



Hecla

MINING COMPANY

Denver Gold Forum
September 2008



Cautionary Statements



Issuer Free Writing Prospectus, dated September 2, 2008
Filed pursuant to Rule 433
Registration Statement No.: 333-145919

Cautionary Note Regarding Forward Looking Statements

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

Hecla has filed a shelf registration statement (including a prospectus) and a preliminary prospectus supplement with the SEC for the offering to which this communication relates. Before you invest, you should read the preliminary prospectus supplement and the prospectus in that registration statement and other documents Hecla has filed with the SEC for more complete information about Hecla and the offering. You may get these documents for free by visiting EDGAR on the SEC web site at www.sec.gov. Alternatively, Hecla, any underwriter or any dealer participating in the offering will arrange to send you a copy of the preliminary prospectus supplement and prospectus in the registration statement if you request it by calling Merrill Lynch, Pierce, Fenner & Smith Incorporated at 212-449-1000 or Scotia Capital (USA) Inc. at 212-225-6853.

Reconciliation of Enterprise Value (EV) and cash cost per ounce can be found in the Appendix.



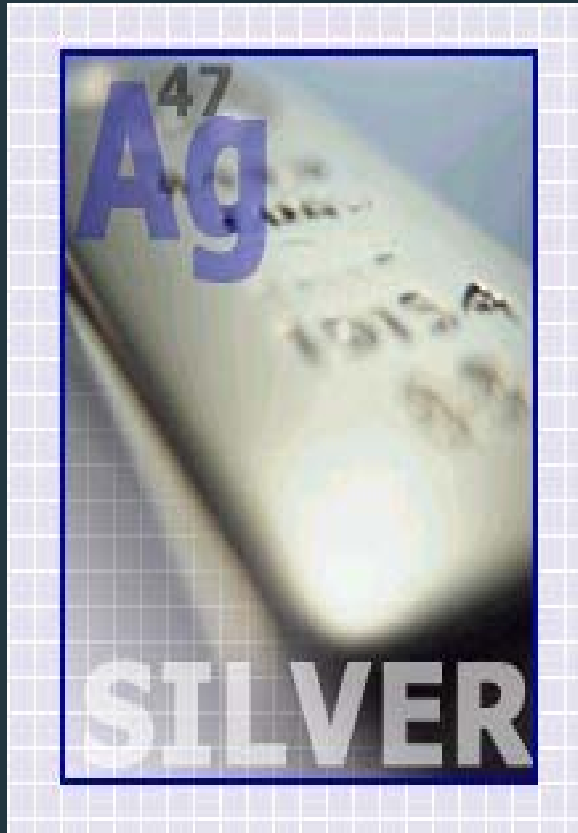
Why Hecla?

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- Attractive production profile – mining a great product
- Consistently one of the lowest cost silver producers in North America
- Geo-politically stable locations
 - Largest silver producer in the U.S.
 - 100% of silver reserves in the U.S.
 - Additional exploration opportunities in the U.S. and Mexico
- Strength operationally, financially, organizationally
- Established history with over 100 years of operational experience
 - Lucky Friday in operation since 1942
 - Greens Creek in operation since 1989
- Accretive acquisition not yet fully appreciated by the market
- Experienced management team



Why Silver? A High Growth Metal



- 6%/annum increase in industrial/consumer demand over last five years (54% of total demand)
 - New/expanded sophisticated consumer uses (cell phones, laptops)
 - Developing countries are urbanizing
- Physical properties – versatile & difficult to substitute
- Jewelry/Silverware steady (26%)
- Photography use becoming irrelevant (15%)
- Also an investment vehicle – store of value like gold
 - Supply shortage of physical metal



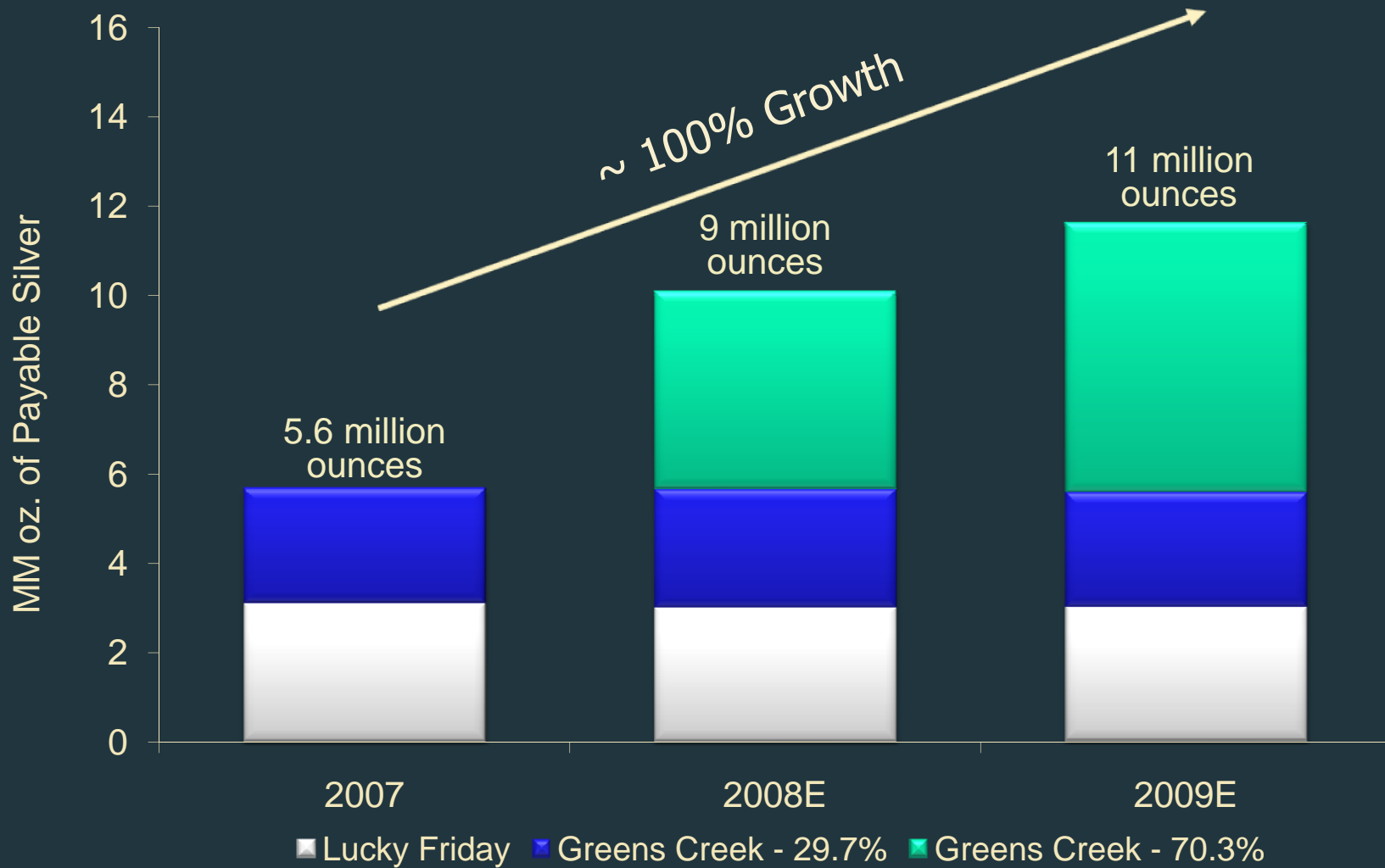
Transforming Transactions



- On April 16, 2008, Hecla completed the acquisition of 70.3% of the Greens Creek joint venture, increasing our ownership interest to 100%
 - Funded with \$700 million in cash and approximately \$50 million in common stock
 - Gives Hecla control of 100% of the fifth largest silver mine in the world
 - Nearly doubles Hecla's annual silver production to approximately 11 million ounces
 - Significantly increases cash flow from operations
 - Maintains Hecla's already-low average cash costs per ounce of silver relative to peers
- On July 8, 2008, Hecla completed the sale of its Venezuelan properties to Rusoro Mining for \$25 million
 - Consideration consisted of \$20 million in cash and approximately 4.3 million shares of Rusoro Mining common stock



Silver Production Growth



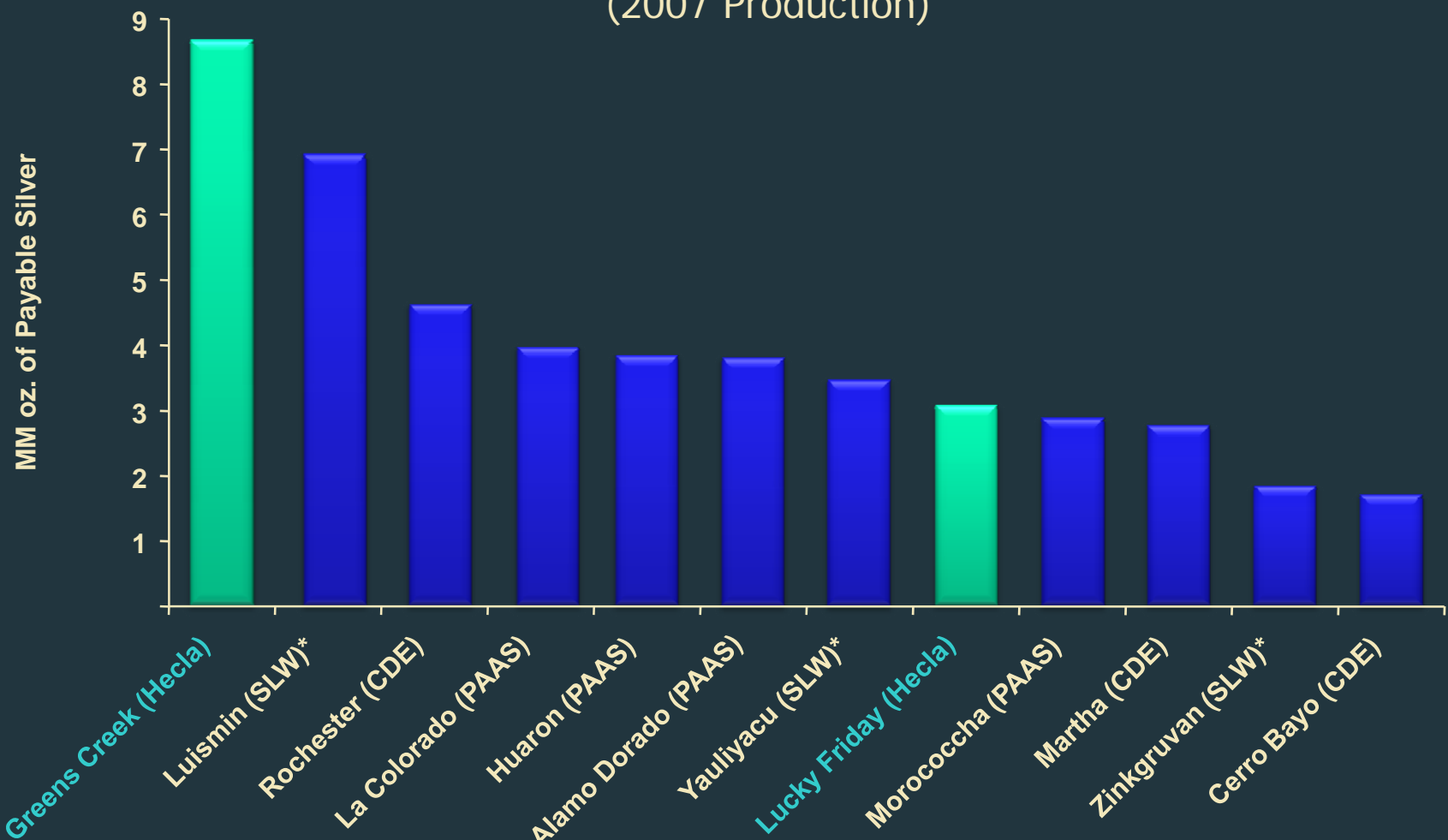
Note: 2008 production estimates include 3.5 months of 29.7% of Greens Creek and 8.5 months of 100.0% of Greens Creek



Largest Silver Producer



Greens Creek is the largest silver mine owned by any N. American-listed silver company (2007 Production)



* SLW purchases silver metal under contract from mine owners

Source: Public filings



Low Cost Producer 2007 Cash Costs



Greens Creek is the lowest cost mine owned by any North American listed silver company

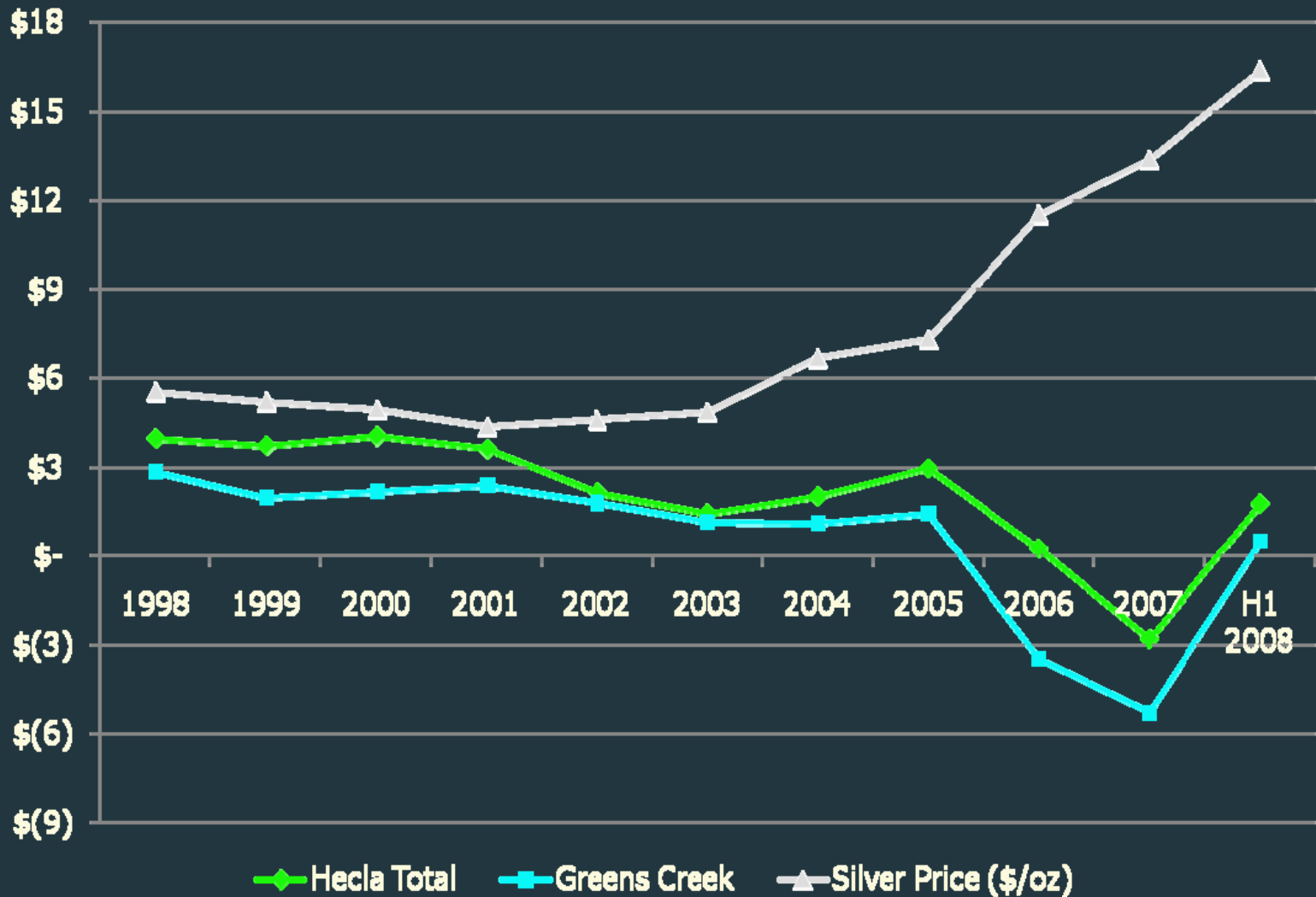


Source: GFMS World Silver Survey



Low Costs = High Margins

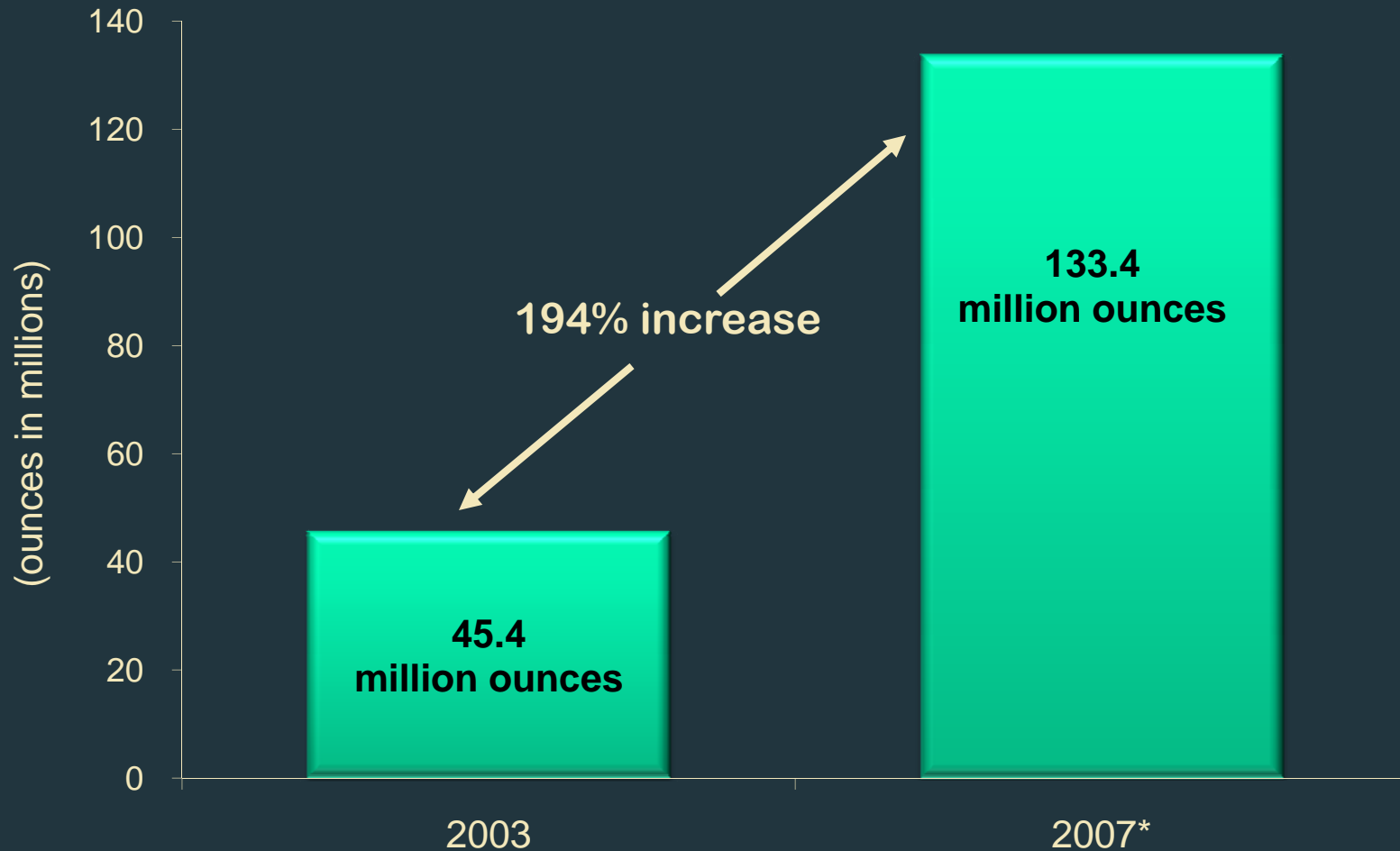
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Silver Reserve Growth

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*Pro forma 100% Greens Creek



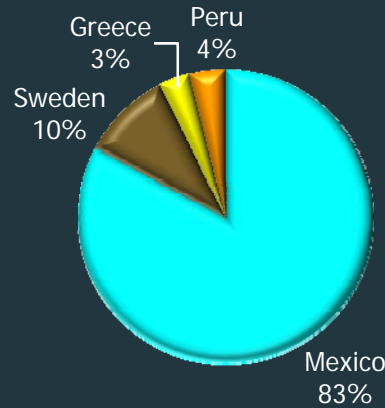
Locations of Peer Group Silver Reserves



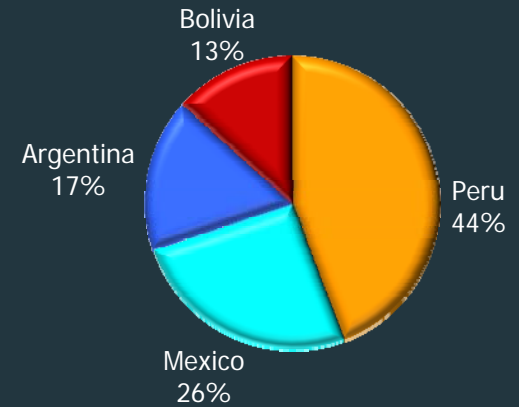
Hecla



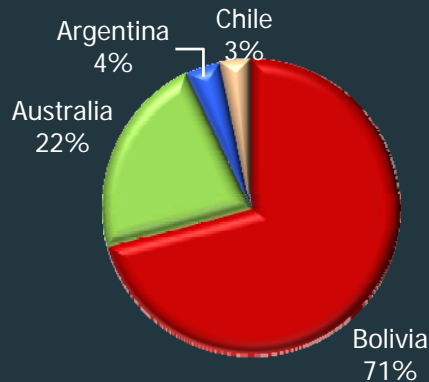
Silver Wheaton



Pan American Silver



Coeur



Silver Standard

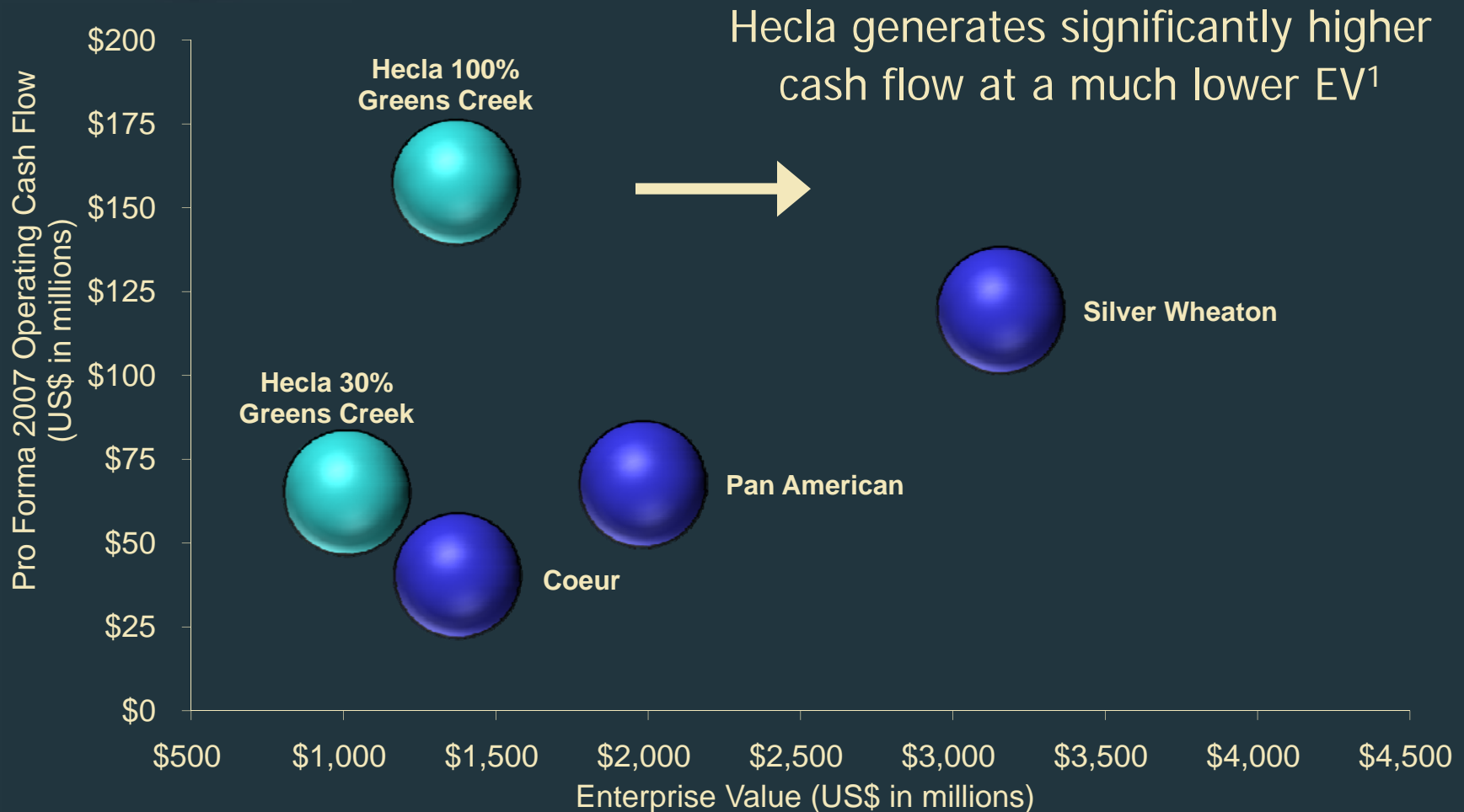


Apex Silver





Relative Valuation - Cash Flow



Note: Enterprise values as of August 19, 2008 except for Hecla 30% Greens Creek, which is as of February 11, 2008

¹ Enterprise Value = Market Capitalization + Debt + Preferred Stock + Minority Interests - Cash and Equivalents



Diversified Portfolio in Stable Geographies

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-
- ▲ Greens Creek, Alaska
 - ◆ Vancouver, BC
 - ◆ Coeur d'Alene, Idaho
 - ▲ Lucky Friday Unit, Idaho
 - ▲* San Juan Silver, Colorado
 - ▲* San Sebastian, Mexico

- ▲ Silver Properties
- * Exploration Projects
- ◆ Corporate Offices



Greens Creek Mine

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- Hecla's ownership interest: 100%
- Underground silver-zinc-gold-lead mine
- World's fifth largest silver mine¹
- Low cash cost producer due to significant byproduct credits
- In operation since 1989 with good history of reserve replacement
- Hecla's attributable 2008 production estimate²:
 - 6 million oz. of silver
 - 50,000 oz. of gold
 - 45,000 tons of zinc
 - 16,000 tons of lead



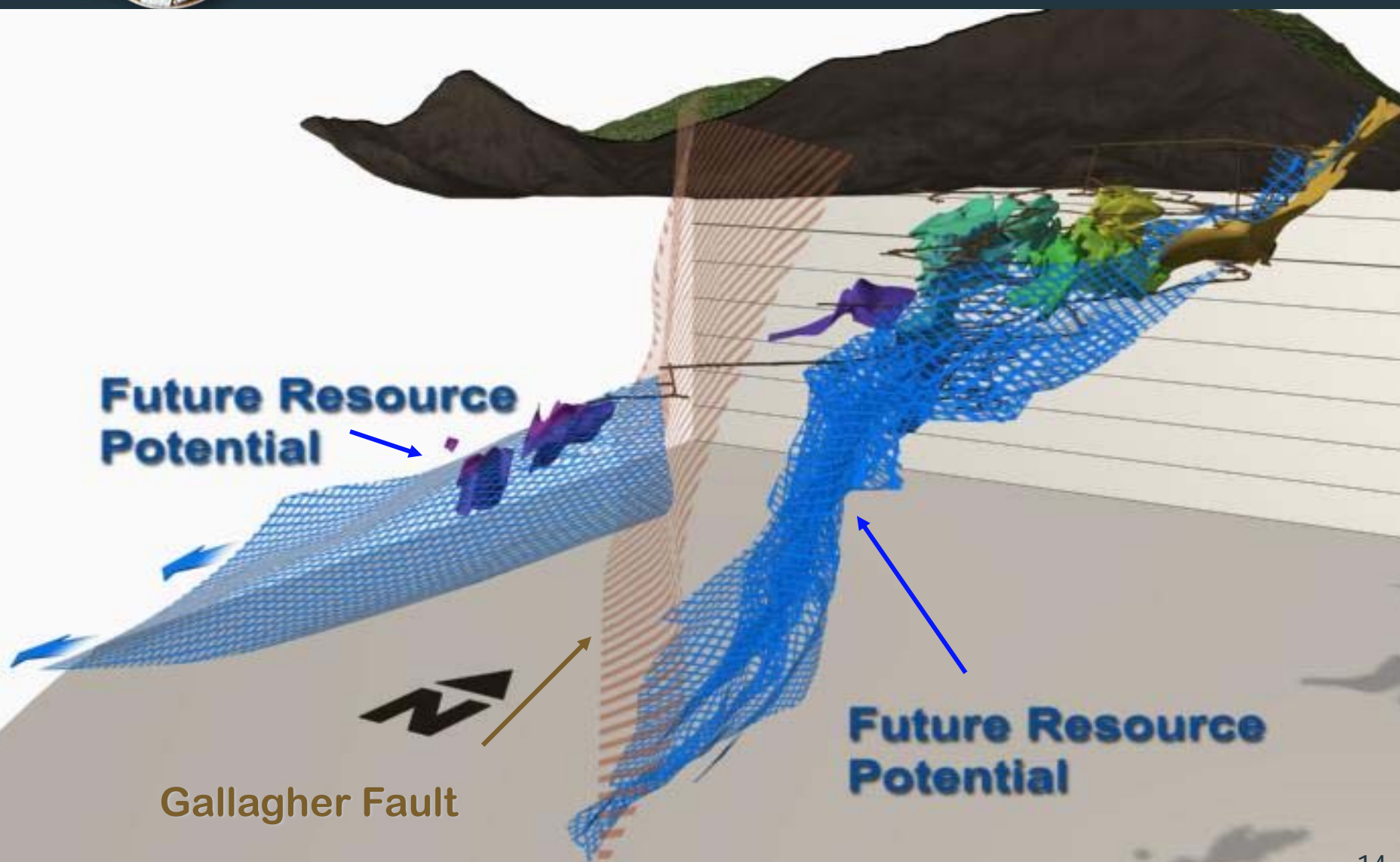
¹ Source: The Silver Institute

² Includes 29.7% of Greens Creek for 3.5 months and 100.0% of Greens Creek for 8.5 months.



Extensions to In-Mine Ore Zones

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Greens Creek Long-Term Potential

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— Projected Mine Contact



Image © 2006 MDA EarthSat
Image © 2006 DigitalGlobe

© 2005 Google 15



Lucky Friday Mine

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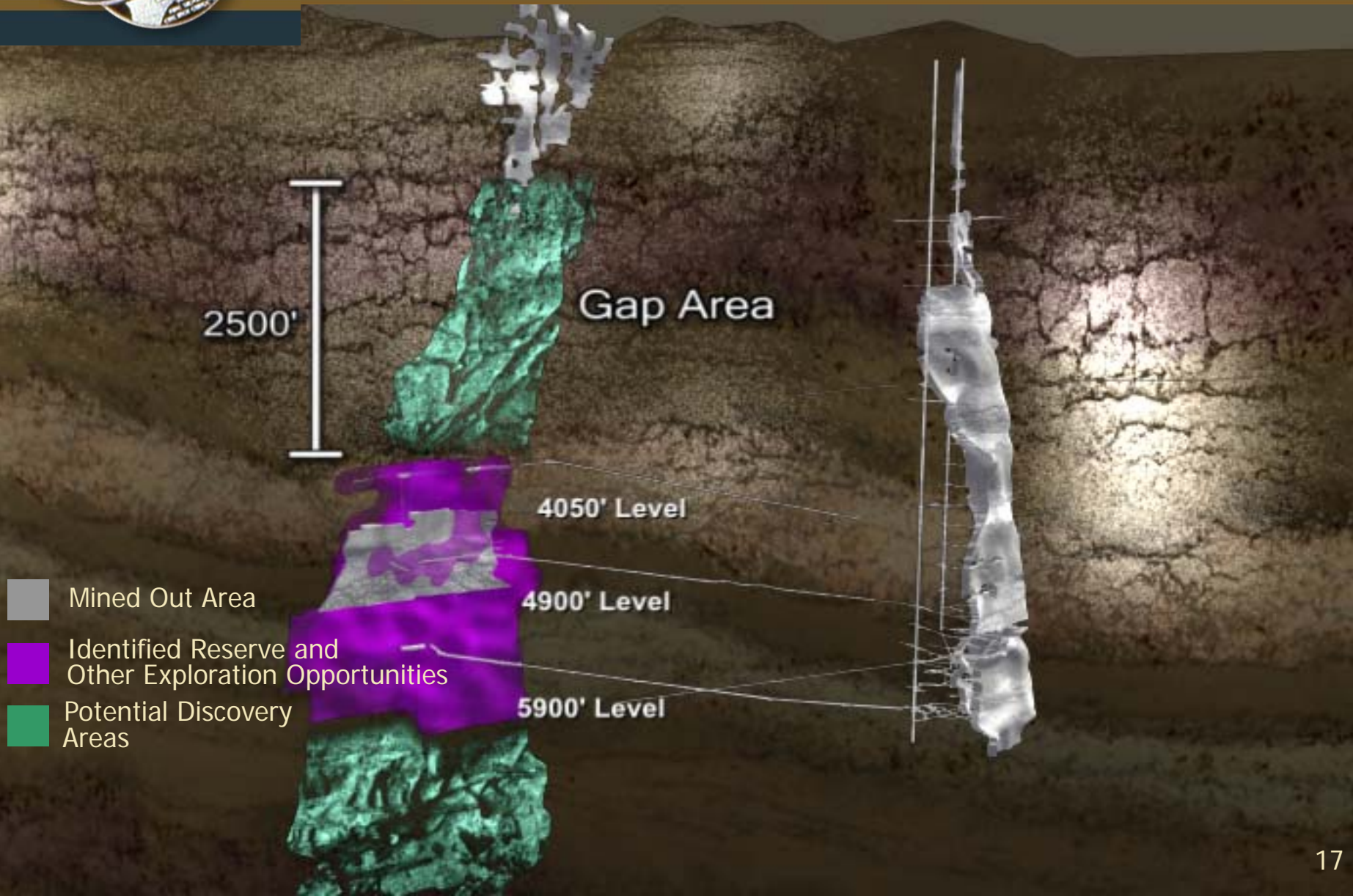
- Hecla's ownership interest: 100%
- Underground silver-lead-zinc mine
- Low cash cost producer due to byproduct credits
- In operation since 1942 with good history of reserve replacement
- Excellent exploration potential
- 2008 production estimate:
 - 3 million oz. of silver
 - 18,000 tons of lead
 - 5,500 tons of zinc





Lucky Friday: Excellent Exploration Potential

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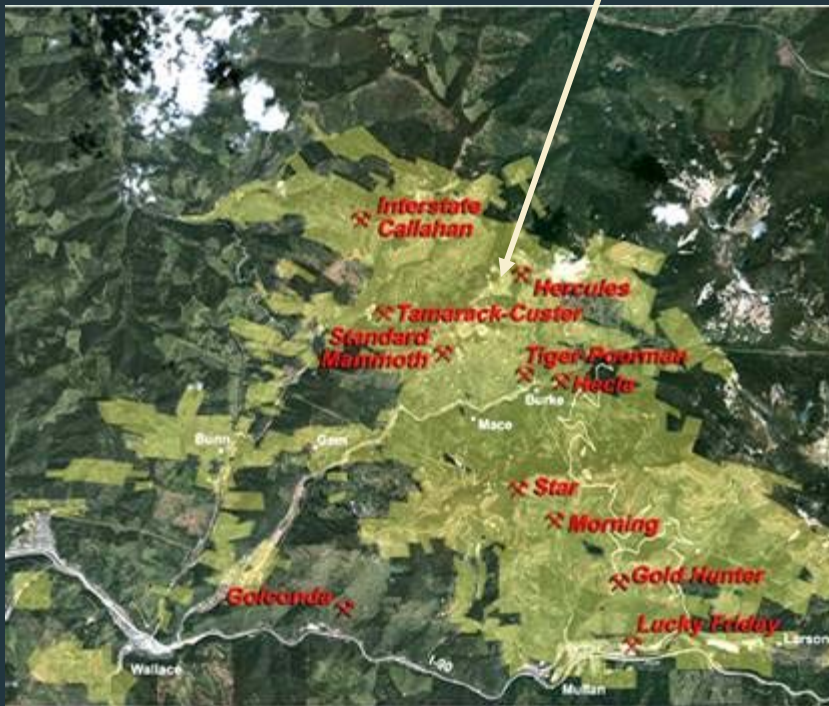




A World Class District

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■ Hecla Land Position



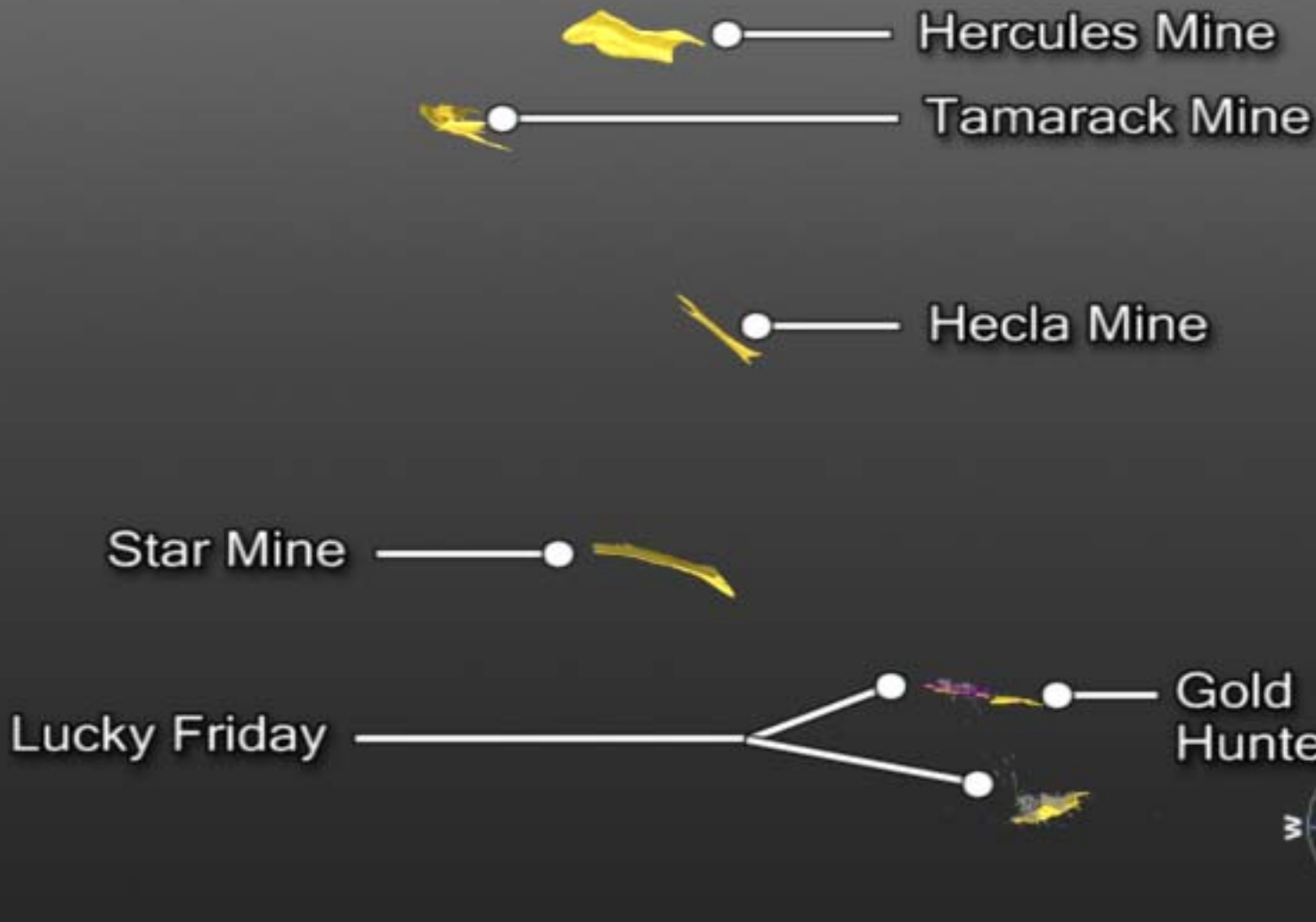
The Silver Valley, North Idaho

- 1.2 billion oz of historical silver production
- 300 million oz silver from Hecla's land position
- Very significant vertical continuity in the district
- Large 25-square-mile claims area
- Under-explored with modern exploration techniques



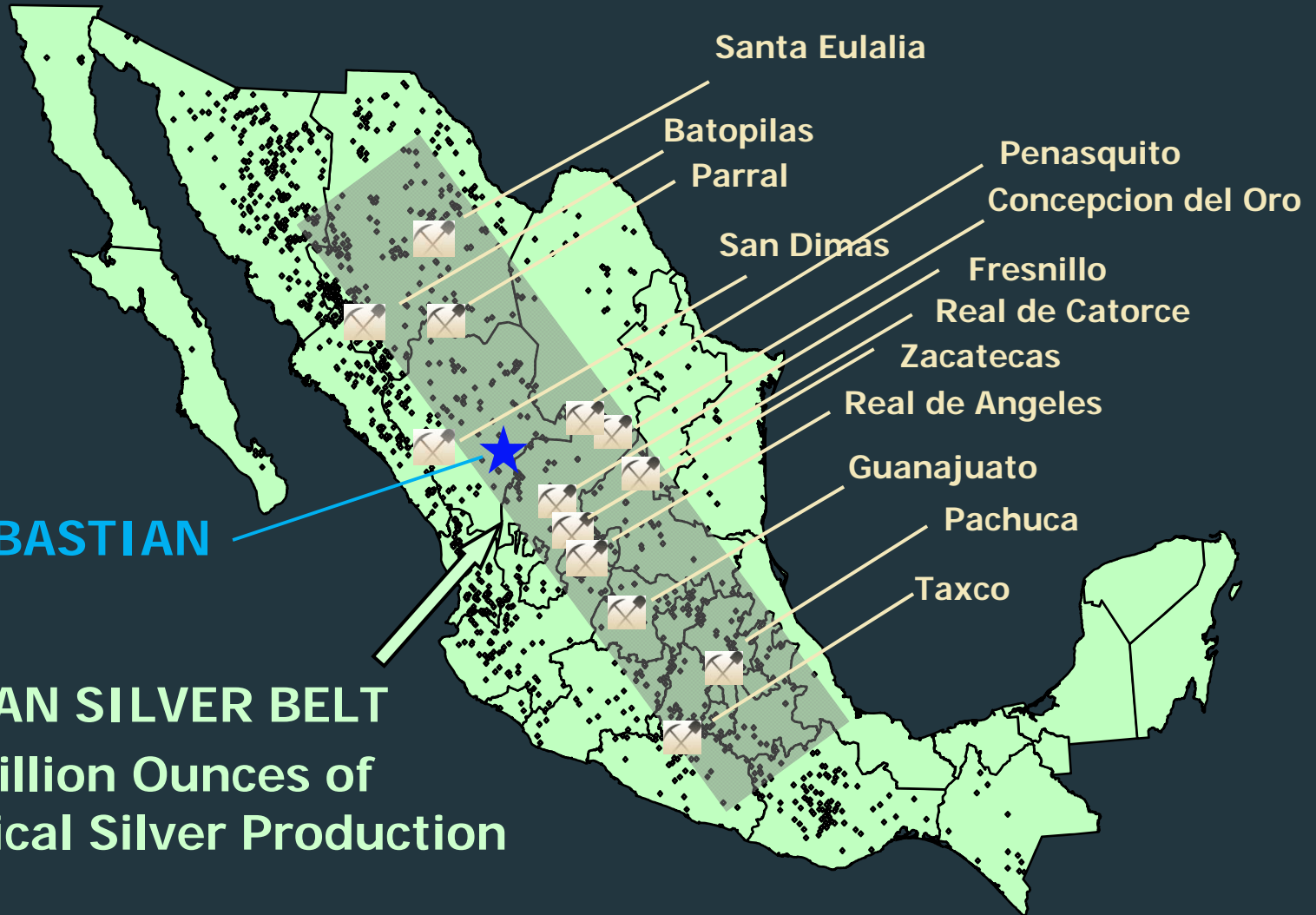
Silver Valley Expansion Potential

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Mexican Silver Belt

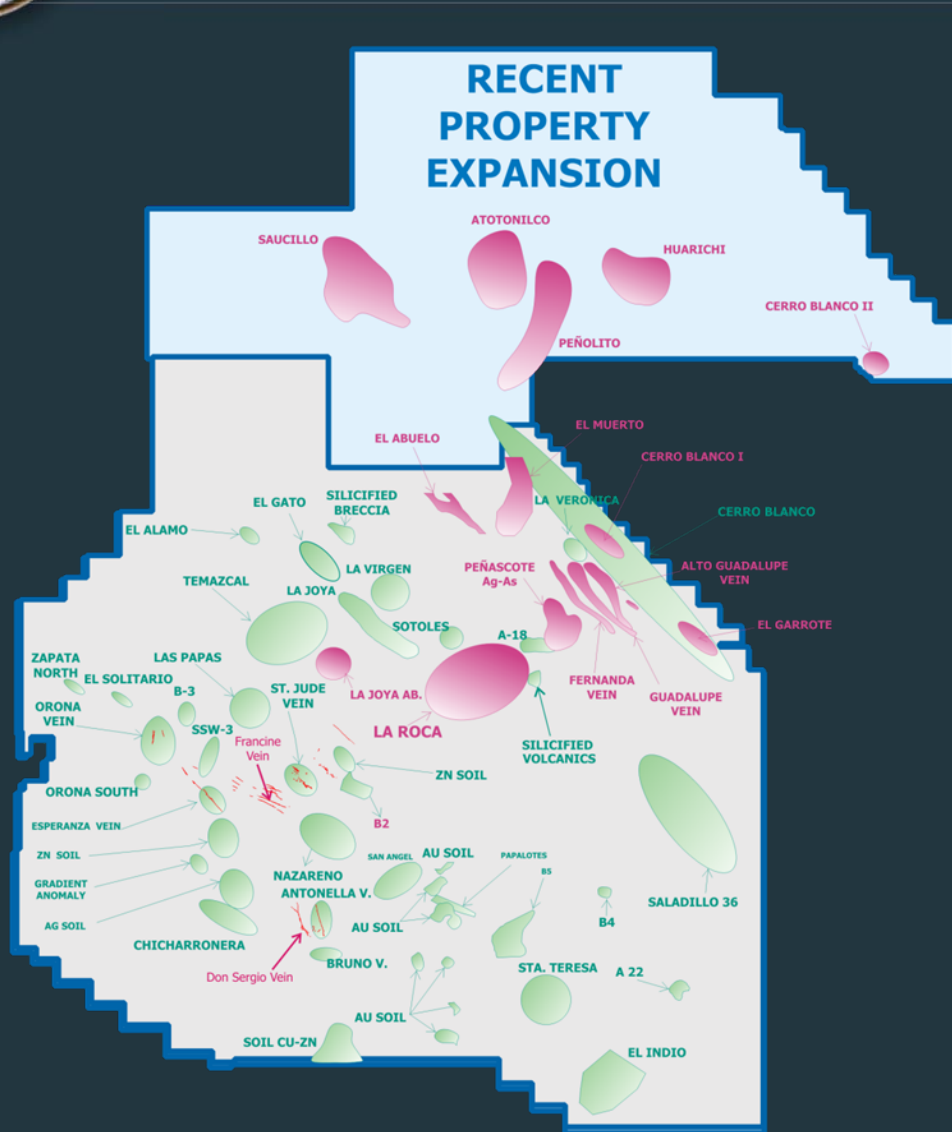


SAN SEBASTIAN

MEXICAN SILVER BELT
10.2 Billion Ounces of
Historical Silver Production



San Sebastian Exploration Targets





EXPLANATION

-  Hecla Saladillo Concessions
-  Saladillo 41 (More recent)

Total Land Package

511 sq miles

-  Priority targets
-  Secondary targets



MINERA HECLA S.A. DE C.V.
SALADILLO CONCESSIONS

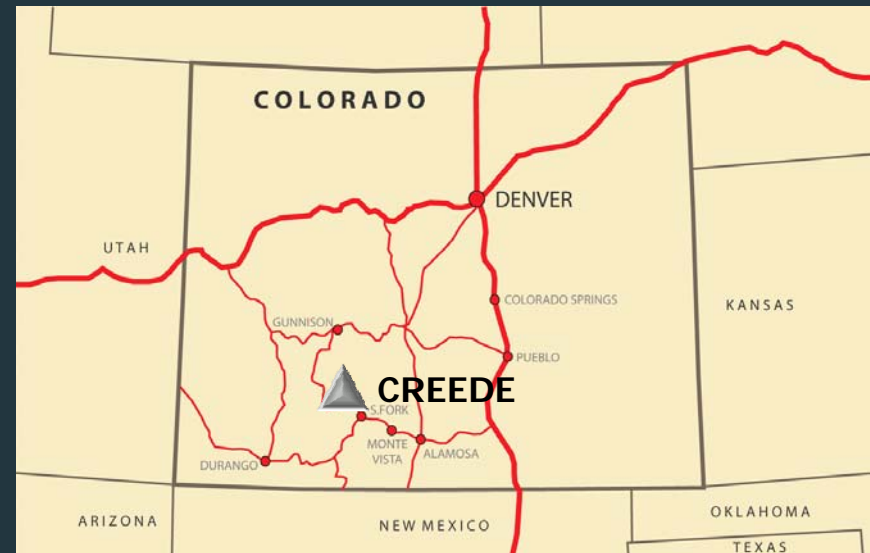
TARGETS 2008



San Juan Silver JV



- Hecla's earn-in interest: 70%¹
- Excellent exploration potential
- District has historically used narrow-vein mining
- 84 million ounces of historic silver production
- 100 million+ oz potential – mostly on patented ground
- Land package consolidated



¹ In February 2008, Hecla acquired the right to earn into a 70% joint venture interest in a roughly 25-square-mile consolidated land package in one of Colorado's most prolific silver-producing districts.



San Juan Silver - Major Veins

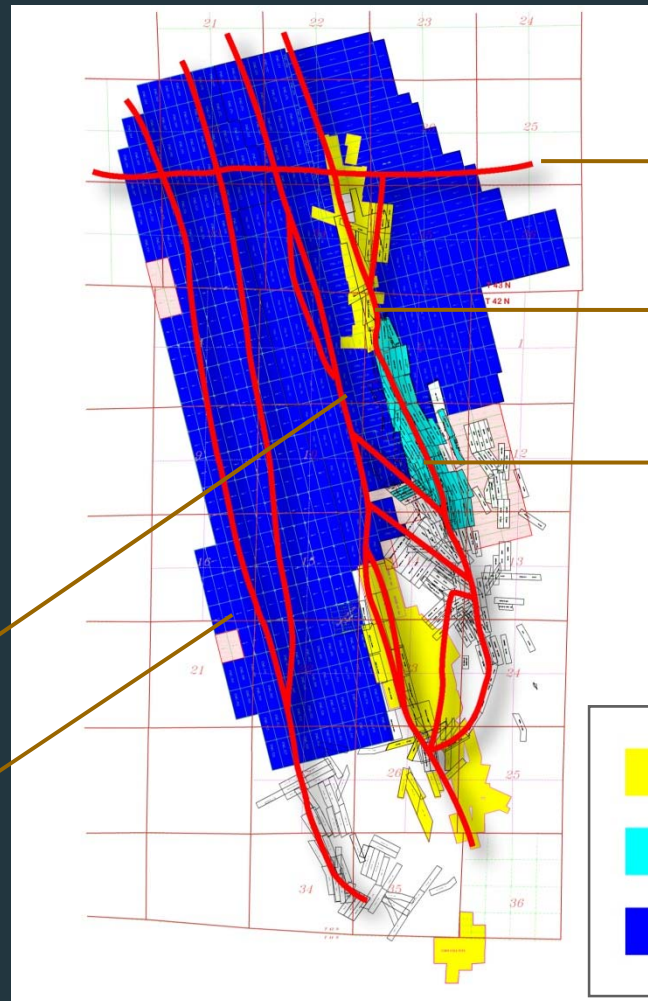


- 25 sq. miles
- 30 miles of prospective veins
- An immediate drilling program
- \$23 million of work and stock for 70% of JV

Bulldog

Alpha Corsair

1 mile



Equity

Amethyst

OH

- Homestake
- San Juan patented
- San Juan unpatented



Project Pipeline

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Alaska

- 5250 Zone
- West Gallagher Zone
- Surface drilling for new deposit

Mexico

- 511-square-mile target area -- multiple targets
- Hugh Zone evaluation
- Rio Grande

Idaho

- Silver Valley 3D compilation
- 25-square-mile target area
- Lucky Friday 'Gap' area and deep underground drilling

Colorado

- San Juan Silver Mining J.V.



Why Hecla?

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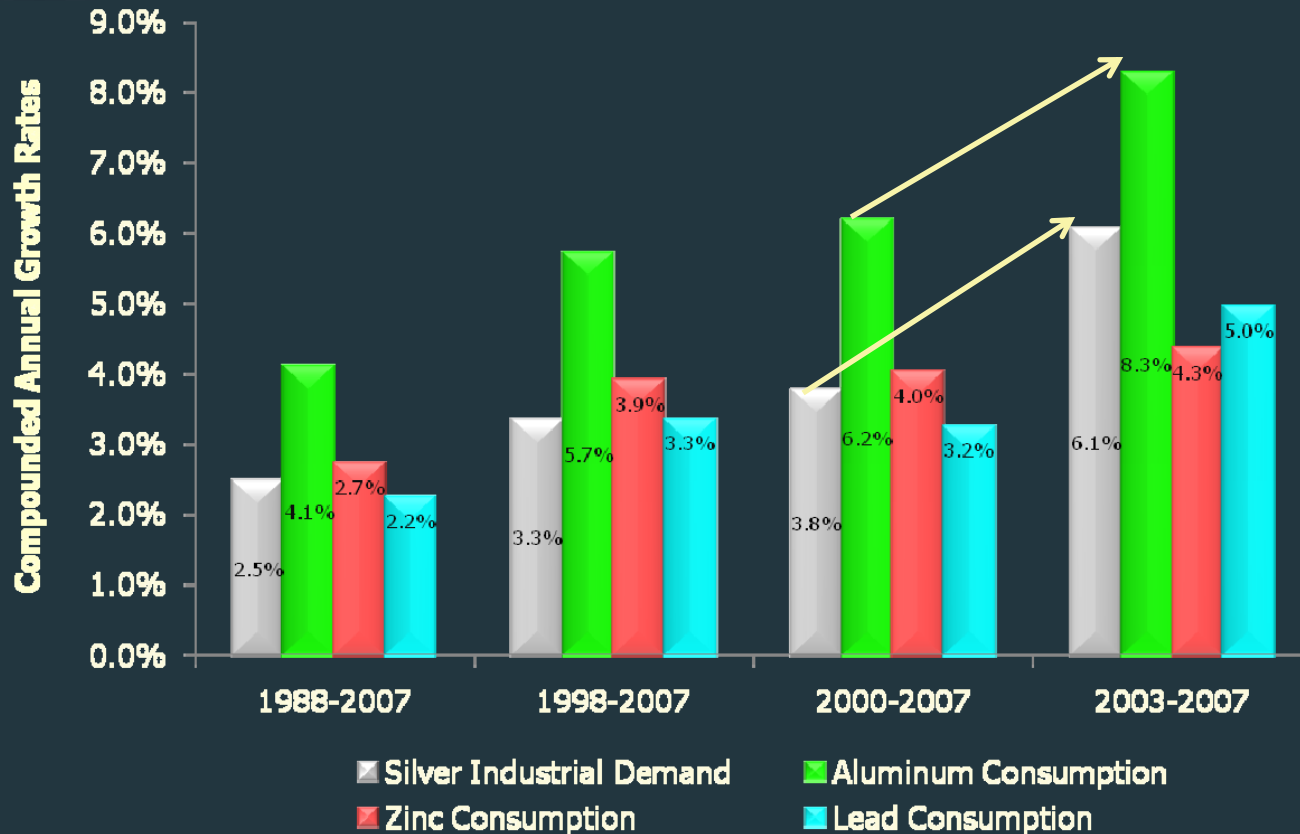
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- Consistently one of the lowest cost silver producers in North America
- Geo-politically stable locations
 - Largest silver producer in the U.S.
 - 100% of silver reserves in the U.S.
 - Additional exploration opportunities in the U.S. and Mexico
- Strength operationally, financially, organizationally
- Established history with over 100 years of operational experience
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APPENDIX



Silver – A High Growth Metal

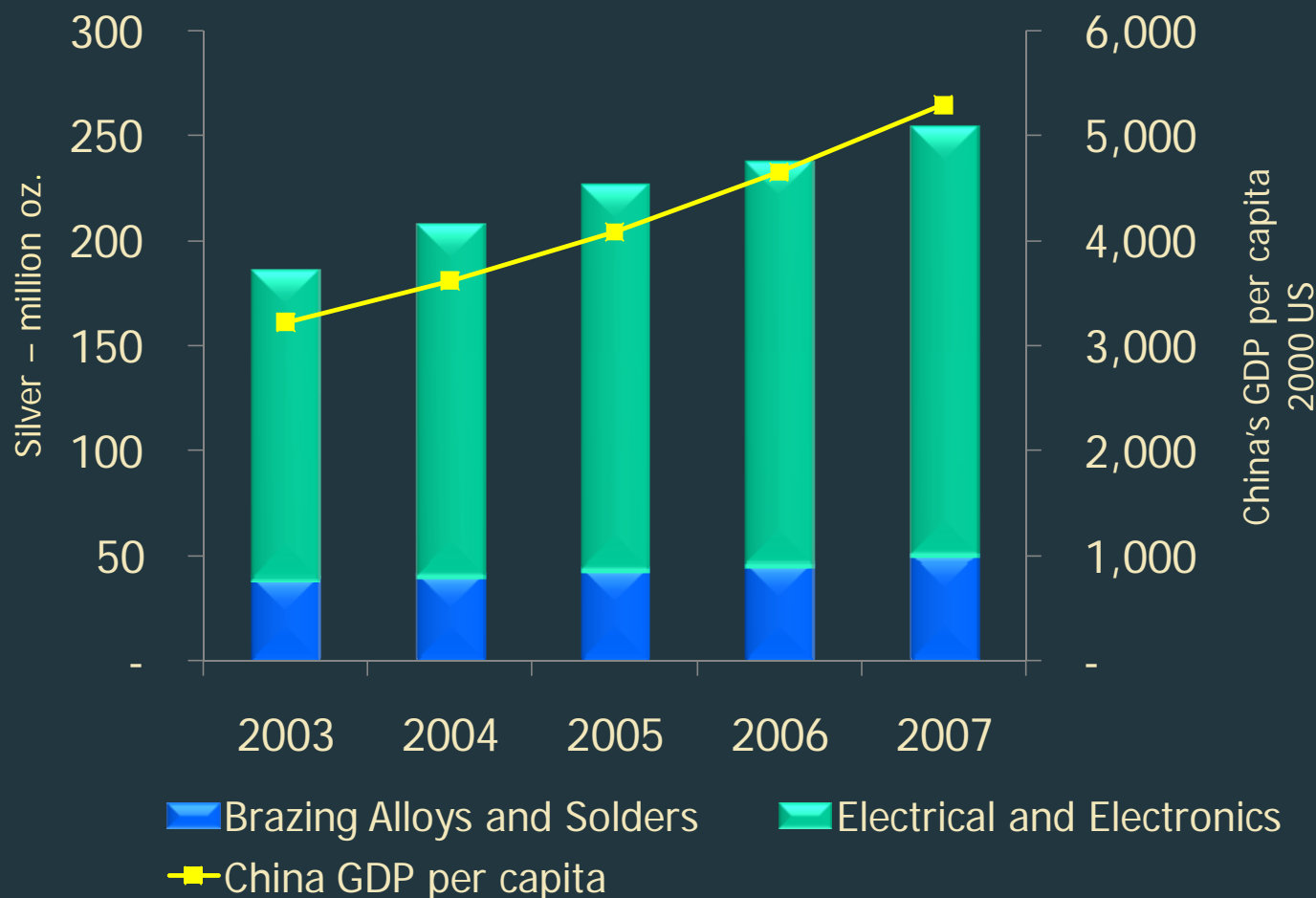


- Global aluminum consumption and industrial demand of silver have followed a similar trend in the past. Both have high end consumer uses.
- Silver's long-term industrial demand growth could be expected to parallel aluminum's future estimated growth rate of 6 – 7%.



Industrial Demand Grows as GDP Grows

- Industrial uses of silver in China have increased with the growth of GDP per capita





Silver – The Rest of the Story



- Investment
 - Silver is an investment vehicle
 - Silver's investment demand is driven by same factors as gold's (i.e. weak US dollar, negative real interest rates in US, ongoing credit market crisis, inflation fears)
- Jewelry and Silverware
 - Steady demand (30%)
- Photographic
 - Becoming irrelevant and is not a substantial part of the total fabrication demand (15%)
- Overall, silver's total fabrication demand is poised for growth



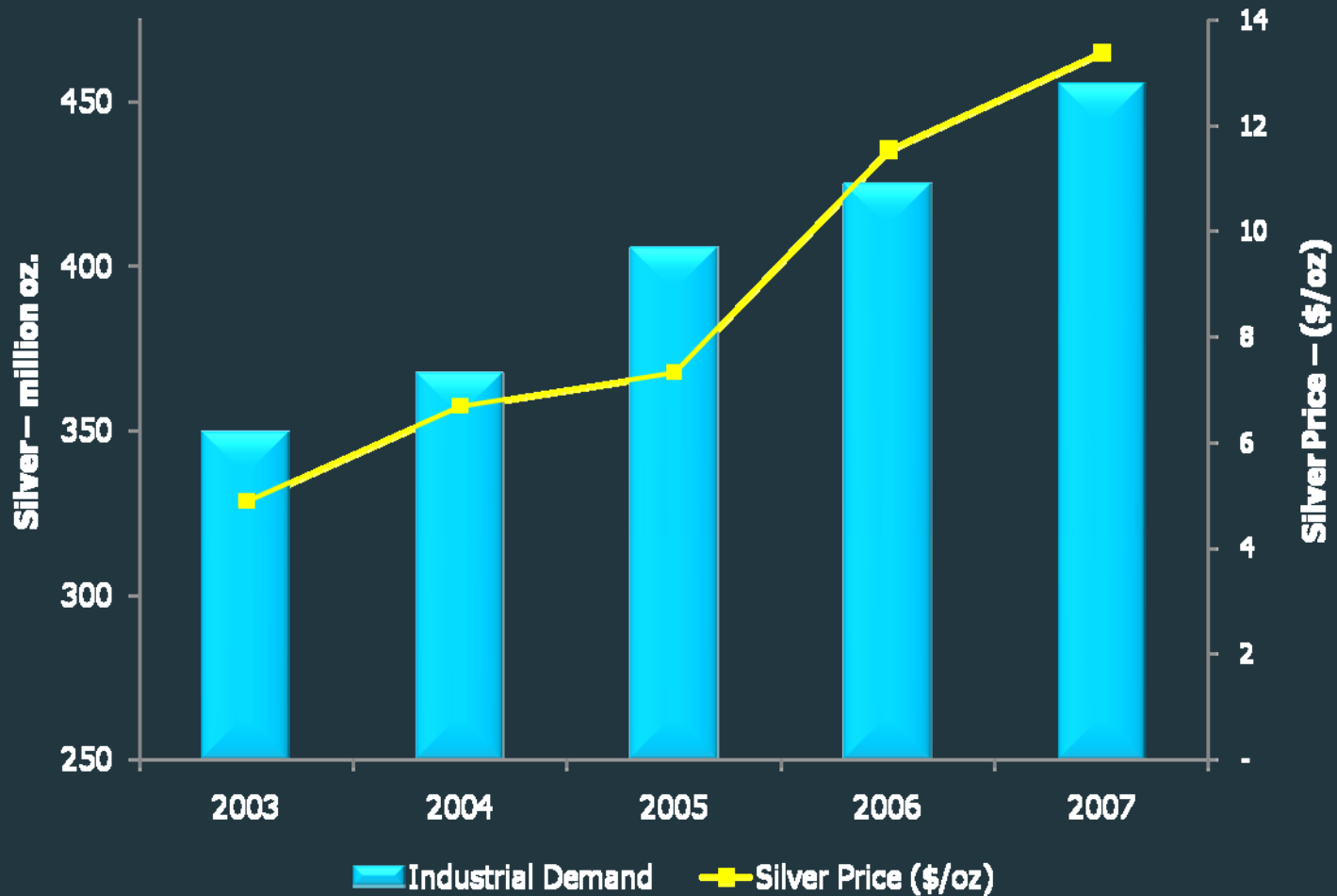
Silver: Not Easily Substitutable



- *Silver has unique properties that make it versatile and difficult to substitute*
 - Natural bactericide/biocide – water purification, wound dressings
 - Photosensitive – photography, x-rays
 - Highly reflective – mirrors, glass coatings
 - Chemically useful – catalyst for plastics and petrochemical industry; used in batteries
 - Strength and fluidity – used in solders, brazing alloys



Silver Industrial Demand is Price Inelastic





Strong Silver Industry Fundamentals

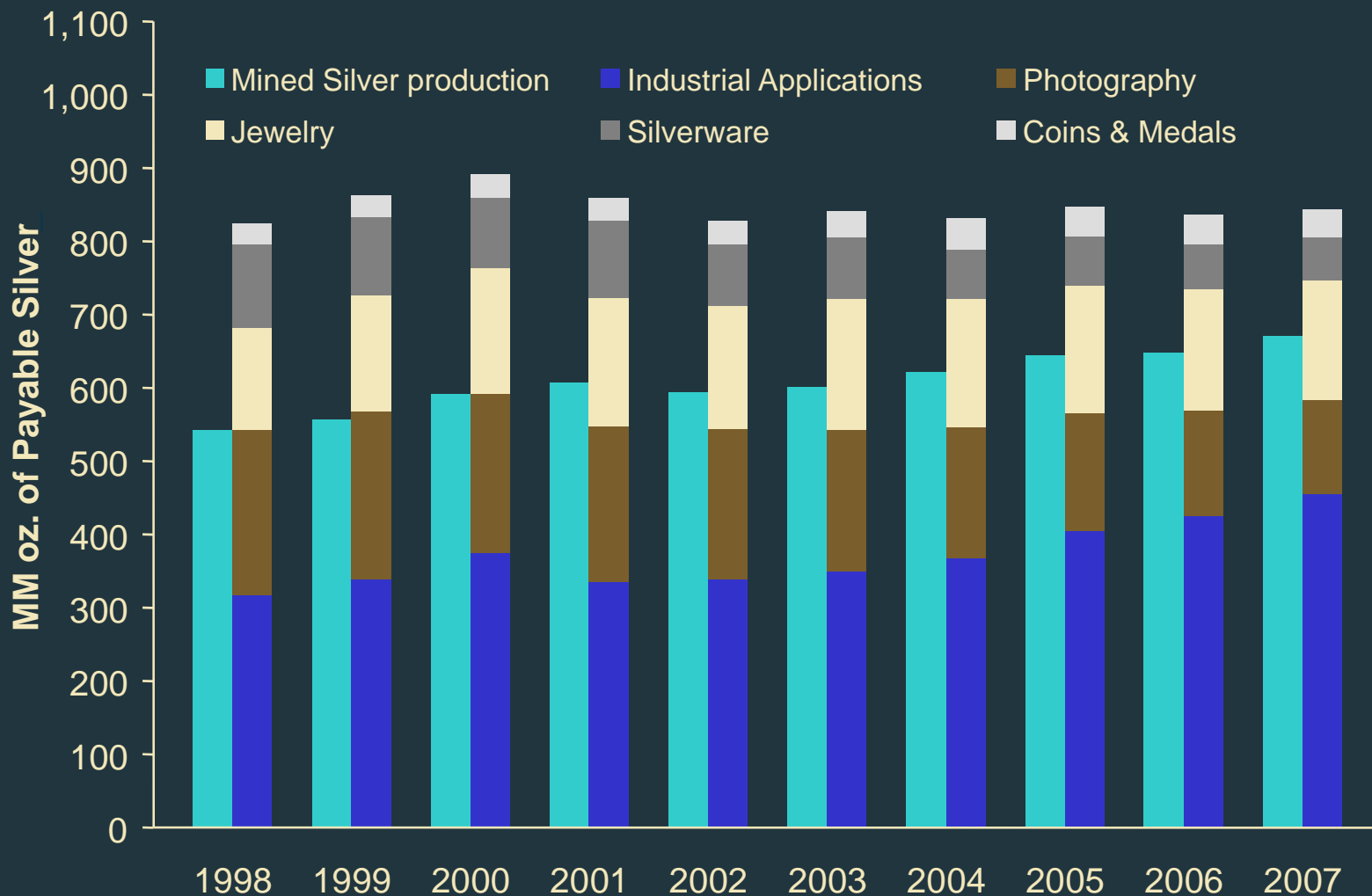
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- Positive trends in end markets
 - Growth of the middle class in China and India
 - Growing use of mobile phones/other consumer products
 - Computerization in the third world
- Continued demand for industrial applications
 - Demand is relatively inelastic to the price of silver (low proportion of cost)
- Scarcity of supply
- Inventories leveling off over the past year
- Silver demand from ETFs expected to result in a continued tightening of the silver market





Silver Supply & Demand





Silver and Gold Prices

(2003 – 2008 YTD)

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Source: Bloomberg as of July 15, 2008



Reserves

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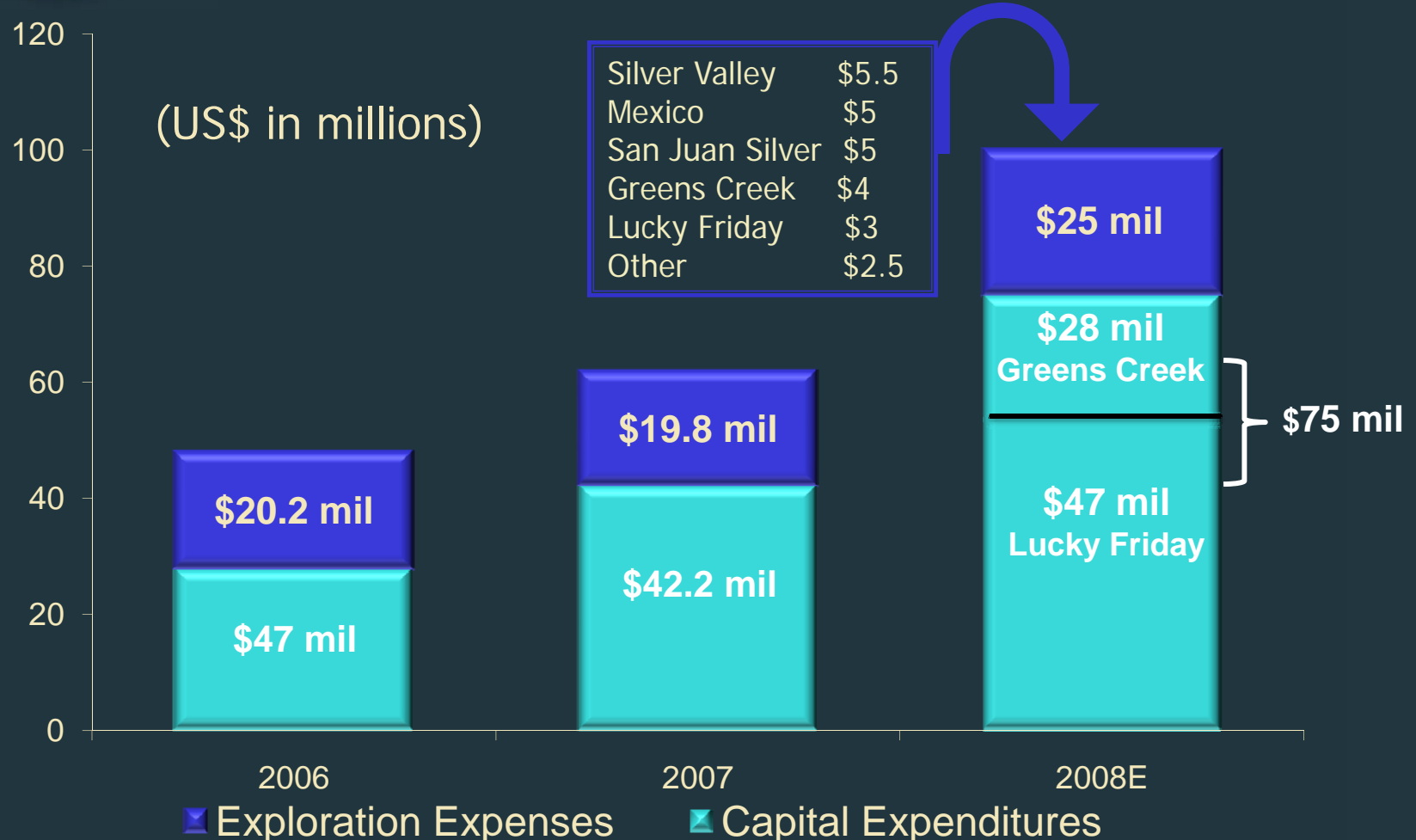
	Ore (tons)	Grade				Contained Metal			
		Silver (oz/ton)	Gold (oz/ton)	Lead (%)	Zinc (%)	Silver (000 oz.)	Gold (000 oz.)	Lead (MM lbs.)	Zinc (MM lbs.)
Proven reserves									
Lucky Friday	760,700	12.3	—	7.2	2.5	9,325	—	109	38
						9,325	—	109	38
Probable reserves									
Lucky Friday	680,000	11.9	—	7.5	2.5	8,065	—	102	33
Greens Creek	8,454,000	13.7	0.110	3.8	10.2	116,025	908	642	1,722
Total						124,090	908	744	1,755
Total Reserves						133,415	908	853	1,793

Source: Hecla's Q1 2008 Earnings Release

Proforma with 100% Greens Creek, Jan. 1, 2008



Exploration and Capital Expenditures





Key Strategies



- Maintain low cash cost position among precious metal producers
- Exploit and develop existing asset base
- Grow through new and existing exploration opportunities
- Build on the Greens Creek transaction through new acquisitions



Snapshot



- Market cap: US\$899 million¹
- Basic shares outstanding: 126.3 million
- Fully diluted shares: 126.4 million
- Listings: NYSE: "HL"
- 2008 share liquidity: 3.5 million/day
- Cash: US\$45.8 million²

¹ Based on share price at August 19, 2008 and diluted shares outstanding calculated using the treasury stock method

² Cash and cash equivalents as of June 30, 2008 less cash used to acquire the Greens Creek joint venture plus cash from sale of Venezuelan gold assets



Experienced Management

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Phillips S. Baker, Jr.

President and
Chief Executive Officer
(21 years in mining)



James A. Sabala

Senior Vice President and
Chief Financial Officer
(27 years in mining)



Michael H. Callahan

Vice President
(18 years in mining)



Ronald W. Clayton

Senior Vice President –
Operations
(28 years in mining)



Dr. Dean W. McDonald

Vice President – Exploration
(28 years in mining)



Don Poirier

Vice President –
Corporate Development
(25 years in mining)



Vicki Veltkamp

Vice President – Investor
and Public Relations
(20 years in mining)



Philip C. Wolf

Senior Vice President –
General Counsel
(36 years in mining)



Enterprise Value Reconciliation

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Market Capitalization ¹	\$898.9
Plus: Total Debt	360.0
Plus: Preferred Stock ²	156.7
Less: Cash and Cash Equivalents ³	(45.8)
Enterprise Value	<u>\$1,369.8</u>

Note: US\$ in millions

¹ Based on share price at August 19, 2008 and diluted shares outstanding calculated using the treasury stock method

² Based on market value of preferred stock outstanding as of August 19, 2008

³ Cash and cash equivalents (including short-term investments) as of June 30, 2008 less cash used to acquire the Greens Creek joint venture plus cash from sale of Venezuelan gold assets



Cash Cost per Ounce Reconciliation

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	Three Months Ended June 30,		Six Months Ended June 30,	
	2008	2007	2008	2007
Total cash costs ¹	\$8,269	(\$2,950)	\$6,484	(\$4,699)
Divided by ounces produced	2,409	1,493	3,664	3,050
Total cash cost per ounce produced	<u>\$3.43</u>	<u>(\$1.98)</u>	<u>\$1.77</u>	<u>(\$1.54)</u>
Reconciliation to GAAP:				
Total cash costs	\$8,269	(\$2,950)	\$6,484	(\$4,699)
Depreciation, depletion and amortization	9,855	3,078	12,768	6,145
Treatment and freight costs	(23,922)	(7,647)	(34,776)	(16,108)
By-product credits	49,147	26,694	78,729	51,526
Change in product inventory	18,452	1,241	16,523	589
Reclamation and other costs	569	50	617	95
Cost of sales and other direct production costs and depreciation, depletion and amortization	<u>\$62,370</u>	<u>\$20,466</u>	<u>\$80,345</u>	<u>\$37,548</u>

¹ Includes 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 and marketing expense, on-site general and administrative costs, royalties and mining production taxes, net of by-product revenues earned from all metals other than the primary metal produced at each unit.