

HECLA MINING CO/DE/  
Form 10-Q  
August 03, 2017  
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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2017

Commission file number 1-8491

**HECLA MINING COMPANY**

(Exact name of registrant as specified in its charter)

Delaware	77-0664171
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

6500 Mineral Drive, Suite 200	
Coeur d'Alene, Idaho	83815-9408
(Address of principal executive offices)	(Zip Code)

208-769-4100

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(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes  . No  .

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes  . No  .

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See definitions of "large accelerated filer," "accelerated filer" "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act (check one):

Large Accelerated Filer .

Accelerated Filer .

Non-Accelerated Filer  . (Do not check if a smaller reporting company)

Smaller Reporting Company .

Emerging growth company .

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. .

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes  . No .

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

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Class	Shares Outstanding August 1, 2017
Common stock, par value	399,018,708
\$0.25 per share	

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Hecla Mining Company and Subsidiaries

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For the Quarter Ended June 30, 2017

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\*Items 2, 3 and 5 of Part II are omitted as they are not applicable.

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## Part I - Financial Information

## Item 1. Financial Statements

## Hecla Mining Company and Subsidiaries

## Condensed Consolidated Balance Sheets (Unaudited)

(In thousands, except shares)

	June 30, 2017	December 31, 2016
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$164,113	\$169,777
Investments	37,816	29,117
Accounts receivable:		
Trade	9,183	20,082
Taxes	10,981	187
Other, net	12,307	9,780
Inventories:		
Concentrates, doré, and stockpiled ore	25,125	25,944
Materials and supplies	23,278	24,079
Other current assets	8,955	12,125
Total current assets	291,758	291,091
Non-current investments	4,729	5,002
Non-current restricted cash and investments	1,098	2,200
Properties, plants, equipment and mineral interests, net	2,033,506	2,032,685
Non-current deferred income taxes	44,628	35,815
Other non-current assets and deferred charges	3,437	4,884
Total assets	\$2,379,156	\$2,371,677
<b>LIABILITIES</b>		
Current liabilities:		
Accounts payable and accrued liabilities	\$47,979	\$60,064
Accrued payroll and related benefits	25,919	36,515
Accrued taxes	14,205	9,061
Current portion of capital leases	5,885	5,653
Current portion of debt	—	470
Other current liabilities	11,268	8,809
Current portion of accrued reclamation and closure costs	8,532	5,653
Total current liabilities	113,788	126,225

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Capital leases	7,213	5,838
Accrued reclamation and closure costs	79,280	79,927
Long-term debt	501,604	500,979
Non-current deferred tax liability	121,260	122,855
Non-current pension liability	47,211	44,491
Other non-current liabilities	6,414	11,518
Total liabilities	876,770	891,833
Commitments and contingencies (Notes 2, 4, 7, 9, and 11)		
<b>SHAREHOLDERS' EQUITY</b>		
Preferred stock, 5,000,000 shares authorized:		
Series B preferred stock, \$0.25 par value, 157,816 shares issued and outstanding, liquidation preference — \$7,891	39	39
Common stock, \$0.25 par value, authorized 750,000,000 shares; issued and outstanding 2017 — 398,527,459 shares and 2016 — 395,286,875 shares	100,739	99,806
Capital surplus	1,614,651	1,597,212
Accumulated deficit	(166,875 )	(167,437 )
Accumulated other comprehensive loss	(28,520 )	(34,602 )
Less treasury stock, at cost; 2017 — 4,429,844 shares and 2016 — 3,941,210 shares issued and held in treasury	(17,648 )	(15,174 )
Total shareholders' equity	1,502,386	1,479,844
Total liabilities and shareholders' equity	\$2,379,156	\$2,371,677

The accompanying notes are an integral part of the interim condensed consolidated financial statements.

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Hecla Mining Company and Subsidiaries

Condensed Consolidated Statements of Operations and Comprehensive (Loss) Income (Unaudited)

(Dollars and shares in thousands, except for per-share amounts)

Three	Six
Months	Months
Ended	Ended