

NOTICE OF CHANGE IN CORPORATE STRUCTURE

Pursuant to Section 4.9 of National Instrument 51-102 *Continuous Disclosure Obligations*

1. Names of the Parties to the Transaction

Klondex Mines Ltd. (now named Klondex Mines Unlimited Liability Company) ("**Klondex**")

Hecla Mining Company ("**Hecla**")

Havilah Mining Corporation ("**Havilah**")

2. Description of the Transaction

On July 20, 2018 (the "**Closing Date**"), Klondex and Hecla completed a court-approved plan of arrangement under Section 288 of the *Business Corporations Act* (British Columbia) (the "**Arrangement**"). Pursuant to the Arrangement, Hecla, through its wholly-owned subsidiary, 1156291 B.C. Unlimited Liability Company, acquired all of the issued and outstanding common shares of Klondex (the "**Klondex Shares**"). Under the terms of the Arrangement, Klondex shareholders received for each Klondex Share: (i) the equivalent of US\$2.47 in either cash, shares of Hecla common stock ("**Hecla Shares**"), or a combination of cash and Hecla Shares; plus (ii) 0.125 of a common share of Havilah ("**Havilah Shares**"), a new company formed to hold Klondex's Canadian operations.

In connection with the Arrangement, Hecla subscribed for 3,539,332 Havilah Shares on a private placement basis, at a price of C\$2.61 per Havilah Share, for a gross subscription price of C\$9,242,800 (being the Canadian dollar equivalent of US\$7,000,000 on the Closing Date). The Havilah Shares acquired by Hecla represent 13.46% of the outstanding Havilah Shares after giving effect to the subscription.

Following the completion of the Arrangement, Havilah has 26,295,311 Havilah Shares issued and outstanding held by the former Klondex shareholders and Hecla.

3. Effective Date of the Transaction

July 20, 2018

4. Name of Each Party, if any, that Ceased to be a Reporting Issuer After the Transaction and of Each Continuing Entity

The Klondex Shares traded on the Toronto Stock Exchange under the symbol "KDX" and the NYSE American LLC under the symbol "KDLX" and were delisted from the Toronto Stock Exchange on July 24, 2018 and from the NYSE American LLC on July 23, 2018.

Klondex has commenced the process to surrender its status as, or file applications to cease to be, a reporting issuer in all of the provinces of Canada (other than Québec, where Klondex was not previously a reporting issuer).

The Hecla Shares continue to trade on the New York Stock Exchange under the symbol "HL". Hecla continues to be a reporting issuer in each of the provinces of Canada and to be registered under the U.S. *Securities Exchange Act of 1934*.

The Havilah Shares were listed and posted for trading on the TSX Venture Exchange under the symbol "HMC" on July 25, 2018. Havilah is a reporting issuer in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland.

5. Date of the Reporting Issuer's First Financial Year-End Subsequent to the Transaction if paragraph (a) or subparagraph (b)(ii) of Section 4.9 of NI 51-102 applies

Havilah's first financial year-end subsequent to the Arrangement is December 31, 2018.

6. Periods, including the Comparative Periods, if any, of the Interim and Annual Financial Statements Required to be Filed for the Reporting Issuer's First Financial Year Subsequent to the Transaction if paragraph (a) or subparagraph (b)(ii) of Section 4.9 of NI 51-102 Applies

Unaudited interim financial statements for Havilah for the three and six month period ended June 30, 2018 will be compared to the carve-out unaudited consolidated interim financial statements of Havilah for the six month period ended June 30, 2017.

Unaudited interim financial statements of Havilah for the three and nine month period ended September 30, 2018 will be compared to the carve-out unaudited consolidated interim financial statements of Havilah for the nine month period ended September 30, 2017.

Audited annual consolidated financial statements of Havilah for the year ended December 31, 2018 will be compared to the carve-out audited annual consolidated financial statements of Havilah for the year ended December 31, 2017.

6. Documents filed under NI 51-102 Continuous Disclosure Obligations that describe the Transaction

The plan of arrangement relating to the Arrangement and the contribution and transfer agreement dated July 20, 2018 between Klondex and Havilah are available under Havilah's issuer profile on SEDAR at www.sedar.com.

Further details regarding the Arrangement are set out in the management information circular of Klondex dated June 6, 2018, which is available under Klondex's issuer profile on SEDAR at www.sedar.com.

DATED the 3rd day of August 2018.