

Recording requested by and  
when recorded return to:

Hecla Silver Valley, Inc.  
6500 N. Mineral Dr., Suite 200  
Coeur d'Alene, ID 83815-9408

488327

---

SPACE ABOVE THIS LINE FOR RECORDER'S USE ONLY

**THIS PROPERTY IS SUBJECT TO AN ENVIRONMENTAL COVENANT IMPOSING  
ACTIVITY AND USE LIMITATIONS PURSUANT TO THE UNIFORM  
ENVIRONMENTAL COVENANTS ACT, IDAHO CODE § 55-3001, et seq.**

**ENVIRONMENTAL COVENANT**

This instrument is an Environmental Covenant ("Environmental Covenant") executed by Hecla Silver Valley, Inc. ("HSV") (as successor in property ownership to Golconda Mining Corporation), the United States Environmental Protection Agency ("EPA"), and the Idaho Department of Environmental Quality ("IDEQ"), pursuant to the Uniform Environmental Covenants Act, Idaho Code §§ 55-3001 through 3015. This Environmental Covenant sets forth protective provisions, covenants, restrictions and conditions (collectively referred to as "Activity and Use Limitations") on the Property described below. The Activity and Use Limitations are designed to protect natural resources, human health and the environment. HSV is a "Holder" as defined in Idaho Code § 55-3002(6). HSV, as the current property owner, grants this Environmental Covenant to EPA and IDEQ.

Property. This Environmental Covenant concerns real property located in the County of Shoshone, State of Idaho, located in Section 25, Township 48 North, Range 4 East, B.M., as set forth in Exhibit A, attached hereto.

Property Ownership. HSV hereby represents and warrants to the other signatories to this Environmental Covenant that it is the sole owner of the Property as of the date this Environmental Covenant is executed, holds fee simple title to the Property, and has the power and authority to enter into this Environmental Covenant.

Reason for Activity and Use Limitations. Historic mine wastes have been identified on, or may exist on, certain portions of the Property. On January 19, 2012, in Case No. 2:11-cv-00446-EJL, the United States District Court for the District of Idaho entered a consent decree executed by the United States, the Coeur d'Alene Tribe, Alice Consolidated Mines, Inc., Hypotheek Mining and Milling Company, Callahan Consolidated Mines, Inc., Constitution Mining Company, Highland Surprise Mining Company, Nevada-Stewart Mining Company, and Golconda Mining Corporation entered into a Consent Decree (the "Golconda Consent Decree") which provides for, or in the future may provide for, the remediation of certain portions of the Property. This Environmental Covenant is required because any remediation which is conducted may leave residual concentrations of lead, arsenic, cadmium and zinc in soil and residual concentrations of lead, cadmium and zinc in groundwater underlying the Property. This Environmental Covenant ensures EPA and the IDEQ necessary access and requires that activities on the Property protect and do not interfere with historic mining features on the Property that may have been remediated.

Name and Location of Administrative Record. A copy of the administrative record for EPA decision-making at the Bunker Hill Mining and Metallurgical Complex Superfund Site (which includes the Property) can be found at the Wallace Public Library, 415 River Street, Wallace, Idaho 83873 or EPA Field Office, 1910 Northwest Boulevard, Suite 208, Coeur d'Alene, Idaho 83814.

Activity and Use Limitations. By acceptance and recordation of this Environmental Covenant, HSV and any successors in interest with respect to the Property, are hereby restricted from using the Property, or any portion thereof, now or at any time in the future, as specifically set forth below unless such use has been expressly approved in writing by IDEQ:

1. A right of access is granted to the EPA, IDEQ, the Coeur d'Alene Tribe ("Tribe"), or any party performing on behalf of the EPA, the Tribe, or IDEQ and their respective representatives, employees and contractors for purposes of conducting any activity related to the Golconda Consent Decree, including, but not limited to, those activities set out at Articles XV and XVI of the Golconda Consent Decree.

2. Except as otherwise provided in the Golconda Consent Decree, the Property will not be used in a manner that will materially interfere with or adversely affect the integrity or protectiveness of any removal or remedial measures taken at the Site.

3. Groundwater under the Property may not be used for drinking water or other purposes involving direct human contact, except in the exercise of valid water rights under Idaho law and in accordance with any applicable regulatory requirements or except if treated, as necessary, to meet applicable drinking water standards or direct human contact standards.

4. The Property, and any portion thereof, may be used for commercial and industrial uses. Any portion of the Property that is identified for remediation or at which remediation has been completed shall not be used for residential uses or as a location of a children's school or daycare center unless site conditions at that portion of the Property are determined to be protective of human health.

Each owner of the Property, or any portion thereof, shall be solely responsible for demonstrating that his/her/its use at the time of his/her/its ownership is in conformity with the Activity and Use Limitations. The Activity and Use Limitations are imposed due to conditions resulting from identification of historic mine wastes on portions of the Property.

Amendment by Consent. The Environmental Covenant may be amended by consent pursuant to Idaho Code § 55-3010. Except for an assignment undertaken pursuant to a governmental reorganization, assignment of the Environmental Covenant to a new Holder is an amendment requiring consent.

Termination by Consent. The Activity and Use Limitations shall apply to the Property or any subdivided portion thereof, unless HSV, or its successors in interest, applies to EPA and IDEQ to have this Environmental Covenant terminated pursuant to Idaho Code § 55-3010 and demonstrates that:

1. The Property or any subdivided portion thereof is shown in an EPA- or IDEQ-approved document not to contain contaminated soils or groundwater; or

2. Contaminated soils and groundwater are at levels the EPA and IDEQ deem in writing to be adequate for the Property to be developed for unrestricted use.

Provisions to Run with the Land. Each and all of the Activity and Use Limitations shall run with the land, and pass with each and every portion of the Property, and shall apply to and bind the respective successors in interest thereof. Each and all of the Activity and use Limitations are imposed upon the entire Property unless expressly stated as applicable to a specific portion of the Property.

Concurrence of Subsequent Owners Presumed. All purchasers, lessees, or possessors of any portion of the Property shall be deemed by their purchase, leasing, or possession of such Property, to be in accord with the foregoing and to agree for and among themselves, and their successors, that the Activity and Use Limitations as herein established must be adhered to and that their interest in the Property shall be subject to the Activity and Use Limitations contained therein.

Recording/Filing of Environmental Covenants. This Environmental Covenant, once fully executed, and any amendment or termination of the Environmental Covenant, shall be recorded by the Property owner in the county recorder's office of every county in which any portion of the Property subject to the Environmental Covenant is located. Within thirty (30) days of the recording of this Environmental Covenant, or any amendment or termination, the owner at that time shall provide to the EPA and IDEQ a copy of this recorded Environmental Covenant, or any amendment or termination of this Environmental Covenant. Upon receipt of the copy of the recorded Environmental Covenant, and any amendment or termination therein, IDEQ shall post the copy fully executed instrument in the Registry as required by Idaho Code § 55-3012(1). In addition, a copy of the recorded Environmental Covenant or any amendment or termination, shall be provided by the owner at that time to the following persons: (a) each person that signed the Environmental Covenant; (b) each person holding a recorded interest in the Property; (c) each person in possession of the Property; (d) each municipality or other local government in which the Property is located and (e) any other person IDEQ requires. The validity of the Environmental Covenant is not affected by failure to provide a copy of the Environmental Covenant as required under this section. The Activity and Use Limitations set forth herein shall be incorporated by reference in each and all deeds and leases of any portion of the Property.

Enforcement. The EPA, IDEQ and Tribe shall have authority to enforce the Activity and Use Limitations against the owner(s) at the time of a violation of this Environmental Covenant and any other person(s) then using the Property. Failure to comply with any of the Activity and Use Limitations set forth herein shall be grounds for the EPA, IDEQ, or their successors to require that the owner(s) at the time of the violation correct or remove any violations of this Environmental Covenant. Violation of this Environmental Covenant shall be grounds for the EPA, IDEQ, or their successors, to file civil actions against the owner(s) at the time of the violation as provided by law or in equity, including without limitation, the Uniform Environmental Covenants Act, Idaho Code § 55-3011.

Notice of Conveyance of Property. Within thirty (30) days of closing of any conveyance of the Property, or part thereof, the conveyer of the Property shall provide written notice of the fact of conveyance to the EPA, the Tribe, and IDEQ and each municipality or other local government in which the Property is located. Such notice shall include the name and address of all the then owners and/or occupants of the Property, or part thereof, conveyed. The EPA, the Tribe, and IDEQ shall not,

by reason of this Environmental Covenant, have authority to approve, disapprove, or otherwise affect any conveyance of the Property except as otherwise provided by law.

Notices. All notices required or permitted to be given hereunder shall be in writing and mailed in the United States Mail, postage prepaid, by certified or registered mail, return receipt requested, to the appropriate address indicated below or at such other place or places as HSV or its successors, the EPA or its successors, the Tribe or its successors, or IDEQ or its successors, may, from time to time, respectively, designate in a written notice given to the others. Notices which are deposited in the United States Mail in accordance with the terms of this provision shall be deemed received three (3) days after the date of mailing thereof.

HSV:	Hecla Silver Valley Attn: General Counsel 6500 N. Mineral Dr., Suite 200 Coeur d'Alene, Idaho 83815-9408
EPA:	United States Environmental Protection Agency Attn: Ted Yackulic, Assistant Regional Counsel 1200 Sixth Avenue, Suite 900 Seattle, Washington 98101
IDEQ:	Idaho Department of Environmental Quality Attn: Rob Hanson, Mine Waste Remediation Manager 1410 N. Hilton Boise, Idaho 83706
TRIBE:	The Coeur d'Alene Tribe Attn: Lake Management Director 850 North A Street Plummer, ID 83851

Costs and Expenses. All costs of terminating this Environmental Covenant, including the cost of any remediation or abatement of any environmental condition related to Activity and Use Limitations pertaining to the Property, shall be borne by the party seeking such termination.

Partial Invalidity. If any portion of the Environmental Covenant or terms set forth herein is determined to be invalid for any reason, the remaining portion shall remain in full force and effect as if such invalidated portion had not been included herein.

Headings. Headings at the beginning of each section of this Environmental Covenant are solely for the convenience of the parties and are not part of the Environmental Covenant.

Idaho Code References. All references to the Idaho Code sections include successor provisions.

Reservation of Rights by EPA, IDEQ and the Tribe, and Notice to Subsequent Owners.

Notwithstanding any provision of this Environmental Covenant, the EPA, the Tribe, and IDEQ retain all of their access and enforcement authorities with respect to the Property under any applicable statute or rule. Nothing in this Environmental Covenant shall affect the EPA's, the Tribe's, or

IDEQ's ability to enforce the terms of the Golconda Consent Decree or any other future agreement relating to remediation of the Property. Nothing in this Environmental Covenant shall affect the obligations of Settling Companies under the Golconda Consent Decree or any other future agreement with EPA or the State. Nothing in this Environmental Covenant shall affect IDEQ's or EPA's ability to modify this covenant in accordance with the authorities set forth in the Uniform Environmental Covenants Act, Idaho Code §§ 55-3001 through 3015.

Reservation of Rights by HSV. HSV retains all of its rights in the Property to the extent that those rights are not affected by this Environmental Covenant or the Golconda Consent Decree.

No Third-Party Beneficiaries. This Environmental Covenant is solely for the benefit of EPA, the Tribe, IDEQ and HSV and its successors to the Property. There are no other intended third-party beneficiaries, and the parties hereto expressly disclaim any unintended third-party beneficiaries to this Environmental Covenant or any part hereof.

Effective Date. The effective date of this instrument shall be the date the fully executed Environmental Covenant is recorded at the county recorder's office.

*[Signatures and Acknowledgments on the following pages]*

488327

Section 25 Township 48 North Range 4 East  
Shoshone County, ID

Accepted:

**FOR HECLA SILVER VALLEY, INC.**

Signature: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

[Signature]  
LARRY RADFORD  
SR Vice President OPERATIONS  
2/3/17

Acknowledgment:

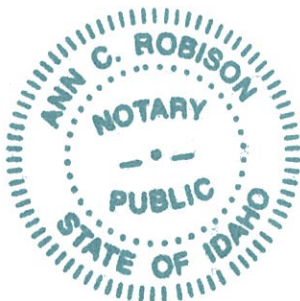
State of Idaho )

County of Kootenai )

On this 6<sup>th</sup> day of February, in the year 2017, before me, a Notary Public in and for said County and State, personally appeared Larry Radford, known or identified to me to be the Vice President of Hecla Silver Valley, Inc., that executed this Environmental Covenant, and acknowledged to me that Hecla Silver Valley, Inc., executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

Notary Public: Ann C. Robison  
Residing at: Hayden  
Commission Expires: 10/31/2018



488327

Section 25 Township 48 North Range 4 East  
Shoshone County, ID

Accepted:

**FOR THE UNITED STATES  
ENVIRONMENTAL PROTECTION AGENCY**

Signature: 

Print Name: Sheila Fleming

Title: Associate Director, Office of Environmental Cleanup, EPA Region 10

Date: 2/10/2017

Acknowledgment:

State of Washington)

County of King)

On this 10<sup>th</sup> day of February in the year 2017, before me, a Notary Public in and for said County and State, personally appeared Sheila Fleming, known or identified to me to be the Associate Director, ECL of U.S. EPA, that executed this Environmental Covenant, and acknowledged to me that U.S. EPA, executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.



Notary Public: Candace H Smith

Residing at: Seattle, WA

Commission Expires: 10-1-2020

488327

Section 25 Township 48 North Range 4 East  
Shoshone County, ID

Accepted:

**IDAHO DEPARTMENT OF ENVIRONMENTAL QUALITY**

Signature: *John H. Tippetts*  
Print Name: JOHN H. TIPPETS  
Title: DIRECTOR  
Date: Jan. 31, 2017

Acknowledgment:

State of Idaho )  
County of Canyon )

On this 31 day of January in the year 2017, before me, a Notary Public in and for said County and State, personally appeared John H. Tippetts, known or identified to me to be the Director of the Idaho Department of Environmental Quality, that executed this Environmental Covenant, and acknowledged to me that the Idaho Department of Environmental Quality, executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.



Notary Public: Rosie M. Alonzo  
Residing at: Dampa, Idaho  
Commission Expires: 11/21/2020



488327

Section 25 Township 48 North Range 4 East  
Shoshone County, ID

Accepted:

**FOR THE COEUR D'ALENE TRIBE**

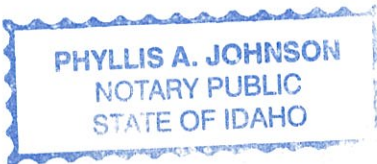
Signature: Scott Fields  
 Print Name: Scott Fields  
 Title: (acting) Lake Management Director  
 Date: 2-2-2017

Acknowledgment:

State of Idaho )  
 County of Beneviah )

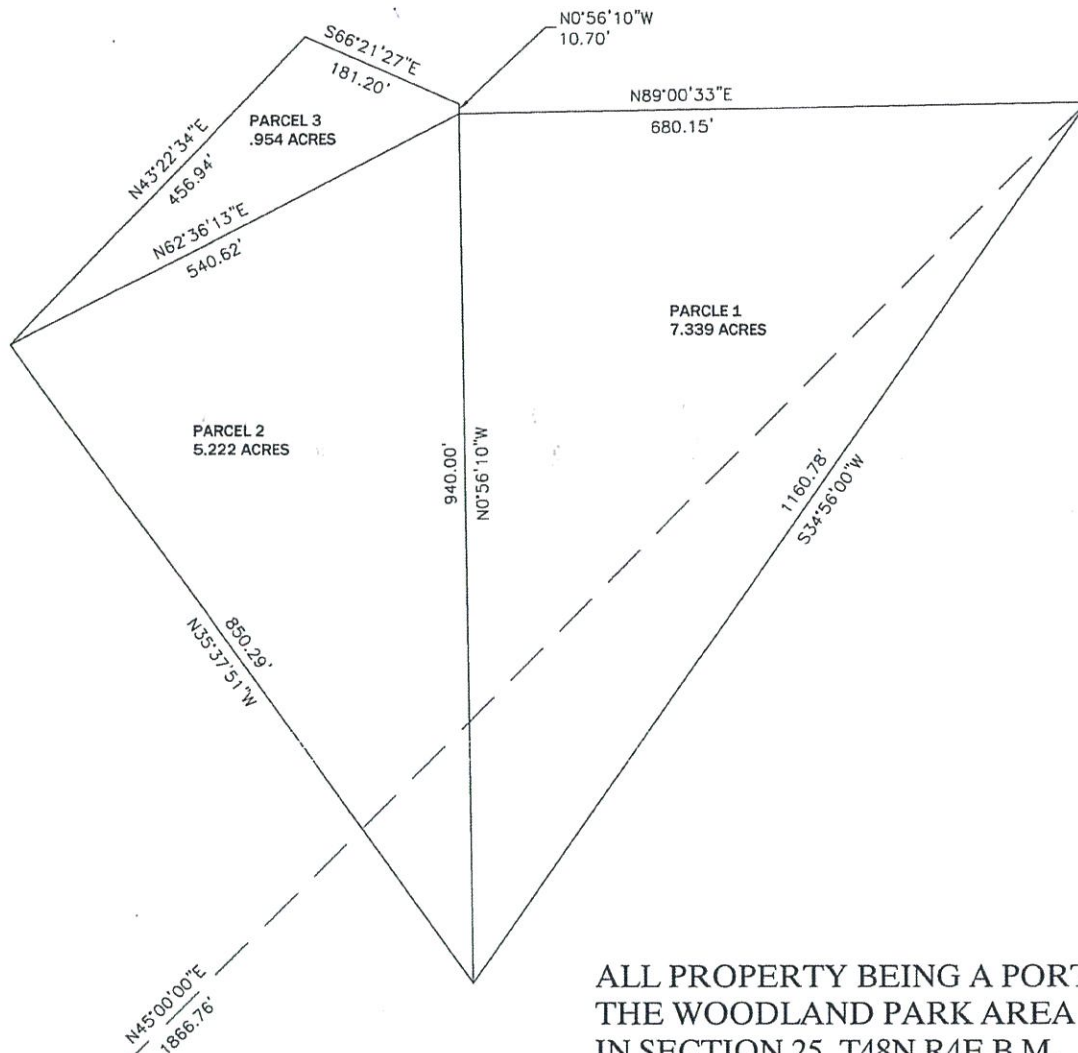
On this 2<sup>nd</sup> day of February in the year 2017, before me, a Notary Public in and for said County and State, personally appeared Scott Fields, known or identified to me to be the Acting Lake Mng Dir of the Coeur d'Alene Tribe, that executed this Environmental Covenant, and acknowledged to me that the Tribe, executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.



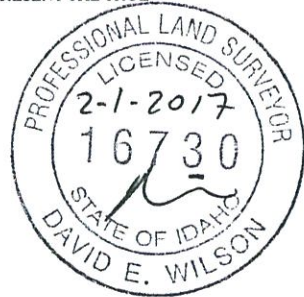
Notary Public: Phyllis Johnson  
 Residing at: Plummer Id 83851  
 Commission Expires: 4/29/19

488327



ALL PROPERTY BEING A PORTION OF THE WOODLAND PARK AREA LYING IN SECTION 25. T48N,R4E,B.M. SHOSHONE COUNTY, IDAHO

POSITIONS SHOWN ON THIS EXHIBIT ARE BASED FROM RECORD PLATS. THIS IS EXHIBIT IS FOR PRELIMINARY USE AND NOT INTENDED AS A LEGAL DOCUMENT TO REPRESENT THE TRUE BOUNDARY POSITION.



DISPLAYED AS: \_\_\_\_\_  
 COORD SYS/ZONE: ISPNAD83WEST  
 DATUM: DATUM  
 UNITS: USFEET  
 SOURCE: DATA SOURCE



EXHIBIT 1

**PIONEER**  
 TECHNICAL SERVICES, INC.

106 PRONGHORN TRAIL SUITE A  
 BOZEMAN, MT. 59718  
 (406)388-8378 PH  
 (406)388-8379 FAX

1/16/2017



488327

## Legal Description

All that property being a portion of the Woodland Park Area lying in Section 25, Township 48 North, Range 4 East, B.M., Shoshone County, Idaho, contained in the three parcels described as follows:

## Parcel 1:

Beginning at the center of the Northwest quarter of Section 25; thence North  $89^{\circ}00'33''$  East, a distance of 680.15 feet to a point midway to the East 1/16 corner of the Northwest quarter; thence South  $34^{\circ}56'00''$  West, a distance of 1160.78 feet to a point on the North-South centerline of the Northwest quarter of Section 25; thence North  $0^{\circ}56'10''$  West, a distance of 940.00 feet to the point of the beginning.  
Contains 7.339 acres, more or less.

## AND ALSO:

## Parcel 2:

Beginning at the center of the Northwest quarter of Section 25; thence South  $0^{\circ}56'10''$  East, a distance of 940.0 feet to a point on the North-South centerline of the Northwest quarter of Section 25; thence North  $35^{\circ}37'51''$  West, a distance of 850.29 feet to a point on the Southeast boundary line of surface parcel RP048N04E253500A; thence North  $62^{\circ}36'13''$  East, a distance of 540.62 feet to the point of beginning.  
Contains 5.222 acres, more or less.

## AND ALSO:

## Parcel 3:

Beginning at the center of the Northwest quarter of Section 25; thence South  $62^{\circ}36'13''$  West, a distance of 540.62' feet to a point on the Southeast boundary line of surface parcel RP048N04E253500A; thence North  $43^{\circ}22'34''$  East, a distance of 456.94' feet to the point of intersection with the Southwest corner of surface parcel RP48N04E252500A; thence South  $66^{\circ}21'27''$  East, a distance of 181.20 feet along the boundary line; thence South  $0^{\circ}56'10''$  West, a distance of 10.70' feet to the point of beginning.  
Contains 0.954 acres, more or less.

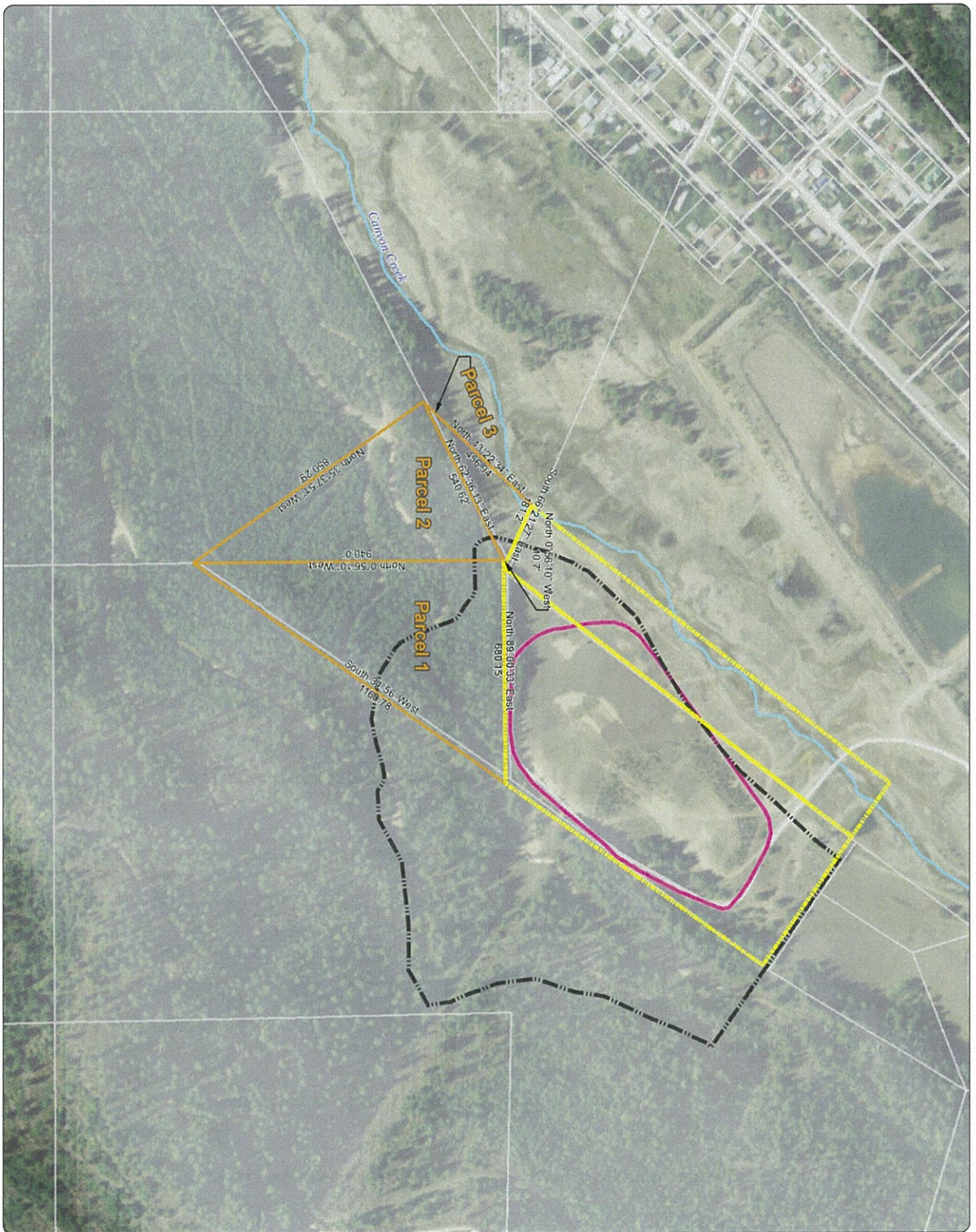
I David E. Wilson PLS have reviewed and verified that that the Hecla Parcel Preliminary Mapping and the Legal Description for Parcels 1-3 are the same. This Legal Description has not been field verified and is in Draft review.



\_\_\_\_\_  
David E. Wilson PLS Idaho 16730S

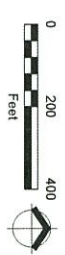


488327



**Figure**  
**Proposed Ownership**  
**Hecla Property**  
 Coeur d'Alene Trust  
 Canyon Creek Basin, Idaho  
**DRAFT**

- Legend**
- Stream
  - SVNRT Repository Boundary
  - Conceptual Expanded SVNRT Repository Boundary
  - CDA Trust Properties
  - Hecla Proposed Purchase
  - Parcel Boundary
- PURPOSED PURCHASE AREA**  
**TOTAL AREA: 13.52 ACRE**



Source: Aerial photograph obtained from Esri  
 ArcGIS Online; parcels dataset (2015) obtained  
 from Shoshone County.

**MAUL FOSTER ALONGI**  
 P. 971.544.2139 | www.maulfoster.com

This product is for informational purposes only and has not been prepared for, or by, a professional engineer or architect. The user assumes all liability for the use of this information. The user shall indemnify and hold the provider harmless from all claims, damages, and expenses, including reasonable attorneys' fees, arising from the use of this information.