



May 3, 2022

VIA EMAIL

Denis Saumure  
Commission Registry  
Registrar  
Canadian Nuclear Safety Commission  
280 Slater Street, PO Box 1046, Station B  
Ottawa, ON K1P 5S9

Dear Denis Saumure:

**CONFIDENTIAL AND COMMERCIALY SENSITIVE: Amendment to Cigar Lake Operation Financial Guarantee Instruments**

Cameco Corporation (Cameco) currently operates the Cigar Lake Operation (Cigar Lake) on behalf of the Cigar Lake Joint Venture (CLJV). The CLJV is currently owned by Cameco (50.025%), Orano Canada Inc. (Orano) (37.1%), Idemitsu Canada Resources Ltd. (Idemitsu) (7.875%), and TEPCO Resources Inc. (TEPCO) (5%). Cameco and Orano are currently negotiating a business agreement to acquire Idemitsu Canada Resources Ltd.'s participating interest in the CLJV. Cameco will remain the majority owner and operator of Cigar Lake; however, Cameco and Orano's ownership share of the CLJV will be increased to 54.547% and 40.453%, respectively. It is currently anticipated that TEPCO's participating interest (5%) will remain unchanged. The parties intend to finalize the transaction and publicly announce it on May 10, 2022 with a targeted closing date of May 18/19, 2022.

This information is highly confidential and has not yet been publicly disclosed. Cameco is a publicly traded entity and is required to abide by the applicable stock exchange rules with respect to disclosure. As such, we request that the confidential and commercially sensitive nature of this acquisition be respected.

In accordance with Condition G.3 of the current Cigar Lake licence (UML-MINE-CIGAR.00/2031), Cameco is required to maintain a financial guarantee for decommissioning that is acceptable to the Commission. The current Cigar Lake financial guarantee (\$61.79 million) was approved by the Commission in November 2020 through a hearing in writing (DEC 20-H108). Following this approval, the CLJV participants provided updated financial instruments to the Saskatchewan Ministry of Environment (SMOE) and Canadian Nuclear Safety Commission (CNSC), totalling the full \$61.79 million, as follows in the below table.

**CAMECO CORPORATION**

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The change in ownership of the CLJV does not necessitate a change in the Cigar Lake preliminary decommissioning plan or a revision to the total amount of the financial guarantee. However, Cameco's and Orano's financial instruments will be revised as shown in the below table to reflect their increased ownership. Specifically, if the transaction proceeds as currently contemplated, the Idemitsu financial instrument will be removed and Cameco and Orano will increase their financial instruments by the corresponding amount.

Party	Ownership		Financial Instrument	Financial Guarantee (Cdn)	
	Current	Revised		Current	Revised
Cameco	50.025%	54.547%	BNS LOC: OSB67120GWS	\$20,155,075	\$22,949,220
			CIBC LOC: SBTG753911	\$10,755,375	\$10,755,375
Orano	37.1%	40.453%	Security Bond: BDTO-860159-020	\$22,924,090	\$24,996,138
Idemitsu	7.875%	0%	MUFG: 104-LC-900006	\$4,865,960	n/a
TEPCO	5%	5%	SMBC: LCO CB/LG/16-006	\$3,089,500	\$3,089,500
<b>TOTAL</b>	<b>100%</b>	<b>100%</b>		<b>\$61.79 million</b>	<b>\$61.79 million</b>

Cameco and Orano have provided revised draft financial instruments to both the SMOE and CNSC for review. SMOE has deemed the revised draft financial instruments to be acceptable.

By way of this letter, Cameco is requesting that a Commission hearing in writing be scheduled for the approval of the proposed amendments to the amount of Cameco's and Orano's financial instruments that make up a portion of the Cigar Lake financial guarantee.

We request that the Commission not publish a notice of the hearing or the corresponding CMD until Cameco and Orano have publicly announced the transaction in order to maintain the confidential nature of this transaction and in order for Cameco to remain in compliance with securities disclosure requirements. As indicated, the parties are targeting May 10, 2022 to finalize and publicly announce the transaction. We will provide updates should this timing or the transaction change. Should you have any questions or require any further information, please feel free to contact me at (306) 956-6685 or [liam\\_mooney@cameco.com](mailto:liam_mooney@cameco.com).

Sincerely,



R. Liam Mooney  
Vice-President  
Safety, Health, Environment, Quality & Regulatory Relations  
Cameco Corporation

c: T. Moulding (SMOE), P. Burton (CNSC)