

**EARLY WARNING REPORT FILED PURSUANT TO  
NATIONAL INSTRUMENT 62-103**

**A. Name and Address of the Offeror**

Hecla Mining Company (“Hecla”)  
6500 N. Mineral Drive, Suite 200  
Coeur d’Alene, Idaho  
83815, USA

**B. The designation and number or principal amount of securities and the offeror’s securityholding percentage in the class of securities of which the offeror acquired ownership or control in the transaction or occurrence giving rise to the obligation to file the news release, and whether it was ownership or control that was acquired in those circumstances**

On November 16, 2012, Hecla entered into a subscription agreement to acquire control over 14,000,000 common shares of Canamex Resources Corp. (“Canamex”) representing 14.84% of the outstanding common shares of Canamex.

**C. The designation and number or principal amount of securities and the offeror’s securityholding percentage in the class of securities immediately after the transaction or occurrence giving rise to obligation to file the news release**

Upon completion of the transactions contemplated by the subscription agreement referred to in item B above, Hecla will exercise control over 14,000,000 common shares representing 14.84% of the outstanding common shares of Canamex.

**D. The designation and number or principal amount of securities and the percentage of outstanding securities of the class of securities referred to in paragraph C over which:**

(a) **the offeror, either alone or together with any joint actors, has ownership and control,**

See paragraph C above.

(b) **the offeror, either alone or together with any joint actors, has ownership but control is held by other persons or companies other than the offeror or any joint actor, and**

Not applicable.

(c) **the offeror, either alone or together with any joint actors, has exclusive or shared control but does not have ownership.**

Not applicable.

**E. The name of the market in which the transaction or occurrence that gave rise to the news release took place**

Not applicable. The common shares will be issued from treasury.

- F. The value, in Canadian dollars, of any consideration offered per security if the offeror acquired ownership of a security in the transaction or occurrence giving rise to the obligation to file a news release**

The common shares will be issued to Hecla at a price of \$0.18 per common share for total gross proceeds to Canamex of \$2,520,000.

- G. The purpose of the offeror and any joint actors in effecting the transaction or occurrence that gave rise to the news release, including any future intention to acquire ownership of, or control over, additional securities of the reporting issuer**

The common shares will be acquired for investment purposes by Hecla. Hecla does not have any present intention to acquire ownership of, or control over, additional securities of Canamex. It is the intention of Hecla to evaluate its investment in Canamex on a continuing basis and such holdings may be increased or decreased in the future.

- H. The general nature and the material terms of any agreement, other than lending arrangements, with respect to securities of the reporting issuer entered into by the offeror, or any joint actor, and the issuer of the securities or any other entity in connection with the transaction or occurrence giving rise to the news release, including agreements with respect to the acquisition, holding, disposition or voting of any of the securities**

Upon completion of the acquisition of common shares, the wholly-owned subsidiary of Hecla and Canamex will enter into an ancillary rights agreement (the “**Ancillary Rights Agreement**”).

Pursuant to the Ancillary Rights Agreement, for so long as long as Hecla holds more than a 10% interest in Canamex (calculated in accordance with that agreement), Hecla will have: (a) a right to nominate one person to Canamex’s board of directors, (b) a right to nominate one person to a technical committee, to be established to design and execute Canamex’s exploration programs, and (c) a pre-emptive right to participate in any future proposed equity offering of Canamex in order to maintain its pro rata interest.

Pursuant to the terms of the Ancillary Rights Agreement, Hecla will agree to vote all common shares in Canamex held by it in favour of management’s proposals on matters of routine business for a period of 12 months from the closing of the acquisition.

- I. The names of any joint actors in connection with the disclosure required by this report**

Not applicable.

- J. In the case of a transaction or occurrence that did not take place on a stock exchange or other market that represents a published market for the securities, including an issuance from treasury, the nature and value, in Canadian dollars of the consideration paid by the offeror**

The common shares of Canamex referred to in paragraph B above will be issued to Hecla at a price of \$0.18 per common share for total gross proceeds to Canamex of \$2,520,000. The issue price was determined by the negotiation of the parties.

- K. If applicable, a description of any change in any material fact set out in a previous report by the offeror under the early warning requirements or Part 4 in respect of the reporting issuer's securities**

Not applicable.

- L. If applicable, a description of the exemption from securities legislation being relied on by the offeror and the facts that support that reliance**

Subsection 2.3(1) of National Instrument 45-106 – *Prospectus and Registration Exemptions* (“**NI 45-106**”) as Hecla is an accredited investor pursuant to NI 45-106.