HECLA REPORTS THIRD QUARTER 2021 RESULTS

Company Release - 11/4/2021

Continued free cash flow generation as Casa Berardi achieves record quarterly throughput

COEUR D'ALENE, Idaho--(BUSINESS WIRE)-- Hecla Mining Company (NYSE:HL) today announced third quarter 2021 financial and operating results.

HIGHLIGHTS*

- Sales of $193.6 million, consistent with the prior year quarter.
- Generated $42.7 million of cash provided by operating activities with $26.9 million of additions to properties, plant, equipment and mineral interests, resulting in $15.8 million of quarterly free cash flow reflecting increased exploration spend.[1]
- Record quarterly exploration spend of $13.7 million.
- Casa Berardi achieved record quarterly throughput of nearly 400,000 tons as the mill improvements delivered 13% higher gold production.
- Testing at the Lucky Friday of a new drill and blast mining method called Underhand Closed Bench (UCB) is showing good performance in controlling seismicity and improving safety with the potential to increase productivity.
- Strong balance sheet with $190.9 million in cash and over $420 million of available liquidity.
- Purchased carbon credits and anticipate offsetting scope 1 and scope 2 emissions to have net zero emissions in 2021.

"Hecla's results reflect our commitment to improve and innovate our operations while delivering free cash flow," said Phillips S. Baker Jr., President & CEO. "Casa Berardi achieved record quarterly throughput as our optimization programs in the mill increase recovery and ounce production. At the Lucky Friday, we continue to test our new drill and blast mining method, called Underhand Closed Bench, that allows improved management of seismicity which should increase safety and could possibly increase throughput. Greens Creek continued to lead the way because of its very low costs and despite staff shortages forcing a change in mine sequencing."

Baker continued, "This operational performance allowed us to enhance our silver-linked dividend for the second time this year and return about 20% of our free cash flow to shareholders, while having our largest exploration program in the company's history. In addition, while Hecla already has one of the industry's lowest carbon footprints, we have taken the next step by investing in carbon credits that allows us to be net zero for our 2021 scope 1 and scope 2 emissions. We will continue our focus on reducing emissions as well as investing in credits in the future."

*** *All comparisons to the third quarter of 2020, unless stated*

FINANCIAL OVERVIEW

HIGHLIGHTS	**Third Q September 30, 2021**
FINANCIAL DATA	
Sales (000)	**$193,560**
Gross profit (000)	**$35,228**
(Loss) income applicable to common shareholders (000)	**($1,117)**
Basic and diluted (loss) income per common share (in cents)	**(0.2)**
Cash provided by operating activities	**$42,742**

Net loss applicable to common shareholders for the third quarter was $1.1 million, or 0.2 cent per share, compared to net income of $15.1 million, or 2.9 cents per share, for the same period in 2020. The lower third quarter results compared to the previous year were mainly due to the following items:

- Lower gross profit due to lower realized silver and gold prices and Greens Creek's lower grades based on mine sequencing impacted by staff shortages.
- Exploration and pre-development expense increased by $12.9 million due to increased exploration at Midas, San Sebastian, Greens Creek, Casa Berardi and Kinskuch, and for drift development to the Hatter Graben area in Nevada.
- An unrealized loss on investments in other mining companies of $2.9 million compared to a gain of $4.0 million.
- $6.5 million payment in the third quarter of 2021 to settle a lawsuit related to a 1989 agreement for indemnification of certain environmental costs.
- Suspension costs increased by $5.4 million due to placement of the Fire Creek mine and Midas mill on care-and-maintenance during the second quarter of 2021.

These items were partially offset by:

- Gain on base metal derivatives contracts of $12.1 million compared to a loss of $6.7 million in the prior year period.
- Gross profit at Lucky Friday increased by $6.9 million as a result of the return to full production beginning in the fourth quarter of 2020.
- Foreign exchange gain of $4.0 million versus a loss of $2.2 million in the prior year.

Capital expenditures totaled $26.9 million for the third quarter 2021 compared to $23.7 million in the third quarter of 2020, with the increase due to the reduced utilization of lease financing for equipment purchases and higher expenditures at Lucky Friday. Capital expenditures at the operations were $12.4 million at Casa Berardi, $6.2 million at Greens Creek and $7.5 million at Lucky Friday.

Metals Prices

The average realized silver price in the third quarter was $23.97 per ounce, 5% lower than the $25.32 in the third quarter of 2020. The average realized gold price was lower by 7%, at $1,792 per ounce. Average realized lead and zinc price increased 19% and 30%, respectively.

		Three Months Ended September 30,	
		2021	2020
Silver –	London PM Fix ($/ounce)	$ 24.36	$ 24.40
	Realized price per ounce	$ 23.97	$ 25.32
Gold –	London PM Fix ($/ounce)	$ 1,789	$ 1,911
	Realized price per ounce	$ 1,792	$ 1,929
Lead –	LME Final Cash Buyer ($/pound)	$ 1.06	$ 0.85
	Realized price per pound	$ 1.02	$ 0.86
Zinc –	LME Final Cash Buyer ($/pound)	$ 1.36	$ 1.06
	Realized price per pound	$ 1.35	$ 1.04

∗ Realized prices are calculated by dividing gross revenues for each metal (which include the price adjustments and gains and losses on the forward contracts discussed below) by the payable quantities of each metal included in products sold during the period.

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 September 30, 2021.

	Pounds Under Contract (in thousands)	
	Zinc	**Lead**
Contracts on forecasted sales		
2021 settlements	7,771	6,779
2022 settlements	60,043	63,769
2023 settlements	76,280	70,327
2024 settlements	43,762	—

The contracts represent about 49% of the forecasted payable zinc production through 2024 at an average price of $1.29 per pound, and 40% of the forecasted payable lead production through 2023 at an average price of $0.99 per pound.

Foreign Currency Forward Purchase Contracts

The following table summarizes the Canadian dollars the Company has committed to purchase under foreign exchange forward contracts at September 30, 2021, which is roughly 72% of forecasted Canadian dollar direct production costs for the remainder of 2021, 48% for 2022, 37% for 2023, 18% for 2024 and 5% for 2025:

Currency Under C

(in thousands of

2021 settlements

2022 settlements

2023 settlements

2024 settlements

2025 settlements

OPERATIONS OVERVIEW

Overview

The following table provides the production summary on a consolidated basis for the third quarter and nine months ended September 30, 2021 and 2020:

		Third Quarter Ended	
		September 30, 2021	September 3
PRODUCTION SUMMARY			
Silver -	Ounces produced	**2,676,084**	3,5
	Payable ounces sold	**2,581,690**	3,1
Gold -	Ounces produced	**42,207**	
	Payable ounces sold	**53,000**	
Lead -	Tons produced	**9,904**	
	Payable tons sold	**8,835**	
Zinc -	Tons produced	**15,546**	
	Payable tons sold	**11,174**	

The following tables provide a summary of the (i) final production; (ii) cost of sales and other direct production costs and depreciation, depletion and amortization ("cost of sales"); (iii) cash cost, after by-product credits, per silver or gold ounce[2]; and (iv) all-in sustaining costs ("AISC"), after by-product credits, per silver or gold ounce[3] for the third quarter and nine months ended September 30, 2021, with comparisons to the prior year periods:

Third Quarter Ended			**Greens Creek**	
September 30, 2021	**Silver**	**Gold**	**Silver**	**Gold**

September 30, 2021	Silver	Gold	Silver	Gold
Production (ounces)	2,676,084	42,207	1,837,270	9,734
Increase/(decrease)	(865,287)	1,033	(797,166)	(3,104
Cost of sales(000)	$78,784	$79,549	$55,193	—
Increase/(decrease)	$3,219	$11,851	$7,088	—
Cash costs per silver or gold ounce [2]	$2.49	$1,163	$0.74	—
Increase/(decrease)	$(0.92)	$(235)	$(2.26)	—
AISC per silver or gold ounce [3]	$12.82	$1,450	$5.94	—
Increase/(decrease)	$2.30	$(404)	$(0.64)	—

Nine Months Ended September 30, 2021	**Silver**	**Gold**	**Greens Creek Silver**	**Greens Creek Gold**
Production (ounces)	9,660,313	153,350	6,980,587	35,859
Increase/(decrease)	(530,308)	(6,598)	(1,183,475)	(2,356
Cost of sales (000)	$238,243	$219,592	$163,861	—
Increase/(decrease)	$30,689	$27,516	$10,365	—
Cash costs per silver or gold ounce [2]	$1.26	$1,127	$(1.03)	—
Increase/(decrease)	$(3.32)	$73	$(5.48)	—
AISC per silver or gold ounce [3]	$8.88	$1,349	$2.40	—
Increase/(decrease)	$(1.21)	$50	$(4.63)	—

Greens Creek Mine - Alaska

The Greens Creek Mine produced 1.8 million ounces of silver and 9,734 ounces of gold with the mill operating at an average of 2,295 tons per day (tpd). The decrease in silver production compared to the third quarter of 2020 was due to lower grades resulting from mine sequencing which was primarily driven by manpower scheduling issues as a result of COVID-19 and increased competition for labor. With limited personnel, production came partially from more easily accessible but lower grade areas. In the future, we anticipate adequate staffing which will allow mining higher-grade material, that is in deeper parts of the mine. Compared to 2020, cost of sales decreased by $7.1 million, due to lower production costs, driven partially by lower COVID-19 related costs. The per ounce silver cash cost and AISC decreased by $2.26 and $5.48, respectively, due to lower production costs as well as higher by-products credits resulting from higher by-product prices and lower treatment costs from favorable changes in smelter terms.[2,3]

The Company's estimated 2021 silver production is lowered to 9.2 - 9.5 million ounces to reflect lower production from the third quarter. Gold production guidance of 43 - 45 thousand ounces is unchanged. Estimated cost of sales for 2021 are maintained at $222 million and cash cost and AISC, each per silver ounce is also unchanged at ($1.00)-$1.00 and $3.25-$4.00, respectively.[2,3]

Casa Berardi Mine - Quebec

At the Casa Berardi Mine, 29,722 ounces of gold were produced compared to 26,405 ounces in the third quarter of 2020 due to higher mill throughput, partially offset by lower grades. The mill operated at an average of 4,328 tpd, which was 38% higher than the prior year period and achieved record quarterly throughput of 398,143 tons milled as the mill optimization continues to deliver results. Mill recoveries have continued to increase due to improvements in the grinding, gravity and CIL circuits. The increase in cost of sales was due to higher throughput, mill contractor maintenance costs, and underground maintenance costs resulting from repairs and replacements of major components for the production fleet. The decrease in cash cost and AISC per gold ounce for the third quarter of 2021 compared to 2020 was the result of the higher gold production, partially offset by higher production costs, with AISC also impacted by lower sustaining capital, partially offset by higher exploration spending.

In the 160 pit, 1.0 million tons of overburden and waste rock was removed during the quarter. Mining and processing of 160 pit ore is expected to commence during Q4 2021.

The Company is increasing 2021 gold production guidance to 130 - 135 thousand ounces. The estimate for 2021 cost of sales is increased to $230 million. Estimated cash cost per gold ounce is unchanged at $1,000-$1,125 per gold ounce as 72% of the direct production costs are hedged at an average USD/CAD exchange rate of 1.33.[2] All-in sustaining cost guidance is increased to $1,350-$1,400 to reflect in the increased sustaining capital spend which is currently unhedged under the Company's foreign exchange hedging program.[3]

Lucky Friday Mine - Idaho

At the Lucky Friday Mine, 0.8 million ounces of silver were produced in the quarter, an increase of 31% compared to the third quarter of 2020, with the mine at full production. The mill operated at an average of 850 tpd. A new mining method, with a patent pending, called the Underhand Closed Bench (UCB), has been in testing for the past year with the third quarter mining 87% of tons with the method. The benefit of the method is better management of seismicity, increasing safety and potentially increasing production. With the success of this new drill and blast mining method, the Remote Vein Miner (RVM), a continuous rock cutting machine, will be tested at another property. Additionally during the quarter, the land needed for Lucky Friday's planned tailings facilities was acquired.

Cost of sales for the second quarter was $23.6 million, and the cash cost per silver ounce was $6.36. AISC was $16.79 per silver ounce.[2,3]

The Company's estimated 2021 silver production of 3.4 - 3.8 million ounces is unchanged. Estimated 2021 cost of sales are $103 million and cash cost and AISC, each per silver ounce, are unchanged at $7.60-$8.50 and $14.25-$16.25, respectively.[2,3]

Nevada Operations

At the Nevada operations, 2,751 ounces of gold were produced from approximately 12,000 tons of previously stockpiled refractory material processed at a third-party autoclave facility. Total cost of sales for the third quarter was $21.4 million. Cash cost and AISC per gold ounce were $1,038 and $1,167, respectively, in the third quarter of 2021.[2,3] The increase over the prior year period was primarily due to costs associated with the previously stockpiled material processed in the current period.

We anticipate production and sales from the remaining approximately 2,200 tons of previously stockpiled refractory material processed at the third-party autoclave facility will be recognized in the fourth quarter of 2021.

Hollister's exploration drift to access the Hatter Graben is ongoing and drilling began in the fourth quarter while we continue surface drilling at Midas.

EXPLORATION

In the third quarter exploration expenditures were $13.7 million, an increase of $10.3 million compared to the third quarter of 2020, primarily due to increasing exploration activity at Midas, Greens Creek, Casa Berardi, San Sebastian, Heva-Hosco and Kinskuch since there were fewer limitations due to COVID. This is the largest quarterly exploration expense in the company's history and about 50% more than the second quarter. For more details on Hecla's exploration activities please see the Exploration Update provided on September 14th.

PRE-DEVELOPMENT

Pre-development spending was $3.4 million for the quarter, compared to $0.8 million for the third quarter of 2020. The increase is principally due to development of the decline at Hollister to allow drilling of the Hatter Graben to begin in the fourth quarter.

With the Federal District Court's ruling setting aside the federal agencies' Record of Decision and related Biological Opinion for the Rock Creek project, Hecla will provide the next steps for both Rock Creek and Montanore by early 2022.

DIVIDENDS

Common

On September 8th, 2021, the Board of Directors added 1 cent per share for the annual silver-linked dividend component and approved a reduction in the minimum realized silver price threshold to $20 from $25 per ounce. On November 3, 2021, the Board of Directors declared a quarterly cash dividend of 0.625 cent per share of common stock, consisting of 0.375 cent per share for the minimum dividend component and 0.75 cent per share for the silver-linked component of our dividend policy. The common dividend is payable on or about December 3, 2021, to shareholders of record on November 19, 2021. The realized silver price was $23.97 in the third quarter satisfying the criteria for the silver-linked dividend component of the Company's dividend policy.

Preferred

The Board of Directors declared a quarterly cash dividend of 87.5 cent per share on the outstanding shares of Series B Cumulative Convertible Preferred Stock, payable on or about January 3, 2021, to shareholders of record on December 15, 2021.

2021 ESTIMATES[4]

The Company has updated its guidance for annual production and cost as follows:

2021 Production Outlook

	Silver Production (Moz)	
	Previous	**Current**
Greens Creek *	9.5-10.2	9.2-9.5
Lucky Friday *	**3.4-3.8**	**3.4-3.8**
Casa Berardi	N/A	N/A
Nevada Operations	N/A	N/A
Total[4]	**12.9-14.0**	**12.6-13.3**

[4] Silver equivalent production for 2021 is estimated at 42.0 – 43.5 million ounces while gold equivalent production is expected to be 469 – 485 thousand ounces

*** Equivalent ounces include Lead and Zinc production**

2021 Cost Outlook

	Cost of Sales (millions)		**Cash cost, after by credits, per silver/g**	
	Previous	**Current**	**Previous**	
Greens Creek	$222	$222	($1.00)-$1.00	
Lucky Friday	$103	$103	$7.50-$8.50	
Total Silver	**$325**	**$325**	**$1.00-$2.00**	
Casa Berardi	$220	$230	$1,000-$1,125	

Nevada Operations	$43	$43	$1,300-$1,425	
Total Gold	**$263**	**$273**	**$1,050-$1,200**	**$**

CONFERENCE CALL AND WEBCAST

A conference call and webcast will be held Thursday, November 4, at 10:00 a.m. Eastern Time to discuss these results. We recommend that you dial in at least 10 minutes before the call is due to commence. You may join the conference call by dialing toll-free 1-833-350-1380 or for international dialing 1-647-689-6934. The Participant Code is 5460648 and must be provided when dialing in. Hecla's live and archived webcast can be accessed at www.hecla-mining.com under Investors.

One-on-One Calls

Hecla will be holding a Virtual Investor Event on Thursday, November 4, 2021, from 11:30 a.m. to 1:30 p.m. ET.

Hecla invites shareholders, investors, and other interested parties to schedule a personal, 30-minute virtual meeting (video or telephone) with a member of senior management to discuss ESG, exploration, operations, or general matters. Click on the link below to schedule a call (or copy and paste the link into your web browser). You can select a topic once you have entered the meeting calendar. If you are unable to book a time, either due to high demand or for other reasons, please reach out to Russell Lawlar, Sr. Vice President – CFO and Treasurer at rlawlar@hecla-mining.com or 208-769-4130.

One-on-One meeting URL: https://calendly.com/2021-november-vie

NYSE CELEBRATORY EVENT

Hecla is celebrating 130 years and will ring the NYSE closing bell on November 16th, 2021. Hecla will be holding a celebratory event at the NYSE and invites shareholders, investors and other interested parties to the event. If you would like to attend, please contact Cheryl Turner at cturner@hecla-mining.com or 208-209-1261 by November 5th, 2021.

ABOUT HECLA

Founded in 1891, Hecla Mining Company (NYSE:HL) is the largest silver producer in the United States. In addition to operating mines in Alaska, Idaho, and Quebec, Canada, the Company owns a number of exploration and pre-development projects in world-class silver and gold mining districts throughout North America.

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 generally accepted accounting principles in the United States (GAAP). These measures should not be considered in isolation or as a substitute for measures of performance prepared in accordance with GAAP.

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

(2) Cash cost, after by-product credits, per silver or 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 silver and gold 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 silver mining companies, and aggregating Casa Berardi and the Nevada operations, to compare its performance with other gold mining companies. 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. Cash cost, after by-product credits, per silver

ounce is not presented for Lucky Friday for the third quarters and first nine-month periods of 2020 and 2019, as production was limited due to the strike and subsequent ramp-up and results are not comparable to those from prior periods and are not indicative of future operating results under full production.

(3) 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 mine 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 in the understanding of the economics of our operations and performance compared to other producers and in the investor's visibility 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.

Other

(4) Calculations for 2021 include silver, gold, lead and zinc production from Greens Creek, San Sebastian, Casa Berardi, and Nevada Operations converted using actual Au $1,525/oz, Ag $17/oz, Zn $1.00/lb, and Pb $0.85/lb.

Numbers may be rounded.

Cautionary Statements to Investors on Forward-Looking Statements

This 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. When a forward-looking statement 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. Forward-looking statements often address our expected future business and financial performance and financial condition and often contain words such as “anticipate,” “intend,” “plan,” “will,” “could,” “would,” “estimate,” “should,” “expect,” “believe,” “project,” “target,” “indicative,” “preliminary,” “potential” and similar expressions. Forward-looking statements in this news release may include, without limitation: (i) new mining method being tested at Lucky Friday will continue to successfully control seismicity, improve safety and potentially increase productivity; (ii) Greens Creek’s ability to achieve adequate staffing levels in order to mine higher-grade material, which is in deeper parts of the mine; (iii) Greens Creek's estimated 2021 silver production, gold production, cost of sales, cash cost and AISC; (iv) Casa Berardi's estimated 2021 gold production, cost of sales, cash cost and AISC; (v) Ore from the 160 pit at Casa Berardi is expected to start being mined and processed in Q4 2021; (vi) expectation that production and sales from the remaining approximately 2,200 tons of previously stockpiled refractory material from the Nevada operations processed at the third-party autoclave facility will be recognized in the fourth quarter of 2021; (vii) Lucky Friday's estimated 2021 silver production, cost of sales, cash cost and AISC; and (viii) Company-wide estimates of future production, sales, costs of sales, cash cost, after by-product credits, AISC, after by-product credits, as well as estimated spending on capital, exploration and pre-development for 2021. The material factors or assumptions used to develop such forward-looking statements or forward-looking information include that 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, to which the Company’s operations are subject.

Estimates or expectations of future events or results are based upon certain assumptions, which may prove to be incorrect, which could cause actual results to differ from forward-looking statements. Such assumptions, include, but are not limited to: (i) there being no significant change to current geotechnical, metallurgical, hydrological and other physical conditions; (ii) permitting, development, operations and expansion of the Company's projects being consistent with current expectations and mine plans; (iii) political/regulatory developments in any jurisdiction in which the Company operates being consistent with its current expectations; (iv) the exchange rate for the USD/CAD and USD/MXN, being approximately consistent with current levels; (v) certain price assumptions for gold, silver, lead and zinc; (vi) prices for key supplies being approximately consistent with current levels; (vii) the accuracy of our current mineral reserve and mineral resource estimates; (viii) 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; (ix) counterparties performing their obligations under hedging instruments and put option contracts; (x) sufficient workforce is available and trained to perform assigned tasks; (xi) weather patterns and rain/snowfall within normal seasonal ranges so as not to impact operations; (xii) relations with interested parties, including Native Americans, remain productive; (xiii) economic terms can be reached with third-party mill operators who have capacity to process our ore; (xiv) maintaining availability of water rights; (xv) factors do not arise that reduce available cash balances, (xvi) there being no material increases in our current requirements to post or maintain reclamation and performance bonds or collateral related thereto.

In addition, material risks that could cause actual results to differ from forward-looking statements include, but are not limited to: (i) gold, silver and other metals price volatility; (ii) operating risks; (iii) currency fluctuations; (iv) increased production costs and variances in ore grade or recovery rates from those assumed in mining plans; (v) community relations; (vi) conflict resolution and outcome of projects or oppositions; (vii) litigation, political, regulatory, labor and environmental risks; (viii) 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; (ix) the failure of counterparties to perform their obligations under hedging instruments; (x) we take a material impairment charge on our Nevada operations; (xi) we are unable to remain in compliance with all terms of the credit agreement in order to maintain continued access to the revolver, and (xii) we are unable to refinance the maturing senior notes. For a more detailed discussion of such risks and other factors, see the Company's 2020 Form 10-K, filed on February 18, 2021, with the Securities and Exchange Commission (SEC), as well as the Company's other SEC filings. 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 presentation, 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.

HECLA MINING COMPANY

Condensed Consolidated Statements of Operations

(dollars and shares in thousands, except per share amounts -

	Third Quarter Ende	
	September 30, 2021	Se
Sales of products	**$ 193,560**	$
Cost of sales and other direct production costs	**112,542**	
Depreciation, depletion and amortization	**45,790**	
	158,332	
Gross profit	**35,228**	
Other operating expenses:		
General and administrative	**8,874**	
Exploration	**13,675**	
Pre-development	**3,433**	
Other operating expense	**3,344**	
Provision or closed operations and environmental matters	**7,564**	
Ramp-up and suspension costs	**6,910**	
Foundation grant	**—**	
	43,800	
(Loss) income from operations	**(8,572)**	
Other income (expense):		
Gain on exchange of investments	**—**	
Unrealized (loss) gain on investments	**(2,861)**	
Gain (loss) on derivative contracts	**12,148**	
Net foreign exchange gain (loss)	**3,995**	

Other expense	**247**	
Interest expense	**(10,469)**	
	3,060	
(Loss) income before income and mining taxes	**(5,512)**	
Income and mining tax benefit (provision)	**4,533**	
Net (loss) income	**(979)**	
Preferred stock dividends	**(138)**	
(Loss) income applicable to common shareholders	**$ (1,117)**	$
Basic (loss) income per common share after preferred dividends (in cents)	**(0.2)**	
Diluted (loss) income per common share after preferred dividends	**(0.2)**	
Weighted average number of common shares outstanding - basic	**536,966**	
Weighted average number of common shares outstanding - diluted	**536,966**	

HECLA MINING COMPANY

Condensed Consolidated Statements of Cash Flows

(dollars in thousands - unaudited)

	Third Quarter Ende	
	September 30, 2021	Se
OPERATING ACTIVITIES		
Net (loss) income	**$ (979)**	$
Non-cash elements included in net (loss) income:		
Depreciation, depletion and amortization	**46,939**	
Gain on exchange of investments	—	
Unrealized loss (gain) on investments	**2,861**	
Write-down to stockpile inventory	**93**	
Provision for reclamation and closure costs	**1,638**	
Stock compensation	**1,472**	
Deferred income taxes	**(10,141)**	
Amortization of loan origination fees and loss on extinguishment of debt	**488**	
(Gain) loss on derivative contracts	**(16,053)**	
Foreign exchange (gain) loss	**(3,842)**	
Foundation grant	**—**	
Other non-cash items, net	**—**	
Change in assets and liabilities:		
Accounts receivable	**5,634**	
Inventories	**16,653**	
Other current and non-current assets	**(2,475)**	
Accounts payable and accrued liabilities	**(8,200)**	
Accrued payroll and related benefits	**3,522**	
Accrued taxes	**3,729**	

Accrued reclamation and closure costs and other non-current liabilities	**1,793**	
Cash provided by operating activities	**42,742**	

INVESTING ACTIVITIES		
Additions to properties, plants, equipment and mineral interests	**(26,899)**	
Proceeds from disposition of properties, plants and equipment	**431**	
Purchase of carbon credits	**(200)**	
Purchases of investments	**—**	
Net cash used in investing activities	**(24,857)**	

FINANCING ACTIVITIES		
Acquisition of treasury shares	**—**	
Dividends paid to common shareholders	**(6,040)**	
Dividends paid to preferred shareholders	**(138)**	
Credit facility fees paid	**(26)**	
Borrowings on debt	**—**	
Repayments of debt	**—**	
Payments on finance leases	**(1,828)**	
Net cash used in financing activities	**(8,032)**	
Effect of exchange rates on cash	**(443)**	
Net increase in cash, cash equivalents and restricted cash and cash equivalents	**9,410**	
Cash, cash equivalents and restricted cash and cash equivalents at beginning of period	**182,547**	
Cash, cash equivalents and restricted cash and cash equivalents at end of period	**$ 191,957**	$

HECLA MINING COMPANY

Condensed Consolidated Balance Sheets

(dollars and share in thousands - unaudited)

ASSETS
Current assets:
Cash and cash equivalents
Accounts receivable:
Trade
Taxes
Other, net
Inventories
Derivative assets
Other current assets
Total current assets
Investments
Restricted cash
Properties, plants, equipment and mineral interests, net
Operating lease right-of-use assets
Deferred income taxes
Derivative assets
Other non-current assets
Total assets

LIABILITIES
Current liabilities:
Accounts payable and accrued liabilities

Accrued payroll and related benefits

Accrued taxes

Finance leases

Operating leases

Other current liabilities

Accrued reclamation and closure costs

Accrued interest

Derivatives liabilities

Total current liabilities

Finance leases

Operating leases

Accrued reclamation and closure costs

Long-term debt

Deferred tax liability

Pension liability

Derivatives liabilities

Other non-current liabilities

Total liabilities

SHAREHOLDERS' EQUITY

Preferred stock

Common stock

Capital surplus

Accumulated deficit

Accumulated other comprehensive loss

Treasury stock

Total shareholders' equity

Total liabilities and shareholders' equity

Common shares outstanding

HECLA MINING COMPANY
Production Data

		Three Mo
		September 30, 2021
GREENS CREEK UNIT		
Tons of ore milled		**211,142**
Total production cost per ton		
Ore grade milled - Silver (oz./ton)		**11.14**
Ore grade milled - Gold (oz./ton)		**0.068**
Ore grade milled - Lead (%)		**2.68 %**
Ore grade milled - Zinc (%)		**7.05 %**
Silver produced (oz.)		**1,837,270**
Gold produced (oz.)		**9,734**
Lead produced (tons)		**4,591**
Zinc produced (tons)		**13,227**
Cash cost, after by-product credits, per silver ounce [1]	**$**	**0.74**
AISC, after by-product credits, per silver ounce [1]	**$**	**5.94**
Capital additions (in thousands)	**$**	**6,228**
LUCKY FRIDAY UNIT		
Tons of ore milled		**78,227**
Total production cost per ton		
Ore grade milled - Silver (oz./ton)		**11.21**
Ore grade milled - Lead (%)		**7.22 %**
Ore grade milled - Zinc (%)		**3.3 %**
Silver produced (oz.)		**831,532**
Lead produced (tons)		**5,313**

Zinc produced (tons)		**2,319**
Cash cost, after by-product credits, per silver ounce [1]	**$**	**6.36**
AISC, after by-product credits, per silver ounce [1]	**$**	**16.79**
Capital additions (in thousands)	**$**	**7,534**
CASA BERARDI UNIT		
Tons of ore milled - underground		**157,734**
Tons of ore milled - surface pit		**130,948**
Tons of ore milled - total		**398,143**
Surface tons mined - ore and waste		**1,410,505**
Total production cost per ton		
Ore grade milled - Gold (oz./ton) - underground		**0.124**
Ore grade milled - Gold (oz./ton) - surface pit		**0.052**
Ore grade milled - Gold (oz./ton) - combined		**0.087**
Ore grade milled - Silver (oz./ton)		**0.02**
Gold produced (oz.) - underground		**19,605**
Gold produced (oz.) - surface pit		**6,800**
Gold produced (oz.) - total		**29,722**
Cash cost, after by-product credits, per gold ounce [1]	**$**	**1,175**
AISC, after by-product credits, per gold ounce [1]	**$**	**1,476**
Capital additions (in thousands)	**$**	**12,377**
SAN SEBASTIAN		
Tons of ore milled		**—**
Total production cost per ton		
Ore grade milled - Silver (oz./ton)		**—**
Ore grade milled - Gold (oz./ton)		**—**
Silver produced (oz.)		**—**
Gold produced (oz.)		**—**

Cash cost, after by-product credits, per silver ounce [1]		**—**
AISC, after by-product credits, per silver ounce [1]		**—**
Capital additions (in thousands)	**$**	**3**
Nevada Operations		
Tons of ore milled		**11,953**
Total production cost per ton		
Ore grade milled - Gold (oz./ton)		**0.234**
Ore grade milled - Silver (oz./ton)		
Gold produced (oz.)		**2,751**
Silver produced (oz.)		**270**
Cash cost, after by-product credits, per gold ounce [1]	**$**	**1,038**
AISC, after by-product credits, per gold ounce [1]	**$**	**1,167**
Capital additions (in thousands)	**$**	**29**

(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 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 Cash Cost, Before By-product Credits, Cash Cost, After By-product Credits, AISC, Before By-product Credits and AISC, After By-product Credits for our operations at the Greens Creek, Lucky Friday, San Sebastian, Casa Berardi and Nevada Operations units for the three- and nine-month periods ended September 30, 2021 and 2020.

Cash Cost, After By-product Credits, per Ounce and AISC, After By-product Credits, per Ounce are measures developed by precious metals companies (including the Silver Institute and the World Gold Council) 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. AISC, After By-product Credits, per Ounce is an important operating statistic that we utilize as a measure of our mines' net cash flow after costs for exploration, pre-development, reclamation, and sustaining capital. 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 silver and gold mining company, we also use these statistics on an aggregate basis - aggregating the Greens Creek, Lucky Friday and San Sebastian mines, to compare our performance with that of other primary silver mining companies and aggregating Casa Berardi and Nevada Operations for comparison with other 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 and sustaining exploration and capital costs. 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.

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, Nevada Operations and combined gold properties information below reports Cash Cost, After By-product Credits, per Gold Ounce and AISC, After By-product Credits, per Gold Ounce for the production of gold, its 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 gold metrics for Casa Berardi and Nevada Operations.

In thousands (except per ounce amounts) Three

	Greens Creek	Lucky Friday[2]
Cost of sales and other direct production costs and depreciation, depletion and amortization	$ 55,193	$ 23,59
Depreciation, depletion and amortization	(13,097)	(6,59
Treatment costs	7,979	3,42
Change in product inventory	(122)	(6
Reclamation and other costs	(786)	(28
Cash Cost, Before By-product Credits [1]	49,167	20,07
Reclamation and other costs	848	26
Exploration	2,472	–
Sustaining capital	6,228	8,40
General and administrative		
AISC, Before By-product Credits [1]	58,715	28,74
By-product credits:		
Zinc	(25,295)	(4,61
Gold	(14,864)	–
Lead	(7,640)	(10,18
Total By-product credits	(47,799)	(14,79
Cash Cost, After By-product Credits	$ 1,368	$ 5,28
AISC, After By-product Credits	$ 10,916	$ 13,95
Divided by silver ounces produced	1,837	83
Cash Cost, Before By-product Credits, per Ounce	$ 26.76	$ 24.1
By-product credits per ounce	(26.02)	$ (17.7
Cash Cost, After By-product Credits, per Ounce	$ 0.74	$ 6.3
AISC, Before By-product Credits, per Ounce	$ 31.96	$ 34.5
By-product credits per ounce	(26.02)	$ (17.7

AISC, After By-product Credits, per Ounce	$	5.94	16.7

In thousands (except per ounce amounts)

		Casa Berardi[5]
Cost of sales and other direct production costs and depreciation, depletion and amortization	$	58,164
Depreciation, depletion and amortization		(19,968
Treatment costs		475
Change in product inventory		(3,369
Reclamation and other costs		(210
Cash Cost, Before By-product Credits [1]		35,092
Reclamation and other costs		209
Exploration		1,541
Sustaining capital		7,208
AISC, Before By-product Credits [1]		44,050
By-product credits:		
Silver		(169
Total By-product credits		(169
Cash Cost, After By-product Credits	$	34,923
AISC, After By-product Credits	$	43,881
Divided by gold ounces produced		30
Cash Cost, Before By-product Credits, per Ounce	$	1,181
By-product credits per ounce		(6
Cash Cost, After By-product Credits, per Ounce	$	1,175
AISC, Before By-product Credits, per Ounce	$	1,482
By-product credits per ounce		(6
AISC, After By-product Credits, per Ounce	$	1,476

In thousands (except per ounce amounts)

		Total Silver
Cost of sales and other direct production costs and depreciation, depletion and amortization	$	78,784
Depreciation, depletion and amortization		(19,687
Treatment costs		11,406
Change in product inventory		(190
Reclamation and other costs		(1,067
Cash Cost, Before By-product Credits [1]		69,246
Reclamation and other costs		1,112
Exploration		2,946
Sustaining capital		14,634
General and administrative		8,874
AISC, Before By-product Credits [1]		96,812
By-product credits:		
Zinc		(29,906
Gold		(14,864
Lead		(17,828
Silver		
Total By-product credits		(62,598
Cash Cost, After By-product Credits	$	6,648
AISC, After By-product Credits	$	34,214
Divided by ounces produced		2,669
Cash Cost, Before By-product Credits, per Ounce	$	25.93
By-product credits per ounce		(23.44
Cash Cost, After By-product Credits, per Ounce	$	2.49
AISC, Before By-product Credits, per Ounce	$	36.26
By-product credits per ounce		(23.44

AISC, After By-product Credits, per Ounce	$	12.82

In thousands (except per ounce amounts)	Thre	
	Greens Creek	Lucky Friday[2]
Cost of sales and other direct production costs and depreciation, depletion and amortization	$ 48,105	$ 21,50
Depreciation, depletion and amortization	(11,735)	(2,95
Treatment costs	22,675	4,03
Change in product inventory	2,899	1
Reclamation and other costs	(891)	–
Exclusion of Lucky Friday costs	—	(22,59
Cash Cost, Before By-product Credits [1]	61,053	–
Reclamation and other costs	788	–
Exploration	370	–
Sustaining capital	8,265	–
General and administrative		
AISC, Before By-product Credits [2]	70,476	–
By-product credits:		
Zinc	(23,772)	–
Gold	(21,226)	–
Lead	(8,149)	–
Total By-product credits	(53,147)	–
Cash Cost, After By-product Credits	$ 7,906	$ –
AISC, After By-product Credits	$ 17,329	$ –
Divided by ounces produced	2,634	
Cash Cost, Before By-product Credits, per Ounce	$ 23.18	$ –
By-product credits per ounce	(20.18)	–
Cash Cost, After By-product Credits, per Ounce	$ 3.00	$ –
AISC, Before By-product Credits, per Ounce	$ 26.76	$ –

By-product credits per ounce	(20.18)	–
AISC, After By-product Credits, per Ounce	$ 6.58	$ –

In thousands (except per ounce amounts)

		Casa Berardi
Cost of sales and other direct production costs and depreciation, depletion and amortization	$	51,57
Depreciation, depletion and amortization		(15,22
Treatment costs		56
Change in product inventory		54
Reclamation and other costs		(44
Cash Cost, Before By-product Credits [1]		37,00
Reclamation and other costs		9
Exploration		33
Sustaining capital		11,62
AISC, Before By-product Credits [1]		49,06
By-product credits:		
Silver		(9
Total By-product credits		(9
Cash Cost, After By-product Credits	$	36,91
AISC, After By-product Credits	$	48,97
Divided by ounces produced		2
Cash Cost, Before By-product Credits, per Ounce	$	1,40
By-product credits per ounce		(
Cash Cost, After By-product Credits, per Ounce	$	1,39
AISC, Before By-product Credits, per Ounce	$	1,85
By-product credits per ounce		(
AISC, After By-product Credits, per Ounce	$	1,85

In thousands (except per ounce amounts)

		Total Silver
Cost of sales and other direct production costs and depreciation, depletion and amortization	$	75,565
Depreciation, depletion and amortization		(15,472
Treatment costs		26,794
Change in product inventory		3,736
Reclamation and other costs		(1,283
Exclusion of Lucky Friday cash costs		(22,593
Cash Cost, Before By-product Credits [1]		66,747
Reclamation and other costs		902
Sustaining exploration		799
Sustaining capital		8,547
General and administrative		10,345
AISC, Before By-product Credits [1]		87,340
By-product credits:		
Zinc		(23,772
Gold		(24,912
Lead		(8,149
Silver		
Total By-product credits		(56,833
Cash Cost, After By-product Credits	$	9,914
AISC, After By-product Credits	$	30,507
Divided by ounces produced		2,901
Cash Cost, Before By-product Credits, per Ounce	$	23.00
By-product credits per ounce		(19.59
Cash Cost, After By-product Credits, per Ounce	$	3.41
AISC, Before By-product Credits, per Ounce	$	30.11

By-product credits per ounce		(19.5
AISC, After By-product Credits, per Ounce	$	10.5

In thousands (except per ounce amounts)		Nine
	Greens Creek	Lucky Friday[2]
Cost of sales and other direct production costs and depreciation, depletion and amortization	$ 163,861	$ 74,28
Depreciation, depletion and amortization	(42,410)	(20,32
Treatment costs	27,444	13,08
Change in product inventory	(156)	(1,75
Reclamation and other costs	(1,777)	(84
Cash Cost, Before By-product Credits [1]	146,962	64,44
Reclamation and other costs	2,543	79
Sustaining exploration	3,895	–
Sustaining capital	17,459	19,10
General and administrative		
AISC, Before By-product Credits [1]	170,859	84,34
By-product credits:		
Zinc	(74,571)	(14,45
Gold	(56,299)	–
Lead	(23,265)	(30,76
Total By-product credits	(154,135)	(45,21
Cash Cost, After By-product Credits	$ (7,173)	$ 19,23
AISC, After By-product Credits	$ 16,724	$ 39,12
Divided by silver ounces produced	6,981	2,60
Cash Cost, Before By-product Credits, per Silver Ounce	$ 21.05	$ 24.7
By-product credits per ounce	(22.08)	(17.3
Cash Cost, After By-product Credits, per Silver Ounce	$ (1.03)	$ 7.3
AISC, Before By-product Credits, per Silver Ounce	$ 24.48	$ 32.3
By-product credits per ounce	(22.08)	(17.3

AISC, After By-product Credits, per Silver Ounce	$ 2.40	$ 15.0

In thousands (except per ounce amounts)

		Casa Berardi[5]
Cost of sales and other direct production costs and depreciation, depletion and amortization	$	172,760
Depreciation, depletion and amortization		(61,159
Treatment costs		1,723
Change in product inventory		(2,401
Reclamation and other costs		(632
Cash Cost, Before By-product Credits [1]		110,291
Reclamation and other costs		632
Sustaining exploration		3,551
Sustaining capital		21,030
AISC, Before By-product Credits [1]		135,504
By-product credits:		
Silver		(656
Total By-product credits		(656
Cash Cost, After By-product Credits	$	109,635
AISC, After By-product Credits	$	134,848
Divided by gold ounces produced		97
Cash Cost, Before By-product Credits, per Gold Ounce	$	1,134
By-product credits per ounce		(7
Cash Cost, After By-product Credits, per Gold Ounce	$	1,127
AISC, Before By-product Credits, per Gold Ounce	$	1,394
By-product credits per ounce		(7
AISC, After By-product Credits, per Gold Ounce	$	1,387

In thousands (except per ounce amounts)

		Total Silver
Cost of sales and other direct production costs and depreciation, depletion and amortization	$	238,24
Depreciation, depletion and amortization		(62,73
Treatment costs		40,53
Change in product inventory		(1,91
Reclamation and other costs		(2,71
Cash Cost, Before By-product Credits [1]		211,41
Reclamation and other costs		3,33
Sustaining exploration		5,25
Sustaining capital		36,56
General and administrative		27,98
AISC, Before By-product Credits [1]		284,54
By-product credits:		
Zinc		(89,02
Gold		(56,29
Lead		(54,02
Silver		
Total By-product credits		(199,35
Cash Cost, After By-product Credits	$	12,05
AISC, After By-product Credits	$	85,19
Divided by ounces produced		9,59
Cash Cost, Before By-product Credits, per Ounce	$	22.0
By-product credits per ounce		(20.7
Cash Cost, After By-product Credits, per Ounce	$	1.2
AISC, Before By-product Credits, per Ounce	$	29.6
By-product credits per ounce		(20.7

AISC, After By-product Credits, per Ounce	$	8.8

In thousands (except per ounce amounts)		Nine
	Greens Creek	Lucky Friday[2]
Cost of sales and other direct production costs and depreciation, depletion and amortization	$ 153,496	$ 35,78
Depreciation, depletion and amortization	(37,152)	(5,15
Treatment costs	58,517	7,50
Change in product inventory	1,749	80
Reclamation and other costs	(478)	–
Exclusion of Lucky Friday cash costs	—	(38,94
Cash Cost, Before By-product Credits [1]	176,132	–
Reclamation and other costs	2,365	–
Sustaining exploration	374	–
Sustaining capital	18,276	–
General and administrative		
AISC, Before By-product Credits [1]	197,147	–
By-product credits:		
Zinc	(59,711)	–
Gold	(57,850)	–
Lead	(22,208)	–
Total By-product credits	(139,769)	–
Cash Cost, After By-product Credits	$ 36,363	$ –
AISC, After By-product Credits	$ 57,378	$ –
Divided by ounces produced	8,164	–
Cash Cost, Before By-product Credits, per Ounce	$ 21.57	$ –
By-product credits per ounce	(17.12)	–
Cash Cost, After By-product Credits, per Ounce	$ 4.45	$ –
AISC, Before By-product Credits, per Ounce	$ 24.15	$ –

By-product credits per ounce	(17.12)	–
AISC, After By-product Credits, per Ounce	$ 7.03	$ –

In thousands (except per ounce amounts)

		Casa Berardi
Cost of sales and other direct production costs and depreciation, depletion and amortization	$	140,89
Depreciation, depletion and amortization		(44,31
Treatment costs		1,69
Change in product inventory		1,75
Reclamation and other costs		(63
Cash Cost, Before By-product Credits [1]		99,38
Reclamation and other costs		28
Sustaining exploration		1,49
Sustaining capital		24,41
AISC, Before By-product Credits [1]		125,57
By-product credits:		
Silver		(28
Total By-product credits		(28
Cash Cost, After By-product Credits	$	99,10
AISC, After By-product Credits	$	125,29
Divided by ounces produced		8
Cash Cost, Before By-product Credits, per Ounce	$	1,18
By-product credits per ounce		(
Cash Cost, After By-product Credits, per Ounce	$	1,18
AISC, Before By-product Credits, per Ounce	$	1,49
By-product credits per ounce		(
AISC, After By-product Credits, per Ounce	$	1,49

In thousands (except per ounce amounts)

		Total Silver
Cost of sales and other direct production costs and depreciation, depletion and amortization	$	207,854
Depreciation, depletion and amortization		(45,453
Treatment costs		66,251
Change in product inventory		3,237
Reclamation and other costs		(1,528
Exclusion of Lucky Friday cash costs		(38,944
Cash Cost, Before By-product Credits [1]		191,417
Reclamation and other costs		2,707
Sustaining exploration		1,736
Sustaining capital		18,613
General and administrative		26,263
AISC, Before By-product Credits [1]		240,736
By-product credits:		
Zinc		(59,711
Gold		(68,252
Lead		(22,208
Silver		
Total By-product credits		(150,171
Cash Cost, After By-product Credits	$	41,246
AISC, After By-product Credits	$	90,565
Divided by ounces produced		8,936
Cash Cost, Before By-product Credits, per Ounce	$	21.39
By-product credits per ounce		(16.81
Cash Cost, After By-product Credits, per Ounce	$	4.58
AISC, Before By-product Credits, per Ounce	$	26.90

By-product credits per ounce		(16.8
AISC, After By-product Credits, per Ounce	$	10.0

In thousands (except per ounce amounts)

		Casa Berardi
Total cost of sales	$	212,00
Depreciation, depletion and amortization		(87,50
Treatment costs		40
Change in product inventory		(9,00
Reclamation and other costs		30
Cash Cost, Before By-product Credits [1]		116,20
Reclamation and other costs		50
Exploration		3,80
Sustaining capital		31,50
AISC, Before By-product Credits [1]		152,00
By-product credits:		
Silver		(60
Total By-product credits		(60
Cash Cost, After By-product Credits	$	115,60
AISC, After By-product Credits	$	151,40
Divided by gold ounces produced		12
Cash Cost, Before By-product Credits, per Gold Ounce	$	91
By-product credits per gold ounce		(
Cash Cost, After By-product Credits, per Gold Ounce	$	91
AISC, Before By-product Credits, per Gold Ounce	$	1,20
By-product credits per gold ounce		(
AISC, After By-product Credits, per Gold Ounce	$	1,19

In thousands (except per ounce amounts)

		Total Silver
Total cost of sales	$	303,40
Depreciation, depletion and amortization		(81,00
Treatment costs		55,10
Change in product inventory		4,00
Reclamation and other costs		5,50
Cash Cost, Before By-product Credits [1]		287,00
Reclamation and other costs		5,00
Exploration		4,00
Sustaining capital		58,00
General and administrative		34,50
AISC, Before By-product Credits [1]		388,50
By-product credits:		
Zinc		(100,50
Gold		(70,00
Lead		(66,90
Silver		
Total By-product credits		(237,40
Cash Cost, After By-product Credits	$	49,60
AISC, After By-product Credits	$	151,10
Divided by ounces produced		13,45
Cash Cost, Before By-product Credits, per Ounce	$	21.3
By-product credits per ounce		(17.6
Cash Cost, After By-product Credits, per Ounce	$	3.6
AISC, Before By-product Credits, per Ounce	$	28.8

By-product credits per ounce		(17.6
AISC, After By-product Credits, per Ounce	$	11.2

In thousands (except per ounce amounts)	Current Estimat (U	
	Greens Creek	Lucky Frid
Total cost of sales	$ 222,000	$ 102,50
Depreciation, depletion and amortization	(59,200)	(27,40
Treatment costs	37,500	14,50
Change in product inventory	(3,700)	(1,25
Reclamation and other costs	1,500	1,50
Cash Cost, Before By-product Credits [1]	198,100	89,85
Reclamation and other costs	3,400	1,00
Exploration	4,300	–
Sustaining capital	35,000	26,50
General and administrative	—	–
AISC, Before By-product Credits [1]	240,800	117,35
By-product credits:		
Zinc	(98,000)	(17,00
Gold	(75,100)	–
Lead	(31,000)	(43,00
Total By-product credits	(204,100)	(60,00
Cash Cost, After By-product Credits	$ (6,000)	$ 29,85
AISC, After By-product Credits	$ 36,700	$ 57,35
Divided by silver ounces produced	9,850	3,60
Cash Cost, Before By-product Credits, per Silver Ounce	$ 20.11	$ 24.9
By-product credits per silver ounce	(20.72)	(16.6
Cash Cost, After By-product Credits, per Silver Ounce	$ (0.61)	$ 8.2
AISC, Before By-product Credits, per Silver Ounce	$ 24.45	$ 32.6

By-product credits per silver ounce	(20.72)	(16.6
AISC, After By-product Credits, per Silver Ounce	$ 3.73	$ 15.9

In thousands (except per ounce amounts)		Current E
		Casa Berardi
Total cost of sales	$	230,40(
Depreciation, depletion and amortization		(81,50(
Treatment costs		50(
Change in product inventory		(8,20(
Reclamation and other costs		55(
Cash Cost, Before By-product Credits [1]		141,70(
Reclamation and other costs		70(
Exploration		4,40(
Sustaining capital		31,30(
AISC, Before By-product Credits [1]		178,10(
By-product credits:		
Silver		(84(
Total By-product credits		(84(
Cash Cost, After By-product Credits	$	140,86(
AISC, After By-product Credits	$	177,26(
Divided by gold ounces produced		13
Cash Cost, Before By-product Credits, per Gold Ounce	$	1,06
By-product credits per gold ounce		(
Cash Cost, After By-product Credits, per Gold Ounce	$	1,06
AISC, Before By-product Credits, per Gold Ounce	$	1,34
By-product credits per gold ounce		(
AISC, After By-product Credits, per Gold Ounce	$	1,33

In thousands (except per ounce amounts)	Current E
	Total Silver
Total cost of sales	$ 324,50(
Depreciation, depletion and amortization	(86,60(
Treatment costs	52,00(
Change in product inventory	(4,95(
Reclamation and other costs	3,00(
Cash Cost, Before By-product Credits [1]	287,95(
Reclamation and other costs	4,40(
Exploration	6,03:
Sustaining capital	61,50(
General and administrative	38,70(
AISC, Before By-product Credits [1]	398,58:
By-product credits:	
Zinc	(115,00(
Gold	(75,10(
Lead	(74,00(
Silver	
Total By-product credits	(264,10(
Cash Cost, After By-product Credits	$ 23,85(
AISC, After By-product Credits	$ 134,48:
Divided by ounces produced	13,45(
Cash Cost, Before By-product Credits, per Ounce	$ 21.4:
By-product credits per ounce	(19.6-
Cash Cost, After By-product Credits, per Ounce	$ 1.7:
AISC, Before By-product Credits, per Ounce	$ 29.6:
By-product credits per ounce	(19.6-

AISC, After By-product Credits, per Ounce	$	10.0

(1) Includes all direct and indirect operating costs related to the physical activities of producing metals, including mir marketing expense, on-site general and administrative costs and royalties, before by-product revenues earned fr AISC, Before By-product Credits also includes on-site exploration, reclamation, and sustaining capital costs.

(2) The unionized employees at Lucky Friday were on strike from March 2017 until January 2020, and production at I up was substantially completed in the fourth quarter of 2020. Costs related to ramp-up activities totaling $5.4 mi the first nine months of 2020 have been excluded from the calculations of cost of sales and other direct productic Before By-product Credits, Cash Cost, After By-product Credits, AISC, Before By-product Credits, and AISC, After

(3) Mining at San Sebastian was completed in the third quarter of 2020, and milling was completed in the fourth qua $2.0 million for the first nine months of 2021 are reported in a separate line item on our consolidated statements and other direct production costs and depreciation, depletion and amortization, Cash Cost, Before By-product Cre Credits, and AISC, After By-product Credits.

(4) AISC, Before By-product Credits for our consolidated silver properties includes corporate costs for general and ad

(5) In late March 2020, the Government of Quebec ordered the mining industry to reduce to minimum operations as our Casa Berardi operations from approximately March 24 until April 15, when limited mining operations resumec totaling $1.6 million for the first nine months of 2020 are reported in a separate line item on our consolidated sta sales and other direct production costs and depreciation, depletion and amortization, Cash Cost, Before By-produ product Credits, and AISC, After By-product Credits.

(6) Production was suspended at the Hollister and Midas mines and Aurora mill in the latter part of 2019. Suspension million for the first nine months of 2021 and 2020, respectively, are reported in a separate line item on our consc of cost of sales and other direct production costs and depreciation, depletion and amortization, Cash Cost, Before Before By-product Credits, and AISC, After By-product Credits.

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. 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:

Dollars are in thousands	Three Months End	
	Sept 30, 2021	
Cash provided by operating activities	**$ 42,742**	$
Less: Additions to properties, plants equipment and mineral interests	**(26,899)**	
Free cash flow	**$ 15,843**	$

Category: Earnings

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