

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

Part I			Reporting Issuer		
1 Issuer's name Hecla Mining Company		2 Issuer's employer identification number (EIN) 77-0664171			
3 Name of contact for additional information Dave Vasquez	4 Telephone No. of contact 208-769-4100		5 Email address of contact dvasquez@hecla-mining.com		
6 Number and street (or P.O. box if mail is not delivered to street address) of contact 6500 N. Mineral Drive, Suite 200			7 City, town, or post office, state, and Zip code of contact Coeur d'Alene, ID 83815		
8 Date of action 7/1/2015		9 Classification and description Series B Preferred Stock			
10 CUSIP number 422704205	11 Serial number(s)		12 Ticker symbol HL	13 Account number(s)	

Part II **Organizational Action** Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ Non-dividend distribution

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ Non-dividend distribution results in a reduction to the basis of the security (to the extent thereof) in the amount of \$0.875 per share, the entire amount of the distribution.

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ The basis (to the extent thereof) is reduced by the entire amount of the distribution due to insufficient earnings and profits.


Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ Sections 301(c)(2), 301(c)(3), 316(a)

18 Can any resulting loss be recognized? ▶ Not applicable

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ The reportable taxable year is 2015.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here
Signature ▶  Date ▶ 1-11-16
Print your name ▶ James A. Sabala Title ▶ Senior Vice President & CFO

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶				Firm's EIN ▶
	Firm's address ▶				Phone no.