

HECLA MINING CO/DE/  
Form DEF 14A  
April 05, 2010

SCHEDULE 14A

(Rule 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the  
Securities Exchange Act of 1934 (Amendment No. )

Filed by the Registrant   
Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement  Soliciting Material Under Rule 14a-12
- Confidential, For Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials

HECLA MINING COMPANY

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(Name of Registrant as Specified In Its Charter)  
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(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.

1) Title of each class of securities to which transaction applies:

2) Aggregate number of securities to which transaction applies:

3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

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1) Amount previously paid:

2) Form, Schedule or Registration Statement No.:

3) Filing Party:

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4) Date Filed:

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April 5, 2010

Dear Fellow Shareholders:

I am pleased to invite you to attend the Annual Meeting of Shareholders of Hecla Mining Company to be held on Friday, May 21, 2010, at 10:00 a.m., Pacific Daylight Time, at The Salvation Army, Coeur d'Alene Ray and Joan Kroc Corps Community Center, located at 1765 W. Golf Course Road, Coeur d'Alene, Idaho. The Corporate Secretary's formal notice of the meeting and the Proxy Statement appear on the following pages and describe the matters expected to come before the meeting.

For the second year, we have elected to take advantage of the Securities and Exchange Commission "e-proxy" rules allowing us to furnish proxy materials through the Internet. By using e-proxy rules, we can expedite shareholders' receipt of our proxy materials, while lowering the costs for printing and delivery, as well as reducing the environmental impact. I strongly encourage you to sign up for electronic delivery of future proxy materials in order to conserve natural resources and help save costs in producing and distributing these materials. For more information, please see "Electronic Delivery of Proxy Materials and Annual Reports" on page 2 of the Proxy Statement or the instructions included in the Important Notice Regarding the Availability of Proxy Materials.

It is important that your shares be represented at our Annual Meeting of Shareholders, regardless of the number of shares you hold and whether or not you plan to attend the meeting in person, especially since recent rule changes no longer allow brokers to vote in routine matters, such as the elections of directors and the approval of new stock incentive plans, without shareholder instructions. Since a majority of the outstanding shares of our common stock must be represented either in person or by proxy to constitute a quorum for the conduct of business, please promptly vote your shares by following the instructions for voting on the Important Notice Regarding the Availability of Proxy Materials you received for the meeting or, if you received an electronic or paper copy of our proxy materials, by completing, signing, dating and returning your proxy card or by Internet or telephone voting as described in the Proxy Statement or on your proxy card. A self-addressed envelope is enclosed for your convenience in returning the proxy card. No postage is required if mailed in the United States. By doing so, shareholders can help avoid the necessity and expense of hiring a proxy solicitation firm to assure a quorum.

We sincerely hope you will be able to attend and participate in our Annual Meeting of Shareholders. We welcome the opportunity to meet with many of you and give you a firsthand report on our progress. On behalf of your Board of Directors and management, it is my pleasure to express our appreciation for your continued support.

Sincerely,

Phillips S. Baker, Jr.  
President and Chief Executive Officer

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HECLA MINING COMPANY  
6500 N. Mineral Drive, Suite 200  
Coeur d'Alene, Idaho 83815-9408  
208-769-4100

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NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the Annual Meeting of Shareholders of Hecla Mining Company will be held at The Salvation Army, Coeur d'Alene Ray and Joan Kroc Corps Community Center located at 1765 W. Golf Course Road, Coeur d'Alene, Idaho, on Friday, May 21, 2010, at 10:00 a.m., Pacific Daylight Time, for the following purposes:

- (1) To vote on the election of the three nominees nominated by the Board of Directors for election as directors of Hecla Mining Company, to serve for a three-year term or until their respective successors are elected and have qualified;
- (2) To approve an amendment to our Certificate of Incorporation increasing the number of authorized shares of our common stock from 400,000,000 to 500,000,000;
- (3) To approve the adoption of our 2010 Stock Incentive Plan and to reserve up to 20,000,000 shares of common stock for issuance under the 2010 Stock Incentive Plan;
- (4) To ratify the selection of BDO Seidman, LLP, as our independent registered public accounting firm for 2010; and
- (5) To act upon all other business that may properly come before the Annual Meeting of Shareholders or any adjournment thereof.

The Board of Directors has fixed the close of business on March 23, 2010, as the record date for the determination of shareholders entitled to notice of and to vote at this Annual Meeting of Shareholders and at any adjournment thereof. We are not currently aware of any other business to be brought before the Annual Meeting of Shareholders.

A list of shareholders eligible to vote will be available at Hecla's corporate offices, located at 6500 N. Mineral Drive, Suite 200, Coeur d'Alene, Idaho, beginning May 10, 2010. Shareholders may examine this list during normal business hours for any purpose relating to the Annual Meeting of Shareholders.

By Order of the Board of Directors

Michael B. White  
Corporate Secretary

April 5, 2010

**Note to Beneficial Owners.** To our beneficial owners, please note that effective January 1, 2010, New York Stock Exchange and Securities and Exchange Commission rule changes no longer permit a bank, broker or nominee to vote on behalf of beneficial owners with respect to routine matters, such as uncontested elections of directors and the approval of new stock incentive plans. You must instruct your bank, broker or nominee how to vote your shares in the manner set forth on your voting instruction card. Therefore, it is very important for you to vote your shares FOR the election of directors and for our new stock incentive plan. Please refer to the accompanying notice and Proxy Statement for additional information regarding each of the proposals and the Annual Meeting of Shareholders.

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## PROXY STATEMENT

## ANNUAL MEETING OF SHAREHOLDERS

May 21, 2010

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HECLA MINING COMPANY  
6500 N. Mineral Drive, Suite 200  
Coeur d'Alene, Idaho 83815-9408  
208-769-4100

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PROXY STATEMENT  
ANNUAL MEETING OF SHAREHOLDERS  
Friday, May 21, 2010  
10:00 a.m. Pacific Daylight Time

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This Proxy Statement is being furnished by the Board of Directors ("Board") of Hecla Mining Company, a Delaware corporation ("we," "our," "us," "Hecla," or the "Company"), to holders of shares of Hecla's common stock, par value \$0.25 per share, in connection with the soliciting of proxies to be voted at our Annual Meeting of Shareholders to be held on Friday, May 21, 2010, at 10:00 a.m., Pacific Daylight Time, and any adjournment thereof ("Annual Meeting"), for the purposes set forth in the accompanying Notice of Annual Meeting of Shareholders. The Annual Meeting will be held at The Salvation Army, Coeur d'Alene Ray and Joan Kroc Corps Community Center, located at 1765 W. Golf Course Road, Coeur d'Alene, Idaho.

This Proxy Statement contains important information regarding our Annual Meeting, the proposals on which you are being asked to vote, information you may find useful in determining how to vote and voting procedures.

The Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting and/or our Proxy Statement and 2009 Annual Report are being mailed or made available to shareholders entitled to vote at the Annual Meeting, on or about April 5, 2010.

GENERAL INFORMATION

Advice to Beneficial Holders of Shares of Common Stock

THE INFORMATION SET FORTH IN THIS SECTION IS OF SIGNIFICANT IMPORTANCE TO MANY SHAREHOLDERS OF OUR COMPANY, AS A SUBSTANTIAL NUMBER OF SHAREHOLDERS DO NOT HOLD SHARES IN THEIR OWN NAME.

Shareholders who do not hold their shares in their own name (referred to in this Proxy Statement as "beneficial shareholders") should note that only proxies submitted by shareholders whose names appear on the records of our Company as the registered holders of shares of common stock can be recognized and acted upon at our Annual Meeting. If shares of common stock are listed in an account statement provided to a shareholder by a broker or other nominee, then in almost all cases those shares of common stock will not be registered in the shareholder's name on the records of our Company and are most likely registered under the names of the shareholders' broker or an agent of that broker. In the United States, the vast majority of such shares are registered under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many U.S. brokerage firms and custodian banks), and in Canada, under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee and custodian for many Canadian brokerage firms). Beneficial shareholders should ensure that instructions respecting the voting of their shares of common stock with respect to the election of directors and the approval of the new stock incentive plan are communicated to the appropriate person, as without specific instructions, brokers and/or nominees are prohibited from voting shares for their clients.

Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from beneficial shareholders in advance of shareholders' meetings, unless the beneficial shareholders have waived the right to receive meeting materials. Every intermediary/broker has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by beneficial shareholders in order to ensure that their shares of common stock are voted at our Annual Meeting. The form of proxy supplied to a beneficial shareholder by its broker (or the agent of the broker) is similar to the form of proxy provided to registered shareholders by our Company. However, its purpose is limited to instructing the registered shareholder (the broker or agent of the broker) how to vote on behalf of the beneficial shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("Broadridge") (formerly, ADP Investor Communication Services in the United States and Independent Investor Communications Company in Canada). Broadridge typically applies a special sticker to proxy forms, mails those forms to the beneficial shareholders and the beneficial shareholders return the proxy forms to Broadridge. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at our Annual Meeting. A beneficial shareholder receiving a Broadridge proxy cannot use that proxy to vote shares of our common stock directly at our Annual Meeting – the proxy must be returned to Broadridge well in advance of our Annual Meeting in order to have the shares of common stock voted.

Alternatively, a beneficial shareholder may request in writing that his or her broker send to the beneficial shareholder a legal proxy which would enable the beneficial shareholder to attend our Annual Meeting and vote his or her shares of common stock.

#### Electronic Delivery of Proxy Materials and Annual Reports

If you are a shareholder of record, you may request and consent to electronic delivery of future proxy materials and annual reports by following the instructions on your proxy card. If your shares are held in street name, please contact your broker, bank or other nominee and ask about the availability of electronic delivery. If you select electronic delivery, we will discontinue mailing the proxy materials and annual reports to you beginning next year and you will be sent an e-mail message notifying you of the Internet address or addresses where you may access the proxy materials and annual report. Your consent to electronic delivery will remain in effect until you revoke it. If you selected electronic delivery last year, we will not mail the materials to you this year and you will receive an e-mail message with the Internet address where you may access the proxy materials and annual report for the current year.

This process is designed to expedite shareholders' receipt of proxy materials, lower the cost of the Annual Meeting, and help conserve natural resources. However, if you would prefer to receive printed proxy materials, please follow the instructions included in the Important Notice Regarding the Availability of Proxy Materials.

#### Important Notice Regarding the Availability of Proxy Materials

The Securities and Exchange Commission (the "SEC") has adopted rules that permit us to provide proxy materials to our shareholders electronically by posting the materials on a publicly accessible website. Accordingly, on April 5, 2010, we began mailing the Important Notice Regarding the Availability of Proxy Materials ("Notice") to all shareholders of record as of March 23, 2010, and posted this Proxy Statement, and our 2009 Annual Report, which includes our Annual Report on Form 10-K for the calendar year ended December 31, 2009 ("Proxy Materials") on the website referenced in the Notice. As more fully described in the Notice, all shareholders may choose to access our Proxy Materials on the website referred to in the Notice or may request to receive a printed set of our Proxy Materials. In addition, shareholders may request to receive Proxy Materials in printed form by mail or electronically by e-mail on an ongoing basis. You may also access our Proxy Materials at <http://phx.corporate-ir.net/phoenix.zhtml?c=63202&p=proxy>.

When you view our Proxy Materials on the website specified in the Notice, no “cookies” or other tracking features will collect your information and your anonymity will be protected. Any e-mail address you provide solely to request a copy of the Proxy Materials will not be shared with any third party or used for any other purpose other than to facilitate delivery of the Proxy Materials.

Importantly, the Notice will contain a 12-digit control number that you will need to access the Proxy Materials, to request printed copies of the Proxy Materials, and to vote your shares by telephone or by Internet. For this reason, we recommend that you retain the Notice through the date of our Annual Meeting.

We will furnish to any shareholder (without charge) a copy of our Annual Report on Form 10-K for the calendar year ended December 31, 2009, as filed with the SEC, except for exhibits, upon written or oral request to Hecla Mining Company, Attention: Jeanne DuPont, 6500 N. Mineral Drive, Suite 200, Coeur d’Alene, Idaho 83815-9408; telephone: 208-769-4100. You can also access our SEC filings, including our annual reports on Form 10-K, and all amendments thereto, on the SEC website at <http://www.sec.gov/edgar.shtml> or on our website at <http://www.hecla-mining.com>.

#### INFORMATION ABOUT THE ANNUAL MEETING AND VOTING

##### Purpose of the Annual Meeting

The purpose of the Annual Meeting is as follows:

1. To vote on the election of the three nominees nominated by the Board of Directors for election as directors of Hecla Mining Company, to serve for a three-year term or until our Annual Meeting of Shareholders in 2013;
2. To approve an amendment to our Certificate of Incorporation increasing the number of authorized shares of our common stock from 400,000,000 to 500,000,000;
3. To approve the 2010 Stock Incentive Plan and to reserve up to 20,000,000 shares of common stock for issuance under the 2010 Stock Incentive Plan;
4. To ratify the selection of BDO Seidman, LLP, as our independent registered public accounting firm for 2010; and
5. To transact such other business as may properly be brought before the Annual Meeting or any adjournment thereof.

##### Proxies

A “proxy” is your legal appointment of another person to vote the shares that you own in accordance with your instructions. The person you appoint to vote your shares is also called a proxy. If you designate someone as your proxy in a written document, that document also is called a proxy or a proxy card. We have designated Phillips S. Baker, Jr., our President and Chief Executive Officer and Michael B. White, our Corporate Secretary, as proxies for the Annual Meeting.

When you sign the proxy card, you appoint Phillips S. Baker, Jr. and Michael B. White as your representatives at the Annual Meeting. As your representatives, they will vote your shares at the Annual Meeting (or at any adjournment) as you have instructed them on your proxy card or, if no instruction is given, as set forth in the following paragraph. With proxy voting, your shares will be voted whether or not you attend the Annual Meeting in person. Even if you plan to attend the Annual Meeting, it is a good idea to complete, sign and return your proxy card in advance of the Annual Meeting in case your plans change.

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Properly signed and dated proxies received by us prior to or at the Annual Meeting will be voted as instructed on the proxies or, in the absence of such instruction: (i) FOR the election to the Board of Directors of the persons nominated by the Board; (ii) FOR the approval of an amendment to our Certificate of Incorporation to increase the number of authorized shares of our common stock; (iii) FOR the approval of the 2010 Stock Incentive Plan; (iv) FOR the ratification of the appointment of our independent registered public accounting firm for 2010; and (v) in accordance with the best judgment of the persons named in the proxy on any other matter which may properly come before the Annual Meeting.

We are not aware of any matters other than those described in this Proxy Statement that will be acted upon at the Annual Meeting. In the event that any other matters come before the Annual Meeting for a shareholder vote, your proxy gives authority to Phillips S. Baker, Jr., and Michael B. White to vote on such matters at their discretion.

### Revoking a Proxy

If you are a shareholder of record, you may revoke your proxy and change your vote at any time before your proxy is voted at the Annual Meeting, in any of the following ways:

- By sending a written notice of revocation to our Corporate Secretary prior to the vote at the Annual Meeting, at our principal executive offices:

Hecla Mining Company  
Attn: Corporate Secretary  
6500 N. Mineral Drive, Suite 200  
Coeur d'Alene, ID 83815-9408

- By submitting a later-dated proxy to our Corporate Secretary prior to the vote at the Annual Meeting; or
- By voting in person at the Annual Meeting.

If you hold your shares in street name, you should contact your broker, financial institution or other nominee for information on how to revoke your voting instructions and provide new voting instructions.

We will pass out written ballots to anyone who wants to vote at the Annual Meeting. If you hold your shares through a brokerage account but do not have a physical share certificate, or the shares are registered in someone else's name, you must request a legal proxy from the registered owner to vote at the meeting.

### Record Date, Shares Outstanding and Quorum

Holders of record of our common stock at the close of business on March 23, 2010 (the "Record Date") are entitled to vote on all matters presented at the Annual Meeting. As of the Record Date, 242,175,828 shares of common stock were outstanding and entitled to vote at the Annual Meeting. Shares of our common stock that are held by us in our treasury are not counted as shares outstanding and will not be voted. Each such share is entitled to one vote. To be effective, a matter presented for a vote of shareholders at the Annual Meeting must be acted upon by a quorum.

The presence at the Annual Meeting, in person or represented by proxy, of a majority of the outstanding shares of our common stock as of the Record Date will constitute a quorum for the transaction of business at the Annual Meeting. Shares represented by proxies marked "Abstain" or "Withheld" and "broker non-votes" are counted in determining whether a quorum is present for the transaction of business at the Annual Meeting. A "broker non-vote" is a proxy submitted by a broker that does not indicate a vote for some or all of the proposals because the broker does not have discretionary voting authority on certain types of proposals and has not received instructions from its client as to how to vote on the particular proposal.

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All shares of our common stock owned by you as of the close of business on the Record Date may be voted by you. These shares include: (i) shares held directly in your name as the shareholder of record, and (ii) shares held for you as the beneficial owner through a broker, financial institution or other nominee. Each share of common stock owned by you entitles you to cast one vote on each matter to be voted upon.

### Broker Non-votes

Brokers, financial institutions or other nominees holding shares in street name for their customers are generally required to vote the shares in the manner directed by their customers. If their customers do not give instructions, brokers may vote the shares on routine matters, but not on non-routine matters. Even though the election of directors under this Proxy Statement is uncontested, the election of directors is considered a "non-routine" matter, as is the approval of the 2010 Stock Incentive Plan, and brokers may not vote shares held in street name for their customers in relation to these proposals. The amendment to the Certificate of Incorporation and the ratification of the appointment of our independent registered public accounting firm for calendar year 2010, are considered "routine" matters and brokers are permitted to vote shares held in street name for their customers on these items.

### Required Vote

In accordance with our Bylaws, shares equal to at least a majority of the voting power of the outstanding shares of our common stock as of the Record Date must be present in person or represented by proxy at the meeting in order to hold the meeting and conduct business.

Under New York Stock Exchange ("NYSE") rules, if your shares are held in "street name" and you do not indicate how you wish to vote, your broker is only permitted to exercise its discretion to vote your shares on certain "routine" matters. Proposal 1 (Election of Directors) and Proposal 3 (Approval of the 2010 Stock Incentive Plan) are not "routine" matters, whereas Proposal 2 (Increase in Authorized Shares) and Proposal 4 (Ratification of appointment of BDO Seidman, LLP) are "routine" matters. Accordingly, if you do not direct your broker how to vote for a director in Proposal 1 or how to vote for Proposal 3, your broker may not exercise discretion and may not vote your shares. This is called a "broker non-vote." For voting requirement purposes for Proposal 1 and Proposal 3, broker non-votes are considered to be shares represented by proxy at the Annual Meeting but are not considered to be shares "entitled to vote" or "votes cast" at the Annual Meeting. As such, a broker non-vote will not be counted as a vote "FOR" or "WITHHELD" with respect to a director in Proposal 1 and, therefore, will have no effect on the outcome of the vote on Proposal 1. Similarly, a broker non-vote will not be counted as a vote "FOR" or "AGAINST" Proposal 3 and, therefore, will have no effect on the outcome of the vote on Proposal 3 if the total votes cast on Proposal 3 represent over 50% of the outstanding shares of our common stock. A broker non-vote will have the effect of a vote "AGAINST" Proposal 3 if the total votes cast on Proposal 3 do not represent over 50% of the outstanding shares of our common stock. Proxies marked "WITHHELD" or "ABSTAIN" will be counted in determining the total number of shares "entitled to vote" and "votes cast" on each of the proposals and will have the effect of a vote "AGAINST" a director or a proposal.

Proposal 1 - Election of Directors. Directors are elected by vote of the holders of a majority of the outstanding shares of our common stock, present in person, or by proxy, at the Annual Meeting entitled to vote thereon. A properly executed proxy card marked "WITHHELD" with respect to the election of directors will not be voted and will not count "FOR" any of the nominees for which the vote was withheld.

Proposal 2 - Approval of amendment to our Certificate of Incorporation to increase the number of authorized shares of our common stock. Adoption of the proposed amendment to our Certificate of Incorporation increasing the number of authorized shares of our common stock will require the affirmative vote of the holders of a majority of outstanding shares of common stock entitled to vote thereon. Abstentions and broker non-votes will have the effect of a vote against the proposal.

Proposal 3 - Approval of the 2010 Stock Incentive Plan. The adoption of the 2010 Stock Incentive Plan requires the affirmative vote of the holders of a majority of the shares of our common stock present in person, or by proxy, at the Annual Meeting entitled to vote thereon, provided that the total number of votes cast on the proposal is greater than 50% of the total number of shares entitled to vote. Abstentions will have the effect of a vote against the proposal.

Proposal 4 - Ratification of selection of BDO Seidman, LLP. Under the Sarbanes-Oxley Act of 2002, the Audit Committee has the sole authority to appoint the independent registered public accounting firm for the Company. However, the Board feels that it is important for the shareholders to approve the selection of BDO Seidman, LLP. A vote of the holders of a majority of the outstanding shares of our common stock, present in person, or by proxy at the Annual Meeting entitled to vote thereon is required to approve the ratification of the selection of BDO Seidman, LLP, as our independent registered public accounting firm for 2010. Abstentions and broker non-votes will have the effect of a vote against the proposal.

Discretionary voting by proxies on other matters. Aside from the election of three directors, approval of the amendment to the Certificate of Incorporation, approval of the 2010 Stock Incentive Plan, and the ratification of the selection of BDO Seidman, LLP, we do not know of any other proposal that may be presented at the Annual Meeting. However, if any other business is properly presented at the Annual Meeting, your proxy gives authority to Phillips S. Baker, Jr., and Michael B. White to vote on such matters at their discretion.

#### Board of Directors Recommendations

Our Board recommends that you vote your shares (i) FOR the election of all director nominees to the Board; (ii) FOR the approval of the amendment to our Certificate of Incorporation to increase the number of authorized shares of our common stock; (iii) FOR approval of the 2010 Stock Incentive Plan; and (iv) FOR the selection of BDO Seidman, LLP, as our independent registered public accounting firm for 2010.

#### “Shareholder of Record” versus “Beneficial Owner”

Most of our shareholders hold their shares through a broker, financial institution or other nominee rather than directly in their own name. As summarized below, there are some distinctions between shares held of record and those owned beneficially.

**Shareholder of Record.** If your shares are registered directly in your name with our transfer agent, American Stock Transfer & Trust Company, you are considered, with respect to those shares, the shareholder of record. As the shareholder of record, you have the right to grant your voting proxy directly to us or to vote in person at the Annual Meeting.

**Beneficial Owner.** If your shares are held in a stock brokerage account or by a financial institution or other nominee, you are considered the beneficial owner of shares held in “street name,” and these Proxy Materials are being forwarded to you by your broker, financial institution or other nominee, which is considered with respect to those shares, the shareholder of record. As the beneficial owner, you have the right to direct your broker as to how to vote your shares and are also invited to attend the Annual Meeting. However, because you are not the shareholder of record, you may not vote your shares in person at the Annual Meeting unless you obtain a signed proxy from the record holder giving you the right to vote the shares. If you do not vote your shares over the Internet or otherwise provide the shareholder of record with voting instructions, your shares may constitute broker non-votes on certain matters.

#### How to Vote

To vote by mail:

- Mark, sign and date your proxy card; and
- Return your proxy card in the enclosed postage-paid envelope.

To vote over the Internet:

- Have your proxy card available;
- Log on to the Internet and visit the website noted on your proxy card;
- Follow the instructions provided; and
- Do not mail your proxy card.

To vote by telephone:

- Have your proxy card available;
- Call the toll-free number listed on your proxy card;
- Follow the recorded instructions; and
- Do not mail your proxy card.

To vote in person if you are a registered shareholder of record:

- Attend our Annual Meeting;
- Bring a valid photo identification; and
- Deliver your completed proxy card or ballot in person.

To vote in person if you hold your shares in "street name" (through a broker, financial institution or other nominee):

- Attend our Annual Meeting;
- Bring a valid photo identification; and
- Obtain from your broker, financial institution or other nominee a document that allows you to vote the shares held for your benefit, attach that document to your completed proxy card or ballot and deliver it in person.

To vote your shares after receiving the Important Notice Regarding the Availability of Proxy Materials:

If you received a Notice, please follow the instructions contained in the Notice on how to vote by telephone or by Internet.

To vote your 401(k) Plan shares:

If you participate in the Hecla Mining Company Capital Accumulation Plan and hold shares of our common stock in your plan account as of the Record Date, you will receive a request for voting instructions from the plan trustee ("Vanguard") with respect to your plan shares. If you hold your Hecla shares outside of the plan, you will vote those shares separately. You are entitled to direct Vanguard how to vote your plan shares. If you do not provide voting instructions to Vanguard by 11:59 p.m., Eastern Daylight Time, on May 20, 2010, the Hecla shares in your plan account will be voted by Vanguard in the same proportion as the shares held by Vanguard for which voting instructions have been received from other participants in the plan. You may revoke your previously provided voting instructions by filing with Vanguard either a written notice of revocation or a properly executed proxy bearing a later date prior to the deadline for voting plan shares.

#### Inspectors of Election

The Board has appointed representatives from Broadridge Financial Solutions, Inc., to act as independent inspectors at the Annual Meeting. The inspectors of election appointed for the meeting will count the votes cast by proxy or in person at the Annual Meeting. We will announce the voting results at the meeting and publish final results in a Form 8-K filed within four business days of the Annual Meeting.

#### Costs of Solicitation

We will bear all costs and expenses relating to the solicitation of proxies, including the costs of preparing, assembling, printing, mailing and distributing these Proxy Materials. We have hired Broadridge Financial Solutions, Inc., to assist us in mailing these Proxy Materials. Additionally, we may hire a proxy solicitor to help reach the quorum requirement or to assist in acquiring votes "FOR" each of the proposals. We will pay a reasonable fee in relation to these services. Solicitations may be made personally or by mail, facsimile, telephone, or via the Internet. However, if you choose to access the Proxy Materials over the Internet, you are responsible for any Internet access charges you may incur. Arrangements will be made with brokerage firms and other custodians, nominees and fiduciaries for forwarding solicitation materials to the beneficial owners of the shares of common stock held by such persons, and we will reimburse such brokerage firms, custodians, nominees and fiduciaries for reasonable out-of-pocket expenses incurred by them in connection with such activities.

#### Hecla's Transfer Agent

Please contact our transfer agent, at the phone number or address listed below, with questions concerning stock certificates, dividend checks, transfer of ownership or other matters pertaining to your stock account.

American Stock Transfer & Trust Company  
59 Maiden Lane  
New York, NY 10038  
800-937-5449

#### Householding of Proxy Materials

Many brokerage firms, financial institutions and transfer agents have instituted "householding" procedures for beneficial owners and shareholders of record. Householding is when a single copy of our Proxy Materials is sent to a household in which two or more shareholders reside if they appear to be members of the same family. This practice is designed to reduce duplicate mailings and save significant printing and postage costs, as well as natural resources.

If you are a beneficial owner, you may have received householding information from your broker, financial institution or other nominee in the past. Please contact the holder of record directly if you have questions, require additional copies of our Proxy Materials, or wish to revoke your decision to household and thereby receive multiple copies. You should also contact the holder of record if you wish to institute householding. These options are available to you at any time.

Shareholders of record who share an address and would like to receive a separate copy of our Proxy Materials for future annual meetings, or have questions regarding the householding process, may contact our transfer agent, American Stock Transfer & Trust Company, either by written request or by phone at the address and phone number listed above. By contacting American Stock Transfer & Trust Company, shareholders of record sharing an address can also request delivery of multiple copies of our Proxy Materials in the future.

Direct Registration

The Direct Registration System (“DRS”) is a system that allows your shares in Hecla to be held in your name in book-entry form, without having a physical certificate issued. You retain full ownership of your shares, and you have the same rights and privileges as holders of shares held in certificate form. You may request a physical certificate at any time, although it is generally easier and more efficient to maintain your shares in non-certificated form. The benefits of DRS are:

- Provides accurate, quick and cost-efficient transfers between our transfer agent and your broker/dealer;
- Ensures secure electronic transfer of your securities;
- Reduces the risk with physical certificates being processed, including turnaround delays, mail losses and risks associated with stolen, forged or counterfeit securities;
- You will receive a periodic annual statement, either from your brokerage firm or our transfer agent. Unlike a physical security, if you lose the statement it’s easy to get another one; and
- It is generally safer to own your shares in book-entry form because there are no certificates to be stolen, lost or destroyed. There is also no need to rent a safe-deposit box or other safe place to keep the certificates, and you do not have to send them in the mail or insure them.

You can contact our transfer agent, American Stock Transfer & Trust Company at the address and telephone number listed above for more information on DRS.

PROVISIONS OF HECLA’S BYLAWS  
WITH RESPECT TO SHAREHOLDER PROPOSALS AND  
NOMINATIONS FOR ELECTION AS DIRECTORS

You may submit proposals for consideration at future annual shareholder meetings, including director nominations as follows:

Shareholder proposals at the 2011 Annual Meeting of Shareholders

Our Bylaws establish procedures governing the eligibility of nominees for election to our Board, and the proposal of business to be considered by our shareholders at an Annual Meeting of Shareholders. For nominations or other business to be properly brought before an Annual Meeting of Shareholders by a shareholder, the shareholder must have given timely notice thereof in writing to our Corporate Secretary. To be timely, a shareholder’s notice shall be delivered to our Corporate Secretary at our principal executive offices located at 6500 N. Mineral Drive, Suite 200, Coeur d’Alene, Idaho 83815-9408, not less than 90 days nor more than 120 days prior to the first anniversary of the preceding year’s Annual Meeting of Shareholders; provided, however, that in the event the date of the Annual Meeting of Shareholders is advanced by more than 30 days or delayed by more than 60 days from such anniversary date, notice by the shareholder to be timely must be delivered not earlier than the 120th day prior to such Annual Meeting of Shareholders and not later than the close of business on the later of the 90th day prior to such Annual Meeting of Shareholders or the 10th day following the day on which public announcement of the date of such meeting is first made. Adjournment of a meeting shall not commence a new time period for giving shareholder’s notice as described above. Such shareholder’s notice shall set forth:

- (a) As to each person whom the shareholder proposes to nominate for election or re-election as a director, all information relating to such person that is required to be disclosed in solicitations of proxies for election of directors in an election contest, or is otherwise required, in each case pursuant to Regulation 14A under the Securities and Exchange

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Act of 1934 (the "Exchange Act"), as amended, and Rule 14a-11 thereunder, including such person's written consent to being named in our Proxy Statement as a nominee and to serve as a director if elected;

- (b) As to any other business that the shareholder proposes to bring before the meeting, who has not otherwise complied with the rules and regulations under the Exchange Act for the inclusion of a shareholder proposal in our Proxy Statement, a brief description of the business desired to be brought before the meeting, the reasons for conducting such business at the meeting and any material interest in such business of such shareholder and the beneficial owner, if any, on whose behalf the proposal is made; and
- (c) As to the shareholder giving the notice and the beneficial owner, if any, on whose behalf the nomination or proposal is made:
  - (i) the name and address of such shareholder, as they appear on the Company's books, and of such beneficial owner; and
  - (ii) the class and number of shares of the Company, which are owned beneficially, and of record by such shareholder or beneficial owner.

The applicable time period for timely shareholder submissions pursuant to the above provisions for the 2011 Annual Meeting of Shareholders is January 20, 2011 (the 120th day preceding the anniversary of the 2010 Annual Meeting) to February 19, 2011 (the 90th day preceding such anniversary).

The chairman of the meeting shall have the power and duty to determine whether a nomination or any business proposed to be brought before the meeting was made in accordance with the procedures set forth in the Bylaws and, if any proposed nomination or business is not in compliance with the Bylaws, to declare that such defective proposal shall be disregarded. The foregoing time limits also apply in determining whether notice is timely for purposes of rules adopted by the SEC relating to the exercise of discretionary voting authority.

Shareholder proposals to be included in next year's Proxy Statement

In addition to the foregoing section, we will comply with Rule 14a-8 under the Exchange Act with respect to any shareholder proposals that meet the requirements. We will review shareholder proposals intended to be included in our Proxy Statement for the 2011 Annual Meeting of Shareholders, which are received by us at our principal executive offices located at 6500 N. Mineral Drive, Suite 200, Coeur d'Alene, Idaho 83815-9408, no later than December 2, 2010. Such proposals must be submitted in writing and should be sent to the attention of our Corporate Secretary.

You may contact the Corporate Secretary at our principal executive offices for a copy of the relevant Bylaw provisions regarding the requirements for making shareholder proposals and nominating director candidates.

Identifying and Evaluating Nominees for Directors

General Principles and Procedures. The Corporate Governance and Directors' Nominating Committee ("Committee") uses a variety of methods for identifying and evaluating nominees for director. The Committee is responsible for ensuring that the composition of the Board accurately reflects the needs of the Company's business. In the event vacancies are anticipated, or arise, the Committee considers various potential candidates for director. Candidates may come to the attention of the Committee through current Board members, professional search firms, shareholders or other persons. Consideration of new director nominee candidates typically involves a series of internal discussions, review of information concerning candidates and interviews with selected candidates. The Committee then determines the best qualified candidates based on the established criteria and recommends those candidates to the Board for election at the next annual meeting of shareholders.

We are of the view that the continuing service of qualified incumbents promotes stability and continuity in the boardroom, contributing to the Board's ability to work as a collective body, while giving us the benefit of familiarity and insight into our affairs that our directors have accumulated during their tenure. Accordingly, the process for identifying nominees reflects our practice of re-nominating incumbent directors who continue to satisfy the Committee's criteria for membership on the Board, whom the Committee believes continue to make important contributions to the Board, and who consent to continue their service on the Board.

The Committee reviews annually with the Board the composition of the Board as a whole and recommends, if necessary, measures to be taken so that the Board reflects the appropriate balance of knowledge, experience, skills, expertise and diversity required for the Board as a whole and contains at least the minimum number of independent directors required by applicable laws and regulations. Board members should possess such attributes and experience as are necessary for the Board as a whole to contain a broad range of personal characteristics, including diversity of backgrounds, management skills, engineering, accounting, finance, and business experience. Directors should be able to commit the requisite time for preparation and attendance at regularly scheduled Board and committee meetings, as well as be able to participate in other matters necessary to ensure good corporate governance is practiced.

In general, and as more fully outlined in our Bylaws and Corporate Governance Guidelines, in evaluating director candidates for election at annual meetings of shareholders, the Committee will: (i) consider if the candidate satisfies the minimum qualifications for director candidates as set forth in the Corporate Governance Guidelines; (ii) consider factors that are in the best interests of the Company and its shareholders, including the knowledge, experience, integrity and judgment of each candidate; (iii) consider the contribution of each candidate to the diversity of backgrounds, experience and competencies which the Board desires to have represented, with such diversity being considered among the other desirable attributes of the Board; (iv) assess the performance of an incumbent director during the preceding term; (v) consider each candidate's ability to devote sufficient time and effort to his or her duties as a director; (vi) consider a candidate's independence and willingness to consider all strategic proposals; (vii) any other criteria established by the Board and any core competencies or technical expertise necessary to manage and direct the affairs and business of the Company, including, when applicable, to enhance the ability of committees of the Board to fulfill their duties; and (viii) determine whether there exists any special, countervailing considerations against nomination of the candidate.

#### Shareholder Nominees

The Committee will consider persons recommended by shareholders as nominees for election as directors. Our Bylaws provide that any shareholder who is entitled to vote for the election of directors at a meeting called for such purpose may nominate persons for election to the Board by following the procedures set forth on page 9. Shareholders who wish to submit a proposed nominee to the Committee should send written notice to the Corporate Governance and Directors' Nominating Committee Chairman, c/o Corporate Secretary, Hecla Mining Company, 6500 N. Mineral Drive, Suite 200, Coeur d'Alene, Idaho 83815-9408, within the time period set forth on page 10. The notification should set forth all information relating to the nominee that is required to be disclosed in solicitations of proxies for elections of directors pursuant to Regulation 14A under the Exchange Act, including the nominee's written consent to being named in the Proxy Statement as a nominee and to serving as a director if elected; the name and address of the shareholder or beneficial owner making the nomination or on whose behalf the nomination is being made; and the class and number of shares of the Company owned beneficially and of record by such shareholder or beneficial owner. The Committee will consider shareholder nominees on the same terms as nominees selected by the Committee.

Regardless of how a candidate is brought to the Committee, qualified candidates are subjected to one or more personal interviews with appropriate members of the Board. Chosen candidates are extended invitations to join the Board. If a candidate accepts, he or she is formally nominated.

Director Qualifications, Evaluation, and Nomination

The Committee believes that nominees for election to the Board should also possess certain minimum qualifications and attributes. The nominee must: (i) exhibit strong personal integrity, character and ethics, and a commitment to ethical business and accounting practices; (ii) not be involved in ongoing litigation with the Company or be employed by an entity that is engaged in such litigation; and (iii) not be the subject of any ongoing criminal investigations in the jurisdiction of the United States or any state thereof, including investigations for fraud or financial misconduct.

In connection with the director nominees who are up for re-election at the Annual Meeting, the Committee also considered the nominees' roles in: (i) overseeing the Company's efforts in complying with its SEC disclosure requirements; (ii) assisting in improving the Company's internal controls and disclosure controls; (iii) assisting with the strategic plan of the Company; and (iv) implementing the Company's mission statement and strategic plan. Directors are expected to exemplify high standards of personal and professional integrity and to constructively challenge management through their active participation and questioning.

In addition to fulfilling the above criteria, all three of the nominees for re-election are considered independent under the NYSE rules. Each nominee brings a strong and unique background and set of skills to the Board, giving the Board as a whole competence and experience in a wide variety of areas, including corporate governance, executive management, accounting, finance, mining, and board service. In the case of the incumbent directors whose terms of office are set to expire, the Committee reviewed such directors' overall service to the Company during their terms, including the number of meetings attended, level of participation and quality of performance.

The biographies of each of the nominees and continuing directors below contains information regarding the person's service as a director, business experience, director positions held currently or at any time during the last five years, information regarding involvement in certain legal or administrative proceedings, if applicable, and the experience, qualifications, attributes or skills that caused the Corporate Governance and Directors' Nominating Committee and the Board to determine that the person should serve as a director for the Company.

PROPOSAL 1 – ELECTION OF DIRECTORS

Our current Bylaws require the Board to have not less than five nor more than nine members, and may be increased or decreased from time to time by resolution approved by the affirmative vote of a majority of the Board. The current Board is composed of eight directors.

In accordance with our Certificate of Incorporation, the Board is divided into three classes. The terms of office of the directors in each class expire at different times. There are three directors whose terms will expire at the Annual Meeting. The nominees are Ted Crumley, Charles B. Stanley and Terry V. Rogers.

At a meeting held by the Corporate Governance and Directors' Nominating Committee in February 2010, the Corporate Governance and Directors' Nominating Committee determined that the three current directors whose terms are expiring were qualified candidates and recommended to the Board that they stand for re-election at the Annual Meeting.

The Board designated Ted Crumley, Charles B. Stanley and Terry V. Rogers as nominees for election as directors of the Company, each for a three-year term expiring in 2013.

It is intended that the proxies solicited hereby from our shareholders will be voted FOR the election of Ted Crumley, Charles B. Stanley and Terry V. Rogers, unless authority to do so has been withheld. The Board knows of no reason why the nominees will be unable or unwilling to accept election. However, if any nominee becomes unable or is unwilling to accept election, the Board will either reduce the number of directors to be elected or select substitute nominees submitted by the Corporate Governance and Directors' Nominating Committee of the Board. If substitute nominees are selected, proxies will be voted in favor of such nominees, unless authority to do so has been withheld.

Information About Board Nominees and Continuing Directors

The following information with respect to the business experience of nominees for election to the Board and the members of the Board who will continue to serve as our directors has been furnished by the nominee or director, or obtained from our records.

Nominees for Election to the Board – Term Ending at the 2010 Annual Meeting

If elected, the nominees will each serve for a three-year term ending in 2013. The nominees are as follows:

TED CRUMLEY, 61, a director of the Company since 1995, was the Executive Vice President and Chief Financial Officer of OfficeMax Incorporated (distributor of office products) from January 2005 until his retirement in December 2005. He was also Senior Vice President of OfficeMax Incorporated from November 2004 to January 2005; and Senior Vice President and Chief Financial Officer of Boise Cascade Corporation (manufacturer of paper and forest products) from 1994 to 2004.

Key attributes, experience and skills: Mr. Crumley has over 30 years experience in management, finance and accounting in the natural resources industry, understands all aspects of the Company's mining business as he has served on Hecla's Board since 1995, and he is the longest standing member of the Board and, as such, also holds the position of Chairman of the Board. It is these attributes that led the Board to conclude that Mr. Crumley should continue to serve as a director of Hecla.

CHARLES B. STANLEY, 51, a director of the Company since 2007, has been Chief Operating Officer of Questar Corporation (a Western U.S. natural gas-focused exploration and production, interstate pipeline and local distribution company), since March 2008; Executive Vice President and Director of Questar Corporation, since 2002; President and Chief Executive Officer, Questar Market Resources, Inc., Wexpro Company (management and development, cost-of-service properties), Questar Exploration and Production Company (oil and gas exploration and production), Questar Gas Management Company (gas gathering and processing) and Questar Energy Trading Company (wholesale marketing and storage), since 2002.

Key attributes, experience and skills: Mr. Stanley has an extensive background in natural resources and is intimately familiar with the financial reporting, disclosure, governance, and control requirements imposed on public companies by various regulatory agencies because of his experience as an executive officer of an SEC registrant, in which he is required to certify the Company's filings with the SEC. It is these attributes that led the Board to conclude that Mr. Stanley should continue to serve as a director of Hecla.

TERRY V. ROGERS, 63, a director of the Company since 2007, was the Senior Vice President and Chief Operating Officer of Cameco Corporation (world's largest uranium producer) from February 2003 until his retirement in June 2007. He was the former President of Kumtor Operating Company (a gold producing company and a division of Cameco Corporation) from 1999 to 2003 and has currently served on the Board of Directors of Centerra Gold Inc. (a gold mining company) since February 2003.

Key attributes, experience and skills: Mr. Rogers has over 30 years experience in the mining industry where he held several executive positions with major mining companies and their subsidiaries worldwide. His duties included decision-making processes which established the strategic direction of those companies. He has experience in operating mining projects, including being a mine manager and overseeing all aspects of production, engineering, planning and administrative services. Mr. Rogers also has vast experience in opencast, open-pit and underground operations in coal, gold, and uranium mines around the world. It is these attributes that led the Board to conclude that Mr. Rogers should continue to serve as a director of Hecla.

The Board recommends that shareholders vote "FOR" the election of Ted Crumley, Charles B. Stanley and Terry V. Rogers.

Our directors whose terms are not expiring this year are listed below. They will continue to serve as directors for the remainder of their terms or such other date in accordance with our Bylaws.

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### Continuing Members of the Board – Term Ending at the 2011 Annual Meeting

PHILLIPS S. BAKER, JR., 50, a director since 2001, has been our Chief Executive Officer since May 2003 and has served as our President since November 2001. He served as Hecla's Chief Financial Officer from May 2001 to June 2003; Chief Operating Officer from November 2001 to May 2003; and Vice President from May 2001 to November 2001. He has also served as a Director of Questar Corporation since February 2004.

Key attributes, experience and skills: As our Chief Executive Officer for nearly seven years and our President and a director since 2001, Mr. Baker is intimately familiar with Hecla and all of its operations, and is unique in his institutional knowledge of the Company. His over 23 years experience with mining companies is a key component of our Board's collective experience. Mr. Baker has served on the board of other publicly held mining and natural resource companies and holds legal and accounting degrees, each of which provides additional experience and skills that are helpful to our Board. It is these attributes that lead the Board to conclude that Mr. Baker should continue to serve as a director of Hecla.

DR. ANTHONY P. TAYLOR, 68, a director since 2002, has been the Chief Executive Officer and Director of Gold Summit Corporation (a public Canadian minerals exploration company), since October 2003. He was also President of Gold Summit Corporation from October 2003 to October 2009. He was the President, Chief Executive Officer and Director of Millennium Mining Corporation (a private Nevada minerals exploration company) from January 2000 to October 2003. He also served as a Director of Greencastle Resources Limited (an exploration company) from December 2003 to June 2008. Since October 2001, he has served as President and Director of Caughlin Preschool Co. (a private Nevada corporation that operates a preschool).

Key attributes, experience and skills: Dr. Taylor has over 45 years experience in the mining industry in all levels of exploration from a field geologist to senior management. He has extensive experience in lead, zinc, nickel, copper, gold and silver exploration in Alaska, Europe, Australia, South Africa, North and South America. It is these attributes that led the Board to conclude that Dr. Taylor should continue to serve as a director of Hecla.

DAVID J. CHRISTENSEN, 48, a director since 2003, has been the Chief Executive Officer of ASA Limited (a closed-end investment company) since February 2009. He served as Vice President - Investments of ASA Limited from May 2007 to February 2009; Vice President - Corporate Development of Gabriel Resources Ltd. (a Canadian-based resource company) from October 2006 to March 2008; and Research Analyst with Credit Suisse First Boston (an investment banking firm) from October 2002 to August 2003. Mr. Christensen had previously served as a director of the Company from May 2002 to October 2002.

Key attributes, experience and skills: Mr. Christensen's entire career has been spent as an analyst of precious metals producers, which provides the background needed to evaluate the potential to add shareholder value over the long-term. He is familiar with all aspects of the precious metals industry and currently serves as an executive officer of a precious metals closed-end investment company. It is these attributes that led the Board to conclude that Mr. Christensen should continue to serve as a director of Hecla.

### Continuing Members of the Board – Term Ending at the 2012 Annual Meeting

GEORGE R. NETHERCUTT, JR., 65, a director since 2005, has been a Principal of Nethercutt Consulting LLC (a strategic planning and consulting firm), since January 2007. He has served as Chairman of The George Nethercutt Foundation (a non-profit student leadership and civics education charity), since 2007; Of Counsel, Paine Hamblen LLP (a law firm), since August 2005; Of Counsel, Lee & Hayes PLCC (a law firm), since September 2009; a Board Member of Washington Policy Center (a public policy organization providing analysis on issues relating to the free market and government regulation), since January 2005; a Board Member of ARCADIS Corporation (an international provider of knowledge-based consulting services in the areas of infrastructure, environment and buildings), since May 2005; a Board Member, Juvenile Diabetes

Research Foundation International (a charity and advocate of juvenile diabetes research worldwide), since June 2005. He also served as U.S. Chairman of the Permanent Joint Board on Defense - U.S./Canada from April 2005 to December 2009; Principal, Lundquist, Nethercutt & Griles, LLC (a strategic planning and consulting firm) from February 2005 to January 2007; Member, U.S. House of Representatives from 1995 to 2005; Member, Subcommittee on Interior, Agriculture and Defense Appropriations from 1995 to 2005; Member, Committee on Science and Energy from 1998 to 2005; and Vice Chairman, Defense Subcommittee on Appropriations from 2000 to 2004.

Key attributes, experience and skills: Mr. Nethercutt has an extensive political background, including working in the U.S. Senate in Washington, D.C., where he focused on issues relating to oil and gas, natural resources, mining and commerce. He served as chief of staff to a U.S. Senator in Alaska, where he worked on such issues as agriculture, fisheries, timber and mining. While serving as a U.S. Congressman, his focus was on natural resources policy, mining legislation and environmental policies on public lands. Mr. Nethercutt's consulting business consists of representing clients with mining and natural resources issues. He has been a member of the Washington State Bar Association since 1972 and holds a Juris Doctor degree where he gained experience and expertise in business, natural resources and mining law. It is these attributes that led the Board to conclude that Mr. Nethercutt should continue to serve as a director of Hecla.

JOHN H. BOWLES, 64, a director since 2006, was a Partner in the Audit and Assurance Group of PricewaterhouseCoopers LLP (an accounting firm) from April 1976 until his retirement in June 2006. He has served as a Director of Boss Power Corp. (a mineral exploration company) since September 2007; Treasurer, Mining Suppliers Association of British Columbia (an association of providers of equipment, products and related services to the British Columbia mining industry), since May 1999; and Director Emeritus, Ducks Unlimited Canada (a national, private, non-profit wetland conservation organization), since March 1996. He also served as a Director of HudBay Minerals Inc. (a zinc, copper, gold and silver mining company) from May 2006 to March 2009. He was appointed a Fellow of the British Columbia Institute of Chartered Accountants in December 1997, and appointed a Fellow of the Canadian Institute of Mining and Petroleum in May 2003.

Key attributes, experiences and skills: Mr. Bowles is a chartered accountant and specialized in the audits of public companies in the mining industry. He is currently serving as a board member for a mineral exploration company, and previously served as a director for a zinc, copper, gold and silver mining company. It is these attributes that led the Board to conclude that Mr. Bowles should continue to serve as a director of Hecla.

#### SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table shows the number and percentage of the shares of common stock beneficially owned by each current director, director nominee and current executive officer of Hecla, and by all current directors and executive officers as a group, as of March 23, 2010. On that date, all of such persons together beneficially owned an aggregate of approximately 1.1% of the outstanding shares of our common stock. Except as otherwise indicated, the directors, nominees and officers have sole voting and investment power with respect to the shares listed, including shares which the individual has the right to acquire by exercising stock options but has not done so.

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Name of Beneficial Owner	Title of Class	Shares Beneficially Owned		Percent of Class
		Number	Nature	
Phillips S. Baker, Jr. President and CEO		676,0274	Direct1	
		131,579	RSU2	
		760,218	Vested Options3	
	Common	1,567,824		*
Ronald W. Clayton Senior Vice President - Operations		40,1655	Direct1	
		43,860	RSU2	
		119,406	Vested Options3	
	Common	203,431		*
Dr. Dean W.A. McDonald Vice President - Exploration		63,246	Direct1	
		36,550	RSU2	
		135,505	Vested Options3	
	Common	235,301		*
Don Poirier Vice President - Corporate Development		48,212	Direct1	
		29,240	RSU2	
		99,604	Vested Options3	
	Common	177,056		*
James A. Sabala Senior Vice President and CFO		14,042	Direct1	
		43,860	RSU2	
		125,158	Vested Options3	
	Common	183,060		*
David C. Sienko6 Vice President and General Counsel		10,000	RSU	
		15,000	Options	
	Common	25,000		*
		15,068	Indirect7	
John H. Bowles Director	Common	15,068		*
		10,318	Direct1	
David J. Christensen Director		21,132	Indirect7	
	Common	31,450		*
		4,000	Direct1	
Ted Crumley Director		41,184	Indirect7	
	Common	45,184		*
George R. Nethercutt, Jr. Director	Common	16,483	Indirect7	*
		16,483		*
Terry V. Rogers Director	Common	10,231	Indirect7	*
		10,231		*
Charles B. Stanley Director	Common	10,231	Indirect7	*
		10,231		*
Dr. Anthony P. Taylor Director		34,645	Indirect7	
		8,000	Direct1	
	Common	42,645		*
	Series B Preferred	100	Direct8	**
All current directors, nominee directors and officers as a group (13 individuals)	Common	2,562,964		1.1%
	Series B Preferred	100		**

- \* Represents beneficial ownership of less than one percent, based upon 242,175,828 shares of our common stock issued and outstanding as of March 23, 2010.
- \*\* Represents beneficial ownership of less than one percent, based upon 157,816 shares of our Series B Cumulative Convertible Preferred Stock issued and outstanding as of March 23, 2010.
1. “Direct” means shares held of record and any shares beneficially owned through a trust, broker, financial institution, or other nominee, and which the officer or director has sole or shared voting power.
2. “RSU” means restricted stock units held in the Key Employee Deferred Compensation Plan. On May 28, 2010, the restrictions lapse on the restricted stock units and each executive officer listed above will have those shares distributed in the form of shares of our common stock (with the exception of Mr. Sienko). The executive officers do not have any voting power with these restricted stock units until the restrictions lapse.
3. “Vested Options” means options granted under the 1995 Stock Incentive Plan, which are vested and exercisable within 60 days of March 23, 2010.
4. 320,458 shares are held directly by Mr. Baker, as to which he has sole voting and investment power, and 355,569 shares are held jointly with Mr. Baker’s spouse, as to which Mr. Baker shares voting and investment power.
5. 34,165 shares are held directly by Mr. Clayton, as to which he has sole voting and investment power, and 6,000 shares are held jointly with Mr. Clayton’s spouse, as to which Mr. Clayton shares voting and investment power.
6. Mr. Sienko was appointed Vice President and General Counsel on January 29, 2010. Under the terms of the 1995 Stock Incentive Plan, he was granted 15,000 stock options with a vesting schedule of 7,500 stock options vesting on August 2, 2010, and the remaining 7,500 stock options vesting on February 1, 2011. Under the terms of the Key Employee Deferred Compensation Plan, the 10,000 restricted stock units were granted with a vesting schedule of 5,000 restricted stock units vesting on February 1, 2011, and the remaining 5,000 restricted stock units vesting on February 1, 2012.
7. “Indirect” means shares credited to each non-management director, all of which are held indirectly in trust pursuant to our Stock Plan for Nonemployee Directors. Each director disclaims beneficial ownership of all shares held in trust under the stock plan. See “Compensation of Non-Management Directors” on page 27.
8. Dr. Taylor holds 100 shares of our Series B Preferred Cumulative Stock. Under the Certificate of Designations of Preferred Stock, each share of preferred stock is convertible at the option of the holder at any time into 3.2154 shares of common stock for each share of preferred stock. If Dr. Taylor converted these 100 preferred shares, he would receive 321 shares of our common stock.

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To our knowledge, as of March 23, 2010, the only “beneficial owners” (as such term is defined in Rule 13d-3 under the Exchange Act) of more than 5% of our common stock entitled to vote at the Annual Meeting are shown in the table below:

Title of Class	Name & Address of Beneficial Owner	Amount & Nature of Beneficial Ownership <sup>1</sup>	Percent of Class
Common	Royce & Associates, LLC <sup>1</sup> 745 Fifth Avenue New York, NY 10151	12,613,600	5.2%
Common	BlackRock, Inc. <sup>2</sup> 40 East 52nd Street New York, NY 10022	13,403,093	5.5%
Common	Van Eck Associates Corporation <sup>3</sup> 335 Madison Ave. – 19th Floor New York, NY 10017	12,482,173	5.2%

1. Based solely on a Schedule 13G filed with the SEC by Royce & Associates, LLC. Royce & Associates, LLC, has sole voting and dispositive power with respect to all shares.
2. Based solely on a Schedule 13G filed with the SEC by BlackRock, Inc. BlackRock, Inc., has sole voting and dispositive power with respect to all shares.
3. Based solely on a Schedule 13G filed with the SEC by Van Eck Associates Corporation. Van Eck Associates Corporation has sole voting and dispositive power with respect to all shares.

### SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Exchange Act requires our directors, executive officers and holders of more than 10% of our common stock to file with the SEC reports regarding their ownership and changes in their ownership of our stock. These persons are required by the SEC to furnish us with copies of all Section 16(a) forms they file.

Based solely on our review of copies of such forms, or written representations from certain reporting persons that no such forms were required, we believe that during the calendar year ended December 31, 2009, all filing requirements applicable to our officers, directors and greater than 10% owners of our common stock were complied with.

BOARD OF DIRECTORS AND COMMITTEE INFORMATION

Board Leadership and Risk Oversight

The Board has determined that having an independent director serve as Chairman of the Board is in the best interest of shareholders at this time. This structure ensures a greater role for the independent directors in the oversight of the Company and it enhances the Board's independence and, we believe, senior management's accountability to the Board. Mr. Crumley is our Chairman of the Board. He chairs meetings of the Board as well as the executive sessions with independent members of the Board. His duties include chairing annual meetings of shareholders, overseeing the preparation of agendas for meetings of the Board, preparing for executive sessions of the Board and providing feedback to the CEO, keeping directors informed through the timely distribution of information and reports, maintaining contact with the CEO and the Company's General Counsel between meetings to stay current on developments and to determine when it may be appropriate to alert the Board to significant pending developments, serving as a liaison between independent directors and the CEO with respect to sensitive issues, and other matters. Four regular meetings of the Board are held each year and at each regular Board meeting, our non-management directors meet in executive sessions without management present, unless the non-management directors request their attendance.

The Board is actively involved in the oversight of risks that could affect the Company. The Board, itself and through its committees, regularly discusses our material risk exposures, the potential impact on the Company and the efforts of management it deems appropriate to deal with the risks that are identified. In meetings with senior management, the lead internal auditor and the external independent auditors, the Audit Committee reviews regulatory, financial and accounting risk exposure, reserves and the Company's internal controls. The Corporate Governance and Directors' Nominating Committee considers the risks associated with corporate governance with the guidance of corporate and outside counsel. The Compensation Committee, in connection with the performance of its duties, considers risks associated with the elements contained in the Company's compensation programs.

The Board also unilaterally considers other risk topics at its meetings, including risks associated with our capital structure, strategic plan, and development activities. Further, the Board is routinely informed by management of developments that could affect our risk profile. The Board's current role in risk oversight is complemented by our leadership structure as described above.

For the foregoing reasons, the Company has determined that its leadership structure and risk oversight is appropriate given the Company's specific circumstances, the management of risk and the Board's administration of its oversight function.

Board Meetings During 2009

It is our policy that all directors are expected, absent compelling circumstances, to prepare for, attend and participate in all Board and applicable committee meetings, and each annual meeting of shareholders. Our Board met seven times in calendar year 2009, of which four were regularly scheduled meetings. Each member of the Board attended all meetings of the Board and Board committees of which he was a member in calendar year 2009. All members of the Board also attended last year's Annual Meeting of Shareholders, which was held in May 2009.

## Current Members of the Board

The members of the Board on the date of this Proxy Statement, and the committees of the Board on which they currently serve, are identified below.

Director	Executive Committee	Audit Committee	Compensation Committee	Corporate Governance and Directors' Nominating Committee	Technical Committee
Phillips S. Baker, Jr.	Chair				
John H. Bowles	X	Chair			X
David J. Christensen	X	X		Chair	
Ted Crumley, Chairman	X		X		
George R. Nethercutt, Jr.			Chair	X	
Terry V. Rogers		X	X		X
Charles B. Stanley		X			X
Dr. Anthony P. Taylor			X	X	Chair
2009 Meetings	1	7	3	3	2

## Committees of the Board

The standing committees of the Board are the Executive; Audit; Compensation; Corporate Governance and Directors' Nominating; and Technical.

The Board adopted charters for the Audit; Compensation; and Corporate Governance and Directors' Nominating Committees. You may obtain copies of these charters in the "Corporate" section of our website at <http://www.hecla-mining.com> under "Governance Documents."

**Executive Committee.** The members of the Executive Committee are Phillips S. Baker, Jr. (Chairman), David J. Christensen, Ted Crumley, and John H. Bowles. The Executive Committee is empowered with the same authority as the Board in the management of our business, except for certain matters enumerated in our Bylaws or Delaware law, which are specifically reserved to the full Board. The Executive Committee met once in 2009.

**Audit Committee.** The members of the Audit Committee are John H. Bowles (Chairman), David J. Christensen, Terry V. Rogers, and Charles B. Stanley. The functions of the Audit Committee are described below under the heading "Audit Committee Report." Each member of the Audit Committee satisfies the definition of "independent director" as established in the NYSE listing standards and SEC rules. In addition, each member of the Audit Committee is financially literate and the Board has determined that Messrs. Bowles, Christensen and Stanley each qualify as an audit committee "financial expert" as defined by SEC rules. The Audit Committee met seven times in 2009. The Audit Committee's Report begins on 24.

**Compensation Committee.** The members of the Compensation Committee are George R. Nethercutt, Jr. (Chairman), Ted Crumley, Terry V. Rogers, and Dr. Anthony P. Taylor. Each member of the Compensation Committee is independent within the meaning of the listing standards of the NYSE. The Compensation Committee met three times in 2009. The Compensation Committee's principal functions are to: (i) recommend compensation levels and programs for the Chief Executive Officer to the independent members of the Board; (ii) recommend compensation levels and programs for all other executive officers to the full Board; and (iii) administer our stock-based plans.

The Compensation Committee's objective is to set executive compensation at levels which: (i) are fair and reasonable to the shareholders; (ii) link executive compensation to long-term and short-term interests of the shareholders; and (iii) are sufficient to attract, motivate, and retain outstanding individuals for executive positions. The executive officers' compensation is linked to the interests of the shareholders by making a part

of each executive officer's potential compensation depend on the Company's performance and the officer's own performance. The retention of executive officers is encouraged by making a portion of the compensation package in the form of awards, which either increase in value, or only have value if the executive officer remains with the Company for specified periods of time.

Additional information on the Compensation Committee's processes and procedures for consideration of executive compensation are addressed in the "Compensation Discussion and Analysis" on page 28.

Corporate Governance and Directors' Nominating Committee. The members of the Corporate Governance and Directors' Nominating Committee are David J. Christensen (Chairman), George R. Nethercutt, Jr., and Dr. Anthony P. Taylor. All members of the Corporate Governance and Directors' Nominating Committee are independent within the meaning of the listing standards of the NYSE. The Corporate Governance and Directors' Nominating Committee's principal functions are to: (i) consider matters of corporate governance; (ii) periodically review our Corporate Governance Guidelines and corporate governance procedures to ensure compliance with the federal securities laws and NYSE regulations; (iii) review any director candidates, including those nominated or recommended by shareholders; (iv) identify individuals qualified to become directors consistent with criteria approved by the Board; (v) recommend to the Board the director nominees for the next annual meeting of shareholders, any special meeting of shareholders, or to fill any vacancy on the Board; (vi) review the appropriateness of the size of the Board relative to its various responsibilities; and (vii) recommend committee assignments and committee chairpersons for the standing committees for consideration by the Board. The Corporate Governance and Directors' Nominating Committee met three times in 2009.

Additional information on the Corporate Governance and Directors' Nominating Committee's purposes are discussed below in the section entitled "Corporate Governance."

Technical Committee. The members of the Technical Committee are Dr. Anthony P. Taylor (Chairman), John H. Bowles, Terry V. Rogers, and Charles B. Stanley. The principal function of the Technical Committee is to make recommendations to the Board concerning the advisability of proceeding with the exploration, development, acquisition or divestiture of mineral properties and/or operations. The Technical Committee met twice in 2009.

## CORPORATE GOVERNANCE

Our business, operations and affairs are managed under the direction of our Board. Members of our Board are kept informed of our business through discussions with our Chairman, our Chief Executive Officer and other officers, by reviewing materials provided to them, by visiting our offices and operations and by participating in meetings of the Board and its committees. The Board is committed to good business practices, transparency in financial reporting and the highest quality of corporate governance.

### Electronic Access to Corporate Governance Documents

Our corporate governance documents are available on our website at <http://www.hecla-mining.com> under "Corporate" and then selecting "Governance Documents." These include: the Corporate Governance Guidelines; the charters of the Audit Committee, Compensation Committee, and the Corporate Governance and Directors' Nominating Committee of the Board; the Senior Financial Officers' Code of Ethics; and the Code of Business Conduct and Ethics for Directors, Officers and Employees. The information on the Company's Internet site is not incorporated by reference into this Proxy Statement.

### Family Relationships

There are currently no family relationships between the directors or executive officers of Hecla.

#### Corporate Governance Guidelines

We first adopted Corporate Governance Guidelines in May 2004. These Corporate Governance Guidelines were adopted by the Board to ensure that the Board is independent from management, that the Board adequately performs its function as the overseer of management, and to help ensure that the interests of the Board and management align with the interests of the shareholders.

#### Code of Business Conduct and Ethics

We believe that operating with honesty and integrity has earned trust from our shareholders, credibility within our community, and dedication from our employees. Our directors, officers and employees are required to abide by our Code of Business Conduct and Ethics to ensure that our business is conducted in a consistently legal and ethical manner. Our Code of Business Conduct and Ethics covers many topics, including conflicts of interest, confidentiality, fair dealing, protection and proper use of the Company's assets and compliance with laws, rules and regulations. In addition to the Code of Business Conduct and Ethics for directors, officers and employees, our Chief Executive Officer, Chief Financial Officer and Controller are also bound by a Code of Ethics for the Chief Executive Officer and Senior Financial Officers.

The Corporate Governance and Directors' Nominating Committee has adopted procedures to receive, retain, and react to complaints received regarding possible violations of the Code of Business Conduct and Ethics, and to allow for the confidential and anonymous submission by employees of concerns regarding possible violations of the Code of Business Conduct and Ethics. Our employees may submit any concerns regarding apparent violations of the Code of Business Conduct and Ethics to their supervisor, our General Counsel, the Chairman of the Corporate Governance and Directors' Nominating Committee, or through an anonymous telephone hotline.

#### Whistleblower Policy

The Audit Committee adopted a Whistleblower Policy, which encourages our employees to report to appropriate representatives of the Company, without fear of retaliation, certain accounting information relating to possible fraud. Our employees may submit any concerns regarding financial statement disclosures, accounting, internal accounting controls or auditing matters to the Audit Committee, our General Counsel, or through an anonymous telephone hotline. The goal of this policy is to discourage illegal activity and business conduct that damages Hecla's good name, business interests, and our relationship with shareholders.

#### Director Independence

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