



January 8, 2018

Dear Bargaining Unit Employee,

The Company and the Union met on numerous occasions subsequent to the strike, and have narrowed down the open items to six. The remaining open items are as follows: Scheduling, Wages/Silver Premium, Holidays, Personal Leave Days, Bidding/Progression, and Term of Contract. I am writing to explain what has changed with respect to Articles 7 and 8, which contain the "Holidays" and "Personal Leave Days" topics.

### **HOLIDAYS**

The Company has explained to the Union negotiating committee that the Lucky Friday Mine is a low-margin mine. Because of the low margins, the mine needs the ability to operate every day. The Company's revised final offer excludes Christmas from the scheduled production days, but includes all other holidays. On average, employees in the mine and mill departments will be scheduled for approximately three holidays per year, and scheduled off for approximately four holidays per year.

### **PERSONAL LEAVE DAYS**

The Company's January 2017 offer eliminated the two personal leave days, as the Company wanted to prevent the loss of production that occurs when too many employees take personal leave days on the same shift.

In the Company's revised final offer, the Company has reintroduced the two personal leave days, and such days will involve a quota (much like vacation days involve a quota). The concept of a quota is a compromise to allow employees the opportunity to take the two personal leave days off per year, but also protect the Company from having too many employees on the same crew take time off during the same shift.

Our revised offer is accessible on Hecla's web page at [www.hecla-mining.com](http://www.hecla-mining.com), under the *Lucky Friday Labor Negotiations* link. Please consider the above information in the event the Union representatives allow a vote. Our hope is the Union will allow you to vote your conscience through a secret ballot process.

Sincerely,

A handwritten signature in black ink that reads "Clayr Alexander".

Clayr Alexander