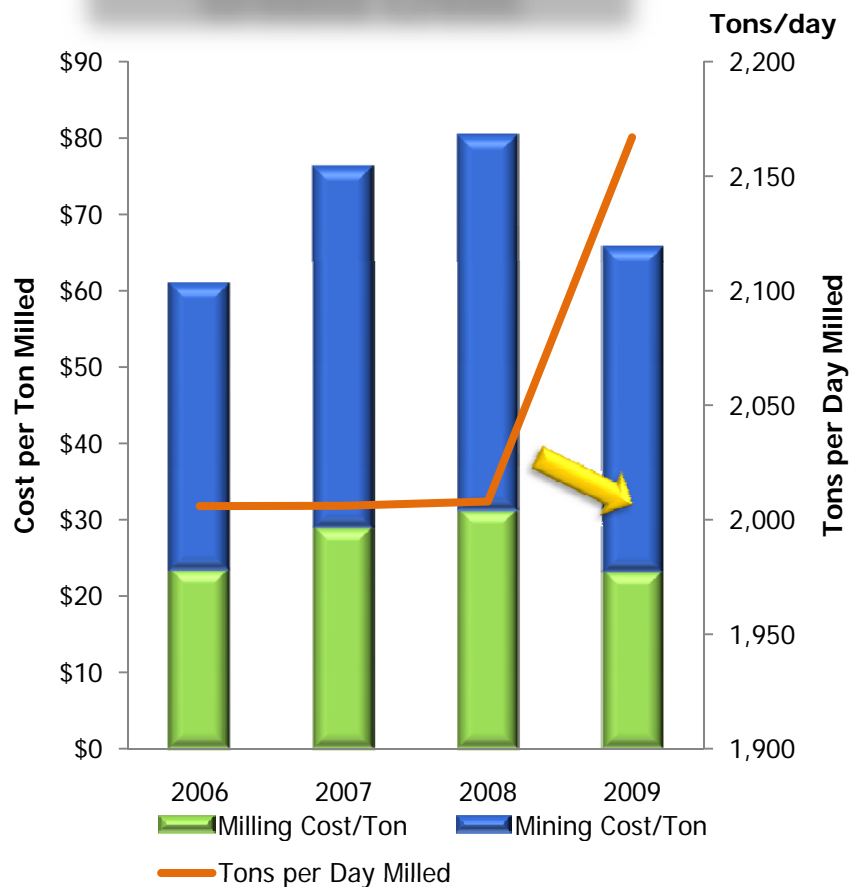
# Best Margins in Eight Quarters



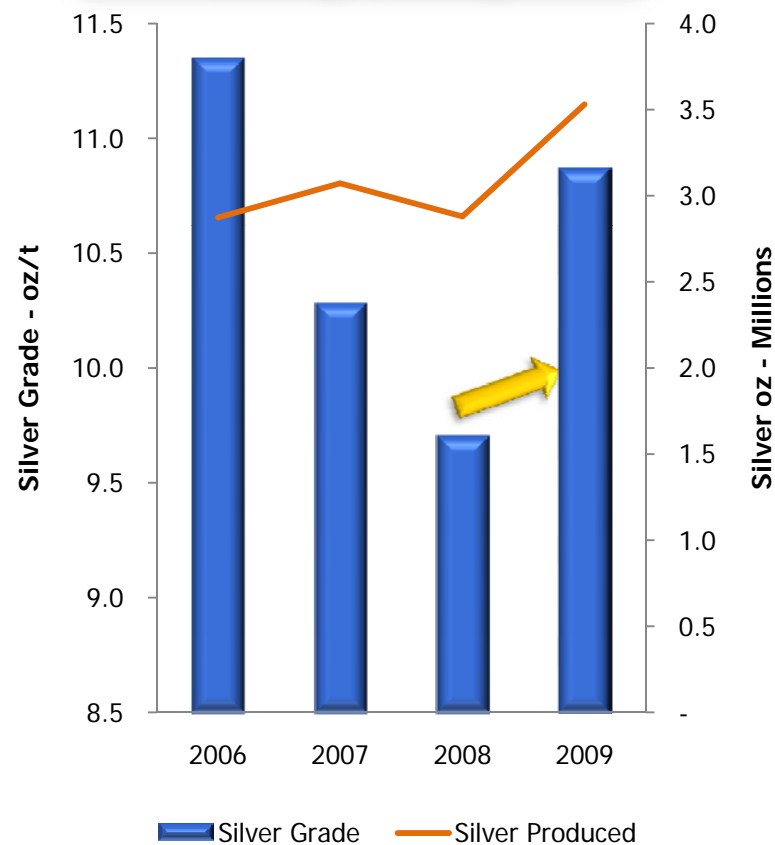


# Increased Productivity at Both Mines

## Greens Creek

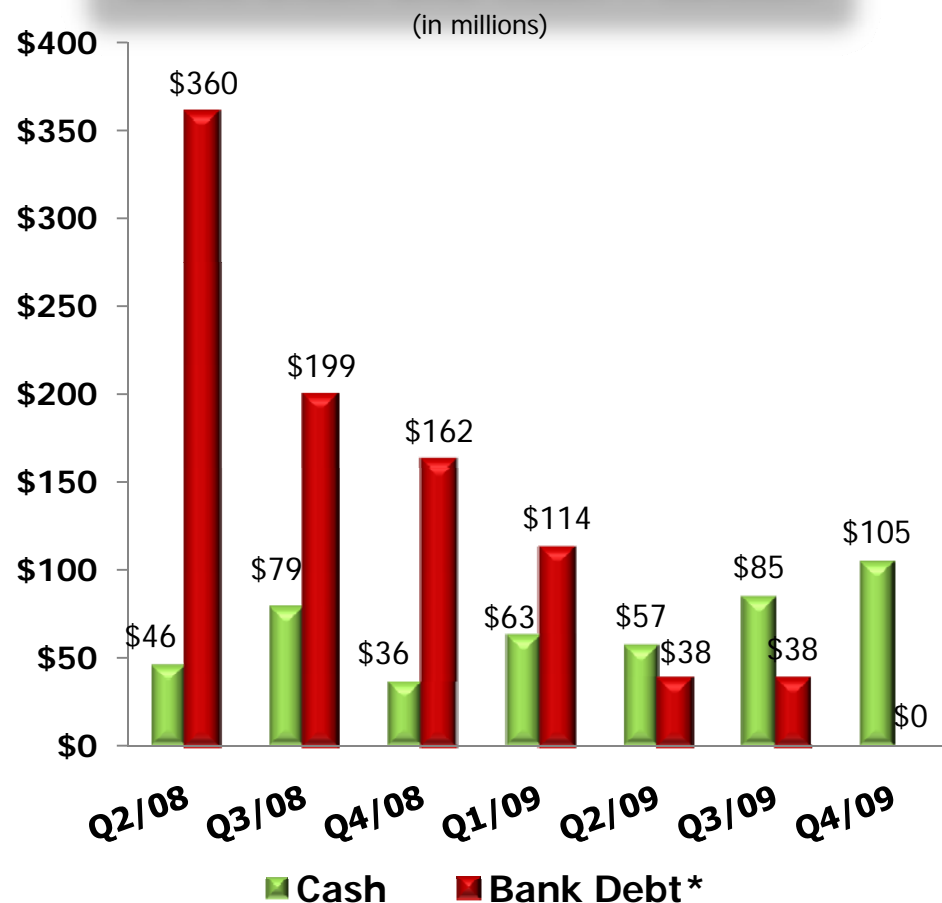


## Lucky Friday



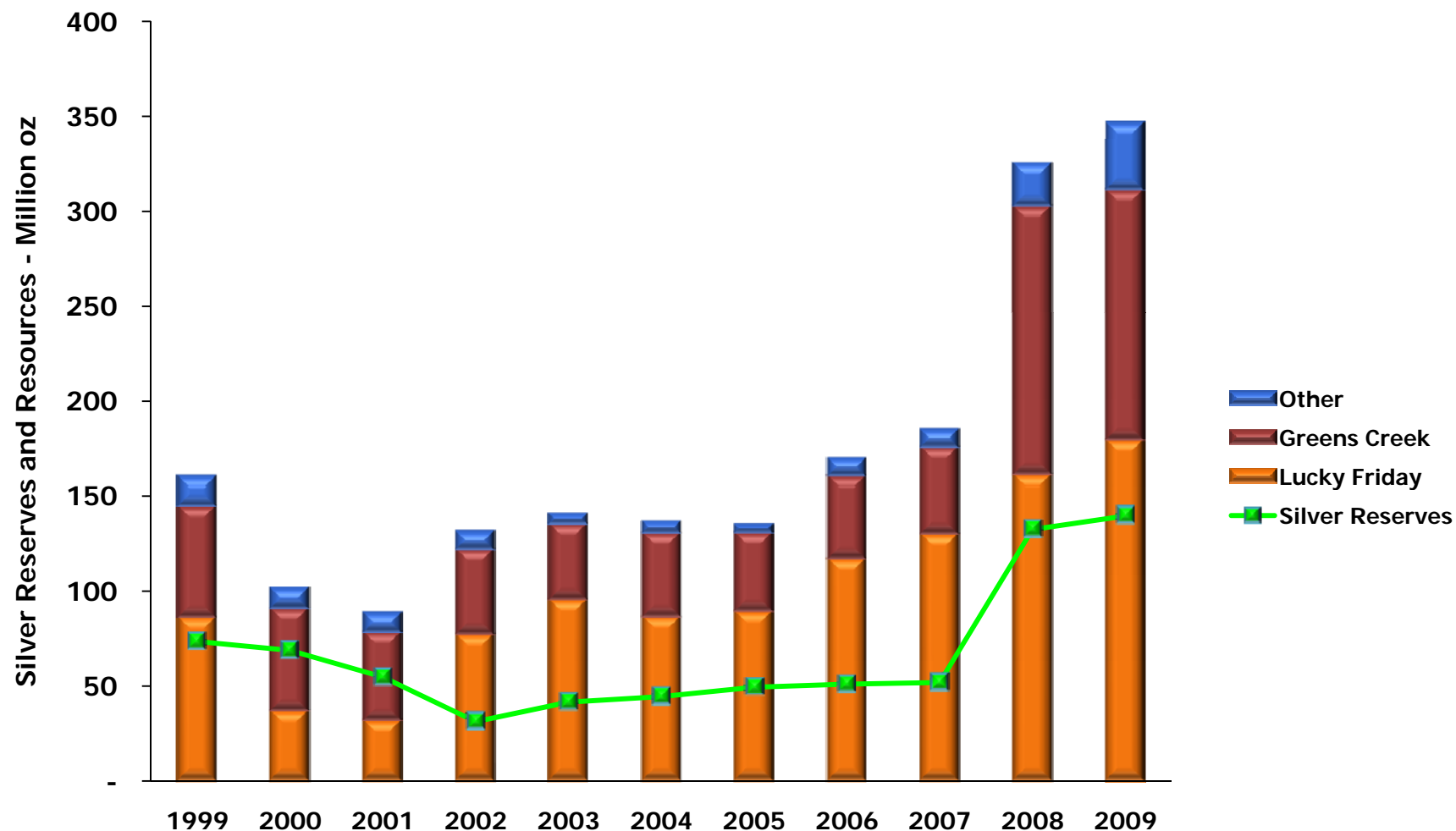
# Debt Free with >\$100 Million in Cash

## Bank Debt and Cash Position



- \$750 mm acquisition of Greens Creek mine in Q2/08
- Credit crisis limits \$380 mm refinancing in mid-2008
- Bank debt repaid in Oct 2009
- \$60 mm revolving credit facility set in Oct 09
- Cash flow of \$115 mm in 2009

# Growing Silver Reserves and Resources



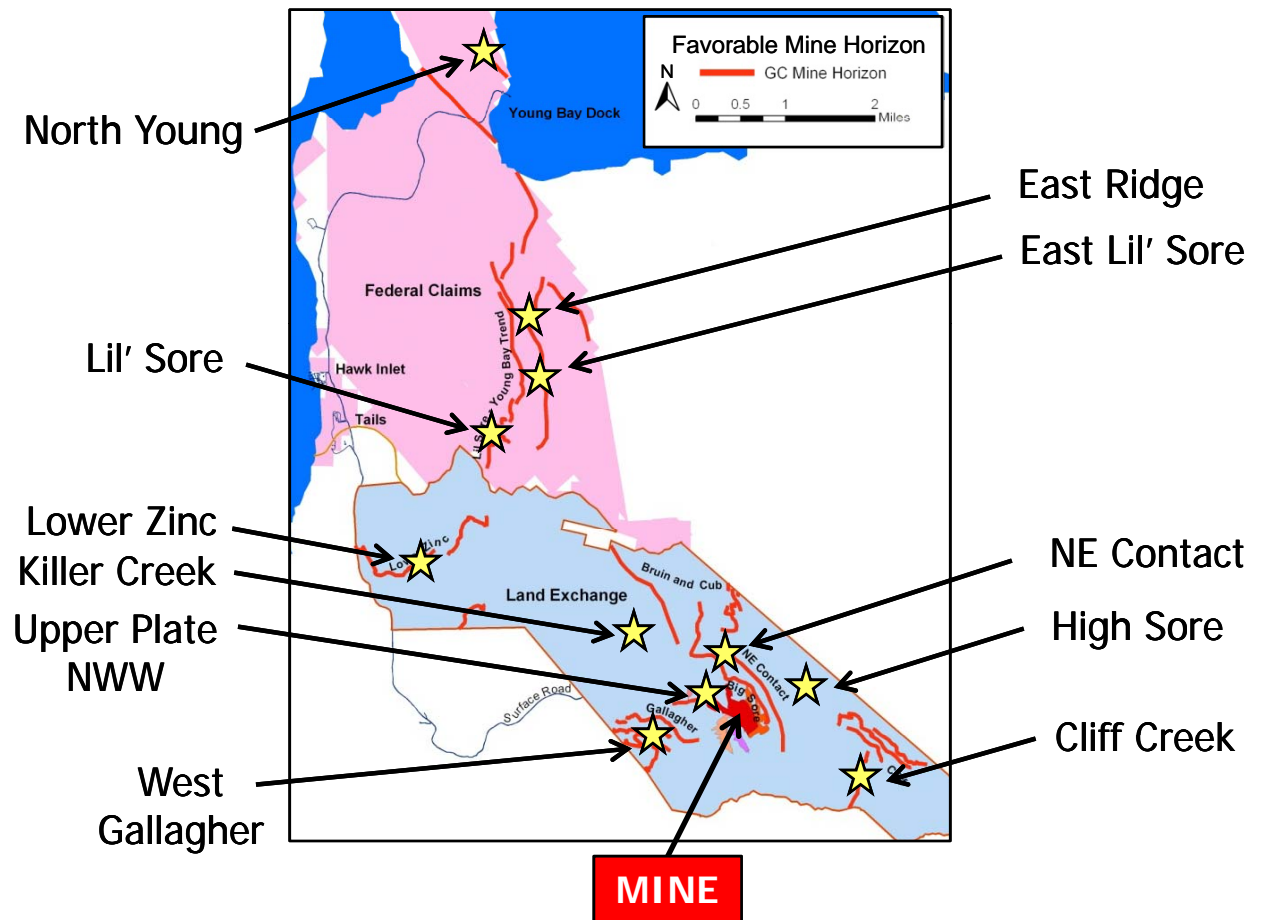
# Greens Creek Mine (Alaska)

- Higher-grade, Ag-Zn-Au-Pb mine
- World's 6th largest silver mine
- Long-life: produced >200 mm oz Ag and >1.7 mm oz Au
- Low cost: historical cash costs <\$3/oz
- Continuously replace reserves with >100 mm oz Ag & 0.8 mm oz Au
- Represents  $\frac{3}{4}$  of Hecla's production
- +7 mm oz silver in 2010 and 60,000 oz gold, zinc, lead

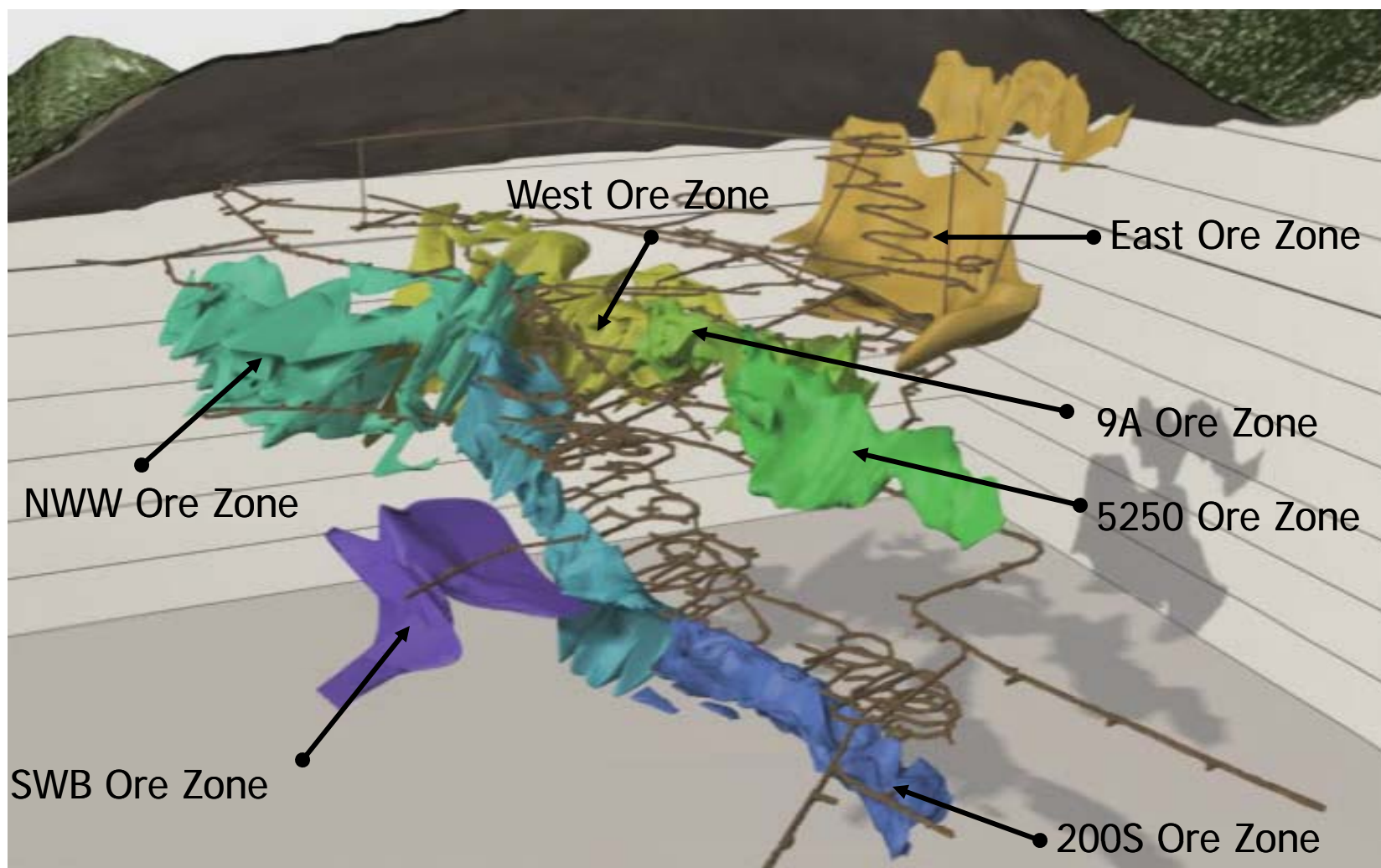


# Greens Creek - Underexplored

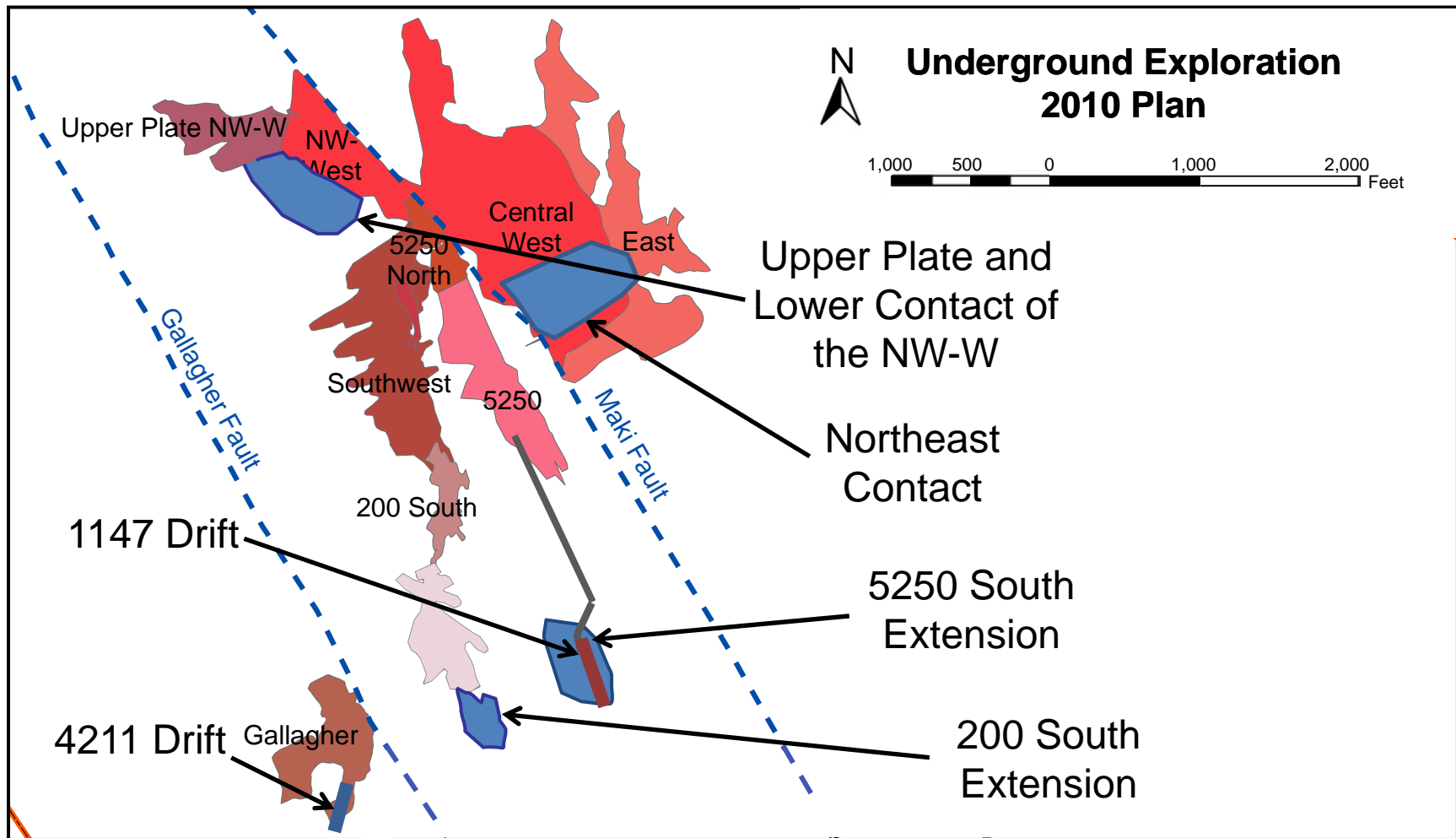
- 1973 discovery
- A rare, precious metal enriched base metal deposit
  - Deposit type comes in clusters
- Limited exploration until 2004
  - Land exchange in 1997
- Recent studies outline key mineralized horizon (**red-trace**) and multiple targets



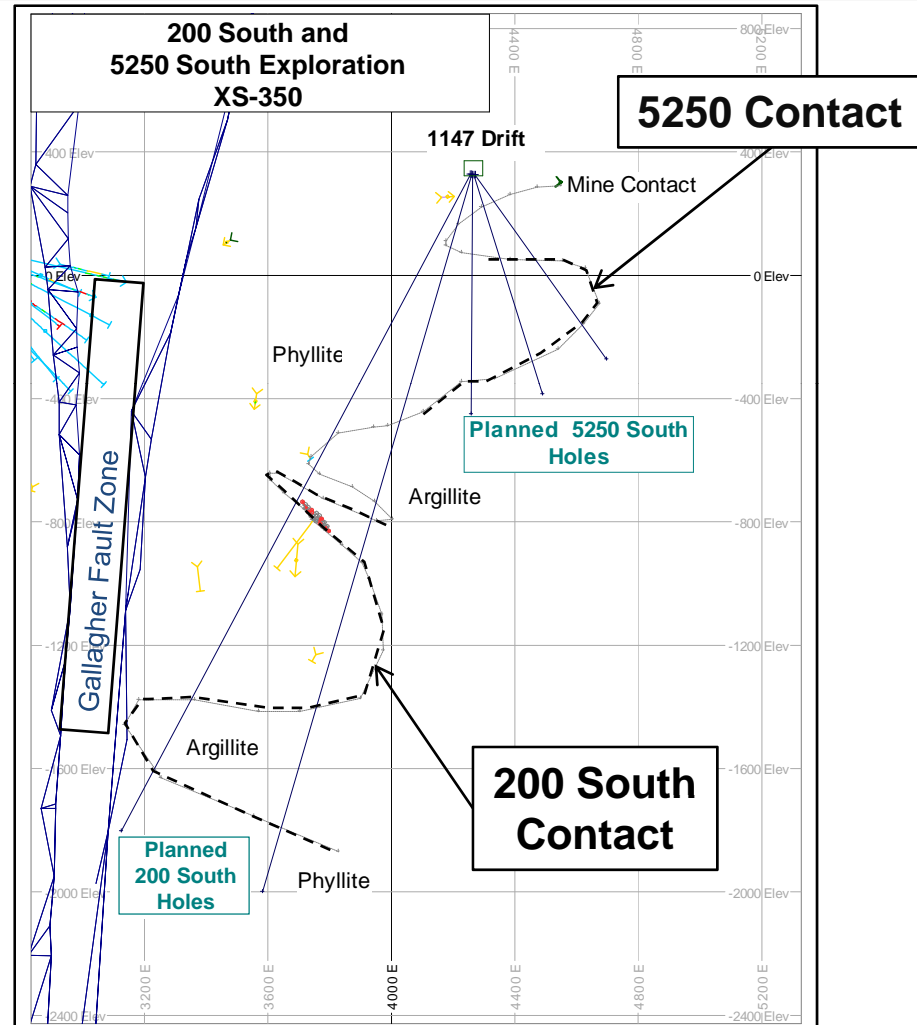
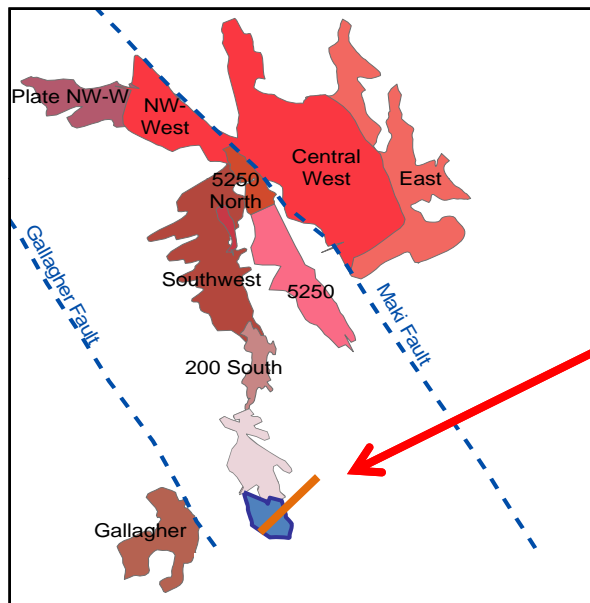
# Greens Creek Ore Zones



# Plan of Underground Exploration Targets

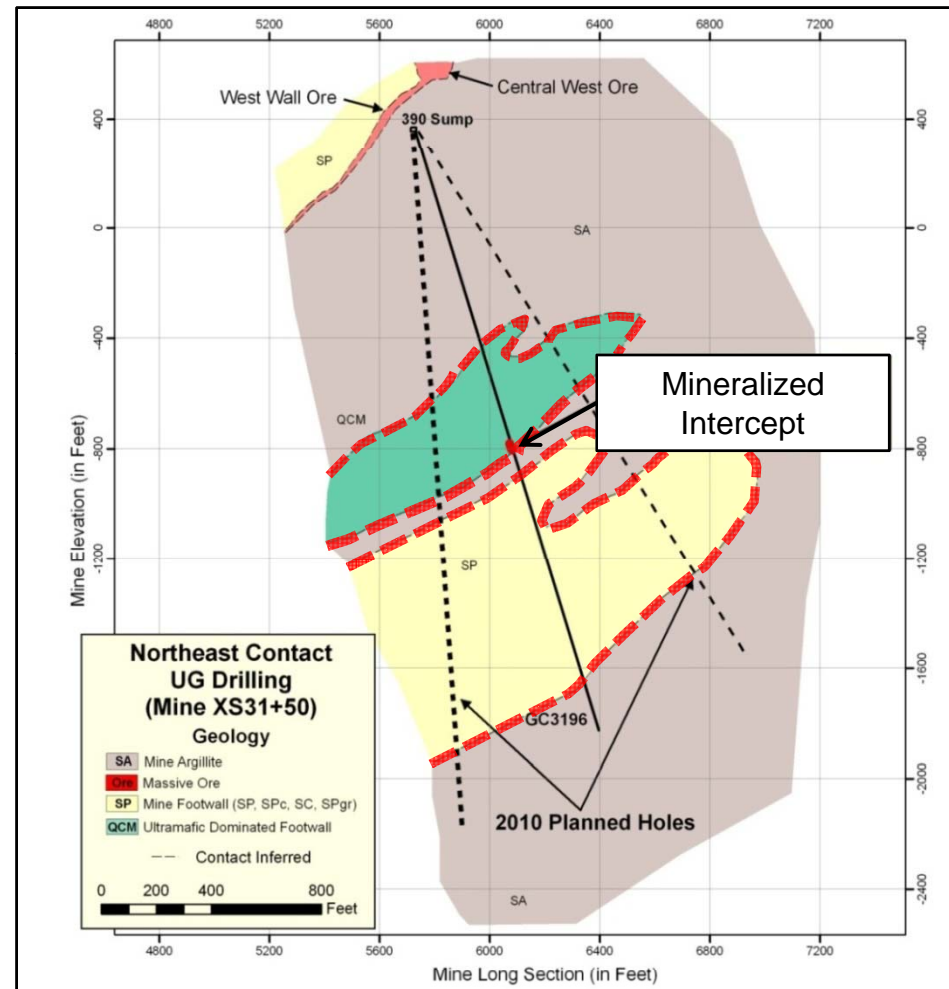
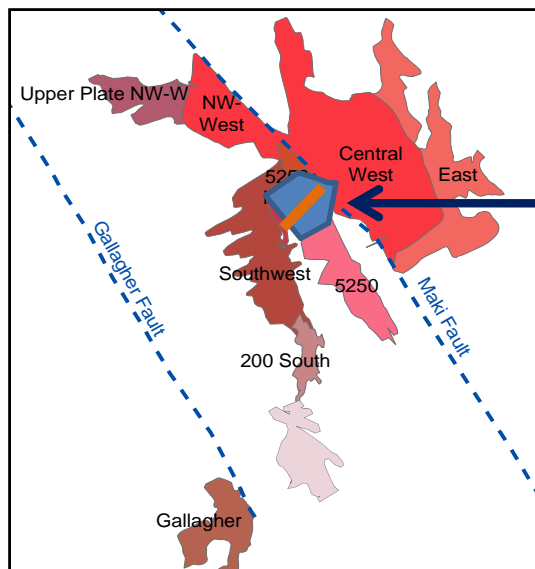


# 200 South & 5250 South Exploration Targets



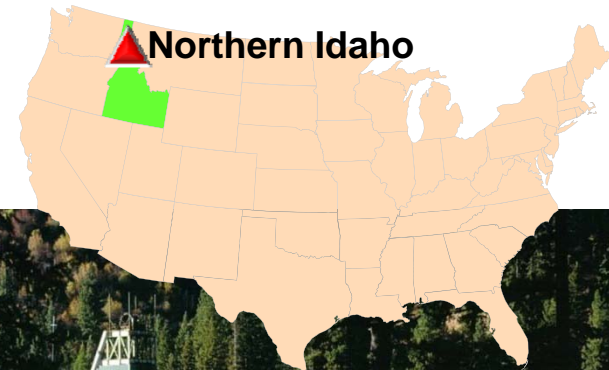


# Northeast Contact Exploration Target

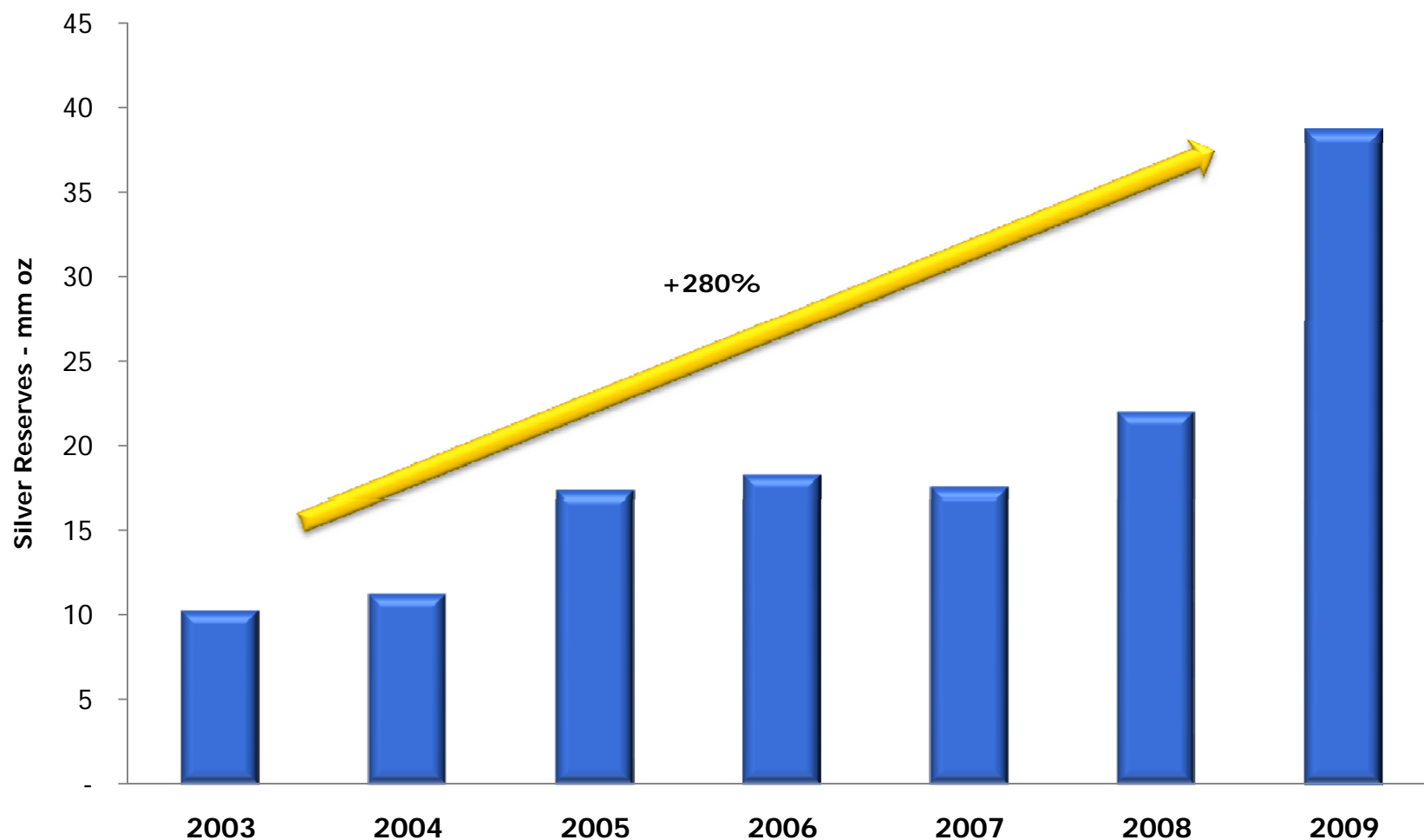


# Lucky Friday Mine – Big Ounces at Depth

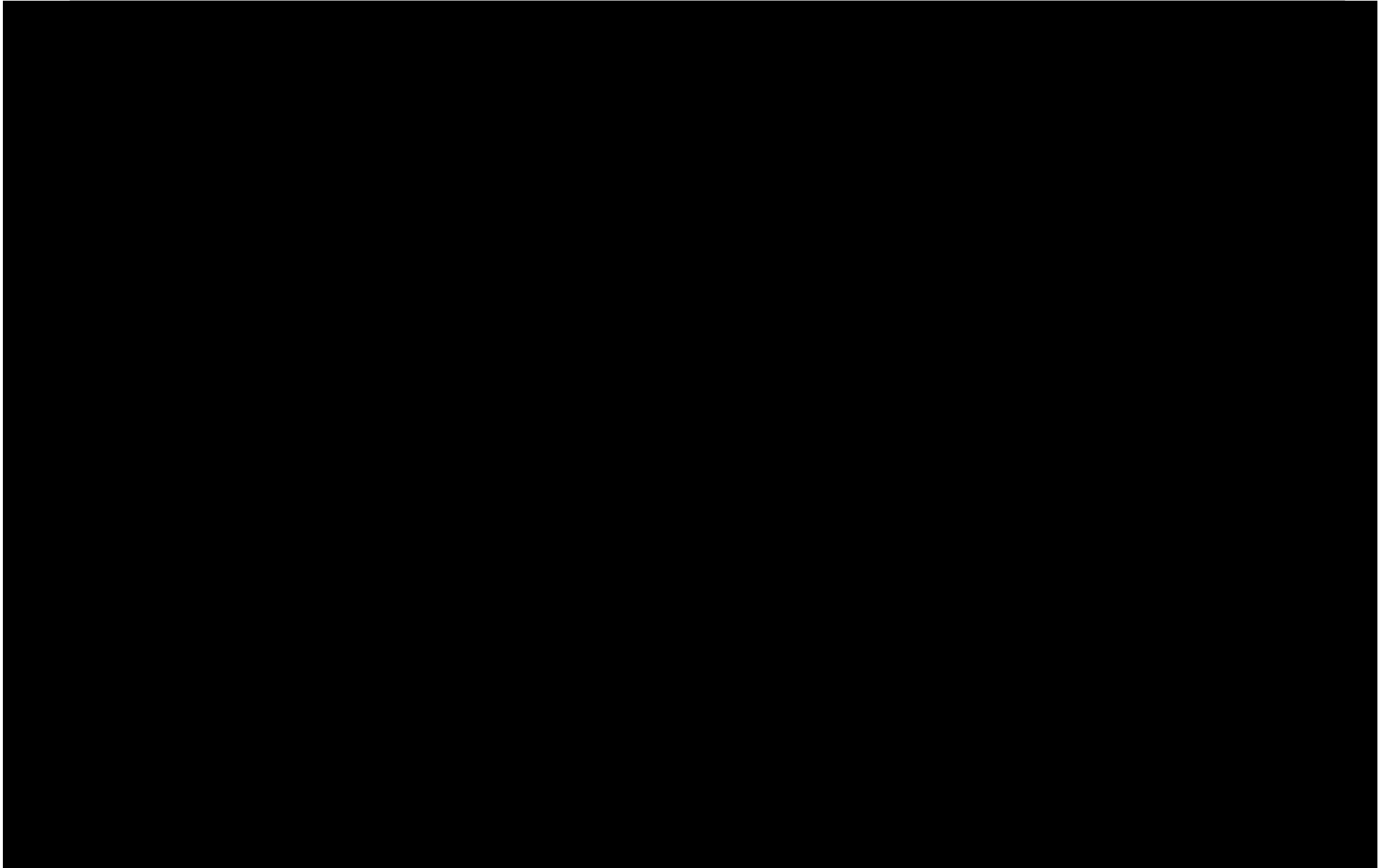
- Operating since 1942
  - Feasibility to extend mine life 20 plus years
- Underground silver-lead-zinc mine
- Grade rising, widths increasing, economics improving deeper
- Part of an underexplored property
- +3 mm oz Ag plus lead-zinc in 2010
- ¼ mile from Interstate 90



# Large Increase in Lucky Friday Reserves

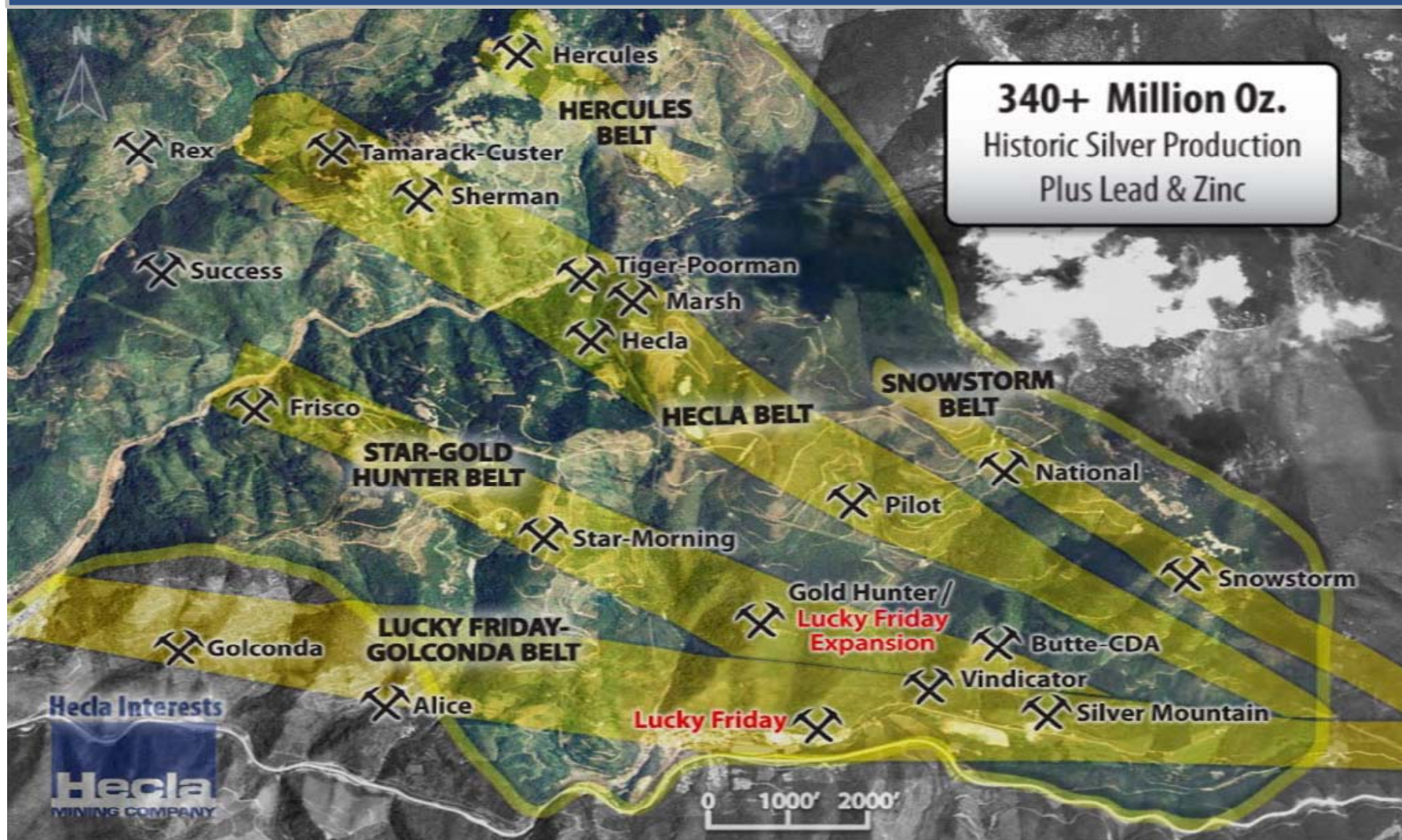


# Lucky Friday Deep Development





# A World Class Silver Camp



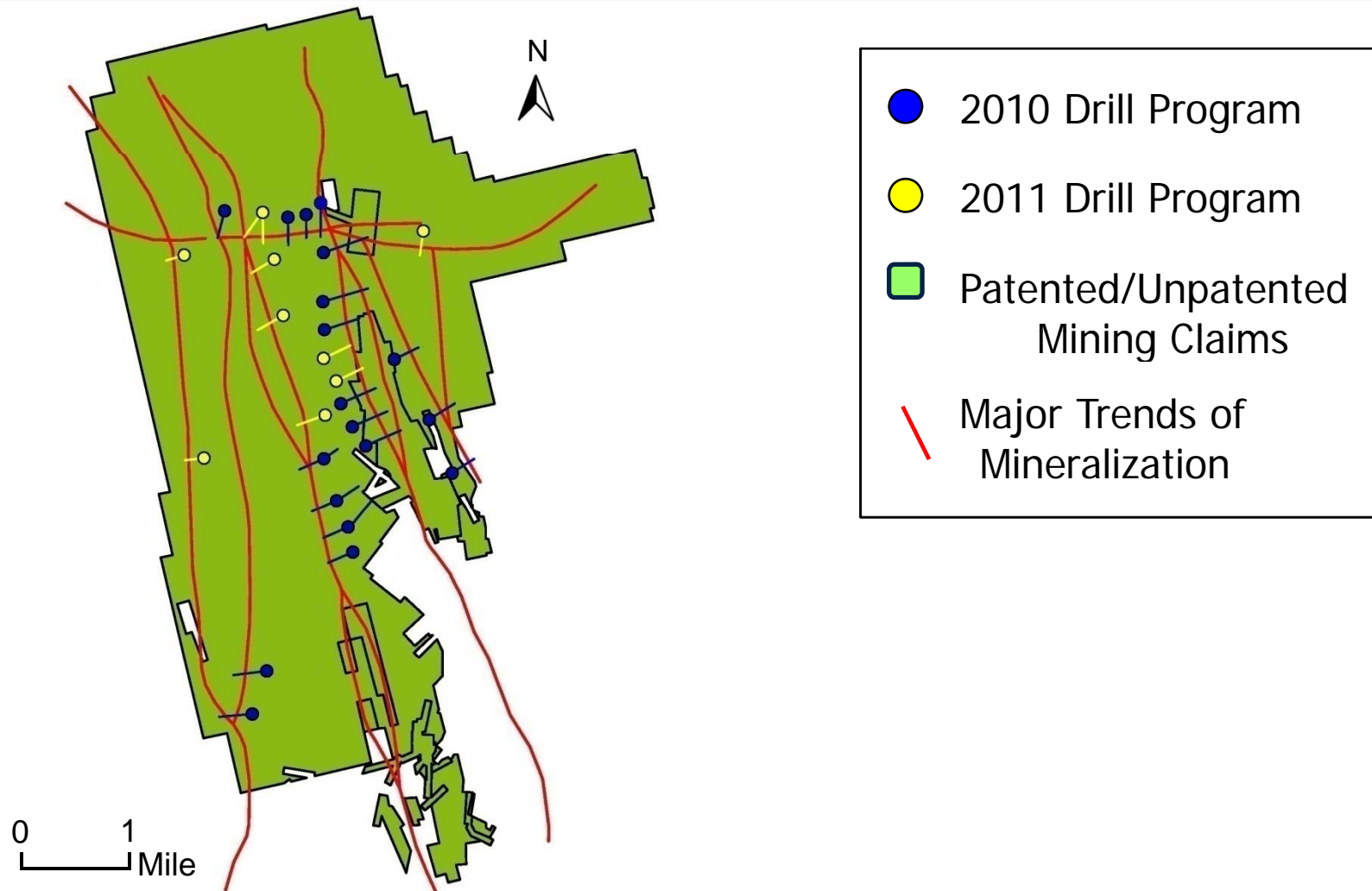
# San Juan Silver JV (Colorado)

- Past production 84 mm oz Ag
- Potential >100 mm oz Ag
- Excellent exploration potential
- 37 mm oz Ag resource
- Multiple vein structures
- \$3 mm drill program in '10



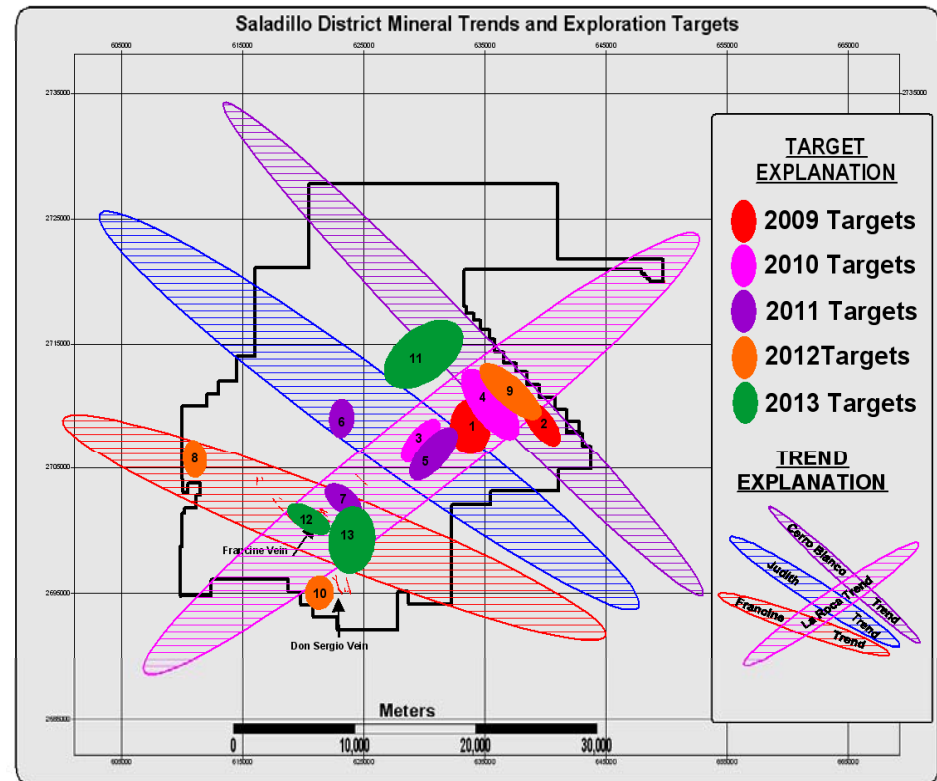


# Planned Drill Targets - San Juan Project



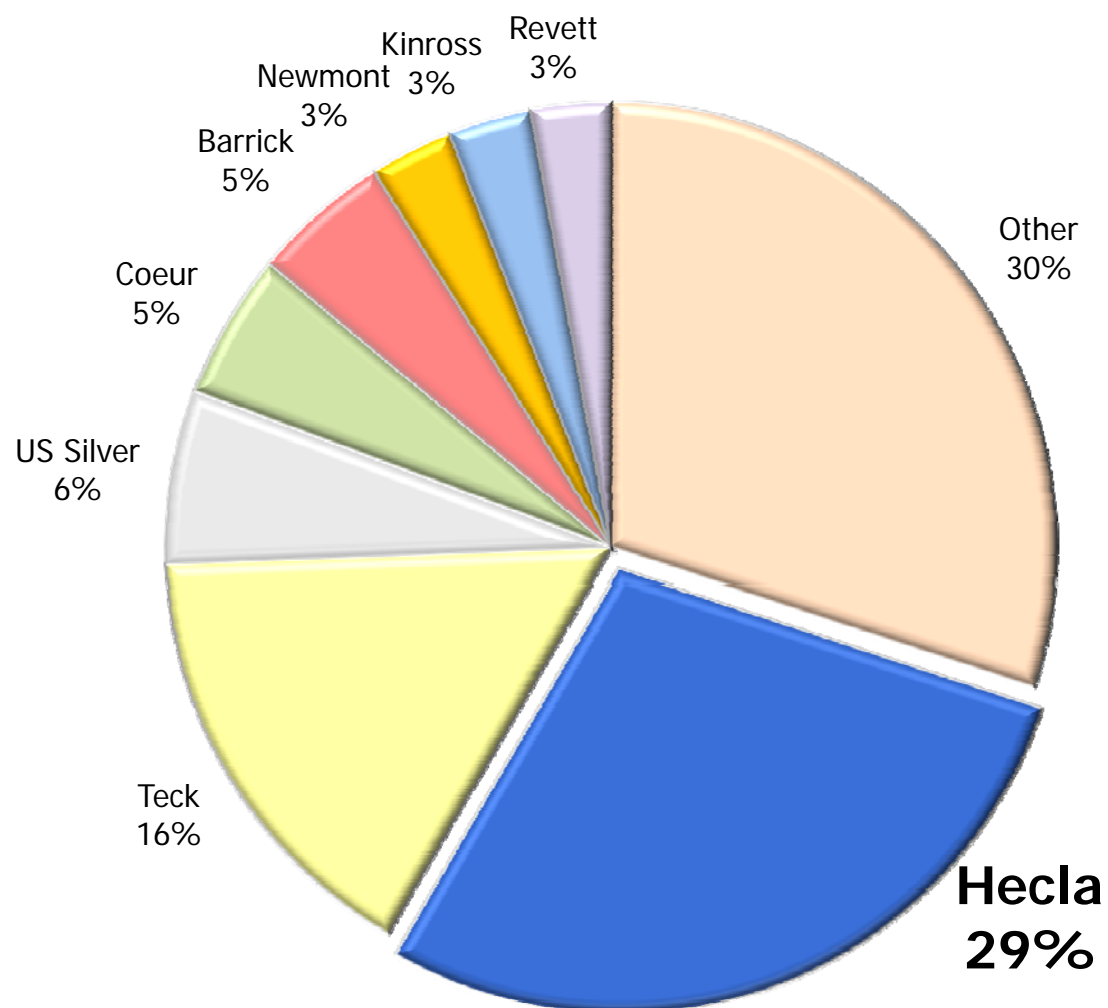
# San Sebastian Project (Mexico)

- On-trend with major mines and deposits in central Mexico
- +300 sq mile property
- Systematic multi-year exploration approach
- Drill program underway





# Largest US Silver Producer in 2009



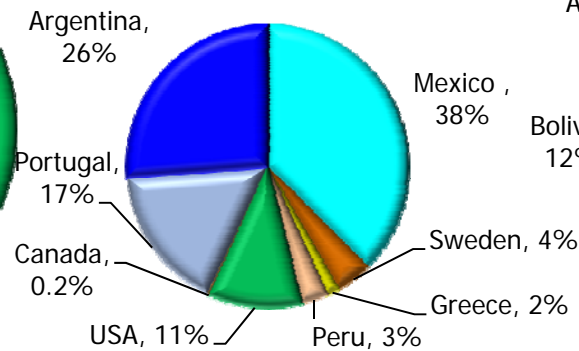
- 2<sup>nd</sup> largest zinc producer
- 3<sup>rd</sup> largest lead producer

# Significant Silver Reserves in the US

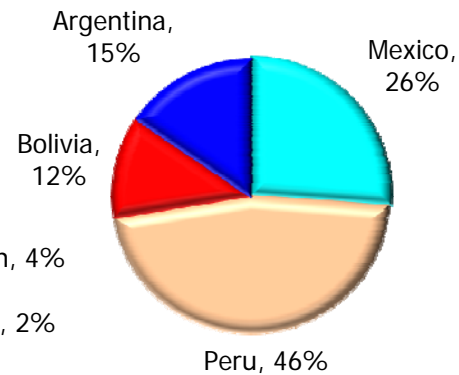
## Hecla



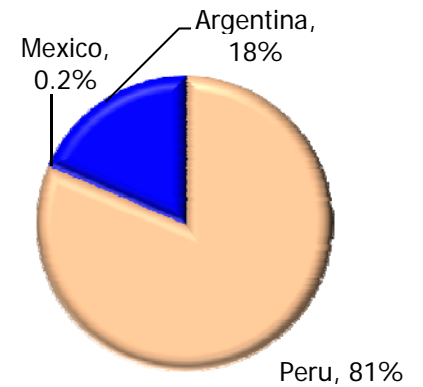
## Silver Wheaton



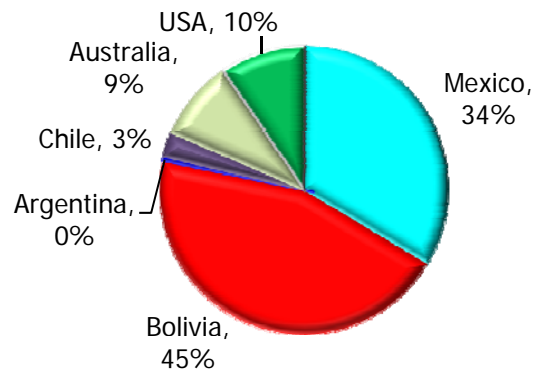
## Pan American



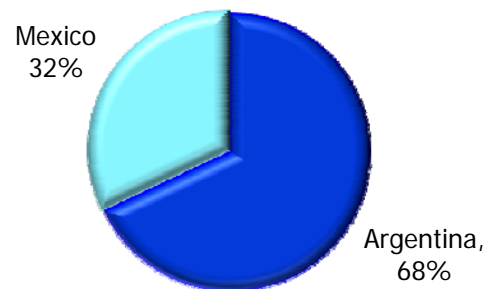
## Hochschild



## Coeur



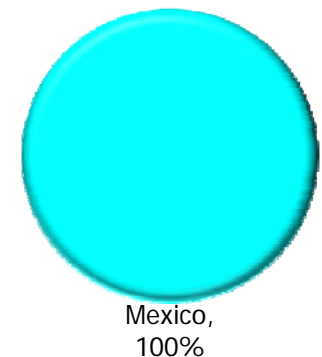
## Silver Standard



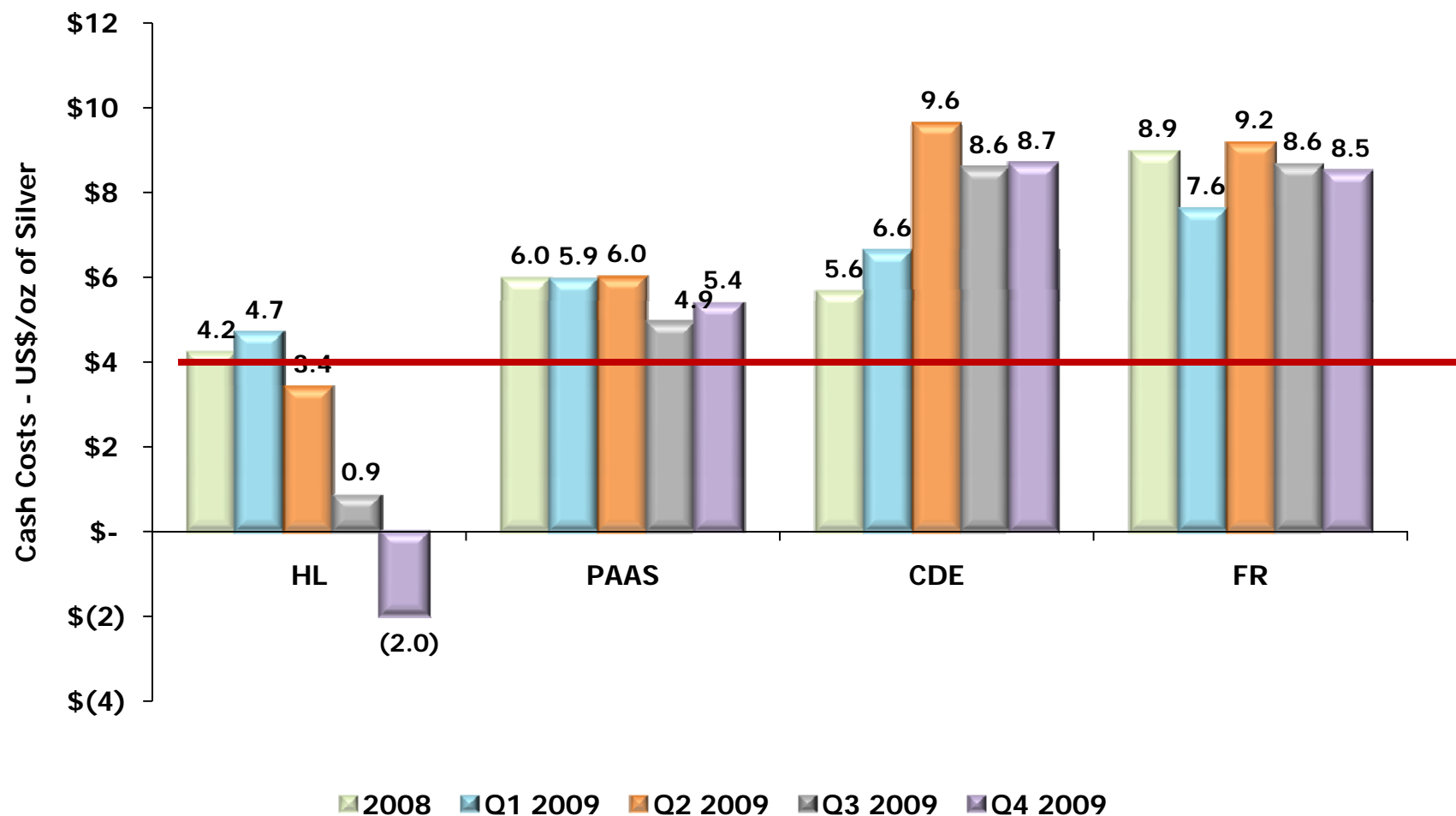
## First Majestic



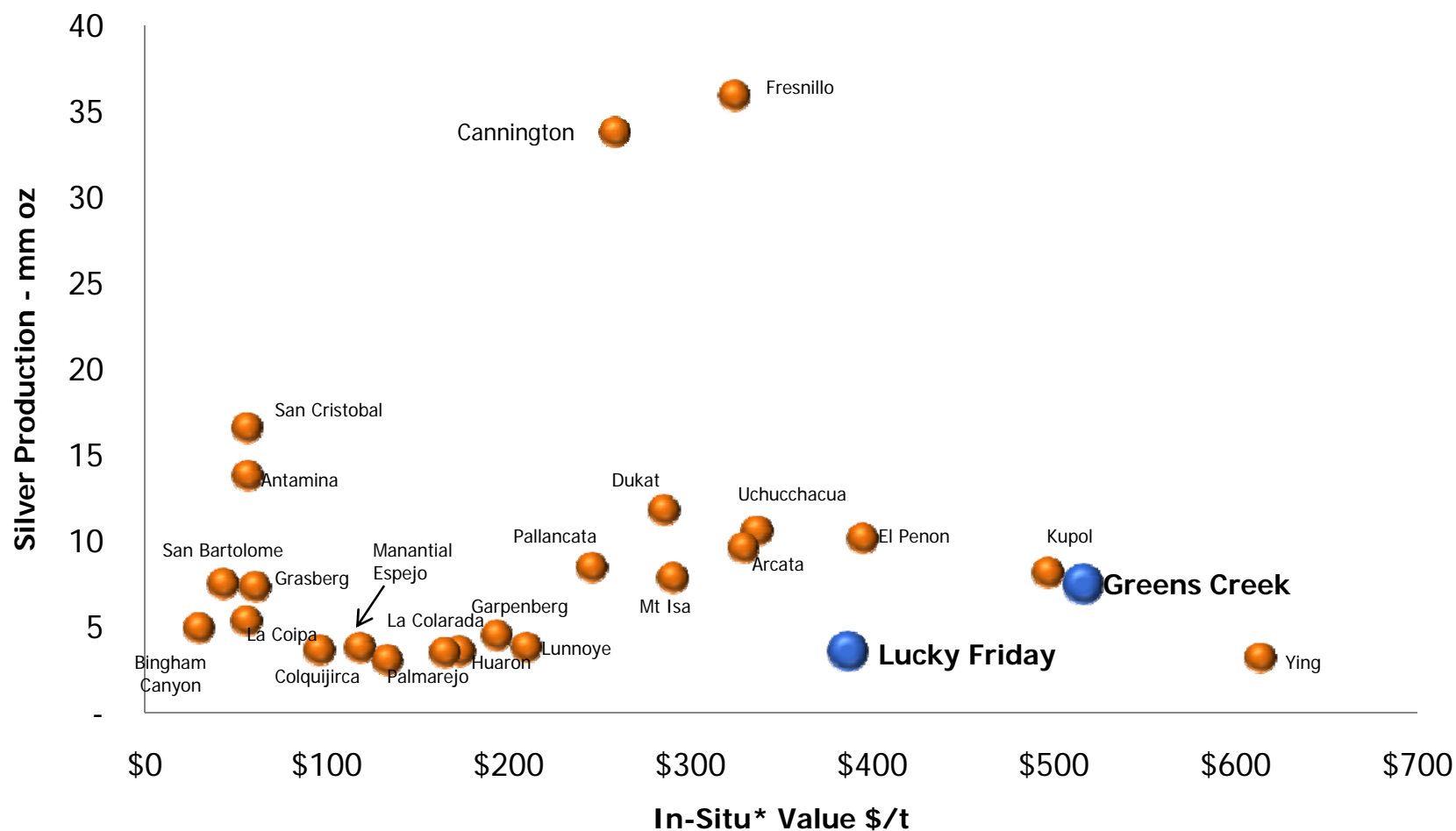
## Fresnillo



# Consistently Lowest Cost

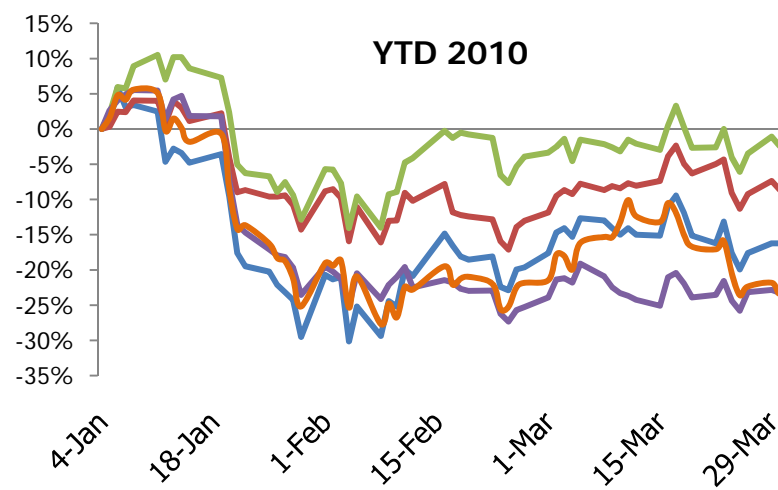
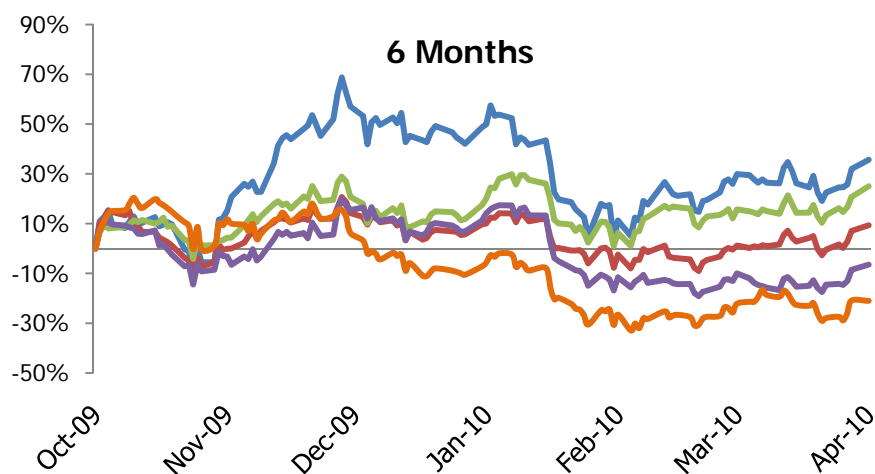
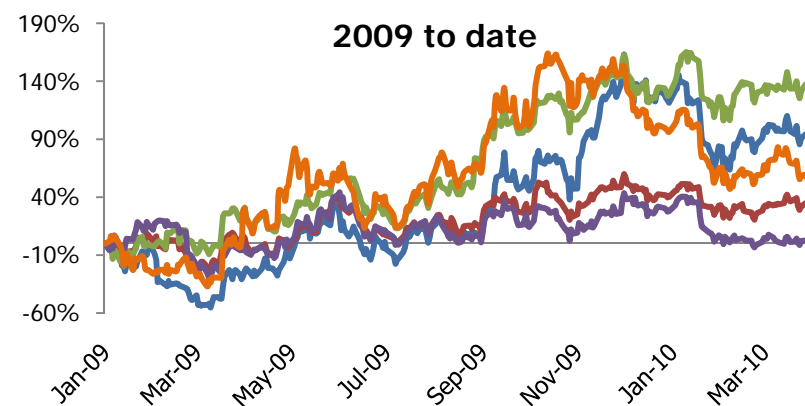
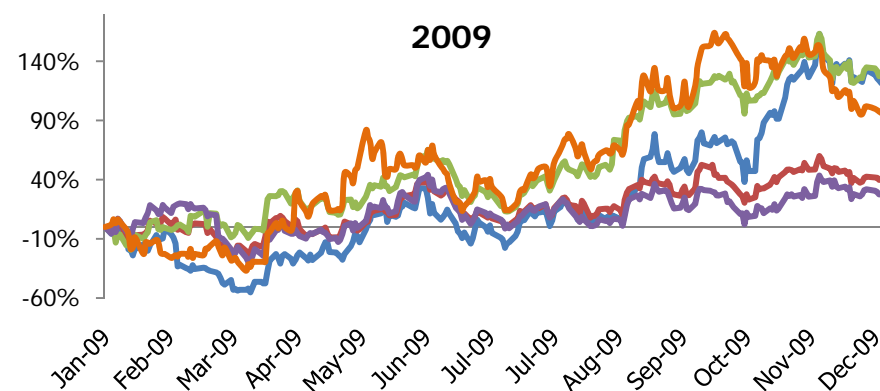


# World's Largest Silver Mines

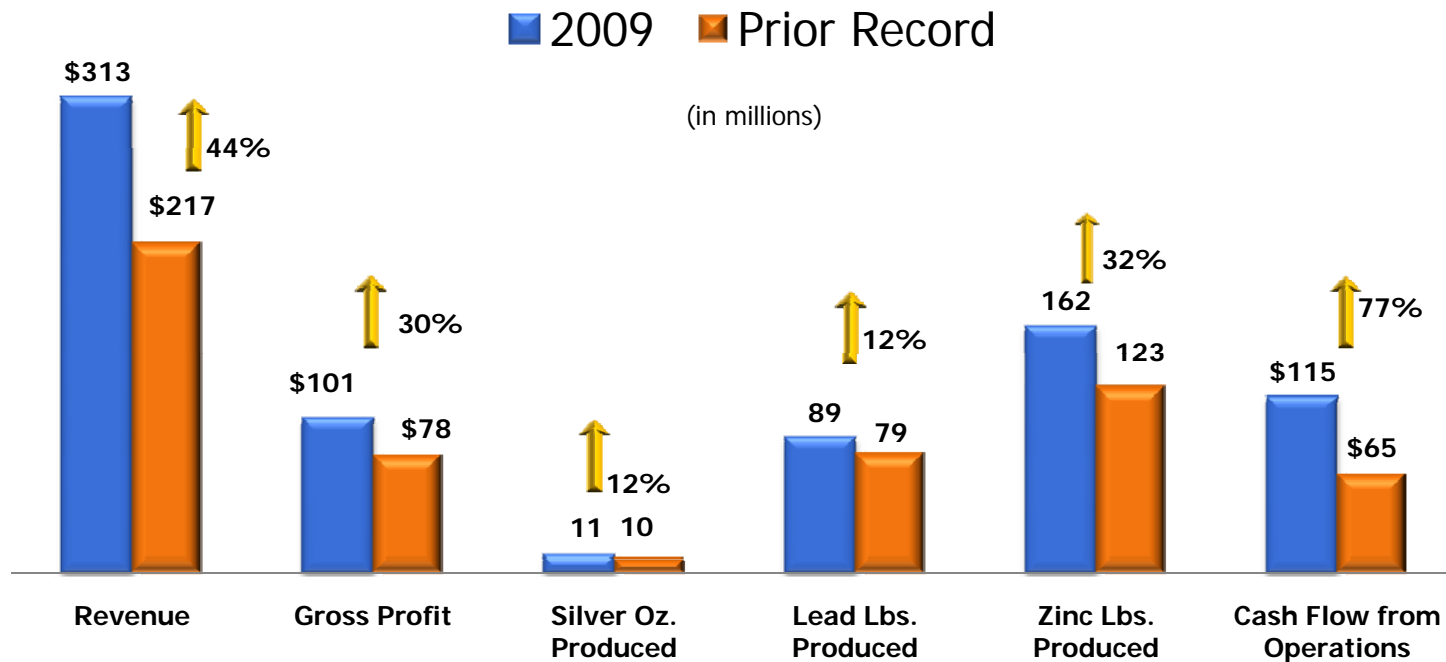


# Peer Group Share Performance

Hecla PAAS SLW SSRI CDE



# Hecla's Record Setting Year



- Exploration in 4 major mining districts
- Growing reserve/resource base
- Production growth will follow



# Hecla Mining Company