



Cameco Corporation

Fourth Quarter 2022 Conference Call

Transcript

Date: February 9, 2023

Time: 8:00 AM ET

Presenters: **Tim Gitzel**
President, Chief Executive Officer

Grant Isaac
Executive Vice-President, Chief Financial Officer

Brian Reilly
Senior Vice-President, Chief Operating Officer

Sean Quinn
Senior Vice-President, Chief Legal Officer and Corporate Secretary

Alice Wong
Senior Vice-President, Chief Corporate Officer

Rachelle Girard
Vice-President, Investor Relations, Tax and Treasury



OPERATOR:

Welcome to the Cameco Corporation Fourth Quarter 2022 Conference Call.

As a reminder, all participants are in listen-only mode and the conference is being recorded.

I would now like to turn the conference over to Rachelle Girard, VP of Investor Relations, Treasury and Tax. Please go ahead.

RACHELLE GIRARD:

Thank you Operator, and good morning everyone. Welcome to Cameco's fourth quarter conference call.

I would like to acknowledge that we are speaking from our corporate office which is on Treaty 6 territory, the traditional territory of Cree peoples and the homeland of the Métis.



With us today on the call are Tim Gitzel, President and CEO; Grant Isaac, Executive Vice-President and CFO; Brian Reilly, Senior Vice-President and Chief Operating Officer; Alice Wong, Senior Vice-President and Chief Corporate Officer; and Sean Quinn, Senior Vice-President, Chief Legal Officer and Corporate Secretary.

I'm going to hand it over to Tim in just a moment to discuss how the improving growth outlook for nuclear power is translating into an improving growth outlook for Cameco. After, we will open it up for your questions.

As always, our goal is to be open and transparent with our communications; therefore, if you have detailed questions about our quarterly financial results or should your questions not be addressed on this call, we'll be happy to follow up with you after the call. There are a few ways to contact us. You can reach out to the contacts provided in our news release, you can submit a question through the contact tab on our website, or you can use the "Ask a Question" form at the bottom of the webcast screen and we will be happy to follow up after this call.

If you joined the conference call through our website event page, there are slides available which will be displayed during the call. In addition, for your reference, our quarterly investor handout is available for download in a PDF file on our website at cameco.com. Today's conference call is open to all members of the investment community, including the media. During the Q&A session, please limit yourself to two questions and then return to the queue.

Forward-Looking Information Caution

This presentation includes forward-looking information or forward-looking statements under Canadian and U.S. securities laws, which we refer to as "forward-looking information". Forward-looking information can generally be identified by the use of words such as "approximately", "may", "will", "could", "believes", "expects", "intends", "should", "would", "plans", "potential", "project", "anticipates", "estimates", "scheduled" or "forecasts", or other comparable terms that state that certain events will or will not occur. It represents the projections and expectations of the Company relating to future events or results as of the date of this presentation. This information about our expectations for the future is based upon our current views, which can change significantly, and actual results and events may be significantly different from what we currently expect. Examples of forward-looking information that may appear in this presentation include but are not limited to: strategy including investment in the nuclear fuel value chain, nuclear energy becoming an increasingly critical source of carbon-free energy, and the expectation of the joint acquisition creating a platform for growth across the nuclear value chain. Material risk factors that could cause actual results or events to differ materially from those expressed in, or implied by, the forward-looking statements contained in this presentation, are disclosed in the sections entitled "Material risks", and "Material risks that could cause actual results to differ materially" and "Risks that can affect our business" in our most recent Annual Information Form (the "AIF"), and "Material risks" and "Material risks that could cause actual results to differ materially" of the annual management discussion and analysis for the year ended December 31, 2022 (the "Annual MD&A"), as such disclosure shall be updated from time to time in Cameco's continuous disclosure documents. Readers are cautioned that the risks referred to above are not the only ones that could affect Cameco. Additional risks and uncertainties not currently known to Cameco or that Cameco currently deems to be immaterial may also have a material adverse effect on Cameco's financial position, financial performance, cash flows, business or reputation. Forward-looking statements made in this presentation are based on a number of assumptions that Cameco believed were reasonable at the time it made each forward-looking statement. Refer in particular, but without limitation, to the sections entitled "Material assumptions" and "Assumptions" of the AIF, and "Material assumptions" and "Assumptions" of the Annual MD&A for a discussion of certain assumptions that Cameco has made in preparing forward-looking statements included or incorporated by reference in the presentation. The foregoing assumptions, although considered reasonable by Cameco on the day it made the forward-looking statements, may prove to be inaccurate. Accordingly, our actual results could differ materially from our expectations. There can be no assurance that forward-looking information and statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Investors are cautioned that forward-looking information and statements are not guarantees of future performance. Cameco cannot assure investors that actual results will be consistent with the forward-looking information and statements. Accordingly, investors should not place undue reliance on forward-looking information and statements due to the inherent uncertainty therein.

The forward-looking information and statements included in this presentation represent our views as of the date of this presentation and should not be relied upon as representing our views as of any subsequent date. While we anticipate that subsequent events and developments may cause our views to change, we specifically disclaim any intention or obligation to update forward-looking information, whether as a result of new information, future events or otherwise, except to the extent required by applicable securities laws.

Forward-looking information contained in this presentation about prospective results of operations, financial position or cash flows that are based upon assumptions about future economic conditions and courses of action are presented for the purpose of assisting you in understanding management's current views regarding those future outcomes, and may not be appropriate for other purposes.

Please note that this conference call will include forward-looking information which is based on a number of assumptions, and actual results could differ materially. You should not place undue reliance on forward-looking statements. Actual results may differ materially from these forward-looking statements and we do not undertake any obligation to update any forward-looking statements we may make today, except as required by law.

Important Notes/Disclaimers

Readers should not construe the contents of this presentation as legal, tax, regulatory, financial or accounting advice and are urged to consult with their own advisers in relation to such matters. Additional information about Cameco, including audited consolidated financial statements as at and for the years ended December 31, 2022 and 2021 and related MD&A, and its Annual Information Form for the year ended December 31, 2021 are available on SEDAR at www.sedar.com and via EDGAR on the SEC website at www.sec.gov.

MARKET AND INDUSTRY DATA

Cameco has obtained any market and industry data and other statistical information presented in this presentation from a combination of internal company surveys and third-party information. Such third-party publications and reports generally state that the information contained therein has been obtained from sources believed to be reliable. Although Cameco believes these publications and reports to be reliable, it has not independently verified the data or other statistical information contained therein, nor has it ascertained the underlying economic or other assumptions relied upon by these sources. Cameco has no intention and undertakes no obligation to update or revise any such information or data, whether as a result of new information, future events or otherwise, except as required by law.

CURRENCY

In this presentation, unless otherwise specified or the context requires otherwise, all dollar amounts are expressed in Canadian dollars.

FINANCIAL INFORMATION

Cameco financial information is prepared using International Financial Reporting Standards ("IFRS") as prescribed by the International Accounting Standards Board, Brookfield WEC Holdings Sub-Aggregator LP ("Westinghouse" or "WEC") financial information is prepared using United States Generally Accepted Accounting Principles ("U.S. GAAP") prescribed by the Financial Accounting Standards Board.

NON-GAAP MEASURES

This presentation contains references to certain non-GAAP financial measures and industry metrics that are used by WEC, as indicators of financial performance, such as, "Adjusted EBITDA", "Adjusted EBITDA Margin", "Adjusted free cash flow" and "Adjusted free cash flow margin". Management of the Company believes that these non-GAAP measures provide useful information to investors regarding the financial condition and results of operations of WEC. These measures are not recognized measures under U.S. GAAP, and do not have a standardized meaning prescribed by U.S. GAAP, and are therefore unlikely to be comparable to similar measures presented by other companies. Accordingly, these measures should not be considered in isolation nor as a substitute for analysis of WEC's financial information reported under U.S. GAAP. The Company believes that these non-GAAP measures may be useful supplemental information to assist investors, securities analysts and other interested parties in assessing the operational performance of WEC and its ability to generate cash through operations. Reconciliations of the non-GAAP measures used in this presentation can be found on page 17.



Please refer to our most recent annual information form and MD&A for more information about the factors that could cause these different results and the assumptions we have made.

With that, I will turn it over to Tim.

TIM GITZEL:

Well, thank you Rachelle, and welcome to everyone on the call today. We appreciate you taking the time to join us. I may be a bit late, but I want to wish all of you a happy new year and I hope that you and your families are doing well.

2022: A Transformative Year

Long-term contracts added:

- ✓ 80 M lbs uranium
- ✓ 17 M kgU conversion services

Transitioning to tier-one run rate

- ✓ Cigar Lake 18 m lbs (100% basis) in 2022
- ✓ McArthur River/Key Lake transition to production; 1.1 m lbs (100% basis)
- ✓ Record UF₆ production

Investments in the nuclear fuel cycle

- ✓ Increased ownership of Cigar Lake, tier-one high-grade mine
- ✓ Proposed joint acquisition of Westinghouse with Brookfield Renewable



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Over the holiday break, I spent some time reflecting on the past year at Cameco and, of course, looking forward to the possibilities that lie ahead for 2023 and beyond. In terms of 2022, the one word that kept coming to mind was transformative, and as I think about 2023 and beyond, the word that comes to mind is opportunity. In all my time leading Cameco and all my time in the industry, I'm not sure there has ever been a time when there has been more to be excited about.



Starting at the Company level, from returning to stable operations at Cigar Lake and in Port Hope after two long years of stops and starts due to the COVID-19 pandemic, continuing with the acquisition of a greater share of Cigar Lake to the restart of production at McArthur River/Key Lake and the pending acquisition of a 49% interest in Westinghouse, 2022 was a busy and transformative year for Cameco.

Also, let's not forget the 80 million pounds of long-term uranium contracts and the 17,000 tons of conversion services contracts added to the portfolio, making it one of the biggest contracting years we've ever had with a record number of contracts. This contracting success is expected to allow us to sustainably operate our assets and generate full cycle value for Cameco and therefore provide our customers with access to the fuel they need to operate their reactors safely, cleanly, reliably and securely. And in 2023 and beyond, we expect these transformative changes will create new opportunities for Cameco and build an even stronger foundation for growth as we continue our transition back to a tier-one run rate.

The announcement we just made about a major supply agreement with Energoatom is a great example of one of those growth opportunities. We've reached an agreement on key commercial contract terms that, once finalized, could see Cameco provide sufficient volumes of uranium and conversion to meet all of Ukraine's nuclear fuel needs through 2035. We are incredibly proud of the pivotal role that we at Cameco will be able to play in helping Ukraine gain its energy independence. With the potential to supply about 67 million pounds over 12 years, this contract could be the single largest supply contract in Cameco's history.

I want to thank my friend, Energoatom President Petro Kotin and his team for their friendship and courage and for the trust they placed in Cameco. We are proud to be your partner. This supply agreement with Ukraine is a good reminder of why we believe that Cameco remains the best way to invest in the recovery in the uranium market. I'll come back to 2023 and our plans for the year and beyond in more detail later, but first I want to take a look back from an industry perspective.

Transformative Tailwinds

Geopolitical and supply risks



Need to balance



At the industry level, 2022 started with a couple of stark reminders of the deepening the geopolitical and origin risk in our industry. In January, Kazakhstan experienced the most significant instability since it became independent, raising concerns about the security of more than 40% of global uranium supply. But sadly and undeniably, the most transformative event for both our industry and the world in 2022 from a supply and demand perspective was the Russian invasion of Ukraine at the end of February. It has set in motion what I believe is a geopolitical realignment, a realignment that is already transforming the way countries are planning for their future energy needs and that highlights the crucial role for nuclear power.

More than ever, the world is looking for an energy solution that can solve three very significant challenges: the need to provide clean energy, the need to provide secure energy, and the need to provide affordable energy, and if you still need convincing that there is no solution for tackling the global climate crisis and the energy crisis without nuclear energy, you might have dialed into the wrong call.

As you all know, nuclear energy provides safe, reliable, affordable carbon-free base load electricity while also offering energy security and independence. As a result, in 2022 we saw what I believe are transformative tailwinds for our industry developing, and thanks to the



strategic and deliberate decisions Cameco has made over the past decade and our conservative financial management, we believe the Company is extraordinarily well positioned.

Cameco: Well-Positioned
To Benefit from Favourable Uranium Market Fundamentals

Growing Demand Driven By

- Energy security
- Electrification
- Decarbonization
- Country net-zero targets
- Company net-zero targets
- Infrastructure investments

Uncertain Supply

- Planned supply curtailments
- Unplanned supply disruption
- Underinvestment in existing capacity
- Underinvestment in new capacity
- Decreasing secondary supply
- Geopolitical and trade policy risk

Cameco is Well-Positioned

Strategy to capture full-cycle value

- Long-term contract portfolio
- Operational flexibility
- Tier-one expansion capacity
- Idled tier-two capacity
- Project pipeline – brownfield
- More than mining – invested across the fuel cycle
- Risk managed financial discipline

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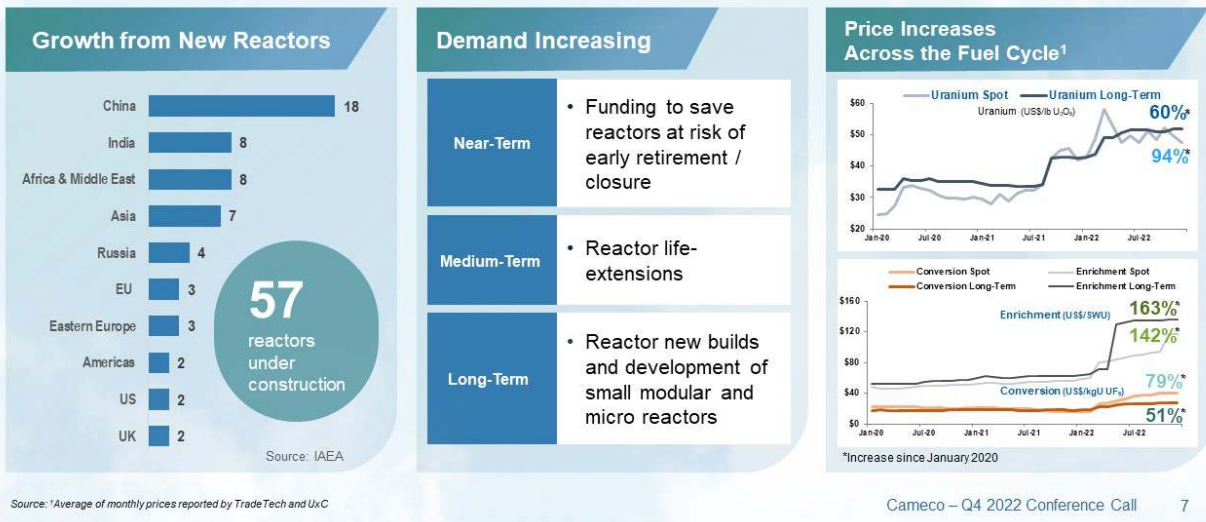
Well positioned for these tailwinds driven by the focus on clean energy, by an energy crisis, and by the geopolitical realignment that is occurring.

We also believe we are well protected from the current macroeconomic headwinds. We have a strong balance sheet, a growing durable contract portfolio, and our customers' nuclear power plants are part of the critical infrastructure needed to guarantee the availability of 24-hour electricity to maintain essential services.

But as always, we will take a balanced and disciplined approach, so as we begin 2023, we're excited about the opportunities for growth ahead of us with demand for safe, reliable, secure, affordable and carbon-free base load electricity coming from across the globe. Today, there are 57 reactors under construction with nine units that could reach the start of commercial operation this year.

Improving Nuclear Power Outlook

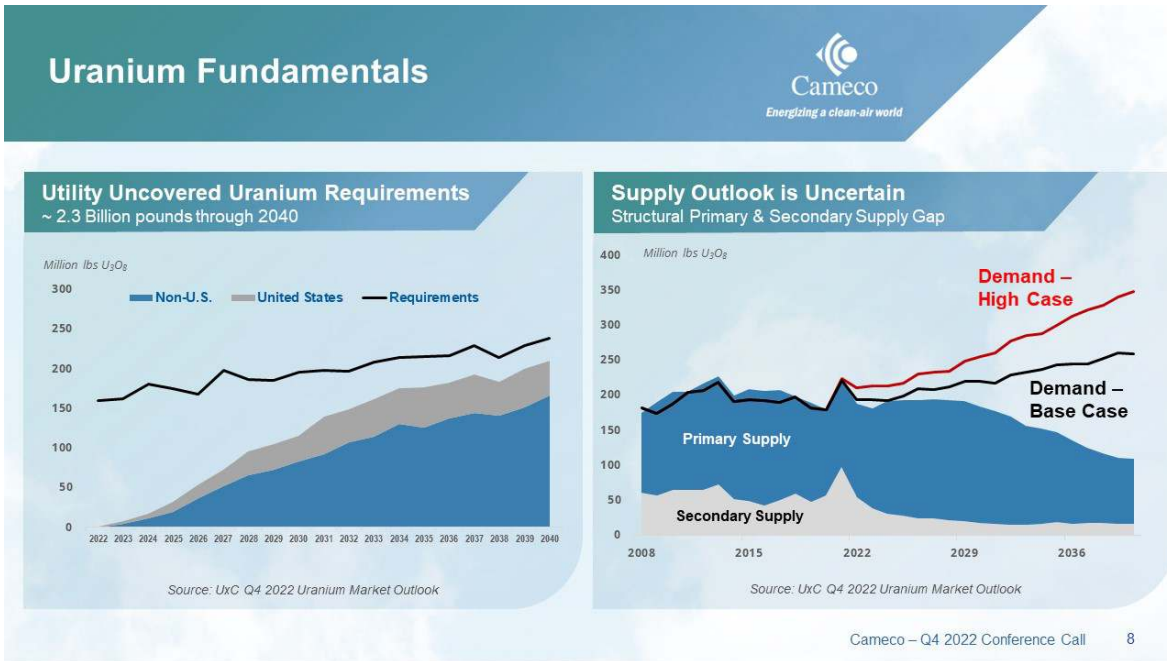
= Term Contracting in Nuclear Fuel Cycle
= Improving Uranium and Nuclear Fuel Prices



I'm not going to tour you through country by country, as I suspect you've already taken that tour and that's why you're on the call today. Almost every day, there's an announcement supporting the prevention of early reactor retirements, life extensions of the current reactor fleet, and the expansion of existing reactor programs or new reactor programs. We have highlighted many of these developments in our MD&A.

Also, around the world, we're seeing momentum building for small modular reactors and advanced reactors, and for non-traditional commercial uses of nuclear power, uses such as hydrogen and ammonia production, district heating, and nuclear-powered shipping. There are numerous companies and countries pursuing projects in these areas.

As a result, there is demand growth occurring for nuclear fuel supplies and services in the near, medium and long term, so it's easy to conclude that the demand outlook is durable and very bright. To meet this growing demand, we know that more supply will be needed, and therein lies the challenge.



Low prices have led to growing supply concentration by origin and a growing primary supply gap. Along the way, these secondary supplies that have played such a crucial role in our industry have been drawn out of the market. And taking the challenge of filling that gap to a whole new level is a desire by utilities to reduce their reliance on Russian nuclear fuel supplies in the future. Currently, the global nuclear industry relies on Russia for the supply of approximately 14% of uranium concentrates, 27% of conversion and 39% of enrichment.



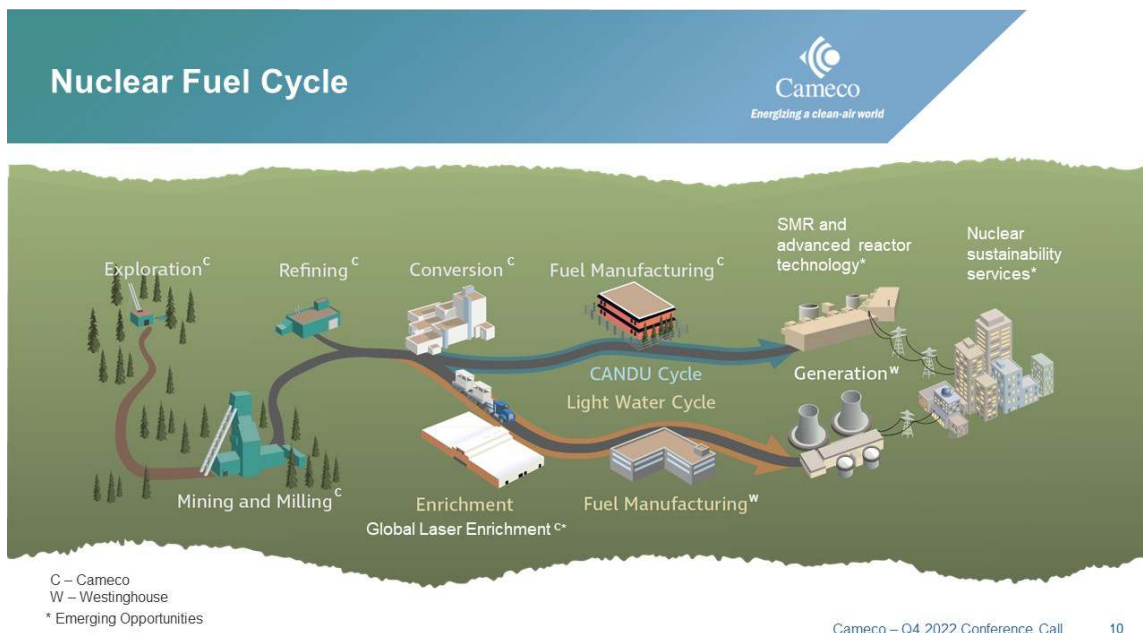


Utilities are now considering and planning for a variety of potential scenarios ranging from an abrupt and to Russian supply to a gradual phase-out.

It's still early days and, while supply uncertainty is not yet driving contracting at a replacement rate, we are getting closer. We're seeing utilities beginning to pivot toward procurement strategies that more carefully weigh the risk to supply, including the origin risk. As a result, the industry saw about 113 million pounds in long-term contracting in 2022. And we believe there is significant opportunity for Cameco to grow as we help our customers de-risk their fuel supply needs. But what is really exciting for us is that we do not have to build new capacity to capture that growth.

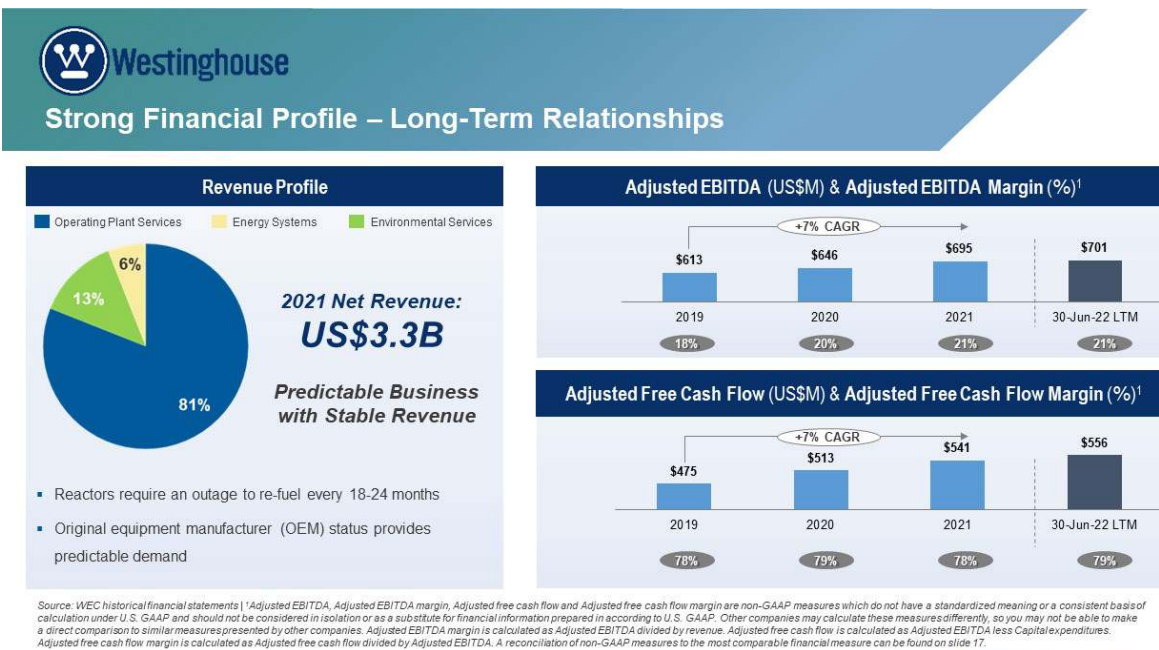
Our growth is expected to come from brownfield leverage, our existing suite of tier-one operating assets. We just need to turn up the assets we already have, a position we have not enjoyed in previous price cycles.

We're also excited about our strategic partnership with Brookfield Renewable to jointly acquire Westinghouse Electric Company.





Our excitement stems from being able to extend the base of our reach in the nuclear fuel cycle at a time when there's tremendous growth on the horizon for our industry. We are extending our reach with an investment in assets like ours that are strategic, that are proven, that are licensed and permitted, and that are located in geopolitically attractive jurisdictions. Assets that we expect will be able to participate in the growing demand profile for nuclear energy from their existing footprint.



And assets that we expect will augment the core of our business, expand our ability to compete for more business, and offer more solutions to our customers across the nuclear fuel cycle. So, with the continued improvements in the market and our growing long term contract portfolio, it's time to revisit the production plans we laid out at the start of 2022.

Production Plans

Driven by Contracting Success



	M lbs (our share)	2023	2024	Licensed capacity	
 McArthur River/Key Lake		10.5	12.6	17.3	32 M lbs (our share of tier-one licensed capacity)
 Cigar Lake		9.8	9.8	9.8	
 Inkai (JV Inkai purchase)		4.2		5 (20% above subsoil)	
 Fuel Services - conversion			12,000 t	12,500 t	

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With approximately 180 million pounds of uranium and over 55,000 tons of conversion in long-term commitments, our customers are sending us clear signals that they recognize the significant challenges the supply side of our industry faces and that they see the value in securing access to Cameco's strategic proven tier-one assets that are in geopolitically attractive jurisdictions.

The volume is almost 250 million pounds and over 80,000 tons of conversion if you include all potential Energoatom requirements, therefore we have decided it no longer make sense to target 15 million pounds of production on a 100% basis at McArthur River/Key Lake in 2024 but to plan for 18 million pounds of production. Also, we've decided not to pull back production to 13.5 million pounds on a 100% basis at Cigar Lake in 2024. We plan to continue to operate Cigar Lake at 18 million pounds per year. As a result, in 2023 we're planning for our share of production from McArthur River/Key Lake and Cigar Lake to be 20.3 million pounds with a target to increase that to 22.4 million pounds in 2024.

But that's not the extent of our tier-one supply growth. We also maintain the ability to expand and extend production from our existing tier-one assets. With planned production of 18 million pounds per year and annual license capacity of 25 million pounds at McArthur River/Key Lake,



there's an opportunity for further tier-one production growth, and we know there is additional uranium at Cigar Lake but there is some work to do to determine the economics required to extend the mine life beyond its current reserve base.

As well, until the end of 2023, Inkai is expected to operate at 20% below its annual licensed production rate; however, its license allows for production at 20% above that rate or 12.5 million pounds a year, which would bring our share of its production to about 5 million pounds per year. So if we took advantage of all these opportunities, our annual share of tier-one uranium supply could be about 32 million pounds and we have our tier-two assets, which we plan to keep on care and maintenance unless we can secure long term contracts that provide returns similar to what we can currently achieve on our tier-one assets.

In addition to our plans to expand uranium production, we're also working on expanding production at our Port Hope UF6 conversion facility. To satisfy our growing book of long-term business at a time when conversion prices are at historic highs, we're targeting annual production of 12,000 tons by 2024.

The improving market fundamentals, our growing contract portfolio for both uranium and fuel services, and our plans for increased production set us on a path that provides line of sight to a significant improvement in our financial performance. Key to our ability to continue to align our production decisions with our portfolio of contract commitments and opportunities are the investments we have and will continue to make in digital and automation technologies. We expect these investments will allow us to operate our assets more safely, more efficiently, and with more flexibility. We also expect they will help support the 30% reduction in greenhouse gas emissions we are targeting for 2030 compared to a 2015 baseline.

With our experience operating in this industry, we understand that to create long term value and provide supply reliability for our customers, we must build a home for our production under a long-term contract before we pull it out of the ground. So we will continue to make strategic supply decisions in all segments of our business and in accordance with our customers' requirements. As an independent commercial supplier, we can provide our customers with access to proven and reliable productive capacity.

With substantial Canadian productive capacity, our supply meets increasingly stringent ESG requirements. It can provide diversity from state-owned enterprises and help to alleviate utilities' future supply from origin and trade policy risks.

Balanced and Disciplined



Energizing a clean-air world

Strategically-aligned contracting discipline

- Strategically patient long-term contracting
- Balanced portfolio
- Optimize market-related portion of contract portfolio, with focus on protection from commodity volatility
- Exposure to improving prices

Operationally-flexible supply discipline

- Align production with contract portfolio and customer signals
- Brownfield growth opportunities



Strategy Execution

Risk-managed financial discipline

- Self-manage risk
- Supports opportunistic investment in nuclear fuel value chain

Leading ESG Performance



100% of our product is used to produce clean, carbon-free, base-load electricity

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As you know, the financial aspect of our strategy is to ensure we have a solid balance sheet and the ability to self-manage risk. At the end of the year, including the proceeds from an equity issue to support our planned acquisition of a 49% share of Westinghouse, we had \$2.3 billion in cash, \$1 billion in long term debt and \$1 billion in an undrawn credit facility, and we expect to begin to see a significant improvement in our cash flow thanks to the planned ramp-up in production at McArthur River/Key Lake and at the Port Hope UF6 conversion facility.

As well, the higher prices that are being discovered in our currently improving market are expected to flow through our existing contract portfolio and further contribute to an improving financial performance. And with an inventory of unencumbered tier-one and tier-two pounds in the ground, rising prices will also create the opportunity to negotiate new long-term commitments with appropriate pricing mechanisms. Commitments that will underpin the long-term operation of our productive capacity.



We're optimistic about the growth in demand for nuclear power, both traditional and non-traditional. We're optimistic about the growth in demand for nuclear fuel products and services, and we're optimistic about the opportunity for Cameco and capturing long-term value across the nuclear fuel value chain and supporting the transition to a net zero carbon economy. We will continue to do what we said we would do.

Let me just remind you what we said we would do. We're aligning our production decisions with our contract portfolio and the market fundamentals. We're being strategically patient in our marketing activities and we are conservatively managing our balance sheet to ensure that we can execute on our strategy and self-manage risk. This strategy has positioned us well to take advantage of the fundamentals I spoke of earlier.

Cameco: Operating and Invested Across the Nuclear Fuel Cycle

Tier One Uranium Assets			Fuel Services		
Cigar Lake (54.5%) Saskatchewan, Canada Uranium Grades 100 Times the World Average Licensed Capacity (100%): 18 M lbs/yr 	McArthur River (69.8%) / Key Lake (63.3%) Saskatchewan, Canada The World's Largest, High-Grade Uranium Mine/Mill Licensed Capacity (100%): 25 M lbs/yr 	Inkai (40%) Kazakhstan A Significant Low-Cost Source of Uranium Licensed Capacity (100%): 10.4 M lbs/yr 	 Blind River Refinery (100%) Ontario World's Largest Commercial Uranium Refinery	 Port Hope Conversion Facility (100%) Ontario Canada's Only Uranium Conversion Facility	
Tier Two Uranium Assets and Advanced Projects			 Cameco Fuel Manufacturing (100%) Ontario Manufactures Fuel Bundles and Reactor Components for CANDU Heavy Water Reactors	Other Nuclear Fuel Cycle Investments	
Rabbit Lake (100%) Saskatchewan 	US ISR Operations (100%) Nebraska & Wyoming 	Millennium (69.5%) Saskatchewan 	Yeelirrie (100%) Western Australia 	Kintyre (100%) Western Australia 	 Global Laser Enrichment (GLE) (49%) Developing and Testing Third-Generation Laser Enrichment Technology
 Westinghouse (49%)* Provider of mission-critical and specialized technologies, products and services across the nuclear power sector			Cameco – Q4 2022 Conference Call 14		

* Reflects increase in ownership to 54.5% effective May 19, 2022.
 * Proposed joint acquisition

We have operating tier-one assets that are licensed, permanent, long-lived in our proven operations that have expansion capacity. We have fully permitted and proven tier-two assets that don't make sense at today's prices, but when you think about them in the context of a looming supply gap, there's a potential pathway for them to add value for us in the future, but we'll continue to be very disciplined in our evaluation on that front.



Thanks to our disciplined contracting strategy, we have had a contract portfolio that has protected us well during the worst down cycle in our business, and as the uranium market improves further, we will continue to secure homes for our in-ground inventory that has not yet been committed.

We're more than just mining. Something we don't talk about much, or even in fact get much credit for, is our advanced uranium projects and our exploration portfolio. We believe our portfolio of resources rivals any, particularly when you consider the proximity of those resources to existing infrastructure. We expect these resources will add value well beyond the current price cycle.

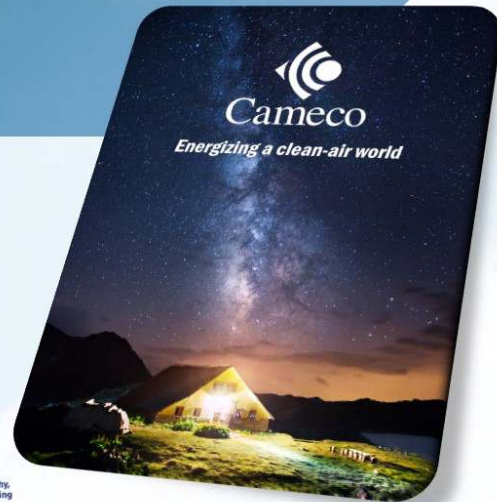
Then, we have our investments across the nuclear fuel cycle in refining, in conversion, and in CANDU fuel fabrication for heavy water reactors, where we are focused on continuing to lock in significant value for this segment of our business. Additionally, we are positioning Cameco to respond to the growing need for uranium fuel to generate safe, clean, reliable and affordable electricity by exploring new opportunities that we expect will further our participation in the nuclear fuel value chain. New opportunities like the pending acquisition of a share of Westinghouse. We expect the acquisition will augment our current suite of assets and allow us to better meet our customers' nuclear fuel cycle needs for light water reactors in areas where we have not previously participated.

Through our fuel manufacturing capabilities and investment in global laser enrichment, we're exploring fuel fabrication of new fuels, including high assay low enriched uranium, or HALEU. We're also planning to participate in the responsible cleanup of leftover byproducts from a previous generation of enrichment facilities no longer in operation. GLE has an agreement with the U.S. Department of Energy that would allow it to repurpose legacy waste by re-enriching depleted uranium tails into commercial source of uranium and conversion products to fuel nuclear reactors.

And we are involved in developing the capability to produce commercial low enriched uranium fuel using lasers for the world's existing and future fleet of light water reactors with what we believe will be greater efficiency and flexibility than current enrichment technologies.

Right Vision and Strategy

- Our vision is aligned with the world’s growing need for clean, affordable and secure energy solutions.
- We believe our strategy of **contracting discipline**, **operationally flexible supply discipline**, and **financial discipline** will allow us to achieve our vision of *Energizing a clean-air world*.
- Integral to our strategy and reflecting our values is our commitment to ESG.



These opportunities align with our commitment to manage our business responsibly and sustainably and to increase our contribution to global climate change solutions.

Our decisions are deliberate. We are a responsible, commercially motivated supplier with a diversified portfolio of assets, including a tier-one production portfolio that is among the best in the world. We're committed to operating sustainably by protecting, engaging and supporting the development of our people and their communities, and to protecting the environment, something we've been doing for over 30 years. We have determined that our strategy of operational flexibility, supply discipline and financial discipline will allow us to achieve our vision of energizing a clean air world, and it is a strategy that we expect will deliver long-term value in a market where demand for safe, secure, reliable and affordable clean nuclear energy is growing.

Before I conclude, I just want to recognize some changes to the Executive Team here at Cameco. Grant Isaac has been appointed Executive Vice-President and remains our Chief Financial Officer. Joining the Executive Team from finance is Heidi Shockey, who will be our Senior Vice-President and Deputy Chief Financial Officer, so I just want to congratulate both of them. With that, we're happy to answer any questions you might have.



The slide features the Cameco logo and tagline "Energizing a clean-air world" on the left. In the center, "Q&A" is written in large blue letters. Below this, the "Investor Relations" section lists contact details: an email icon for investor_requests@cameco.com, an envelope icon for "2121 11th Street West, Saskatoon, Saskatchewan", and a globe icon for cameco.com/invest. At the bottom left, there are three logos: "CCO LISTED TSX", a "25 YEARS" anniversary seal, and "CCJ LISTED NYSE". The background shows a brick building with a glass facade and a Cameco sign. In the bottom right corner, it says "Cameco - Q4 2022 Conference Call 16".

OPERATOR:

Thank you. We will now begin the question and answer session.

Webcast participants are welcome to submit questions through the box at the bottom of the webcast frame. The Cameco Investor Relations team will follow up with you by email after the call. Once again, anyone on the conference call who wishes to ask a question may press star then one at this time.

Our first question comes from Orest Wowkodaw of Scotiabank. Please go ahead.

OREST WOWKODAW:

Hi, good morning, and congratulations on the continuing momentum in the business.

I'm curious on your portfolio approach now to the asset base. You're obviously bringing back McArthur River quicker to full nameplate and not taking down Cigar. I'm just wondering, what would it take to push McArthur to the 25 million pound license capacity with respect to timeline and capital?



TIM GITZEL:

Hi Orest, nice to talk to you. Thanks for the question.

Yes, as we announced, we are not going to continue with our strict supply discipline. We indeed said that if we had the contracts in place to increase production, we would, so we're going to run it to 18 and 18, if you like - 18 at McArthur/Key, 18 at Cigar.

You'll remember a few years ago, and it is a few years ago now, we were already at 20 million pounds at McArthur, over 20 million pounds at McArthur, so that's not a big stretch for us. We have licensed capacity, that license approval—licensing approval to go up to 25 million pounds. That would require a small bit of capital and a bit of time to get the mill ready to go to that level, but it's certainly not anything that we couldn't manage.

I don't have exact cost and timeline for you, but Brian, do you want to comment on that?

BRIAN REILLY:

Yes, look - in terms of the mine, we would have to revisit the workforce and mobile equipment, so there would be additional resources required at the mine to increase capacity. The mill, a little more work particularly on the back end of the circuits. We've got a number of studies underway now to look at engineering design, and out of that we'll be able to determine capital costs. It's still early days, but we'll be able to report back on that sometime into the future.

TIM GITZEL:

Grant, do you have a comment?

GRANT ISAAC:

Yes, and maybe Orest, let me just wrap it in a bit of a strategic comment. Remember, we do not plan production until we have the homes for it, so the most important narrative here is that we need to see continued market support in the form of long-term contracts.

We remain in supply discipline even with this announced production increase. If you think about our tier-one asset base, even with what we're talking about today, we'll still be in about 75%



supply discipline relative to the tier-ones and 62% supply discipline relative to the tier-twos, so we are still in supply discipline mode because, strategically, we need to see continued market improvement in the form of long-term contracts. We do not produce from these assets to dump into the spot market or to build an excess inventory. That does not create long-term value.

OREST WOWKODAW:

Just following up on that, Grant, assuming continued contract momentum here, where is the next source of production likely to come from if you want to crank that up? Is it likely going higher on McArthur or is it somewhere else in the asset base?

TIM GITZEL:

Orest, we'd push our tier-one assets, so McArthur would be our first stop, obviously. You saw in our disclosure that we've got room at Inkai to move that forward as well, so those would be our first two stops; and we've got, as we say, a nice suite of tier-two projects that, if someone is willing to look at those, Rabbit Lake ready to go and others, so—but we would definitely go with our tier-one assets.

GRANT ISAAC:

And from a value point of view, Orest, it really is critical to emphasize to everybody that we're talking about a base of assets already licensed, already permitted, already constructed. They will attract some sustaining capital, some replacement capital, a little bit of growth capital; but we are not talking about greenfield, so this truly is an extraordinary amount of brownfield leverage at a turn in the market.

OREST WOWKODAW:

Thank you very much.

OPERATOR:

Our next question comes from Ralph Profiti of Eight Capital. Please go ahead.

RALPH PROFITI:

Good morning, Tim, thanks for taking my questions. Two of them, if I may.



First one is just on the Ukrainian contract with Energoatom. Can you discuss a little bit—because you said in your commentary that this has the potential to be the single largest supply contract. What percentage of the contract book does that represent now, and how fast can we think about the amount of excess contracting that is available to Cameco over, say, the next 10 to 12 years? Are you sort of 50% occupied in terms of your production capability of that 32 million pounds?

TIM GITZEL:

I'll pass it over to Grant to talk about that. I'll tell you the coverage is getting a little bit skinny for sure on our sales going forward.

But I just want to say on that Energoatom, the Ukraine contract, that's a big deal for us, big deal obviously in the delivery sense, financial sense, all of that stuff, but it's bigger than that. We've been working with them for—I think we went over there in 2018 and then 2020, and we met with them in—I remember, in December 2021, and talked to them. We were getting close, and then of course the events of 2022 February happened. It's more for us—it's almost more than just a financial or a supply transaction. We're standing shoulder-to-shoulder with them as they try to diversify their energy supply and their fuel sources and move away from the Russians, and so this is a big ticket for us.

You saw it's kind of two parts. The nine reactors that they're operating now, we'll supply those over a 12-year period to 2035, and the Zaporizhzhia units, we'll see what happens with those - I know the IAEA is in there and working on that, so I just wanted to make that commentary. This is a big piece for us.

Grant, do you want to talk about what percentage it might work out to? I think you could do the math.

GRANT ISAAC:

Yes, a couple of comments from a market point of view on the Energoatom contract as well. It's indicative of several things. It's indicative of what we've been saying - there is a security of supply trend going through the market. This is a security of supply contract at its very core. It's



indicative of our pipeline. When we tell folks that our pipeline is robust, you really have to believe us, and this is evidence of it. It's indicative of our competitive advantages as a proven, reliable, independent and integrated commercial supplier of nuclear fuel.

This is possible because we're also a converter. Being just a uranium company wouldn't have afforded us the full fleet opportunity that we're enjoying here. It's indicative of the improving tenures, volumes and timeframes that we've been talking about through 2022, so it's indicative of that and it's indicative of the type of price exposure that we look for at this point in the cycle. When we see a security of supply cycle underway, we want price exposure from both our portfolio, committed sales that are market related, and then what you're referring to, which is the pipeline, the pounds we haven't sold yet.

What I can say is we are far from sold out. If you look at our price sensitivity table, we have on average 21 million pounds per year over the next five years, more heavily weighted to the near term of course. Our guidance, 29 million to 31 million pounds of sales in 2023, so sales going back up, and just a reminder to folks, those are committed sales. Those are not sales we have to yet make in 2023. These are nondiscretionary requirement sales that we will deliver into in 2023, and as the years go out, obviously less exposure, so really for us, it will be less than 10% of the overall portfolio as the sales number grows, as more customers come into long-term contracting, and yet as we look out, we have a lot of price exposure to come from pounds that are still in the ground that we have not yet committed.

RALPH PROFITI:

Okay yes, that's helpful. I appreciate the context.

As a follow-up, as the market has gradually gotten stronger and Cameco continues to maintain this disciplined approach, what's the risk that other players, that are not as disciplined and holding back supply, actually starts to impact the market? Are we insulated from those types of trends or is there still risks in the market that, whether either existing entrants or new entrants can sort of suppress or elongate the time at which we actually have a price recovery in the term market?



GRANT ISAAC:

Yes, that's a terrific question, Ralph. The way we look at it is, of course, we build a portfolio that we think offers the best of all worlds to investors. We take quick moves that can happen in so-called commodity spaces, but we turn those into a long-tail cash flows and revenues through long-term contracts. We don't just ride up a tight spot dynamic and then ride it back down, like we've seen other uranium producers do, and probably the best way to illustrate this is a lot of people these days are looking at that uncovered requirements wedge, and I think it's Slide 9, to accompany Tim's comments.

What we see is it gets misinterpreted often in two ways. First of all, some people look at the uncovered requirements wedge, and if you look at it for '23, 2024 and 2025, utilities have very little discretionary demand, and some people incorrectly conclude that that means there's not going to be a lot of demand coming to the market - well, that's not right. Utilities will by definition be very well covered in year and next year, but that doesn't mean demand 2025, 2026 and beyond can't create price pressure today, so that curve will always look that way.

To your point, when you—when we're in 2030, for example, there are some folks out there that are advocating that they're going to bring production into uranium, and they say, we don't have to worry about a contract portfolio today because look, demand is going to be 200 million pounds in 2030. Well, demand will be 200 million pounds, could even be more by 2030, but that wedge will look exactly the same. The uncovered portion will be very, very small in 2030, 2031, and let me just put it into perspective because I know a lot of people like to look at the spot market.

In 2022, utilities bought 8 million pounds in the spot market, so term contracting is going up, spot market purchasing actually went down. They were 13% of the spot market. In weekly terms, utilities were putting 150 million pounds of demand per—150,000 pounds of uranium demand in the market per week, so if somebody comes along and says, well, I'm going to build a 5 million pound mine and sell it into the spot market, they've got to sell 100,000 pounds per week in the spot market. That's foolish. If someone comes along and says, well, I'm going to build a 25 million pound mine and I'm going to be spot exposed because I want to take advantage of all this price yet to come, they're going to be pushing 500,000 pounds through the spot market in a year where there's no requirements. So for us, it is about giving investors



exposure under long-term contracts to rising price environments and protecting them from that kind of behaviour in the market, and if you want to see the performance of our contract portfolio, just look at it post Fukushima. We outperformed the market in those years with our contract portfolio because we gave you upside participation and protected you from downside if we saw that kind of behaviour.

Could we see it again? Hopefully not. Hopefully investors understand the market structure and they're not prepared to finance a project that has a silly spot market strategy to it, but if they do, Cameco's investors are protected from that.

RALPH PROFITI:

Appreciate the colour, Tim; and Grant, congratulations on the appointment. Thank you.

TIM GITZEL:

Thanks.

OPERATOR:

Our next question comes from Greg Barnes of TD Securities. Please go ahead.

GREG BARNES:

Yes, thank you. Grant and Tim, you've said in the past that contracting begets contracting, so I know the forecast from some of the forecasters was 100 million pounds again of contracting in 2023, but with this Ukraine contract, I think that's off to a huge start. Do you think this is going to encourage more utilities coming to the market perhaps faster than they previously anticipated?

TIM GITZEL:

Hey Greg, thanks for the question. Grant's on a roll here, so I'll let him keep going on the market.

GRANT ISAAC:

Well yes, Greg, you know, it kind of goes back to that that pipeline conversation we keep having. We were amused here at Cameco just a couple of weeks ago when one of the trade reporters kind of characterized the market activity as being slow, and we've got a marketing



team who just kind of sat around and looked at each other and said, which market is slow, like we are not seeing it at all, so perhaps we just have more of a view and a better view into the market than some of the trade reporters do.

I think people could forgive me for saying it might start feeling like the summer of 2010 again - a big new entrant stepping into the market, tying up western capacity while others have not moved to fill those requirements. It could feel like that kind of catalyst, when the Chinese stepped into the market for the first time—in the term market for the first time in a big way in the summer of 2010, so it's off to a great start and I would say that that the type of contracting volumes will be noticed by others who have needs out in the exact same window, for both uranium and for conversion.

GREG BARNES:

Yes. Just to follow up on Cigar Lake, part of the rationale for curtailing production there was to give you more time to assess Phase 2 at Cigar Lake, so the fact that you're going to continue to run at 80 million pounds, I assume means you're accelerating Phase 2 forward to some extent, given the limited life you have left at Phase 1.

TIM GITZEL:

Yes Greg, so you're right - we are working hard on that now and we're pretty excited. We've seen some of the potential there for the extension to Phase 1, as we now call it. So yes, we're working on that and we think Cigar's going to continue to produce hopefully seamlessly into the 2030s.

GREG BARNES:

Okay. Thank you.

TIM GITZEL:

Thanks Greg.

OPERATOR:

Our next question comes from Lawson Winder of Bank of America Securities. Please go ahead.



LAWSON WINDER:

Thank you Operator. Good morning, Tim and Grant. Nice to hear from you both, and thanks for the update.

I wanted to ask about—well first of all, the fuel contract pricing, so the revenue guidance for '23 implies fuel contract pricing around US \$26, so with spot conversion pricing approaching \$40 per kilogram in both the EU and North America, would it be reasonable to expect that some of these higher prices would start flowing through in future years?

GRANT ISAAC:

Yes, absolutely. You know that we have a trailing value capture approach to our contracting, so as prices improve in the spot market, we see that strengthening price and we want to convert that into long-tail term contracts. There is a bit of a lag effect. We don't match the spot market going up and then we don't go down with the spot market as we lock in that value over a longer period of time.

If you think about the uranium segment, where more capacity is required, prices will have to go up to incent more supply, it is about price exposure. In the conversion side, where you have idle capacity that's going to come back, it is about price capture at this point, and then that gets baked into our contract portfolio and creates a longer tail of financial performance.

RACHELLE GIRARD:

Lawson, maybe just remember too, that price that we put in there, that's a combined price for all the products in our fuel services, not just UF6.

LAWSON WINDER:

Absolutely. Thanks for both those comments.

Then for my follow up, I just wanted to ask about the latest expectations on the timing around the closing of the Westinghouse acquisition, and in particular just your thoughts on the SAMR review, so the state administration for market regulation in China, and whether or not you have any concerns about that particular review. Thanks.



TIM GITZEL:

Yes, thanks for that, Lawson. I'm going to pass it over to Sean Quinn, who is all over that question, so Sean?

SEAN QUINN:

Sure, thanks Lawson. I'll start with just a general overview of the regulatory approval process.

To date, we haven't seen any showstoppers. We're working on our merger control-slash-cost competition law approvals and various nuclear regulatory type control approvals, and just foreign investment approvals. They all take time, of course, but we haven't seen any showstoppers and we still think we're on track for the second half of this year.

In terms of China itself, we have submitted what's called a simplified application. Don't have any feedback yet but we are quite confident at this point that we'll be fine in China, but we don't have any feedback from the actual regulatory authorities there.

GRANT ISAAC:

Probably fair to say, Sean, that with respect to China, nothing will really have changed from a competitive supply point of view. Recall, Lawson, that what the Chinese have always wanted from Cameco is yellow cake. They're interested in doing all the fuel processing themselves, and that's what they would continue to get from Cameco. From Westinghouse, obviously there were some initial reactor builds, but now China has its own version of the AP1000 which they build, and so Westinghouse's wave 2 business is really around reactor services and some fabrication, so really there's no change from a supply point of view. Cameco will be doing what it did before. Westinghouse will be doing what it did before and there isn't any overlap, so we feel pretty confident about our position there.

LAWSON WINDER:

Fantastic, thank you very much.

TIM GITZEL:

Thanks Lawson.



OPERATOR:

Our next question comes from Alex MacPherson of allSaskatchewan. Please go ahead.

ALEX MACPHERSON:

Hi, good morning everyone. Thanks for taking for taking my question.

TIM GITZEL:

Hi Alex. We saw your article already in allSaskatchewan this morning - well done, thank you.

ALEX MACPHERSON:

Thank you. I wanted to ask about the plans to increase the ramp-up at McArthur and sort of what that means on the ground in Saskatchewan in terms of workforce and capital, both to get to 18 million pounds and then potentially to the full 25.

TIM GITZEL:

Well Alex, we're in good shape now. We started our ramp up over a year ago now, and so we're still working on a few of the kinks at the mill, but at the mine, they're in good shape. I think they've got something like 120 million or 122 million pounds behind freeze curtain, which is important for us for our mining. We've ramped up the team there, we've hired hundreds of people, as you know, over the last year, so it's really a question of first getting to 15 at McArthur and Key and then to 18 in 2024, and as Grant said earlier, if we see the business, if we see the contracts come, then we'll think about dialing it up a little further. As I said earlier, there's a bit of capital that has to go in, not a whole lot, and maybe a few more people here and there, but we're—it's incremental, if you like, Alex. It's not a big push for us.

ALEX MACPHERSON:

Great. Thank you very much.

TIM GITZEL:

Yes, nice to talk to you.



OPERATOR:

Our next question comes from Grace Symes of Energy Intelligence. Please go ahead.

GRACE SYMES:

Hi, this is Grace from Energy Intelligence. Nice to talk to you guys.

My question is just about Alashankou in China and if Cameco would consider opening an account there as they're trying to make it into a trading hub, or if they would move uranium—if Cameco would move uranium to China via Alashankou.

TIM GITZEL:

Yes, thanks Grace. We appreciate your question. Obviously, we're watching what's going on at Alashankou and whether that gets set up, and we are hearing it's moving ahead. We have no intention at the moment of setting up an account there. We have our own facilities and accounts to look after, so we're watching it with great interest but for now, we have no interest or intention of opening an account at Alashankou.

GRACE SYMES:

Okay, thank you. Then a follow up question—sorry, is just does Cameco plan to continue exporting material from Kazakhstan through a trans-Caspian trade route, and to what extent would that impact cost, if that's the case?

TIM GITZEL:

Yes, we sure do. We were happy to get that first shipment through, as we reported, and we're working on another one. Sean, I know you've been—you were talking about it yesterday, so why don't you just give the latest update on the trans-Caspian route?

SEAN QUINN:

Sure. Our second shipment relating to our 2022 purchases is through to the Port of Poti already and might even be loaded on the boat to make the trip across, and we are working towards making applications for our '23 shipments at this time through the trans-Caspian route.



GRACE SYMES:

All right, thank you.

TIM GITZEL:

Thanks Grace.

OPERATOR:

Our next question comes from John Tumazos of John Tumazos Very Independent Research. Please go ahead.

JOHN TUMAZOS:

Thank you, and congratulations on all the progress.

Concerning the Kazakh contract, which is so significant since it's the seventh largest nuclear power generator in the world, would the Zaporizhzhia tranche clawback your spot sales first if that falls back into sovereign control? Then second, have you planned for the contingency if the Ukrainian government can't pay you? They seem to have some funding deficits. Do you have any assurances from Ottawa that if the Ukrainians don't pay, that Ottawa would pick up the tab or the EU would pick up the tab, given that the country appears very bankrupt?

TIM GITZEL:

Thanks for the question, John. You're referring to the Ukraine contract. We—as you saw in our disclosure, we separated the two sets of units, the nine units that Ukraine—Energoatom is operating now and operating quite well. Listen, this isn't our first contract with Ukraine. We've been dealing with them for some years now, and they're one of our best customers and have paid every time. There's not an issue there.

On the Zaporizhzhia units, yes, we're concerned about those. So is the IAEA, and they're over there with inspectors and others, trying to get those under control and back under Ukraine control, and so that's why we separated the two tranches. We're very confident that Ukraine will indeed return to Zaporizhzhia and take control of those units, but we'll wait to see.



In the meantime, we've taken all of those contingencies and risks into consideration in this contract and it's still just an outstanding contract, and we're proud to be partners with Energoatom.

JOHN TUMAZOS:

If they were to be late paying you for the uranium units, would you consider—would you continue shipping or how long would you continue shipping, or would you just roll over to the spot market or a different customer?

TIM GITZEL:

Well, you know John, we don't play on the spot market, that's not where our sales go. We've been absolutely crystal clear and consistent on that - we do not sell into an oversupplied spot market anytime, so we're very comfortable with the Ukrainians. As I say, we've been dealing with them for years. We've had other contracts, they've always paid, not a problem. If they have some issues, we'll deal with them then, but right now that is not an issue for us, so as I say, we're proud to work with Energoatom.

JOHN TUMAZOS:

Thank you.

TIM GITZEL:

Thanks John.

OPERATOR:

Our next question comes from Fai Lee of Odlum Brown. Please go ahead.

FAI LEE:

Thank you. I think this question is probably for Grant. I'm just wondering if you could comment on where you see the effective tax rate in 2023 and maybe 2024, if these minimum tax rate laws get passed.



GRANT ISAAC:

We've been guiding towards an effective tax rate that approaches more statutory rates in Canada. More production from Canada, more sales through Canada is going to result in a statutory rate, but that is an income tax expense. It's not the same as cash tax, because remember we do have a very large deferred tax asset, so from a cash tax point of view, we do expect to chew through that asset over a period of time.

But in general, yes, we do expect to approach more of a statutory rate with some efficiencies capable from our global structure.

RACHELLE GIRARD:

And Fai, I would just point out too, just keep in mind that the earnings from the equity accounting come into our earnings on a net tax basis, so that has an impact as well when you think about that.

FAI LEE:

Okay, and just to clarify, I know you're getting closer, but for 2023, would it be somewhat still similar to 2022 on an effective basis for the income, not cash?

RACHELLE GIRARD:

I'll have to get back to you on that one, Fai. I don't have a specific number here in front of us.

FAI LEE:

Okay, thank you.

TIM GITZEL:

Thanks Fai.

FAI LEE:

Thanks.



OPERATOR:

This concludes the question-and-answer session. I would like to turn the conference back over to Tim Gitzel for any closing remarks.

TIM GITZEL:

Well thanks very much, Operator, and thanks to everybody who joined us on the call today. We appreciate your support. Obviously exciting, pretty exciting times for Cameco and the future of nuclear power.

You know, we're excited about the fundamentals in the nuclear fuel market. We're certainly excited about the prospects for our Company as we continue to ramp up production to satisfy our long-term supply commitments and invest in opportunities across the fuel cycle. You've heard us say this before, I'll say it again - we're a responsible commercial supplier with a strong balance sheet, long-lived tier-one assets, and a proven operating track record and line of sight to return to our tier-one cost structure. We at Cameco are well positioned to respond to changing market dynamics and benefit from the long-term growth we see coming driven by the need for safe, reliable, secure, affordable and carbon-free base load electricity.

We will continue to do what we said we would do, executing on our strategy and, consistent with our values, we'll do so in a manner that we believe will make our business sustainable over the long term, and we will continue to make the health and safety of our workers, their families and their communities our top priority.

Thanks everybody. Stay safe and healthy, and we'll talk to you again soon.

OPERATOR:

This concludes today's conference call. You may disconnect your lines. Thank you for participating and have a pleasant day.