



January 11, 2018

To the Bargaining Unit Employees at the Lucky Friday Mine:

I am writing to you about the Unfair Labor Practice (“ULP”) hearing that will begin on January 30, 2018 in Spokane, Washington before a National Labor Relations Board (“NLRB”) administrative law judge. I am not going to discuss the three ULP charges which are part of that hearing, or Hecla’s position on them. Instead, I want to address an untrue rumor that has been circulating for months, and is still circulating, about what will happen if Hecla loses the case before the NLRB. The rumor we continue to hear is as follows:

“If Hecla loses the NLRB case, Hecla will owe back wages to every one of the striking bargaining unit members.”

The rumor is entirely false. The only back pay that could be owed would be to one individual who is involved in a small part of one of the three charges, and is completely unrelated to Hecla’s implementation of terms on March 13, 2017. Even in the event Hecla loses, the maximum amount of money owed to that one employee would be only \$4,668 plus interest. This figure is taken from a draft Settlement Agreement which was proposed to Hecla by the NLRB. No other employees would be entitled to any additional compensation whatsoever.

Your Union leadership, and/or its legal staff in Pittsburgh, have access to the draft Settlement Agreement and have the ability to provide you a copy should you wish to verify this information. The Union leadership should be familiar with this matter. Months ago, when Hecla began to hear this untrue rumor about employees receiving back pay wages while on strike, I directed our outside attorney in Pittsburgh to contact the Union staff attorney, also in Pittsburgh, who is representing the Union at the NLRB hearing. Our attorney mentioned the untrue rumor and asked the Union attorney to contact the local Union leadership to make it clear to the striking employees at the Lucky Friday Mine that there would be no back pay wages even if Hecla is proven wrong about the March 2017 impasse declaration.

While Hecla and the Union have differences about the issues relevant to the collective bargaining process, Hecla wants to make certain no one on strike is under the mistaken belief that the NLRB charges could result in a big across-the-board payday.

Sincerely,

A handwritten signature in blue ink that reads "Mike Clary".

Mike Clary