

**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 September 30, 2014, Hecla’s wholly-owned subsidiary, Hecla Canada Ltd. (“**Hecla Canada**”) entered into a subscription agreement pursuant to which it has agreed to acquire 3,095,238 units of Canamex Resources Corp. (“**Canamex**”). Each unit is comprised of one common share and one-half of a common share purchase warrant (the “**Units**”). Each common share purchase warrant is exercisable for a period of two years from the date of issuance at a price of \$0.30 per share. The 3,095,238 common shares comprised in the Units to be acquired by Hecla Canada represent 2.4% of the outstanding common shares of Canamex upon completion of the private placement to Hecla Canada (which itself form part of a larger private placement which will be completed concurrently). The 1,547,619 common share purchase warrants to be comprised in the Units acquired by Hecla Canada represent 42.6% of the common share purchase warrants to be issued by Canamex as part of the larger private placement.

**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**

With the completion of the transactions contemplated by the subscription agreement referred to in item B above, Hecla will exercise control over 17,237,149 common shares representing 13.3% of the outstanding common shares of Canamex and 1,547,619 common share purchase warrants. Assuming the exercise of only those common share purchase warrants held by Hecla Canada, Hecla would exercise control over 18,784,768 common shares of Canamex or 14.4% of Canamex’s common shares.

**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 Units were 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 Units will be issued to Hecla Canada at a price of \$0.21 per Unit for total gross proceeds to Canamex from Hecla Canada of \$650,000.

- 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 and common share purchase warrants comprised in the Units 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**

The ancillary rights agreement (the “**Ancillary Rights Agreement**”) between Hecla Canada and Canamex dated November 21, 2012 continues in effect. Pursuant to the Ancillary Rights Agreement, for so long as Hecla Canada holds more than a 10% interest in Canamex (calculated in accordance with that agreement), Hecla Canada has: (a) a right to nominate one person to Canamex’s board of directors, (b) a right to nominate one person to Canamex’s technical committee, and (c) a pre-emptive right to participate in any future proposed equity offering of Canamex in order to maintain its pro rata interest.

- 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 Units will be issued to Hecla Canada at a price of \$0.21 per Unit for total gross proceeds to Canamex of \$650,000. The issue price was determined by negotiation between 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 and Hecla Canada are accredited investors pursuant to NI 45-106.