

Mining District File Summary Sheet

DISTRICT	Rosebud
DIST_NO	4010
COUNTY If different from written on document	Pershing
TITLE If not obvious	Monthly Progress Report; Rosebud Mine - July 2000, August 10, 2000
AUTHOR	Booth B; Brown A; Arnold T; Cameron D; Hartman S; Wilson E; Callahan M; DeLange J; Stilwell, J; Summers, A; Dean P; Allen K; Berczay R; Saetti, S; Tempel T; Dunstan J; Lick R; Rigby P; Mullin J; Dexter M
DATE OF DOC(S)	2000
MULTI_DIST Y / (N?)	
Additional Dist_Nos:	
QUAD_NAME	Sulphur 7.5
P_M_C_NAME (mine, claim & company names)	Rosebud Mine; Hecla Mining Co; Newmont Gold Co; Rosebud Mining Co. LLC
COMMODITY If not obvious	gold; silver
NOTES	Monthly Progress Report; Statements of Operations; Assays; correspondence 9p.

Keep docs at about 250 pages if no oversized maps attached
(for every 1 oversized page (>11x17) with text reduce
the amount of pages by ~25)

SS: DD 7/28/08
Initials Date

DB:
Initials Date

SCANNED:
Initials Date

HECLA MINING COMPANYMEMORANDUM

August 10, 2000

TO: Tom Fudge
FROM: Mike Dexter
SUBJECT: Monthly Progress Report, Rosebud Mine – July 2000

Attached is the July 2000 Monthly Progress Report for the Rosebud Mine.

MD:clp

Attachments

cc: Bill Booth
Arthur Brown
Tim Arnold
Don Cameron
Scott Hartman
Mike Callahan
Jeri DeLange
John Stilwell
Al Summers
Ed Wilson
Dale Dean
Rick Berezay
Scott Santti - JV Mgmt. Committee

Trent Tempel - JV Mgmt. Committee

Jim Dunstan - Manager for Milling

Rick Lisle – Newmont Exploration

Patty Rigby - Controller

Jim Mullin – Sr. Vice President

Newmont Gold Company
P.O. Box 559
Carlin, NV 89822
Newmont Gold company
PO Box 559
Carlin, NV 89822
Twin Creeks Mine
HC 66 Box 69
Golconda, NV 89414-9801
Newmont Exploration Limited
861 West Sixth St.
Winnemucca, NV 89445
Newmont Gold Company
PO Box 669
Carlin, NV 89822
Newmont Gold Company
555 5th St.
Elko, NV 89801

July
Hecla Mining Company, Rosebud Mine, ~~April~~ Monthly Report
MINE PERSONNEL AND SAFETY

Staff

During the month, two hourly employees were terminated and none were hired. Hourly employment is now 64. Salary employment remained at 23. Total employment is 87

Safety

There were no injuries at Rosebud in July. July 31st was the last production day for Rosebud and our employees ended on a very positive note, 1042 days without an MSHA lost-time injury. This is a record that everyone can be extremely proud of. Even with the knowledge of the mine closing, morale stayed high and everyone closed out the mine life safely. Congratulations to everyone involved. It's been a great run!

The employees who are remaining for reclamation are staying focused on safety and have full intentions of keeping the safety record going.

OPERATIONS

Development

There was no development in the month of July.

Production

Production from stope #32 was 4,906 tons at a gold grade of .334 opt and a silver grade of 0.51 opt.

Production from stope #33 was 6,405 tons at a gold grade of .339 opt and a silver grade of 0.46 opt.

Production from stope #34 was 8,202 tons at a gold grade of .203 opt and a silver grade of 0.57 opt.

Production from stope #42 was 720 tons at a gold grade of .092 opt and a silver grade of 4.66 opt

Production from stope #43 was 478 tons at a gold grade of .083 opt and a silver grade of 0.13 opt.

Production from stope #44 was 4,699 tons at a gold grade of .222 opt and a silver grade of 0.78 opt.

An additional 2,153 tons of waste at a gold grade of .086 opt was mined from the stopes and sorted to the waste pile.

Total ore stockpiled at month's end was 25,410 tons grading .261 Au opt and 0.68 opt silver. Shipment of this material to the Pinon Mill began on July 19th.

July
Hecla Mining Company, Rosebud Mine, ~~April~~ Monthly Report
GEOLOGY

Production

Mine calculated (geology) tonnage and grade for ore shipped during the month of July (July's production - August's milling) was underestimated by 649 tons (-2.6%) as compared to survey, and outperformed the model by 383 ounces gold (+6.1%) as well as outperforming the silver model by 5,532 ounces silver (359.1%) in the East zone.

Mill results have not been received.

ENGINEERING

Environmental

The closure and reclamation plan was completed and reviewed by corporate personnel and Newmont. Although formal closure go-ahead has not been granted, it is expected in early August. Jeff Johnson (BLM) was on site one day to review the closure plan. He was pleased with the plan, and had positive comments on our approach to the reclamation effort. NDEP is scheduled to be here the first part of August for the same review.

Batch Plant

A total of 9,517 tons of cemented backfill was placed in the mine during the month. The only areas backfilled were panels that we intended to mine adjacent to. Several stope panels have been left open without backfill, and the mine will be closed with these stopes left open. The cement storage "guppy" was removed from site at the end of the month. The fill amount and locations for each stope are listed below:

Location	High Strength (10% cement)	Medium Strength (4% cement)	Low Strength (3% cement)	Total
Stope 32		608 Tons	2,282 Tons	2,890 Tons
Stope 33		2,845 Tons	190 Tons	3,035 Tons
Stope 43	58 Tons	449 Tons	471 Tons	978 Tons
Stope 44		2,615 tons		2,615 Tons
Total	58 Tons	6,517 Tons	2,943 Tons	9,517 Tons

July
Hecla Mining Company, Rosebud Mine, April Monthly Report
PERFORMANCE

There were no expensed or capitalized discretionary costs incurred during July. There was \$15,000 budgeted to be expensed for reclamation contour and seeding.

The mine produced 25,410 ore tons during July, 1,329 more than budget. The gold grade mined was 0.261 opt, 0.043 less than budget. The silver grade was 0.68 opt, which was .20 more than budget. Year-to-date mine production is 151,377 ore tons, 16,975 less than budget, at a gold grade of 0.257 opt, 0.053 opt less than budget, and a silver grade of 1.04 opt, 0.33 opt more than budget.

During July the mill recovered 7,338 gold ounces and 8,694 silver ounces, 469 more gold ounces and 2,165 more silver ounces than budget. Recoveries during the month were 94.9% for gold and 66.5% for silver which is equal to 1.1% less and 6.5% more than budget, respectively.

Year to date the mill has recovered 35,192 gold ounces and 93,412 silver ounces, 15,227 less gold ounces and 11,083 more silver ounces than budget. Year-to-date recoveries are 94.4% for gold and 54.8% for silver which are 1.6% worse and 5.2% worse than budget, respectively.

Production costs for July totaled \$1,699,942 (\$66.90 per ore ton), \$37,505 less than budget (\$5.26 per ore ton less than budget). Year-to-date production costs total \$11,159,635 (\$73.72 per ore ton), \$1,372,625 less than budget (\$0.73 per ore ton less than budget).

Hecla 100% exploration costs for July totaled \$146,163, \$131,906 less than budget. Year-to-date costs total \$1,288,947, \$131,310 more than budget.

The per-gold-ounce-produced costs achieved during July were:

Cash operating cost per gold ounce	\$ 227.41	\$ 23.73	less than budget
Total cash cost per gold ounce	\$ 238.92	\$ 25.80	less than budget
Total production cost per gold ounce	\$ 344.44	\$ 14.68	less than budget

The per-gold-ounce produced costs achieved year-to-date are:

Cash operating cost per gold ounce	\$ 305.47	\$ 60.52	more than budget
Total cash cost per gold ounce	\$ 317.37	\$ 58.37	more than budget
Total production cost per gold ounce	\$ 424.85	\$ 71.76	more than budget

All performance criteria above is measured against the Joint Venture budget which was approved in October 1999. Following is performance as measured against the Hecla Mining Company 100% budget, which was not finalized until this year.

July
Hecla Mining Company, Rosebud Mine, ~~April~~ Monthly Report

Mine production was 25,410 tons in July, 9,410 tons more than budget. The gold grade mined was 0.261 opt, 0.070 less than budget. The silver grade was 0.68 opt, 0.07 more than budget. Year-to-date mine production is 151,377 ore tons, 9,410 more than budget, at a gold grade of 0.257 opt, 0.008 opt less than budget, and a silver grade of 1.04 opt, 0.05 opt more than budget.

During July the mill recovered 7,338 gold ounces and 8,694 silver ounces, 130 less gold ounces and 1,249 more silver ounces than budget. Recoveries during the month were 94.9% for gold and 66.5% for silver which is equal to 1.1% less and 6.5% more than budget, respectively.

Year to date, the mill has recovered 35,192 gold ounces and 93,412 silver ounces, 130 less gold ounces and 1,249 more silver ounces than budget. Year-to-date recoveries are 94.4% for gold and 54.8% for silver which are 1.8% worse and 0.7% worse than budget, respectively.

Production costs for July totaled \$1,699,942, \$135,055 less than budget. Year-to-date production costs total \$11,159,635, \$135,055 less than budget.

The per-gold-ounce-produced costs achieved during July were:

Cash operating cost per gold ounce	\$ 227.41	\$ 13.74	less than budget
Total cash cost per gold ounce	\$ 238.92	\$ 14.04	less than budget
Total production cost per gold ounce	\$ 344.44	\$ 13.07	less than budge

The per-gold-ounce produced costs achieved year-to-date are:

Cash operating cost per gold ounce	\$ 305.47	\$ 2.61	less than budget
Total cash cost per gold ounce	\$ 317.37	\$ 2.68	less than budget
Total production cost per gold ounce	\$ 424.85	\$ 2.47	less than budget

Rosebud Mining Company, LLC
Hecla Mining Company, Operator

Memorandum

TO: Mike Dexter
FROM: Kurt D. Allen
DATE: August 2, 2000
SUBJECT: July 2000 Exploration Monthly Report

Drilling

Exploration drilling was completed during the month. Surface drilling year to date totals 28 holes totaling 39,345 feet of reverse circulation drilling and 3,056 feet of HQ core drilling. Reverse circulation drilling during July totaled 6,410 feet in five holes. Underground drilling year to date totals 17 HQ core holes totaling 10,296 feet.

Exploration Surface Drilling 2000.

TARGET AREA		RVC FOOTAGE	CORE FOOTAGE	TOTAL FOOTAGE
Wildrose	7 holes	9,530	0	9,530
East Wildrose	6 holes	8,360	0	8,360
South Wildrose	6 holes	9,205	1,496	10,701
NWC-Degerstrom	1 hole	1,140	1,560	2,700
NWC-Dreamland	3 holes	6,285	0	6,285
NWC-Mother Load	3 holes	1,835	0	1,835
South Ridge	2 holes	2,990	0	2,990
TOTAL	28 holes	39,345	3,056	42,401

Exploration Underground Drilling 2000.

TARGET AREA		CORE FOOTAGE	TOTAL FOOTAGE
NWC-Underground 96-356	9 holes	5688	5,688
NWC-Underground D-365-99	8 holes	4608	4,608
TOTAL	17 holes	10,296	10,296

The Rosebud Mining Company, LLC (HMC, operator)
Statements of Operations - Variances to Budget (LLC Agreement Basis of Accounting)

July 2000

	MONTH			QUARTER TO DATE			YEAR TO DATE		
	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance
Gross production value (GPV)	\$ 2,109,948	\$ 2,096,610	\$ 13,338	\$ 2,109,948	\$ 2,096,610	\$ 13,338	\$ 10,476,398	\$ 15,578,512	\$ (5,102,114)
Less: Euro Nevada royalty	(84,398)	(83,864)	(534)	(84,398)	(83,864)	(534)	(419,056)	(623,140)	204,084
Less: Shipping and refining	(14,942)	(5,359)	(9,583)	(14,942)	(5,359)	(9,583)	(92,695)	(53,099)	(39,596)
Net production value	2,010,608	2,007,387	3,221	2,010,608	2,007,387	3,221	9,964,647	14,902,273	(4,937,626)
Cost of production									
Mine production costs	456,341	602,025	145,684	456,341	602,025	145,684	4,029,520	4,304,998	275,478
Fixed mining costs	201,580	179,400	(22,180)	201,580	179,400	(22,180)	1,517,846	1,275,800	(242,046)
L.L.C. Development	-	-	-	-	-	-	177,775	287,500	109,725
Milling costs	346,217	387,894	41,677	346,217	387,894	41,677	2,198,322	2,681,633	483,311
Trucking and site processing	255,915	267,528	11,613	255,915	267,528	11,613	1,561,223	1,870,709	309,486
Site and general administration	242,636	289,100	46,464	242,636	289,100	46,464	1,344,374	1,509,500	165,126
Geology	34,271	41,900	7,629	34,271	41,900	7,629	360,733	293,300	(67,433)
Delineation drilling	-	25,000	25,000	-	25,000	25,000	31,234	150,000	118,766
Engineering	34,654	31,500	(3,154)	34,654	31,500	(3,154)	208,306	220,000	11,694
Change in ore stockpile and in-circuit inventory	128,328	(86,900)	(215,228)	128,328	(86,900)	(215,228)	(269,698)	(61,180)	208,518
Total cost of production	1,699,942	1,737,447	37,505	1,699,942	1,737,447	37,505	11,159,635	12,532,260	1,372,625
Other costs									
Property taxes	6,500	7,200	700	6,500	7,200	700	45,500	50,400	4,900
Net proceeds taxes	-	9,426	9,426	-	9,426	9,426	-	85,505	85,505
Reclamation expense	31,114	29,851	(1,263)	31,114	29,851	(1,263)	174,796	208,733	33,937
Interest (income)	(7,008)	(4,000)	3,008	(7,008)	(4,000)	3,008	(46,530)	(28,000)	18,530
(Gain) loss on the sale of fixed assets	(1,985)	-	1,985	(1,985)	-	1,985	(23,271)	-	23,271
Depreciation	743,205	618,530	(124,675)	743,205	618,530	(124,675)	3,607,401	4,534,974	927,573
Total other costs	771,826	661,007	(110,819)	771,826	661,007	(110,819)	3,757,896	4,851,612	1,093,716
Total operating costs	2,471,768	2,398,454	(73,314)	2,471,768	2,398,454	(73,314)	14,917,531	17,383,872	2,466,341
Exploration expenditures - 100% Hecla	146,163	278,069	131,906	146,163	278,069	131,906	1,288,947	1,420,257	131,310
Discretionary expenditures	-	15,000	15,000	-	15,000	15,000	-	195,000	195,000
Total costs	2,617,931	2,691,523	73,592	2,617,931	2,691,523	73,592	16,206,478	18,999,129	2,792,651
Net income (loss) to Exhibit B	\$ (607,323)	\$ (684,136)	\$ 76,813	\$ (607,323)	\$ (684,136)	\$ 76,813	\$ (6,241,831)	\$ (4,096,856)	\$ (2,144,975)
Cash operating cost per gold ounce	\$227.41	\$251.14	\$23.73	\$227.41	\$251.14	\$23.73	\$305.47	\$244.95	(\$60.52)
Total cash costs per gold ounce	\$238.92	\$264.72	\$25.80	\$238.92	\$264.72	\$25.80	\$317.37	\$259.00	(\$58.37)
Total production costs per gold ounce	\$344.44	\$359.12	\$14.68	\$344.44	\$359.12	\$14.68	\$424.85	\$353.09	(\$71.76)
Summary of Production									
Tons of ore mined:	25,410	24,081	1,329	25,410	24,081	1,329	151,377	168,352	(16,975)
Gold - ounces per ton	0.261	0.304	(0.043)	0.261	0.304	(0.043)	0.257	0.310	(0.053)
Silver - ounces per ton	0.68	0.48	0.20	0.68	0.48	0.20	1.04	0.71	0.33
Tons of ore milled:	25,105	24,073	1,032	25,105	24,073	1,032	141,036	168,332	(27,296)
Gold - ounces per ton	0.281	0.297	(0.016)	0.295	0.297	(0.002)	0.261	0.312	(0.051)
Silver - ounces per ton	0.49	0.45	0.04	0.49	0.45	0.04	1.20	0.82	0.38
Mill recovery rate - gold	94.9%	96.0%	-1.1%	95.1%	96.0%	-0.9%	94.4%	96.0%	-1.6%
Mill recovery rate - silver	66.5%	60.0%	6.5%	66.5%	60.0%	6.5%	54.8%	60.0%	-5.2%
Products produced:									
Gold - ounces	7,338	6,869	469	7,338	6,869	469	35,192	50,419	(15,227)
Silver - ounces	8,694	6,529	2,165	8,694	6,529	2,165	93,412	82,329	11,083
Employees at end of period:									
Hourly	64	64	-	64	64	-	64	64	-
Salary	23	24	1	23	24	1	23	24	1
Capitalized expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 65,999	\$ 500,000	\$ 434,001

The Rosebud Mining Company, LLC (IIMC, operator)
Statements of Operations - Variances to Budget (LLC Agreement Basis of Accounting)

	MONTH			QUARTER TO DATE			YEAR TO DATE		
	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance
July 2000									
Gross production value (GPV)	\$ 83.04	\$ 87.06	\$ (4.02)	\$ 83.04	\$ 87.06	\$ (4.02)	\$ 69.21	\$ 92.54	\$ (23.33)
Less: Euro Nevada royalty	(3.32)	(3.48)	0.16	(3.32)	(3.48)	0.16	(2.77)	(3.70)	0.93
Less: Shipping and refining	(0.59)	(0.22)	(0.37)	(0.59)	(0.22)	(0.37)	(0.61)	(0.32)	(0.29)
Net production value	79.13	83.36	(4.23)	79.13	83.36	(4.23)	65.83	88.52	(22.69)
Cost of production									
Mine production costs	17.96	25.00	7.04	17.96	25.00	7.04	26.62	25.57	(1.05)
Fixed mining costs	7.93	7.45	(0.48)	7.93	7.45	(0.48)	10.03	7.58	(2.45)
L.L.C. Development	-	-	-	-	-	-	1.17	1.71	0.54
Milling costs	13.63	16.11	2.48	13.63	16.11	2.48	14.52	15.93	1.41
Trucking and site processing	10.07	11.11	1.04	10.07	11.11	1.04	10.31	11.11	0.80
Site and general administration	9.55	12.01	2.46	9.55	12.01	2.46	8.88	8.97	0.09
Geology	1.35	1.74	0.39	1.35	1.74	0.39	2.38	1.74	(0.64)
Delineation drilling	-	1.04	1.04	-	1.04	1.04	0.21	0.89	0.68
Engineering	1.36	1.31	(0.05)	1.36	1.31	(0.05)	1.38	1.31	(0.07)
Change in ore stockpile and in-circuit inventory	5.05	(3.61)	(8.66)	5.05	(3.61)	(8.66)	(1.78)	(0.36)	1.42
Total cost of production	66.90	72.16	5.26	66.90	72.16	5.26	73.72	74.45	0.73
Other costs									
Property taxes	0.26	0.30	0.04	0.26	0.30	0.04	0.30	0.30	-
Net proceeds taxes	-	0.39	0.39	-	0.39	0.39	-	0.51	0.51
Reclamation expense	1.22	1.24	0.02	1.22	1.24	0.02	1.15	1.24	0.09
Interest (income)	(0.28)	(0.17)	0.11	(0.28)	(0.17)	0.11	(0.31)	(0.17)	0.14
(Gain) loss on the sale of fixed assets	(0.08)	-	0.08	(0.08)	-	0.08	(0.15)	-	0.15
Depreciation	29.25	25.69	(3.56)	29.25	25.69	(3.56)	23.83	26.94	3.11
Total other costs	30.37	27.45	(2.92)	30.37	27.45	(2.92)	24.82	28.82	4.00
Total operating costs	97.27	99.61	2.34	97.27	99.61	2.34	98.54	103.27	4.73
Exploration expenditures - 100% Hecla	5.75	11.55	5.80	5.75	11.55	5.80	8.51	8.44	(0.07)
Discretionary expenditures	-	0.62	0.62	-	0.62	0.62	-	1.16	1.16
Total costs	103.02	111.78	8.76	103.02	111.78	8.76	107.05	112.87	5.82
Net income (loss) to Exhibit B	\$ (23.89)	\$ (28.42)	\$ -4.53	\$ (23.89)	\$ (28.42)	\$ -4.53	\$ (41.22)	\$ (24.35)	\$ (16.87)
Cash operating cost per gold ounce	\$227.41	\$251.14	\$23.73	\$227.41	\$251.14	\$23.73	\$305.47	\$244.95	(\$60.52)
Total cash costs per gold ounce	\$238.92	\$264.72	\$25.80	\$238.92	\$264.72	\$25.80	\$317.37	\$259.00	(\$58.37)
Total production costs per gold ounce	\$344.44	\$359.12	\$14.68	\$344.44	\$359.12	\$14.68	\$424.85	\$353.09	(\$71.76)
Summary of Production									
Tons of ore mined:	25,410	24,081	1,329	25,410	24,081	1,329	151,377	168,352	(16,975)
Gold - ounces per ton	0.261	0.304	(0.043)	0.261	0.304	(0.043)	0.257	0.310	(0.053)
Silver - ounces per ton	0.68	0.48	0.20	0.68	0.48	0.20	1.04	0.71	0.33
Tons of ore milled:	25,105	24,073	1,032	25,105	24,073	1,032	141,036	168,332	(27,296)
Gold - ounces per ton	0.281	0.297	(0.016)	0.295	0.297	(0.002)	0.261	0.312	(0.051)
Silver - ounces per ton	0.49	0.45	0.04	0.49	0.45	0.04	1.20	0.82	0.38
Mill recovery rate - gold	94.9%	96.0%	-1.1%	95.1%	96.0%	-0.9%	94.4%	96.0%	-1.6%
Mill recovery rate - silver	66.5%	60.0%	6.5%	66.5%	60.0%	6.5%	54.8%	60.0%	-5.2%
Products produced:									
Gold - ounces	7,338	6,869	469	7,338	6,869	469	35,192	50,419	(15,227)
Silver - ounces	8,694	6,529	2,165	8,694	6,529	2,165	93,412	82,329	11,083
Employees at end of period:									
Hourly	64	64	-	64	64	-	64	64	-
Salary	23	24	1	23	24	1	23	24	1
Capitalized expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 65,999	\$ 500,000	\$ 434,001

The Rosebud Mining Company, LLC
Hecla Mining Company, Operator
Discretionary Cost Statement
(LLC Agreement Basis of Accounting)

July 2000

	MONTH			YEAR TO DATE			INCEPTION TO DATE		
	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance
Capitalized Discretionary									
Total Capital Spending through 1999	-	-	-	-	-	-	19,077,685	26,085,591	7,007,906
Vehicles:									
Light pickup trucks (0402) 92-2210-672	-	-	-	-	-	-	-	-	-
Equipment:									
Water Well #4 (0402) 92-2210-605	-	-	-	-	-	-	-	-	-
U/G equipment (0402) 92-2210-xxx	-	-	-	-	-	-	-	-	-
Development:									
U/G development (0401) 92-2110-xxx and '(0402) 92-2210-xxx)	-	-	-	65,999	500,000	434,001	65,999	500,000	434,001
Total Capitalized Discretionary	\$ -	\$ -	\$ -	\$ 65,999	\$ 500,000	\$ 434,001	\$ 19,143,684	\$ 26,585,591	\$ 7,441,907
Expensed Discretionary									
Total Discretionary Spending through 1999	-	-	-	-	-	-	514,331	507,506	(6,825)
Reclamation contour & seeding (9126) 00-0001-xxx	-	15,000	15,000	-	30,000	30,000	-	30,000	30,000
U/G equipment rebuilds (9126) 00-0002-xxx	-	-	-	-	60,000	60,000	-	60,000	60,000
Bioremediation site (9126) 00-0001-xxx	-	-	-	-	45,000	45,000	-	45,000	45,000
WW4-RBW 16 installation (9126) 00-0004-xxx	-	-	-	-	60,000	60,000	-	60,000	60,000
Closure costs (9126) 00-0005-xx	-	-	-	-	-	-	-	-	-
Total Expensed Discretionary	\$ -	\$ 15,000	\$ 15,000	\$ -	\$ 195,000	\$ 195,000	\$ 514,331	\$ 702,506	\$ 188,175