



# FOURTH QUARTER and FULL-YEAR 2021

## Earnings Conference Call

February 22, 2022



RESPONSIBLE. SAFE. INNOVATIVE.

# CAUTIONARY STATEMENTS



## Cautionary Statement Regarding Forward Looking Statements

This presentation 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 presentation may include, without limitation: (i) new mining method implemented at Lucky Friday should improve safety and increase productivity; (ii) increased demand for silver due to transition to clean energy; and; (iii) mine-specific and Company-wide 2022 estimates of future production, sales, costs of sales and cash cost and AISC per ounce (in each case after by-product credits), as well as Company-wide estimated spending on capital, exploration and pre-development for 2022. The material factors or assumptions used to develop such forward-looking statements or forward-looking information include that the prices assumed in the calculation of cash cost and AISC will occur and 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) there being no significant changes to Company plans for 2022 and beyond due to COVID-19 or any other public health issue, including, but not limited to with respect to availability of employees, vendors and equipment; (ix) 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; (x) counterparties performing their obligations under hedging instruments and put option contracts; (xi) sufficient workforce is available and trained to perform assigned tasks; (xii) weather patterns and rain/snowfall within normal seasonal ranges so as not to impact operations; (xiii) relations with interested parties, including Native Americans, remain productive; (xiv) maintaining availability of water rights; (xv) factors do not arise that reduce available cash balances; and (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; and (xi) we are unable to remain in compliance with all terms of the credit agreement in order to maintain continued access to the revolver. For a more detailed discussion of such risks and other factors, see the Company's 2021 Form 10-K, filed on February 22, 2022, 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.

# CAUTIONARY STATEMENTS (cont'd)



## Cautionary Note Regarding Reserves and Resources

This presentation uses the terms "mineral resources," "measured mineral resources," "indicated mineral resources" and "inferred mineral resources." Mineral resources that are not mineral reserves do not have demonstrated economic viability. You should not assume that all or any part of measured or indicated mineral resources will ever be converted into mineral reserves. Further, inferred mineral resources have a great amount of uncertainty as to their existence and as to whether they can be mined legally or economically, and an inferred mineral resource may not be considered when assessing the economic viability of a mining project, and may not be converted to a mineral reserve. On October 31, 2018, the SEC adopted new mining disclosure rules ("S-K 1300") that is more closely aligned with current industry and global regulatory practices and standards, including National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101") which we comply with because we also are a "reporting issuer" under Canadian securities laws. While S-K 1300 is more closely aligned with NI 43-101 than the prior SEC mining disclosure rules, there are some differences. NI 43-101 is a rule developed by the Canadian Securities Administrators, which established standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects. Unless otherwise indicated, all resource and reserve estimates contained in this presentation have been prepared in accordance with NI 43-101, as well as S-K 1300. Investors are urged to consider closely the disclosure in the Company's Annual Report on Form 10-K for the year ended December 31, 2021 available at [www.sec.gov](http://www.sec.gov).

## Qualified Person (QP)

Kurt D. Allen, MSc., CPG, Vice President - Exploration of Hecla Mining Company and Keith Blair, MSc., CPG, Chief Geologist of Hecla Limited, who serve as a Qualified Person under S-K 1300 and "NI 43-101", supervised the preparation of the scientific and technical information concerning Hecla's mineral projects in this presentation. Technical Report Summaries for each of the Company's material properties are filed as exhibits 96.1, 96.2 and 96.3 to the Company's Annual Report on Form 10-K for the year ended December 31, 2021 and are available at [www.sec.gov](http://www.sec.gov). Information regarding data verification, surveys and investigations, quality assurance program and quality control measures and a summary of analytical or testing procedures for the Greens Creek Mine are contained in a technical report titled "Technical Report for the Greens Creek Mine" effective date December 31, 2018, and for the Lucky Friday Mine are contained in a technical report titled "Technical Report for the Lucky Friday Mine Shoshone County, Idaho, USA" effective date April 2, 2014, for Casa Berardi are contained in a technical report titled "Technical Report on the mineral resource and mineral reserve estimate for Casa Berardi Mine, Northwestern Quebec, Canada" effective date December 31, 2018 (the "Casa Berardi Technical Report"), and for the San Sebastian Mine, Mexico, are contained in a technical report prepared for Hecla titled "Technical Report for the San Sebastian Ag-Au Property, Durango, Mexico" effective date September 8, 2015. Also included in these three technical reports is a description of the key assumptions, parameters and methods used to estimate mineral reserves and resources and a general discussion of the extent to which the estimates may be affected by any known environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant factors. Information regarding data verification, surveys and investigations, quality assurance program and quality control measures and a summary of sample, analytical or testing procedures for the Fire Creek Mine are contained in a technical report prepared for Klondex Mines, dated March 31, 2018; the Hollister Mine dated May 31, 2017, amended August 9, 2017; and the Midas Mine dated August 31, 2014, amended April 2, 2015. Copies of these technical reports are available under Hecla's and Klondex's profiles on SEDAR at [www.sedar.com](http://www.sedar.com). Mr. Allen and Mr. Blair reviewed and verified information regarding drill sampling, data verification of all digitally collected data, drill surveys and specific gravity determinations relating to all the mines. The review encompassed quality assurance programs and quality control measures including analytical or testing practice, chain-of-custody procedures, sample storage procedures and included independent sample collection and analysis. This review found the information and procedures meet industry standards and are adequate for Mineral Resource and Mineral Reserve estimation and mine planning purposes.

## Cautionary Note Regarding Non-GAAP measures

Cash cost per ounce of silver and gold, after by-product credits, EBITDA, adjusted EBITDA, AISC, after by-product credits, realized silver margin, and free cash flow represent non-U.S. Generally Accepted Accounting Principles (GAAP) measurements. A reconciliation of these non-GAAP measures to the most comparable GAAP measurements can be found in the Appendix.

# 2021: RECORD REVENUES, 2<sup>nd</sup> HIGHEST SILVER RESERVES



## Silver – Metal for Green Future

- Silver is key to clean and green energy transition
- 2021E silver demand of 1.29 billion oz\* with photovoltaic demand estimated to rise 13% to 110 Moz

## Largest U.S. Silver Producer

- Hecla produces >40% of U.S. silver
- Largest silver reserve base in the U.S. with 200 Moz in silver reserves
- Technical reports confirm strong reserve economics and long mine lives

## ESG Focus

- Strong safety performance, All-Injury Frequency Rate of 1.45, 40% lower than U.S. average
- Net neutral on scope 1 & 2 emissions in 2021

## Record Year

- Developed Underhand Closed Bench (UCB) mining method at Lucky Friday
- 2<sup>nd</sup> highest silver and gold reserves
- Record revenues, Adjusted EBITDA, 2<sup>nd</sup> highest cash flows from operations and free cash flow

\* Source – The Silver Institute

# RESERVES: 2021 vs. 2020

2<sup>nd</sup> highest silver and gold reserves, mining depletion replaced by increased reserves

- Greens Creek silver reserves up +12%, second highest since 2002
- Company wide measured & indicated resources declined due to conversion to reserves
- Inferred resources increased 8% for silver, 2% for gold
- Reserve prices: Gold \$1,600/oz, Silver \$17/oz



## Silver Reserves

(Million Ounces)



## Gold Reserves

(Thousand Ounces)



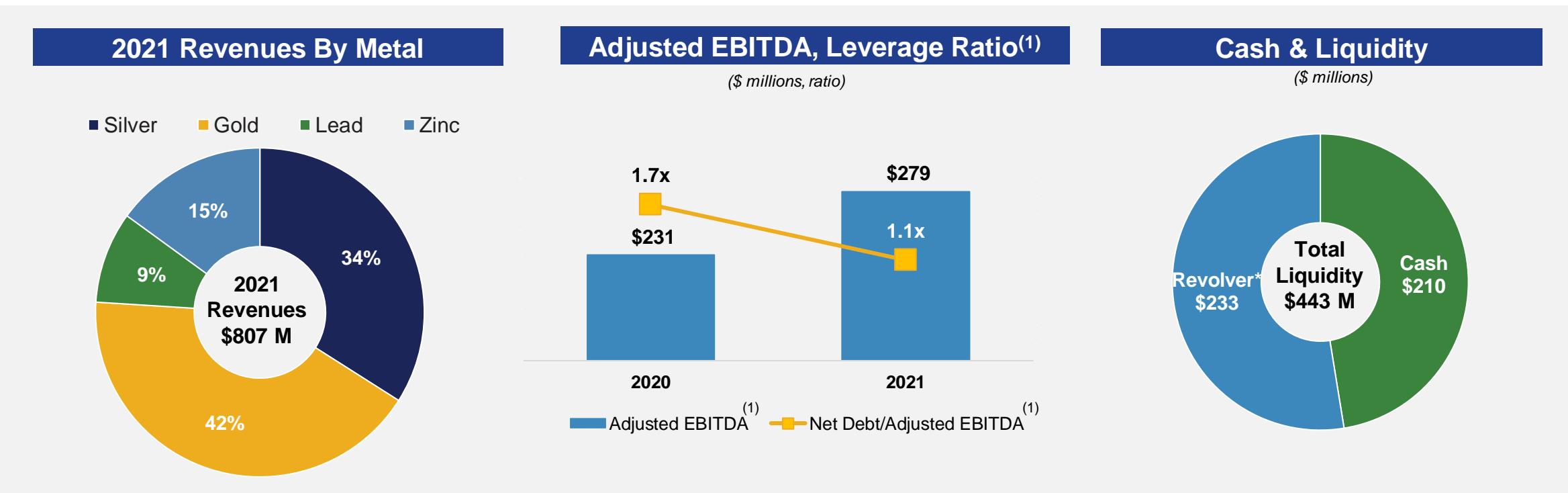
# Financial Review

# FINANCIAL STRENGTH AND FLEXIBILITY

Solid operational performance delivers strong balance sheet



- Record revenues of \$807 million, +16% over 2020
- Record adjusted EBITDA of \$279 million, +20% over 2020; net debt to adjusted EBITDA ratio of 1.1x, well below the 2.0x target<sup>(1)</sup>
- Cash flow from operations \$221 million, free cash flow of \$111 million, +23% over 2020
- Cash and equivalents of \$210 million, Liquidity of \$443 million\*



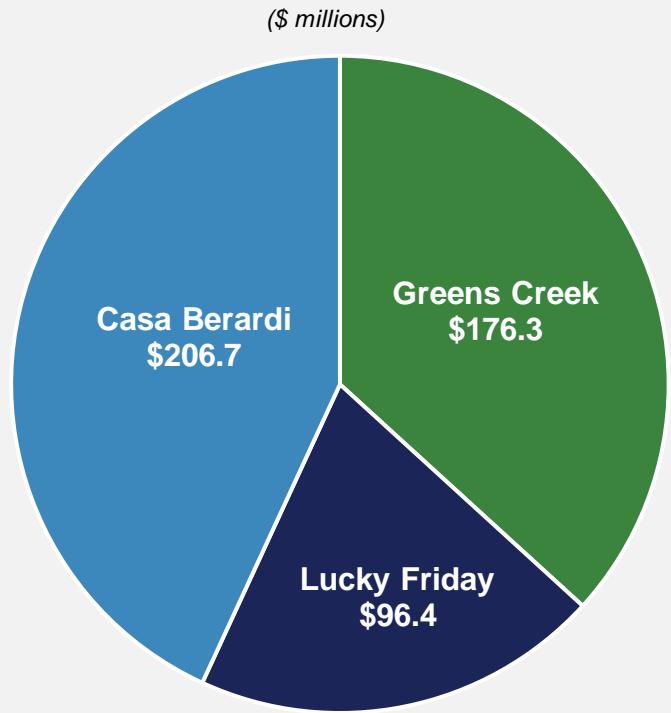
# CAPITAL AND PRODUCTION COSTS ARE STABLE

Impact from inflation is relatively low due to low tonnage, high-grade mines

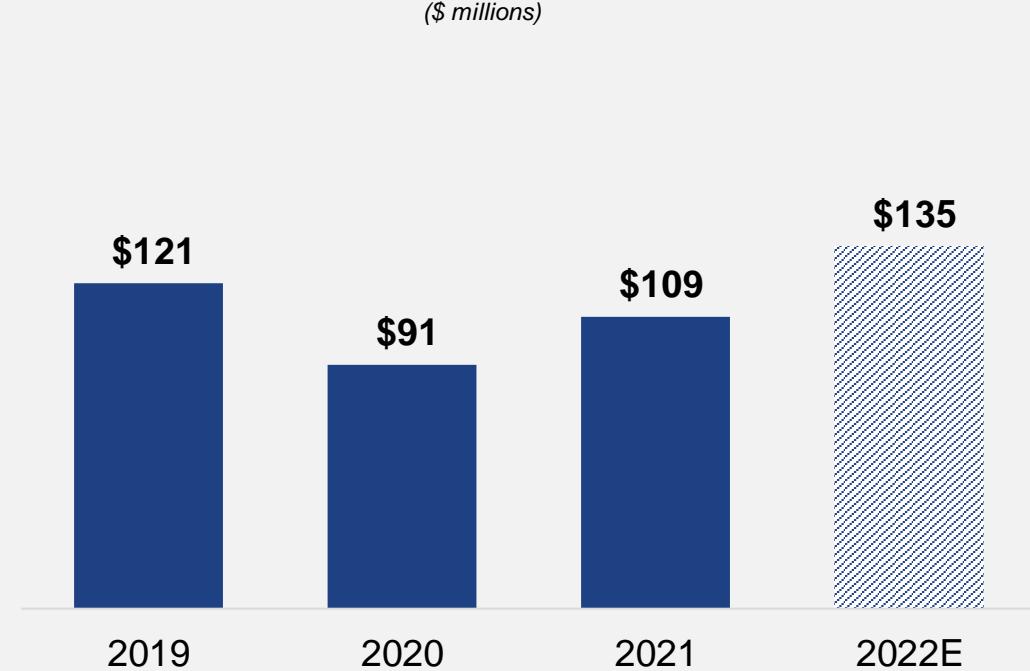


- Increase in silver production not tied to any significant increase in capital
- No significant increase in planned production costs in 2022
- Stable capital costs with no planned large construction projects

2021: Capital and Production Costs



2019 – 2022E: Capital Spend



# STRONG FREE CASH FLOW GENERATION

Positive free cash flow generation from all mines over last five quarters<sup>(2)</sup>



## Greens Creek

Generated \$236 million in Free Cash Flow since Q4/2020



## Casa Berardi

Generated \$43 million in Free Cash Flow since Q4/2020



## Lucky Friday\*

Generated \$33 million in Free Cash Flow in 2021



\*Free Cash Flow at Lucky Friday presented during periods of full production.

## Consolidated

Generated \$140 million in Free Cash Flow since Q4/2020



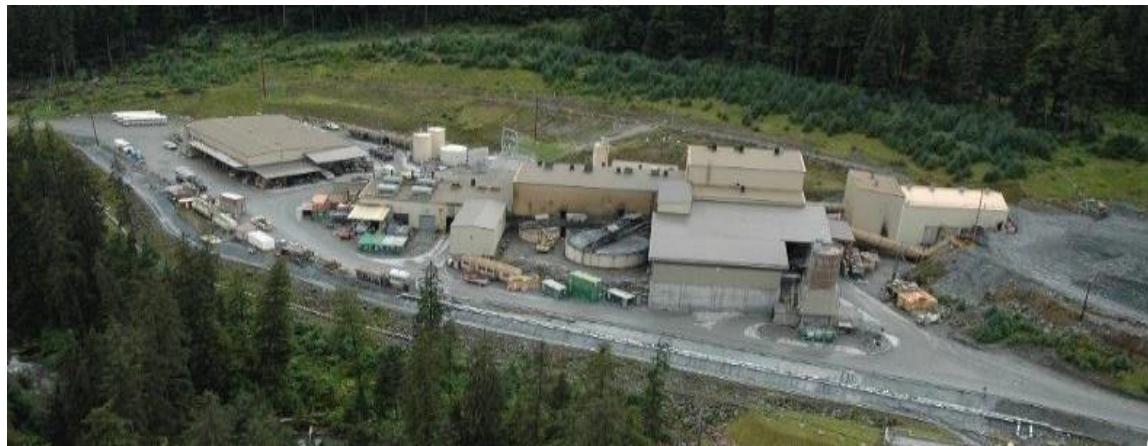
# Operations Review

# GREENS CREEK: ANOTHER SOLID YEAR



Consistent performance, low costs drive free cash flow generation at all silver prices

- Solid finish to 2021, production met guidance, **costs beat guidance** – 9.2 Moz silver produced
  - Cost of sales \$216 million
  - Cash costs per silver oz, after by-product credits, (\$0.65)
  - AISC per silver oz, after by-product credits, \$3.19
- **12% increase in reserves** to 125 Moz, **14-year reserve plan**



## Realized Silver Margins<sup>(3)</sup>

Top 15<sup>th</sup> percentile in AISC of primary silver mines



## Free Cash Flow<sup>(2)</sup>

Generated \$449 million in Free Cash Flow since 2019

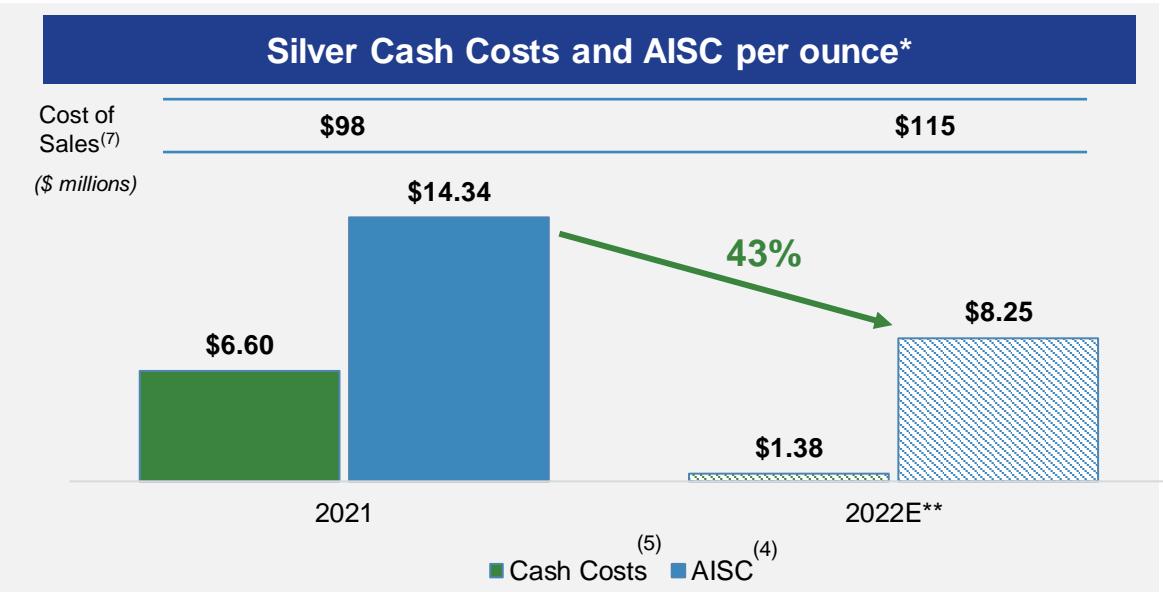
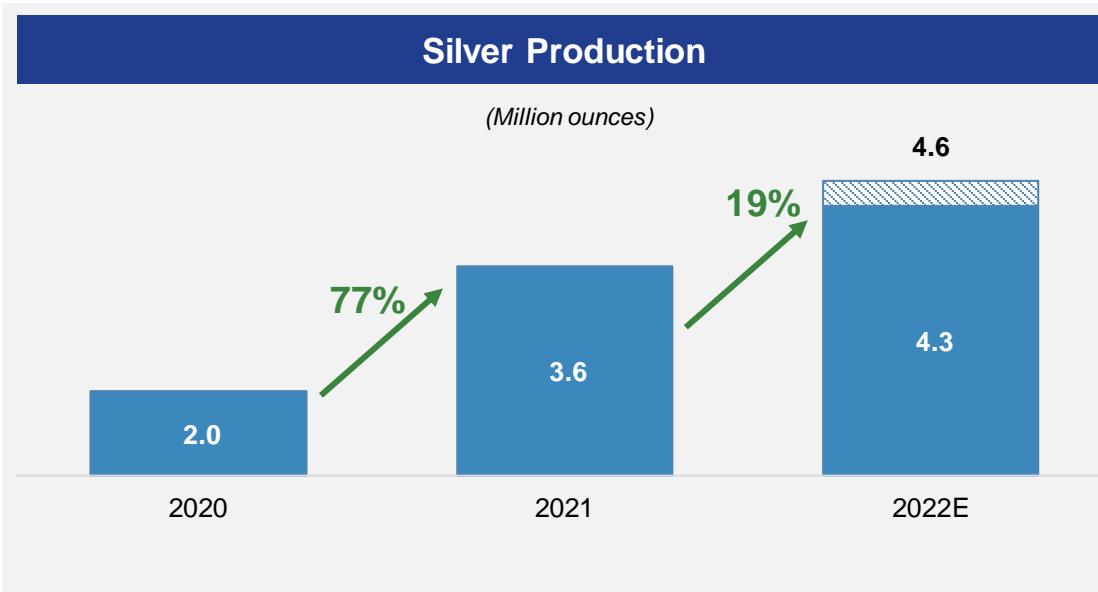


# LUCKY FRIDAY ON TRACK TO BE 5 Moz/YR PRODUCER

Underhand Closed Bench (UCB) mining method expected to improve safety, tonnage and production



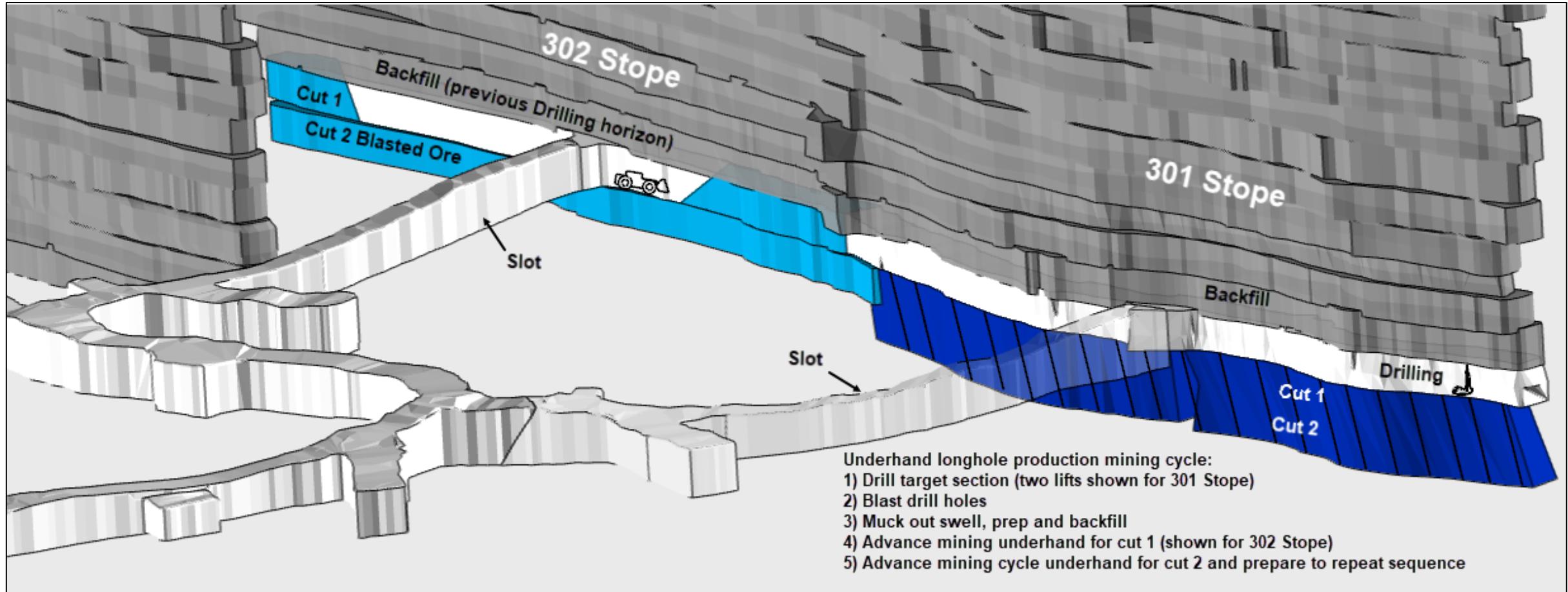
- **UCB method's success** with higher grades mined at depth position **Lucky Friday to be a flagship asset for the next decade**
- **2022E production 1.2x 2021, 2.2x 2020**, declining per ounce costs
- 2021 Reserves of 75 Moz, **17-year reserve plan**



# UCB MINING METHOD

Isometric view showing two of the four UCB stopes that produce the 30 Vein

- Large scale blasting proactively manages seismic risk – miners work inside the de-stressed zone.
- Mining front advances down-dip, under engineered backfill.

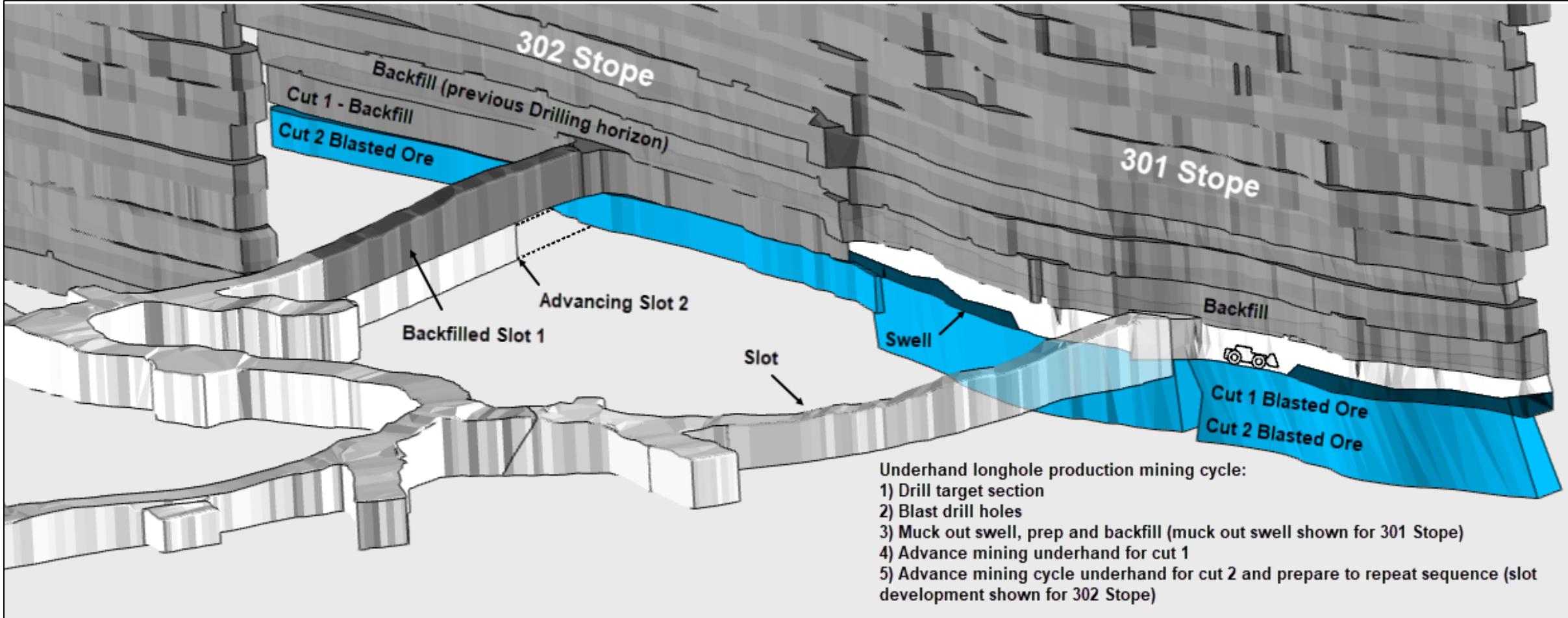


# UCB MINING METHOD

Same stope, two weeks later



- Dilution is controlled by bolting the ribs as mining advances along strike and down dip.
- High degree of mechanization and reduced seismic delays improve productivity.

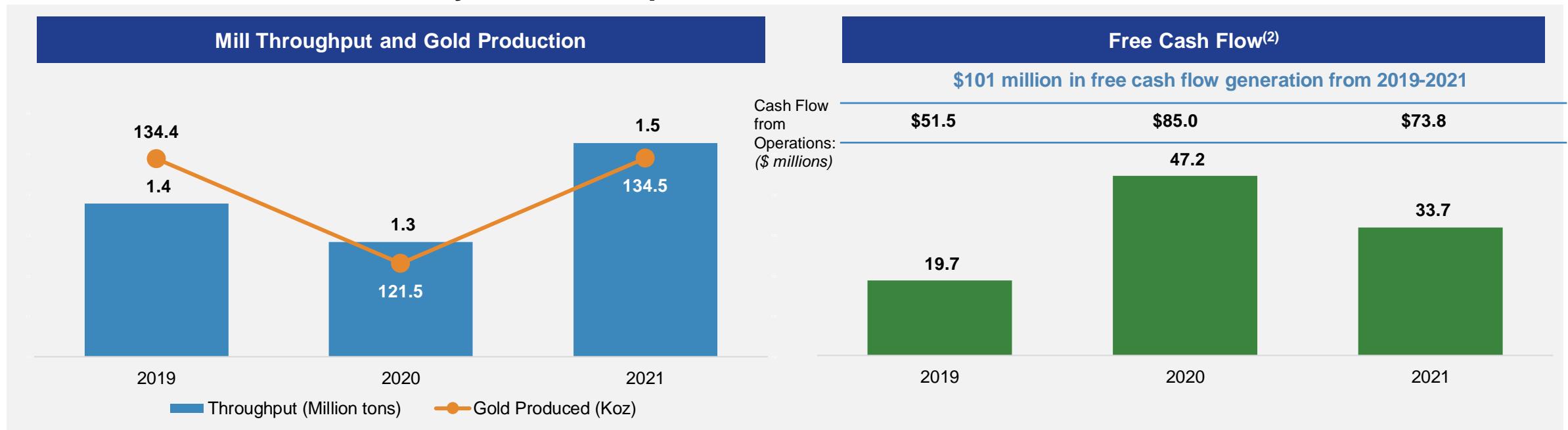


# CASA BERARDI: STRONG PRODUCTION PERFORMANCE IN 2021



Production optimization focus delivered results, 16% increase in gold reserves

- Mill achieved record throughput at 4,187 tpd; Mill recoveries +4%
- 2021: 134.5 Koz gold produced
  - Cost of sales \$230 million
  - Cash costs per gold oz, after by-product credits, \$1,125
  - AISC per gold oz, after by-product credits, \$1,399
- Gold reserves at 1.8 Moz, **14-year reserve plan**



# Guidance

# GUIDANCE: GROWING SILVER & GOLD PRODUCTION

High silver margins projected despite COVID-19 and inflation costs



<u>Consolidated Production Outlook*</u>	Silver Production (Moz)	Gold Production (Koz)	Silver Equivalent (Moz) <sup>8</sup>	Gold Equivalent (Koz) <sup>8</sup>
2022 Total	12.9 – 13.5	165 - 175	39.3 – 40.7	509 – 527
2023 Total	13.5 – 14.5	175 - 185	40.7 – 42.5	527 – 550
2024 Total	14.5 – 15.1	185 - 195	42.5 – 43.8	550 – 567

\* Production and cost outlook by mine available in the appendix

<u>2022 Consolidated Cost Outlook*</u>	Costs of Sales and other direct production (“Cost of Sales”) (million) <sup>7</sup>	Cash cost, after by-product credits, per silver/gold ounce <sup>5</sup>	AISC, after by-product credits, per produced silver/gold ounce <sup>4</sup>
Total Silver	\$345	\$0.75 - \$2.50	\$9.75 - \$11.75
Total Gold	\$210	\$1,175- \$1,325	\$1,450 - \$1,600

\* Production and cost outlook by mine available in the appendix

## 2022E Capital and Exploration Outlook

(in millions)	
Capital expenditures	\$135
Exploration & Pre-development expenditures	\$45

# Appendix

# ENDNOTES



1. Net debt to adjusted EBITDA is a non-GAAP measurement, a reconciliation of adjusted EBITDA and net debt to the closest GAAP measurements of net income (loss) and debt can be found in the appendix. It is an important measure for management to measure relative indebtedness and the ability to service the debt relative to its peers. It is calculated as total debt outstanding less total cash on hand divided by adjusted EBITDA.
2. Free cash flow is a non-GAAP measure and is calculated as cash flow from operations less additions to property, plant and equipment. Reconciliation to GAAP is shown in the appendix.
3. Realized silver margin is a non-GAAP measure and is calculated as realized market price of silver less AISC.
4. 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 appendix. AISC, after by-product credits, includes cost of sales and other direct production costs, expenses for reclamation and exploration, and sustaining capital costs at the mine sites. AISC, after by-product credits, for our consolidated silver properties also includes corporate costs for all general and administrative expenses, exploration and sustaining capital which support the operating properties. 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.
5. Cash cost, after by-product credits, per silver and gold ounce represents 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 in the Appendix. 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 primary U.S. silver 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 primary silver mining companies. With regard to Casa Berardi and Nevada Operations, management uses cash cost, after by- product credits, per gold ounce to compare its performance with other gold mines. 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.
6. Silver and gold equivalent (include zinc and lead production) is calculated using the average market prices for the time period noted.
7. Cost of sales and other direct production costs and depreciation, depletion and amortization.
8. 2022E refers to Hecla's estimates for 2022. Calculations for 2022 include silver, gold, lead and zinc production from Greens Creek, Lucky Friday and Casa Berardi Operations converted using \$1,700 gold, \$22 silver, \$1.00 lead, and \$1.50 zinc.

# ESG: SMALL FOOTPRINT, LARGE BENEFIT

Environment, Community and Safety are three pillars of our ESG program



## Safety

- Well-established safety culture
- Casa Berardi awarded the John T. Ryan Safety Award\*\*\*
- Focus on safe and efficient management of COVID-19
- **Safety of our people is foundational to running our business**

## Small Environment Footprint

- Expected to be net neutral on emissions in 2021\*
- Global footprint <3,900 acres
- Low energy use and GHG emissions
- Produced 473 AgEq oz./tonne of GHG emission vs. peers\*\* at 200 AgEq oz./tonne
- Low water use of 63 gal. per ounce produced vs. an average person/day (100 gal.)
- Focus on reclamation of Troy tailings (300 acres)

## Large Community Benefit

- Support >2,300 families
- Typically, largest employer and taxpayer in areas we operate
- Provide community support through multiple programs
- Hecla Charitable Foundation
- Alaska Chamber's Large Business of the Year in 2021

## Hecla is mining metals for a renewable energy future

- Silver and copper are the essential metals for a renewable energy future
- The U.S. imports 60% of silver and 30% of copper needs
- Hecla produces >40% of U.S. silver and is the largest U.S. silver producer with the largest U.S. silver reserve base
- Our Montana assets are the third largest undeveloped copper deposit in the world, host >2.5 billion pounds of copper and >300 million ounces of silver in inferred resources

\* On scope 1 & 2 emissions, and through the purchase of carbon offset credits.

\*\*Peers for comparison include Coeur Mining, Pan American Silver, First Majestic Silver and Newmont.

\*\*\*John T. Ryan award is a CIM (Canadian Institute of Mining, Metallurgy, and Petroleum) award, lowest reportable injury frequency rate in the Quebec/Maritime region.

# ADJUSTED EBITDA RECONCILIATION TO GAAP



## Reconciliation of Net Income (Loss) (GAAP) and Debt (GAAP) to Adjusted EBITDA (non-GAAP)

Dollars in thousands (USD)

	<u>FY 2020</u>	<u>FY 2021</u>
Net (loss) income	\$ (9,457)	\$ 35,095
Plus: Interest expense	49,569	41,945
Plus/(Less): Income and mining taxes	8,199	(29,569)
Plus: Depreciation, depletion and amortization	148,110	171,793
Plus: Ramp-up and suspension costs	24,911	23,012
Plus/(Less): Loss (gain) on disposition of properties, plants, equipment and mineral interests	572	87
Plus/(Less): Foreign exchange loss (gain)	4,605	(417)
Plus/(Less): Unrealized loss (gain) on derivative contracts	5,578	11,903
Less: Provisional price gain	(8,008)	(9,349)
Plus: Provision for closed operations and environmental matters	6,189	17,964
Plus: Stock-based compensation	6,458	6,081
(Less)/Plus: Unrealized (gain) loss on investments	(10,272)	4,295
Foundation grant	1,970	-
Adjustments of inventory to net realizable value	-	6,524
Plus/(Less): Other	<u>2,260</u>	<u>(584)</u>
 <b>Adjusted EBITDA</b>	 <u>\$ 230,684</u>	 <u>\$ 278,780</u>
Total debt	\$ 523,007	\$ 521,483
Less: Cash and cash equivalents	<u>(129,830)</u>	<u>(210,010)</u>
 Net debt	 <u>\$ 393,177</u>	 <u>\$ 311,473</u>
 <b>Net debt/LTM adjusted EBITDA (non-GAAP)</b>	 1.7x	 1.1x

# CASH COST AND AISC RECONCILIATION TO GAAP

## Silver



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 Costs, Before By-product Credits, per Ounce and All-In Sustaining Costs, After By-product Credits, per Ounce (non-GAAP)

*In thousands (except per ounce amounts)*

	<u>2021</u>	<u>2022E</u>
Cost of sales and other direct production costs and depreciation, depletion and amortization (GAAP)	\$ 314,000	\$ 345,000
Depreciation, depletion and amortization	(78,810)	(87,050)
Treatment costs	52,822	50,400
Change in product inventory	(326)	(3,000)
Reclamation and other costs	(4,600)	1,800
<b>Cash Cost, Before By-product Credits<sup>(1)</sup></b>	<b>283,086</b>	<b>307,150</b>
Reclamation and other costs	4,446	4,400
Exploration	6,817	7,900
Sustaining capital	54,309	69,100
General and administrative	34,570	38,000
<b>AISC, Before By-product Credits<sup>(1)</sup></b>	<b>383,228</b>	<b>426,550</b>
<b>Total By-product credits</b>	<b>(265,592)</b>	<b>(295,076)</b>
<b>Cash Cost, After By-product Credits, per Silver Ounce</b>	<b>\$ 17,494</b>	<b>\$ 11,074</b>
<b>AISC, After By-product Credits</b>	<b>\$ 117,636</b>	<b>\$ 131,474</b>
Divided by ounces produced	12,807	13,450
<b>Cash Cost, Before By-product Credits, per Silver Ounce</b>	<b>\$ 22.11</b>	<b>\$ 23.27</b>
By-product credits per Silver Ounce	(20.74)	(22.35)
<b>Cash Cost, After By-product Credits, per Silver Ounce</b>	<b>\$ 1.37</b>	<b>\$ 0.91</b>
<b>AISC, Before By-product Credits, per Silver Ounce</b>	<b>\$ 29.93</b>	<b>\$ 32.31</b>
By-products credit per Silver Ounce	(20.74)	(22.35)
<b>AISC, After By-product Credits, per Silver Ounce</b>	<b>\$ 9.19</b>	<b>\$ 9.96</b>
<b>Realized Silver Price</b>	<b>\$ 25.24</b>	
<b>Silver Margin (Realized Silver Price - AISC)</b>	<b>\$ 16.05</b>	

(1) Includes all direct and indirect operating costs related to the physical activities of producing metals, including mining, processing and other plant costs, third-party refining and marketing expense, on-site general and administrative costs, royalties and mining production taxes, before by-product revenues earned from all metals other than the primary metal produced at each unit. AISC, Before By-product Credits also includes on-site exploration, reclamation, and sustaining capital costs.

# CASH COST AND AISC RECONCILIATION TO GAAP

## Gold



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 Costs, Before By-product Credits, per Ounce and All-In Sustaining Costs, After By-product Credits, per Ounce (non-GAAP)

*In thousands (except per ounce amounts)*

	<u>2021</u>	<u>2022E</u>
Cost of sales and other direct production costs and depreciation, depletion and amortization (GAAP)	\$ 278,774	\$ 210,000
Depreciation, depletion and amortization	(96,085)	(58,250)
Treatment costs	3,244	500
Change in product inventory	(8,468)	1,300
Reclamation and other costs	(541)	1,200
<b>Cash Cost, Before By-product Credits<sup>(1)</sup></b>	<b>176,924</b>	<b>154,750</b>
Reclamation and other costs	1,849	900
Exploration	5,326	5,300
Sustaining capital	31,154	30,700
<b>AISC, Before By-product Credits<sup>(1)</sup></b>	<b>215,253</b>	<b>191,650</b>
Total By-product credits	(1,991)	(730)
<b>Cash Cost, After By-product Credits, per Gold Ounce</b>	<b>\$ 174,933</b>	<b>\$ 154,020</b>
AISC, After By-product Credits	\$ 213,262	\$ 190,920
Divided by ounces produced	156	153
Cash Cost, Before By-product Credits, per Gold Ounce	\$ 1,140	\$ 1,204
By-product credits per Gold Ounce	(13)	(6)
Cash Cost, After By-product Credits, per Gold Ounce	\$ 1,127	\$ 1,198
AISC, Before By-product Credits, per Gold Ounce	\$ 1,387	\$ 1,491
By-product credits per Gold Ounce	(13)	(6)
AISC, After By-product Credits, per Gold Ounce	\$ 1,374	\$ 1,485
 Realized Gold Price	 \$ 1,796	
Gold Margin (Realized Gold Price - AISC)	 \$ 422	

(1) Includes all direct and indirect operating costs related to the physical activities of producing metals, including mining, processing and other plant costs, third-party refining and marketing expense, on-site general and administrative costs, royalties and mining production taxes, before by-product revenues earned from all metals other than the primary metal produced at each unit. AISC, Before By-product Credits also includes on-site exploration, reclamation, and sustaining capital costs.

# FREE CASH FLOW (NON-GAAP) RECONCILIATION

Greens Creek, Casa Berardi and Lucky Friday



## Reconciliation of Cash provided by operating activities (GAAP) to Free Cash Flow (non-GAAP)

in thousands	Three Months Ended				
	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020
<b>Greens Creek</b>					
Cash provided (used) by operating activities	\$ 50,632	\$ 40,626	\$ 68,521	\$ 44,345	\$ 58,288
Add: Exploration	696	2,472	1,300	123	(20)
Less: Additions to properties, plants equipment and mineral reserves	(9,544)	(6,228)	(6,339)	(1,772)	(7,155)
<b>Free Cash Flow</b>	<b>\$ 41,784</b>	<b>\$ 36,870</b>	<b>\$ 63,482</b>	<b>\$ 42,696</b>	<b>\$ 51,113</b>
<b>Lucky Friday</b>					
Cash provided (used) by operating activities	\$ 16,953	\$ 15,017	\$ 19,681	\$ 10,943	\$ 7,217
Less: Additions to properties, plants equipment and mineral reserves	(9,109)	(9,133)	(5,731)	(5,912)	(11,148)
<b>Free Cash Flow</b>	<b>\$ 7,844</b>	<b>\$ 5,884</b>	<b>\$ 13,950</b>	<b>\$ 5,031</b>	<b>\$ (3,931)</b>
<b>Casa Berardi</b>					
Cash provided (used) by operating activities	\$ 10,030	\$ 17,058	\$ 15,756	\$ 30,948	\$ 24,772
Add: Exploration	2,123	4,382	1,739	1,281	924
Less: Additions to properties, plants equipment and mineral reserves	(9,537)	(11,488)	(14,745)	(13,847)	(16,427)
<b>Free Cash Flow</b>	<b>\$ 2,616</b>	<b>\$ 9,952</b>	<b>\$ 2,750</b>	<b>\$ 18,382</b>	<b>\$ 9,269</b>

# FREE CASH FLOW (NON-GAAP) RECONCILIATION

Consolidated



## Reconciliation of Cash provided by operating activities (GAAP) to Free Cash Flow (non-GAAP)

in thousands	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021
Cash provided by operating activities	\$ 64,901	\$ 37,936	\$ 86,304	\$ 42,742	\$ 53,355
Less: Capital expenditures	(36,634)	(21,413)	(31,898)	(26,899)	(28,838)
Free Cash Flow	<u>\$ 28,267</u>	<u>\$ 16,523</u>	<u>\$ 54,406</u>	<u>\$ 15,843</u>	<u>\$ 24,517</u>

# FREE CASH FLOW (NON-GAAP) RECONCILIATION

Greens Creek and Casa Berardi



## Reconciliation of Cash provided by operating activities (GAAP) to Free Cash Flow (non-GAAP)

	2021		2020		2019	
	Greens Creek	Casa Berardi	Greens Creek	Casa Berardi	Greens Creek	Casa Berardi
Cash provided by operating activities	\$ 204,124	\$ 73,791	\$ 176,621	\$ 85,202	\$ 135,222	\$ 51,469
Add: Exploration expense	4,591	9,526	354	2,864	982	4,257
Less: Additions to properties, plants equipment and mineral interests	(23,883)	(49,617)	(19,685)	(40,840)	(29,570)	(36,059)
Free Cash flow	<u>\$ 184,832</u>	<u>\$ 33,700</u>	<u>\$ 157,290</u>	<u>\$ 47,226</u>	<u>\$ 106,634</u>	<u>\$ 19,667</u>

# CASH COST AND AISC RECONCILIATION TO GAAP

## Greens Creek



**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 Costs, Before By-product Credits, per Ounce and All-In Sustaining Costs, After By-product Credits, per Ounce (non-GAAP)**

*In thousands (except per ounce amounts)*

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022E</u>
Cost of sales and other direct production costs and depreciation, depletion and amortization (GAAP)	\$ 211,719	\$ 210,748	\$ 216,215	\$ 230,000
Depreciation, depletion and amortization	(47,587)	(49,692)	(51,812)	(47,900)
Treatment costs	48,487	77,122	36,099	34,750
Change in product inventory	(1,155)	(3,144)	80	(1,500)
Reclamation and other costs	(2,523)	(1,608)	(3,466)	500
<b>Cash Cost, Before By-product Credits<sup>(1)</sup></b>	<b>208,941</b>	<b>233,426</b>	<b>197,116</b>	<b>215,850</b>
Reclamation and other costs	2,949	3,154	3,390	3,400
Exploration	982	354	4,591	4,900
Sustaining capital	35,829	28,797	27,582	40,200
<b>AISC, Before By-product Credits<sup>(1)</sup></b>	<b>248,701</b>	<b>265,731</b>	<b>232,679</b>	<b>264,350</b>
Total By-product credits	(189,415)	(182,221)	(203,147)	(207,341)
<b>Cash Cost, After By-product Credits</b>	<b>\$ 19,526</b>	<b>\$ 51,205</b>	<b>\$ (6,031)</b>	<b>\$ 8,509</b>
<b>AISC, After By-product Credits</b>	<b>\$ 59,286</b>	<b>\$ 83,510</b>	<b>\$ 29,532</b>	<b>\$ 57,009</b>
Divided by ounces produced	9,890	10,495	9,243	8,750
Cash Cost, Before By-product Credits, per Silver Ounce	\$ 21.12	\$ 22.24	\$ 21.33	\$ 24.67
By-products credits per Silver Ounce	(19.15)	(17.36)	(21.98)	(23.70)
Cash Cost, After By-product Credits, per Silver Ounce	\$ 1.97	\$ 4.88	\$ (0.65)	\$ 0.97
AISC, Before By-product Credits, per Silver Ounce	\$ 25.14	\$ 25.33	\$ 25.17	\$ 30.21
By-product credits per Silver Ounce	(19.15)	(17.36)	(21.98)	(23.70)
AISC, After By-product Credits, per Silver Ounce	\$ 5.99	\$ 7.97	\$ 3.19	\$ 6.51
Realized Silver Price	\$ 16.16	\$ 21.15	\$ 21.15	
Silver Margin (Realized Silver Price - AISC)	\$ 10.17	\$ 13.18	\$ 17.96	

1. Includes all direct and indirect operating costs related to the physical activities of producing metals, including mining, processing and other plant costs, third-party refining and marketing expense, non-discretionary on-site general and administrative costs, royalties and mining production taxes, before by-product revenues earned from all metals other than the primary metal produced at each unit. AISC, Before By-product Credits also includes on-site exploration, reclamation, and sustaining capital costs.

# CASH COST AND AISC RECONCILIATION TO GAAP

## Lucky Friday



**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 Costs, Before By-product Credits, per Ounce and All-In Sustaining Costs, After By-product Credits, per Ounce (non-GAAP)**

*In thousands (except per ounce amounts)*

	<u>2021</u>	<u>2022E</u>
Cost of sales and other direct production costs and depreciation, depletion and amortization (GAAP)	\$ 97,538	\$ 115,000
Depreciation, depletion and amortization	(26,846)	(39,150)
Treatment costs	16,723	15,650
Change in product inventory	(406)	(1,500)
Reclamation and other costs	<u>(1,039)</u>	<u>1,300</u>
<b>Cash Cost, Before By-product Credits<sup>(1)</sup></b>	<b>85,970</b>	<b>91,300</b>
Reclamation and other costs	1,056	1,000
<b>Sustaining capital</b>	<b>26,517</b>	<b>28,900</b>
AISC, Before By-product Credits <sup>(1)</sup>	113,543	121,200
<b>Total By-product credits</b>	<b>(62,445)</b>	<b>(87,735)</b>
<b>Cash Cost, After By-product Credits, per Silver Ounce</b>	<b>\$ 23,525</b>	<b>\$ 3,565</b>
AISC, After By-product Credits	\$ 51,098	\$ 33,465
Divided by ounces produced	3,564	4,450
<b>Cash Cost, Before By-product Credits, per Silver Ounce</b>	<b>\$ 24.12</b>	<b>\$ 20.52</b>
By-products credits per Silver Ounce	(17.52)	(19.72)
<b>Cash Cost, After By-product Credits, per Silver Ounce</b>	<b>\$ 6.60</b>	<b>\$ 0.80</b>
AISC, Before By-product Credits, per Silver Ounce	\$ 31.86	\$ 27.24
By-products credits per Silver Ounce	(17.52)	(19.72)
<b>AISC, After By-product Credits, per Silver Ounce</b>	<b>\$ 14.34</b>	<b>\$ 7.52</b>

1. Includes all direct and indirect operating costs related to the physical activities of producing metals, including mining, processing and other plant costs, third-party refining and marketing expense, non-discretionary on-site general and administrative costs, royalties and mining production taxes, before by-product revenues earned from all metals other than the primary metal produced at each unit. AISC, Before By-product Credits also includes on-site exploration, reclamation, and sustaining capital costs.

# CASH COST AND AISC RECONCILIATION TO GAAP

**Casa Berardi**



**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 Costs, Before By-product Credits, per Ounce and All-In Sustaining Costs, After By-product Credits, per Ounce (non-GAAP)**

*In thousands (except per ounce amounts)*

	<b>2021</b>	<b>2022E</b>
Cost of sales and other direct production costs and depreciation, depletion and amortization (GAAP)	\$ 229,829	\$ 210,000
Depreciation, depletion and amortization	(80,744)	(58,250)
Treatment costs	1,513	500
Change in product inventory	2,439	1,300
Reclamation and other costs	(841)	1,200
Cash cost, before by-product credits <sup>(1)</sup>	152,196	154,750
Reclamation and other costs	841	900
Exploration	5,326	5,300
Sustaining capital	30,643	30,700
AISC, Before By-product Credits <sup>(1)</sup>	189,006	191,650
Total By-products credits	(839)	(730)
Cash Cost, After By-product Credits	<u>\$ 151,357</u>	<u>\$ 154,020</u>
AISC, After By-product Credits	<u>\$ 188,167</u>	<u>\$ 190,920</u>
Divided by ounces produced	135	127
Cash Cost, Before By-product Credits, per Gold Ounce	\$ 1,131	\$ 1,204
By-product credits per Gold Ounce	(6.00)	(6.00)
Cash Cost, After By-product Credits, per Gold Ounce	<u>\$ 1,125</u>	<u>\$ 1,199</u>
AISC, Before By-product Credits, per Gold Ounce	\$ 1,405	\$ 1,491
By-product credits per Gold Ounce	(6.00)	(6.00)
AISC, After By-product Credits, per Gold Ounce	<u>\$ 1,399</u>	<u>\$ 1,486</u>
Realized Gold Price	\$ 1,796	
Gold Margin (Realized Gold Price - AISC)	<u>\$ 397</u>	

1. Includes all direct and indirect operating costs related to the physical activities of producing metals, including mining, processing and other plant costs, third-party refining and marketing expense, non-discretionary on-site general and administrative costs, royalties and mining production taxes, before by-product revenues earned from all metals other than the primary metal produced at each unit. AISC, Before By-product Credits also includes on-site exploration, reclamation, and sustaining capital costs.

# CASH COST AND AISC RECONCILIATION TO GAAP

## 2022 silver and gold estimates

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 Costs, Before By-product Credits, per Ounce and All-In Sustaining Costs, After By-product Credits, per Ounce (non-GAAP)



In thousands (except per ounce amounts)	<b>Silver</b>	<b>Gold</b>
	<b>2022E</b>	<b>2022E</b>
Cost of sales and other direct production costs and depreciation, depletion and amortization (GAAP)	\$ 345,000	\$ 210,000
Depreciation, depletion and amortization	(87,050)	(58,250)
Treatment costs	50,400	500
Change in product inventory	(3,000)	1,300
Reclamation and other costs	<u>1,800</u>	<u>1,200</u>
<b>Cash Cost, Before By-product Credits<sup>(1)</sup></b>	<b>307,150</b>	<b>154,750</b>
Reclamation and other costs	4,400	900
Exploration	7,900	5,300
Sustaining capital	69,100	30,700
General and administrative	<u>38,000</u>	-
<b>AISC, Before By-product Credits<sup>(1)</sup></b>	<b>426,550</b>	<b>191,650</b>
<b>Total By-product credits</b>	<b>(295,076)</b>	<b>(730)</b>
<b>Cash Cost, After By-product Credits, per Silver/Gold Ounce</b>	<b>\$ 12,074</b>	<b>\$ 154,020</b>
<b>AISC, After By-product Credits</b>	<b>\$ 131,474</b>	<b>\$ 190,920</b>
Divided by ounces produced	13,450	153
Cash Cost, Before By-product Credits, per Silver/Gold Ounce	\$ 23.27	\$ 1,204
By-product credits per Silver/Gold Ounce	<u>(22.35)</u>	(6)
Cash Cost, After By-product Credits, per Silver/Gold Ounce	<u>\$ 0.91</u>	<u>\$ 1,199</u>
AISC, Before By-product Credits, per Silver/Gold Ounce	\$ 32.31	\$ 1,491
By-products credit per Silver/Gold Ounce	<u>(22.35)</u>	(6)
<b>AISC, After By-product Credits, per Silver/Gold Ounce</b>	<b>\$ 9.96</b>	<b>\$ 1,486</b>

1. Includes all direct and indirect operating costs related directly to the physical activities of producing metals, including mining, processing and other plant costs, third-party refining and marketing expense, on-site general and administrative costs, and royalties, after by-product revenues earned from all metals other than the primary metal produced at each unit. AISC, Before By-product Credits also includes on-site exploration, reclamation, and sustaining capital cost.

NYSE: HL 2. AISC, Before By-product Credits for our consolidated silver properties includes corporate costs for general and administrative expense, exploration and sustaining capital.

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# 2022 GUIDANCE: PRODUCTION AND COSTS



<u>2022 Production Outlook</u>	Silver Production (Moz)	Gold Production (Koz)	Silver Equivalent (Moz) <sup>6</sup>	Gold Equivalent (Koz) <sup>6</sup>
<b>Greens Creek*</b>	<b>8.6 – 8.9</b>	<b>40 – 43</b>	<b>20.7 – 21.2</b>	<b>268 – 275</b>
<b>Lucky Friday*</b>	<b>4.3 – 4.6</b>	<b>N/A</b>	<b>8.9 – 9.3</b>	<b>116 – 120</b>
<b>Casa Berardi</b>	<b>N/A</b>	<b>125 - 132</b>	<b>9.7 – 10.2</b>	<b>125 - 132</b>
<b>2022 Total</b>	<b>12.9 – 13.5</b>	<b>165 - 175</b>	<b>39.3 – 40.7</b>	<b>509 - 527</b>

\* Equivalent ounces include lead and zinc production

<u>2022 Consolidated Cost Outlook</u>	Costs of Sales and other direct production (“Cost of Sales”) (million) <sup>7</sup>	Cash cost, after by-product credits, per silver/gold ounce <sup>5</sup>	AISC, after by-product credits, per produced silver/gold ounce <sup>4</sup>
<b>Greens Creek</b>	<b>\$230</b>	<b>\$0.75 - \$2.50</b>	<b>\$6.50 - \$8.50</b>
<b>Lucky Friday</b>	<b>\$115</b>	<b>\$0.75- \$2.00</b>	<b>\$7.25 - \$9.25</b>
<b>Total Silver</b>	<b>\$345</b>	<b>\$0.75 - \$2.50</b>	<b>\$9.75 - \$11.75</b>
<b>Casa Berardi</b>	<b>\$210</b>	<b>\$1,175 - \$1,325</b>	<b>\$1,450 - \$1,600</b>

## 2022E Capital and Exploration Outlook

(in millions)	
<b>Capital expenditures<sup>8</sup></b>	<b>\$135</b>
<b>Exploration &amp; Pre-development expenditures<sup>8</sup></b>	<b>\$45</b>

# PROVEN & PROBABLE MINERAL RESERVES<sup>(1)</sup>

(On December 31, 2021 unless otherwise noted)



Proven Reserves <sup>(1)</sup>												
Asset	Location	Ownership	Tons (000)	Silver (oz/ton)	Gold (oz/ton)	Lead %	Zinc %	Copper %	Silver (000 oz)	Gold (000 oz)	Lead Tons	Zinc Tons
Greens Creek <sup>(2,3)</sup>	United States	100.0%	2	9.6	0.08	1.7	4.5	-	18	0.1	30	80
Lucky Friday <sup>(2,4)</sup>	United States	100.0%	4,691	13.9	-	8.4	3.4	-	65,313	-	395,290	159,360
Casa Berardi Open Pit <sup>(2,5)</sup>	Canada	100.0%	4,763	-	0.10	-	-	-	-	453	-	-
Casa Berardi Underground <sup>(2,5)</sup>	Canada	100.0%	923	-	0.16	-	-	-	-	143	-	-
<b>Total.....</b>			<b>10,378</b>						<b>65,331</b>	<b>596</b>	<b>395,320</b>	<b>159,440</b>

Probable Reserves <sup>(6)</sup>												
Asset	Location	Ownership	Tons (000)	Silver (oz/ton)	Gold (oz/ton)	Lead %	Zinc %	Copper %	Silver (000 oz)	Gold (000 oz)	Lead (Tons)	Zinc (Tons)
Greens Creek <sup>(2,3)</sup>	United States	100.0%	11,074	11.3	0.09	2.5	6.6	-	125,201	946	282,220	725,830
Lucky Friday <sup>(2,4)</sup>	United States	100.0%	765	12.3	-	7.5	2.8	-	9,386	-	57,160	21,650
Casa Berardi Open Pit <sup>(2,5)</sup>	Canada	100.0%	13,371	-	0.07	-	-	-	-	928	-	-
Casa Berardi Underground <sup>(2,5)</sup>	Canada	100.0%	1,695	-	0.15	-	-	-	-	259	-	-
<b>Total.....</b>			<b>26,905</b>						<b>134,587</b>	<b>2,133</b>	<b>339,380</b>	<b>747,480</b>

Proven and Probable Reserves												
Asset	Location	Ownership	Tons (000)	Silver (oz/ton)	Gold (oz/ton)	Lead %	Zinc %	Copper %	Silver (000 oz)	Gold (000 oz)	Lead (Tons)	Zinc (Tons)
Greens Creek <sup>(2,3)</sup>	United States	100.0%	11,076	11.3	0.09	2.5	6.6	-	125,219	946	282,250	725,920
Lucky Friday <sup>(2,4)</sup>	United States	100.0%	5,456	13.7	-	8.3	3.3	-	74,699	-	452,440	181,020
Casa Berardi Open Pit <sup>(2,5)</sup>	Canada	100.0%	18,134	-	0.08	-	-	-	-	1,381	-	-
Casa Berardi Underground <sup>(2,5)</sup>	Canada	100.0%	2,618	-	0.15	-	-	-	-	403	-	-
<b>Total.....</b>			<b>37,283</b>						<b>199,918</b>	<b>2,730</b>	<b>734,690</b>	<b>906,940</b>

<sup>(1)</sup> The term "reserve" means an estimate of tonnage and grade or quality of indicated and measured mineral resources that, in the opinion of the qualified person, can be the basis of an economically viable project.

More specifically, it is the economically mineable part of a measured or indicated mineral resource, which includes diluting materials and allowances for losses that may occur when the material is mined or extracted.

The term "proven reserves" means the economically mineable part of a measured mineral resource and can only result from conversion of a measured mineral resource. See footnotes 7 and 8 below.

<sup>(2)</sup> Mineral reserves are based on \$17/oz silver, \$1600/oz gold, \$0.90/lb lead, \$1.15/lb zinc, unless otherwise stated.

<sup>(3)</sup> The reserve NSR cut-off grades for Greens Creek are \$215/ton for all zones at Greens Creek except the Gallagher Zone at \$220/ton; metallurgical recoveries (actual 2021): 81% for silver, 72% for gold, 82% for lead, and 90% for zinc.

<sup>(4)</sup> The reserve NSR cut-off grades for Lucky Friday are \$216.19 for the 30 Vein and \$230.98 for the Intermediate Veins; metallurgical recoveries (actual 2021): 95% for silver, 95% for lead, and 90% for zinc

<sup>(5)</sup> The average reserve cut-off grades at Casa Berardi are 0.101 oz/ton gold underground and 0.037 oz/ton gold for open pit. Metallurgical recovery (actual 2021): 85% for gold; US\$/CANS exchange rate: 1:1.275.

<sup>(6)</sup> The term "probable reserves" means the economically mineable part of an indicated and, in some cases, a measured mineral resource. See footnotes 8 and 9 below.

Totals may not represent the sum of parts due to rounding.

All estimates are in-situ except for the proven reserves at Greens Creek which are in surface stockpiles.

# MEASURED AND INDICATED MINERAL RESOURCES

(On December 31, 2021 unless otherwise noted)



Measured Resources <sup>(8)</sup>													
Asset	Location	Ownership	Tons (000)	Silver (oz/ton)	Gold (oz/ton)	Lead %	Zinc %	Copper %	Silver (000 oz)	Gold (000 oz)	Lead (Tons)	Zinc (Tons)	Copper Tons
Greens Creek <sup>(11,12)</sup>	United States	100.0%	-	-	-	-	-	-	-	-	-	-	-
Lucky Friday <sup>(11,13)</sup>	United States	100.0%	8,652	7.6	-	4.9	2.5	-	65,752	-	425,100	213,480	-
Casa Berardi Open Pit <sup>(11,14)</sup>	Canada	100.0%	96	-	0.04	-	-	-	-	4	-	-	-
Casa Berardi Underground <sup>(11,14)</sup>	Canada	100.0%	2,272	-	0.15	-	-	-	-	351	-	-	-
Fire Creek <sup>(16,17)</sup>	United States	100.0%	20	0.7	0.50	-	-	-	14	10	-	-	-
Hollister <sup>(16,18)</sup>	United States	100.0%	18	4.9	0.59	-	-	-	87	10	-	-	-
Midas <sup>(16,19)</sup>	United States	100.0%	2	7.6	0.68	-	-	-	14	1	-	-	-
<b>Total.....</b>			<b>11,060</b>						<b>65,867</b>	<b>377</b>	<b>425,100</b>	<b>213,480</b>	<b>-</b>
Indicated Resources <sup>(9)</sup>													
Asset	Location	Ownership	Tons (000)	Silver (oz/ton)	Gold (oz/ton)	Lead %	Zinc %	Copper %	Silver (000 oz)	Gold (000 oz)	Lead (Tons)	Zinc (Tons)	Copper Tons
Greens Creek <sup>(11,12)</sup>	United States	100.0%	8,355	12.8	0.10	3.0	8.4	-	106,670	836	250,040	701,520	-
Lucky Friday <sup>(11,13)</sup>	United States	100.0%	1,841	7.6	-	5.1	2.4	-	14,010	-	93,140	44,120	-
Casa Berardi Open Pit <sup>(11,14)</sup>	Canada	100.0%	420	-	0.03	-	-	-	-	14	-	-	-
Casa Berardi Underground <sup>(11,14)</sup>	Canada	100.0%	4,976	-	0.14	-	-	-	-	685	-	-	-
San Sebastian - Oxide <sup>(15)</sup>	Mexico	100.0%	1,453	6.5	0.09	-	-	-	9,430	135	-	-	-
San Sebastian - Sulfide <sup>(15)</sup>	Mexico	100.0%	1,187	5.5	0.01	1.9	2.9	1.2	6,579	16	22,420	34,100	14,650
Fire Creek <sup>(16,17)</sup>	United States	100.0%	113	1.0	0.45	-	-	-	114	51	-	-	-
Hollister <sup>(16,18)</sup>	United States	100.0%	70	1.9	0.58	-	-	-	130	40	-	-	-
Midas <sup>(16,19)</sup>	United States	100.0%	76	5.7	0.42	-	-	-	430	32	-	-	-
Heva <sup>(20)</sup>	Canada	100.0%	1,266	-	0.06	-	-	-	-	76	-	-	-
Hosco <sup>(20)</sup>	Canada	100.0%	29,287	-	0.04	-	-	-	-	1,201	-	-	-
Star <sup>(21)</sup>	United States	100.0%	1,126	2.9	-	6.2	7.4	-	3,301	-	69,900	83,410	-
<b>Total.....</b>			<b>50,168</b>						<b>140,663</b>	<b>3,088</b>	<b>435,500</b>	<b>863,150</b>	<b>14,650</b>
Measured & Indicated Resources													
Asset	Location	Ownership	Tons (000)	Silver (oz/ton)	Gold (oz/ton)	Lead %	Zinc %	Copper %	Silver (000 oz)	Gold (000 oz)	Lead (Tons)	Zinc (Tons)	Copper Tons
Greens Creek <sup>(11,12)</sup>	United States	100.0%	8,355	12.8	0.10	3.0	8.4	-	106,670	836	250,040	701,520	-
Lucky Friday <sup>(11,13)</sup>	United States	100.0%	10,493	7.6	-	4.9	2.5	-	79,762	-	518,240	257,600	-
Casa Berardi Open Pit <sup>(11,14)</sup>	Canada	100.0%	516	-	0.03	-	-	-	-	18	-	-	-
Casa Berardi Underground <sup>(11,14)</sup>	Canada	100.0%	7,248	-	0.14	-	-	-	-	1,036	-	-	-
San Sebastian - Oxide <sup>(15)</sup>	Mexico	100.0%	1,453	6.5	0.09	-	-	-	9,430	135	-	-	-
San Sebastian - Sulfide <sup>(15)</sup>	Mexico	100.0%	1,187	5.5	0.01	1.9	2.9	1.2	6,579	16	22,420	34,100	14,650
Fire Creek <sup>(16,17)</sup>	United States	100.0%	134	1.0	0.46	-	-	-	128	61	-	-	-
Hollister <sup>(16,18)</sup>	United States	100.0%	88	2.5	0.58	-	-	-	217	51	-	-	-
Midas <sup>(16,19)</sup>	United States	100.0%	78	5.7	0.43	-	-	-	444	33	-	-	-
Heva <sup>(20)</sup>	Canada	100.0%	1,266	-	0.06	-	-	-	-	76	-	-	-
Hosco <sup>(20)</sup>	Canada	100.0%	29,287	-	0.04	-	-	-	-	1,201	-	-	-
Star <sup>(21)</sup>	United States	100.0%	1,126	2.9	-	6.2	7.4	-	3,301	-	69,900	83,410	-
<b>Total.....</b>			<b>61,229</b>						<b>206,530</b>	<b>3,464</b>	<b>860,600</b>	<b>1,076,630</b>	<b>14,650</b>

Investors are cautioned that Reserves and Resources are as of December 31, 2021, and are dynamic during the year due to mining depletion, changing metal prices, changing costs or project economics, and new drill or mining information. These factors can impact Reserves and Resources either positively or negatively.

# INFERRRED MINERAL RESOURCES

(On December 31, 2021 unless otherwise noted)



Inferred Resources <sup>(10)</sup>													
Asset	Location	Ownership	Tons (000)	Silver (oz/ton)	Gold (oz/ton)	Lead %	Zinc %	Copper %	Silver (000 oz)	Gold (000 oz)	Lead (Tons)	Zinc (Tons)	Copper Tons
Greens Creek <sup>(11,12)</sup>	United States	100.0%	2,152	12.8	0.08	2.8	6.8	-	27,508	164	60,140	146,020	-
Lucky Friday <sup>(11,13)</sup>	United States	100.0%	5,377	7.8	-	5.8	2.4	-	41,872	-	311,850	129,600	-
Casa Berardi Open Pit <sup>(11,14)</sup>	Canada	100.0%	7,886	-	0.05	-	-	-	-	383	-	-	-
Casa Berardi Underground <sup>(11,14)</sup>	Canada	100.0%	2,239	-	0.18	-	-	-	-	408	-	-	-
San Sebastian - Oxide <sup>(15)</sup>	Mexico	100.0%	3,490	6.4	0.05	-	-	-	22,353	182	-	-	-
San Sebastian - Sulfide <sup>(15)</sup>	Mexico	100.0%	385	4.2	0.01	1.6	2.3	0.9	1,606	5	6,070	8,830	3,330
Fire Creek <sup>(16,17)</sup>	United States	100.0%	765	0.5	0.51	-	-	-	394	392	-	-	-
Fire Creek - Open Pit <sup>(22)</sup>	United States	100.0%	74,584	0.1	0.03	-	-	-	5,232	2,178	-	-	-
Hollister <sup>(16,18)</sup>	United States	100.0%	642	3.0	0.42	-	-	-	1,916	273	-	-	-
Midas <sup>(16,19)</sup>	United States	100.0%	1,232	6.3	0.50	-	-	-	7,723	615	-	-	-
Heva <sup>(20)</sup>	Canada	100.0%	2,787	-	0.08	-	-	-	-	216	-	-	-
Hosco <sup>(20)</sup>	Canada	100.0%	17,726	-	0.04	-	-	-	-	663	-	-	-
Star <sup>(21)</sup>	United States	100.0%	3,157	2.9	-	5.6	5.5	-	9,432	-	178,670	174,450	-
San Juan Silver <sup>(23)</sup>	United States	100.0%	3,594	11.3	0.01	1.4	1.1	-	40,716	36	51,750	40,800	-
Monte Cristo <sup>(24)</sup>	United States	100.0%	913	0.3	0.14	-	-	-	271	131	-	-	-
Rock Creek <sup>(25)</sup>	United States	100.0%	100,086	1.5	-	-	-	0.7	148,736	-	-	-	658,680
Montanore <sup>(26)</sup>	United States	100.0%	112,185	1.6	-	-	-	0.7	183,346	-	-	-	759,420
<b>Total.....</b>			<b>339,200</b>						<b>491,103</b>	<b>5,644</b>	<b>608,480</b>	<b>499,700</b>	<b>1,421,430</b>

Totals may not represent the sum of parts due to rounding

All estimates are in-situ. Mineral resources are exclusive of reserves.

Investors are cautioned that Reserves and Resources are as of December 31, 2021, and are dynamic during the year due to mining depletion, changing metal prices, changing costs or project economics, and new drill or mining information. These factors can impact Reserves and Resources either positively or negatively.

# MINERAL RESOURCES FOOTNOTES

<sup>(7)</sup> The term "mineral resources" means a concentration or occurrence of material of economic interest in or on the Earth's crust in such form, grade or quality, and quantity that there are reasonable prospects for economic extraction. A mineral resource is a reasonable estimate of mineralization, taking into account relevant factors such as cut-off grade, likely mining dimensions, location or continuity, that, with the assumed and justifiable technical and economic conditions, is likely to, in whole or in part, become economically extractable. It is not merely an inventory of all mineralization drilled or sampled.

<sup>(8)</sup> The term "measured resources" means that part of a mineral resource for which quantity and grade or quality are estimated on the basis of conclusive geological evidence and sampling. The level of geological certainty associated with a measured mineral resource is sufficient to allow a qualified person to apply modifying factors, as defined in this section, in sufficient detail to support detailed mine planning and final evaluation of the economic viability of the deposit. Because a measured mineral resource has a higher level of confidence than the level of confidence of either an indicated mineral resource or an inferred mineral resource, a measured mineral resource may be converted to a proven mineral reserve or to a probable mineral reserve.

<sup>(9)</sup> The term "indicated resources" means that part of a mineral resource for which quantity and grade or quality are estimated on the basis of adequate geological evidence and sampling. The level of geological certainty associated with a indicated mineral resource is sufficient to allow a qualified person to apply modifying factors in sufficient detail to support mine planning and evaluation of the economic viability of the deposit. Because an indicated mineral resource has a lower level of confidence than the level of confidence of a measured mineral resource, an indicated mineral resource may only be converted to a probable mineral reserve.

<sup>(10)</sup> The term "inferred resources" means that part of a mineral resource for which quantity and grade or quality are estimated on the basis of limited geological evidence and sampling. The level of geological uncertainty associated with an inferred mineral resource is too high to apply relevant technical and economic factors likely to influence the prospects of economic extraction in a manner useful for evaluation of economic viability. Because an inferred mineral resource has the lowest level of geological confidence of all mineral resources, which prevents the application of the modifying factors in a manner useful for evaluation of economic viability, an inferred mineral resource may not be considered when assessing the economic viability of a mining project, and may not be converted to a mineral reserve.

<sup>(11)</sup> Mineral resources are based on \$1700/oz gold, \$21/oz silver, \$1.15/lb lead, \$1.35/lb zinc and \$3.00/lb copper, unless otherwise stated.

<sup>(12)</sup> The resource NSR cut-off grades for Greens Creek are \$215/ton for all zones at Greens Creek except the Gallagher Zone at \$220/ton; metallurgical recoveries (actual 2021): 81% for silver, 72% for gold, 82% for lead, and 90% for zinc.

<sup>(13)</sup> The resource NSR cut-off grades for Lucky Friday are \$170.18 for the 30 Vein, \$184.97 for the Intermediate Veins and \$207.15 for the Lucky Friday Vein; metallurgical recoveries (actual 2021): 95% for silver, 95% for lead, and 90% for zinc.

<sup>(14)</sup> The average resource cut-off grades at Casa Berardi are 0.089 oz/ton gold for underground and 0.036 oz/ton gold for open pit; metallurgical recovery (actual 2021): 85% for gold; US\$/CANS exchange rate: 1:1.275.

<sup>(15)</sup> Indicated resources for most zones at San Sebastian based on \$1500/oz gold, \$21/oz silver, \$1.15/lb lead, \$1.35/lb zinc and \$3.00/lb copper using a cut-off grade of \$90.72/ton (\$100/tonne); \$1700/oz gold used for Toro, Bronco, and Tigre zones. Metallurgical recoveries based on grade dependent recovery curves: recoveries at the mean resource grade average 89% for silver and 84% for gold for oxide material and 85% for silver, 83% for gold, 81% for lead, 86% for zinc, and 83% for copper for sulfide material. Resources reported at a minimum mining width of 8.2 feet (2.5m) for Middle Vein, North Vein, and East Francine, 6.5ft (1.98m) for El Toro, El Bronco, and El Tigre, and 4.9 feet (1.5 m) for Hugh Zone and Andrea.

<sup>(16)</sup> Mineral resources for Fire Creek, Hollister and Midas are reported using \$1500/oz gold and \$21/oz silver prices, unless otherwise noted. A minimum mining width is defined as four feet or the vein true thickness plus two feet, whichever is greater.

<sup>(17)</sup> Fire Creek mineral resources are reported at a gold equivalent cut-off grade of 0.283 oz/ton. Metallurgical recoveries: 90% for gold and 70% for silver.

<sup>(18)</sup> Hollister mineral resources, including the Hatter Graben are reported at a gold equivalent cut-off grade of 0.238 oz/ton. Metallurgical recoveries: 88% for gold and 66% for silver

<sup>(19)</sup> Midas mineral resources are reported at a gold equivalent cut-off grade of 0.237 oz/ton. Metallurgical recoveries: 90% for gold and 70% for silver. A gold-equivalent cut-off grade of 0.1 oz/ton and a gold price of \$1700/oz used for Sinter Zone with resources undiluted.

<sup>(20)</sup> Measured, indicated and inferred resources at Heva and Hosco are based on \$1,500/oz gold. Resources are without dilution or material loss at a gold cut-off grade of 0.01 oz/ton for open pit and 0.088 oz/ton for underground. Metallurgical recovery: Heva: 95% for gold, Hosco: 87.7% for gold.

<sup>(21)</sup> Indicated and Inferred resources at the Star property are reported using \$21 silver, \$0.95 lead, \$1.10 lead, a minimum mining width of 4.3 feet and a cut-off grade of \$100/ton; Metallurgical recovery: 93% for silver, 93% for lead, and 87% for zinc.

<sup>(22)</sup> Inferred open-pit resources for Fire Creek calculated November 30, 2017 using gold and silver recoveries of 65% and 30% for oxide material and 60% and 25% for mixed oxide-sulfide material. Indicated Resources reclassified as Inferred in 2019. Open pit resources are calculated at \$1400 gold and \$19.83 silver and cut-off grade of 0.01 Au Equivalent oz/ton and is inclusive of 10% mining dilution and 5% ore loss. Open pit mineral resources exclusive of underground mineral resources.

<sup>(23)</sup> Inferred resources reported at a minimum mining width of 6.0 feet for Bulldog and a cut-off grade of 6.0 equivalent oz/ton silver and 5.0 feet for Equity and North Amethyst vein at a cut-off grade of \$50/ton and \$100/ton; based on \$1400 Au, \$26.5 Ag, \$0.85 Pb, and \$0.85 Zn. Metallurgical recoveries based on grade dependent recovery curves: recoveries at the mean resource grade average 88% silver and 74% lead for the Bulldog and a constant 85% gold and 85% silver for North Amethyst and Equity.

<sup>(24)</sup> Inferred resource at Monte Cristo reported at a minimum mining width of 5.0 feet; resources based on \$1400 Au, \$26.5 Ag using a 0.06 oz/ton gold cut-off grade. Metallurgical recovery: 90% for gold and 90% silver.

<sup>(25)</sup> Inferred resource at Rock Creek reported at a minimum thickness of 15 feet and a cut-off grade of \$24.50/ton NSR; Metallurgical recoveries: 88% for silver and 92% for copper.

Resources adjusted based on mining restrictions as defined by U.S. Forest Service, Kootenai National Forest in the June 2003 'Record of Decision, Rock Creek Project'.

<sup>(26)</sup> Inferred resource at Montanore reported at a minimum thickness of 15 feet and a cut-off grade of \$24.50/ton NSR; Metallurgical recoveries: 88% for silver and 92% copper.

Resources adjusted based on mining restrictions as defined by U.S. Forest Service, Kootenai National Forest, Montana DEQ in December 2015 'Joint Final EIS, Montanore Project' and the February 2016 U.S. Forest Service - Kootenai National Forest 'Record of Decision, Montanore Project'.