

THE SILVER PRODUCER

FINANCIAL OVERVIEW

SILVER MARKET

HECLA PROPERTIES



European Gold Forum

April 13, 2011



Cautionary Statements

Cautionary Note Regarding Forward Looking Statements

Statements made which are not historical facts, such as anticipated payments, litigation outcome, (including outcomes of settlement negotiations), 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, environmental and litigation risks, operating risks, project development risks, political risks, labor issues, ability to raise financing and exploration risks and results. Refer to the company's Form 10-K and 10-Q 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 other than as may be required by law.

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 on this release, such as "resource," "other resources," and "mineralized materials" that the SEC guidelines strictly prohibit us from including in our filings with the SEC. 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 www.sec.gov.

Cautionary Note Regarding Total Cash Cost Reconciliation

Total cash cost per ounce of silver represents non-U.S. Generally Accepted Accounting Principles (GAAP) measurements. A reconciliation of total cash cost to cost of sales and other direct production costs and depreciation, depletion and amortization (GAAP) can be found in the Appendix.

Overview

- Financial Overview
- The “Go To” Silver Producer
- Hecla Properties
- Silver Market
- Summary



The “Go To” Silver Producer

- Largest silver producer in the U.S. with 9 - 10 mm ounces annually
- Two U.S. mines and two exploration properties with district-sized land positions
- Mining for almost 120 years
- Research coverage from nine investment analysts
- 67% institutional ownership
- Good share liquidity with average 3 month daily volume 12.5 mm shares



Capital Structure & Financial Position

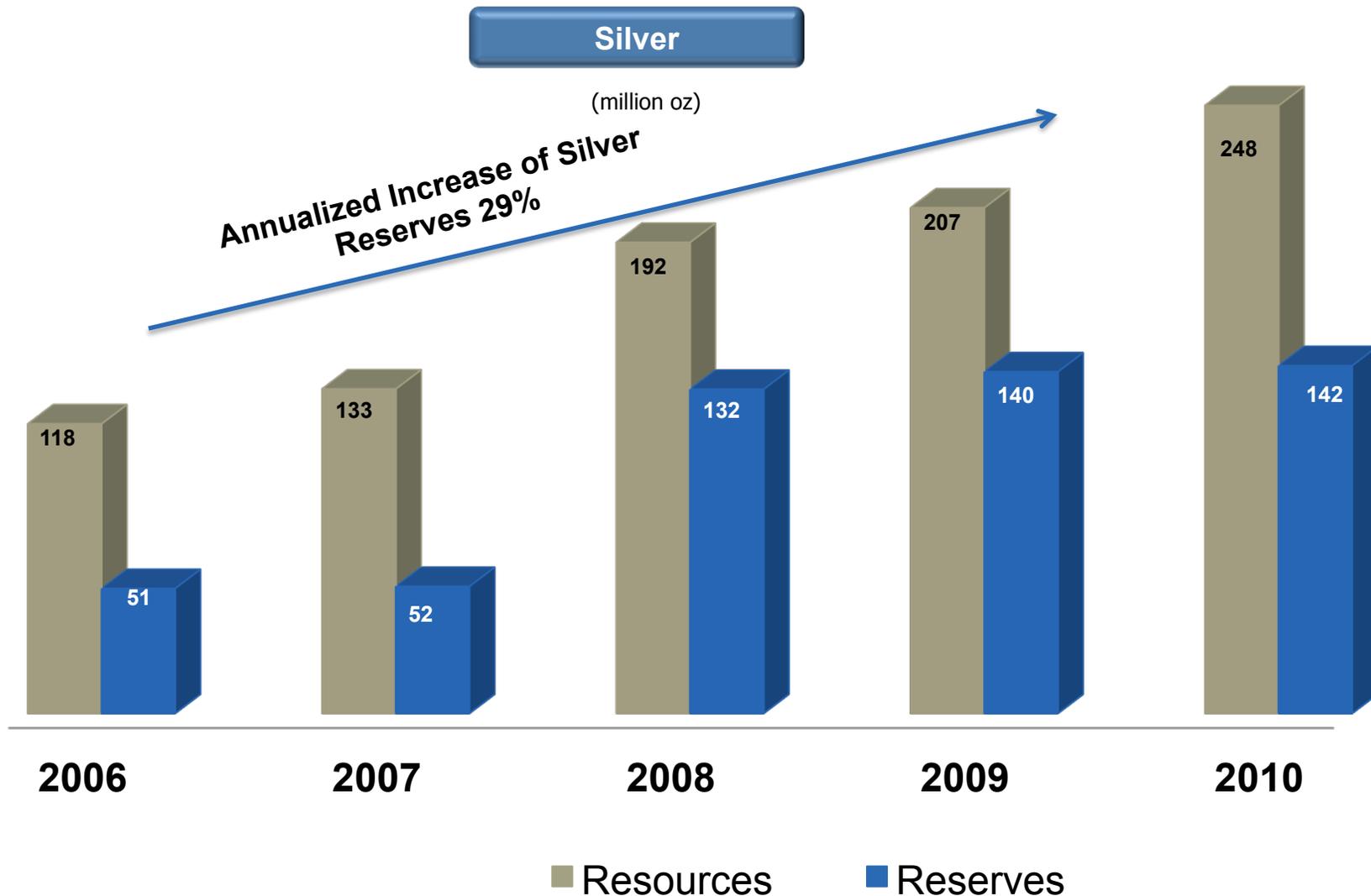
Recent share price:	\$9.53 ¹
Market Capitalization:	\$2.6 B
Shares Outstanding:	278 mm ²
Cash & Equivalents:	\$284 mm ³
Debt:	None
Silver Hedging:	None
Base Metals Hedging: (1-3 yr contracts)	Up to 50%

1. April 5, 2011

2. January 1, 2011 – Includes shares issued for mandatory convertible preferred stock conversion

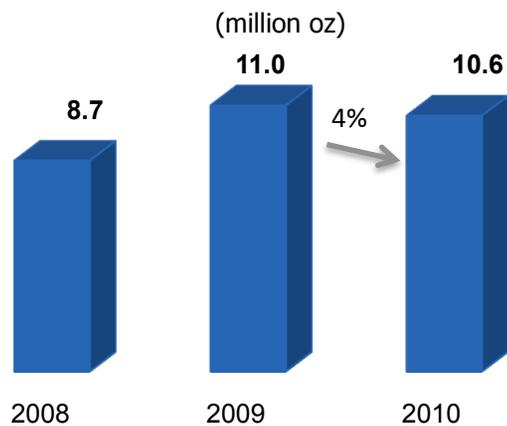
3. As of December 31, 2010

Silver Growth - Reserves and Resources

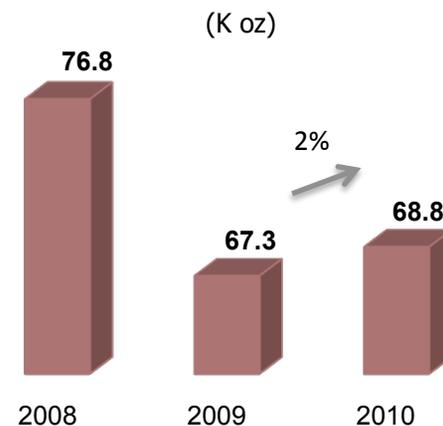


2010 Production Highlights

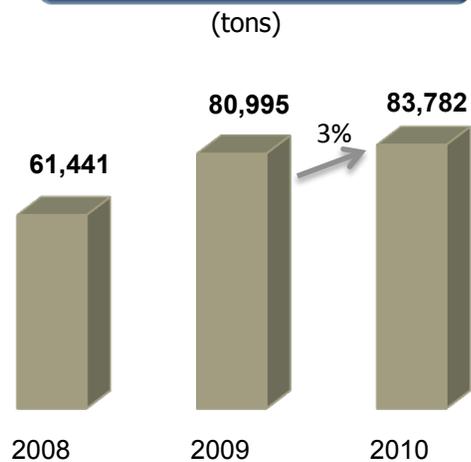
Silver



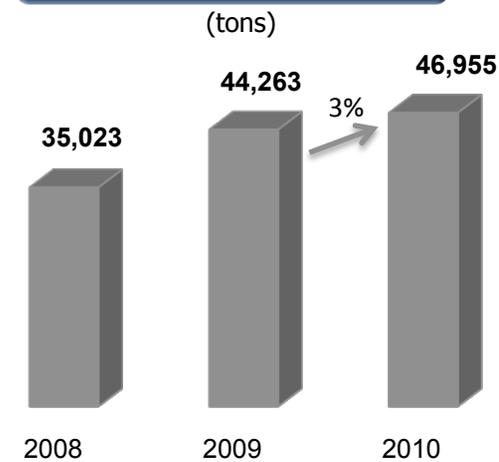
Gold



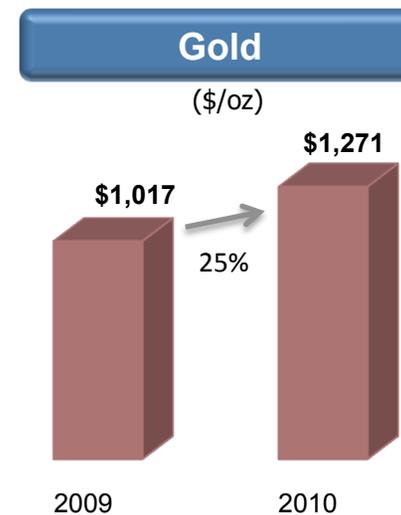
Zinc



Lead



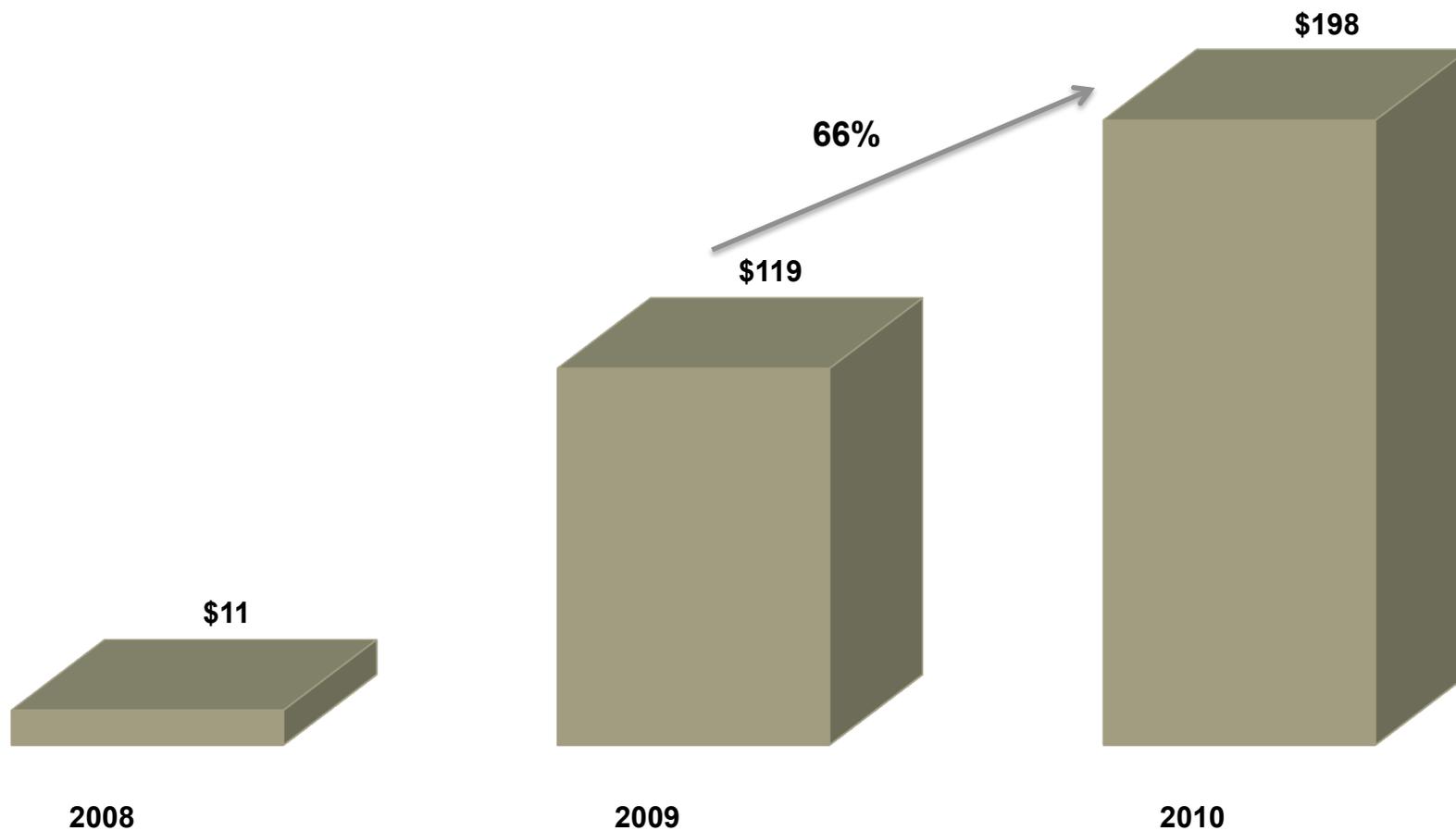
2010 Realized Metal Prices



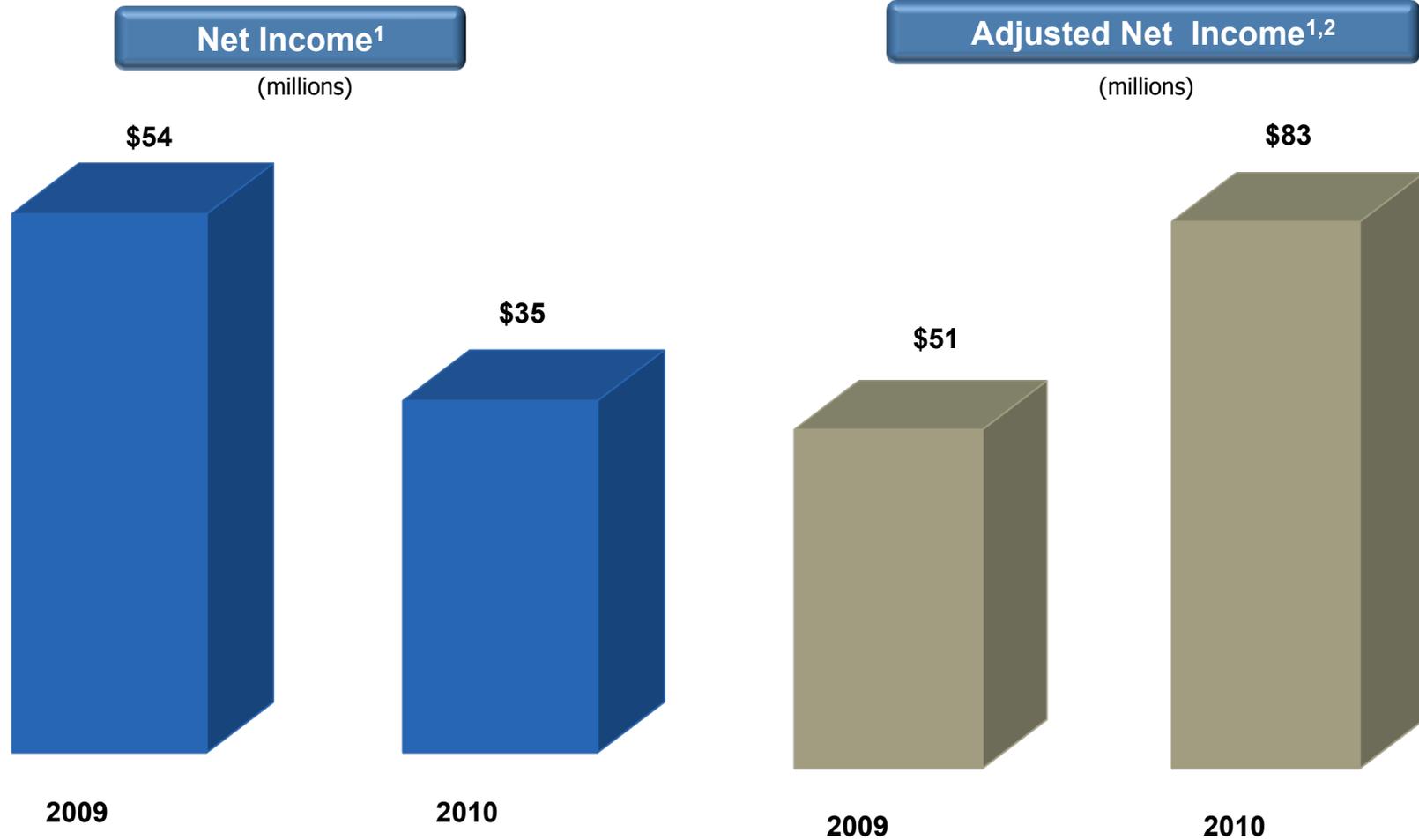
2010 Record Cash Flow

Cash Flow from Operations

(millions)



2010 Net Income

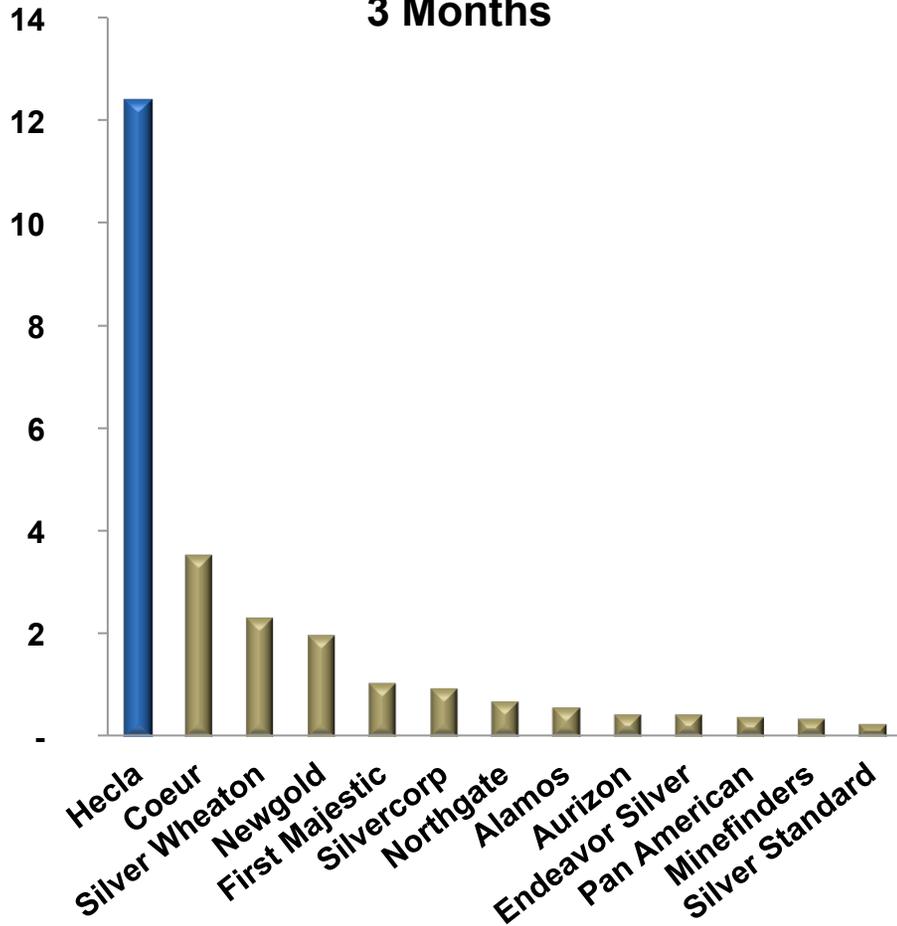


1. Net income applicable to common shareholders (see Appendix)

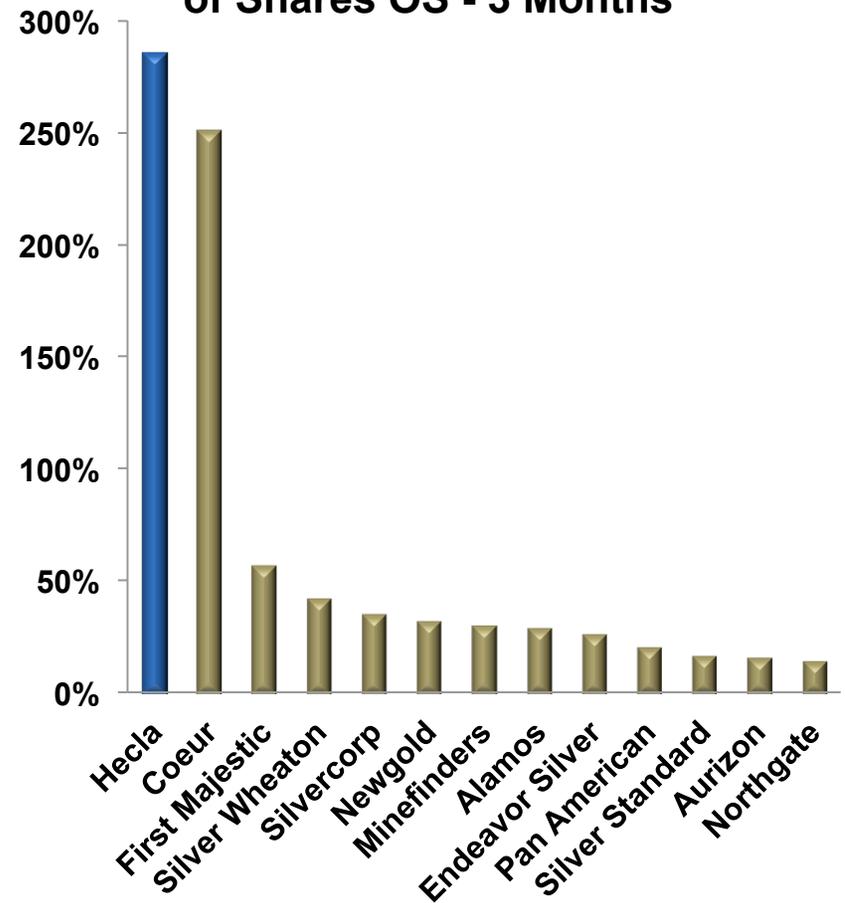
2. The adjusted income applicable to common shareholders represents a non-U.S. Generally Accepted Accounting Principles (GAAP) measurements. A reconciliation of net income applicable to common shareholders (GAAP) to adjusted income can be found in the Appendix.

Trading Liquidity

**Average Daily Share Volume
3 Months**



**Total Trading Share Volume as %
of Shares OS - 3 Months**



Source: Thomson One (Jan 5, 2011 – Apr 5, 2011)

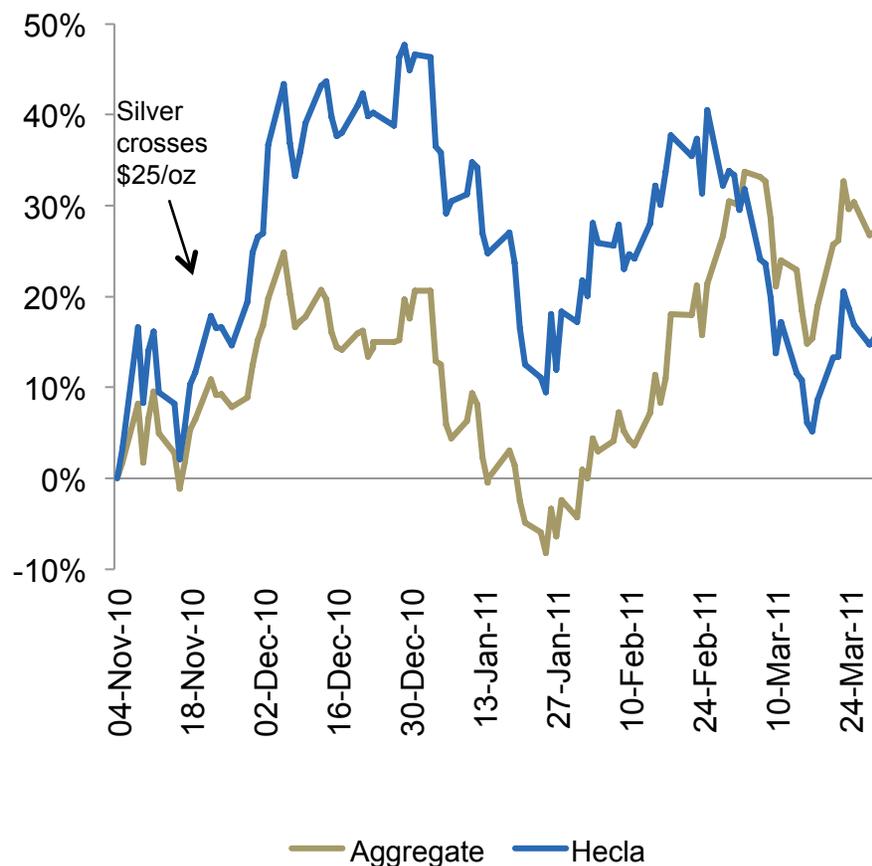
Coeur d'Alene Basin Litigation

- Potential settlement in negotiation would require the following:
 - \$102 mm cash and \$55.5 million in cash or stock 30 days after Consent Decree
 - \$25 mm cash 30 days after first anniversary
 - \$15 mm cash 30 days after second anniversary
 - \$65.9 mm by August 2014, in quarterly payments of the proceeds from exercises of any outstanding Series 1 & 3 warrants¹ during the quarter with the balance of the \$65.9 mm due in August 2014
- Hecla is hopeful that a settlement can be achieved by the end of Q2/11
- Source of payment
 - \$80 mm of tax benefit
 - \$65.9 mm from exercise of warrants
 - \$117 mm from balance sheet or cash flow

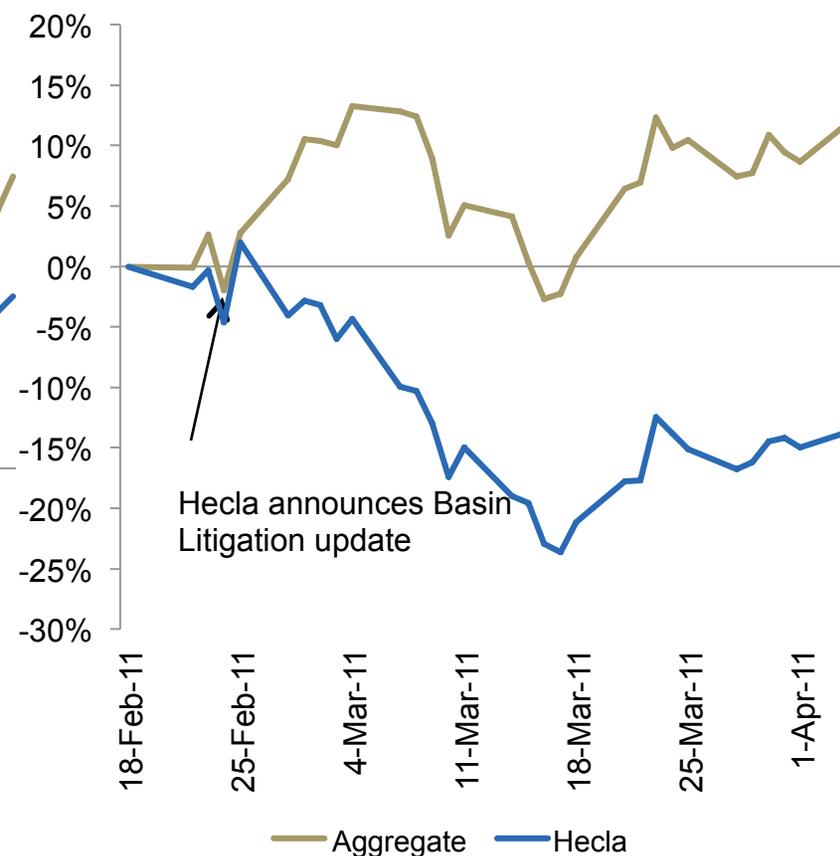
1. The Series 1 and Series 3 warrants have an exercise price between \$2.45 and \$2.56 per share.

Price Performance

November 5, 2010 – April 5, 2011

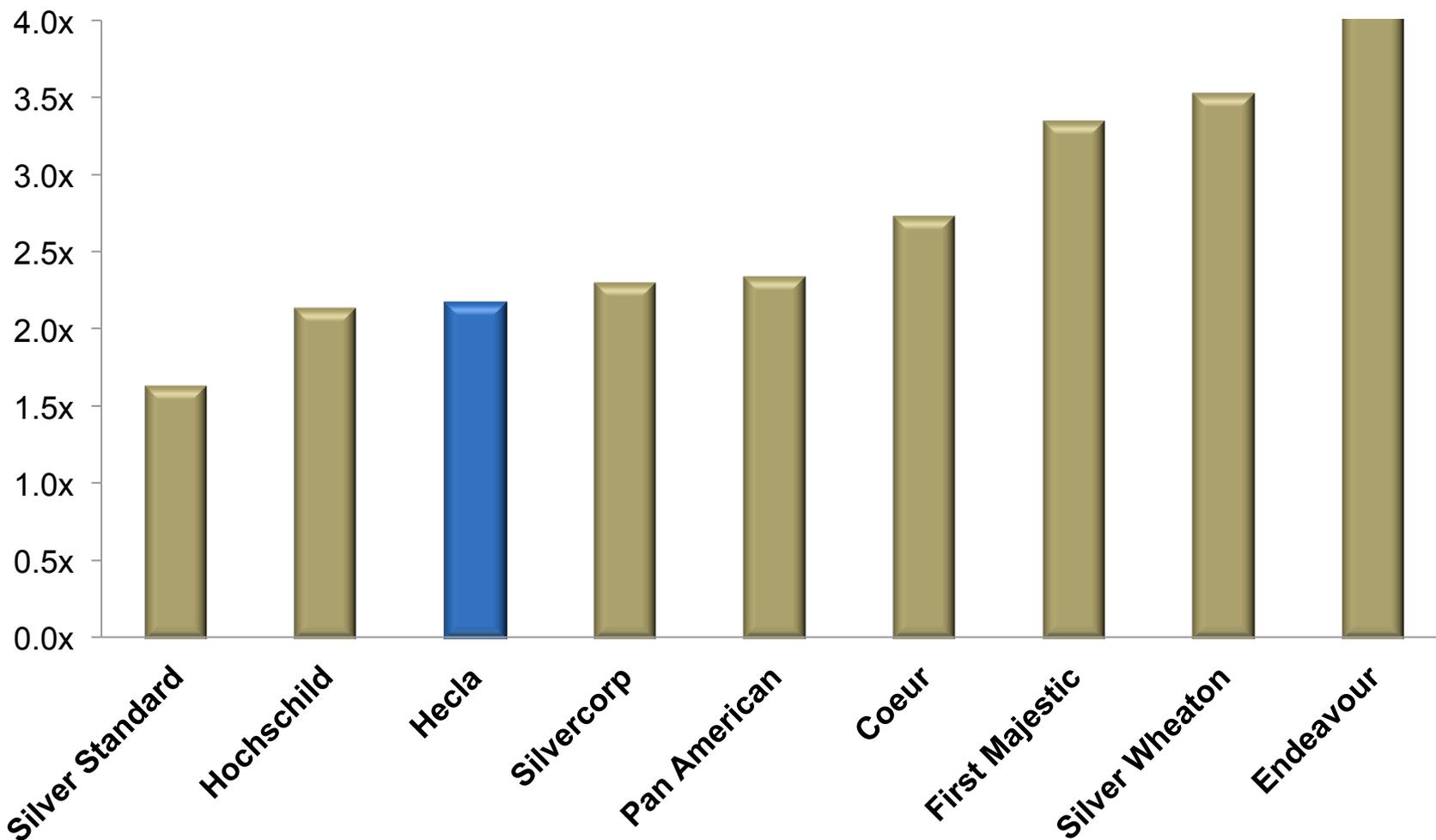


February 18, 2011 – April 5, 2011



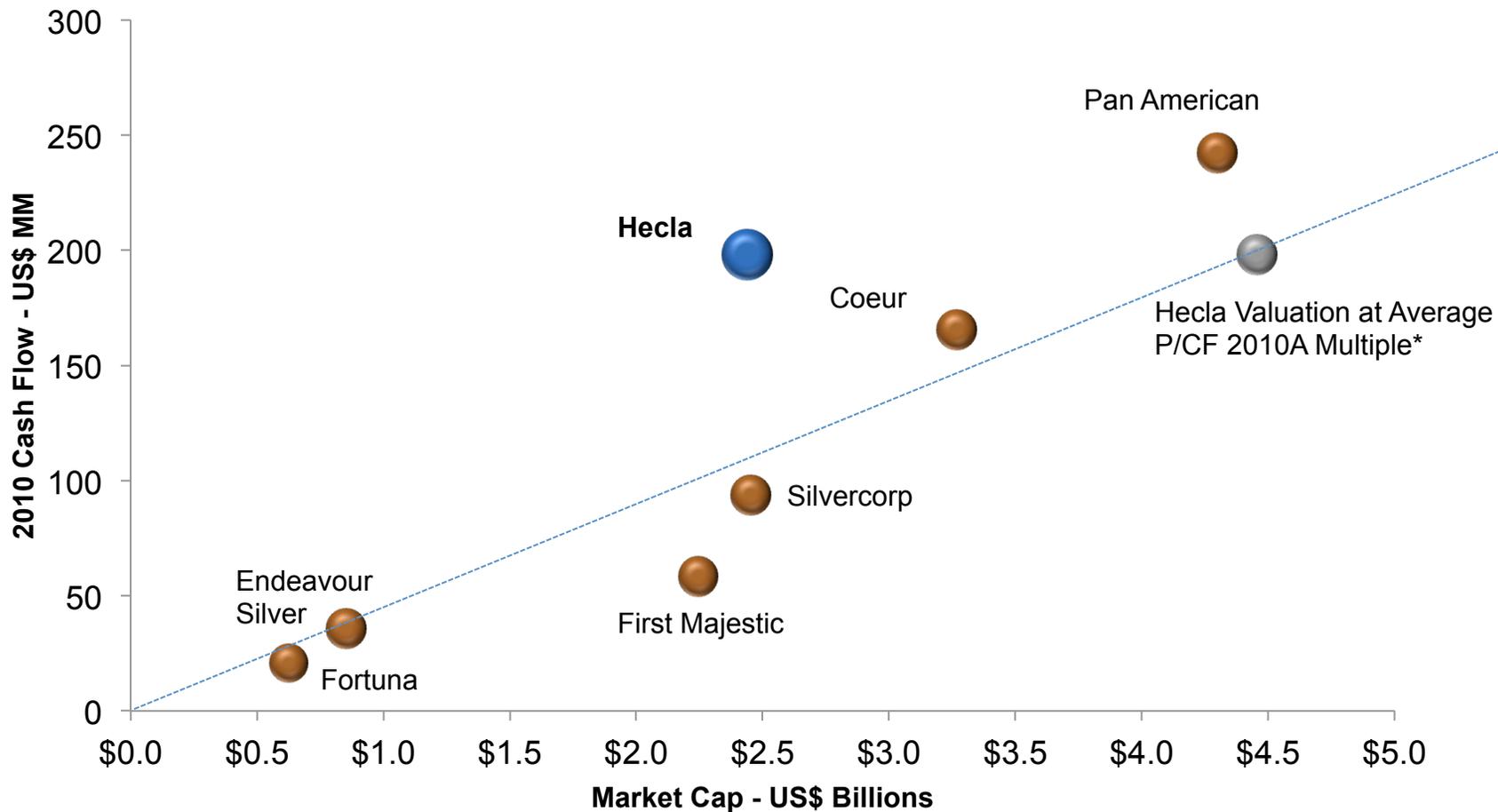
Market Weighted Aggregate Index includes Silver Wheaton, Coeur, Pan American Silver, First Majestic Silver, Endeavour Silver, Hochschild, Silver Standard, Silvercorp
 Source – Thomson One

Price / Net Asset Value



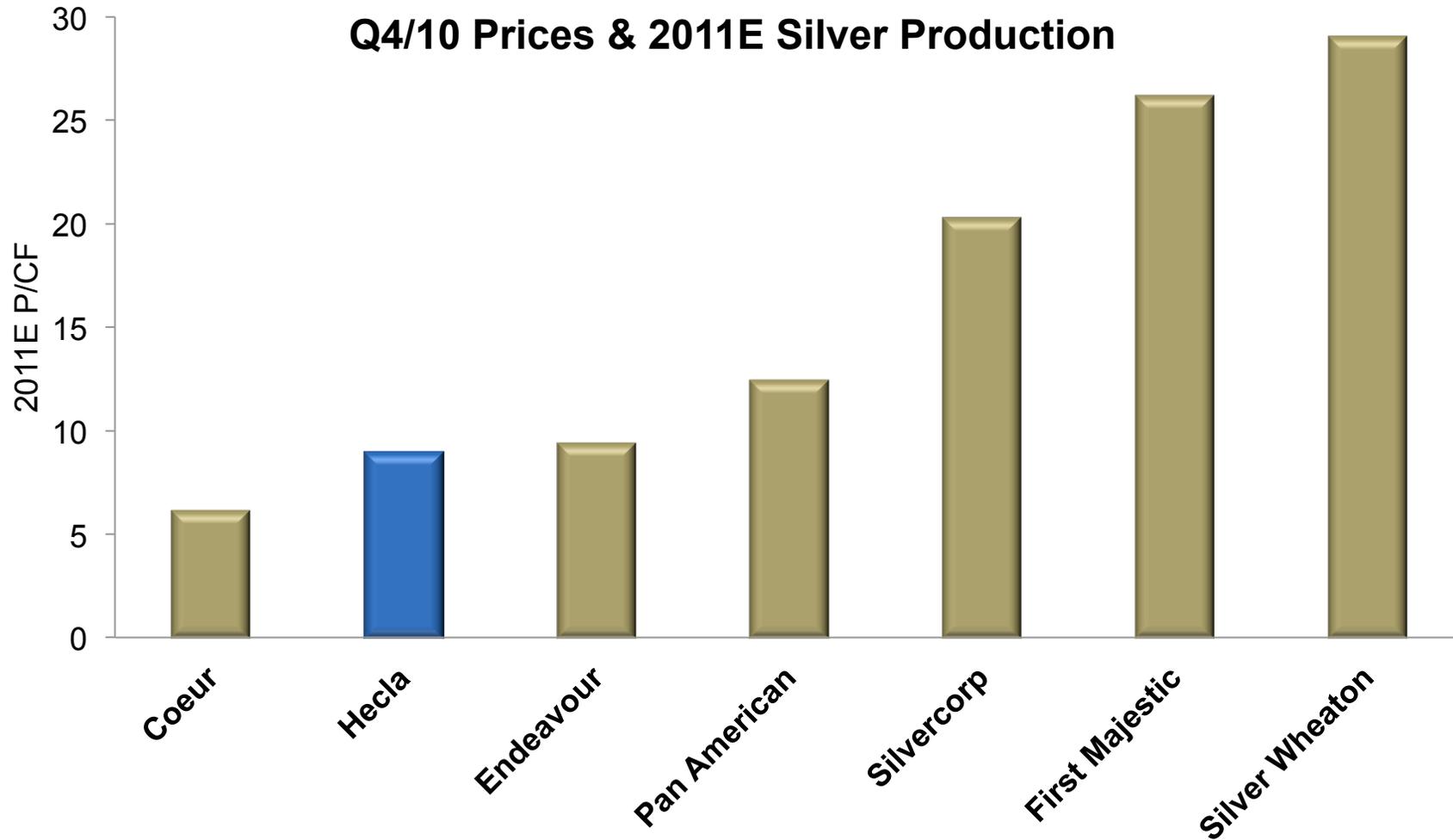
Source – BMO, 10% NAV
* Stock prices as of April 5, 2011

2010 Price / Cash Flow



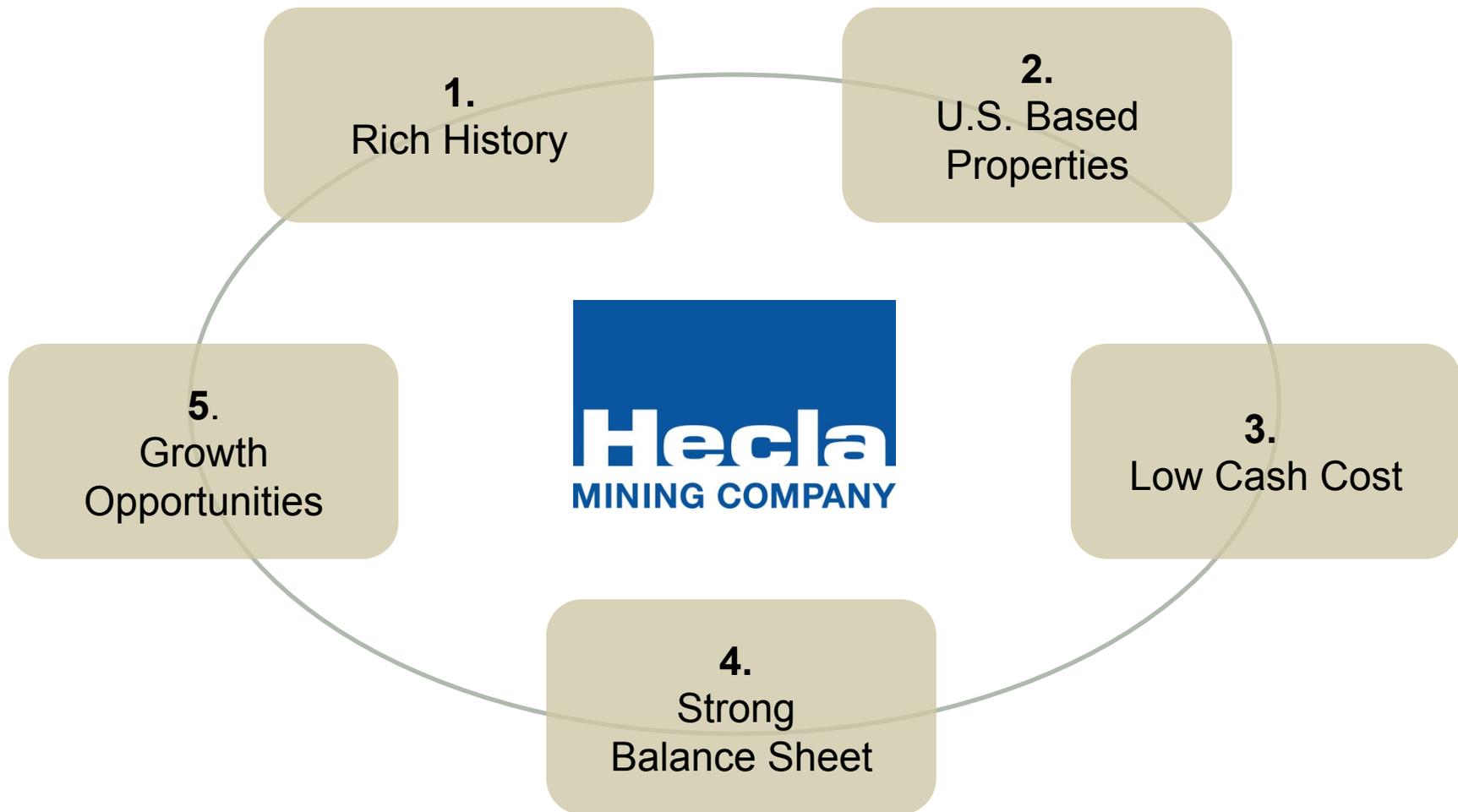
* Weighted Average P/CF 2010A Multiple of companies shown in chart – 22.5x, with the exception of Hecla. Stock prices as of April 5, 2011

2011E Price / Cash Flow



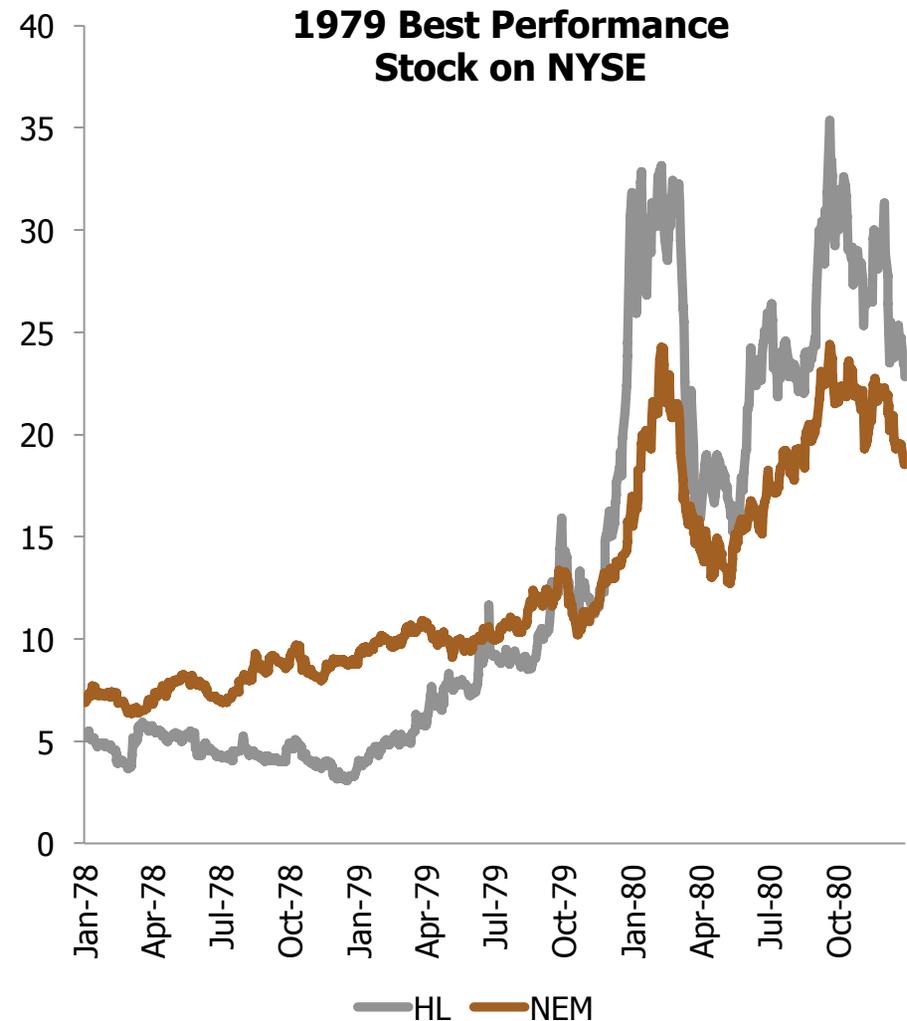
Prices as of April 5, 2011

“Go To” Silver Producer



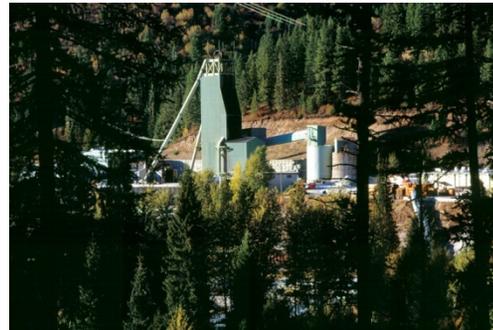
1. Rich History

- Over a century of operating experience
- Reserve & resource growth over the last 5 years
- Record margins per ounce of silver
- Legacy of mining and mine building expertise
- Dedicated employees with extensive mining experience

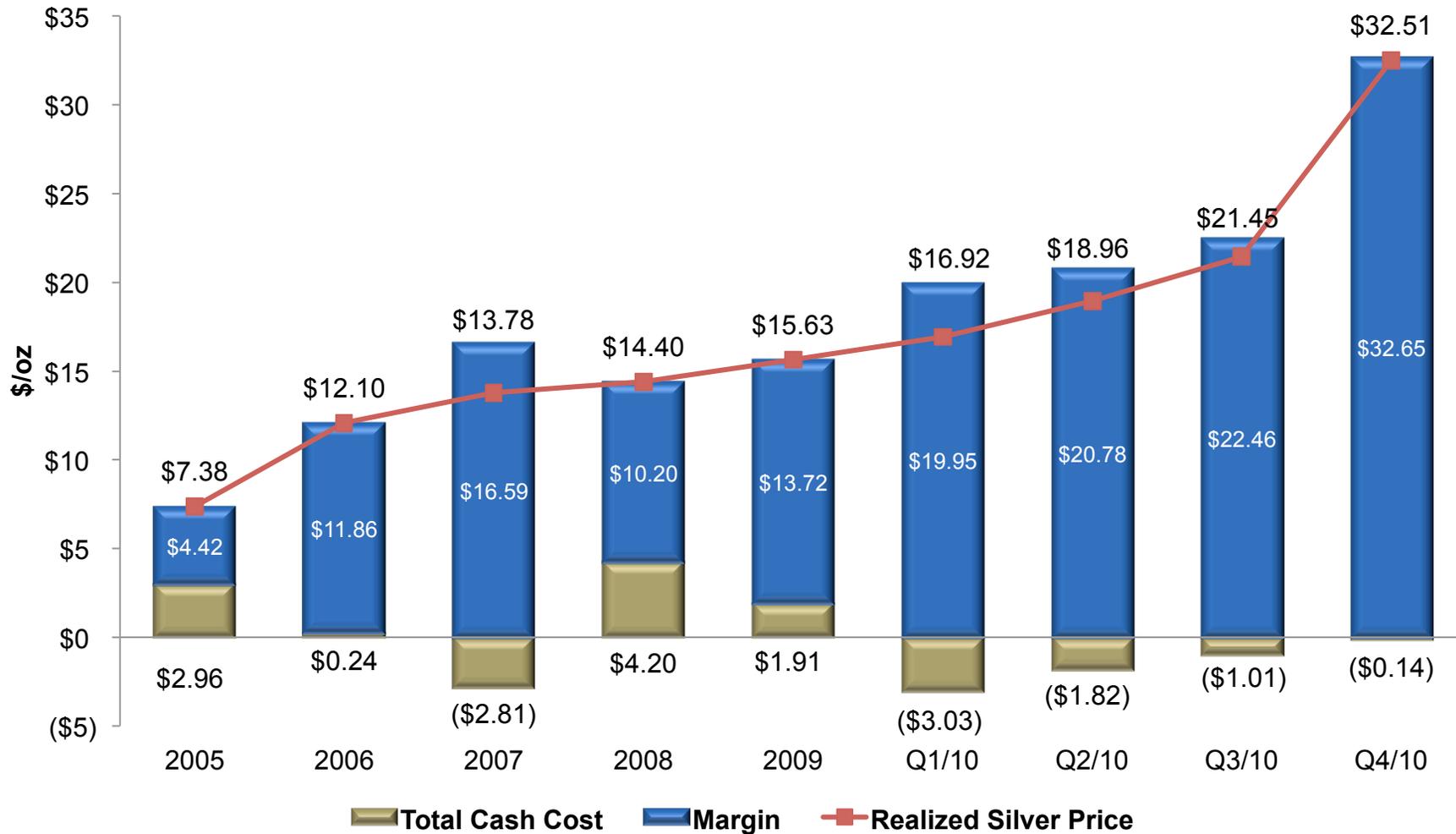


2. U.S. Based Properties

- Two strong and long-lived mines in the U.S.
 - Greens Creek Mine, Alaska, operating since 1989
 - Lucky Friday Mine, Idaho, operating since 1942
- Exploration projects in U.S. & Mexico



3. Low Cash Costs - Record Margins

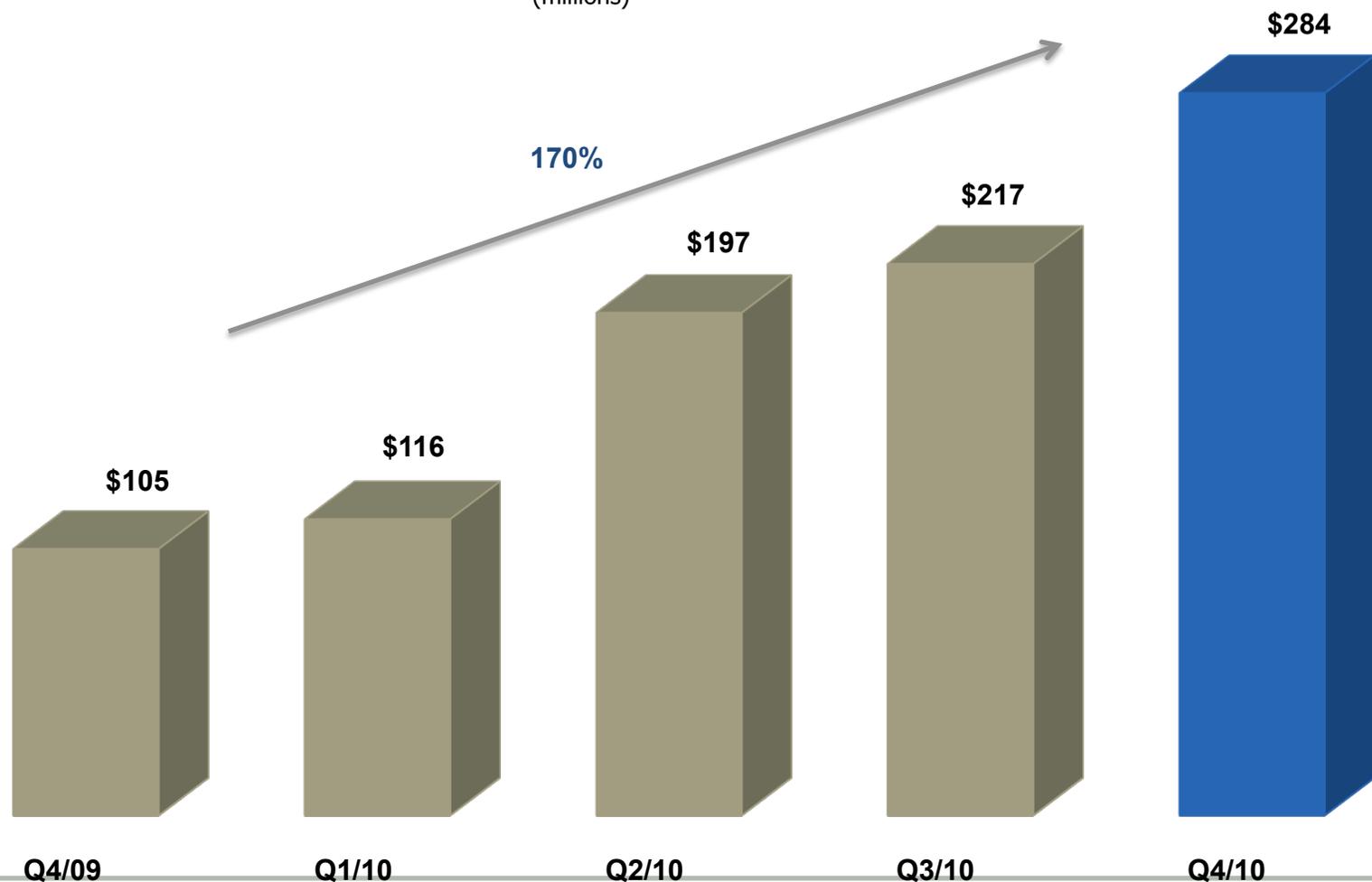


1. Total cash cost per ounce of silver represents non-U.S. Generally Accepted Accounting Principles (GAAP) measurements. A reconciliation of total cash costs to cost of sales and other direct production costs and depreciation, depletion and amortization (GAAP) can be found in the Appendix.

4. Strong Balance Sheet

Cash and Cash Equivalents

(millions)



5. Growth Opportunities - Ideally Positioned

Accomplishments

- Doubled silver production since 2007
- Tripled cash flow generation since 2007

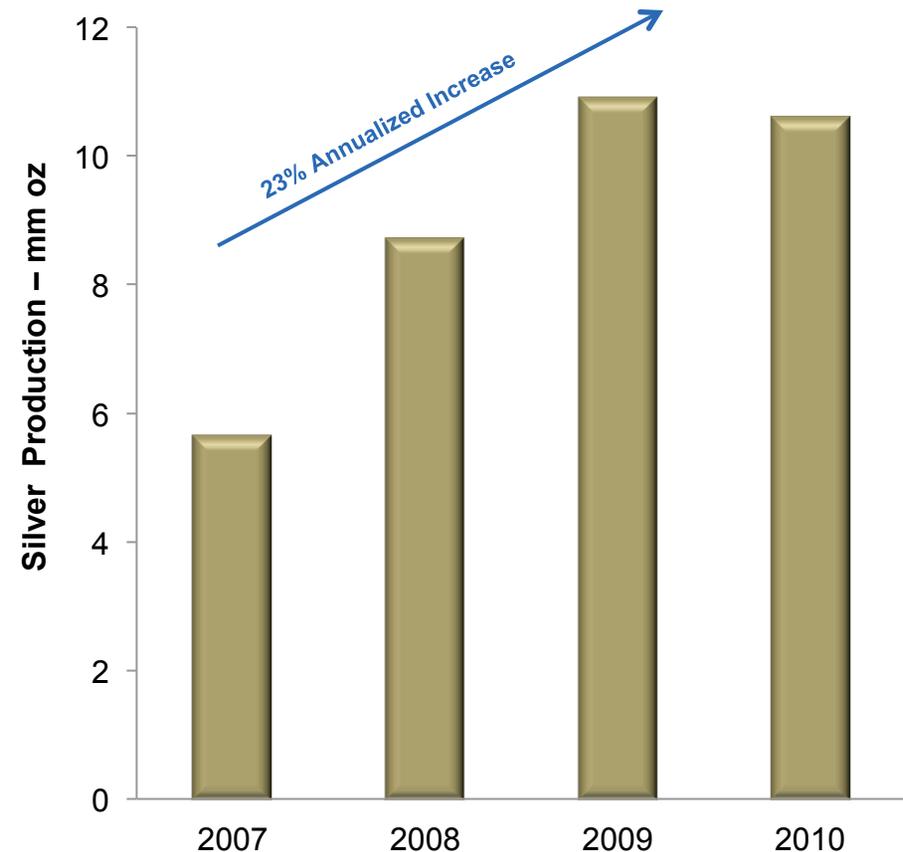
Growth Upside

- Further develop mines
- Lucky Friday #4 shaft development
- Greens Creek increasing throughput

Organic growth

- Exploration program of \$27 mm in 2011
- M&A opportunities focused on:
 - Americas
 - Precious metals assets
 - Advanced projects and operating mines

Silver Production Growth



Greens Creek, Alaska

- One of the world's largest high-grade and low-cost silver mines
- Over 20 years, more than 200 mm oz of silver
- Produced 7.2 mm oz of silver at a negative total cash cost of \$3.90/oz¹ in 2010
- Increased mine throughput from 2,000 to 2,200 tons/day since acquisition in 2008
- Underground mine ramp-up

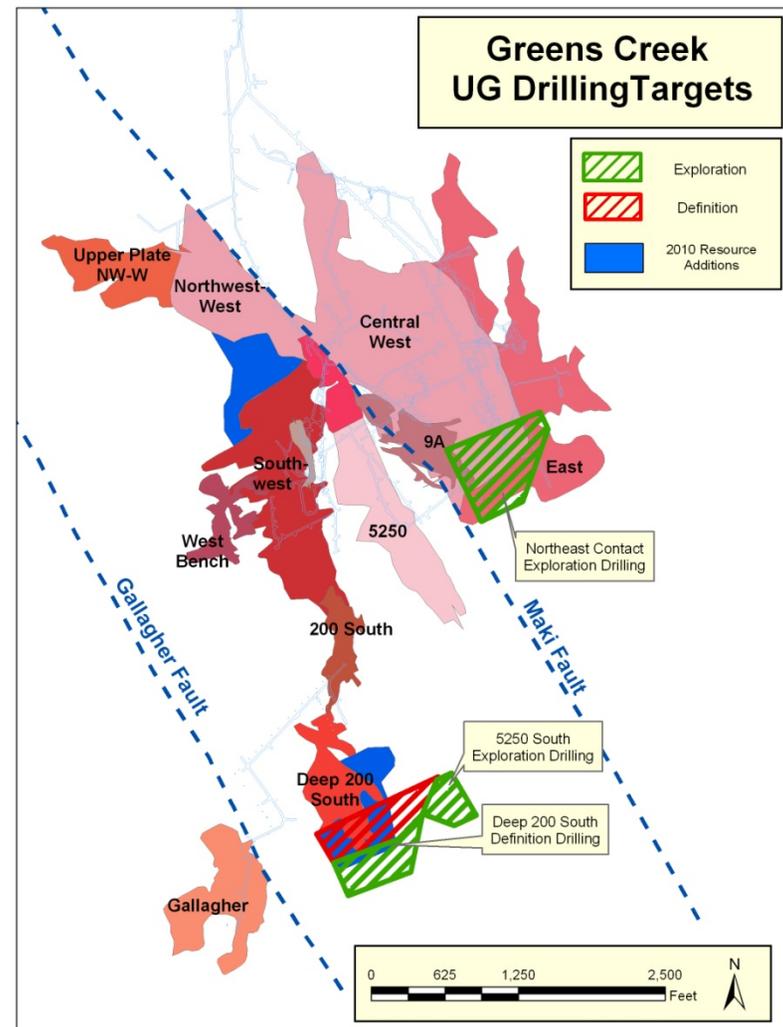


Mine Production Start-up	1989
Silver Reserves mm oz	99.7
Silver Resources mm oz	54.6

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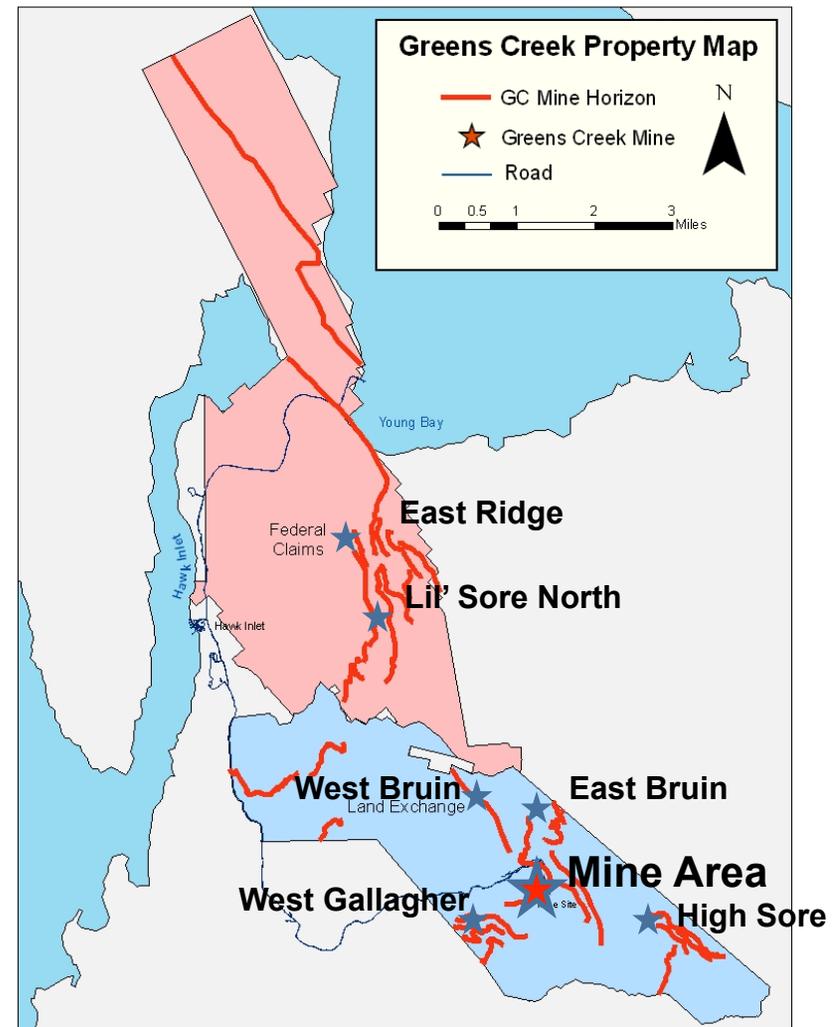
Greens Creek - Exploration

- 20 years of production and 10 years of reserves = red block by mine area on map
- Added 24 mm ounces of silver resources in 2010
- Good exploration potential along 200 South, 5250 South & East zone trends
- Surface and underground drilling continue to define the NE contact (parallel and below current infrastructure)



Greens Creek - Exploration

- Very large and under-explored 29 square mile land position
- Over 30 miles of unexplored mine contact (red-trace) and multiple targets
- Surface exploration is fairly new due to establishment of Land Exchange
- 2011 Program - \$8 mm
 - 2 underground drills
 - 3 surface drills



A Bright Future - Lucky Friday & Silver Valley

- Almost 70 years of silver-lead-zinc mining with 145 mm oz of silver produced to date
- Focused on #4 Shaft development with potential to increase silver production from 3 to 5 mm oz per year
- Production increase beyond 3 to 5 mm oz being studied but will be based on mill constraints
- Produced 3.4 mm oz of silver at a total cash cost of \$3.76/oz¹ in 2010
- Record mill throughput of 351k tons in 2010

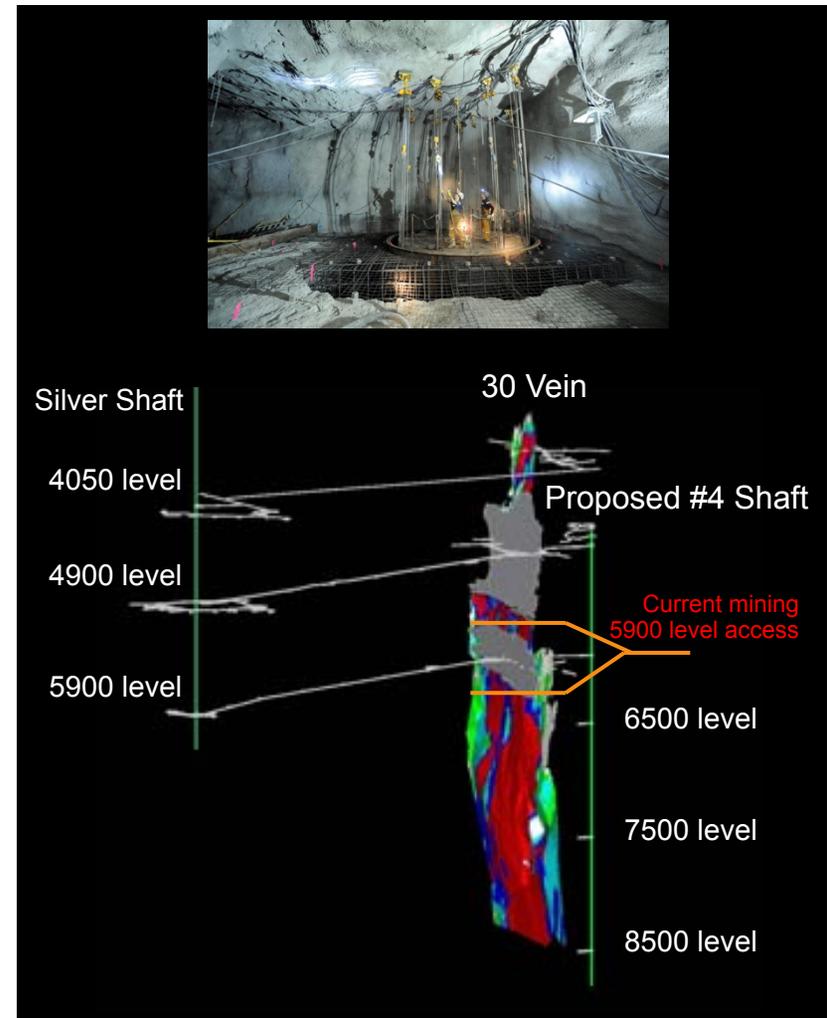


Mine Production Start-up	1942
Silver Reserves mm oz	42.3
Silver Resources mm oz	157.5

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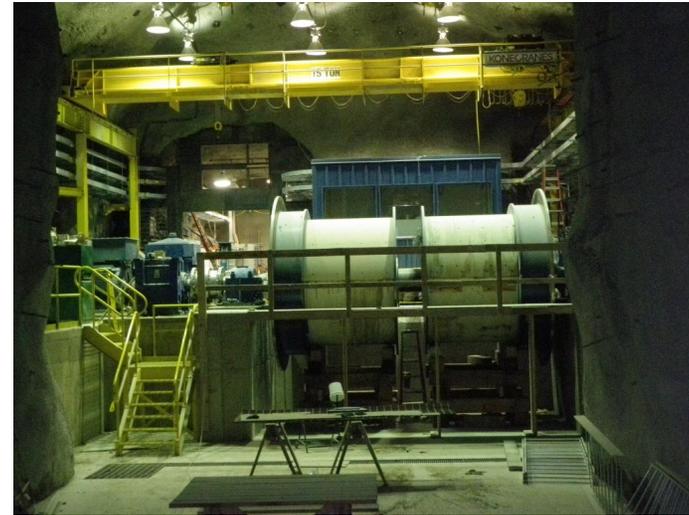
Lucky Friday #4 Shaft Project

- 60% production increase from approx. 3-5 mm oz silver/year
 - Increased ore grade from 10.4 opt to approximately 14 opt
 - Throughput increase from 350k tons to 375k tons
- Extension of mine life beyond 2030
- Internal shaft descending from 4,900 to 8,800 feet
- Capital requirement approx. \$200 mm
 - \$37.7 mm spent in 2010
 - \$45 mm budget in 2011
- #4 Shaft completion expected in H2/2014



Lucky Friday #4 Shaft Project

- Excavation of hoist room and foundation completed
- Q4/2010 shaft project highlights:
 - Scope increased to include shaft depth from 7800 level to 8800 level
 - Hoist update – major mechanical components installed and operational
- Next step – shaft sinking setup



Lucky Friday #4 Shaft Project

Hoist Room Ventilation

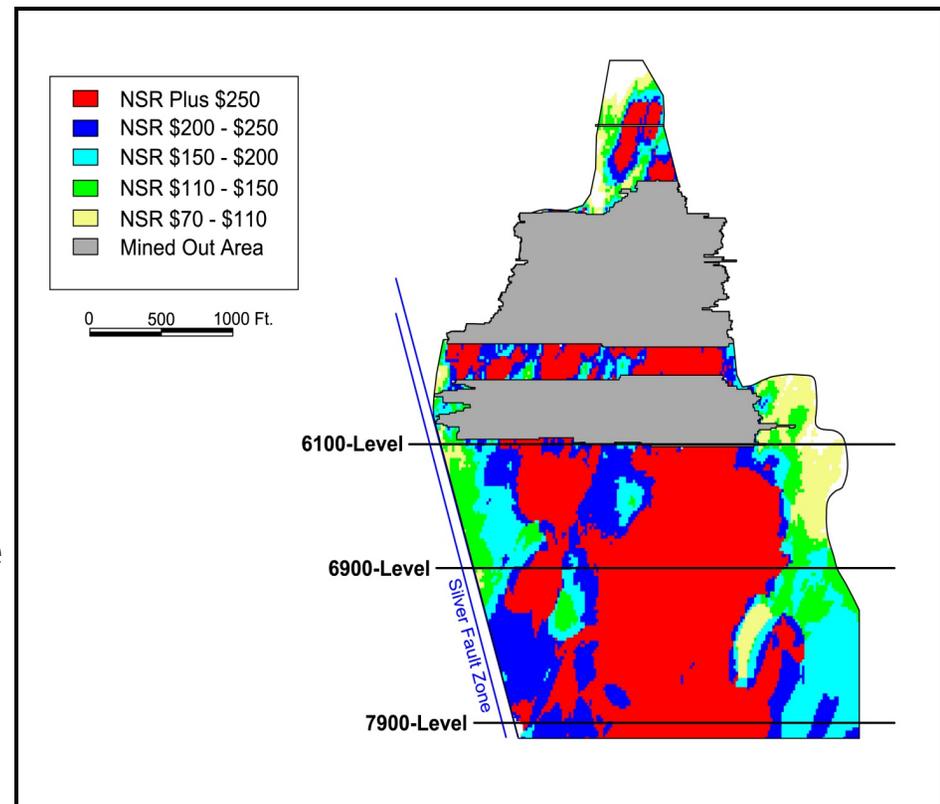


Top Station – Bottom of Work Deck

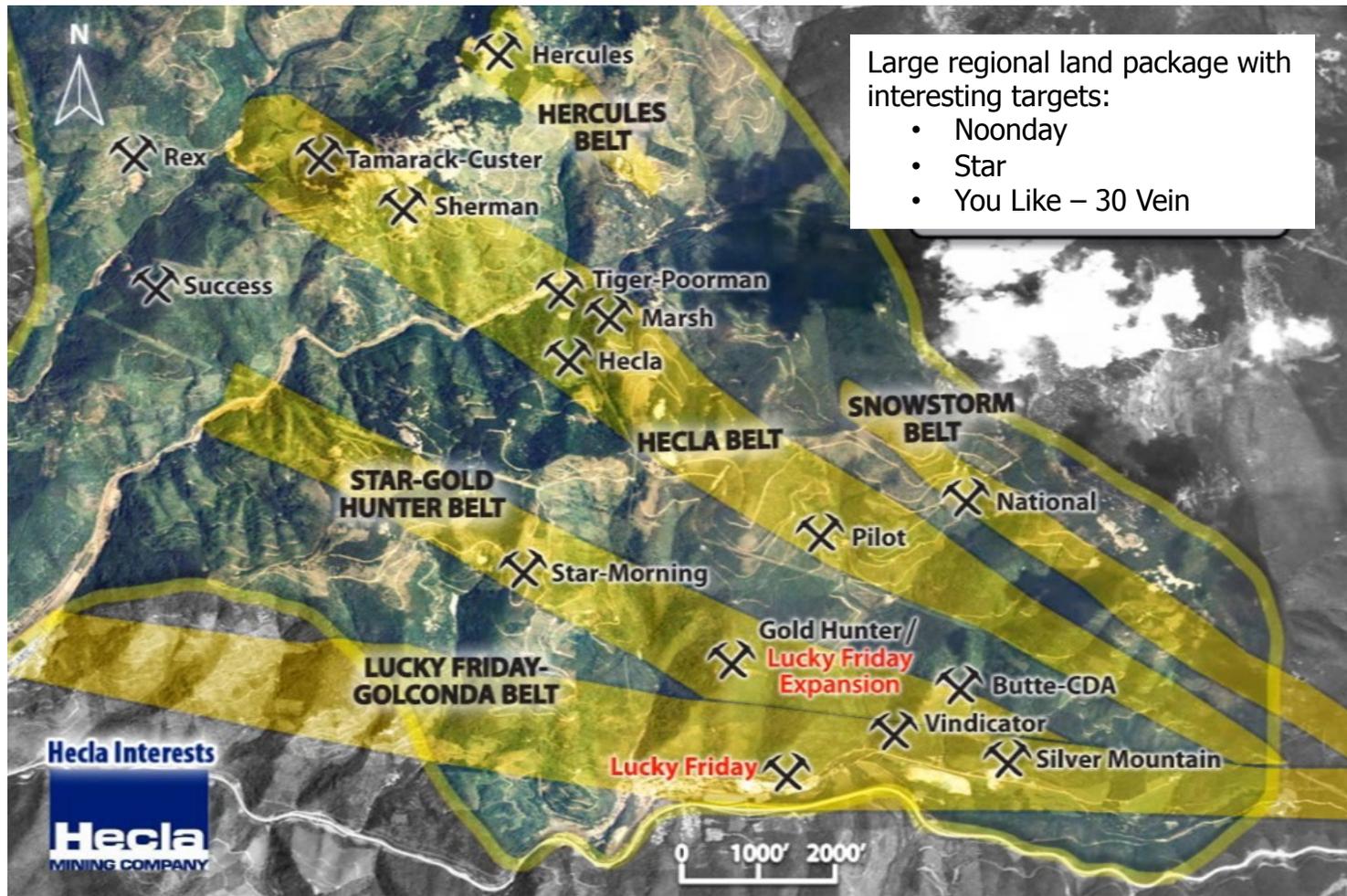


Exploration - Lucky Friday/Silver Valley

- World-class silver camp with exploration upside
- Mine exploration has doubled silver reserves since 2007 to 42.3 mm oz
- Increased grade and thickness at depth in the 30 Vein extending below 8,000 feet
- Exploration continues to the east (other veins with high grades), to the west, and in the Gap area
- Largest reserve and resource in history of mine
- 2011 Program - \$5 mm

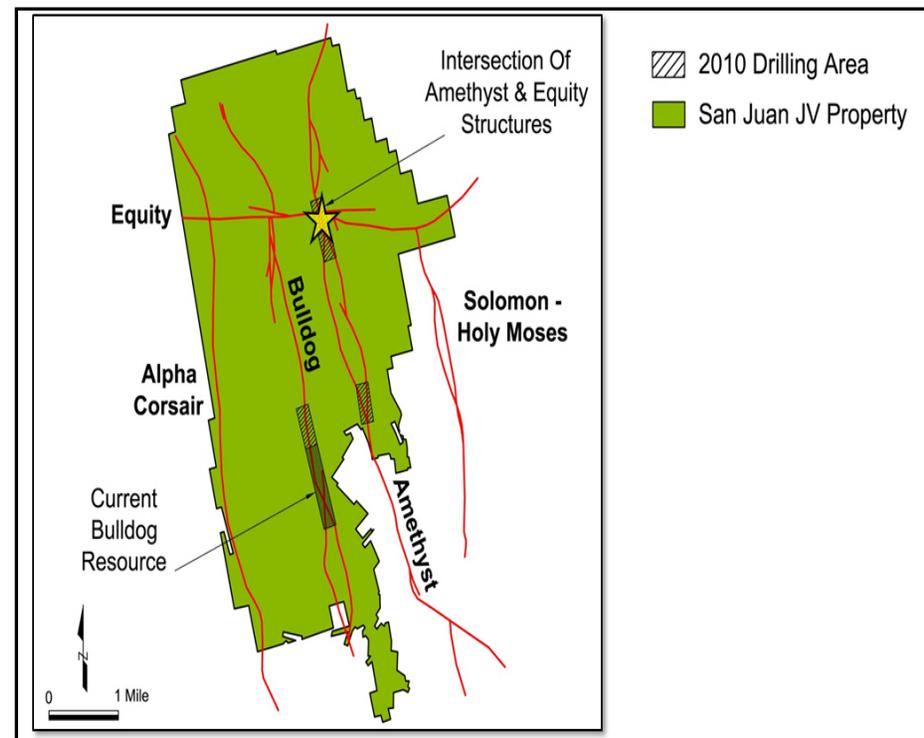


Exploration - Lucky Friday/Silver Valley



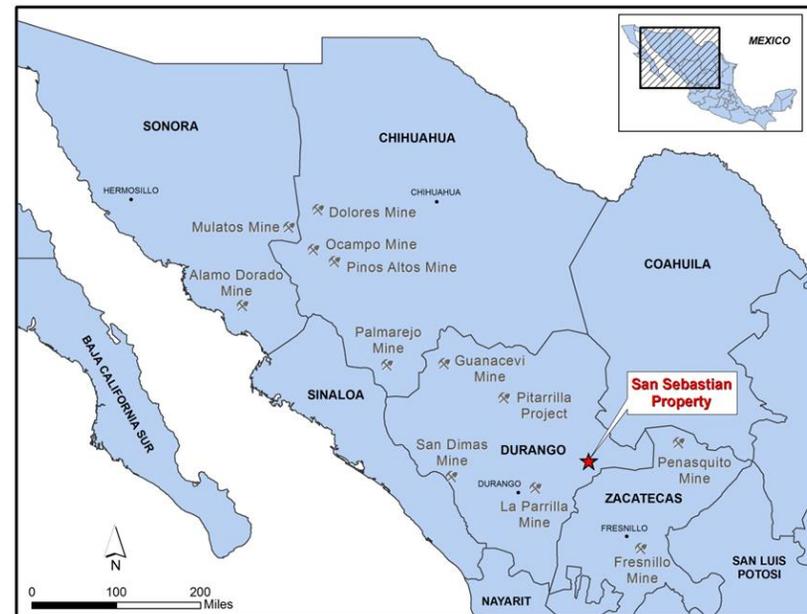
Exploration - San Juan Silver JV, Colorado

- Control of the mineral district
- Past production of 84 mm oz of silver
- Silver resource 37 mm oz
 - 51k tons Lead
 - 41k tons Zinc
- Multiple vein structures with potential for 100 mm oz
- Recent high-grade silver intersections on Bulldog and Amethyst veins
- Discovery of gold and silver mineralization where Amethyst vein intersects the Equity structure
- 2011 program - \$5 mm



Exploration - San Sebastian, Mexico

- On trend with major mines and deposits in central Mexico
- District-sized – 300 square miles
- Silver/base metal resource - Hugh zone
 - 33k ton Lead
 - 50k ton Zinc
 - 23k ton Copper
 - \$1,000/ton NSR
- Exploration program includes
 - Re-evaluating zones previously mined given current metal prices
 - Remodeling veins in the district
- 2011 program - \$3 mm

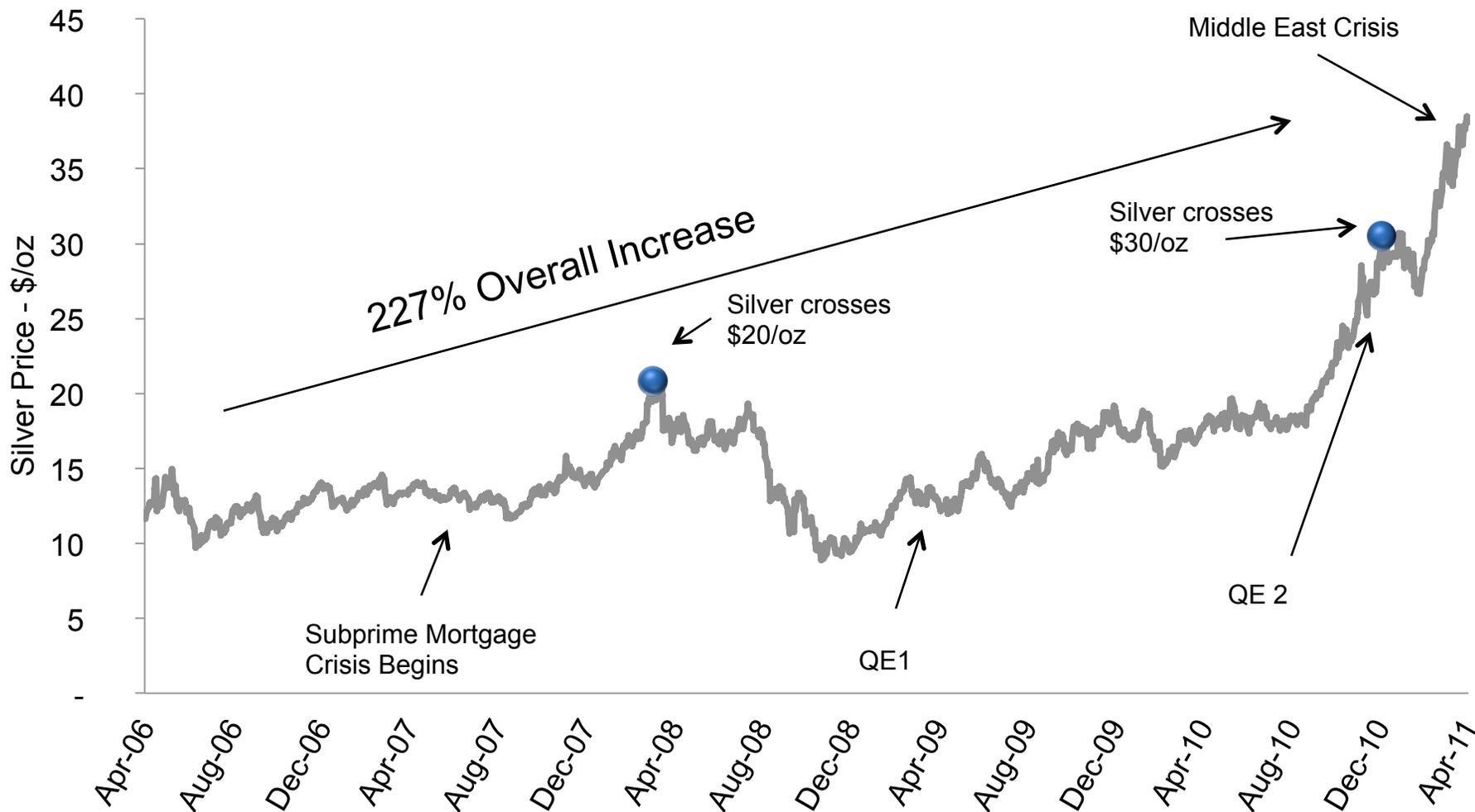


2011 Guidance

- 9-10 mm oz of silver
- Cash costs approx. \$0.00/oz of silver – Assuming current prices of \$1,350/oz gold and \$1.05/lb lead and zinc
- \$100 mm in capital expenditures
- \$27 mm in exploration

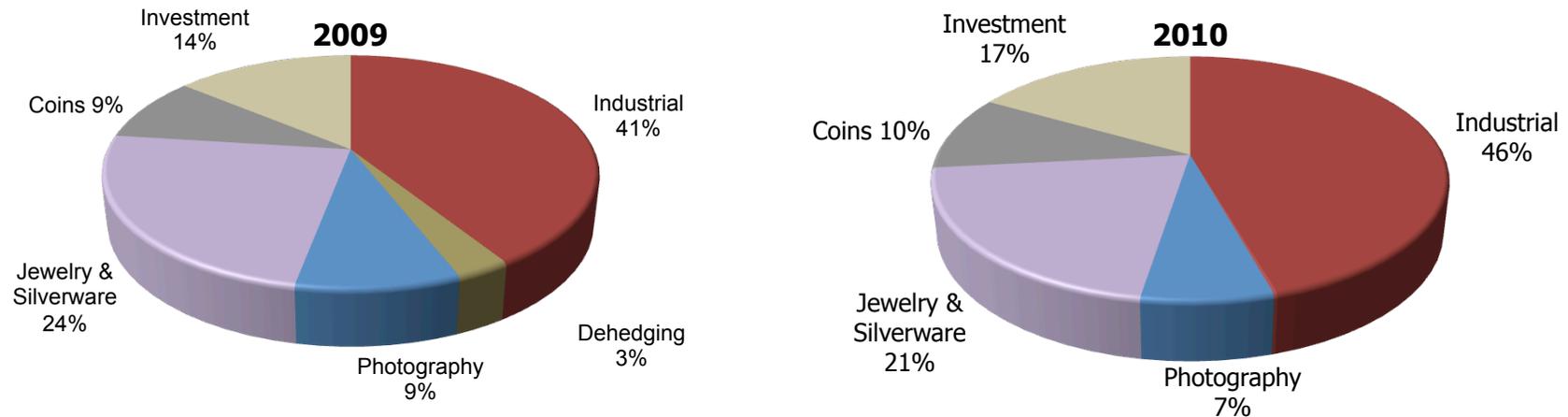
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5 Year Silver Price



*Source – Metalprices.com

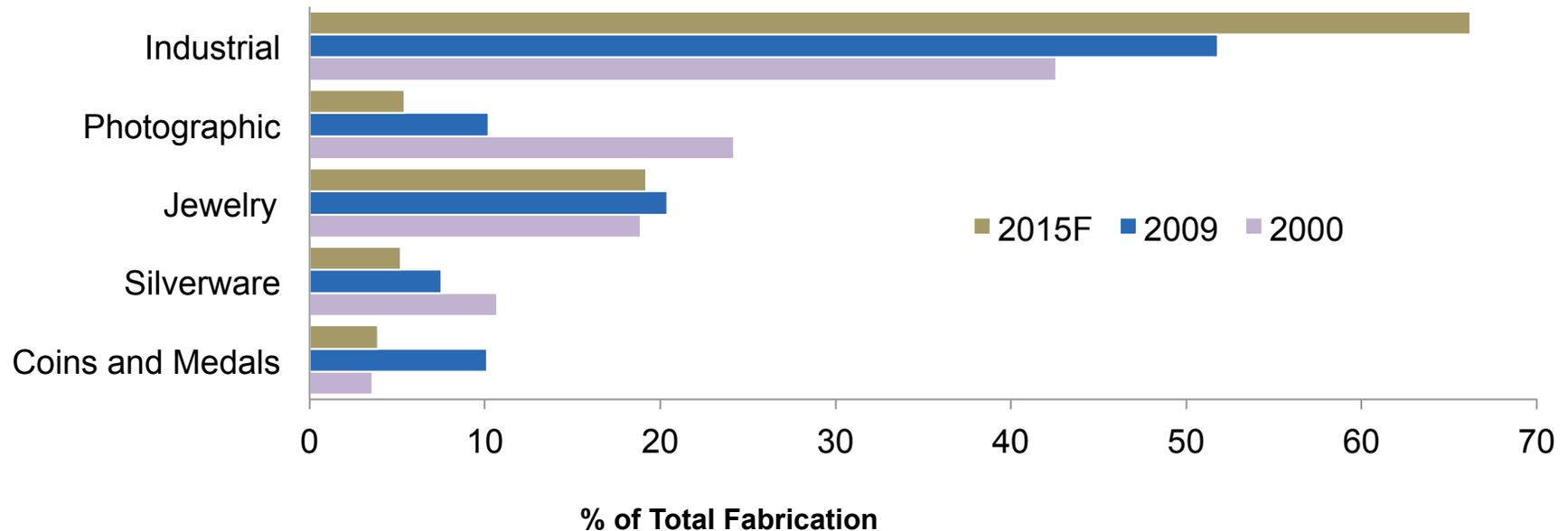
Strong Silver Market in 2010



- 40% rise in world investment demand \$5.6 B or 279 mm oz
- 21% industrial demand growth - nearly recovered recession-induced losses
- Silver market approx. \$39 B or 1 B ounces
- Silver is a lifestyle metal; broad uses (mirrors, glass coating, cellophane, metals, batteries, electrical products), superior conductivity properties
- iShares ETF has grown from 20 mm oz in 2006 to 351 mm oz
- Size of global ETF market is 583 mm oz silver

Source: GFMS World Silver Survey 2011

Robust Silver Demand



- Silver's industrial demand has increased 70% from 273 mm oz in 1990 to 487 mm oz in 2010 and is expected to grow to approx. 666 mm oz by 2015
- Silver price forecasted to continue rising in 2011 with continued inflows of investment demand and growth in industrial demand

Source: GFMS "The Future of Silver Industrial Demand"

Summary

- Hecla “Go To” Silver Producer
- Largest silver producer in the U.S. with long-life, low-cost mines and district-sized land packages
- Generating very strong financial and operating results
- Attractive valuation and inexpensive on Price/Cash Flow metric
- \$284 mm in cash and no debt
- Ideally positioned to grow internally and through M&A

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