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Cameco Submits Comments to the US Department of Commerce Section 232 Investigation

Saskatoon, Saskatchewan, Canada, September 25, 2018

Cameco (TSX: CCO; NYSE: CCJ) today filed a submission with the United States Department of Commerce (DOC) in response to its request for comments as part of the investigation into whether foreign uranium imports threaten to impair US national security under Section 232 of the Trade Expansion Act of 1962.

“With uranium operations in both the United States and Canada, we felt it important to provide our perspective to the DOC for consideration,” Cameco’s President and CEO Tim Gitzel said. “As a publicly traded company, we experience the same pressures in the current tough market as the US producers who petitioned for this investigation.

“However, as a strategic, friendly ally and the most dependable supplier of fuel for the American nuclear energy sector for many years, we contend that Cameco’s uranium does not impair US national security interests and should not be subject to any form of import restriction in the United States.”

Highlights of Cameco’s submission include:

- Cameco reaffirms its support for free and fair trade, including reciprocal market access for trade and investment in countries that produce and consume uranium. We want to work with the US government and industry colleagues to ensure a viable and sustainable US uranium supply.
- Cameco does not support the specific quota proposed by the petitioners, as it is unrealistic in its estimate of feasible US uranium production capabilities; would be difficult to implement and harmful to responsible participants in the US nuclear energy industry; and could ultimately increase US dependence on state-controlled uranium supplied by the countries of concern as listed in the petition.
- Moreover, while the petitioners’ complaints are focused on imports from state-owned enterprises in specific countries acting against market principles and creating an uneven playing field, the broad-based quota they propose would apply to uranium imported from all foreign countries, allied or not, and to all non-American producers, whether publicly traded or government-run.
- If a quota remedy is ultimately implemented, we believe no import limits or restrictions should be placed on Cameco uranium. The quota should be applied solely to imports from state-owned enterprises from the countries named in the petition.
- Tariffs should not be considered as a remedy, as they would need to be prohibitively high for US utilities in order to make US uranium production economical.

“Cameco’s roots in the US run deep,” said Gitzel. “We have been a long-term producer, investor and employer in the US nuclear energy industry. Over the years we have supplied uranium to

every owner of an American nuclear power plant. We have been a responsible and reliable commercial partner to the US government in the Megatons to Megawatts program and other non-proliferation initiatives.

“We are clearly invested in ensuring a bright future for the American uranium and nuclear energy sectors, and will gladly work with US policy-makers and industry stakeholders to find practical solutions to the current challenges we are all facing.”

The United States is Cameco’s biggest customer by country. About 30% of our total sales by volume in 2017 were to US utilities. The top six uranium producers in the world accounted for 70% of total production last year. Cameco is the only publicly traded company within that group.

No producer in the world has done more than Cameco in an effort to revive the weak global uranium market. Production cuts from our operations since 2015 have reduced annual supply by 24 million pounds – an amount that would meet over half of US nuclear energy needs every year.

Unfortunately, these efforts have impacted our Canadian and US operations most significantly, as we have now suspended production at four of our North American uranium mines. When these facilities were in full production, Cameco was the largest uranium producer in both the United States and Canada.

All submissions to the DOC, including Cameco’s, will be made available at www.regulations.gov.

Profile

Cameco is one of the world’s largest uranium producers, a significant supplier of conversion services and one of two Candu fuel manufacturers in Canada. Our competitive position is based on our controlling ownership of the world’s largest high-grade reserves and low-cost operations. Our uranium products are used to generate clean electricity in nuclear power plants around the world. Our shares trade on the Toronto and New York stock exchanges. Our head office is in Saskatoon, Saskatchewan.

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