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Oral Presentation

Exposé oral

Written submission from **Cameco Corporation**

Mémoire de **Cameco Corporation**

In the Matter of the

À l'égard de

Orano Canada Inc., **McClean Lake Operation** Orano Canada Inc., Établissement minier de McClean Lake

Application for licence amendment for the expansion of the JEB Tailings Management Facility (TMF) at the McClean Lake Operation

Demande de modification de permis pour l'agrandissement de l'installation de gestion des résidus (IGR) JEB à l'établissement de McClean Lake

Commission Public Hearing

Audience publique de la Commission

October 4, 2021

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Cameco Corporation

Public Hearing

Scheduled for:

October 4, 2021

McClean Lake Licence Amendment

Regarding:

Orano Canada Inc McClean Lake Licence Amendment Hearing

Submitted by:

Cameco Corporation

Introduction

The McClean Lake mill operated by Orano Canada Inc. (Orano) has processed all uranium ore produced by the Cameco Corporation (Cameco) Cigar Lake mine (Cigar Lake) since production began in 2014. The tailings resulting from the milling of Cigar Lake ore are disposed of in the JEB tailings management facility (TMF) at McClean Lake. Orano is also a joint venture partner in the Cigar Lake operation and the two companies have worked together closely for nearly 40 years to develop the mine, prepare the mill to process the ore and effectively manage safety and environmental aspects of the two operations while engaging local communities.

The tandem of the Cigar Lake mine and McClean Lake mill is one of the world's largest uranium producers. Together, these operations are licensed to produce 7.0 million kilograms of uranium annually, providing nuclear fuel products to generate power in safe, reliable, carbon-free nuclear reactors around the world.

Through our close collaboration with Orano, Cameco has a well-informed view of Orano's competence as an operator of the McClean Lake mill and the JEB TMF. Orano has a mature management system in place that allows Orano to meet regulatory requirements and make the necessary provisions for maintaining the health and safety of workers and the public as well as protecting the environment. Based on this insight, Cameco fully supports Orano's requested licence amendment for the JEB TMF Expansion.

Background

Cameco is one of the world's largest uranium producers with production from mines and mills in Canada, the United States and Kazakhstan. We are also a leading provider of nuclear fuel processing services, supplying much of the world's reactor fleet with the fuel to generate one of the cleanest sources of electricity available today.

Cameco's operations include Cigar Lake, one of the world's highest grade uranium mines, with grades that are 100 times the world average. Cameco is the majority owner (50.025%) and operator of the Cigar Lake mine. The other joint venture partners are: Orano (37.1%); Idemitsu Canada Resources Ltd. (7.875%); and TEPCO Resources Inc. (5.0%).

The Cigar Lake ore is trucked 70 kilometers to Orano's McClean Lake mill for processing. Processing Cigar Lake ore at McClean Lake is attractive from both an economic and environmental perspective. Using existing processing and tailings facilities in the region limits the overall environmental footprint. This practice is consistent with the recommendations of the 1997 *Joint Federal-Province Panel Report* on uranium mining development in northern Saskatchewan, which stated as follows: "the practice of milling ores for several mines at a single mill should be encouraged" because there will

be less environmental impact in total as a result of "the combined milling of several ores compared to mills and tailings management facilities near each mine."

Competent and Responsible Operator

Orano has demonstrated experience as a competent and responsible operator of uranium mines and mills in northern Saskatchewan. Orano successfully managed the construction, operation and decommissioning of the Cluff Lake uranium mine and mill, which included the operation and decommissioning of the tailings management area. Orano has utilized this experience to continue as a competent and responsible operator of the McClean Lake mill and the JEB TMF. Established processes are in place for the design, construction management and continued safe operation of an expanded JEB TMF.

Socio-Economic Benefit

The relationship between the McClean Lake mill and the Cigar Lake mine has a significant socio-economic impact on northern Saskatchewan. The licence amendment for the expansion of the JEB TMF will provide operational certainty for these operations for northern Saskatchewan to continue to realize the benefits. In addition to direct employment for residents of Saskatchewan's north, the operations generate economic activity through their commitments to northern vendors and suppliers. As an example, Cigar Lake's northern service spend for 2016 YTD was \$64.3 million, which represented more than 85% of the operation's total northern service spend for outside services.

To reinforce workforce and business development, community engagement and environmental stewardship, Cameco and Orano have negotiated and signed collaboration agreements (CAs) with northern Saskatchewan stakeholders. In June 2016, Cameco and Orano signed a CA known as Ya'Thi Néné ("Lands of the North" in Dene) with the seven Athabasca Basin communities (the Denesuline First Nations of Black Lake, Fond du Lac and Hatchet Lake, along with the communities of Stony Rapids, Wollaston Lake, Uranium City and Camsell Portage). This agreement builds on the existing impact management agreement signed in 1999, which was one of the first signed in Canada. The new agreement is structured on pillars of workforce development, business development, community engagement, environmental stewardship and community investment.

To the end of 2020, Orano and Cameco have provided \$598 million in benefits under this CA alone. Since 2016, approximately \$501 million has been spent with Athabasca Basin eligible businesses, \$27 million has been invested in Athabasca Basin communities and community engagement activities and, under the agreement, \$69 million has been invested in Athabasca Basin workforce development.

Stakeholder Engagement

A process for engagement was established under the CA, which occurs primarily through the Athabasca Joint Engagement and Environmental Subcommittee (AJES). The joint

subcommittee has community and industry representatives that meet throughout the year and actively engage in open, two-way dialogue and provide information about Orano and Cameco's operations from exploration to decommissioning. This process allows us to collaboratively determine the focus areas in addition to discussions around projects or approvals. The AJES steers engagement efforts with industry and discusses all aspects of our business on traditional territories, and how the operations keep people safe, healthy while protecting the local environment. In addition, the Ya'Thi Néné Lands and Resource Office was established under the agreement to provide support to the subcommittee and the executive director is an AJES member.

Under this CA, Orano and Cameco also employ local community members that work in satellite offices in the communities of Fond du Lac, Black Lake and Hatchet Lake to oversee key aspects of our CA and act as industry's point of contact for members.

Environmental Collaboration

Cameco and Orano have committed to environmental collaboration with northern communities. The Eastern Athabasca Regional Monitoring Program (EARMP), initiated in 2011, provides oversight for reviewing any potential environmental effects from uranium mining and milling in the region. Orano, Cameco, CNSC and the Province of Saskatchewan are joint funding partners for this program. EARMP's community sampling program submits samples collected by local stakeholders from traditional country foods (berries, fish and wild game) each year. The program is managed by Canada North Environmental Services, a 100% Indigenous-owned company, which then publishes an annual report. EARMP's community reports have consistently concluded that country foods are safe for consumption.

Further, defined in the community engagement and environmental stewardship pillar of the CA, Orano and Cameco support the recently (2018) created Community Based Environmental Monitoring Program (CBEMP). The CBEMP builds off the previous data collected through the Athabasca Working Group (AWG) Environmental Monitoring Program that started in 2000. The overall study objective of the CBEMP is to gain an understanding of traditional food use by community members and to assess if these foods remained safe for consumption. The involvement of community members is one of the fundamental goals of the study. The studies obtain information from community members regarding the quantity, type, and harvest location of traditional foods through community interviews.

As is the case with the EARMP program, the results of the CBEMP continue to show harvesting and eating traditional foods are integral components of good health among those living in communities near McClean Lake and Cigar Lake.

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Conclusions

Cameco believes that Orano is a competent operator of the McClean Lake mill, including the JEB TMF and is qualified to carry out the proposed expansion activities sought through the licence amendment. Cameco understands that Orano also has the management systems and programs in place to ensure the protection of the environment and the health and safety of persons. In addition, Cameco believes that Orano will continue to make adequate provisions for the maintenance of national security and measures required to implement international obligations to which Canada has agreed.

Cameco has reviewed Orano's submission to the CNSC and fully supports the licence amendment for the JEB TMF Expansion.