



Management's discussion and analysis

for the quarter ended June 30, 2024

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This management's discussion and analysis (MD&A) includes information that will help you understand management's perspective of our unaudited condensed consolidated interim financial statements and notes for the quarter ended June 30, 2024 (interim financial statements). The information is based on what we knew as of July 30, 2024, and updates our first quarter and annual MD&A included in our 2023 annual report.

As you review this MD&A, we encourage you to read our interim financial statements as well as our audited consolidated financial statements and notes for the year ended December 31, 2023, and annual MD&A. You can find more information about Cameco, including our audited consolidated financial statements and our most recent annual information form, on our website at cameco.com, on SEDAR+ at sedarplus.ca or on EDGAR at sec.gov. You should also read our annual information form before making an investment decision about our securities.

The financial information in this MD&A and in our financial statements and notes are prepared according to International Financial Reporting Standards (IFRS), unless otherwise indicated.

Unless we have specified otherwise, all dollar amounts are in Canadian dollars.

Throughout this document, the terms we, us, our and Cameco mean Cameco Corporation and its subsidiaries unless otherwise indicated.

Caution about forward-looking information

Our MD&A includes statements and information about our expectations for the future. When we discuss our strategy, plans, future financial and operating performance, or other things that have not yet taken place, we are making statements considered to be *forward-looking information* or *forward-looking statements* under Canadian and United States (US) securities laws. We refer to them in this MD&A as *forward-looking information*.

Key things to understand about the forward-looking information in this MD&A:

- It typically includes words and phrases about the future, such as: anticipate, believe, estimate, expect, plan, will, intend, goal, target, forecast, project, strategy and outlook (see examples below).
- It represents our current views and can change significantly.
- It is based on a number of *material assumptions*, including those we have listed starting on page 4, which may prove to be incorrect.
- Actual results and events may be significantly different from what we currently expect, due to the risks associated with our business. We list a number of these *material risks* below. We recommend you also review our most recent annual information form and annual MD&A, which includes a discussion of other *material risks* that could cause actual results to differ significantly from our current expectations.
- Forward-looking information is designed to help you understand management's current views of our near-term and longer-term prospects, and it may not be appropriate for other purposes. We will not necessarily update this information unless we are required to by securities laws.

Examples of forward-looking information in this MD&A

- our expectations regarding 2024 and future uranium supply, demand, contracting, geopolitical issues, and the market including the discussion under the heading *Second quarter market update*
- the discussion under the heading *Our strategy*, including the role of nuclear energy in the world's shift to a low-carbon, climate-resilient economy, our expectation that our strategy will allow us to increase long-term value, our intention to execute our strategy with an emphasis on safety, people and the environment, our belief that we have the right strategy to achieve our vision and will do so in a manner that reflects our values, our target to reduce our combined Scope 1 and Scope 2 greenhouse (GHG) emissions by 30% by 2030, from our 2015 baseline, our ability to address risks and opportunities that we believe may have a significant impact on our ability to operate sustainably and add long-term value for our stakeholders, our ambition to reach net-zero GHG emissions and our expected financial capacity to execute our strategy, invest in new opportunities and self-manage risk
- the discussion under the heading *Strategy in action*, including expected Westinghouse segment performance, our expectations regarding uranium contracting, our contract portfolio and market conditions, our plans for production at McArthur River/Key Lake, Cigar Lake, and the Port Hope UF₆ conversion facility, our expectations regarding production levels at JV Inkai and cash dividend entitlements and timing
- the discussion of our expectations following the completion of our acquisition of a 49% interest in Westinghouse Electric Company (Westinghouse) including our ability to create a powerful platform for strategic growth, and the variability of the impact of Westinghouse on our quarterly results due to its customer requirements, delivery and outage schedules
- the discussion of our expectations relating to our Canada Revenue Agency (CRA) transfer pricing dispute, our confidence that the courts would reject any attempt by CRA to utilize the same position and arguments for tax years 2007 through 2014 or the alternate position advanced for tax years 2014 through 2017, and our belief that CRA should return the full amount of cash and security that has been paid or otherwise secured by us
- the discussion under the heading *Outlook for 2024*, including our production plan, our planned production levels, expected care and maintenance costs for our tier-two assets, our cost of sales in our fuel services segment, our outlook for our uranium average realized price, and other information in the table under the heading *2024 Financial Outlook*, our revenue, adjusted net earnings, and cash flow sensitivity analysis, our price sensitivity analysis for our uranium segment, our expected share of adjusted EBITDA from our equity investment in Westinghouse, and its expected adjusted EBITDA growth rate in 2024 and over the next five years
- the discussion under the heading *Liquidity and capital resources*, including our available alternatives to fund future capital requirements, our expectations regarding cash flow generation in 2024, our expectation that our cash balances and operating cash flows will meet our capital requirements during 2024
- our expectation that our operating and investment activities for the remainder of 2024 will not be constrained by the covenants in our credit agreements, including the financial covenants
- our intention to update the table under the heading *Expected realized uranium price sensitivity under various spot price assumption at June 30, 2024* each quarter to reflect deliveries made and changes to our contract portfolio
- our future plans and expectations for each of our uranium operating properties and fuel services operating sites, including production levels and our expected cash cost of production at McArthur River/Key Lake and Cigar Lake
- our expectations regarding future JV Inkai production levels and dividend payments, including its ability to transport shipments of our share of Inkai's production using the Trans-Caspian International Transport Route, which does not rely on Russian rail lines or ports, the possibility of further delays in expected Inkai deliveries and our evaluation of the implications of announced tax law changes in Kazakhstan including our preliminary analysis of their impact on Inkai's production costs and conclusions that indicate production costs in Kazakhstan would be similar to northern Saskatchewan operations

- our ability to draw upon long-term purchase agreements and loan arrangements to mitigate the risks of a production shortfall or delays in Inkai deliveries
- the expected care and maintenance costs for our US ISR operations and Rabbit Lake for 2024
- our intention to file a new base shelf-prospectus, our expectation that we will continue to navigate by our investment-grade credit rating, and our intention to prioritize repayment of the remaining \$300 million (US) outstanding in floating-rate term loan debt used to finance the Westinghouse acquisition

Material Risks

- actual sales volumes or market prices for any of our products or services are lower than we expect, or cost of sales is higher than we expect, for any reason, including changes in market prices, loss of market share to a competitor, trade restrictions, or geopolitical issues
- we are adversely affected by changes in currency exchange rates, interest rates, royalty rates, tax rates or inflation
- our production costs are higher than planned, or necessary supplies are not available, or not available on commercially reasonable terms
- our strategies may change, be unsuccessful or have unanticipated consequences, or we may not be able to achieve anticipated operational flexibility and efficiency
- changing views of governments regarding the pursuit of carbon reduction strategies or that our view on the role of nuclear power in pursuit of those strategies may prove to be inaccurate
- risks relating to the development and use of new technology or lack of appropriate technology needed to achieve our 30% GHG emissions reduction target or advance our ambition to reach net-zero GHG emissions
- our estimates and forecasts prove to be inaccurate, including production, purchases, deliveries, cash flow, revenue, costs, decommissioning, reclamation expenses, or the receipt of future dividends from JV Inkai
- that we may not realize expected benefits from the Westinghouse acquisition
- that Westinghouse fails to generate sufficient cash flow to fund its approved annual operating budget or make distributions to the partners
- the risk that we and Westinghouse may not be able to meet sales commitments for any reason
- the risk that Westinghouse may not achieve the expected growth in its business
- the risk to Westinghouse's business associated with potential production disruptions, including those related to global supply chain disruptions, global economic uncertainty, political volatility, labour relations issues, and operating risks
- the risk that Westinghouse may not be able to implement its business objectives in a manner consistent with its or our environmental, social, governance and other values
- the risk that Westinghouse's strategies may change, be unsuccessful, or have unanticipated consequences
- the risk that Westinghouse may be unsuccessful in respect of its new business
- the risk that Westinghouse may fail to comply with nuclear licence and quality assurance requirements at its facilities
- the risk that Westinghouse may lose protections against liability for nuclear damage, including discontinuation of global nuclear liability regimes and indemnities
- the risk that increased trade barriers may adversely impact Westinghouse's business
- the risk that Westinghouse may default under its credit facilities, impacting adversely Westinghouse's ability to fund its ongoing operations and to make distributions
- the risk that liabilities at Westinghouse may exceed our estimates and the discovery of unknown or undisclosed liabilities
- the risk that occupational health and safety issues may arise at Westinghouse's operations
- the risk that there may be disputes between us and Brookfield regarding our strategic partnership
- the risk that we may default under the governance agreement with Brookfield, including us losing some or all of our interest in Westinghouse
- the risk that we are unable to enforce our legal rights under our agreements, permits or licences
- disruption or delay in the transportation of our products
- that we are subject to litigation or arbitration that has an adverse outcome
- that the courts may accept the same, similar or different positions and arguments advanced by CRA to reach decisions that are adverse to us for other tax years
- the possibility of a materially different outcome in disputes with CRA for other tax years
- that CRA does not agree that the court rulings for the years that have been resolved in Cameco's favour should apply to subsequent tax years
- that CRA will not return all or substantially all of the cash and security that has been paid or otherwise secured in a timely manner, or at all
- there are defects in, or challenges to title, to our properties
- our mineral reserve and resource estimates are not reliable, or there are unexpected or challenging geological, hydrological or mining conditions
- we are affected by environmental, safety and regulatory risks, including workforce health and safety or increased regulatory burdens or delays
- necessary permits or approvals from government authorities cannot be obtained or maintained
- we are affected by political risks, including unrest in Kazakhstan, and geopolitical events, including the Russian invasion of Ukraine

- operations are disrupted due to problems with our own or our joint venture partners', suppliers' or customers' facilities, the unavailability of reagents, equipment, operating parts and supplies critical to production, equipment failure, lack of tailings capacity, labour shortages, labour relations issues, strikes or lockouts, fires, underground floods, cave-ins, ground movements, tailings dam failures, transportation disruptions or accidents, aging infrastructure, or other development and operating risks
- we are affected by war, terrorism, cyber-attacks, sabotage, blockades, civil unrest, social or political activism, outbreak of illness (such as a pandemic like COVID-19), accident or a deterioration in political support for, or demand for, nuclear energy
- a major accident at a nuclear power plant
- we are impacted by changes in the regulation or public perception of the safety of nuclear power plants, which adversely affect the construction of new plants, the relicensing of existing plants and the demand for uranium
- government laws, regulations, policies or decisions that adversely affect us, including tax and trade laws and sanctions on nuclear fuel exports and imports
- our uranium suppliers or purchasers fail to fulfil their commitments
- our McArthur River development, mining or production plans are delayed or do not succeed for any reason
- our Key Lake mill production plan is delayed or does not succeed for any reason
- our Cigar Lake development, mining or production plans are delayed or do not succeed for any reason
- JV Inkai's development, mining or production plans are delayed or do not succeed for any reason or JV Inkai is unable to transport and deliver its production
- our production plan for our Port Hope UF₆ conversion facility is delayed or does not succeed for any reason, including due to the availability of production supplies
- our expectations relating to care and maintenance costs prove to be inaccurate
- we are affected by natural phenomena, such as forest fires, floods and earthquakes as well as shifts in temperature, precipitation, and the impact of more frequent severe weather conditions on our operations as a result of climate change

Material Assumptions

- our expectations regarding sales and purchase volumes and prices for uranium and fuel services, cost of sales, trade restrictions, inflation, and that counterparties to our sales and purchase agreements will honour their commitments
- our expectations for the nuclear industry, including its growth profile, market conditions, geopolitical issues, and the demand for and supply of uranium
- the continuing pursuit of carbon reduction strategies by governments and the role of nuclear in the pursuit of those strategies
- the availability or development of technologies needed to achieve our 30% GHG emissions reduction target or advance our net-zero GHG emission ambition
- the assumptions discussed under the heading *2024 Financial Outlook*, including the assumptions used to prepare the outlook table and assumptions relating to growth in Westinghouse adjusted EBITDA
- our expectations regarding spot prices and realized prices for uranium, and other factors discussed under the heading *Price sensitivity analysis: uranium segment*
- market conditions and other factors upon which we based the Westinghouse acquisition and our related forecasts will be as expected
- the success of our plans and strategies relating to the Westinghouse acquisition
- that the construction of new nuclear power plants and the relicensing of existing nuclear power plants will not be adversely affected by changes in regulation or in the public perception of the safety of nuclear power plants
- our ability to continue to supply our products and services in the expected quantities and at the expected times
- our expected production levels for Cigar Lake, McArthur River/Key Lake, JV Inkai and our fuel services operating sites
- plans to transport our products succeed, including the shipment of our share of JV Inkai production to our Blind River refinery
- our ability to mitigate adverse consequences of production shortfalls or delays in the shipment of our share of JV Inkai production to our Blind River refinery
- our cost expectations, including production costs, operating costs, and capital costs
- our expectations regarding tax payments, tax rates, royalty rates, currency exchange rates, interest rates and inflation
- in our dispute with CRA that courts will reach consistent decisions for other tax years that are based upon similar positions and arguments
- that CRA will not successfully advance different positions and arguments that may lead to different outcomes for other tax years
- our expectation that we will recover all or substantially all of the amounts paid or secured in respect of the CRA dispute to date
- our decommissioning and reclamation estimates, including the assumptions upon which they are based, are reliable
- our mineral reserve and resource estimates, and the assumptions upon which they are based, are reliable
- our understanding of the geological, hydrological and other conditions at our uranium properties
- our McArthur River and Cigar Lake development, mining and production plans succeed
- our Key Lake mill production plans succeed
- JV Inkai's development, mining and production plans succeed, and that JV Inkai will be able to deliver its production
- the ability of JV Inkai to pay dividends
- our production plan for our Port Hope UF₆ conversion facility succeeds
- that care and maintenance costs will be as expected

- our and our contractors' ability to comply with current and future environmental, safety and other regulatory requirements and to obtain and maintain required regulatory approvals
- neither our operations, nor those of our joint venture partners, suppliers or customers, are significantly disrupted as a result of political instability, nationalization, terrorism, sabotage, blockades, civil unrest, breakdown, climate change, natural disasters, aging infrastructure, forest or other fires, outbreak of illness (such as a pandemic like COVID-19), governmental, political or regulatory actions, litigation or arbitration proceedings, cyber-attacks, the unavailability of reagents, equipment, operating parts and supplies critical to production, labour shortages, labour relations issues, strikes or lockouts, health and safety issues, underground floods, increased loadings into the environment, cave-ins, ground movements, tailings dam failure, lack of tailings capacity, improper air emission or treated water releases, transportation disruptions or accidents, aging infrastructure, or other development or operating risks
- Westinghouse's ability to generate cash flow and fund its approved annual operating budget and make distributions to the partners
- our ability to compete for additional business opportunities so as to generate additional revenue for us as a result of the Westinghouse acquisition
- market conditions and other factors upon which we based the Westinghouse acquisition and our related forecasts will be as expected
- the success of our plans and strategies relating to the Westinghouse acquisition
- Westinghouse's production, purchases, sales, deliveries, and costs
- the assumptions and discussion set out under the heading Outlook
- the market conditions and other factors upon which we have based Westinghouse's future plans and forecasts
- Westinghouse's ability to mitigate adverse consequences of delays in production and construction
- the success of Westinghouse's plans and strategies
- the absence of new and adverse government regulations, policies or decisions
- that there will not be any significant adverse consequences to Westinghouse's business resulting from business disruptions, including those relating to supply disruptions, economic or political uncertainty and volatility, labour relation issues, and operating risks
- Westinghouse will comply with the covenants in its credit agreement
- Westinghouse will comply with nuclear licence and quality assurance requirements at its facilities
- Westinghouse maintaining protections against liability for nuclear damage, including continuation of global nuclear liability regimes and indemnities
- that known and unknown liabilities at Westinghouse will not materially exceed our estimates

Second quarter market update

Ongoing geopolitical events, energy security concerns, and the global focus on the climate crisis amid rising low-carbon energy demand have created what we believe are transformative tailwinds for the nuclear power industry, from both a demand and supply perspective. With many countries looking to reindustrialize and nationalize sourcing capabilities, at COP28 in 2023, global leaders, heads of state and industry leaders acknowledged that it is not possible to achieve net-zero carbon emissions (net-zero) without nuclear power and pledged to triple generating capacity by 2050. In addition, there is increasing demand for reliable, uninterrupted power supplies to underpin large, energy-intensive industries, with recognition from within those sectors that baseload nuclear power is on the critical path for achieving the anticipated transformations with secure and carbon-free sources. Alongside that recognition is an understanding that a sufficient supply of nuclear fuel and fuel cycle services are essential to realizing a tripling of nuclear power.

In the second quarter of 2024, the long-term uranium price increased to its highest level since 2012 (in 2024 constant dollars), while the uranium spot price fell slightly compared to the first quarter and remained range-bound between \$80 (US) and \$90 (US), much higher than the first half of 2023. Over the past two years, fuel buyers continued to secure their long-term requirements for conversion and enrichment services, and they have returned their focus to the procurement of the uranium required to feed into those services. The increased contracting has resulted in higher prices across the fuel cycle, an increasing volume of requests for proposals from utilities entering the market alongside inbound requests for direct off-market negotiations, and sustained volumes of long-term contracting reported.

Some of the more significant developments affecting supply in the quarter and to date include:

- Sprott Physical Uranium Trust (SPUT) has purchased nearly 2 million pounds U_3O_8 year-to-date in 2024, bringing total purchases since inception to nearly 47 million pounds U_3O_8 . Volatility in the equity markets has impacted SPUT's valuation, with the discount or premium to its net asset value impacting its ability to raise funds to purchase uranium.
- The United States Prohibiting Russian Uranium Imports Act (H.R. 1042) was signed by President Biden in May 2024, following passage by the US House of Representatives and by unanimous vote in the US Senate. The bill will prohibit the import of Russian low-enriched uranium (LEU) into the US beginning 90 days after enactment and is set to expire in 2040. The Act contains a Department of Energy (DOE) waiver process through which utilities, until 2028, can enter a public process to apply for an exception to the import ban in situations concerning energy and national security. Additionally, the US DOE issued a \$3.4 billion (US) request for proposals to purchase LEU to incentivize investment in the US fuel cycle in support of commercial domestic capacity in the event of a disruption in the market.
- In July, the government of the Republic of Kazakhstan introduced amendments to its Tax Code and the Mineral Extraction Tax (MET) rate on uranium production. The MET rate will increase from 6% in 2024, to 9% in 2025, with a further increase in 2026 of up to 18% under a progressive tax regime based on annual production volumes. An additional MET of up to 2.5% will also be applied beginning in 2026, based on a progressive system linked to published uranium market prices. The MET is incurred and paid by the mining entities, impacting both Kazatomprom (KAP) and its joint ventures and subsidiaries.
- In Niger, Orano reported that its 63% owned Somair mine is facing financial difficulties due to its inability to export uranium since the July 2023 military coup in the country. Without a resolution, Orano indicated that they may need to implement measures to stop all activity on the site, putting future production at risk. In June, Orano also reported that the Nigerien government revoked their operating permit for their undeveloped Imouraren deposit in Niger, which contains proven and probable reserves of about 446 million pounds U_3O_8 . Orano holds a 67% share, Sopamin holds 23%, while the Republic of Niger holds 10%. Furthermore, subsequent to the end of the quarter, GoviEx Uranium Inc. was informed by the Nigerien government that the company's rights over the perimeter of the Madaouela mining permit, which has estimated life of mine production of 51 million pounds U_3O_8 , had been revoked. The government has not yet clarified its plans for the Imouraren or Madaouela deposits.
- In June, Paladin Energy and Fission Uranium Corporation announced that they have entered into a definitive agreement, whereby Paladin will acquire 100% of the issued and outstanding shares of Fission. The transaction is targeted to close in September 2024.
- In April, Boss Energy announced that it produced the first drum of uranium from its restarted Honeymoon in situ recovery project in South Australia, which has a production capacity of 2.45 million pounds U_3O_8 per year.

- In June, enCore Energy announced the successful startup of production at its Alta Mesa Uranium Central Processing Plant and wellfield in South Texas. The project operates under a joint venture with Boss Energy Ltd. and has a total annual capacity of 1.5 million pounds U₃O₈.
- In June, Terrafame reported that it started recovering natural uranium at its industrial site in Sotkamo, Finland. After the planned start-up phase, the uranium recovery plant is expected to ramp up to 520,000 pounds U₃O₈ per year by 2026.

According to the International Atomic Energy Agency (IAEA), globally, there are currently 441 operable reactors and 59 reactors under construction. Demand-related developments continue to evidence growing support for the nuclear industry, with over 30 countries pledging to triple nuclear power capacity by 2050. Nations are reaffirming their commitment to existing nuclear and/or reversing policies to phase out nuclear, non-nuclear countries are emerging as candidates for new nuclear capacity, improvements are being made in global sustainable financing policies to include nuclear energy, and opinion polls indicate improving public support. With several reactors being saved from early retirement, life-extensions to existing reactors being sought and approved, and new build construction projects underway and many more planned, demand for uranium fuel continues to improve in the near-, medium- and long-term.

The more significant developments in the quarter affecting current and future demand include:

- In Japan, the Nuclear Regulation Authority approved Kansai Electric Power Company's Ohi units 3 and 4 to operate for an additional 10 years, increasing the operating lives from 30 years to 40 years. The approval marks the first time the Japanese regulator has approved a long-term management plan utilizing funding through the Green Transformation Law to meet net-zero emissions by 2050.
- In South Korea, the government announced plans to build four more 1.4 GWe APR1400 reactors, which will bring the total Korean reactor count to 30, including the completion of two delayed plants, Shin-Hanul units 3 and 4, and two units already under construction at the Saeul nuclear plant.
- SE NNEG Energoatom (Energoatom) saw first concrete poured for the construction of Khmel'nitski units 5 and 6. The new reactors will be the first Westinghouse Electric Company (Westinghouse) designed AP1000[®] pressurized water reactors (PWR) built in Ukraine.
- In Poland, the government approved a plan to build a small modular reactor (SMR) based on the Rolls-Royce design, known as the UK SMR.
- In June, following a lengthy legal battle with Rio de Janeiro's Court of Justice, Brazilian utility Electronuclear successfully appealed the government-ordered suspension of construction activity at Angra unit 3, a 1,350 MWe PWR reactor that will now be allowed to continue construction.
- In the US, Southern Company announced that Vogtle unit 4, a Westinghouse AP1000[®] reactor, began commercial operation, following the start-up of unit 3 in 2023. At the announcement event, US Secretary of Energy Jennifer Granholm stated that to reach net-zero by 2050, the US will have to at least triple its current nuclear capacity, adding 200 more gigawatts of nuclear generation capacity.
- In July, The Nuclear Company, a fleet-scale nuclear development firm, announced plans to build a series of nuclear power plants across the US. The start-up's fleet-scale model integrates "proven, licensed technology and a design-once, build-many approach," and plans to focus on sites which have already had some level of Nuclear Regulatory Commission (NRC) licensing for its initial 6-GWe reactor fleet, which could begin power generation by the mid-2030s.
- In June, the US DOE announced they will be financing \$900 million (US) towards the deployment of light-water SMR's, with \$800 million (US) earmarked for two of the "first-mover teams", which can include utilities, SMR producers, vendors, and other end-users. The DOE is looking for entities that are committed to deploying advanced reactors and that have well-established plans for additional builds. In addition, President Biden signed bipartisan legislation into law known as the Accelerating Deployment of Versatile, Advanced Nuclear for Clean Energy (ADVANCE) Act. This builds on prior legislation to develop a modernized approach to licensing new reactor technologies, which is expected to speed up the process and cut fees companies must pay to do so. It also requires the NRC to commission a report which considers ways to shorten and simplify the environmental review process.
- The California government approved a \$400 million (US) loan to keep Pacific Gas & Electric's (PG&E) two-unit Diablo Canyon plant operating until 2030. PG&E has filed a licence renewal application to extend the units' operation for 20 years, until the mid-2040's.
- Energy Northwest confirmed plans to build 12 X-energy SMR's in central Washington, which would generate a total of up to 960 MWe.

- In June, SaskPower, Westinghouse, and Cameco signed a memorandum of understanding to evaluate Saskatchewan's clean energy needs, with discussions and cooperation between the three entities on AP1000® reactor and AP300™ small modular reactor technology. The province of Saskatchewan will be evaluating its infrastructure suitability for a nuclear fuel supply chain and reactor installation.
- Westinghouse opened a new nuclear engineering hub in Kitchener, Ontario, where approximately 50 engineers will work on designing future nuclear reactors for deployment in Canada and across the global reactor market.

Caution about forward-looking information relating to the nuclear industry

This discussion of our expectations for the nuclear industry, including its growth profile, uranium supply and demand, and reactor growth is forward-looking information that is based upon the assumptions and subject to the material risks discussed under the heading *Caution about forward-looking information* beginning on page 2.

Industry prices at quarter end

	JUN 30 2024	MAR 31 2024	DEC 31 2023	SEP 30 2023	JUN 30 2023	MAR 31 2023
Uranium (\$US/lb U ₃ O ₈) ¹						
Average spot market price	84.25	87.75	91.00	71.58	56.10	50.48
Average long-term price	79.50	77.50	68.00	61.50	56.00	53.00
Fuel services (\$US/kgU as UF ₆) ¹						
<i>Average spot market price</i>						
North America	60.00	58.00	46.00	40.88	40.75	39.75
Europe	60.00	58.00	46.00	40.88	40.75	39.75
<i>Average long-term price</i>						
North America	38.00	35.50	34.25	31.50	30.75	27.88
Europe	38.00	35.50	34.25	31.50	30.50	27.88

Note: the industry does not publish UO₂ prices.

¹ Average of prices reported by TradeTech and UxC LLC (UxC)

On the spot market, where purchases call for delivery within one year, the volume reported by UxC for the second quarter of 2024 was nearly 13 million pounds U₃O₈ equivalent, similar to the second quarter of 2023. Total spot purchases for the first six months of 2024 were 22 million pounds U₃O₈ equivalent, compared to 29 million pounds U₃O₈ equivalent over the same period in 2023. As of June 30, 2024, the average reported spot price was \$84.25 (US) per pound U₃O₈ equivalent, a decrease of \$3.50 (US) per pound from the previous quarter due to very small volumes of uncommitted supply entering the near-term market.

Long-term contracts generally call for deliveries to begin more than two years after the contract is finalized, and use a number of pricing formulas, including base-escalated prices set at time of contracting and escalated over the term of the contract, and market-related prices, which reference spot and/or long-term indicators, and are generally set a month or more prior to delivery, typically including floor prices and ceiling prices that are also escalated to time of delivery. Long-term contracting reported by UxC for the first six months of 2024 totaled about 32 million pounds U₃O₈ equivalent, down from about 117 million pounds U₃O₈ equivalent reported over the same period in 2023. The contracting volume in the first half of 2023 was much higher due to significant non-US utilities diversifying away from Russian supply, including our contracts with Ukraine and Bulgaria, which alone, accounted for about 46 million pounds U₃O₈. The modest level reported to date in 2024 can be attributed in part to US utilities awaiting clarity on the impact of Russian sanctions, the Russian uranium import ban, and clarity around the US waiver process, although requests for proposals from utilities are continuing alongside requests for direct off-market negotiations.

The average reported long-term price at the end of the quarter was \$79.50 (US) per pound U₃O₈ equivalent, an increase of \$2.00 (US) per pound from the previous quarter, and the highest reported long-term price since 2012 (in 2024 constant dollars).

With increased demand for western conversion services, pricing in both North America and Europe continues to be strong. At the end of the second quarter, the average reported spot price for conversion reached a record high of \$60.00 (US) per kilogram uranium (kgU) as UF₆, up \$2.00 (US) from the previous quarter. Long-term UF₆ conversion prices for North America and Europe finished the quarter at \$38.00 (US) per kgU, up \$2.50 (US) from the previous quarter.

Our strategy

We are a pure-play investment in the growing demand for nuclear energy, focused on taking advantage of the near-, medium- and long-term growth occurring in our industry. We provide nuclear fuel and nuclear power products, services and technologies across the fuel cycle, augmented by our investment in Westinghouse, that supports the generation of carbon-free, reliable, secure and affordable energy. Our strategy is set within the context of what we believe is a transitioning market environment. Increasing populations, a growing focus on electrification and decarbonization, and concerns about energy security and affordability are driving a global focus on tripling nuclear power capacity by 2050, which is expected to durably strengthen long-term fundamentals for our industry. Nuclear energy must be a central part of the solution to the world's shift to a low-carbon, climate resilient economy. It is an option that can provide the necessary power in a reliable, safe, and affordable manner, and in a way that is expected to help avoid some of the worst consequences of climate change.

Our strategy is to capture full-cycle value by:

- remaining disciplined in our contracting activity, building a balanced portfolio in accordance with our contracting framework
- profitably producing from our tier-one assets and aligning our production decisions in all segments of our business with our contract portfolio and customer needs
- being financially disciplined to allow us to
 - execute on our strategy
 - invest in new opportunities that are expected to add long-term value
 - self-manage risk
- exploring other emerging opportunities within the nuclear power value chain that align with our commitment to manage our business responsibly and sustainably, contribute to decarbonization, and help to provide secure and affordable energy

We expect our strategy will allow us to increase long-term value, and we will execute it with an emphasis on safety, people and the environment.

Our vision – “Energizing a clean-air world” – recognizes that we have an important role to play in enabling the vast reductions in global greenhouse gas (GHG) emissions required to achieve a resilient net-zero carbon economy. We support climate action that is consistent with the ambitions of the Paris Agreement and the Canadian government's commitment to the agreement, which seeks to limit global temperature rise to less than 2° Celsius, a target that climate scientists believe will require the world to reach net-zero by 2050 or sooner. Our uranium and fuel services are used around the world in the generation of safe, reliable, zero-carbon, base-load nuclear power.

We believe we have the right strategy to achieve our vision and we will do so in a manner that reflects our values. For over 35 years, we have been operating and delivering our products responsibly. Building on that strong foundation, we have set a target to reduce our combined Scope 1 and Scope 2 GHG emissions by 30% by 2030, from our 2015 baseline, as our first major milestone in our ambition of being net-zero. In 2023, we targeted to refine the calculations to quantify our Scope 3 emissions to further understand our value chain GHG emissions. We successfully met this target, and for the first time, in our 2023 Sustainability Report, we have disclosed our estimated Scope 3 emissions value and quantification method. We remain committed to our efforts to transform our own, already low, greenhouse gas footprint, and we continue to identify and address the risks and opportunities that we believe may have a significant impact on our ability to operate sustainably and add long-term value for our stakeholders.

You can read more about our strategy in our 2023 annual MD&A and our approach to sustainability in our 2023 Sustainability Report.

Strategy in action

With the ongoing transition and improvements in the nuclear fuel market, our three-pillar strategy is guiding our disciplined contracting, supply and financial decisions.

In the second quarter, results were as expected with net earnings of \$36 million, adjusted net earnings of \$62 million, and adjusted EBITDA of \$337 million. Both net earnings and adjusted EBITDA were up by over 100% compared to the same period in 2023 largely due to strong performance in our core uranium segment, with higher sales volumes, which was in line with the delivery pattern and outlook disclosed in our annual MD&A, which has not changed, and an increase of 15% in the

Canadian dollar average realized price. During the first half of the year, net earnings of \$29 million were lower, while adjusted net earnings of \$118 million, and adjusted EBITDA of \$681 million were each higher than in 2023 and in line with our 2024 outlook, which has not changed. See *Financial results by segment – Uranium* on page 23 for more information.

The outlook for Westinghouse is unchanged, and we believe, on track. As indicated in our 2023 annual MD&A and reiterated in our 2024 first quarter MD&A, Westinghouse is expected to generate a net loss of between \$170 million and \$230 million in 2024 due to the impact of the purchase accounting, which requires the revaluation of Westinghouse's inventory and other assets at the time of acquisition, and the expensing of certain non-operating acquisition-related transition costs. As expected, results for the second quarter improved over the first quarter with a net loss of \$47 million, bringing the year-to-date net loss to \$170 million for the first six months. Due to normal variability in the timing of its customer requirements, and delivery and outage schedules, we expect to see stronger performance from the Westinghouse segment in the second half of the year, with higher expected cash flows in the fourth quarter. We do not believe the impact of the revaluation of Westinghouse's inventory and assets, or the non-operating acquisition-related transition costs reflect its underlying performance for the reporting period, therefore, we use adjusted EBITDA as a performance measure for Westinghouse, which was \$121 million for the second quarter and \$197 million for the first six months. We continue to expect adjusted EBITDA of between \$445 million and \$510 million for the year in the Westinghouse segment. See *Our outlook for 2024* starting on page 16 and *Our earnings from Westinghouse*, starting on page 26 for more information. Adjusted net earnings and adjusted EBITDA are non-IFRS measures, see the information starting on page 29.

We continue to responsibly manage our supply in accordance with our customers' needs. As a proven and reliable commercial supplier with assets in geopolitically stable jurisdictions across all segments of the nuclear fuel cycle, we are being selective in committing our unencumbered, in-ground uranium inventory and UF₆ conversion capacity under long term contracts. To support the long-term operation of our productive capacity, our contracting is focused on maintaining exposure to future improvements in the market while retaining downside protection. In our uranium segment, over the next five years, we have contracts in place for average annual deliveries of 29 million pounds of U₃O₈ per year, with commitments higher than the average in 2024 and 2025, and lower than the average in 2026 through 2028. We also have contracts in both our uranium and fuel services segments that have deliveries spanning more than a decade. In our uranium segment, many of those contracts incorporate market-related pricing mechanisms that are expected to benefit from the improving market conditions.

To advance our strategy in step with the positive market momentum and long-term contracts we have put in place, we remain on track to produce 36 million pounds (22.4 million pounds our share) of uranium in 2024. At Joint Venture Inkai (JV Inkai), the tentative production target for 2024 continues to be 8.3 million pounds (100% basis), remaining 20% below the operation's subsoil use agreement level, and is contingent upon receipt of sufficient volumes of sulfuric acid. Our allocation of the planned production from JV Inkai remains under discussion. At Port Hope, we now expect annual UF₆ production of 11,000 to 11,500 tonnes in 2024 (previously 12,000 tonnes), due to a temporary operational issue that was resolved. We are continuing work to achieve an ongoing production rate that will supply 12,000 tonnes per year, in order to satisfy our book of long-term commitments and demand for conversion services. Our annual 2024 production expectation for fuel services, which includes UF₆ conversion, UO₂, and heavy water reactor fuel bundles, remains between 13.5 million and 14.5 million kgU of combined fuel services products.

With our operationally flexible and disciplined approach to supply, we continue to meet our sales commitments through a combination of production, inventory, product loans and purchases. In the second quarter, we produced 7.1 million pounds of uranium (our share), and we purchased 1.7 million pounds (purchased at an average unit cost of \$109.11 per pound (\$80.27 (US) per pound)). See *Financial results by segment – Uranium* starting on page 23 for more information. Our purchases to date in 2024 include our remaining share of JV Inkai's 2023 production, which was delivered to our Blind River refinery in February with a cost per pound of \$129.96 (\$96.88 (US)). The cash dividend associated with the sale of pounds from Inkai in 2024 is expected to be received in 2025, once declared and paid by JV Inkai. See *Revenue, adjusted net earnings, and cash flow sensitivity analysis* in the *Outlook for 2024* section starting on page 16. After delivering 6.2 million pounds in the second quarter, our uranium inventory was 13.4 million pounds on June 30, 2024, with an average inventory cost of \$46.49 per pound.

We expect to maintain the financial strength and flexibility necessary to execute our strategy by planning production in coordination with contracting success and market opportunities. As previously disclosed, work is underway to extend the mine life at Cigar Lake to 2036 and, in-line with our supply discipline and future sourcing requirements of our contract portfolio, we continue to evaluate the required work and investment necessary to advance to a future decision for increasing production at McArthur River/Key Lake from 18 million pounds (100% basis) to its licensed annual capacity of 25 million pounds (100% basis).

Thanks to our risk-managed financial discipline, our balance sheet remains strong. Consistent with the conservative financial management we have demonstrated and our 2024 capital allocation priorities, in May 2024, we refinanced \$500 million through a senior unsecured debenture issuance and used the proceeds to retire the \$500 million senior unsecured debentures that were due June 24, 2024. As of June 30, 2024, after the refinance and a second quarter repayment of another \$100 million (US) on the floating-rate term loan used to finance the Westinghouse acquisition, we had \$362 million in cash and cash equivalents, and \$1.4 billion in total debt and a \$1.0 billion undrawn credit facility.

We plan to continue to prioritize repayment of the remaining \$300 million (US) outstanding floating-rate term loan debt that is due in November 2025. We will continue to navigate by our investment-grade rating through close management of our balance sheet metrics, maintaining sufficient liquidity and cash to pursue value-adding opportunities while self-managing risk, including from global macro-economic and geopolitical uncertainty and volatility.

Financial results

This section of our MD&A discusses our performance, financial condition and outlook for the future.

In the fourth quarter of 2023, we announced the closing of the acquisition of a 49% interest in Westinghouse. Effective November 7, 2023, we began equity accounting for this investment. Our share of Westinghouse's earnings has been reflected in our financial results from that date.

Consolidated financial results

HIGHLIGHTS (\$ MILLIONS EXCEPT WHERE INDICATED)	THREE MONTHS ENDED JUNE 30			SIX MONTHS ENDED JUNE 30		
	2024	2023	CHANGE	2024	2023	CHANGE
Revenue	598	482	24%	1,232	1,169	5%
Gross profit	175	110	59%	362	277	31%
Net earnings attributable to equity holders	36	14	>100%	29	133	(78)%
\$ per common share (basic)	0.08	0.03	>100%	0.07	0.31	(77)%
\$ per common share (diluted)	0.08	0.03	>100%	0.07	0.31	(77)%
Adjusted net earnings (losses) (ANE) (non-IFRS, see page 29)	62	(3)	>100%	118	112	5%
\$ per common share (adjusted and diluted)	0.14	(0.01)	>100%	0.27	0.26	4%
Adjusted EBITDA (non-IFRS, see page 29)	337	54	>100%	681	278	>100%
Cash provided by operations (after working capital changes)	260	87	>100%	323	302	7%

Quarterly trends

HIGHLIGHTS (\$ MILLIONS EXCEPT PER SHARE AMOUNTS)	2024				2023		2022	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Revenue	598	634	844	575	482	687	524	389
Net earnings (losses) attributable to equity holders	36	(7)	80	148	14	119	(15)	(20)
\$ per common share (basic)	0.08	(0.02)	0.18	0.34	0.03	0.27	(0.04)	(0.05)
\$ per common share (diluted)	0.08	(0.02)	0.18	0.34	0.03	0.27	(0.04)	(0.05)
Adjusted net earnings (losses) (non-IFRS, see page 29)	62	56	90	137	(3)	115	36	10
\$ per common share (adjusted and diluted)	0.14	0.13	0.21	0.32	(0.01)	0.27	0.09	0.03
Cash provided by (used in) operations (after working capital changes)	260	63	201	185	87	215	77	(47)

Key things to note:

- The timing of customer requirements, which tend to vary from quarter to quarter, drives revenue in the uranium and fuel services segments, meaning quarterly results are not necessarily a good indication of annual results due to the variability in customer requirements.
- Net earnings do not trend directly with revenue due to unusual items and transactions that occur from time to time. We use adjusted net earnings, a non-IFRS measure, as a more meaningful way to compare our results from period to period (see page 29 for more information).
- Cash from operations tends to fluctuate as a result of the timing of deliveries and product purchases in our uranium and fuel services segments.
- Our quarterly results are impacted by variability in the timing of Westinghouse's customer requirements and deliveries as well as outage schedules. The first quarter is typically weaker, with stronger expected performance in the second half of the year, and higher expected cash flows in the fourth quarter. In addition, the revaluation of Westinghouse's inventory and other assets upon acquisition and the non-operating acquisition-related transition costs can have a significant impact on Westinghouse's quarterly results. See *Our earnings from Westinghouse*, starting on page 26 for more information.

The following table compares the net earnings and adjusted net earnings for the second quarter to the previous seven quarters.

HIGHLIGHTS (\$ MILLIONS EXCEPT PER SHARE AMOUNTS)	2024				2023		2022	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Net earnings (losses) attributable to equity holders	36	(7)	80	148	14	119	(15)	(20)
Adjustments								
Adjustments on derivatives	14	33	(59)	41	(35)	(6)	(19)	75
Inventory purchase accounting (net of tax) ¹	12	38	20	-	-	-	-	-
Acquisition-related transition costs (net of tax) ¹	5	14	-	-	-	-	-	-
Adjustment to other operating expense (income)	(2)	(15)	40	(48)	8	(2)	88	(24)
Income taxes on adjustments	(3)	(7)	9	(4)	10	4	(18)	(21)
Adjusted net earnings (losses) (non-IFRS, see page 29)	62	56	90	137	(3)	115	36	10

¹These adjustments relate to our investment in Westinghouse

Corporate expenses

ADMINISTRATION

(\$ MILLIONS)	THREE MONTHS ENDED JUNE 30			SIX MONTHS ENDED JUNE 30		
	2024	2023	CHANGE	2024	2023	CHANGE
Direct administration	52	46	13%	104	92	13%
Stock-based compensation	14	11	27%	22	29	(24)%
Total administration	66	57	16%	126	121	4%

Direct administration costs were \$6 million higher for the second quarter of 2024 compared to the same period last year, and \$12 million higher for the first six months mainly due to the impacts of inflation and higher payments under Collaboration Agreements tied to production volumes. Stock-based compensation in the first six months of 2024 was \$7 million lower than 2023 due to both the grant and vesting of a lower number of share-based awards compared to the same period last year. See note 18 to the financial statements.

EXPLORATION AND RESEARCH & DEVELOPMENT

In the second quarter, uranium exploration expenses were \$3 million, a decrease of \$1 million from the second quarter of 2023. Exploration expenses for the first six months of the year were unchanged compared to 2023, at \$10 million.

We also had research and development expenditures in the second quarter of \$8 million, an increase of \$3 million from the second quarter of 2023. Research and development expenses for the first six months of the year increased by \$8 million compared to 2023, to \$17 million. These expenses are related to our investment in Global Laser Enrichment, LLC.

INCOME TAXES

We recorded an income tax expense of \$18 million in the second quarter of 2024, compared to an expense of \$23 million in the second quarter of 2023.

In the first six months of 2024, we recorded an expense of \$49 million compared to an expense of \$59 million in 2023.

(\$ MILLIONS)	THREE MONTHS ENDED JUNE 30		SIX MONTHS ENDED JUNE 30	
	2024	2023	2024	2023
Net earnings before income taxes				
Canada	90	62	231	211
Foreign	(36)	(25)	(153)	(19)
Total net earnings before income taxes	54	37	78	192
Income tax expense				
Canada	13	21	44	54
Foreign	5	2	5	5
Total income tax expense	18	23	49	59

TRANSFER PRICING DISPUTE

Background

Since 2008, Canada Revenue Agency (CRA) has disputed our marketing and trading structure and the related transfer pricing methodology we used for certain intercompany uranium sale and purchase agreements.

For the years 2003 to 2014, CRA shifted Cameco Europe Limited's income (as recalculated by CRA) back to Canada and applied statutory tax rates, interest and instalment penalties, and, from 2007 to 2011, transfer pricing penalties. In addition, for 2014 to 2017, CRA has advanced an alternate reassessing position. See *Reassessments, remittances and next steps* below for more information.

In September 2018, the Tax Court of Canada (Tax Court) ruled that our marketing and trading structure involving foreign subsidiaries, as well as the related transfer pricing methodology used for certain intercompany uranium sales and purchasing agreements, were in full compliance with Canadian law for the tax years in question (2003, 2005 and 2006). On June 26, 2020, the Federal Court of Appeal (Court of Appeal) upheld the Tax Court's decision.

On February 18, 2021, the Supreme Court of Canada (Supreme Court) dismissed CRA's application for leave to appeal the June 26, 2020 decision of the Court of Appeal. The dismissal means that the dispute for the 2003, 2005 and 2006 tax years is fully and finally resolved in our favour. Although not technically binding, there is nothing in the reasoning of the lower court decisions that should result in a different outcome for the 2007 through 2014 tax years, which were reassessed on the same basis.

Refund and cost award

The Minister of National Revenue issued new reassessments for the 2003 through 2006 tax years in accordance with the decision and, in July 2021, refunded the tax paid for those years. In October 2023, pursuant to a cost award from the courts, we received a payment of approximately \$12 million for disbursements, which is in addition to the \$10 million we received from CRA in April 2021 as reimbursement for legal fees.

Reassessments, remittances and next steps

The Canadian income tax rules include provisions that generally require larger companies like us to remit or otherwise secure 50% of the cash tax plus related interest and penalties at the time of reassessment. Following the Supreme Court's dismissal of CRA's application for leave to appeal, we wrote to CRA requesting reversal of CRA's transfer pricing adjustments for 2007 through 2013 and the return of the \$780 million in cash and letters of credit we had paid or provided for those years. Given the strength of the court decisions received, our request was made on the basis that the Tax Court would reject any attempt by CRA to defend its reassessments for the 2007 through 2013 tax years applying the same or similar positions already denied for previous years.

The series of court decisions that were completely and unequivocally in our favour for the 2003, 2005 and 2006 tax years determined that the income earned by our foreign subsidiary from the sale of non-Canadian produced uranium was not taxable in Canada. In accordance with these decisions, CRA issued reassessments reducing the proposed transfer pricing adjustment from \$5.1 billion to \$3.3 billion, resulting in a reduction of \$1.8 billion in income taxable in Canada compared to the previous reassessments issued to us by CRA for the 2007 through 2013 tax years. In March 2023, CRA issued revised reassessments for the 2007 through 2013 tax years, which resulted in a refund of \$297 million of the \$780 million in cash and letters of credit held by the CRA at that time. The refund consisted of cash in the amount of \$86 million and letters of credit in the amount of \$211 million.

The remaining transfer pricing adjustment of \$3.3 billion for the 2007 to 2013 tax years relates to the sale of Canadian-produced uranium by our foreign subsidiary. Cameco maintains that the clear and decisive court decisions described above apply, and that CRA should fully reverse the remaining transfer pricing adjustments for these years and return the cash and security being held.

In October 2021, due to a lack of significant progress on our points of contention, we filed a notice of appeal with the Tax Court for the years 2007 through 2013. We have asked the Tax Court to order the complete reversal of CRA's transfer pricing adjustment for those years and the return of the remainder of our cash and letters of credit being held, with costs.

In 2020, CRA advanced an alternate reassessing position for the 2014 tax year in the event the basis for its original reassessment, noted above, is unsuccessful. Subsequent to this, we received reassessments for the 2015, 2016 and 2017 tax years, all reflecting this alternative reassessing position. CRA holds about \$555 million as security (approximately \$209 million in cash and \$346 million in letters of credit) related to the 2007 through 2017 tax years.

The new basis of reassessment is inconsistent with the methodology CRA has pursued for prior years and we are disputing it separately. Our view is that this alternative methodology will not result in a materially different outcome from our 2014 to 2017 filing positions.

We will not be in a position to determine the definitive outcome of this dispute for any tax year other than 2003 through 2006 until such time as all reassessments have been issued advancing CRA's arguments and final resolution is reached for that tax year. CRA may also advance alternative reassessment methodologies for years other than 2003 through 2006, such as the alternative reassessing position advanced for 2014 through 2017.

Caution about forward-looking information relating to our CRA tax dispute

This discussion of our expectations relating to our tax dispute with CRA and future tax reassessments by CRA is forward-looking information that is based upon the assumptions and subject to the material risks discussed under the heading *Caution about forward-looking information* beginning on page 2.

FOREIGN EXCHANGE

The exchange rate between the Canadian dollar and US dollar affects the financial results of our uranium and fuel services segments.

We sell the majority of our uranium and fuel services products under long-term sales contracts, which are routinely denominated in US dollars. While our product purchases are largely denominated in US dollars, our production costs are largely denominated in Canadian dollars. To provide cash flow predictability, we hedge a portion of our net US/Cdn exposure (e.g. total US dollar sales less US dollar expenditures and product purchases) to manage shorter term exchange rate volatility. Our results are therefore affected by the movements in the exchange rate on our hedge portfolio, and on the unhedged portion of our net exposure.

Impact of hedging on IFRS earnings

We do not use hedge accounting under IFRS and we are therefore required to report gains and losses on economic hedging activity, both for contracts that close in the period and those that remain outstanding at the end of the period. For the contracts that remain outstanding, we must treat them as though they were settled at the end of the reporting period (mark-to-market).

However, we do not believe the gains and losses that we are required to report under IFRS appropriately reflect the intent of our hedging activities, so we make adjustments in calculating our ANE to better reflect the impact of our hedging program in the applicable reporting period.

Impact of hedging on ANE

We designate contracts for use in particular periods, based on our expected net exposure in that period. Hedge contracts are layered in over time based on this expected net exposure. The result is that our current hedge portfolio is made up of a number of contracts which are currently designated to net exposures we expect in 2024 and future years, and we will recognize the gains and losses in ANE in those periods.

For the purposes of ANE, gains and losses on derivatives are reported based on the difference between the effective hedge rate of the contracts designated for use in the particular period and the exchange rate at the time of settlement. This results in an adjustment to current period IFRS earnings to effectively remove reported gains and losses on derivatives that arise from contracts put in place for use in future periods. The effective hedge rate will lag the market in periods of rapid currency movement. See *Non-IFRS measures* on page 29.

For more information, see our 2023 annual MD&A.

At June 30, 2024:

- The value of the US dollar relative to the Canadian dollar was \$1.00 (US) for \$1.37 (Cdn), up from \$1.00 (US) for \$1.35 (Cdn) at March 31, 2024. The exchange rate averaged \$1.00 (US) for \$1.37 (Cdn) over the quarter.
- The mark-to-market position on all foreign exchange contracts was a \$35 million loss compared to a \$21 million loss at March 31, 2024.

For information on the impact of foreign exchange on our intercompany balances, see note 19 to the financial statements.

Outlook for 2024

Our outlook for 2024 reflects the continued transition of our cost structure back to a tier-one run rate, as we plan our production to satisfy the growing long-term commitments under our contract portfolio. With our plan to produce 18 million pounds (100% basis) at each of Cigar Lake and McArthur River/Key Lake, and to produce between 11,000 and 11,500 tonnes UF₆ (previously 12,000 tonnes UF₆) at our Port Hope conversion facility, we expect strong cash flow generation.

Our financial performance and the amount of cash generated will be dependent on sourcing the material required to meet our deliveries as planned, including achieving our production plans. Therefore, our cash balances may fluctuate throughout the year.

As in prior years, we will incur care and maintenance costs for the ongoing curtailment of our tier-two assets, which are expected to be between \$50 million and \$60 million.

The average unit cost of sales in our fuel services segment is now expected to be between \$25.50 and \$26.50 per kgU (previously \$24.50 to \$25.50 per kgU) due to the lower production expectations for UF₆ at our Port Hope conversion facility.

2024 FINANCIAL OUTLOOK

	CONSOLIDATED	URANIUM	FUEL SERVICES	WESTINGHOUSE
Production (owned and operated properties)	-	22.4 million lbs	13.5 to 14.5 million kgU	-
Market purchases	-	up to 2 million lbs	-	-
Committed purchases (including Inkai purchase volumes)	-	9 million lbs	-	-
Sales/delivery volume	-	32 to 34 million lbs	12 to 13 million kgU	-
Revenue	\$2,850-3,000 million	\$2,410-2,530 million	\$430-460 million	-
Average realized price	-	\$74.70/lb ¹	-	-
Average unit cost of sales (including D&A)	-	\$57.00-60.00/lb ²	\$25.50-26.50/kgU ³	-
Direct administration costs	\$190-200 million	-	-	-
Exploration costs	-	\$20 million	-	-
Research and development	\$37 million	-	-	-
Capital expenditures	\$215-250 million	-	-	-
Adjusted EBITDA (non-IFRS, see page 29)	-	-	-	\$445-510 million

¹Uranium average realized price is calculated as the revenue from sales of uranium concentrate, transportation and storage fees divided by the volume of uranium concentrates sold.

²Uranium average unit cost of sales is calculated as the cash and non-cash costs of the product sold, care and maintenance and selling costs, divided by the volume of uranium concentrates sold.

³Fuel services average unit cost of sales is calculated as the cash and non-cash costs of the product sold, transportation and weighing and sampling costs, divided by the volume of products sold.

We are not providing an outlook for the items in the table that are marked with a dash.

The following assumptions were used to prepare the outlook in the table above:

- Market purchases – reflect the market purchases we have made to date or expect to make in 2024. Market purchases may vary if planned production varies. In addition, if we decide to increase our working inventory from current levels our market purchases could be higher.
- Committed purchases - are based on the 4.7 million pounds of commitments we have made to date or agreed to acquire under contracts signed prior to 2024 and our JV Inkai purchases, which we have assumed will be equivalent to our 2023 purchase volume of 4.2 million pounds, including the 1.1 million purchased to date. If Inkai production and/or deliveries vary, committed purchases may vary and we may choose to make additional market purchases, temporarily reduce our inventory levels, pull forward long-term purchase commitments, or draw on loan arrangements we have in place. We equity account for our minority ownership interest in JV Inkai. We record our share of its production as a purchase. However, this does not reflect our share of the economic benefit. Our share of the economic benefit is based on the difference between our purchase price and JV Inkai's lower production cost and is reflected in the line item on our statement of earnings called, "share of earnings from equity-accounted investees". As a result, increases in the spot price increase our cost of purchases from JV Inkai and also our "share of earnings from equity accounted investees". The benefit is realized, through receipt of a cash dividend, when declared and paid by JV Inkai.
- Our 2024 outlook for sales/delivery volume does not include sales between our uranium and fuel services segments.
- Sales/delivery volume is based on the volumes we currently have delivered and our remaining commitments to deliver under contract in 2024.
- Uranium revenue and average realized price are calculated based on the terms contained in the base-escalated and market-related contracts under which we have deliveries in 2024. For market-related contracts not yet priced and for delivery in 2024, subject to any floors or ceilings, we used a uranium spot price of \$83.50 (US) per pound (the UxC spot price as of June 24, 2024), a long-term price indicator of \$79.00 (US) per pound (the UxC long-term indicator on June 24, 2024) and an exchange rate of \$1.00 (US) for \$1.30 (Cdn).

- Uranium average unit cost of sales (including D&A) is based on the expected unit cost of sales for produced material and the market purchases and committed purchases made to date and the planned volume remaining noted in the outlook at an anticipated average purchase price of about \$95 (Cdn) per pound (previously \$100 (Cdn) per pound) and includes care and maintenance costs of between \$50 million and \$60 million. We expect overall unit cost of sales could vary if there are changes in production and market or committed purchase volumes or the mix of supply sources used to meet our contract deliveries, uranium spot prices, and/or care and maintenance costs in 2024.
- Direct administration costs do not include stock-based compensation expenses. See page 13 for more information.
- The adjusted EBITDA outlook for Westinghouse is based on the assumptions listed later in this section.
- Westinghouse and JV Inkai are accounted for using the equity method for our share. Under equity accounting, Westinghouse and JV Inkai capital expenditures are not presented within our consolidated financial statements and are therefore not included in our outlook for capital expenditures.

For more information on how changes in the exchange rate or uranium prices can impact our outlook see *Revenue, adjusted net earnings, and cash flow sensitivity analysis* below, and *Foreign exchange* on page 15.

In 2024 we expect our share of adjusted EBITDA from our equity investment in Westinghouse to be between \$445 million and \$510 million. Over the next five years, we expect its adjusted EBITDA will grow at a compound annual growth rate of 6% to 10%.

CAMECO SHARE (49%)	2024 OUTLOOK
Net earnings (loss)	(170-230)
Depreciation and amortization	335-385
Finance income	(2-3)
Finance costs	175-205
Income tax expense (recovery)	(40-50)
EBITDA (non-IFRS, see page 29)	320-380
Inventory purchase accounting	65-70
Acquisition-related transition costs	25-30
Other expenses	55-65
Adjusted EBITDA (non-IFRS, see page 29)	445-510

Note: the ranges for 2024 outlook for EBITDA and adjusted EBITDA are not determined using the high and low estimates of the ranges provided for each of the detailed reconciling line items.

The outlook has been revised to reflect the expected additional impacts of purchase accounting on income tax recovery (previously \$10 million to \$30 million expense, respectively). The range for other expenses has also been increased slightly due to additional non-operating charges and integration and restructuring costs (previously \$40 million to \$50 million, respectively). The outlook for net income and adjusted EBITDA remains unchanged.

The outlook for adjusted EBITDA for 2024 and its growth rate over the next five years are based on the following assumptions:

- An exchange rate of \$1.00 (US) for \$1.30 (Cdn)
- A compound annual growth rate in revenue from its core business of 4% to 6%, which is slightly higher than the anticipated average growth rate of the nuclear industry based on the World Nuclear Association's Reference Case. In addition to orders for PWR reactor fuel and services, this includes orders for VVER and BWR fuel and services. The outlook assumes that work is fulfilled on the timelines and scope expected based on current orders received, and additional work is undertaken based on past trends. The expected margins on this work are aligned with the historic margins of 16% to 19%, with variability expected to come from product mix compared to previous years.
- Growth from new AP1000 reactor projects is based on agreements that have been signed and announcements where the AP1000 technology has been selected, including Poland, Bulgaria and Ukraine. It is assumed that work on announced agreements and announced selections to be done by Westinghouse would proceed on the timelines and revenue pattern noted under the *New Build Framework* in our 2023 annual MD&A. The growth only assumes Westinghouse undertakes the engineering and procurement work required prior to a new reactor project breaking ground, which is a small component of the overall potential. A delay in project timelines or cancellation of announced projects would result in a growth rate near the bottom of the range.

- Estimates and assumptions, including development timelines for both announced and potential reactor builds are subject to government and regulatory approval, as well as risks related to the current macro-economic environment, and may differ significantly from those assumed.
- It is also expected that investments in new technologies, including eVinci™ microreactor and AP300™ small modular reactor, will be made in accordance with the current business plan and are expected to contribute to adjusted EBITDA largely outside the five-year time frame.

Caution about forward-looking information relating to our future earnings and adjusted EBITDA from Westinghouse

This discussion of our expectations for Westinghouse's future earnings and adjusted EBITDA and our share thereof is forward-looking information that is based upon the assumptions and subject to the material risks discussed under the headings *Caution about forward-looking information* beginning on page 2. Actual results and events may be significantly different from what we currently expect.

REVENUE, ADJUSTED NET EARNINGS, AND CASH FLOW SENSITIVITY ANALYSIS

We have sensitivity to the uranium price through both our sales and purchase commitments. However, at the current price levels many of the market-related sales contracts we have delivered into or are delivering into this year are subject to ceiling prices and therefore are generally less sensitive than our purchase commitments.

As a result, if the uranium spot price increased by \$5 (US) per pound, we expect revenue would increase by \$15 million, while ANE would increase by \$1 million and cash flow would decrease by \$21 million. From a cash flow perspective, the sensitivity does not adequately capture the impact of JV Inkai purchases, which straddle two fiscal reporting periods due to when dividends are declared and paid by JV Inkai. The cash flow sensitivity includes the cash outflow for the remaining 3.0 million pounds of uranium assumed to be purchased from JV Inkai in 2024 at a 5% discount to the spot price, but does not account for an associated increase in the cash dividend expected, which will be tied to our agreed to 2024 production purchase entitlement and is expected to be received in 2025. JV Inkai distributes excess cash as dividends to its owners, net of working capital requirements. In the case of a \$5 (US) per pound increase in uranium prices, the JV Inkai purchases are responsible for about \$19 million of the noted expected decrease in cash flow and we expect the impact of these purchases on the 2024 cash flow will be partially offset by dividends once declared and paid in 2025.

If the uranium spot price decreased by \$5 (US) per pound, we expect revenue to decrease by \$15 million, ANE to decrease by \$1 million, and cash flow to increase by \$21 million. From a cash flow perspective, the impact of the noted decrease in uranium price on the assumed purchase of uranium from JV Inkai is expected to have the opposite impact from that described above for the noted uranium price increase.

In the case of a \$5 (US) increase or decrease in the uranium spot price, the sensitivity for ANE compared to the sensitivity for cash flow is less due to the impact on our net earnings from the inclusion of our share of earnings from our equity-accounted investment in JV Inkai in the reporting period, the rate of inventory turnover, and income taxes.

The following assumptions were used to prepare the revenue, ANE and cash flow sensitivity analysis above:

- 2 million pounds of purchases are sourced from the market, including those pounds purchased to date.
- Total JV Inkai purchases for the year are equivalent to our 2023 purchase volume of 4.2 million pounds, of which 3.0 million pounds remain for 2024.
- For market-related contracts not yet priced and for delivery in 2024, subject to any floors or ceilings, we used a uranium spot price of \$83.50 (US) per pound (the UxC spot price as of June 24, 2024), a long-term price indicator of \$79.00 (US) per pound (the UxC long-term indicator on June 24, 2024) and an exchange rate of \$1.00 (US) for \$1.30 (Cdn).

To the extent that our market purchases or Inkai purchases vary, the sensitivity of our ANE and cash flow to changes in the spot and long-term prices may be impacted. In the case of decreased market or Inkai purchases, our sensitivity would be reduced. In the case of increased market or Inkai purchases, our sensitivity would be greater.

A one cent increase or decrease in the value of the Canadian dollar compared to the US dollar would respectively increase or decrease expected revenue by \$13 million, ANE by \$6 million and cash flow by \$4 million.

PRICE SENSITIVITY ANALYSIS: URANIUM SEGMENT

As discussed under *Long-term contracting* on page 25 of our 2023 annual MD&A, our average realized price is based on pricing terms established in our portfolio of long-term contracts, which includes a mix of base-escalated and market-related contracts that are layered in over time. Each confidential contract is bilaterally negotiated with the customer, and delivery generally does not begin until two years or more after signing.

- Base-escalated contracts will reflect market conditions and pricing at the time each contract was finalized, with escalation factors applied based on when the material is delivered.
- Market-related contracts reference a pricing mechanism that may be based on the spot price and/or the long-term price, and that price is generally set a month or more prior to delivery, subject to specific terms unique to each contract such as floors and ceilings set relative to market pricing at time of negotiation and typically escalated to time of delivery.

As a result of these contracting dynamics, changes to our average realized price will generally lag changes in market prices in both rising and falling price conditions. The magnitude and direction of the deviation can vary based on the degree of market price volatility between the time the contract price is set, and the time the product is delivered.

To help understand how the pricing under our current portfolio of commitments is expected to react at various spot prices at June 30, 2024, we have constructed the table that follows.

The table is based on the volumes and pricing terms under the long-term commitments in our contract portfolio that have been finalized as at June 30, 2024. The table does not include volumes and pricing terms in contracts under negotiation or those that have been accepted but are still subject to contract finalization. Based on the terms and volumes under contracts that have been finalized, the table is designed to indicate how our average realized price would react under various spot price assumptions at a point in time. In other words, the prices shown in the table would only be realized if the contract portfolio remained exactly as it was on June 30, 2024, using the following assumptions:

- The uranium price remains fixed at a given spot level for each annual period shown.
- Deliveries based on commitments under finalized contracts include best estimates of the expected deliveries and flexibility under contract terms.
- To reflect escalation mechanisms contained in existing contracts the long-term US inflation rate target of 2% is used, for modeling purposes only.

It is important to note that the table is not a forecast of prices we expect to receive. The prices we actually realize will be different from the prices shown in the table. We intend to update this table each quarter in our MD&A to reflect deliveries made and changes to our contract portfolio. As a result, we expect the table to change from quarter to quarter.

Expected realized uranium price sensitivity under various spot price assumptions at June 30, 2024

(rounded to the nearest \$1.00)

SPOT PRICES (\$US/lb U ₃ O ₈)	\$20	\$40	\$60	\$80	\$100	\$120	\$140
2024	49	52	55	57	58	59	59
2025	39	44	54	61	64	65	65
2026	42	44	56	67	69	70	72
2027	43	45	57	69	73	74	76
2028	46	49	58	70	75	77	78

As of June 30, 2024, we had commitments requiring delivery of an average of about 29 million pounds per year (previously an average of about 28 million pounds per year) from 2024 through 2028, with commitment levels in 2024 and 2025 being higher than the average, and in 2026 through 2028, lower than the average. As the market continues to improve, we expect to continue layering in volumes that capture greater future upside using market-related pricing mechanisms.

Liquidity and capital resources

Our financial objective is to ensure we have the cash and debt capacity to fund our operating activities, investments and other financial obligations in order to execute our strategy and to allow us to self-manage risk. We have a number of alternatives to fund future capital requirements, including using our operating cash flow, drawing on our existing credit facilities, entering new credit facilities, and raising additional capital through debt or equity financings. We are always considering our financing options and the tools we have available so we can take advantage of favourable market conditions when they arise. To help provide this flexibility, we plan to file a new base shelf prospectus when the current base shelf prospectus expires in October 2024. We may also consider other financial tools to provide added flexibility. In addition, with improving prices under our long-term contract portfolio, our plan to return to a tier-one cost structure in our uranium segment, and an expected increase in our UF₆ conversion production, we expect to see strong cash flow generation in 2024.

As of June 30, 2024, we had cash and cash equivalents of \$362 million, while our total debt amounted to approximately \$1.4 billion. We also have a \$1.0 billion undrawn credit facility.

Our cash balances and investments are held in government securities or with banks that are party to our lending facilities. We have a risk management policy that we follow to manage our exposure to banking counterparties, which limits amount and tenor of cash or investments based on counterparty credit rating. Our investment decisions prioritize security and liquidity and consider concentration amongst our banking partners. The majority of our cash balances are with Schedule I Canadian banks.

We continue to navigate by our investment-grade rating, which has been affirmed by both S&P and DBRS following our acquisition of Westinghouse (S&P rating of BBB- and DBRS rating of BBB). On May 24, 2024, we issued debentures in the amount of \$500 million, at an interest rate of 4.94% per annum, the Series I senior unsecured debentures mature on May 24, 2031. The proceeds from the issuance were used to retire our outstanding \$500 million Series G debentures bearing interest of 4.19% at maturity on June 24. Additionally, during the quarter, we made a partial prepayment of \$100 million (US) on our floating-rate term loan. We plan to continue to prioritize repayment of the remaining \$300 million (US) outstanding in floating-rate term loan debt used to finance the acquisition of Westinghouse while balancing our liquidity and cash position.

We expect our cash balances and operating cash flows to meet our capital requirements during 2024. However, cash flow from operations for 2024 will be dependent on our ability to source the material required to meet our deliveries as planned, including achieving our production plans.

We have large, creditworthy customers that continue to need our nuclear fuel products and services even during weak economic conditions, and we expect the contract portfolio we have built will continue to provide a solid revenue stream. In our uranium segment, from 2024 through 2028, we have commitments to deliver an average of about 29 million pounds per year, with commitment levels in 2024 and 2025 higher than the average and in 2026 through 2028 lower than the average.

With the Supreme Court's dismissal of CRA's application for leave, the dispute for the 2003 through 2006 tax years is fully and finally resolved in our favour. Furthermore, we are confident the courts would reject any attempt by CRA to utilize the same position and arguments for tax years 2007 through 2014, or its alternate reassessing position for tax years 2014 through 2017 and believe CRA should return the \$555 million in cash and letters of credit we have been required to pay or otherwise secure. However, timing of any further payments is uncertain. See *Transfer pricing dispute* starting on page 14 for more information.

CASH FROM/USED IN OPERATIONS

Cash provided by operations was \$173 million higher this quarter than in the second quarter of 2023 due to higher gross profits in the uranium segment, a higher dividend payment from JV Inkai in 2024 and a decrease in working capital requirements which required \$78 million less in 2024 than in 2023. Cash from operations in the quarter compared to the prior year also reflects higher interest received in 2023 due to higher cash and investment balances being held in the second quarter of 2023 in anticipation of closing the Westinghouse acquisition. Additionally, in the second quarter of 2023 we received an \$86 million cash refund from CRA.

Cash provided by operations was \$21 million higher in the first six months of 2024 compared to the same period in 2023 due to the same factors that impacted the quarter except for working capital requirements, which required \$23 million more in 2024 than in 2023. See note 17 of our interim financial statements for more information.

FINANCING ACTIVITIES

We use debt to provide additional liquidity. We have sufficient borrowing capacity with unsecured lines of credit totalling about \$2.7 billion at June 30, 2024, unchanged from March 31, 2024. At June 30, 2024, we had approximately \$1.5 billion outstanding in financial assurances, down from \$1.6 billion at March 31, 2024 due to some changes to short-term requirements during the quarter.

At June 30, 2024, we had no short-term debt outstanding on our \$1.0 billion unsecured revolving credit facility, unchanged from December 31, 2023. Our revolving credit facility matures October 1, 2027.

Additionally, after making partial prepayments of \$300 million (US) in 2024, \$300 million (US) remains outstanding on the term loan debt incurred in connection with the execution of the Westinghouse acquisition agreement. The remaining principal of \$300 million (US) matures in November 2025.

Long-term contractual obligations

On May 24, 2024, we issued debentures in the amount of \$500 million, at an interest rate of 4.94% per annum, the Series I senior unsecured debentures mature on May 24, 2031. The proceeds from the issuance were used to retire our outstanding \$500 million Series G debentures bearing interest of 4.19% at maturity on June 24. Additionally, since December 31, 2023, we have repaid the full \$300 million (US) of term loan debt that was set to mature in November 2026. There have been no other material changes to our long-term contractual obligations. Please see our 2023 annual MD&A for more information.

Debt covenants

As at June 30, 2024, we complied with all covenants in our credit agreements, including the financial covenants. The financial covenants place restrictions on total debt, including guarantees and other financial assurances. We do not expect our operating and investment activities for the remainder of 2024 to be constrained by these covenants.

SHARES AND STOCK OPTIONS OUTSTANDING

At July 29, 2024, we had:

- 435,180,572 common shares and one Class B share outstanding
- 391,469 stock options outstanding, with exercise prices ranging from \$11.32 to \$15.27

OFF-BALANCE SHEET ARRANGEMENTS

We had three kinds of off-balance sheet arrangements at June 30, 2024:

- purchase commitments
- financial assurances
- other arrangements

Purchase commitments

There have been no material changes to our purchase commitments since December 31, 2023. Please see our annual MD&A for more information.

Financial assurances

At June 30, 2024, our financial assurances totaled \$1.5 billion, down from \$1.6 billion at March 31, 2024, due to some changes of short-term requirements during this quarter.

Other arrangements

We have arranged for standby product loan facilities with various counterparties. The arrangements allow us to borrow up to 2.0 million kgU of UF₆ conversion services and 6.7 million pounds of U₃O₈ over the period 2020 to 2027 with repayment in kind up to December 31, 2027. Under the loan facilities, standby fees of up to 1.5% are payable based on the market value of the facilities and interest is payable on the market value of any amounts drawn at rates ranging from 0.5% to 3.0%. At June 30, 2024, we have 1.8 million kgU of UF₆ conversion services and 2.8 million pounds of U₃O₈ drawn on the loans.

BALANCE SHEET

(\$ MILLIONS)	JUN 30, 2024	DEC 31, 2023	CHANGE
Cash and cash equivalents	362	567	(36)%
Total debt	1,403	1,784	(21)%
Inventory	838	692	21%

Total cash and cash equivalents at June 30, 2024, were \$362 million, or 36% lower than at December 31, 2023, due mainly to \$300 million (US) in pre-payments on the floating-rate term loan during the year partially offset by the receipt of \$129 million (US) of dividend payments from JV Inkai. Net debt at June 30, 2024, was \$1.0 billion.

Total product inventories are \$838 million compared to \$692 million at the end of 2023. Inventories increased due to sales being lower than production and purchases in the first six months of the year. The average cost for uranium has decreased to \$46.49 per pound compared to \$49.62 per pound at December 31, 2023. As of June 30, 2024, we held an inventory of 13.4 million pounds of U₃O₈ equivalent (excluding broken ore) (December 31, 2023 - 10.3 million pounds). Inventory varies from quarter to quarter depending on the timing of production, purchases and sales deliveries in the year.

Financial results by segment

Uranium

HIGHLIGHTS	THREE MONTHS ENDED JUNE 30			SIX MONTHS ENDED JUNE 30		
	2024	2023	CHANGE	2024	2023	CHANGE
Production volume (million lbs)	7.1	4.4	61%	12.9	8.8	47%
Sales volume (million lbs)	6.2	5.5	13%	13.5	15.2	(11)%
Average spot price (\$US/lb)	87.88	54.53	61%	91.10	52.60	73%
Average long-term price (\$US/lb)	78.50	54.83	43%	76.67	53.83	42%
Average realized price (\$US/lb)	56.43	49.41	14%	57.04	46.81	22%
	76.93	67.05	15%	77.15	63.17	22%
Average unit cost of sales (including D&A) (\$Cdn/lb)	53.86	53.93	-	54.01	49.37	9%
Revenue	481	369	30%	1,042	963	8%
Gross profit	144	72	100%	313	208	50%
Gross profit (%)	30	20	50%	30	22	36%
Net earnings attributable to equity holders	192	68	>100%	445	256	74%
Adjusted EBITDA (\$ millions) (non-IFRS, see page 29)	248	118	>100%	550	378	46%

SECOND QUARTER

Production during the quarter was 7.1 million pounds, 61% higher than the second quarter of 2023. See *Uranium 2024 Q2 updates* starting on page 27 for more information.

Uranium revenues this quarter were up 30% compared to 2023 due to a 13% increase in sales volume due to the timing of sales, which were in line with the delivery pattern disclosed in our annual MD&A, and an increase of 15% in the Canadian dollar average realized price. The average realized price increased as a result of the impact of spot price changes on market-related contracts. For more information on the impact of spot price changes on average realized price, see *Price sensitivity analysis: uranium segment* on page 20.

Total cost of sales (including D&A) increased by 13% (\$336 million compared to \$297 million in 2023) due to a 13% increase in sales volume. Unit cost of sales was unchanged from the same period last year.

The net effect was a \$72 million increase in gross profit for the quarter.

Equity earnings from investee, JV Inkai, were \$48 million in the second quarter compared to \$8 million in the same period last year.

FIRST SIX MONTHS

Production volumes for the first six months of the year were 47% higher than in the previous year. See *Uranium 2024 Q2 updates* starting on page 27 for more information.

Uranium revenues increased 8% compared to the first six months of 2023 despite an 11% decrease in sales volumes, due to an increase of 22% in the Canadian dollar average realized price, which was a result of the impact of the increase in the average US dollar spot price on market-related contracts. For more information on the impact of spot price changes on average realized price, see *Price sensitivity analysis: uranium segment* on page 20.

Total cost of sales (including D&A) decreased by 3% (\$729 million compared to \$755 million in 2023) primarily as a result of an 11% decrease in sales volume partially offset by a unit cost of sales that was 9% higher than the same period last year. Unit cost of sales was higher in 2024 due to the higher cost of purchased material in 2024 compared to the same period in 2023.

The net effect was a \$105 million increase in gross profit for the first six months.

Equity earnings from investee, JV Inkai, were \$125 million in the first six months of 2024 compared to \$64 million in the same period last year.

The table below shows the costs of produced and purchased uranium incurred in the reporting periods (which are non-IFRS measures, see the paragraphs below the table). These costs do not include care and maintenance costs, selling costs such as royalties, transportation and commissions, nor do they reflect the impact of opening inventories on our reported cost of sales.

(\$CDN/LB)	THREE MONTHS ENDED JUNE 30			SIX MONTHS ENDED JUNE 30		
	2024	2023	CHANGE	2024	2023	CHANGE
Produced						
Cash cost	16.96	23.35	(27)%	18.11	23.24	(22)%
Non-cash cost	9.10	12.82	(29)%	9.41	11.81	(20)%
Total production cost ¹	26.06	36.17	(28)%	27.52	35.05	(21)%
Quantity produced (million lbs) ¹	7.1	4.4	61%	12.9	8.8	47%
Purchased						
Cash cost	109.11	68.31	60%	96.25	68.17	41%
Quantity purchased (million lbs) ¹	1.7	3.8	(55)%	4.4	4.2	5%
Totals						
Produced and purchased costs	42.10	51.06	(18)%	45.00	45.75	(2)%
Quantities produced and purchased (million lbs)	8.8	8.2	7%	17.3	13.0	33%

¹ Due to equity accounting, our share of production from JV Inkai is shown as a purchase at the time of delivery. These purchases will fluctuate during the quarters and timing of purchases will not match production. There were no purchases during the quarter. In the first six months of 2024, we purchased 1.1 million pounds at a purchase price per pound of \$129.96 (\$96.88 (US)).

The average cash cost of production was 27% lower for the quarter compared to the same period in 2023. For the first six months, the average cash cost of production was 22% lower than in the same period in 2023.

In 2024, we expect the average unit cost of production at McArthur River/Key Lake to continue to be higher than the average unit life of mine operating costs reflected in our most recent annual information form as we complete the ramp up of production and continue work to realize the benefits from the operational improvements that have been made. The estimated average unit life of mine operating costs reflected in our most recent annual information form are \$16.70 per pound at McArthur River/Key Lake and \$20.58 per pound at Cigar Lake.

Our purchases in the second quarter of 2024 totaled about \$185 million, representing an average cost of \$109.11 per pound, about \$83.00 per pound higher than our total unit production cost for the quarter. Although purchased pounds are transacted in US dollars, we account for the purchases in Canadian dollars. In the second quarter, the average cash cost of purchased material was \$109.11 (Cdn) per pound, or \$80.27 (US) per pound, compared to \$68.31 (Cdn) per pound, or \$50.23 (US) per pound in the second quarter of 2023. As a result, the average cash cost per pound of purchased material in Canadian dollar terms increased by 60% this quarter compared to the same period last year.

For the first six months of the year, purchases totaled about \$424 million, representing an average cost of \$96.25 per pound, about \$69.00 per pound higher than our total unit production cost for the same period last year. The average cash cost of purchased material for the six-month period was \$96.25 (Cdn), or \$71.32 (US) per pound, compared to \$68.17 (Cdn), or \$50.16 (US) per pound in the same period in 2023. As a result, the average cash cost per pound of purchased material in Canadian dollar terms increased by 41% for the six months compared to the same period last year.

We equity account for our share of JV Inkai. As a result, we record our share of its production as a purchase, which under Kazakhstan's pricing regulations, requires we purchase the material at a price equal to the uranium spot price, less a 5% discount. Our share of the economic benefit is reflected in the line item on our statement of earnings called, "share of earnings from equity-accounted investee" and is based on the difference between our purchase price and JV Inkai's lower production cost (estimated average unit life of mine operating cash cost of \$12.42 per pound, prior to the implementation of the amended MET provisions). If there is a significant disruption to JV Inkai's operations for any reason, it may not achieve its production plans, there may be a delay in production, and it may experience increased costs to produce uranium.

JV Inkai contribution to uranium segment

In the second quarter, included in net earnings attributable to equity holders for the uranium segment is \$48 million of equity earnings and included in EBITDA is \$54 million of EBITDA from JV Inkai, compared to \$8 million and \$18 million respectively in the same period last year.

For the first six months of the year, \$125 million is included in net earnings attributable to equity holders and \$159 million is included in EBITDA from JV Inkai, compared to \$64 million and \$80 million respectively in the same period last year.

The increase in JV Inkai's equity earnings and EBITDA was largely driven by the higher uranium prices in the first quarter and six months of 2024 compared to the same periods in 2023, partially offset by increased costs. In April, we received a cash dividend of \$129 million (US), net of withholdings, based on JV Inkai's 2023 financial performance. From a cash flow perspective, we expect to realize the benefit from JV Inkai's 2024 financial performance in 2025, once the dividend for 2024 is declared and paid.

The following table reconciles our share of earnings from JV Inkai to EBITDA:

(\$ MILLIONS)	THREE MONTHS ENDED JUNE 30			SIX MONTHS ENDED JUNE 30		
	2024	2023	CHANGE	2024	2023	CHANGE
Share of earnings from equity-accounted investee	48	8	>100%	125	64	95%
Depreciation and amortization	2	3	(33)%	10	5	100%
Income tax expense	4	7	(43)%	24	11	>100%
EBITDA (non-IFRS, see page 29) attributable to JV Inkai	54	18	>100%	159	80	99%

Fuel services

(includes results for UF₆, UO₂, UO₃ and fuel fabrication)

HIGHLIGHTS	THREE MONTHS ENDED JUNE 30			SIX MONTHS ENDED JUNE 30		
	2024	2023	CHANGE	2024	2023	CHANGE
Production volume (million kgU)	2.9	3.4	(15)%	6.7	7.6	(12)%
Sales volume (million kgU)	2.9	3.2	(9)%	4.4	5.6	(21)%
Average realized price (\$Cdn/kgU)	39.98	35.63	12%	42.80	36.51	17%
Average unit cost of sales (including D&A) (\$Cdn/kgU)	29.05	23.38	24%	31.35	24.14	30%
Revenue	118	113	4%	190	206	(8)%
Net earnings attributable to equity holders	33	39	(15)%	53	70	(24)%
Adjusted EBITDA (\$ millions) (non-IFRS, see page 29)	42	48	(13)%	67	86	(22)%
Adjusted EBITDA margin (%) (non-IFRS, see page 29)	36	42	(14)%	35	42	(17)%

SECOND QUARTER

Total revenue for the second quarter of 2024 increased by 4% from \$113 million in the same period last year to \$118 million. This was due primarily to a 12% increase in average realized price compared to 2023 partially offset by a 9% decrease in sales volumes. Average realized price increased mainly due to constructive market conditions and increased prices for UF₆.

The total cost of products and services sold (including D&A) increased 16% (\$86 million compared to \$74 million in 2023) due to an increase of 24% in the average unit cost of sales, which was partially offset by the 9% decrease in sales volume. Unit cost of sales increased mainly due to lower production volumes which was a result of operational issues in the first half of the year which have now been resolved.

The net effect was a \$6 million decrease in net earnings.

FIRST SIX MONTHS

In the first six months of the year, total revenue decreased 8% to \$190 million from \$206 million for the same period last year due to a 21% decrease in sales volumes, partially offset by a 17% increase in average realized price. The increase in average realized price was mainly the result of increased prices due to constructive market conditions.

The total cost of products and services sold (including D&A) increased 2% (\$139 million compared to \$136 million in 2023) due to a 30% increase in the average unit cost of sales partially offset by a 21% decrease in sales volume. Average unit cost of sales was higher as a result of increased input costs as well as the lower production volume.

The net effect was a \$17 million decrease in net earnings.

Westinghouse

OUR EARNINGS FROM WESTINGHOUSE

On November 7, 2023, we announced the closing of the acquisition of Westinghouse in a strategic partnership with Brookfield. Cameco now owns a 49% interest and Brookfield owns the remaining 51%. Under the equity method of accounting, beginning on November 7, 2023, we have included our share of Westinghouse's earnings in our financial results.

(\$ MILLIONS)	THREE MONTHS ENDED JUNE 30			SIX MONTHS ENDED JUNE 30		
	2024	2023 ¹	CHANGE	2024	2023 ¹	CHANGE
Net loss	(47)	-	-	(170)	-	-
Depreciation and amortization	89	-	-	173	-	-
Finance income	(1)	-	-	(3)	-	-
Finance costs	54	-	-	118	-	-
Income tax recovery	(11)	-	-	(48)	-	-
EBITDA²	84	-	-	70	-	-
Inventory purchase accounting	16	-	-	66	-	-
Acquisition-related transition costs	6	-	-	25	-	-
Other expenses	15	-	-	36	-	-
Adjusted EBITDA²	121	-	-	197	-	-
Capital expenditures	32	-	-	65	-	-
Adjusted free cash flow²	89	-	-	132	-	-
Revenue	670	-	-	1,325	-	-
Adjusted EBITDA margin²	18%	-	-	15%	-	-

¹ 2023 results are presented for comparative purposes only. Cameco did not acquire its interest in Westinghouse until November 7, 2023.

² Non-IFRS measures, see page 29.

In line with the expected variability in Westinghouse's quarterly performance, second quarter results improved over the first quarter with a reported net loss of \$47 million (our share), resulting in a net loss of \$170 million (our share) for the six months ended June 30, 2024 primarily related to the impact of purchase accounting, which required the revaluation of its inventories based on market prices at time of acquisition and the expensing of some other non-operating acquisition-related transition costs. As the acquired inventory is sold, Westinghouse's cost of products and services sold will reflect these higher market values, regardless of its historic costs. The impact of the revaluation of inventory and the other non-operating acquisition-related transition costs are largely isolated to 2024 and therefore are expected to have little impact in future years. However, Westinghouse's quarterly results will continue to be impacted by amortization of the intangible assets that arose as a result of the fair values assigned to Westinghouse's net assets at the time of acquisition. We use adjusted EBITDA as a performance measure as the impact of the revaluation of Westinghouse's inventory and assets and the non-operating acquisition-related transition costs do not reflect the underlying performance for the reporting period. We believe Westinghouse remains on track to achieve its 2024 outlook.

We do not believe Westinghouse's quarterly results are necessarily a good indication of annual results due to variability in timing of customer requirements and delivery and outage schedules. The first quarter is typically weaker, with stronger expected performance in the second half of the year, and higher expected cash flows in the fourth quarter.

Our operations

Uranium – production overview

We produced 7.1 million pounds of U₃O₈ (our share) in the second quarter and 12.9 million pounds production (our share) in the first six months of 2024, compared to 4.4 million pounds and 8.8 million pounds in the same periods of 2023. In 2023, the Key Lake mill had not yet achieved an 18 million pound per year run rate, and at Cigar Lake, productivity was impacted by a transition to a new mining area.

We continue to evaluate the optimal mix of production, inventory and purchases in order to retain the flexibility to deliver long-term value.

URANIUM PRODUCTION

OUR SHARE (MILLION LBS)	THREE MONTHS ENDED JUNE 30			SIX MONTHS ENDED JUNE 30			2024 PLAN
	2024	2023	CHANGE	2024	2023	CHANGE	
Cigar Lake	2.9	2.1	38%	5.1	4.2	21%	9.8
McArthur River/Key Lake	4.2	2.3	83%	7.8	4.6	70%	12.6
Total	7.1	4.4	61%	12.9	8.8	47%	22.4

Inflation, the availability of personnel with the necessary skills and experience, aging infrastructure, and the impact of supply chain challenges on the availability of materials and reagents carry with them the risk that we do not achieve our production plans and/or, experience production delays and increased costs.

The annual maintenance shutdowns at Cigar Lake and at McArthur River and Key Lake are currently planned for the third quarter of 2024, which is similar timing to previous years.

Uranium 2024 Q2 updates

PRODUCTION UPDATE

McArthur River/Key Lake

In the second quarter of 2024, total packaged production from McArthur River and Key Lake was 6.2 million pounds (4.2 million pounds our share) compared to 3.3 million pounds (2.3 million pounds our share) in the second quarter of 2023. Our share of production was higher in the second quarter of 2024 compared to 2023 with the mill having achieved its planned production run rate. Our share of production in the first six months of 2024 was 7.8 million pounds compared to 4.6 million pounds in 2023 for the same reason.

We continue to expect production of 18 million pounds (12.6 million pounds our share) in 2024.

The collective agreement with the United Steelworkers Local 8914 expired in December 2022 and a new three-year contract was approved by union membership in July 2024. The new collective agreement expires in December 2025.

Cigar Lake

Total packaged production from Cigar Lake was 5.3 million pounds (2.9 million pounds our share) in the second quarter of 2024 compared to 3.8 million pounds (2.1 million pounds our share) in the second quarter of 2023, when quarterly production was lower while transitioning to a new mining area. Our share of production in the first six months of 2024 was 5.1 million pounds compared to 4.2 million pounds in the same period in 2023 for the same reason.

We continue to expect 18.0 million pounds (9.8 million pounds our share) in 2024.

Inkai

Production on a 100% basis was 1.9 million pounds for the quarter, and 3.5 million pounds for the first six months of this year, compared to 2.4 million pounds and 4.3 million pounds in the same periods last year. The lower production for the quarter and the first half of the year is attributed to challenges with acid supply in the early part of the year.

Due to equity accounting, our share of production is shown as a purchase at a 5% discount to the spot price and included in inventory at this value at the time of delivery. Our share of the profits earned by JV Inkai on the sale of its production to the JV partners is included in "share of earnings from equity-accounted investee" on our consolidated statement of earnings. Excess cash, net of working capital requirements, is distributed to the partners as dividends once declared.

JV Inkai continues to experience procurement and supply chain issues, most notably, related to the stability of sulfuric acid deliveries. JV Inkai's current production target for 2024 is 8.3 million pounds of U_3O_8 (100% basis). However, this target is tentative and contingent upon receipt of sufficient volumes of sulfuric acid. Our allocation of the planned production from JV Inkai remains under discussion, which is now further complicated by taxation changes that are expected to take effect beginning in 2025.

In addition to the issue of availability of sulfuric acid, achievement of JV Inkai's 2024 production target requires it to successfully manage several other ongoing risks, including other procurement and supply chain issues, transportation challenges, construction delays and inflationary pressures on its production costs.

The geopolitical situation continues to cause transportation risks in the region. We continue to work closely with JV Inkai and our joint venture partner, Kazatomprom, to receive our share of production via the Trans-Caspian International Transport Route, which does not rely on Russian rail lines or ports. We could experience further delays to our expected Inkai deliveries this year if transportation using this shipping route takes longer than anticipated.

To mitigate the risk of production shortfalls or transportation delays, we have inventory, long-term purchase agreements and loan arrangements in place we can draw on.

Depending on cost inflation impacts, actual production volumes and when we receive shipments of our share of Inkai's 2024 production, our share of earnings from this equity-accounted investee and the timing of the receipt of our share of dividends from the joint venture may be impacted.

Subsequent to the end of the quarter, our JV partner, Kazatomprom, issued a news release indicating that at the end of June, the government of the Republic of Kazakhstan introduced amendments to the country's Tax Code, including significant increases to the MET rate paid by mining entities on uranium production, beginning in 2025. We are evaluating the new MET and if it remains as currently formulated, preliminary conclusions indicate that production costs in Kazakhstan would be similar to northern Saskatchewan operations, depending on the assumptions used for uranium price, production profile, and exchange rate.

TIER-TWO CURTAILED OPERATIONS

US ISR Operations

As a result of our 2016 curtailment decision, commercial production has ceased. As production is suspended, we expect ongoing cash and non-cash care and maintenance costs to range between \$12.5 million (US) and \$14.5 million (US) for 2024.

Rabbit Lake

Rabbit Lake remains in a safe state of care and maintenance following the suspension of production in 2016. We continue to evaluate opportunities to minimize care and maintenance costs while maintaining critical infrastructure and processes. We expect care and maintenance costs to range between \$29 million and \$33 million for 2024.

Fuel services 2024 Q2 updates

PORT HOPE CONVERSION SERVICES

CAMECO FUEL MANUFACTURING INC. (CFM)

Production update

Fuel services produced 2.9 million kgU in the second quarter of 2024, 15% lower than the second quarter last year primarily due to temporary operational issues in one of the processing circuits at the UF₆ plant, which have been resolved. Production in the first six months of 2024 was 6.7 million kgU, down 12% compared to the same period last year, also related to the temporary operational issues in the first half of 2024.

Our fuel services segment includes the combined production of UO₂, UF₆, and heavy water reactor fuel bundles. Although fuel services outlook and production results are typically not broken down by individual product line, we previously indicated we were targeting production of 12,000 tonnes per year at the Port Hope UF₆ conversion facility. While our annual production expectation for fuel services remains between 13.5 million and 14.5 million kgU of combined fuel services products in 2024, we now expect the conversion component of that guidance to be between 11,000 and 11,500 tonnes of UF₆.

We are continuing our work at Port Hope to achieve an ongoing production rate that will supply 12,000 tonnes per year in order to satisfy our book of long-term commitments and demand for conversion services. Inflation, the availability of personnel with the necessary skills and experience, aging infrastructure, and the impact of supply chain challenges on the availability of materials and reagents carry with them the risk that we do not achieve our production plans and/or experience production delays and increased costs.

A new collective agreement with unionized employees at our Cameco Fuel Manufacturing operations was reached in June 2024 for a three-year term, expiring in June 2027.

Qualified persons

The technical and scientific information discussed in this document for our material properties (McArthur River/Key Lake, Inkai and Cigar Lake) was approved by the following individuals who are qualified persons for the purposes of NI 43-101:

MCARTHUR RIVER/KEY LAKE

- Greg Murdock, general manager, McArthur River, Cameco
- Daley McIntyre, general manager, Key Lake, Cameco

INKAI

- Sergey Ivanov, deputy general director, technical services, Cameco Kazakhstan LLP

CIGAR LAKE

- Kirk Lamont, general manager, Cigar Lake, Cameco

Non-IFRS measures

The non-IFRS measures referenced in this document are supplemental measures, which are used as indicators of our financial performance. Management believes that these non-IFRS measures provide useful supplemental information to investors, securities analysts, lenders and other interested parties in assessing our operational performance and our ability to generate cash flows to meet our cash requirements. These measures are not recognized measures under IFRS, do not have standardized meanings, and are therefore unlikely to be comparable to similarly titled measures presented by other companies. Accordingly, these measures should not be considered in isolation or as a substitute for the financial information reported under IFRS. The following are the non-IFRS measures used in this document.

ADJUSTED NET EARNINGS

Adjusted net earnings is our net earnings attributable to equity holders, adjusted for non-operating or non-cash items such as gains and losses on derivatives, adjustments to reclamation provisions flowing through other operating expenses, and bargain purchase gains, that we believe do not reflect the underlying financial performance for the reporting period. Other items may also be adjusted from time to time. We adjust this measure for certain of the items that our equity-accounted investees make in arriving at other non-IFRS measures. Adjusted net earnings is one of the targets that we measure to form the basis for a portion of annual employee and executive compensation (see *Measuring our results* starting on page 36 of our 2023 annual report).

In calculating ANE we adjust for derivatives. We do not use hedge accounting under IFRS and, therefore, we are required to report gains and losses on all hedging activity, both for contracts that close in the period and those that remain outstanding at the end of the period. For the contracts that remain outstanding, we must treat them as though they were settled at the end of the reporting period (mark-to-market). However, we do not believe the gains and losses that we are required to report under IFRS appropriately reflect the intent of our hedging activities, so we make adjustments in calculating our ANE to better reflect the impact of our hedging program in the applicable reporting period. See *Foreign exchange* starting on page 15 for more information.

We also adjust for changes to our reclamation provisions that flow directly through earnings. Every quarter we are required to update the reclamation provisions for all operations based on new cash flow estimates, discount and inflation rates. This normally results in an adjustment to an asset retirement obligation asset in addition to the provision balance. When the assets of an operation have been written off due to an impairment, as is the case with our Rabbit Lake and US ISR operations, the adjustment is recorded directly to the statement of earnings as "other operating expense (income)". See note 10 of our interim financial statements for more information. This amount has been excluded from our ANE measure.

The bargain purchase gain that was recognized in the second quarter of 2022 when we acquired our pro-rata share of Idemitsu Canada Resources Ltd.'s 7.875% participating interest in the Cigar Lake Joint Venture has also been removed in calculating ANE since it is non-cash, non-operating and outside of the normal course of our business. The gain was recorded in the statement of earnings as part of "other income (expense)".

As a result of the change in ownership of Westinghouse when it was acquired by Cameco and Brookfield, Westinghouse's inventories at the acquisition date were revalued based on the market price at that date. As these quantities are sold, Westinghouse's cost of products and services sold reflect these market values, regardless of their historic costs. Our share of these costs are included in earnings from equity-accounted investees and recorded in cost of products and services sold in the investee information (see note 7 to the financial statements). Since this expense is non-cash, outside of the normal course of business and only occurred due to the change in ownership, we have excluded our share from our ANE measure.

Westinghouse has also expensed some non-operating acquisition-related transition costs that the acquiring parties agreed to pay for, which resulted in a reduction in the purchase price paid. Our share of these costs are included in earnings from equity-accounted investees and recorded in other expenses in the investee information (see note 7 to the financial statements). Since this expense is outside of the normal course of business and only occurred due to the change in ownership, we have excluded our share from our ANE measure.

To facilitate a better understanding of these measures, the table below reconciles adjusted net earnings with our net earnings for the second quarter and first six months of 2024 and compares it to the same periods in 2023.

(\$ MILLIONS)	THREE MONTHS ENDED JUNE 30		SIX MONTHS ENDED JUNE 30	
	2024	2023	2024	2023
Net earnings attributable to equity holders	36	14	29	133
Adjustments				
Adjustments on derivatives	14	(35)	47	(41)
Inventory purchase accounting (net of tax)	12	-	50	-
Acquisition-related transition costs (net of tax)	5	-	19	-
Adjustment to other operating expense (income)	(2)	8	(17)	6
Income taxes on adjustments	(3)	10	(10)	14
Adjusted net earnings (losses)	62	(3)	118	112

The following table shows what contributed to the change in adjusted net earnings in the second quarter and first six months of 2024 compared to the same period in 2023.

(\$ MILLIONS)	THREE MONTHS ENDED JUNE 30		SIX MONTHS ENDED JUNE 30	
	IFRS	ADJUSTED	IFRS	ADJUSTED
Net earnings (losses) - 2023	14	(3)	133	112
Change in gross profit by segment (We calculate gross profit by deducting from revenue the cost of products and services sold, and depreciation and amortization (D&A), net of hedging benefits)				
Uranium				
Impact from sales volume changes	10	10	(24)	(24)
Higher realized prices (\$US)	60	60	186	186
Foreign exchange impact on realized prices	2	2	3	3
Lower (higher) costs	1	1	(61)	(61)
Change – uranium	73	73	104	104
Fuel services				
Impact from sales volume changes	(3)	(3)	(15)	(15)
Higher realized prices (\$Cdn)	13	13	28	28
Higher costs	(17)	(17)	(32)	(32)
Change – fuel services	(7)	(7)	(19)	(19)
Other changes				
Higher administration expenditures	(9)	(9)	(5)	(5)
Higher exploration and research and development expenditures	(2)	(2)	(8)	(8)
Change in reclamation provisions	11	1	26	3
Higher (lower) earnings from equity-accounted investees	(7)	10	(109)	(40)
Change in gains or losses on derivatives	(48)	1	(91)	(3)
Change in foreign exchange gains or losses	49	49	68	68
Lower finance income	(23)	(23)	(45)	(45)
Higher finance costs	(20)	(20)	(36)	(36)
Change in income tax recovery or expense	5	(8)	10	(14)
Other	-	-	1	1
Net earnings - 2024	36	62	29	118

EBITDA

EBITDA is defined as net earnings attributable to equity holders, adjusted for the costs related to the impact of the company's capital and tax structure including depreciation and amortization, finance income, finance costs (including accretion) and income taxes. Included in EBITDA is our share of equity-accounted investees.

ADJUSTED EBITDA

Adjusted EBITDA is defined as EBITDA, as further adjusted for the impact of certain costs or benefits incurred in the period which are either not indicative of the underlying business performance or that impact the ability to assess the operating performance of the business. These adjustments include the amounts noted in the ANE definition.

In calculating adjusted EBITDA, we also adjust for items included in the results of our equity-accounted investees that are not adjustments to arrive at our ANE measure. These items are reported as part of other expenses within the investee financial information and are not representative of the underlying operations. These primarily include transaction, integration and restructuring costs related to acquisitions.

The company may realize similar gains or incur similar expenditures in the future.

ADJUSTED FREE CASH FLOW

Adjusted free cash flow is defined as adjusted EBITDA less capital expenditures for the period.

ADJUSTED EBITDA MARGIN

Adjusted EBITDA margin is defined as adjusted EBITDA divided by revenue for the appropriate period.

EBITDA, adjusted EBITDA, adjusted free cash flow, and adjusted EBITDA margin are non-IFRS measures which allow us and other users to assess results of operations from a management perspective without regard for our capital structure. To facilitate a better understanding of these measures, the tables below reconcile earnings before income taxes with EBITDA and adjusted EBITDA for the first quarter of 2024 and 2023.

For the quarter ended June 30, 2024:

(\$ MILLIONS)	FUEL				TOTAL
	URANIUM ¹	SERVICES	WESTINGHOUSE	OTHER	
Net earnings (loss) attributable to equity holders	192	33	(47)	(142)	36
Depreciation and amortization	52	9	-	1	62
Finance income	-	-	-	(8)	(8)
Finance costs	-	-	-	43	43
Income taxes	-	-	-	18	18
	244	42	(47)	(88)	151
Adjustments on equity investees					
Depreciation and amortization	2	-	89	-	
Finance income	-	-	(1)	-	
Finance expense	-	-	54	-	
Income taxes	4	-	(11)	-	
Net adjustments on equity investees	6	-	131	-	137
EBITDA	250	42	84	(88)	288
Gain on derivatives	-	-	-	14	14
Other operating income	(2)	-	-	-	(2)
	(2)	-	-	14	12
Adjustments on equity investees					
Inventory purchase accounting	-	-	16	-	
Acquisition-related transition costs	-	-	6	-	
Other expenses	-	-	15	-	
Net adjustments on equity investees	-	-	37	-	37
Adjusted EBITDA	248	42	121	(74)	337

¹ JV Inkai EBITDA of \$54 million is included in the uranium segment. See Financial results by segment - Uranium for reconciliation.

For the quarter ended June 30, 2023:

(\$ MILLIONS)	FUEL			TOTAL
	URANIUM ¹	SERVICES	OTHER	
Net earnings (loss) attributable to equity holders	68	39	(93)	14
Depreciation and amortization	32	9	1	42
Finance income	-	-	(31)	(31)
Finance costs	-	-	23	23
Income taxes	-	-	23	23
	100	48	(77)	71
Adjustments on equity investees				
Depreciation and amortization	3	-	-	
Income taxes	7	-	-	
Net adjustments on equity investees	10	-	-	10
EBITDA	110	48	(77)	81
Loss on derivatives	-	-	(35)	(35)
Other operating expense	8	-	-	8
Adjusted EBITDA	118	48	(112)	54

¹ JV Inukai EBITDA of \$18 million is included in the uranium segment. See Financial results by segment - Uranium for reconciliation.

For the six months ended June 30, 2024:

(\$ MILLIONS)	FUEL			TOTAL
	URANIUM ¹	SERVICES	WESTINGHOUSE	
Net earnings (loss) attributable to equity holders	445	53	(170)	29
Depreciation and amortization	88	14	-	104
Finance income	-	-	-	(14)
Finance costs	-	-	-	82
Income taxes	-	-	-	49
	533	67	(170)	250
Adjustments on equity investees				
Depreciation and amortization	10	-	173	-
Finance income	-	-	(3)	-
Finance expense	-	-	118	-
Income taxes	24	-	(48)	-
Net adjustments on equity investees	34	-	240	274
EBITDA	567	67	70	524
Gain on derivatives	-	-	-	47
Other operating income	(17)	-	-	(17)
	(17)	-	-	30
Adjustments on equity investees				
Inventory purchase accounting	-	-	66	-
Acquisition-related transition costs	-	-	25	-
Other expenses	-	-	36	-
Net adjustments on equity investees	-	-	127	127
Adjusted EBITDA	550	67	197	681

¹ JV Inukai EBITDA of \$159 million is included in the uranium segment. See Financial results by segment - Uranium for reconciliation.

For the six months ended June 30, 2023:

(\$ MILLIONS)	FUEL			TOTAL
	URANIUM ¹	SERVICES	OTHER	
Net earnings (loss) attributable to equity holders	256	70	(193)	133
Depreciation and amortization	100	16	2	118
Finance income	-	-	(59)	(59)
Finance costs	-	-	46	46
Income taxes	-	-	59	59
	356	86	(145)	297
Adjustments on equity investees				
Depreciation and amortization	5	-	-	
Income taxes	11	-	-	
Net adjustments on equity investees	16	-	-	16
EBITDA	372	86	(145)	313
Loss on derivatives	-	-	(41)	(41)
Other operating expense	6	-	-	6
Adjusted EBITDA	378	86	(186)	278

¹ JV Inukai EBITDA of \$80 million is included in the uranium segment. See Financial results by segment - Uranium for reconciliation.

CASH COST PER POUND, NON-CASH COST PER POUND AND TOTAL COST PER POUND FOR PRODUCED AND PURCHASED URANIUM

Cash cost per pound, non-cash cost per pound and total cost per pound for produced and purchased uranium are non-IFRS measures. We use these measures in our assessment of the performance of our uranium business. These measures are not necessarily indicative of operating profit or cash flow from operations as determined under IFRS.

To facilitate a better understanding of these measures, the table below reconciles these measures to cost of product sold and depreciation and amortization for the second quarter and first six months of 2024 and 2023.

(\$ MILLIONS)	THREE MONTHS ENDED JUNE 30		SIX MONTHS ENDED JUNE 30	
	2024	2023	2024	2023
Cost of product sold	284.7	264.5	640.5	654.5
Add / (subtract)				
Royalties	(32.2)	(14.1)	(50.0)	(38.8)
Care and maintenance costs	(11.7)	(11.1)	(23.8)	(23.1)
Other selling costs	(4.5)	(1.4)	(9.4)	(4.1)
Change in inventories	69.6	124.4	99.8	(97.7)
Cash operating costs (a)	305.9	362.3	657.1	490.8
Add / (subtract)				
Depreciation and amortization	51.5	32.2	88.2	100.1
Care and maintenance costs	(0.2)	(1.0)	(0.4)	(2.5)
Change in inventories	13.3	25.2	33.6	6.3
Total operating costs (b)	370.5	418.7	778.5	594.7
Uranium produced & purchased (million lbs) (c)	8.8	8.2	17.3	13.0
Cash costs per pound (a ÷ c)	34.76	44.18	37.98	37.75
Total costs per pound (b ÷ c)	42.10	51.06	45.00	45.75

Additional information

Critical accounting estimates

Due to the nature of our business, we are required to make estimates that affect the amount of assets and liabilities, revenues and expenses, commitments and contingencies we report. We base our estimates on our experience, our best judgment, guidelines established by the Canadian Institute of Mining, Metallurgy and Petroleum and on assumptions we believe are reasonable.

Purchase prices related to business combinations and asset acquisitions are allocated to the underlying acquired assets and liabilities based on their estimated fair value at the time of acquisition. The determination of fair value requires us to make assumptions, estimates and judgments regarding future events. The allocation process is inherently subjective and impacts the amounts assigned to individually identifiable assets and liabilities. As a result, the purchase price allocation impacts our reported assets and liabilities, future net earnings due to the impact on future depreciation and amortization expense and impairment tests.

Controls and procedures

As of June 30, 2024, we carried out an evaluation under the supervision and with the participation of our management, including our chief executive officer (CEO) and chief financial officer (CFO), of the effectiveness of our disclosure controls and procedures. There are inherent limitations to the effectiveness of any system of disclosure controls and procedures, including the possibility of human error and the circumvention or overriding of the controls and procedures. Accordingly, even effective disclosure controls and procedures can only provide reasonable assurance of achieving their control objectives.

Based upon that evaluation and as of June 30, 2024, the CEO and CFO concluded that:

- the disclosure controls and procedures were effective to provide reasonable assurance that information required to be disclosed in the reports we file and submit under applicable securities laws is recorded, processed, summarized and reported as and when required; and
- such information is accumulated and communicated to our management, including our CEO and CFO, as appropriate to allow timely decisions regarding required disclosure.

In April 2024, we implemented SAP S/4 HANA, an enterprise resource planning (ERP) system, across the entire organization. As a result of this implementation, we modified certain existing internal controls and implemented new controls and procedures. The implementation process included extensive involvement by key end users and required significant pre-implementation planning, design, and testing. We continue to evaluate and monitor our internal controls and believe we are taking the necessary steps to maintain appropriate internal controls over financial reporting during this period of change. This includes performing additional verifications and analysis to ensure data integrity.

There have been no other changes in our internal control over financial reporting during the quarter ended June 30, 2024, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.



Cameco Corporation
2024 condensed consolidated interim financial statements
(unaudited)

July 30, 2024

Cameco Corporation

Consolidated statements of earnings

(Unaudited) (\$Cdn thousands, except per share amounts)	Note	Three months ended		Six months ended	
		Jun 30/24	Jun 30/23	Jun 30/24	Jun 30/23
Revenue from products and services	12	\$ 598,458	\$ 481,987	\$ 1,232,003	\$ 1,168,961
Cost of products and services sold		361,280	330,162	764,837	773,584
Depreciation and amortization		61,858	41,852	105,025	118,225
Cost of sales	20	423,138	372,014	869,862	891,809
Gross profit		175,320	109,973	362,141	277,152
Administration		65,705	57,048	125,513	121,059
Exploration		2,703	3,878	10,063	10,157
Research and development		7,879	5,107	17,199	9,339
Other operating expense (income)	10	(3,008)	8,389	(19,787)	6,342
Loss on disposal of assets		42	276	412	276
Earnings from operations		101,999	35,275	228,741	129,979
Finance costs	13	(43,383)	(22,744)	(81,527)	(46,342)
Gain (loss) on derivatives	19	(18,762)	28,729	(60,040)	30,999
Finance income		7,887	31,098	14,209	58,639
Share of earnings (loss) from equity-accounted	7	1,037	7,726	(45,309)	64,262
Other income (expense)	14	5,254	(43,033)	21,856	(45,618)
Earnings before income taxes		54,032	37,051	77,930	191,919
Income tax expense	15	18,024	23,358	48,984	59,262
Net earnings		36,008	13,693	28,946	132,657
Net earnings (loss) attributable to:					
Equity holders		\$ 36,010	\$ 13,693	\$ 28,953	\$ 132,662
Non-controlling interest		(2)	-	(7)	(5)
Net earnings		\$ 36,008	\$ 13,693	\$ 28,946	\$ 132,657
Earnings per common share attributable to equity holders:					
Basic	16	\$ 0.08	\$ 0.03	\$ 0.07	\$ 0.31
Diluted	16	\$ 0.08	\$ 0.03	\$ 0.07	\$ 0.31

See accompanying notes to condensed consolidated interim financial statements.

Cameco Corporation

Consolidated statements of comprehensive earnings

(Unaudited) (\$Cdn thousands)	Three months ended		Six months ended	
	Jun 30/24	Jun 30/23	Jun 30/24	Jun 30/23
Net earnings	\$ 36,008	\$ 13,693	\$ 28,946	\$ 132,657
Other comprehensive income (loss), net of taxes				
Items that will not be reclassified to net earnings:				
Remeasurements of defined benefit liability - equity-accounted investee ¹	-	-	(31)	-
Items that are or may be reclassified to net earnings:				
Exchange differences on translation of foreign operations	24,365	(1,270)	62,563	(3,901)
Gains on derivatives designated as cash flow hedges - equity-accounted investee ²	11,432	-	15,381	-
Exchange differences on translation of foreign operations - equity-accounted investee	(5,113)	-	(17,266)	-
Other comprehensive income (loss), net of taxes	30,684	(1,270)	60,647	(3,901)
Total comprehensive income	\$ 66,692	\$ 12,423	89,593	128,756
Other comprehensive income (loss) attributable to:				
Equity holders	\$ 30,684	\$ (1,270)	\$ 60,647	\$ (3,901)
Non-controlling interest	-	-	-	-
Other comprehensive income (loss)	\$ 30,684	\$ (1,270)	\$ 60,647	\$ (3,901)
Total comprehensive income (loss) attributable to:				
Equity holders	\$ 66,694	\$ 12,423	\$ 89,600	\$ 128,761
Non-controlling interest	(2)	-	(7)	(5)
Total comprehensive income	\$ 66,692	\$ 12,423	\$ 89,593	\$ 128,756

¹ Net of tax (Q2 2024 - \$0; 2024 - \$10)

² Net of tax (Q2 2024 - \$(2,805); 2024 - \$(5,018))

See accompanying notes to condensed consolidated interim financial statements.

Cameco Corporation

Consolidated statements of financial position

(Unaudited) (\$Cdn thousands)	Note	As at	
		Jun 30/24	Dec 31/23
Assets			
Current assets			
Cash and cash equivalents		\$ 361,617	\$ 566,809
Accounts receivable		172,872	422,333
Current tax assets		1,053	974
Inventories	5	838,087	692,261
Supplies and prepaid expenses		134,596	149,352
Current portion of long-term receivables, investments and other	6	41,510	10,161
Total current assets		1,549,735	1,841,890
Property, plant and equipment		3,297,561	3,368,772
Intangible assets		41,502	43,577
Long-term receivables, investments and other	6	595,768	613,773
Investment in equity-accounted investees	7	3,031,802	3,173,185
Deferred tax assets		866,372	892,860
Total non-current assets		7,833,005	8,092,167
Total assets		\$ 9,382,740	\$ 9,934,057
Liabilities and shareholders' equity			
Current liabilities			
Accounts payable and accrued liabilities		253,232	577,550
Current tax liabilities		12,996	24,076
Current portion of long-term debt	8	-	499,821
Current portion of other liabilities	9	144,335	48,544
Current portion of provisions	10	70,593	39,113
Total current liabilities		481,156	1,189,104
Long-term debt	8	1,402,953	1,284,353
Other liabilities	9	337,791	343,420
Provisions	10	966,321	1,022,871
Total non-current liabilities		2,707,065	2,650,644
Shareholders' equity			
Share capital	11	2,932,796	2,914,165
Contributed surplus		207,634	215,679
Retained earnings		3,008,665	2,979,743
Other components of equity		45,396	(15,282)
Total shareholders' equity attributable to equity holders		6,194,491	6,094,305
Non-controlling interest		28	4
Total shareholders' equity		6,194,519	6,094,309
Total liabilities and shareholders' equity		\$ 9,382,740	\$ 9,934,057

Commitments and contingencies [notes 10, 15]

See accompanying notes to condensed consolidated interim financial statements.

Cameco Corporation

Consolidated statements of changes in equity

(Unaudited) (\$Cdn thousands)	Attributable to equity holders							Non- controlling interest	Total equity
	Share capital	Contributed surplus	Retained earnings	Foreign currency translation	Cash flow hedges	Equity investments at FVOCI	Total		
Balance at January 1, 2024	\$ 2,914,165	\$ 215,679	\$ 2,979,743	\$ (18,040)	\$ 3,506	\$ (748)	\$ 6,094,305	\$ 4	\$ 6,094,309
Net earnings (loss)	-	-	28,953	-	-	-	28,953	(7)	28,946
Other comprehensive income (loss)	-	-	(31)	45,297	15,381	-	60,647	-	60,647
Total comprehensive income (loss) for the period	-	-	28,922	45,297	15,381	-	89,600	(7)	89,593
Share-based compensation	-	3,004	-	-	-	-	3,004	-	3,004
Stock options exercised	18,631	(3,925)	-	-	-	-	14,706	-	14,706
Restricted share units released	-	(7,124)	-	-	-	-	(7,124)	-	(7,124)
Transactions with owners - contributed equity	-	-	-	-	-	-	-	31	31
Balance at June 30, 2024	\$ 2,932,796	\$ 207,634	\$ 3,008,665	\$ 27,257	\$ 18,887	\$ (748)	\$ 6,194,491	\$ 28	\$ 6,194,519
Balance at January 1, 2023	\$ 2,880,336	\$ 224,687	\$ 2,696,379	\$ 35,400	\$ -	\$ (748)	\$ 5,836,054	\$ 11	\$ 5,836,065
Net earnings (loss)	-	-	132,662	-	-	-	132,662	(5)	132,657
Other comprehensive loss	-	-	-	(3,901)	-	-	(3,901)	-	(3,901)
Total comprehensive income (loss) for the period	-	-	132,662	(3,901)	-	-	128,761	(5)	128,756
Share-based compensation	-	1,761	-	-	-	-	1,761	-	1,761
Stock options exercised	17,204	(3,155)	-	-	-	-	14,049	-	14,049
Restricted share units released	-	(6,409)	-	-	-	-	(6,409)	-	(6,409)
Dividends	-	-	3	-	-	-	3	-	3
Balance at June 30, 2023	\$ 2,897,540	\$ 216,884	\$ 2,829,044	\$ 31,499	\$ -	\$ (748)	\$ 5,974,219	\$ 6	\$ 5,974,225

See accompanying notes to condensed consolidated interim financial statements.

Cameco Corporation

Consolidated statements of cash flows

(Unaudited) (\$Cdn thousands)	Note	Three months ended		Six months ended	
		Jun 30/24	Jun 30/23	Jun 30/24	Jun 30/23
Operating activities					
Net earnings		\$ 36,008	\$ 13,693	\$ 28,946	\$ 132,657
Adjustments for:					
Depreciation and amortization		61,858	41,852	105,025	118,225
Deferred charges		68,412	(6,270)	44,130	(21,212)
Unrealized loss (gain) on derivatives		12,510	(34,601)	47,154	(40,883)
Share-based compensation	18	1,716	912	3,004	1,761
Loss on disposal of assets		42	276	412	276
Finance costs	13	43,383	22,744	81,527	46,342
Finance income		(7,886)	(31,099)	(14,209)	(58,639)
Share of loss (earnings) in equity-accounted investees		(1,037)	(7,726)	45,309	(64,262)
Other operating expense (income)	10	(3,008)	8,389	(19,787)	6,342
Other expense (income)	14	(5,254)	43,032	(21,856)	45,618
Income tax expense	15	18,024	23,358	48,984	59,262
Interest received		7,886	33,322	14,209	60,766
Income taxes received (paid)		(21,620)	79,065	(33,503)	71,605
Dividends from equity-accounted investees		185,447	113,642	185,447	113,642
Other operating items	17	(136,405)	(213,675)	(191,559)	(169,430)
Net cash provided by operations		260,076	86,914	323,233	302,070
Investing activities					
Additions to property, plant and equipment		(46,880)	(39,986)	(86,899)	(66,895)
Decrease in short-term investments		-	809,228	-	1,117,180
Decrease in long-term receivables, investments and other		7,003	1,000	7,003	1,000
Proceeds from sale of property, plant and equipment		48	36	48	36
Net cash provided by (used in) investing		(39,829)	770,278	(79,848)	1,051,321
Financing activities					
Increase in debt		497,325	-	497,325	-
Decrease in debt		(636,690)	-	(904,990)	-
Interest paid		(48,360)	(19,008)	(50,883)	(19,798)
Lease principal payments		(378)	(319)	(790)	(904)
Proceeds from issuance of shares, stock option plan		14,215	4,437	14,706	14,049
Dividends returned		-	-	-	4
Net cash used in financing		(173,888)	(14,890)	(444,632)	(6,649)
Increase (decrease) in cash and cash equivalents, during the period		46,359	842,302	(201,247)	1,346,742
Exchange rate changes on foreign currency cash balances		(7,959)	(35,225)	(3,945)	(36,456)
Cash and cash equivalents, beginning of period		323,217	1,646,883	566,809	1,143,674
Cash and cash equivalents, end of period		\$ 361,617	\$ 2,453,960	\$ 361,617	\$ 2,453,960
Cash and cash equivalents is comprised of:					
Cash				232,647	893,718
Cash equivalents				128,970	1,560,242
Cash and cash equivalents				\$ 361,617	\$ 2,453,960

See accompanying notes to condensed consolidated interim financial statements.

Cameco Corporation

Notes to condensed consolidated interim financial statements

(Unaudited)

(Cdn\$ thousands, except per share amounts and as noted)

1. Cameco Corporation

Cameco Corporation is incorporated under the Canada Business Corporations Act. The address of its registered office is 2121 11th Street West, Saskatoon, Saskatchewan, S7M 1J3. The condensed consolidated interim financial statements as at and for the periods ended June 30, 2024 comprise Cameco Corporation and its subsidiaries (collectively, the Company or Cameco) and the Company's interests in associates and joint arrangements.

Cameco is one of the world's largest providers of the uranium needed to generate clean, reliable baseload electricity around the globe. The Company has operations in northern Saskatchewan and the United States, as well as a 40% interest in Joint Venture Inkai LLP (JV Inkai), a joint arrangement with Joint Stock Company National Atomic Company Kazatomprom (Kazatomprom), located in Kazakhstan. Cameco also has a 49% interest in Westinghouse Electric Company (Westinghouse), a joint venture with Brookfield Renewable Partners and its institutional partners (collectively, Brookfield). Westinghouse is one of the world's largest nuclear services businesses with corporate headquarters in Pennsylvania and operations around the world. Both JV Inkai and Westinghouse are accounted for on an equity basis (see note 7).

Cameco has two operating mines, Cigar Lake and McArthur River. Operations at McArthur River/Key Lake, which had been suspended in 2018, resumed in November of 2022. The Rabbit Lake operation was placed in care and maintenance in 2016. Cameco's operations in the United States, Crow Butte and Smith Ranch-Highland, are also not currently producing as the decision was made in 2016 to curtail production and defer all wellfield development. See note 20 for the financial statement impact.

The Company is 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. It operates the world's largest commercial refinery in Blind River, Ontario, controls a significant portion of the world UF₆ primary conversion capacity in Port Hope, Ontario and is a leading manufacturer of fuel assemblies and reactor components for CANDU reactors at facilities in Port Hope and Cobourg, Ontario.

2. Material accounting policies

A. Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with IAS 34 *Interim Financial Reporting*. The condensed consolidated interim financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with Cameco's annual consolidated financial statements as at and for the year ended December 31, 2023.

These condensed consolidated interim financial statements were authorized for issuance by the Company's board of directors on July 30, 2024.

B. Basis of presentation

These condensed consolidated interim financial statements are presented in Canadian dollars, which is the Company's functional currency. All financial information is presented in Canadian dollars, unless otherwise noted. Amounts presented in tabular format have been rounded to the nearest thousand except per share amounts and where otherwise noted.

The condensed consolidated interim financial statements have been prepared on the historical cost basis except for the following material items which are measured on an alternative basis at each reporting date:

Derivative financial instruments	Fair value through profit or loss (FVTPL)
Equity securities	Fair value through other comprehensive income (FVOCI)
Liabilities for cash-settled share-based payment arrangements	Fair value through profit or loss (FVTPL)
Net defined benefit liability	Fair value of plan assets less the present value of the defined benefit obligation

The preparation of the condensed consolidated interim financial statements in conformity with International Financial Reporting Standards (IFRS) requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenue and expenses. Actual results may vary from these estimates.

In preparing these condensed consolidated interim financial statements, the significant judgments made by management in applying the Company's accounting policies and key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended December 31, 2023.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 5 of the December 31, 2023, consolidated financial statements.

3. Accounting standards

A. Changes in accounting policy

A number of amendments to existing standards became effective January 1, 2024, but they did not have an effect on the Company's financial statements.

B. New standards and interpretations not yet adopted

A number of new standards and amendments to existing standards are not yet effective for the period ended June 30, 2024 and have not been applied in preparing these condensed consolidated interim financial statements. Cameco does not intend to early adopt any of the standards and amendments and does not expect them to have a material impact on its financial statements. The one new standard that is expected to have an impact on disclosures is described below.

i. Financial statement presentation

In April 2024, the International Accounting Standards Board (IASB) issued IFRS 18, *Presentation and Disclosure of Financial Statements* (IFRS 18). IFRS 18 is effective for periods beginning on or after January 1, 2027, with early adoption permitted. IFRS 18 is expected to improve the quality of financial reporting by requiring defined subtotals in the statement of profit or loss, requiring disclosure about management-defined performance measures, and adding new principles for aggregation and disaggregation of information. Cameco has not yet determined the impact of this standard on its disclosures.

4. Acquisition of Westinghouse Electric Company (Westinghouse)

On November 7, 2023, Cameco acquired a 49% interest in Westinghouse, one of the world's largest nuclear services businesses, in partnership with Brookfield Asset Management alongside its publicly listed affiliate Brookfield Renewable Partners (Brookfield) and its institutional partners. Brookfield, with its institutional partners, owns the other 51%. The acquisition represents an investment in additional nuclear fuel cycle assets that the Company expects will augment the core of its business.

During the quarter, the purchase price was finalized with amounts released from escrow, resulting in Cameco's share of the purchase price being reduced by \$4,434,000 (US) with a corresponding decrease to goodwill. To finance its 49% share of the purchase price, \$2,135,871,000 (US), Cameco used a combination of cash, debt and equity. The Company used \$1,535,871,000 (US) of cash and \$600,000,000 (US) in term loans (see note 8). In 2022, Cameco had issued 34,057,250 common shares pursuant to a public offering to help fund the acquisition.

Cameco's share of the acquisition date fair value of the underlying assets and liabilities was as follows:

Net assets acquired (USD)	
Cash and cash equivalents	\$ 255,924
Other current assets	955,140
Property, plant and equipment	795,613
Intangible assets	2,839,550
Goodwill	551,594
Non-current assets	346,928
Current liabilities	(1,163,456)
Non-current liabilities	(2,445,422)
Total	\$ 2,135,871
Cash paid	1,535,871
Term loans	600,000
Total	\$ 2,135,871

Fair values were determined using a number of different valuation methodologies depending on the characteristics of the assets being valued. Methods included discounted cash flows, relief from royalty and multi-period excess earnings, quoted market prices and the direct cost method.

Intangible assets include customer relationships and contracts, developed technology, the Westinghouse trade name and product development costs. Goodwill reflects the value assigned to the expected future earnings capabilities of the organization. This is the earnings potential that we anticipate will be realized through new business arrangements.

The valuation of the assets and liabilities assumed has not been finalized as of the date of these financial statements. The accounting for the acquisition will be revised when the valuation is complete. Since December 31, 2023, when the acquisition was first reported, amounts have been reclassified between the net assets acquired to reflect changes in the valuation to date and an adjustment made to goodwill to reflect the finalization of the purchase price. Following the completion of the valuation, if new information obtained within one year of the acquisition date about facts and circumstances that existed at the date of acquisition, identifies adjustments to the above amounts, or any additional provisions that existed at the date of acquisition, further revisions will be made.

5. Inventories

	Jun 30/24	Dec 31/23
Uranium		
Concentrate	\$ 624,361	\$ 511,654
Broken ore	50,651	71,463
	675,012	583,117
Fuel services	162,633	108,711
Other	442	433
Total	\$ 838,087	\$ 692,261

Cameco expensed \$374,113,000 of inventory as cost of sales during the second quarter of 2024 (2023 - \$331,109,000). For the six months ended June 30, 2024, Cameco expensed \$778,411,000 of inventory as cost of sales (2023 - \$796,178,000).

6. Long-term receivables, investments and other

	Jun 30/24	Dec 31/23
Deferred charges	\$ 40,110	\$ -
Derivatives [note 19]	2,454	28,467
Investment tax credits	96,199	95,940
Amounts receivable related to tax dispute [note 15] ^(a)	209,125	209,125
Product loan ^(b)	288,294	288,294
Other	1,096	2,108
	637,278	623,934
Less current portion	(41,510)	(10,161)
Net	\$ 595,768	\$ 613,773

(a) Cameco was required to remit or otherwise secure 50% of the cash taxes and transfer pricing penalties, plus related interest and instalment penalties assessed, in relation to its dispute with Canada Revenue Agency (CRA). In light of our view of the likely outcome of the case, Cameco expects to recover the amounts remitted to CRA, including cash taxes, interest and penalties paid.

(b) Cameco loaned 5,400,000 pounds of uranium concentrate to its joint venture partner, Orano Canada Inc., (Orano). Orano is obligated to repay the Company in kind with uranium concentrate no later than December 31, 2028. As at June 30, 2024, 3,000,000 pounds have been returned as repayment on this loan (December 31, 2023 - 3,000,000 pounds).

Cameco also loaned Orano 1,148,200 kgU of conversion supply and an additional 1,200,000 pounds of uranium concentrate during 2022 and 2023. Repayment to Cameco is to be made in kind with U₃O₈ quantities drawn being repaid by December 31, 2027 and quantities of UF₆ conversion supply drawn by December 31, 2035.

As at June 30, 2024, 3,600,000 pounds of U₃O₈ (December 31, 2023 - 3,600,000 pounds) and 1,148,200 kgU of UF₆ conversion supply (December 31, 2023 - 1,148,200 kgU) were drawn on the loans and are recorded at Cameco's weighted average cost of inventory.

7. Equity-accounted investees

	Jun 30/24	Dec 31/23
Interest in Westinghouse	\$ 2,814,390	\$ 2,899,379
Interest in JV Inkai	217,412	273,806
Interest in Global Laser Enrichment (GLE)	-	-
	\$ 3,031,802	\$ 3,173,185

A. Joint ventures

i. Westinghouse

Westinghouse is a nuclear reactor technology original equipment manufacturer and a global provider of products and services to commercial utilities and government agencies. Effective November 7, 2023, Cameco holds a 49% interest and Brookfield holds 51%. Cameco has joint control with Brookfield over the strategic operating, investing and financing activities of Westinghouse. The Company determined that the joint arrangement should be classified as a joint venture after concluding that neither the legal form of the separate entity, the terms of the contractual arrangement, or other facts and circumstances would give the Company rights to the assets and obligations for the liabilities relating to the arrangement. As a result, Cameco accounts for Westinghouse on an equity basis.

Westinghouse provides outage and maintenance services, engineering support, instrumentation and controls equipment, plant modification, and components and parts to nuclear reactors. Westinghouse has three fabrication facilities that design and manufacture nuclear fuel supplies for light water reactors. In addition, Westinghouse designs, develops and procures equipment for the build of new nuclear reactor plants.

The following table summarizes the total comprehensive loss of Westinghouse (100%):

	Three months ended		Six months ended	
	Jun 30/24	Jun 30/23	Jun 30/24	Jun 30/23
Revenue from products and services	\$ 1,366,594	\$ -	\$ 2,704,398	\$ -
Cost of products and services sold	(446,333)	-	(1,048,056)	-
Depreciation and amortization	(180,763)	-	(353,612)	-
Marketing, administrative and general expenses	(705,680)	-	(1,389,741)	-
Finance income	1,618	-	5,557	-
Finance costs	(110,813)	-	(241,665)	-
Other expense	(41,803)	-	(122,385)	-
Income tax recovery	21,831	-	98,163	-
Net loss	\$ (95,349)	\$ -	\$ (347,341)	\$ -
Other comprehensive income (loss)	12,895	-	(3,910)	-
Total comprehensive income	\$ (82,454)	\$ -	\$ (351,251)	\$ -

Cameco did not acquire its interest in Westinghouse until November 7, 2023.

The following table summarizes the financial information of Westinghouse (100%) and reconciles it to the carrying amount of Cameco's interest:

	Jun 30/24	Dec 31/23
Cash and cash equivalents	\$ 205,539	\$ 265,146
Other current assets	2,784,329	2,364,602
Intangible assets	7,652,867	7,655,386
Goodwill	1,538,786	1,534,947
Non-current assets	2,899,936	3,102,566
Current liabilities	(2,645,454)	(2,464,058)
Non-current liabilities	(6,841,633)	(6,684,673)
Net assets	5,594,370	5,773,916
Net assets attributable to non-controlling interest	(23,397)	(24,036)
Net assets attributable to shareholders	5,570,973	5,749,880
Cameco's share of net assets attributable to shareholders (49%)	2,729,777	2,817,441
Acquisition costs ^(a)	83,896	83,916
Impact of foreign exchange	717	(1,978)
Carrying amount of interest in Westinghouse	\$ 2,814,390	\$ 2,899,379

(a) Cameco incurred \$84 million of acquisition costs that were included in the cost of the investment.

ii. Global Laser Enrichment LLC (GLE)

GLE is the exclusive licensee of the proprietary Separation of Isotopes by Laser Excitation (SILEX) laser enrichment technology, a third-generation uranium enrichment technology. Cameco owns a 49% interest in GLE with an option to attain a majority interest of up to 75% ownership. Cameco has joint control with SILEX over the strategic operating, investing and financing activities and as a result, accounts for GLE on an equity basis. In 2014, an impairment charge was recognized for its full carrying value of \$183,615,000. Following the impairment, under the equity method of accounting, Cameco discontinued recognizing its share of losses in GLE. Cameco's contributions to GLE are recorded in earnings as research and development.

B. Associate

i. JV Inkai

JV Inkai is the operator of the Inkai uranium deposit located in Kazakhstan. Cameco holds a 40% interest in JV Inkai and Kazatomprom holds a 60% interest. Cameco does not have control over the joint venture so it accounts for the investment on an equity basis.

JV Inkai is a uranium mining and milling operation that utilizes in-situ recovery (ISR) technology to extract uranium. The participants in JV Inkai purchase uranium from Inkai and, in turn, derive revenue directly from the sale of such product to third-party customers.

The following tables summarize the total comprehensive earnings of JV Inkai (100%):

	Three months ended		Six months ended	
	Jun 30/24	Jun 30/23	Jun 30/24	Jun 30/23
Revenue from products and services	\$ 90,779	\$ 127,197	\$ 404,643	\$ 201,500
Cost of products and services sold	(25,524)	(22,713)	(63,948)	(36,194)
Depreciation and amortization	(5,890)	(7,250)	(26,290)	(11,771)
Finance income	1,085	438	1,647	568
Finance costs	(87)	(312)	(359)	(571)
Other income (expense)	5,134	(4,913)	(10,178)	(14,643)
Income tax expense	(11,653)	(18,158)	(61,110)	(28,001)
Net earnings from continuing operations	\$ 53,844	\$ 74,289	\$ 244,405	\$ 110,888
Other comprehensive income	-	-	-	-
Total comprehensive income	\$ 53,844	\$ 74,289	\$ 244,405	\$ 110,888

The following table summarizes the financial information of JV Inkai (100%) and reconciles it to the carrying amount of Cameco's interest:

	Jun 30/24	Dec 31/23
Cash and cash equivalents	\$ 36,806	\$ 24,074
Other current assets	405,621	551,917
Non-current assets	324,309	332,655
Current liabilities	(38,492)	(40,985)
Non-current liabilities	(30,376)	(30,211)
Net assets	697,868	837,450
Cameco's share of net assets (40%)	279,147	334,980
Consolidating adjustments ^(a)	(45,986)	(74,223)
Fair value increment ^(b)	80,076	81,090
Dividends declared but not received	9,760	5,952
Dividends in excess of ownership percentage ^(c)	(107,179)	(74,843)
Impact of foreign exchange	1,594	850
Carrying amount of interest in JV Inkai	\$ 217,412	\$ 273,806

(a) Cameco records certain consolidating adjustments to eliminate unrealized profit, recognize deferred profit and amortize historical differences in accounting policies. The historical differences are amortized to earnings over units of production.

(b) Upon restructuring, Cameco assigned fair values to the assets and liabilities of JV Inkai. This increment is amortized to earnings over units of production.

(c) Cameco's share of dividends follows its production purchase entitlements which is currently higher than its ownership interest.

8. Long-term debt

	Jun 30/24	Dec 31/23
Unsecured debentures		
Series F - 5.09% debentures due November 14, 2042	\$ 99,385	\$ 99,374
Series G - 4.19% debentures due June 24, 2024	-	499,821
Series H - 2.95% debentures due October 21, 2027	398,759	398,582
Series I - 4.94% debentures due May 24, 2031	497,376	-
Term loans	407,433	786,397
	1,402,953	1,784,174
Less current portion	-	(499,821)
Total	\$ 1,402,953	\$ 1,284,353

On May 24, 2024, Cameco issued \$500,000,000 of Series I debentures which bear interest at a rate of 4.94% per annum. The net proceeds of the issue after deducting expenses were approximately \$497,000,000. The debentures mature on May 24, 2031, and are being amortized at an effective interest rate of 5.03%. In conjunction with the issuance of the Series I debentures, on June 24, 2024, the \$500,000,000 principal amount of the Series G debentures was redeemed.

On November 7, 2023, the Company utilized a term loan for \$600,000,000 (US) with a syndicate of lenders. The proceeds of the term loan were used to finance the 49% acquisition of Westinghouse. The term loan consisted of two \$300,000,000 (US) tranches. The first tranche has a floating interest rate of SOFR plus 1.80% and matures on November 7, 2025. The second tranche has a floating interest rate of SOFR plus 2.05% and matures on November 7, 2026. In addition to the \$200,000,000 (US) repaid in the first quarter, Cameco repaid \$100,000,000 (US) on June 10, 2024 to fully retire the second tranche.

9. Other liabilities

	Jun 30/24	Dec 31/23
Deferred sales	\$ 122,833	\$ 45,372
Derivatives [note 19]	43,484	22,344
Accrued pension and post-retirement benefit liability	78,523	77,002
Lease obligation [note 19]	10,769	10,816
Product loans ^(a)	158,837	166,052
Sales contracts [note 4]	5,644	6,314
Other	62,036	64,064
	482,126	391,964
Less current portion	(144,335)	(48,544)
Net	\$ 337,791	\$ 343,420

(a) Cameco has standby product loan facilities with various counterparties. The arrangements allow us to borrow up to 1,978,000 kgU of UF₆ conversion services and 6,679,000 pounds of U₃O₈ by September 30, 2027 with repayment in kind up to December 31, 2027. Under the facilities, standby fees of up to 1.5% are payable based on the market value of the facilities and interest is payable on the market value of any amounts drawn at rates ranging from 0.5% to 3.0%. At June 30, 2024, we have 1,777,000 kgU of UF₆ conversion services (December 31, 2023 - 1,777,000 kgU) drawn on the loans with repayment due by December 31 of the following years:

	2024	2025	2026	2027	Total
kgU of UF ₆	-	528,000	1,249,000	-	1,777,000

We also have 2,756,000 pounds of U₃O₈ (December 31, 2023 - 2,756,000 pounds) drawn with repayment due no later than December 31 of the following years:

	2024	2025	2026	2027	Total
lbs of U ₃ O ₈	-	630,000	2,126,000	-	2,756,000

The loans are recorded at Cameco's weighted average cost of inventory.

10. Provisions

	Reclamation	Waste disposal	Total
Beginning of year	\$ 1,051,167	\$ 10,817	\$ 1,061,984
Changes in estimates and discount rates			
Capitalized in property, plant, and equipment	(17,919)	-	(17,919)
Recognized in earnings	(19,787)	-	(19,787)
Provisions used during the period	(15,527)	(582)	(16,109)
Unwinding of discount	18,396	182	18,578
Impact of foreign exchange	10,167	-	10,167
End of period	\$ 1,026,497	\$ 10,417	\$ 1,036,914
Current	65,763	4,830	70,593
Non-current	960,734	5,587	966,321
	\$ 1,026,497	\$ 10,417	\$ 1,036,914

11. Share capital

At June 30, 2024, there were 435,180,572 common shares outstanding. Options in respect of 391,469 shares are outstanding under the stock option plan and are exercisable up to 2027. For the quarter ended June 30, 2024, there were 974,820 options that were exercised resulting in the issuance of shares (2023 - 276,050). For the six months ended June 30, 2024, there were 1,004,820 options exercised that resulted in the issuance of shares (2023 - 789,767).

12. Revenue

Cameco's uranium and fuel services sales contracts with customers contain both fixed and market-related pricing. Fixed-price contracts are typically based on a term-price indicator at the time the contract is accepted and escalated over the term of the contract. Market-related contracts are based on either the spot price or long-term price, and the price is quoted at the time of delivery rather than at the time the contract is accepted. These contracts often include a floor and/or ceiling prices, which are usually escalated over the term of the contract. Escalation is generally based on a consumer price index. The Company's contracts contain either one of these pricing mechanisms or a combination of the two. There is no variable consideration in the contracts and therefore no revenue is considered constrained at the time of delivery. Cameco expenses the incremental costs of obtaining a contract as incurred as the amortization period is less than a year.

The following tables summarize Cameco's sales disaggregated by geographical region and contract type and includes a reconciliation to Cameco's reportable segments (note 20):

For the three months ended June 30, 2024

	Uranium	Fuel services	Total
Customer geographical region			
Americas	\$ 235,012	\$ 90,116	\$ 325,128
Europe	112,366	22,635	135,001
Asia	133,222	5,107	138,329
	\$ 480,600	\$ 117,858	\$ 598,458
Contract type			
Fixed-price	\$ 199,543	\$ 115,877	\$ 315,420
Market-related	281,057	1,981	283,038
	\$ 480,600	\$ 117,858	\$ 598,458

For the three months ended June 30, 2023

	Uranium	Fuel services	Total
Customer geographical region			
Americas	\$ 199,576	\$ 86,870	\$ 286,446
Europe	76,895	26,375	103,270
Asia	92,057	214	92,271
	\$ 368,528	\$ 113,459	\$ 481,987
Contract type			
Fixed-price	\$ 106,359	\$ 111,514	\$ 217,873
Market-related	262,169	1,945	264,114
	\$ 368,528	\$ 113,459	\$ 481,987

For the six months ended June 30, 2024

	Uranium	Fuel services	Total
Customer geographical region			
Americas	\$ 656,929	\$ 151,369	\$ 808,298
Europe	179,497	33,396	212,893
Asia	205,284	5,528	210,812
	\$ 1,041,710	\$ 190,293	\$ 1,232,003
Contract type			
Fixed-price	\$ 357,470	\$ 179,491	\$ 536,961
Market-related	684,240	10,802	695,042
	\$ 1,041,710	\$ 190,293	\$ 1,232,003

For the six months ended June 30, 2023

	Uranium	Fuel services	Total
Customer geographical region			
Americas	\$ 433,848	\$ 153,040	\$ 586,888
Europe	255,037	45,566	300,603
Asia	274,218	7,252	281,470
	\$ 963,103	\$ 205,858	\$ 1,168,961
Contract type			
Fixed-price	\$ 308,312	\$ 203,913	\$ 512,225
Market-related	654,791	1,945	656,736
	\$ 963,103	\$ 205,858	\$ 1,168,961

13. Finance costs

	Three months ended		Six months ended	
	Jun 30/24	Jun 30/23	Jun 30/24	Jun 30/23
Interest on long-term debt	\$ 28,870	\$ 10,480	\$ 53,242	\$ 20,857
Unwinding of discount on provisions	9,805	8,269	18,578	17,608
Other charges	4,708	3,995	9,707	7,877
Total	\$ 43,383	\$ 22,744	\$ 81,527	\$ 46,342

14. Other income (expense)

	Three months ended		Six months ended	
	Jun 30/24	Jun 30/23	Jun 30/24	Jun 30/23
Foreign exchange gains (losses)	5,253	(43,578)	21,860	(46,163)
Other	1	545	(4)	545
Total	\$ 5,254	\$ (43,033)	\$ 21,856	\$ (45,618)

15. Income taxes

	Three months ended		Six months ended	
	Jun 30/24	Jun 30/23	Jun 30/24	Jun 30/23
Earnings (loss) before income taxes				
Canada	\$ 90,221	\$ 61,832	\$ 230,795	\$ 211,451
Foreign	(36,189)	(24,781)	(152,865)	(19,532)
	\$ 54,032	\$ 37,051	\$ 77,930	\$ 191,919
Current income taxes				
Canada	\$ 6,398	\$ 3,452	\$ 17,752	\$ 15,337
Foreign	2,956	1,805	4,401	4,228
	\$ 9,354	\$ 5,257	\$ 22,153	\$ 19,565
Deferred income taxes (recovery)				
Canada	\$ 6,538	\$ 18,349	\$ 25,994	\$ 39,157
Foreign	2,132	(248)	837	540
	\$ 8,670	\$ 18,101	\$ 26,831	\$ 39,697
Income tax expense	\$ 18,024	\$ 23,358	\$ 48,984	\$ 59,262

Cameco has recorded \$866,372,000 of deferred tax assets (December 31, 2023 - \$892,860,000). The realization of these deferred tax assets is dependent upon the generation of future taxable income in certain jurisdictions during the periods in which the Company's temporary tax differences are available. The Company considers whether it is probable that all or a portion of the deferred tax assets will not be realized. In making this assessment, management considers all available evidence, including recent financial operations, projected future taxable income and tax planning strategies. Based on projections of future taxable income over the periods in which the deferred tax assets are available, realization of these deferred tax assets is probable and consequently the deferred tax assets have been recorded.

Cameco has operations in countries where the global minimum top-up tax has been enacted or substantively enacted effective January 1, 2024, including: Canada, Switzerland, Luxembourg, Germany and the United Kingdom. The exposure is currently only in Switzerland, as all other constituent entities have effective tax rates higher than 15% and the transitional safe harbour rules are expected to be met. As a result of this exposure, additional income tax expense of \$1,060,000 has been recorded relating to the profits earned in Switzerland (2023 - \$0).

Canada

On February 18, 2021, the Supreme Court of Canada (Supreme Court) dismissed Canada Revenue Agency's (CRA) application for leave to appeal the June 26, 2020 decision of the Federal Court of Appeal (Court of Appeal). The dismissal means that the dispute for the 2003, 2005 and 2006 tax years is fully and finally resolved in the Company's favour.

In September 2018, the Tax Court of Canada (Tax Court) ruled that the marketing and trading structure involving foreign subsidiaries, as well as the related transfer pricing methodology used for certain intercompany uranium sales and purchasing agreements, were in full compliance with Canadian law for the tax years in question. Management believes the principles in the decision apply to all subsequent tax years, and that the ultimate resolution of those years will not be material to Cameco's financial position, results of operations or liquidity in the year(s) of resolution.

As CRA continues to pursue reassessments for tax years subsequent to 2006, Cameco is utilizing its appeal rights under Canadian federal and provincial tax rules.

16. Per share amounts

Per share amounts have been calculated based on the weighted average number of common shares outstanding during the period.

	Three months ended		Six months ended	
	Jun 30/24	Jun 30/23	Jun 30/24	Jun 30/23
Basic earnings per share computation				
Net earnings attributable to equity holders	\$ 36,010	\$ 13,693	\$ 28,953	\$ 132,662
Weighted average common shares outstanding	434,875	433,096	434,530	432,974
Basic earnings per common share	\$ 0.08	\$ 0.03	\$ 0.07	\$ 0.31
Diluted earnings per share computation				
Net earnings attributable to equity holders	\$ 36,010	\$ 13,693	\$ 28,953	\$ 132,662
Weighted average common shares outstanding	434,875	433,096	434,530	432,974
Dilutive effect of stock options	1,077	1,522	1,077	1,745
Weighted average common shares outstanding, assuming dilution	435,952	434,618	435,607	434,719
Diluted earnings per common share	\$ 0.08	\$ 0.03	\$ 0.07	\$ 0.31

17. Statements of cash flows

	Three months ended		Six months ended	
	Jun 30/24	Jun 30/23	Jun 30/24	Jun 30/23
Changes in non-cash working capital:				
Accounts receivable	\$ 31,565	\$ (106,445)	\$ 284,466	\$ (71,408)
Inventories	(90,561)	(129,521)	(151,329)	71,170
Supplies and prepaid expenses	19,359	(15,688)	14,833	(26,601)
Accounts payable and accrued liabilities	(109,633)	50,473	(337,674)	(117,570)
Reclamation payments	(8,301)	(10,634)	(16,109)	(19,527)
Other	21,166	(1,860)	14,254	(5,494)
Other operating items	\$ (136,405)	\$ (213,675)	\$ (191,559)	\$ (169,430)

18. Share-based compensation plans

A. Stock option plan

The aggregate number of common shares that may be issued pursuant to the Cameco stock option plan shall not exceed 43,017,198 of which 33,200,879 shares have been issued. As of June 30, 2024, the total number of stock options held by the participants was 391,469 (December 31, 2023 - 1,396,289).

B. Executive performance share unit (PSU)

During the period, the Company granted 178,600 PSUs. The weighted average fair value per unit at the date of issue was \$55.00. As of June 30, 2024, the total number of PSUs held by the participants was 635,312 (December 31, 2023 - 830,279).

C. Restricted share unit (RSU)

During the period, the Company granted 322,267 RSUs. The weighted average fair value per unit at the date of issue was \$55.00. As of June 30, 2024, the total number of RSUs held by the participants was 736,256 (December 31, 2023 - 814,683).

D. Deferred share unit (DSU)

As of June 30, 2024, the total number of DSUs held by participating directors was 401,503 (December 31, 2023 - 564,401).

Equity-settled plans

Cameco records compensation expense under its equity-settled plans with an offsetting credit to contributed surplus, to reflect the estimated fair value of units granted to employees. During the period, the Company recognized the following expenses under these plans:

	Three months ended		Six months ended	
	Jun 30/24	Jun 30/23	Jun 30/24	Jun 30/23
Employee share ownership plan ^(a)	\$ 1,301	\$ 1,133	\$ 2,380	\$ 2,046
Restricted share unit plan	1,717	912	3,004	1,761
Total	\$ 3,018	\$ 2,045	\$ 5,384	\$ 3,807

(a) The total number of shares purchased in 2024 with Company contributions was 37,246 (2023 - 55,807).

Cash-settled plans

During the period, the Company recognized the following expenses (income) under these plans:

	Three months ended		Six months ended	
	Jun 30/24	Jun 30/23	Jun 30/24	Jun 30/23
Performance share unit plan	\$ 3,840	\$ 3,117	\$ 7,361	\$ 11,245
Deferred share unit plan	4,862	3,371	5,723	5,946
Restricted share unit plan	3,705	3,270	6,515	9,403
Phantom stock option plan	460	504	530	988
Phantom restricted share unit plan	243	168	409	308
	\$ 13,110	\$ 10,430	\$ 20,538	\$ 27,890

Expenses related to share-based compensation plans are primarily included as part of administration expense in the statement of earnings.

19. Financial instruments and related risk management

A. Accounting classifications

The following tables summarize the carrying amounts and accounting classifications of Cameco's financial instruments at the reporting date:

At June 30, 2024

	FVTPL	Amortized cost	Total
Financial assets			
Cash and cash equivalents ^(a)	\$ -	\$ 361,617	\$ 361,617
Accounts receivable	-	172,872	172,872
Derivative assets [note 6]			
Foreign currency contracts	2,454	-	2,454
	2,454	534,489	536,943
Financial liabilities			
Accounts payable and accrued liabilities	-	253,232	253,232
Lease obligation [note 9]	-	10,769	10,769
Derivative liabilities [note 9]			
Foreign currency contracts	37,637	-	37,637
Interest rate contracts	5,847	-	5,847
Long-term debt	-	1,402,953	1,402,953
	43,484	1,666,954	1,710,438
Net	(41,030)	(1,132,465)	(1,173,495)

At December 31, 2023

	FVTPL	Amortized cost	Total
Financial assets			
Cash and cash equivalents	\$ -	\$ 566,809	\$ 566,809
Accounts receivable	-	422,333	422,333
Derivative assets [note 6]			
Foreign currency contracts	28,467	-	28,467
	\$ 28,467	\$ 989,142	\$ 1,017,609
Financial liabilities			
Accounts payable and accrued liabilities	\$ -	\$ 577,550	\$ 577,550
Lease obligation [note 9]	-	10,816	10,816
Current portion of long-term debt	-	499,821	499,821
Derivative liabilities [note 9]			
Foreign currency contracts	16,525	-	16,525
Interest rate contracts	5,819	-	5,819
Long-term debt	-	1,284,353	1,284,353
	22,344	2,372,540	2,394,884
Net	\$ 6,123	\$ (1,383,398)	\$ (1,377,275)

(a) Cameco has pledged \$158,542,000 of cash as security against certain of its letter of credit facilities. This cash is being used as collateral for an interest rate reduction on the letter of credit facilities. The collateral account has a term of five years effective November 1, 2023. Cameco retains full access to this cash.

B. Fair value hierarchy

The fair value of an asset or liability is generally estimated as the amount that would be received on sale of an asset, or paid to transfer a liability in an orderly transaction between market participants at the reporting date. Fair values of assets and liabilities traded in an active market are determined by reference to last quoted prices, in the principal market for the asset or liability. In the absence of an active market for an asset or liability, fair values are determined based on market quotes for assets or liabilities with similar characteristics and risk profiles, or through other valuation techniques. Fair values determined using valuation techniques require the use of inputs, which are obtained from external, readily observable market data when available. In some circumstances, inputs that are not based on observable data must be used. In these cases, the estimated fair values may be adjusted in order to account for valuation uncertainty, or to reflect the assumptions that market participants would use in pricing the asset or liability.

All fair value measurements are categorized into one of three hierarchy levels, described below, for disclosure purposes. Each level is based on the transparency of the inputs used to measure the fair values of assets and liabilities:

Level 1 – Values based on unadjusted quoted prices in active markets that are accessible at the reporting date for identical assets or liabilities.

Level 2 – Values based on quoted prices in markets that are not active or model inputs that are observable either directly or indirectly for substantially the full term of the asset or liability.

Level 3 – Values based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement.

When the inputs used to measure fair value fall within more than one level of the hierarchy, the level within which the fair value measurement is categorized is based on the lowest level input that is significant to the fair value measurement in its entirety.

The following tables summarize the carrying amounts and level 2 fair values of Cameco's financial instruments that are measured at fair value:

As at June 30, 2024

	Carrying value	Fair Value
Derivative assets [note 6]		
Foreign currency contracts	\$ 2,454	\$ 2,454
Derivative liabilities [note 9]		
Foreign currency contracts	(37,637)	(37,637)
Interest rate contracts	(5,847)	(5,847)
Long-term debt	(1,402,953)	(1,452,697)
Net	\$ (1,443,983)	\$ (1,493,727)

As at December 31, 2023

	Carrying value	Fair Value
Derivative assets [note 6]		
Foreign currency contracts	\$ 28,467	\$ 28,467
Current portion of long-term debt	(499,821)	(500,000)
Derivative liabilities [note 9]		
Foreign currency contracts	(16,525)	(16,525)
Interest rate contracts	(5,819)	(5,819)
Long-term debt	(1,284,353)	(1,303,681)
Net	\$ (1,778,051)	\$ (1,797,558)

The preceding tables exclude fair value information for financial instruments whose carrying amounts are a reasonable approximation of fair value. The carrying value of Cameco's cash and cash equivalents, accounts receivable, and accounts payable and accrued liabilities approximates its fair value as a result of the short-term nature of the instruments.

There were no transfers between level 1 and level 2 during the period. Cameco does not have any financial instruments that are classified as level 1 or level 3 as of the reporting date.

C. Financial instruments measured at fair value

Cameco measures its derivative financial instruments and long-term debt at fair value. Derivative financial instruments and current and long-term debt are classified as recurring level 2 fair value measurements.

The fair value of Cameco's unsecured debentures is determined using quoted market yields as of the reporting date, which ranged from 3.5% to 3.6% (2023 - 3.1% to 4.9%). The fair value of the floating rate term loan is equal to its carrying value.

Foreign currency derivatives consist of foreign currency forward contracts, options and swaps. The fair value of foreign currency options is measured based on the Black Scholes option-pricing model. The fair value of foreign currency forward contracts and swaps is measured using a market approach, based on the difference between contracted foreign exchange rates and quoted forward exchange rates as of the reporting date.

Interest rate derivatives consist of interest rate swap contracts. The fair value of interest rate swaps is determined by discounting expected future cash flows from the contracts. The future cash flows are determined by measuring the difference between fixed interest payments to be received and floating interest payments to be made to the counterparty based on Canada Dealer Offer Rate forward interest rate curves.

Where applicable, the fair value of the derivatives reflects the credit risk of the instrument and includes adjustments to take into account the credit risk of the Company and counterparty. These adjustments are based on credit ratings and yield curves observed in active markets at the reporting date.

D. Derivatives

The following table summarizes the fair value of derivatives and classification on the consolidated statements of financial position:

	Jun 30/24	Dec 31/23
Non-hedge derivatives:		
Foreign currency contracts	\$ (35,183)	\$ 11,942
Interest rate contracts	(5,847)	(5,819)
Net	\$ (41,030)	\$ 6,123
Classification:		
Current portion of long-term receivables, investments and other [note 6]	\$ 376	\$ 9,137
Long-term receivables, investments and other [note 6]	2,078	19,330
Current portion of other liabilities [note 9]	(29,914)	(14,338)
Other liabilities [note 9]	(13,570)	(8,006)
Net	\$ (41,030)	\$ 6,123

The following table summarizes the different components of the gain (loss) on derivatives included in net earnings (loss):

	Three months ended		Six months ended	
	Jun 30/24	Jun 30/23	Jun 30/24	Jun 30/23
Non-hedge derivatives:				
Foreign currency contracts	\$ (18,667)	\$ 31,346	\$ (58,542)	\$ 32,974
Interest rate contracts	(95)	(2,617)	(1,498)	(1,975)
Net	\$ (18,762)	\$ 28,729	\$ (60,040)	\$ 30,999

20. Segmented information

Cameco has three reportable segments: uranium, fuel services and Westinghouse. Cameco's reportable segments are strategic business units with different products, processes and marketing strategies. The uranium segment involves the exploration for, mining, milling, purchase and sale of uranium concentrate. The fuel services segment involves the refining, conversion and fabrication of uranium concentrate and the purchase and sale of conversion services. The Westinghouse segment reflects our earnings from this equity-accounted investment (see note 7). Westinghouse is a nuclear reactor technology original equipment manufacturer and a global provider of products and services to commercial utilities and government agencies. It provides outage and maintenance services, engineering support, instrumentation and controls equipment, plant modification, and components and parts to nuclear reactors.

Cost of sales in the uranium segment includes care and maintenance costs for our operations that have had production suspensions. Cameco expensed \$11,855,000 of care and maintenance costs during the second quarter of 2024 (2023 - \$12,139,000). For the six months ended June 30, 2024, Cameco expensed \$24,233,000 (2023 - \$25,693,000).

Accounting policies used in each segment are consistent with the policies outlined in the summary of material accounting policies.

Business segments

For the three months ended June 30, 2024

	Uranium	Fuel services	(i) WEC	(i) Adjustments	Other	Total
Revenue	\$ 480,600	\$ 117,858	\$ 669,631	\$ (669,631)	\$ -	598,458
Expenses						
Cost of products and services sold	284,660	76,620	218,703	(218,703)	-	361,280
Depreciation and amortization	51,520	9,008	88,574	(88,574)	1,330	61,858
Cost of sales	336,180	85,628	307,277	(307,277)	1,330	423,138
Gross profit (loss)	144,420	32,230	362,354	(362,354)	(1,330)	175,320
Administration	-	-	345,783	(345,783)	65,705	65,705
Exploration	2,703	-	-	-	-	2,703
Research and development	-	-	-	-	7,879	7,879
Other operating income	(2,220)	(788)	-	-	-	(3,008)
Gain (loss) on disposal of assets	47	(5)	-	-	-	42
Finance costs	-	-	54,298	(54,298)	43,383	43,383
Gain on derivatives	-	-	-	-	18,762	18,762
Finance income	-	-	(793)	793	(7,887)	(7,887)
Share of loss (earnings) from equity-accounted investee	(47,758)	-	-	46,721	-	(1,037)
Other expense (income)	-	-	20,483	(20,483)	(5,254)	(5,254)
Earnings (loss) before income taxes	191,648	33,023	(57,417)	10,696	(123,918)	54,032
Income tax recovery						18,024
Net earnings					\$	36,008

(i) Consistent with the presentation of financial information for internal management purposes, Cameco's share of Westinghouse's financial results has been presented as a separate segment. In accordance with IFRS, this investment is accounted for by the equity method of accounting in these consolidated financial statements and the associated revenue and expenses are eliminated in the "Adjustments" column.

For the three months ended June 30, 2023

	Uranium	Fuel services	Other	Total
Revenue	\$ 368,528	\$ 113,459	\$ -	\$ 481,987
Expenses				
Cost of products and services sold	264,491	65,671	-	330,162
Depreciation and amortization	32,240	8,767	845	41,852
Cost of sales	296,731	74,438	845	372,014
Gross profit (loss)	71,797	39,021	(845)	109,973
Administration	-	-	57,048	57,048
Exploration	3,878	-	-	3,878
Research and development	-	-	5,107	5,107
Other operating expense (income)	8,535	(146)	-	8,389
Gain (loss) on disposal of assets	(36)	312	-	276
Finance costs	-	-	22,744	22,744
Gain on derivatives	-	-	(28,729)	(28,729)
Finance income	-	-	(31,098)	(31,098)
Share of earnings from equity-accounted investee	(7,726)	-	-	(7,726)
Other expense (income)	(545)	-	43,578	43,033
Earnings (loss) before income taxes	67,691	38,855	(69,495)	37,051
Income tax expense				23,358
Net earnings				\$ 13,693

For the six months ended June 30, 2024

	Uranium	Fuel services	(i) WEC	(i) Adjustments	Other	Total
Revenue	\$ 1,041,710	\$ 190,293	\$ 1,325,155	(1,325,155)	\$ -	\$ 1,232,003
Expenses						
Cost of products and services sold	640,520	125,023	513,547	(513,547)	(706)	764,837
Depreciation and amortization	88,235	14,328	173,270	(173,270)	2,462	105,025
Cost of sales	728,755	139,351	686,817	(686,817)	1,756	869,862
Gross profit (loss)	312,955	50,942	638,338	(638,338)	(1,756)	362,141
Administration	-	-	680,973	(680,973)	125,513	125,513
Exploration	10,063	-	-	-	-	10,063
Research and development	-	-	-	-	17,199	17,199
Other operating income	(17,112)	(2,675)	-	-	-	(19,787)
Loss on disposal of assets	272	140	-	-	-	412
Finance costs	-	-	118,416	(118,416)	81,527	81,527
Gain on derivatives	-	-	-	-	60,040	60,040
Finance income	-	-	(2,723)	2,723	(14,209)	(14,209)
Share of loss (earnings) from equity-accounted investee	(124,888)	-	-	170,197	-	45,309
Other expense (income)	-	-	59,969	(59,969)	(21,856)	(21,856)
Earnings (loss) before income taxes	444,620	53,477	(218,297)	48,100	(249,970)	77,930
Income tax recovery						48,984
Net earnings						\$ 28,946

(i) Consistent with the presentation of financial information for internal management purposes, Cameco's share of Westinghouse's financial results has been presented as a separate segment. In accordance with IFRS, this investment is accounted for by the equity method of accounting in these consolidated financial statements and the associated revenue and expenses are eliminated in the "Adjustments" column.

For the six months ended June 30, 2023

	Uranium	Fuel services	Other	Total
Revenue	\$ 963,103	\$ 205,858	\$ -	\$ 1,168,961
Expenses				
Cost of products and services sold	654,509	119,800	(725)	773,584
Depreciation and amortization	100,117	16,317	1,791	118,225
Cost of sales	754,626	136,117	1,066	891,809
Gross profit (loss)	208,477	69,741	(1,066)	277,152
Administration	-	-	121,059	121,059
Exploration	10,157	-	-	10,157
Research and development	-	-	9,339	9,339
Other operating expense (income)	6,779	(437)	-	6,342
Gain (loss) on disposal of assets	(36)	312	-	276
Finance costs	-	-	46,342	46,342
Gain on derivatives	-	-	(30,999)	(30,999)
Finance income	-	-	(58,639)	(58,639)
Share of earnings from equity-accounted investee	(64,262)	-	-	(64,262)
Other expense (income)	(545)	-	46,163	45,618
Earnings (loss) before income taxes	256,384	69,866	(134,331)	191,919
Income tax expense				59,262
Net earnings				\$ 132,657

21. Related parties

Transactions with key management personnel

Key management personnel are those persons that have the authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel of the Company include executive officers, vice-presidents, other senior managers and members of the board of directors.

Certain key management personnel, or their related parties, hold positions in other entities that result in them having control or significant influence over the financial or operating policies of those entities. As noted below, some of these entities transacted with the Company in the reporting period. The terms and conditions of the transactions were on an arm's length basis.

Cameco purchases a significant amount of goods and services for its Saskatchewan mining operations from northern Saskatchewan suppliers to support economic development in the region. The president of several of these suppliers became a member of the board of directors of Cameco in September 2023. During the quarter ended June 30, 2024, Cameco paid these suppliers \$20,420,000 for construction and contracting services. During the six months ended June 30, 2024, Cameco paid these suppliers \$46,408,000. The transactions were conducted in the normal course of business and were accounted for at the exchange amount. Accounts payable includes a balance of \$528,000 at the reporting date.

Other related party transactions

	Transaction value Three months ended		Transaction value Six months ended		Balance outstanding as at	
	Jun 30/24	Jun 30/23	Jun 30/24	Jun 30/23	Jun 30/24	Jun 30/23
Joint venture ^(a)						
Sales revenue	\$ -	\$ -	\$ 45,182	\$ -	\$ -	\$ -
Fuel storage and handling	1	-	25	-	-	-
Associate ^(b)						
Product purchases	-	93,430	145,784	93,430	-	-
Dividends received	185,447	113,642	185,447	113,642	-	-

(a) Cameco has entered into various agreements with Westinghouse and its subsidiaries and has recognized sales revenue related to fuel supply agreements and incurred costs related to fuel storage and handling fees. Contract terms are at market rates and on normal trade terms.

(b) Cameco purchases uranium concentrate from JV Inkai. Purchases from JV Inkai are at market rates with extended payment terms. Cash dividends are also received from JV Inkai.