

SECURITIES AND EXCHANGE COMMISSION

FORM 8-K

Current report filing

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FILER

HECLA MINING CO/DE/

CIK: **719413** | IRS No.: **820126240** | State of Incorpor.: **DE** | Fiscal Year End: **1231**
Type: **8-K** | Act: **34** | File No.: **001-08491** | Film No.: **00000000**
SIC: **1040** Gold and silver ores

Business Address
6500 MINERAL DR
P O BOX C8000
COEUR D ALENE ID
83814-8788
2087694100

SECURITIES AND EXCHANGE COMMISSION

Washington D. C. 20549

FORM 8-K

PURSUANT TO SECTION 13 OR 15(D) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of Report
(Date of earliest event reported): February 3, 1994

Hecla Mining Company

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation)

1-8491

82-0126240

(Commission File Number)

(IRS Employer Identification No.)

6500 Mineral Drive
Coeur d'Alene, Idaho

83814-8788

(Address of principal executive offices)

(Zip Code)

(208) 769-4100

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Item 5. Other Events.

On February 3, 1994, the Registrant issued a press release in the form attached hereto as Exhibit 1, incorporated herein by this reference. Reference is made to the press release attached hereto as Exhibit 1 for the full text of the announcement.

Item 7. Financial Statements and Exhibits.

(c) Exhibits

1. Press release dated February 3, 1994.

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SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Dated: February 7, 1994.

HECLA MINING COMPANY

By: /s/ Michael B. White

Michael B. White
Vice President - General Counsel
& Secretary

EXHIBIT INDEX

Description

1. Press release dated February 3, 1994.

[HECLA MINING COMPANY LETTERHEAD]

FOURTH QUARTER REPORT TO SHAREHOLDERS
FOR THE QUARTER ENDING DECEMBER 31, 1993FEBRUARY 3, 1994
HECLA REPORTS FOURTH QUARTER AND YEAR-END RESULTS

COEUR D'ALENE, IDAHO -- Hecla Mining Company (HL:NYSE) today reported a net loss of \$3.8 million on revenue of \$19.5 million for the fourth quarter of 1993. After a \$2 million dividend to preferred shareholders, the Company's loss for the 1993 quarter amounted to \$5.8 million, or 17 cents per common share. This is in contrast to a net loss of \$51.1 million, or \$1.65 per common share, for the same period of 1992.

For the year, Hecla reported a net loss of \$11.7 million on revenue of \$84.8 million. After preferred dividends of \$4.1 million, the Company's loss for 1993 amounted to \$15.8 million, or 48 cents per common share. This compares with a loss of \$49.3 million, or \$1.60 a share, on revenue of \$113.1 million for 1992. In 1992, noncash asset write-downs and reclamation accruals of \$41 million made up the bulk of the loss. In 1993, similar charges to earnings accounted for \$2.5 million of the loss. Total revenue for 1993 declined 25 percent compared with 1992 mainly as the result of curtailed metals production at the silver operations and lower grade ore being mined at the Republic mine. Lead and zinc, important byproducts of Hecla's silver operations, were affected by severely depressed prices with lead at an eight-year low. Reduced production and low lead and zinc prices offset the fourth quarter improvement in precious metals prices. "We are encouraged by the recent strength of the precious metals market, and that lead and zinc prices have also begun to trend upward," said Arthur Brown, chairman, president and chief executive officer.

On December 29, 1993, the Company signed a definitive agreement to acquire Equinox Resources Ltd. (EQX:TSE) of Vancouver, British Columbia, for 0.3 of a share of Hecla common stock for each share of Equinox's outstanding common stock. Due diligence by both parties has been satisfactorily completed. The agreement will be presented for approval at a meeting of Equinox shareholders on February 25, 1994. The acquisition immediately brings Hecla 30,000 ounces of annual gold production from the American Girl mine in southern California, plus a suite of promising gold and silver exploration projects. Equinox's Rosebud deposit in northern Nevada has the potential to add more than 70,000 ounces of annual gold production to Hecla's account.

Hecla's first operation outside the United States and Canada began production early in 1994. The La Choya mine, located in Sonora, Mexico, is expected to produce 63,000 ounces of gold in 1994. "This area of Mexico is drawing intense interest from other gold companies, and we believe our presence there positions Hecla well to participate in the future growth of mining in that country," Brown said.

During the fourth quarter, Hecla exchanged 655,000 common shares for all the outstanding common shares of Mountain West Products in Rexburg, Idaho. The acquisition will strengthen the Company's position in the landscape products market with volcanic scoria, pumice and soil additives.

Hecla Mining Company has its headquarters in Coeur d'Alene, Idaho. During its 103-year history, Hecla has been a leading U.S. producer of silver and lead, and more recently a significant supplier of gold and industrial minerals.

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RESULTS IN BRIEF

<TABLE> <CAPTION>	Fourth Quarter		Year Ended	
	Dec. 31, 1993	Dec. 31, 1992	Dec. 31, 1993	Dec. 31, 1992
(dollars in thousands, except per-share amounts)				
<S>	<C>	<C>	<C>	<C>
Total revenue	\$ 19,482	\$ 19,021	\$ 84,812	\$ 113,079
Net loss	(3,819)	(51,131)	(11,735)	(49,289)
Loss applicable to common shareholders	(5,831)	(51,131)	(15,805)	(49,289)
Loss per common share	(0.17)	(1.65)	(0.48)	(1.60)
Sale of products				
Gold operations	4,831	5,250	21,375	31,733
Silver operations	2,379	3,971	13,476	25,687
Industrial minerals	10,665	9,197	44,953	43,231
Specialty metals	476	--	2,043	--
Total sales	18,351	18,418	81,847	100,651
Gross profit (loss)				
Gold operations	671	1,064	5,241	6,812

Silver operations	(1,795)	(3,925)	(9,329)	(7,954)
Industrial minerals	889	161	5,038	5,012
Specialty metals	(210)	--	(504)	--
Total gross profit (loss)	(445)	(2,700)	446	3,870

</TABLE>

AVERAGE METAL PRICES

<TABLE>

<CAPTION>

	Fourth Quarter		Year Ended	
	Dec. 31, 1993	Dec. 31, 1992	Dec. 31, 1993	Dec. 31, 1992
<S>	<C>	<C>	<C>	<C>
Gold (dollars/ounce)	\$ 374	\$ 338	\$ 360	\$ 344
Silver (dollars/ounce)	4.60	3.74	4.30	3.94
Lead (cents/pound)	19	22	18	25
Zinc (cents/pound)	43	49	44	56

</TABLE>

(more)

Contact Bill Booth, Manager - Investor and Public Affairs
6500 Mineral Drive * Coeur d'Alene, Idaho 83814-8788 * 208/769-4100
* FAX 208/769-4159

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HECLA MINING COMPANY
SELECTED FINANCIAL INFORMATION
(in thousands, except per-share amounts)

<TABLE>

<CAPTION>

	Fourth Quarter		Year Ended	
	Dec. 31, 1993	Dec. 31, 1992	Dec. 31, 1993	Dec. 31, 1992
<S>	<C>	<C>	<C>	<C>
Income Statement Data:				
Sales of products	\$ 18,351	\$ 18,418	\$ 81,847	\$ 100,651
Gross profit (loss)	(445)	(2,700)	446	3,870
General & administrative	2,003	2,874	6,961	8,520
Exploration & research	1,492	2,177	4,353	8,976
Depreciation & amortization	167	413	669	819
Reduction in carrying value of mining properties	200	27,928	200	27,928
Provision for closed operations & environmental matters	1,735	12,173	2,307	12,670
Loss from operations	(6,042)	(48,265)	(14,044)	(55,043)
Other income (expense):				
Interest and other income	1,131	603	2,965	12,428
Loss on sale of investments	--	(2,115)	(144)	(2,115)
Miscellaneous income (expense)	--	(55)	40	34
Interest expense:				
Total interest cost	(1,186)	(2,120)	(5,023)	(6,905)
Less amount capitalized	1,306	618	3,533	2,070
Loss before income taxes and cumulative effect of change in accounting principles	(4,791)	(51,334)	(12,673)	(49,531)
Income tax benefit	(972)	(203)	(938)	(345)
Cumulative effect of change in accounting principles	--	--	--	103
Net loss	(3,819)	(51,131)	(11,735)	(49,289)
Dividends on preferred stock	2,012	--	4,070	--
Loss applicable to common shareholders	(5,831)	(51,131)	(15,805)	(49,289)
Loss per common share	(0.17)	(1.65)	(0.48)	(1.60)
Weighted average number of common shares outstanding	34,016	31,587	32,915	30,866
Common shares outstanding at end of period			34,583	31,587
Cash Flow Data:				
Cash flow from operations			6,139	9,481
Cash, cash equivalents and short-term investments at end of period			65,431	3,287
			Dec. 31, 1993	Dec. 31, 1992
Selected Balance Sheet Data:				
Total current assets			\$ 97,227	\$ 32,968
Properties, plants and equipment, net			222,870	179,827
Total assets			332,878	222,443
Working capital			77,620	20,270
Total current liabilities			19,607	12,698
Long-term debt			49,489	70,382
Total shareholders' equity			240,062	113,719

</TABLE>

PRODUCTION DATA

<TABLE>

<CAPTION>

	Fourth Quarter		Year Ended	
	Dec. 31, 1993	Dec. 31, 1992	Dec. 31, 1993	Dec. 31, 1992
<S>	<C>	<C>	<C>	<C>
REPUBLIC UNIT				
Gold (oz.)	11,241	11,240	49,601	58,343
Silver (oz.)	70,541	64,167	276,688	299,957
Cash cost per oz. of gold	\$ 248	\$ 194	\$ 207	\$ 176
Full cost per oz. of gold	\$ 308	\$ 253	\$ 262	\$ 220
LUCKY FRIDAY UNIT				
Silver (oz.)	474,805	547,040	2,122,738	2,031,779
Gold (oz.)	242	257	972	965
Lead (tons)	3,930	5,460	19,795	21,336
Zinc (tons)	858	1,125	4,385	4,213
Cash cost per oz. of silver	\$ 6.63	\$ 4.47	\$ 5.54	\$ 4.12
Full cost per oz. of silver	\$ 7.88	\$ 5.64	\$ 6.77	\$ 5.35
GREENS CREEK UNIT				
Silver (oz.)	--	472,793	551,107	1,959,368
Gold (oz.)	--	2,183	2,826	9,094
Lead (tons)	--	1,162	1,298	4,650
Zinc (tons)	--	2,839	3,453	11,385
Cash cost per oz. of silver	\$ --	\$ 5.96	\$ 5.11	\$ 4.82
Full cost per oz. of silver	\$ --	\$ 7.69	\$ 7.16	\$ 6.54
OTHER (CACTUS AND MISCELLANEOUS)				
Gold (oz.)	1,362	3,645	7,316	29,252
Silver (oz.)	4,339	20,080	24,165	439,744
TOTAL PRODUCTION & AVERAGE COSTS				
Silver (oz.)	549,685	1,104,080	2,974,698	4,730,848
Gold (oz.)	12,845	17,325	60,715	97,654
Lead (tons)	3,930	6,622	21,093	25,986
Zinc (tons)	858	3,964	7,838	15,598
Average cash cost per oz. of gold	\$ 249	\$ 191	\$ 212	\$ 188
Average full cost per oz. of gold	\$ 310	\$ 246	\$ 268	\$ 258
Average cash cost per oz. of silver	\$ 6.63	\$ 5.16	\$ 5.45	\$ 4.51
Average full cost per oz. of silver	\$ 7.88	\$ 6.59	\$ 6.85	\$ 5.89

Contact Bill Booth, Manager - Investor and Public Affairs (208) 769-4100

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