

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. These securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”), and, subject to certain exceptions, may not be offered or sold in the United States or to U.S. persons within the meaning of Regulation S under the U.S. Securities Act. See “Plan of Distribution”.

This prospectus supplement, together with the short form base shelf prospectus dated May 29, 2012 to which it relates, as amended or supplemented, and each document incorporated or deemed to be incorporated by reference in the short form base shelf prospectus, constitutes a public offering of securities offered pursuant hereto only in the jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities.

Information has been incorporated by reference in this prospectus supplement and the accompanying short form base shelf prospectus dated May 29, 2012 from documents filed with securities commissions or similar authorities in Canada. Copies of the short form base shelf prospectus and documents incorporated by reference therein may be obtained on request without charge from the Corporate Secretary, Cameco Corporation at its registered and head office at 2121 – 11th Street West, Saskatoon, Saskatchewan S7M 1J3 (Telephone (306) 956-6200), and are also available electronically at www.sedar.com.

**PROSPECTUS SUPPLEMENT
To a Short Form Base Shelf Prospectus dated May 29, 2012**

New Issue

November 7, 2012



CAMECO CORPORATION

\$500,000,000

\$400,000,000 3.75% Senior Unsecured Debentures, Series E due 2022

\$100,000,000 5.09% Senior Unsecured Debentures, Series F due 2042

This prospectus supplement (the “**prospectus supplement**”) together with the Canadian short form base shelf prospectus dated May 29, 2012 to which it relates (the “**base shelf prospectus**”) qualifies the distribution (the “**Offering**”) of \$400,000,000 aggregate principal amount of 3.75% senior unsecured debentures, Series E due November 14, 2022 (the “**Series E Debentures**”) of Cameco Corporation (“**Cameco**” or the “**Company**”) at a price of \$999.92 per Series E Debenture and \$100,000,000 aggregate principal amount of 5.09% senior unsecured debentures, Series F due November 14, 2042 (the “**Series F Debentures**” and, together with the Series E Debentures, the “**Offered Debentures**”) of Cameco at a price of \$999.54 per Series F Debenture. The Offered Debentures will be unsecured obligations of Cameco. The Series E Debentures will mature on November 14, 2022 and will have an interest rate of 3.75% per annum and the Series F Debentures will mature on November 14, 2042 and will have an interest rate of 5.09% per annum. The interest on the Offered Debentures will be calculated and payable in equal semi-annual payments in arrears on May 14 and November 14 in each year, commencing May 14, 2013. The effective yield on the Series E Debentures if held to maturity will be 3.751% and the effective yield on the Series F Debentures if held to maturity will be 5.093%.

The Offered Debentures will be redeemable at the option of the Company at any time, in whole or in part, upon not more than 60 days and not less than 30 days prior notice, at the higher of the Canada Yield Price (as herein defined) and par, together in each case with accrued and unpaid interest to the date fixed for redemption. If a Change of Control Triggering Event (as defined herein) occurs, unless the Company has exercised its optional right to redeem all of the Offered Debentures as described above, the Company will be required to make an offer to repurchase all or, at the option of a holder of Offered Debentures (a “**Holder**”), any part of such Holder’s Offered Debentures (a “**Change of Control Offer**”). In a Change of Control Offer, the Company will be required to offer payment in cash equal to 101% of the aggregate principal amount of Offered Debentures together with accrued and unpaid interest on the Offered Debentures repurchased to the date of purchase.

Investing in the Offered Debentures involves risks. See the “Risk Factors” section on page 22 of the base shelf prospectus, as well as “Risk Factors”, beginning on page 27 of this prospectus supplement.

The Offered Debentures offered under this prospectus supplement will generally be qualified investments under the *Income Tax Act* (Canada). See “Eligibility for Investment.”

Price: \$999.92 per Series E Debenture
\$999.54 per Series F Debenture

	<u>Price to Public⁽¹⁾</u>	<u>Agents' Fee</u>	<u>Net Proceeds to Cameco⁽²⁾</u>
Per Series E Debenture.....	\$ 999.92	\$4.00	\$995.92
Per Series F Debenture.....	\$999.54	\$5.00	\$994.54
Total	\$499,922,000	\$ 2,100,000	\$497,822,000

Notes:

- (1) Plus accrued interest from November 14, 2012, if settlement occurs after that date. Accrued interest must be paid by the purchasers of the Offered Debentures.
- (2) Before deducting expenses of this Offering, estimated to be \$1,100,000, which, together with the Agents' fee, will be paid from the general funds of the Company.

The Series E Debentures and the Series F Debentures will be issued under a trust indenture dated July 12, 1999 as supplemented (as so supplemented, the “**1999 Trust Indenture**”) between Cameco and CIBC Mellon Trust Company, as trustee, as supplemented by a fifth supplemental trust indenture (the “**Fifth Supplemental Indenture**”) and sixth supplemental trust indenture (the “**Sixth Supplemental Indenture**”), respectively, to be entered into on the date of the closing of the Offering (the 1999 Trust Indenture, the Fifth Supplemental Indenture and the Sixth Supplemental Indenture are collectively referred to as the “**Canadian Trust Indenture**”). See “Description of Debentures” for further particulars of the material attributes of the Series E Debentures and the Series F Debentures.

TD Securities Inc., RBC Dominion Securities Inc., BMO Nesbitt Burns Inc., CIBC World Markets Inc., HSBC Securities (Canada) Inc., National Bank Financial Inc., and Scotia Capital Inc. (collectively, the “**Agents**”), as agents, conditionally offer the Offered Debentures, subject to prior sale, on a best efforts basis if, as and when issued by us and accepted by the Agents in accordance with the conditions contained in the agency agreement referred to under “Plan of Distribution” and subject to the approval of certain legal matters on behalf of the Company by Osler, Hoskin & Harcourt LLP and on behalf of the Agents by Borden Ladner Gervais LLP.

Subscriptions for the Offered Debentures will be received subject to rejection or allotment, in whole or in part, and the right is reserved to close the subscription books at any time without notice. It is expected that the closing of this Offering will take place on November 14, 2012 or on such other date as Cameco and the Agents may agree but, in any event, no later than November 21, 2012. At the closing of the Offering, the Offered Debentures will be available for delivery in book-entry form only through the facilities of CDS Clearing and Depository Services Inc. (“**CDS**”).

In connection with this Offering, the Agents may, subject to applicable law, effect transactions that stabilize or maintain the market price of the Offered Debentures at levels other than those which otherwise might prevail on the open market. Such transactions, if commenced, may be discontinued at any time. See “Plan of Distribution”.

TD Securities Inc., RBC Dominion Securities Inc., BMO Nesbitt Burns Inc., CIBC World Markets Inc., HSBC Securities (Canada) Inc., National Bank Financial Inc., and Scotia Capital Inc. are affiliates of Canadian chartered banks or other financial institutions that, among other lenders, have provided us with certain credit facilities, and/or have provided us with other credit accommodations or are counterparties to certain currency swaps or other derivatives transactions with us. The net proceeds of the Offering will be used as described under “Use of Proceeds” and our receipt of the net proceeds of the Offering will enable us not to borrow amounts we might otherwise have borrowed under such credit facilities or other credit accommodations. Consequently, we may be considered to be a “connected issuer” of each of the Agents under applicable securities laws. See “Use of Proceeds” and “Plan of Distribution”.

There is no market through which the securities may be sold and purchasers may not be able to resell securities purchased under this prospectus supplement. This may affect the pricing of the securities in the secondary market, the transparency and availability of trading prices, the liquidity of the securities and the extent of issuer regulation. See “Risk Factors”.

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In this prospectus supplement, except as otherwise indicated, references to “Cameco”, the “Company”, “we”, “us” and “our” refer to Cameco Corporation and/or, as applicable, one or more or all of its subsidiaries.

All references in this prospectus supplement to “\$” and “dollars” are to Canadian dollars, unless otherwise stated.

NOTE REGARDING FORWARD-LOOKING INFORMATION AND STATEMENTS

Certain statements in this prospectus supplement and the base shelf prospectus, together with the information incorporated herein and therein, which are not current statements or historical facts constitute “forward-looking information” within the meaning of applicable Canadian securities laws and “forward-looking statements” within the meaning of the United States Private Securities Litigation Reform Act of 1995. Forward-looking information and statements involve risks, uncertainties and other factors that could cause actual results to differ materially from those expressed or implied by them. Sentences and phrases containing words such as “believe”, “estimate”, “anticipate”, “plan”, “predict”, “outlook”, “goal”, “target”, “forecast”, “project”, “scheduled”, “proposed”, “expect”, “potential”, “strategy”, and the negative of any of these words, or variations of them, or comparable terminology that does not relate strictly to current or historical facts, are all indicative of forward-looking information or statements.

Examples of forward-looking information and statements in this prospectus, the base shelf prospectus, our most recently filed annual information form and the other documents incorporated by reference herein include, but are not limited to: mineral resource and mineral reserve estimates; our forecasts relating to mining, development and other activities at our uranium operations; our expected production schedule, mine life, payback, regulatory approvals, mining methods, transition to new mining areas, infrastructure expansion, mill revitalisation and decommissioning plans for our McArthur River and Key Lake operations; future production at our fuel services operations; the likely terms and volumes covered by long-term delivery contracts that we enter into in 2012 and future years; future royalty and tax payments and rates; our expectation that Inkai will receive all the necessary approvals and permits to meet its 2012 and future annual production targets; our expectations regarding Cigar Lake; our ability to maintain and expand expected annual production at McArthur River and Key Lake; production at our uranium operations in 2012 and our target for increasing annual uranium supply to 36 million pounds by 2018; and our expectations about 2012 and future worldwide uranium supply, consumption and demand.

There are risk factors that could cause actual results to differ materially from the forward-looking information and statements in this prospectus supplement, the base shelf prospectus and other information incorporated by reference herein. Factors that could cause such differences include, without limitation: actual sales volumes or realized prices for any of our products or services are lower than we expect for any reason, including changes in market prices or loss of market share to a competitor; we are adversely affected by changes in foreign currency exchange rates, interest rates or tax rates; production costs are higher than planned, or necessary supplies are not available, or not available on commercially reasonable terms; our estimates of production, purchases, costs, decommissioning or reclamation expenses, or our tax expense estimates, prove to be inaccurate; our forecasts relating to termination of uranium sales contracts with our customers prove to be inaccurate; we are unable to enforce our legal rights under our existing agreements, permits or licences, or are subject to litigation or arbitration that has an adverse outcome; there are defects in, or challenges to, the title to our properties; our mineral reserve and resource estimates are not reliable, or we face unexpected or challenging geological, hydrological or mining conditions; we are affected by environmental, safety and regulatory risks, including increased regulatory burdens or delays; we cannot obtain or maintain necessary permits or approvals from government authorities; closing conditions associated with the NUKEM and Yeelirie acquisitions may not be satisfied in a timely manner or at all; we are affected by political risks in a developing country where we operate; we are affected by terrorism, sabotage, blockades, civil unrest, accident or a deterioration in political support for, or demand for, nuclear energy; we are affected 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; there are changes to government regulations or policies, including tax and trade laws and policies; our uranium and conversion suppliers fail to fulfill delivery commitments; our Cigar Lake development, mining or production plans are delayed or do not succeed, including as a result of any difficulties encountered with the jet boring mining method or our inability to acquire any of the required jet boring equipment; our McArthur River development, mining or production plans are delayed or do not succeed; and we are affected by natural phenomena, including inclement weather, fire, flood and earthquakes; and our operations are disrupted due to problems with our own or our 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, underground floods, cave ins, ground movements, tailings dam failures, transportation disruptions or accidents or other development and operating risks.

Forward-looking information and statements are based on a number of assumptions which may prove to be incorrect, including, but not limited to, assumptions about: our expectations regarding sales and purchase volumes and prices for uranium, fuel services and electricity; our expectations about the demand for uranium, the construction of new nuclear power plants and the relicensing of existing nuclear power plants not being adversely affected by changes in regulation or in the public perception of the safety of nuclear power plants; expected production levels and production costs; expected spot prices and realized prices for uranium; our expectations regarding uranium sales contract terminations, tax rates, foreign currency exchange rates and interest rates; decommissioning and reclamation expenses; our mineral reserve and resource estimates and that the assumptions upon which they are based are reliable; geological, hydrological and other conditions at our mines; our expectation that our Cigar Lake development, mining and production plans will succeed, including the success of the jet boring mining method at Cigar Lake, and that we will be able to obtain the additional jet boring system units we require on schedule; our expectation that we will be able to solve technical challenges that may arise with the jet boring mining method; our expectation that our McArthur River development, mining and production plans will succeed; our ability to continue to supply our products and services in the expected quantities and at the expected times; our ability to comply with current and future environmental, safety and other regulatory requirements, and to obtain and maintain required regulatory approvals; and our operations are not significantly disrupted as a result of political instability, nationalization, terrorism, sabotage, blockades, civil unrest, breakdown, natural disasters, governmental or political actions, litigation or arbitration proceedings, the unavailability of reagents, equipment, operating parts and supplies critical to production, equipment failure, labour shortages, labour relations issues, strikes or lockouts, underground floods, cave ins, ground movements, tailings dam failures, lack of tailings capacity, transportation disruptions or accidents or other development or operating risks; and the closing conditions associated with the NUKEM and Yeelirrie acquisitions will be satisfied within the expected timeframes.

The forward-looking information and statements included in this prospectus supplement, the base shelf prospectus and the documents incorporated by reference represent our views as of the date of such documents and should not be relied upon as representing our views as of any subsequent date. While we anticipate that subsequent events and developments may cause our views to change, we specifically disclaim any intention or obligation to update forward-looking information and statements, whether as a result of new information, future events or otherwise, except to the extent required by applicable securities laws. Forward-looking information and statements contained in this prospectus supplement, the base shelf prospectus and the documents incorporated by reference about prospective results of operations, financial position or cash flows that are based upon assumptions about future economic conditions and courses of action are presented for the purpose of assisting our security holders in understanding management's current views regarding those future outcomes, and may not be appropriate for other purposes.

DOCUMENTS INCORPORATED BY REFERENCE

This prospectus supplement is deemed to be incorporated by reference into the base shelf prospectus solely for the purposes of this Offering. Other documents are also incorporated or deemed to be incorporated by reference into the base shelf prospectus and reference should be made to the base shelf prospectus for full particulars thereof.

The following documents, which have been filed by the Company with securities commissions or similar authorities in Canada, are also specifically incorporated by reference into and form an integral part of the base shelf prospectus, as supplemented by this prospectus supplement:

- (a) Annual Information Form of Cameco for the year ended December 31, 2011, dated February 24, 2012 (the “**Annual Information Form**”);
- (b) Consolidated Financial Statements of Cameco (the “**Consolidated Financial Statements**”) as at December 31, 2011, December 31, 2010 and January 1, 2010 and for the years ended December 31, 2011 and 2010 and related notes, together with the auditors' report thereon, and Management's Discussion and Analysis of Cameco in respect of the Consolidated Financial Statements;
- (c) Management Proxy Circular of Cameco dated April 4, 2012 in connection with the Annual Meeting of Shareholders held on May 15, 2012;

- (d) Our Material Change Report dated May 17, 2012 relating to our agreement to purchase NUKEM Energy GmbH;
- (e) Unaudited Interim Consolidated Financial Statements of Cameco as at and for the three month period ended March 31, 2012 and 2011 and related notes contained therein;
- (f) Management's Discussion and Analysis of Cameco for the three month period ended March 31, 2012;
- (g) Unaudited Interim Consolidated Financial Statements of Cameco as at and for the three and six month periods ended June 30, 2012 and 2011 and related notes contained therein;
- (h) Management's Discussion and Analysis of Cameco for the three and six month periods ended June 30, 2012;
- (i) Unaudited Interim Consolidated Financial Statements of Cameco as at and for the three and nine month periods ended September 30, 2012 and 2011 and related notes contained therein; and
- (j) Management's Discussion and Analysis of Cameco for the three and nine month periods ended September 30, 2012.

Any statement contained in the base shelf prospectus, in this prospectus supplement or in any document incorporated or deemed to be incorporated by reference in the base shelf prospectus for the purpose of this Offering shall be deemed to be modified or superseded, for purposes of this prospectus supplement, to the extent that a statement contained herein or in the base shelf prospectus or in any other subsequently filed document which also is or is deemed to be incorporated by reference herein or in the base shelf prospectus modifies or supersedes such prior statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document which it modifies or supersedes. The making of such a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not constitute a part of this prospectus supplement, except as so modified or superseded.

WHERE YOU CAN FIND MORE INFORMATION

Information has been incorporated by reference in the accompanying base shelf prospectus from documents filed with securities commissions or similar authorities in Canada. Copies of this prospectus supplement, together with the base shelf prospectus and documents incorporated by reference, may be obtained on request without charge from the Corporate Secretary, Cameco Corporation at 2121 – 11th Street West, Saskatoon, Saskatchewan S7M 1J3 (Telephone (306) 956-6200). Copies of these documents are available on the System for Electronic Document Analysis and Retrieval of the Canadian Securities Administrators (“**SEDAR**”), at www.sedar.com.

SUMMARY OF THE OFFERING

The following is a summary of the principal features of the Offering of the Offered Debentures and is subject to, and should be read together with the more detailed information, financial data and statements contained elsewhere in, and incorporated by reference into, this prospectus supplement and the accompanying base shelf prospectus to which it relates.

Issuer	Cameco Corporation
Issue	\$400,000,000 aggregate principal amount of 3.75% Series E Debentures. \$100,000,000 aggregate principal amount of 5.09% Series F Debentures.
Price to the Public	\$999.92 per Series E Debenture \$999.54 per Series F Debenture
Issue Date	November 14, 2012
Maturity Date	November 14, 2022 for the Series E Debentures November 14, 2042 for the Series F Debentures
Interest Rate	3.75% per annum for the Series E Debentures 5.09% per annum for the Series F Debentures Each calculated and payable in equal semi-annual payments in arrears.
Interest Payment Dates	May 14 and November 14 in each year, commencing May 14, 2013.
Ranking	The Offered Debentures will be direct, unsecured obligations of Cameco and will rank equally and rateably with one another and with all other present and future unsecured and unsubordinated indebtedness of Cameco, except to the extent prescribed by law.
Use of Proceeds	The estimated net proceeds to Cameco from this Offering, after payment of the Agents' fee and the estimated expenses of this Offering, are \$496,722,000. The net proceeds of the Offering will be used to strengthen our capital position and enhance our financial flexibility in order to support planned expansion of our uranium production capacity and for general corporate purposes.
Optional Redemption	The Offered Debentures may be redeemed at the option of Cameco at any time, in whole or in part, upon not more than 60 days and not less than 30 days prior notice, at the greater of the Canada Yield Price (as herein defined) and par, together in each case with accrued and unpaid interest to the date fixed for redemption.
Change of Control Offer	If a Change of Control Triggering Event (as herein defined) occurs, unless the Company has exercised its optional right to redeem all of the Offered Debentures as described above, Cameco will be required to make an offer to repurchase all or, at the option of a Holder, any part of such Holder's Offered Debentures pursuant to a Change of Control Offer. In a Change of Control Offer, Cameco will be required to offer payment in cash equal to 101% of the aggregate principal amount of Offered Debentures together with accrued and unpaid interest on the Offered Debentures repurchased. See "Description of Debentures – Repurchase on a Change of Control Triggering Event".
Certain Covenants	The Canadian Trust Indenture pursuant to which the Offered Debentures will be issued will contain certain covenants that, among other things, limit the

ability of Cameco and any Restricted Subsidiaries (as defined in the Indenture) to create any Lien (as defined in the Indenture) to secure any indebtedness and limit the ability of such Restricted Subsidiaries to incur indebtedness. The covenants are subject to important exceptions, limitations and qualifications as described in the base shelf prospectus under “Description of the Debt Securities – General – Certain Covenants”.

Credit Ratings

DBRS Limited: A (low), Stable Trend

Standard & Poor’s Rating Service: BBB+, Stable Outlook

These ratings are not recommendations to purchase, hold or sell the Offered Debentures and may be subject to revision or withdrawal at any time. See “Credit Ratings”.

Purchase for Cancellation

All or any principal amount of the Offered Debentures may be purchased for cancellation at any time in the market, by tender or by private contract.

Form and Registration of Offered Debentures

The Offered Debentures will be represented by one or more global debenture certificates issued in registered form to CDS and deposited with CDS on the closing date. Cameco understands that a purchaser of Offered Debentures will receive only a customer confirmation from the registered dealer who is a CDS participant from or through whom the Offered Debentures are purchased and that no other certificates representing the Offered Debentures will be issued.

Denomination

The Offered Debentures will be sold in denominations of \$1,000 and integral multiples thereof.

Trustee

CIBC Mellon Trust Company.

Closing Date

On or about November 14, 2012, or such other date agreed upon by Cameco and the Agents, but not later than November 21, 2012.

Risk Factors

Investors should carefully review and evaluate certain risk factors before purchasing the Offered Debentures. See “Risk Factors”.

Governing Law

The Canadian Trust Indenture and the Offered Debentures will be governed by and construed in accordance with the laws of the Province of Saskatchewan and the laws of Canada applicable therein.

THE COMPANY

We are one of the largest uranium producers in the world, and in 2011 accounted for approximately 16% of world production. We have controlling ownership of the largest high-grade uranium mineral reserves in the world, with ore grades up to 100 times the world average, and low-cost operations. We are also an integrated uranium fuel supplier, offering refining, conversion and fuel manufacturing services. We also generate clean electricity through our 31.6% interest in the Bruce Power Limited Partnership, which operates four nuclear reactors at the Bruce B generating station in southern Ontario.

No resident of Canada, alone or together with associates, may hold, beneficially own or control, directly or indirectly, other than by way of security only or for purposes of distribution by an underwriter, voting securities to which are attached more than 25% of the votes that may ordinarily be cast to elect our directors. Similarly, no non-resident of Canada, alone or together with associates, may hold, beneficially own or control, directly or indirectly, other than by way of security only or for purposes of distribution by an underwriter, voting securities to which are attached more than 15% of the votes that may ordinarily be cast to elect our directors. Further, the votes attaching to our securities held, beneficially owned or controlled, directly or indirectly, by all non-residents of Canada together, and cast at any meeting of our shareholders, will be counted or pro-rated so as to limit the counting of those votes to not more than 25% of the total number of votes cast by the shareholders at that meeting. In certain prior years, including in 2012, we have limited the counting of votes cast by non-residents of Canada at our annual shareholder meeting to abide by this restriction, which resulted in non-residents of Canada receiving less than one vote per share. Our articles of incorporation contain provisions for the enforcement of the restrictions relating to ownership and voting by residents and non-residents of Canada described above, including provisions for suspension of voting rights, forfeiture of dividends and other distributions to shareholders, prohibitions against the issue and transfer of securities and suspension of all remaining shareholders' rights.

Further particulars with respect to our business operations and ownership restrictions are contained under the headings "About Cameco", "Operations and Development Projects" and "Investor Information – Share Capital – Ownership and Voting Restrictions" in the Annual Information Form.

The Company's registered and principal office is located at 2121 — 11th Street West, Saskatoon, Saskatchewan S7M 1J3.

Recent Developments

McArthur River Technical Report

A technical report on the McArthur River mine (the "**McArthur River Report**") titled "McArthur River Operation, Northern Saskatchewan, Canada", dated November 2, 2012 with an effective date of August 31, 2012, has been prepared by, or under the supervision of, David Bronkhorst, P. Eng., Alain G. Mainville, P. Geo., Gregory M. Murdock, P. Eng., and Leslie D. Yesnik, P. Eng., in accordance with National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* of the Canadian Securities Administrators ("**NI 43-101**"). A copy of the McArthur River Report is available electronically at www.sedar.com. Below is a summary of recent developments and changes to information in respect of the McArthur River mine since the filing of our Annual Information Form.

Mineral Reserve and Resource Estimate

Our share of mineral reserves has increased by 19% from 226.2 million pounds U₃O₈ at December 31, 2011 to 269.1 million pounds U₃O₈ as of August 31, 2012 due to a 22% addition in tonnage and a slight decrease in the estimated average grade. A summary of the estimated mineral reserves and resources at the McArthur River mine and our share thereof, as at August 31, 2012 is set out below.

Summary of Estimated Mineral Reserves and Resources

<u>Category</u> ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾	<u>Total Tonnes</u> (thousands)	<u>Grade</u> (% U ₃ O ₈)	<u>Total Lbs</u> <u>U₃O₈</u> (millions)	<u> Cameco's</u> <u>Share</u> <u>Lbs U₃O₈</u> ⁽⁵⁾ (millions)
Mineral Reserves ⁽⁶⁾⁽⁷⁾⁽⁸⁾⁽⁹⁾⁽¹⁰⁾				
Proven.....	384.4	23.81	201.8 ⁽¹¹⁾	140.8
Probable.....	677.8	12.30	183.7 ⁽¹¹⁾	128.3
Total ⁽¹²⁾	1,062.2	16.46	385.5⁽¹¹⁾	269.1
Mineral Resources ⁽¹³⁾⁽¹⁴⁾⁽¹⁵⁾				
Measured.....	68.6	5.53	8.4	5.8
Indicated.....	15.5	9.97	3.4	2.4
Total ⁽¹²⁾	84.1	6.35	11.8	8.2
Inferred ⁽¹⁶⁾	325.0	7.86	56.3	39.3

Notes:

- (1) We report mineral reserves and mineral resources separately. Reported mineral resources do not include amounts identified as mineral reserves. Mineral resources do not have demonstrated economic viability.
- (2) Mineral reserves were estimated based on the use of raisebore, boxhole and blasthole stope mining methods combined with freeze curtains.
- (3) No known metallurgical, environmental, permitting, legal, title, taxation, socio-economic, political, marketing or other issues are expected to materially affect the above estimates of mineral reserves or mineral resources.
- (4) The geological model employed for McArthur River involves geological interpretations on section and plan derived from surface and underground drillhole information.
- (5) Our share of total estimated mineral reserves and resources is 69.805%.
- (6) Mineral reserves have been estimated at a cut-off grade of 0.77% U₃O₈.
- (7) Mineral reserves have been estimated with an average allowance of approximately 20% dilution from backfill and mineralized waste mined.
- (8) Mineral reserves were estimated using 3-dimensional block models.
- (9) Mineral reserves have been estimated based on 97.5% mining recovery.
- (10) An average uranium price of US\$61 per lb U₃O₈ was used with a US\$1.00 = Cdn\$1.00 fixed exchange rate to estimate mineral reserves. The mineral reserves are not significantly sensitive to variances in the uranium price of plus or minus \$20 provided that annual production remains above 10 million lbs U₃O₈. The price assumption is based on independent industry and analyst estimates of spot prices and the corresponding long-term prices and reflects Cameco's committed and uncommitted sales volumes. For committed sales volumes, the spot and term price assumptions were applied in accordance with the terms of the agreements. For uncommitted sales volumes the same price assumptions were applied using a spot-to-term price ratio of 60:40.
- (11) Total lbs U₃O₈ are those contained in mineral reserves and do not include adjustments for the estimated mill recovery of 98.7%.
- (12) Totals may not add up due to rounding.
- (13) Mineral resources have been estimated at a minimum mineralization thickness of 1.0 metre and a minimum grade of 0.1% to 0.5% U₃O₈ assuming extraction by underground mining methods.
- (14) Mineral resources have been estimated with no allowance for dilution or mining recovery.
- (15) Mineral resources were estimated using cross-sectional method and 3-dimensional block models.
- (16) Inferred mineral resources have a great amount of uncertainty as to their existence and as to whether they can be mined legally or economically. It cannot be assumed that all or any part of the inferred mineral resources will ever be upgraded to a higher category.

Alain G. Mainville, P.Geo., our Director, Mineral Resources Management, is the qualified person within the meaning of NI 43-101 for the purpose of the foregoing mineral resource estimates. Mr. Mainville, Gregory M. Murdock, P.Eng., our Technical Manager, McArthur River Mine, and Leslie D. Yesnik, P.Eng., our General Manager, Key Lake Operation, are the qualified persons within the meaning of NI 43-101 for the purpose of the mineral reserve estimates.

Processing

McArthur River ore is processed at two locations. Initially, size reduction is conducted underground at McArthur River and the resulting finely ground ore is pumped to surface and transported to our Key Lake operation as a 50% solids slurry at an average grade of 15% U₃O₈. The slurry is temporarily stored at McArthur River and trucked to Key Lake for processing. Blending to a nominal 4% U₃O₈ mill feed grade and all remaining uranium processing, tailings disposal and effluent treatment steps occur at Key Lake.

Permits

We need three key permits to operate the McArthur River mine:

- *Uranium Mine Facility Operating Licence* – renewed in 2008 and expires on October 31, 2013 (from the Canadian Nuclear Safety Commission (“CNSC”))
- *Approval to Operate Pollutant Control Facilities* – renewed in 2009 and expires on October 31, 2014 (from the Saskatchewan Ministry of Environment)
- *Water Rights Licence and Approval to Operate Works* – amended in 2011 and valid for an undefined term (from the Saskatchewan Watershed Authority).

We need two key permits to operate the Key Lake mill:

- *Uranium Mine Facility Operating Licence* – renewed in 2008 and expires on October 31, 2013 (from the CNSC)
- *Approval to Operate Pollutant Control Facilities* – renewed in 2009 and expires on November 30, 2014 (from the Saskatchewan Ministry of Environment)

Production Forecast, Mine Life and Payback

We have modified the McArthur River production schedule to incorporate the additional mineral reserves and to include a production rate increase to 22.0 million pounds U_3O_8 per year that is scheduled for 2018, subject to receipt of regulatory approval. The updated production schedule assumes the current average licence limit of 18.7 million pounds U_3O_8 per year until 2017. Between 2018 and 2026, an average annual production of 21.5 million pounds U_3O_8 is forecast. Estimated production then begins to decrease in three distinct steps towards the end of the mine life in 2034.

Mill production at Key Lake is expected to closely follow mine production for the life of mine. There will be differences in a given production year between mine and mill production due to the addition of mineralized material stockpiled at Key Lake, year to year inventory changes and recovery rate.

Based on the planned production schedule, we estimate that McArthur River will have a mine life of at least 22 years. Payback for us, including all actual costs was achieved in 2010, on an undiscounted, pre-tax basis. Operating cash flow is forecast to be sufficient to cover all planned capital expenditures.

We expect our share of production in 2012 to increase to 13.5 million pounds U_3O_8 compared to our previous forecast of 13.1 million pounds U_3O_8 .

Regulatory Approvals

In 2012, with the implementation of the *Canadian Environmental Assessment Act, 2012*, we were notified by the CNSC that our environmental assessment for the proposed increase in production at McArthur River to 22.0 million pounds U_3O_8 per year would be transitioned to the CNSC licensing and compliance processes under the authority of the *Nuclear Safety and Control Act* rather than the federal environmental assessment process. We are developing our plans to complete the regulatory process for this production increase at McArthur River.

We have initiated a separate environmental assessment for the Key Lake mill to extend its operational life and establish it as a regional mill by increasing the tailings capacity of the Deilmann tailings management facility and increasing the nominal annual production rate of Key Lake to 25 million pounds U_3O_8 . We have received comments from the regulator on our draft environmental impact statement and are working to address the questions and issues they have raised. We plan to submit the final environmental impact statement in 2013.

Mining Method

The raisebore mining method is the primary ore extraction method at McArthur River and we have used it since 1999 to extract 225 million pounds U_3O_8 (100%) as of August 31, 2012. It is currently our only approved mining method at McArthur River.

We are also in the process of testing two other mining methods, boxhole boring and drill and blasthole stoping. Boxhole and drill and blasthole mining are currently approved for testing only. As of August 2012, we have successfully completed four boxhole test raises in waste, two boxhole test raises in ore and two test stopes in ore.

Originally, boxhole mining was planned for some of the more challenging-to-access upper mining areas, but following our success in development of zone 2, panel 5, our mine designs were revised and boxhole mining was replaced with the more productive raisebore mining method. We plan to continue boxhole mining in the boxhole test chamber after testing is complete in order to recover the remaining ore. Once mining is complete in the boxhole test area, we do not plan to use this mining method. Boxhole mining will remain a contingency mining method.

Blasthole stoping has been used extensively in the mining industry, including uranium mining. This method is planned in areas where blastholes can be accurately drilled and small stable stopes excavated without jeopardizing the freezeway integrity. This method is expected to complement the raisebore mining method and allow more economic recovery of the ore fringe areas as well as the smaller lower grade areas.

Our test programs are scheduled to be completed in late 2013 and upon successful completion, an application will be made to CNSC to approve both boxhole and drill and blasthole mining as extraction methods for McArthur River.

Mine Operations

We are currently mining in zone 2 and zone 4 central lower. Zone 2 has been active since 1999 using the raisebore mining method. The area is isolated by a freezeway that was expanded in three stages: panels 1 and 2, panel 3 and panel 5. As we expanded the freezeway, we decommissioned the inner connecting freezewalls in order to recover the ore originally isolated by active freezeholes. Mining is near completion in panels 1 to 3 and the majority of the remaining zone 2 proven reserves are in panel 5.

Mining began in zone 4 central lower in December 2010. Raisebore mining is currently being used with drill and blasthole stoping planned for remnant cleanup at the eastern fringe of the orebody. As zone 4 is expanded, the current freezeway will become obsolete and be decommissioned in order to increase ore recoveries similar to the zone 2 mine area.

Zone 4 north will be the next active mine area to come on-line. It is currently under development and is forecasted to be in production in 2014. Freeze drift development has been completed and freeze drilling was approximately 45% complete as of August 31, 2012. Initial production will come from the lower mining area while we establish ramp access to the upper mining area under freeze coverage. Raisebore mining is planned for this mine area.

In order to successfully meet the planned production in the life of mine schedule, we must continue to successfully transition into new mining areas, which includes mine development and investment in support infrastructure.

Infrastructure Expansion

In connection with changes to the production schedule, we plan to expand mine infrastructure. Our expansion plans are summarized below.

We have started to upgrade our electrical infrastructure to address the future need for increased ventilation and freeze capacity associated with mining new zones and increasing mine production. Our electrical expansion plans include a new 138 kilovolt substation and expansion of our back-up power, site electrical distribution and power supply.

A gap between power supply and demand at the McArthur River mine site is currently predicted to occur in 2014. Alternative power supply sources such as diesel generation are being evaluated in conjunction with power conservation in order to determine the best course of action to minimize schedule impacts.

As we advance our production plan, our ventilation demands will also increase. We plan to sink a fourth shaft at the northern end of the mine, which will be fully integrated with the existing ventilation system. Project completion for this shaft is scheduled for the end of 2017 and project optimization will continue as our plans are advanced.

Both freeze plant and distribution systems will have to be expanded as new mining areas are developed and brought into production. Freeze plant capacity is expected to be expanded in three stages as follows:

- Expansion of the existing freeze plant: Expansion of the existing freeze plant from 800 tonnes to 1,300 tonnes is currently in progress and is expected to be completed at the end of 2013.
- South freeze plant: A 1,000 tonne freeze plant is planned for the south mining areas and is scheduled to be completed by 2017.
- North freeze plant: A 1,250 tonne freeze plant is planned for the north mining areas and is scheduled to be completed by 2020. Final sizing will be determined after the completion of zone A delineation drilling.

The underground distribution systems to the mining areas will be expanded through piping and heat exchanger additions as required.

As our mine plan is advanced, we plan to make improvements to our dewatering system and to expand our water treatment capacity. Ongoing assessment, review and optimization of mine dewatering and treatment capacity requirements are planned to continue as capital plans are advanced.

As we advance our production plan and transition into the lower grade mining areas, we also expect to expand the concrete distribution systems and batch plant capacity. Surface slick lines in both the north and south and an upgraded or new batch plant are expected to be required in approximately 2021.

Expansion of our permanent camp is currently in progress and is expected to be completed at the end of 2012. An expansion of our maintenance facilities is scheduled to be complete in 2019.

Key Lake Revitalization

The Key Lake mill began operating in 1983. We have a revitalization plan to maintain and increase its annual uranium production capability to up to 25 million pounds. We have been refurbishing or replacing selected areas of the existing infrastructure since 2006. Our new steam, oxygen and acid plants are operational.

We now plan to focus on the product-end of the mill, including solvent extraction (SX), ammonium sulphate crystallization and calcining circuits. We have started projects to replace the calciner and the electrical substation.

Decommissioning Key Lake and McArthur River

In 2003, we prepared a preliminary decommissioning plan for both McArthur River and Key Lake, which were approved by the CNSC and the Saskatchewan Ministry of the Environment. In 2008, when we renewed our CNSC licence, we revised the accompanying preliminary decommissioning cost estimates. These documents include our estimated cost for implementing the decommissioning plan and addressing known environmental liabilities.

We, along with our joint venture partner, posted letters of credit as financial assurances with the Saskatchewan Ministry of the Environment to cover the amounts in the 2008 preliminary decommissioning cost estimates (\$36.1 million for McArthur River and \$120.7 million for Key Lake). We are in the process of reviewing the preliminary decommissioning plans and cost estimates, which will be revised through the CNSC licence renewal process in 2013. As part of the review process, Cameco expects that the preliminary decommissioning cost estimates will increase. The amount of such increase will be quantified on completion of the review process.

Exploration and Drilling

In total, exploration drilling of the McArthur River deposit to date consists of over 1,063 drillholes and 173,000 metres. Drilling has been carried out from both surface and underground in order to locate and delineate mineralization. The deposit consists of nine distinct mineralized areas and two under-explored surface defined mineralized showings over a strike length of 2,700 metres. Five of these have been well defined with underground drilling, namely zones 1 to 4 and 4 south. The remaining four, McA north (1), McA north (2), zone A and zone B are based entirely on surface drilling. McA north (1) has recently experienced underground drilling (results pending). Underground drilling was recently started on zone A and is ongoing. Two under-explored mineralized showings, as well as other mineralized occurrences, will be pursued if warranted.

We have carried out surface drilling since 2004, to test the extension of mineralization identified from the historical surface drillholes, to new targets along the strike and to evaluate the P2 trend north and south of the mine. Surface drilling has been over a strike length of 1,700 metres, generally at between 500 metres to 640 metres below the surface. Recent surface drilling has extended the potential strike length to 2,700 metres.

As at August 31, 2012, 153 surface drillholes totalling in excess of 91,000 metres, comprising a combination of conventional and directional diamond drilling, have tested the P2 structure at approximately 200 metre intervals for a distance of 4.3 kilometres northeast and 6.4 kilometres southwest of the mine. Results continue to be encouraging with a number of segments of the P2 structure identified for further follow-up drilling. As currently defined, the P2 trend extends for 13.75 kilometres on the McArthur River property, but has only been adequately tested from surface for approximately 11.5 kilometres leaving 16% of this highly prospective trend untested or under-tested. We plan to continue with the systematic drill testing of the P2 fault structure southwest of the mine and to evaluate prioritized segments of the P2 structure, both northeast and southwest of the mine, with detailed follow-up drilling.

We have drilled more than 910 underground drillholes since 1993, over 82,000 metres, to get detailed information along 950 metres of the surface delineation. Over 2,275 additional underground diamond drillholes, totalling 143,000 metres, were drilled for geotechnical information, probe and grout covers, service and drain holes and freezehoies.

Underground exploration drilling and development continued in 2012. In 2012, we focused on expanding the underground development on both the 530 metre and the 640 metre levels, northeasterly towards Zone B. We commenced underground exploration drilling into zone A in mid-2012. An exploration drift is also moving southwesterly on the 530 metre level.

Sampling, analysis, quality control, sample security and the accuracy of data from explorations programs at McArthur River are described in the Annual Information Form and the McArthur River Technical Report.

CONSOLIDATED CAPITALIZATION

The following table sets forth the consolidated capitalization of the Company as at December 31, 2011, the date of the Consolidated Financial Statements, and as at September 30, 2012, both actual and as adjusted to reflect the issuance of the Offered Debentures offered hereby (net of estimated Offering expenses) and the application of the net proceeds as described under "Use of Proceeds". This table should be read in conjunction with the Company's Consolidated Financial Statements and the unaudited Interim Consolidated Financial Statements for the three and nine month periods ended September 30, 2012.

	<u>December 31, 2011</u> (in thousands, except share data)	<u>September 30, 2012</u> (unaudited) (in thousands, except share data)	<u>September 30, 2012</u> after giving effect to this <u>Offering</u> (unaudited) (in thousands, except share data)
Cash and cash equivalents	<u>\$398,084</u>	<u>\$465,536</u>	<u>\$962,258</u>
Short-term debt ⁽¹⁾	\$112,682	\$78,930	\$78,930
Long-term debt ⁽²⁾			
4.7% Senior Unsecured Debentures, Series C due 2015.....	298,993	299,197	299,197

	<u>December 31, 2011</u> (in thousands, except share data)	<u>September 30, 2012</u> (unaudited) (in thousands, except share data)	<u>September 30, 2012</u> after giving effect to this <u>Offering</u> (unaudited) (in thousands, except share data)
5.67% Senior Unsecured Debentures, Series D, due 2019	496,152	496,458	496,458
3.75% Senior Unsecured Debentures, Series E, due 2022	nil	nil	397,488
5.09% Senior Unsecured Debentures, Series F, due 2042	nil	nil	99,234
Finance Lease Obligation	130,982	118,879	118,879
Commercial paper and bank debt ⁽³⁾	<u>nil</u>	<u>nil</u>	<u>nil</u>
Total long-term debt	<u>\$926,127</u>	<u>\$914,534</u>	<u>\$1,411,256</u>
Total indebtedness	<u>\$1,038,809</u>	<u>\$993,464</u>	<u>\$1,490,186</u>
Shareholders' equity			
Share capital ⁽⁴⁾	\$1,842,289 (394,745,423 shares)	\$1,851,474 (395,349,044 shares)	\$1,851,474 (395,349,044 shares)
Contributed surplus	155,757	165,156	165,156
Retained earnings	2,874,973	2,872,638	2,872,638
Other components of equity	<u>46,575</u>	<u>(1,669)</u>	<u>(1,669)</u>
Total shareholders' equity attributable to equity holders	<u>\$4,919,594</u>	<u>\$4,887,599</u>	<u>\$4,887,599</u>
Total capitalization	<u>\$5,958,403</u>	<u>\$5,881,063</u>	<u>\$6,377,758</u>

Notes:

- (1) Short-term debt is comprised of short-term debt and the current portion of long-term debt.
- (2) The current portion of long-term debt is included under short-term debt. The general terms of the long-term indebtedness in the above table are set out in note 16 of the Consolidated Financial Statements.
- (3) Our commercial paper program is supported by a \$1,250,000,000 unsecured revolving credit facility that matures November 1, 2017. Accordingly, our commercial paper has been classified as long-term debt. As of October 31, 2012 there was \$20,000,000 outstanding under the commercial paper facility.
- (4) An unlimited number of common shares, first preferred shares and second preferred shares are authorized. This does not include 9,639,467 common shares of the Company issuable pursuant to the Company's stock option plan as of September 30, 2012. As of September 30, 2012, the Company issued 603,621 common shares pursuant to option exercises under its stock option plan.

Between September 30, 2012 and the date of this prospectus supplement, there has been no material change in the share or loan capital structure of Cameco, other than the changes noted in the capitalization table and notes set forth above.

USE OF PROCEEDS

The estimated net proceeds to Cameco from this Offering, after payment of the Agents' fee and the estimated expenses of this Offering, are \$496,722,000. The net proceeds of the Offering will be used to strengthen our capital position and enhance our financial flexibility in order to support planned expansion of our uranium production capacity and for general corporate purposes.

DESCRIPTION OF DEBENTURES

The following description sets forth a summary of the terms and provisions of the Offered Debentures and should be read together with the section of the base shelf prospectus under the heading "Description of the Debt Securities", which sets forth a summary of additional terms and provisions of all debentures issuable under the 1999 Trust Indenture, including the Offered Debentures. As used herein, the term "**outstanding debentures**" means all

debentures outstanding under the 1999 Trust Debenture, including the Offered Debentures. These descriptions are not meant to be complete and are subject to, and qualified in their entirety by, the detailed provisions of the Canadian Trust Indenture.

Unless we state otherwise or the context clearly indicates otherwise, under this heading “Description of Debentures”, all references to “**Cameco**” mean Cameco Corporation only.

General

Series E Debentures

The Series E Debentures will be unsecured obligations of Cameco and will bear interest at the rate of 3.75% per annum from November 14, 2012, and will mature on November 14, 2022. Principal and interest (payable in equal semi-annual payments on May 14 and November 14, beginning on May 14, 2013) on the Series E Debentures will be payable in lawful money of Canada. The first interest payment will be due on May 14, 2013. The Series E Debentures will be issued in denominations of \$1,000 and integral multiples thereof. The record date for the payment of interest will be the tenth Business Day preceding the relevant interest payment date. For any interim period, interest to be paid will be computed using the Actual/365 (Canadian Bond) Day-Count Convention as adopted by the Investment Industry Association of Canada.

The Series E Debentures will be issued as the fifth series of debentures issued under the 1999 Trust Indenture pursuant to the Fifth Supplemental Indenture providing for, among other things, the creation and issue of the Series E Debentures.

Cameco will be entitled to issue additional Series E Debentures under the Canadian Trust Indenture which will have identical terms as the Series E Debentures initially issued, other than with respect to the date of issuance and issue price. The Series E Debentures initially issued and any additional Series E Debentures issued will be treated as a single class for purposes of the Canadian Trust Indenture.

Series F Debentures

The Series F Debentures will be unsecured obligations of Cameco and will bear interest at the rate of 5.09% per annum from November 14, 2012, and will mature on November 14, 2042. Principal and interest (payable in equal semi-annual payments on May 14 and November 14, beginning on May 14, 2013) on the Series F Debentures will be payable in lawful money of Canada. The first interest payment will be due on May 14, 2013. The Series F Debentures will be issued in denominations of \$1,000 and integral multiples thereof. The record date for the payment of interest will be the tenth Business Day preceding the relevant interest payment date. For any interim period, interest to be paid will be computed using the Actual/365 (Canadian Bond) Day-Count Convention as adopted by the Investment Industry Association of Canada.

The Series F Debentures will be issued as the sixth series of debentures issued under the 1999 Trust Indenture pursuant to the Sixth Supplemental Indenture providing for, among other things, the creation and issue of the Series F Debentures.

Cameco will be entitled to issue additional Series F Debentures under the Canadian Trust Indenture which will have identical terms as the Series F Debentures initially issued, other than with respect to the date of issuance and issue price. The Series F Debentures initially issued and any additional Series F Debentures issued will be treated as a single class for purposes of the Canadian Trust Indenture.

The 1999 Trust Indenture provides that debentures may be issued in one or more series, with certain terms to be fixed at the time of issuance.

A copy of the 1999 Trust Indenture was filed on SEDAR (www.sedar.com) under Cameco Corporation on August 31, 2005 and a copy of each of the Fifth Supplemental Indenture and the Sixth Supplemental Indenture (each in draft form until executed) may be inspected during business hours at the head office of Cameco or the principal offices of the Trustee in Calgary, Alberta or Toronto, Ontario during the course of the distribution.

Ranking

The Offered Debentures will be direct, unsecured obligations of Cameco and will rank equally and rateably with one another and with all other unsecured and unsubordinated indebtedness of Cameco (including the outstanding debentures), except to the extent prescribed by law.

Notices

Any notice required by the Canadian Trust Indenture to be provided to holders of the Offered Debentures will be given by mail to the registered holders at the addresses as they appear in the security register.

Optional Redemption by Cameco

The Offered Debentures will be redeemable at the option of Cameco at any time, in whole or in part, upon not more than 60 days and not less than 30 days prior notice, at the higher of the Canada Yield Price and par, together in each case with accrued and unpaid interest to the date fixed for redemption.

Where less than all of the Series E Debentures or the Series F Debentures, as applicable, are to be redeemed pursuant to their terms, the Series E Debentures or the Series F Debentures, as applicable, to be so redeemed will be redeemed on a *pro rata* basis according to the principal amount of the Series E Debentures or the Series F Debentures, as applicable, registered in the respective name of each Holder of Series E Debentures or the Series F Debentures, as applicable, or by lot by the Trustee in such manner as the Trustee may consider equitable. No Series E Debenture or Series F Debenture, as applicable, shall be redeemed in part unless the principal amount redeemed is \$1,000 or a multiple thereof.

For the purposes of the foregoing provisions, the following terms will be defined in the Canadian Trust Indenture substantially as follows:

“**Canada Yield Price**” shall mean, with respect to the Series E Debentures, a price equal to the price of the Series E Debentures calculated to provide a yield to maturity, compounded semi-annually, equal to the Government of Canada Yield plus 0.485% on the Business Day preceding the day notice of redemption is given and, with respect to the Series F Debentures, the price equal to the price of the Series F Debentures calculated to provide a yield to maturity, compounded semi-annually, equal to the Government of Canada Yield plus 0.685% on the Business Day preceding the day notice of redemption is given.

“**Government of Canada Yield**” shall mean, on any date, the arithmetic average of the interest rates quoted to Cameco by two independent, registered Canadian investment dealers selected by Cameco as being the annual yield to maturity, compounded semi-annually, which a non-callable Government of Canada bond would carry if issued in dollars in Canada, at 100% of its principal amount on such date with a maturity date that is the same as the maturity date of the applicable Offered Debentures.

Repurchase on a Change of Control Triggering Event

If a Change of Control Triggering Event (as defined below) occurs, unless Cameco has exercised its optional right to redeem all of the Offered Debentures or either series thereof as described above, Cameco will be required to make an offer to repurchase all or, at the option of a Holder of Offered Debentures of the applicable series, any part (equal to \$1,000 or an integral multiple thereof) of such Holder’s Offered Debentures (a “**Change of Control Offer**”). In a Change of Control Offer, Cameco will be required to offer payment in cash equal to 101% of the aggregate principal amount of the Offered Debentures, together with accrued and unpaid interest on the Offered Debentures being repurchased pursuant to the Change of Control Offer to the date of such repurchase.

Within 30 days following any Change of Control Triggering Event, unless Cameco has exercised its optional right to redeem Offered Debentures as described above within such 30 day period, Cameco will be required to give written notice to applicable Holders of the Offered Debentures describing the transaction or transactions that constitute the Change of Control Triggering Event and offering to repurchase the Offered Debentures on the date specified in the notice, which date will be no earlier than 30 days and no later than 60 days from the date such notice is given (the “**Change of Control Payment Date**”). Cameco must comply with the requirements of applicable securities laws

and regulations in connection with the repurchase of the Offered Debentures as a result of a Change of Control Triggering Event. To the extent that the provisions of any such applicable securities laws and regulations conflict with the provisions described in this prospectus supplement relating to a Change of Control (as defined below), Cameco will be required to comply with such laws and regulations and will not be deemed to have breached its obligations to repurchase the Offered Debentures by virtue of such conflict. Cameco will not be required to make a Change of Control Offer upon a Change of Control Triggering Event if a third party makes such an offer substantially in the manner, at the times and in compliance with the requirements for a Change of Control Offer (and for at least the same purchase price payable in cash) and such third party purchases all the Offered Debentures properly tendered and not withdrawn under its offer.

For the purposes of the foregoing provisions, the following terms will be defined in the Canadian Trust Indenture substantially as follows:

“Additional Designated Rating Agency” shall mean any “approved rating organization” within the meaning of National Instrument 41-101 of the Canadian Securities Administrators, or any replacement or updated instrument, (other than S&P and DBRS) selected by Cameco.

“Change of Control” shall mean the occurrence of any one of the following: (a) the direct or indirect sale, transfer, conveyance, lease or other disposition (other than by way of consolidation, amalgamation or merger), in one transaction or a series of related transactions, of all or substantially all of the property and assets of Cameco and its Controlled Entities, taken as a whole, to any person or group of persons acting jointly or in concert for purposes of such transaction (other than to Cameco and its Controlled Entities); or (b) the consummation of any transaction including, without limitation, any consolidation, amalgamation, merger or issue of voting shares the result of which is that any person or group of persons acting jointly or in concert for purposes of such transaction (other than Cameco and its Controlled Entities) becomes the beneficial owner, directly or indirectly, of more than 50% of the voting shares of Cameco, measured by voting power rather than number of shares (but shall not include the creation of a holding company or similar transaction that does not involve a change in the beneficial ownership of Cameco).

“Change of Control Triggering Event” shall mean the occurrence of both a Change of Control and a Rating Event.

“Controlled Entity” of any person shall mean and shall include (a) any corporation more than 50% of whose stock of any class or classes having by the terms thereof ordinary voting power to elect a majority of the directors of such corporation (irrespective of whether or not at the time stock or issued share capital or any class or classes of such corporation shall have or might have voting power by reason of the happening of any contingency) is at the time owned by such person directly or indirectly through subsidiaries and (b) any partnership, association, joint venture or other entity in which such person directly or indirectly through subsidiaries has more than a 50% ownership interest at the time and (c) any other corporation, association, partnership, joint venture or other entity (i) the accounts of which would be consolidated with those of such person in such person’s consolidated financial statements if such statements were prepared in accordance with generally accepted accounting principles or (ii) that is Controlled by such person. For this purpose, **“Controlled”** and similar expressions shall mean a relationship between two persons wherein one of such persons has the power, through the ownership of securities, by contractual arrangements or otherwise, to direct the management and policies of the other of such persons, and includes, without limitation, in the case of a corporation, the ownership, either directly or indirectly through one or more persons, of securities of such corporation carrying more than 50% of the votes that may be cast to elect the directors of such corporation either under all circumstances or under some circumstances that have occurred and are continuing (other than securities held as collateral for a *bona fide* debt where the holder thereof is not entitled to exercise the voting rights attached thereto), provided that such votes, if exercised, are sufficient to elect a majority of the directors of such corporation.

“Investment Grade Rating” shall mean a rating equal to or higher than BBB- (or the equivalent) by Standard & Poor’s, a division of McGraw-Hill Companies (**“S&P”**), BBB (low) (or the equivalent) by DBRS Limited (**“DBRS”**), or the equivalent investment grade credit rating from any other Specified Rating Agency.

“Rating Event” shall mean the rating on the Offered Debentures is lowered to below an Investment Grade Rating by at least two out of the three Specified Rating Agencies, if there are three, or all of the Specified Ratings Agencies, if there are less than three Specified Ratings Agencies (the **“Required Threshold”**), on any day within the 60 day period (which 60 day period will be extended so long as the rating of the Offered Debentures is under publicly

announced consideration for a possible downgrade by such number of the Specified Rating Agencies which, together with Specified Ratings Agencies which have already lowered their ratings on the Offered Debentures, as aforesaid, would aggregate in number the Required Threshold, but only to the extent that, and for so long as, a Change of Control Triggering Event would result if such downgrade were to occur) after the earlier of (a) the occurrence of a Change of Control and (b) public notice of the occurrence of a Change of Control or of Cameco's intention or agreement to effect a Change of Control.

“*Specified Rating Agencies*” shall mean each of S&P and DBRS and, if a rating of the Offered Debentures is obtained from an Additional Designated Rating Agency shall also include such Additional Designated Rating Agency, as long as, in each case, it has not ceased to rate the Offered Debentures or failed to make a rating of the Offered Debentures publicly available for reasons outside of Cameco's control; provided that if S&P or DBRS ceases to rate the Offered Debentures, or fails to make a rating of the Offered Debentures publicly available for reasons outside of Cameco's control, Cameco may select any other Additional Designated Rating Agency as a replacement agency for such one or more of them, as the case may be.

Events of Default

The Canadian Trust Indenture provides that the Trustee may or shall, if so directed by the holders of at least 25% of the principal amount of the outstanding debentures (or, if an event of default has occurred which is applicable only to one or more series of outstanding debentures, including either series of Offered Debentures, the holders of at least 25% in aggregate principal amount of the outstanding debentures of such series), declare the principal of and interest accrued on the outstanding debentures (or the outstanding debentures of such affected series, including the Offered Debentures, as the case may be), to be due and payable to the Trustee immediately upon the occurrence of certain events of default (the “**Events of Default**”), which include the following:

- (a) if Cameco makes default in payment of the principal of or premium, if any, on any outstanding debentures when due and such default continues for a period of five (5) business days;
- (b) if Cameco makes default in payment of any interest due on any outstanding debentures or on any sinking fund payment due and any such failure continues for a period of 30 days;
- (c) if Cameco makes default in observing or performing any other covenant or condition under the Canadian Trust Indenture for a period of 60 days (or such longer period as agreed to by the Trustee) after notice in writing has been given by the Trustee to Cameco;
- (d) if Cameco or, except as part of a Permitted Subsidiary Transaction, any Restricted Subsidiary makes default in payment at maturity or in performance or observance of any covenant, term, agreement or condition of any Indebtedness singly or in the aggregate in an amount of 5% of Shareholder's Equity which default results in an acceleration of such Indebtedness, subject to certain grace periods and waiver provisions set out in the Canadian Trust Indenture;
- (e) if an order is made or an effective resolution is passed for the winding-up, liquidation or dissolution of Cameco or, except as part of a Permitted Subsidiary Transaction, any Restricted Subsidiary other than in the course of carrying out, or pursuant to, a transaction in respect of which the provisions of the article of the Canadian Trust Indenture relating to amalgamation or merger of Cameco are applicable and the conditions thereof are duly observed and performed or if Cameco or, except as part of a Permitted Subsidiary Transaction, any Restricted Subsidiary institutes proceedings to be adjudicated as bankrupt or insolvent, or consents to the institution of bankruptcy proceedings against it, or files a notice of intention to make a proposal, or a petition or answer or consent seeking reorganization or relief under the *Companies' Creditors Arrangement Act* (Canada), the *Bankruptcy and Insolvency Act* (Canada) or the *Winding-up or Restructuring Act* (Canada) or any other bankruptcy, insolvency or analogous laws, or consents to the filing of any such petition or to the appointment of a receiver, custodian, trustee, examiner, liquidator or the like of Cameco or, except as part of a Permitted Subsidiary Transaction, any Restricted Subsidiary or of the undertaking or the assets of Cameco or, except as part of a Permitted Subsidiary Transaction, any Restricted Subsidiary or any part thereof which is, in the opinion of the Trustee, a substantial part thereof or makes a general assignment for the benefit of creditors, or admits in writing to its inability to pay the debts generally as they become due;

- (f) if a decree or order of a court having jurisdiction is entered adjudging Cameco or, except as part of a Permitted Subsidiary Transaction, any Restricted Subsidiary bankrupt or insolvent, or approving as properly filed a petition seeking reorganization or winding-up of Cameco, or, except as part of a Permitted Subsidiary Transaction, any Restricted Subsidiary under the *Companies' Creditors Arrangement Act* (Canada), the *Bankruptcy and Insolvency Act* (Canada) or the *Winding-up and Restructuring Act* (Canada) or any other bankruptcy, insolvency or analogous laws, or issuing sequestration or processing execution against all, or any part thereof which is in the opinion of the Trustee a substantial part of the undertaking or assets of Cameco or, except as part of a Permitted Subsidiary Transaction, any Restricted Subsidiary or appointing a receiver, custodian, trustee, examiner or liquidator or the like of the undertaking or assets of Cameco or, except as part of a Permitted Subsidiary Transaction, any Restricted Subsidiary or any part thereof which is, in the opinion of the Trustee, a substantial part thereof or ordering the winding-up or liquidation of the affairs of Cameco, and any such decree or order continues unstayed and in effect for a period of 30 days; or
- (g) if an encumbrancer takes possession of the Property (other than Non-Recourse Properties) of Cameco or, except as part of a Permitted Subsidiary Transaction, any Restricted Subsidiary or any part thereof which is, in the opinion of the Trustee, a substantial part of the Property of Cameco on a consolidated basis, or if any process of execution is levied or enforced upon or against the Property of Cameco or, except as part of a Permitted Subsidiary Transaction, any Restricted Subsidiary or any part thereof (other than Non-Recourse Properties) which is, in the opinion of the Trustee, a substantial part of the Property of Cameco on a consolidated basis and remains unsatisfied for such period as would permit any such Property to be sold thereunder, unless such process is in good faith disputed by Cameco, but in that event Cameco shall, if the Trustee so requires, give security which, in the discretion of the Trustee, is sufficient to pay in full the amount thereby claimed in case the claim is held to be valid.

Subject to the provisions of the Canadian Trust Indenture relating to the duties of the Trustee, the Trustee shall not be required to take any measures to enforce the Canadian Trust Indenture or any covenant contained in the Canadian Trust Indenture until furnished with funds for the purpose and indemnified to its reasonable satisfaction.

Waiver of Default

The holders of not less than 66 2/3% of the principal amount of the outstanding debentures (including the holders of the Offered Debentures), will have the power to instruct the Trustee to waive any Event of Default or to cancel the declaration made by the Trustee or both, and the Trustee shall thereupon comply with such instructions. Notwithstanding the foregoing, if an Event of Default has occurred that is applicable only to a specific series of the outstanding debentures, then the holders of not less than 66 2/3% of the principal amount of such affected series of outstanding debentures shall be entitled to exercise such power and the Trustee shall so act and it will not be necessary to obtain a waiver from the holders of any other series of the outstanding debentures. In addition, the Trustee will have the power to waive any default if, in the Trustee's opinion, the default has been cured or adequate satisfaction (as determined by the Trustee) has been made therefor, and the Trustee will have the power to cancel any declaration therefore made.

Modification

The rights of the holders of the Offered Debentures will be subject to modification. For that purpose, among others, the Canadian Trust Indenture contains provisions making binding upon all holders of the outstanding debentures (including the Offered Debentures) (a) Extraordinary Resolutions, or (b) instruments in writing signed by the holders of not less than 66 2/3% of the principal amount of the outstanding debentures. "**Extraordinary Resolution**" means a resolution passed at a meeting of holders of the outstanding debentures (or applicable series thereof), duly convened for that purpose and held in accordance with the provisions of the Canadian Trust Indenture and carried by an affirmative vote of not less than 66 2/3% of the votes of all holders of the outstanding debentures (or applicable series thereof) present or represented by proxy and voting given on a poll.

Successor Corporation

Cameco has agreed not to, directly or indirectly, sell, lease, transfer or otherwise dispose of all or substantially all of its Property to any other person, and shall not amalgamate or merge with or into any other corporation (other than a wholly-owned Subsidiary), (any such corporation being herein referred to as a “**Successor Corporation**”) unless:

- (a) the Successor Corporation: (i) is a corporation organized or existing under the laws of Canada or a province or territory thereof, and (ii) executes, prior to or contemporaneously with the consummation of such transaction, such indenture supplement and other instruments (if any) as are satisfactory to the Trustee and in the opinion of legal counsel necessary or advisable to evidence the assumption by the Successor Corporation of the liability for the due and punctual payment of the outstanding debentures and the interest thereon and all other moneys payable under the 1999 Trust Indenture and the covenant of such Successor Corporation to pay the same and its agreement to observe and perform all the covenants and obligations of Cameco under the 1999 Trust Indenture;
- (b) at the time of or immediately after the consummation of such transaction no condition or event shall exist which constitutes or which would, after the lapse of time or giving of notice or both, constitute an Event of Default under the 1999 Trust Indenture; and
- (c) such transaction is in the opinion of legal counsel upon such terms as substantially to preserve and not to impair any of the rights and powers of the Trustee or of the holders of the outstanding debentures in accordance with the terms of the 1999 Trust Indenture.

Upon any such amalgamation or merger in which Cameco is not the continuing corporation, the Successor Corporation shall succeed to, and be substituted for, and may exercise every right and power of, Cameco.

Supplemental Indentures

Cameco, when authorized by a resolution of the directors, and the Trustee may execute, acknowledge and deliver indenture supplements, for any one of or more of the following purposes:

- (a) providing for the issuance of additional debentures;
- (b) providing for additional covenants, enforcement provisions, release provisions, and other provisions as, in the opinion of counsel to the Trustee, are necessary for the protection of the holders of the outstanding debentures, or providing for additional events of default;
- (c) for hypothecating, mortgaging, pledging, charging, assigning or transferring to, or vesting in, the Trustee any of the Property then owned or thereafter acquired by Cameco;
- (d) adding additional covenants, enforcement provisions, release provisions and other provisions which are considered by Cameco to be necessary or desirable, provided that, in the opinion of legal counsel to the Trustee, the same are not materially prejudicial to the interests of the holders of the outstanding debentures;
- (e) making any modification of any of the provisions of the 1999 Trust Indenture or the outstanding debentures which is of a formal, minor or technical nature;
- (f) making any additions to, deletions from or alterations of the provisions of the 1999 Trust Indenture which in the opinion of the Trustee are not materially prejudicial to the interests of the holders of the outstanding debentures and which are necessary or advisable in order to incorporate, reflect or comply with any legislation the provisions of which apply to the 1999 Trust Indenture;
- (g) adding to or altering the provisions of the 1999 Trust Indenture in respect of the transfer of the outstanding debentures including provisions for the exchange of the outstanding debentures of different denominations and making any modifications in the form of the debentures which does not

affect the substance thereof and which, in the opinion of the Trustee, is not materially prejudicial to the interests of the holders of the outstanding debentures;

- (h) correcting or rectifying any ambiguities, defective provisions, errors or omissions in the 1999 Trust Indenture, provided that, in the opinion of the Trustee relying on the advice of counsel, the rights of the Trustee and the holders of the outstanding debentures are in no way prejudiced thereby;
- (i) evidencing the succession, or successive successions, of other corporations to Cameco and the covenants of and obligations assumed by any such successor in accordance with the provisions of the 1999 Trust Indenture;
- (j) giving effect to any Extraordinary Resolution; and
- (k) for any other purpose not inconsistent with the terms of the Canadian Trust Indenture or the outstanding debentures provided that, in the opinion of the Trustee, the rights of the Trustee and of the holders of the outstanding debentures are not materially prejudiced thereby.

Purchase of the Debentures

Cameco will be entitled at any time and from time to time (so long as it is not in default under the Canadian Trust Indenture at such time) to purchase for cancellation all or any principal amount of the Offered Debentures in the market, by tender or by private contract at any price, subject to applicable law.

Governing Law

The Canadian Trust Indenture and the Offered Debentures will be governed by and construed in accordance with the laws of the Province of Saskatchewan and the laws of Canada applicable therein.

Trustee

CIBC Mellon Trust Company at its principal offices in the cities of Toronto and Calgary is the trustee for the holders of the Offered Debentures.

In the exercise of the powers, rights, duties and obligations prescribed or conferred by the terms of the Canadian Trust Indenture, the Canadian Trust Indenture provides that the Trustee shall act honestly and in good faith with a view to the best interests of the holders of the Offered Debentures, and shall exercise that degree of care, diligence and skill that a reasonably prudent corporate trustee would exercise in comparable circumstances.

Book-Entry System for Debentures

The Offered Debentures will be issued in “book-entry only” form and must be purchased or transferred through a participant (“**Participant**”) in the depository service of CDS. On the closing date of this Offering, the Trustee will cause a global Series E Debenture and a global Series F Debenture (the “**Global Debentures**”) to be delivered to CDS and registered in the name of its nominee. Each of the Offered Debentures will be evidenced by a single book-entry only certificate. Registration of interests in and transfers of the Offered Debentures will be made only through the depository service of CDS.

Except as described below, a purchaser acquiring a beneficial interest in the Offered Debentures (a “**Beneficial Owner**”) will not be entitled to a certificate or other instrument from the Trustee or CDS evidencing that purchaser’s interest therein, and such purchase will not be shown on the records maintained by CDS, except through a Participant. Such purchaser will receive a confirmation of purchase from the Agents or other registered dealer from whom the Offered Debentures are purchased.

Neither Cameco nor the Agents will assume any responsibility or any liability for: (a) any aspect of the records relating to the beneficial ownership of the Offered Debentures held by CDS or the payments relating thereto; (b) maintaining, supervising or reviewing any records relating to the Offered Debentures; or (c) any advice or representation made by or with respect to CDS and contained in this prospectus supplement and relating to the rules

governing CDS or any action to be taken by CDS or at the direction of its Participants. The rules governing CDS provide that it acts as the agent and depository for the Participants. As a result, Participants must look solely to CDS and Beneficial Owners must look solely to Participants for the payment of the principal and interest on the Offered Debentures paid by or on behalf of Cameco to CDS.

As indirect holders of the Offered Debentures, investors should be aware that they (subject to the situations described below): (a) may not have the Offered Debentures registered in their name; (b) may not have physical certificates representing their interest in the Offered Debentures; (c) may not be able to sell the Offered Debentures to institutions required by law to hold physical certificates for securities they own; and (d) may be unable to pledge the Offered Debentures as security. Cameco's responsibility and liability in respect of notices or payments on the Offered Debentures is limited to giving notice or making payment on the Offered Debentures to CDS or its nominee. Holders of the Offered Debentures must rely on the procedures of CDS and its Participants to exercise any of their rights with respect to the Offered Debentures.

The Offered Debentures will be issued to Beneficial Owners in fully registered and certificate form (the "**Definitive Debentures**") only if: (a) CDS resigns or is removed from its responsibilities as depository and Cameco is unable or does not wish to locate a qualified successor; (b) if the book entry system ceases to exist; (c) Cameco determines that it wishes Definitive Debentures to replace the Global Debentures; (d) if required by applicable law; or (e) after the occurrence of an Event of Default, holders of either the Series E Debentures or the Series F Debentures representing beneficial interests aggregating over 50% of the outstanding principal amount of either the Series E Debentures or the Series F Debentures, as applicable, determine that the continuation of the book-entry system is no longer in their best interests.

Upon the occurrence of any of the events described in the immediately preceding paragraph, the Trustee must notify CDS, for and on behalf of Participants and Beneficial Owners, of the availability through CDS of Definitive Debentures. Upon surrender by CDS of the Global Debentures representing the Offered Debentures and receipt of instructions from CDS for the new registrations, the Trustee will deliver Definitive Debentures representing the Offered Debentures, and thereafter Cameco will recognize the holders of such debenture certificates as the holders of the Offered Debentures under the Canadian Trust Indenture.

Payment

Except in the case of payment on maturity, in which case payment may be made on surrender of the applicable Global Debenture, payments of interest and principal on each Global Debenture will be made to CDS as registered holder of such Global Debenture. Interest payments on the Global Debentures will be made by cheque dated the date interest is payable and delivered to CDS two days before the date interest is payable. Payments of interest may also be made by electronic funds transferred to CDS at the option of Cameco. Principal payments on the Global Debentures will be made by cheque dated the applicable maturity date delivered to CDS at maturity, or by electronic transfer of funds to CDS, against receipt of the applicable Global Debenture. As long as CDS is the registered holder of a Global Debenture, CDS will be considered the sole owner of such Global Debenture for the purpose of receiving payment on the Offered Debentures, and for all other purposes under the Canadian Trust Indenture and the applicable Offered Debentures.

Cameco expects that CDS, upon receipt of any payment of principal or interest in respect of a Global Debenture, will credit Participants' accounts, on the date principal or interest is payable, with payments in amounts proportionate to their respective beneficial interests in the principal amount of such Global Debenture as shown on the records of CDS, subject to any applicable withholding tax. Cameco also expects that payments of principal and interest by Participants to the owners of beneficial interests in such Global Debenture held through such Participants will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name", and will be the responsibility of such Participants. The responsibility and liability of Cameco and the Trustee in respect of the Offered Debentures represented by a Global Debenture is limited to making payment of any principal and interest due on such Global Debenture to CDS.

If the date for payment of any amount of principal or interest on any Offered Debentures is not a business day at the place of payment, then payment will be made on the next business day and the holder of the debenture will not be entitled to any further interest or other payment in respect of the delay. If Definitive Debentures are issued, interest will be paid by cheque drawn on Cameco and sent by prepaid mail to the registered holder or by such other means as

may become customary for the payment of interest. Payment of principal and the interest due, at maturity or on a redemption date, will be paid directly to CDS while the book-entry only system is in effect. If Definitive Debentures are issued, payment of principal and interest due, at maturity or on a redemption date, will be paid upon surrender thereof at any office of the Trustee or as otherwise specified in the Canadian Trust Indenture.

Transfers of the Debentures

Transfers of ownership of the Offered Debentures represented by a Global Debenture will be effected through records maintained by CDS or its nominee for the Global Debenture (with respect to interests of Participants) and on the records of Participants (with respect to interests of persons other than Participants). Beneficial Owners who are not Participants in the depository services of CDS, but who desire to purchase, sell or otherwise transfer ownership of or other interests in a Global Debenture, may do so only through Participants in the depository service of CDS.

The ability of a Beneficial Owner of an interest in an Offered Debenture represented by a Global Debenture to pledge the Offered Debenture or otherwise take action with respect to such owner's interest in an Offered Debenture represented by a Global Debenture (other than through a Participant) may be limited due to the lack of a physical certificate.

The holder of a Definitive Debenture may transfer it upon payment of any taxes and transfer fees incidental thereto by executing a form of transfer and returning it along with the Definitive Debenture to either of the principal corporate trust offices of the Trustee in the cities of Toronto and Calgary, or such other office as Cameco may, with the approval of the Trustee, designate, for issuance of one or more new Definitive Debentures in authorized denominations in the same aggregate principal amount registered in the name(s) of the transferee(s). The Trustee is not required to register any transfer of a Definitive Debenture within 10 Business Days immediately preceding any day fixed for payment of interest or principal.

Restriction on Reorganization

The Canadian Trust Indenture provides that Cameco shall not, directly or indirectly, sell, lease, transfer or otherwise dispose of all or substantially all of its Property to any other person and shall not amalgamate or merge with or into any other corporation (other than a wholly-owned subsidiary) unless the successor provisions of the Canadian Trust Indenture are complied with.

Other Definitions

Certain terms are defined in the Canadian Trust Indenture substantially as follows:

“**Act**” means the *Canada Business Corporations Act*, R.S.C. 1985, c. C44, as amended from time to time;

“**Blind River Refinery**” means the uranium conversion services facility for the production of UO₃ located at Blind River, Ontario;

“**Business Day**” means a day other than a Saturday or Sunday on which banks are open for business in Saskatoon, Saskatchewan;

“**Consolidated Subsidiary**” means, for any person, each Subsidiary of such person (whether now existing or hereafter created or acquired) the financial statements of which shall be (or are required to have been) consolidated with the financial statements of such person in accordance with IFRS;

“**Cigar Lake Project**” means the development, construction and operation of an underground uranium mine located at Cigar Lake, Saskatchewan;

“**IFRS**” means International Financial Reporting Standards as issued by the International Accounting Standards Board from time to time, being the generally accepted accounting principles applicable to Canadian publicly accountable enterprises, as prescribed by the Canadian Institute of Chartered Accountants;

“Government Authority” means any nation or government, any province, state, municipality or other political subdivision thereof and any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government;

“Indebtedness” means in respect of any person, without duplication, all items of indebtedness of any such person created, issued or assumed for any amounts borrowed and all Purchase Money Obligations which, in accordance with IFRS, would be recorded in the financial statements of such person as at the date as of which Indebtedness is to be determined, and in any event including, to the extent not otherwise included:

- (a) obligations secured by any Lien existing on Property owned by such person subject to such Lien, whether or not the obligations secured thereby shall have been assumed; and
- (b) guarantees, indemnities, endorsements (other than endorsements for collection in the ordinary course of business) or other contingent liabilities of such person in respect of obligations of another person or indebtedness of that other person, but only to the extent so guaranteed, indemnified or endorsed,

excluding, however, with respect to Purchase Money Obligations, obligations of any person to pay trade accounts payable, payments in kind and accrued expenses incurred in the ordinary course of business, so long as the trade accounts payable and accrued expenses are payable within 180 days. In the case of Indebtedness of others secured by a Lien on the property of, but not assumed by, any person, the amount of such Indebtedness shall be limited to the lesser of (i) the amount thereof and (ii) the fair market value of the affected property;

“Key Lake Mill” means a uranium mill located at Key Lake, Saskatchewan;

“Lien” means any mortgage, lien, pledge, hypothecation, assignment, charge, security interest, royalty or encumbrance of any kind created, incurred or assumed in order to secure payment of Indebtedness. For purposes of the Canadian Trust Indenture, a Person shall be deemed to own subject to a Lien any Property that it holds subject to the interest of a vendor or lessor under any conditional sale agreement, capital lease or other title retention agreement (other than an operating lease) relating to such Property;

“McArthur River Project” means the development, construction and operation of an underground uranium mine located at McArthur River, Saskatchewan;

“Permitted Subsidiary Transaction” means, in respect of any Subsidiary, any transaction of merger, consolidation, amalgamation or reorganization of such Subsidiary with Cameco or any Subsidiary or Subsidiaries (but not any other person) or any liquidation, winding-up or dissolution of such Subsidiary as part of any merger, consolidation, amalgamation or reorganization with Cameco or any Subsidiary or Subsidiaries (but not any other person) and any default in payment of, or non-payment of, or forgiveness in repayment of, any principal or interest on any Indebtedness of a Subsidiary to Cameco or to another Subsidiary, and shall include the taking of steps and actions and the enforcement of remedies in respect of Indebtedness of such Subsidiary and any security or agreements in respect thereof in connection with such merger, consolidation, amalgamation, reorganization, liquidation, winding-up or dissolution;

“Person” means any individual, corporation, partnership, joint venture, trust, unincorporated organization or Government Authority or any agency or political subdivision thereof;

“Port Hope Facility” means a uranium conversion services facility for the production of UF₆ and UO₂ located at Port Hope, Ontario;

“Principal Property” means any current or future mineral property or mining right or manufacturing or processing plant, building, structure or other facility, together with the land upon which it is erected and fixtures comprising a part thereof, in respect of the assets or investments of Cameco or any Subsidiary in any of the Blind River Refinery, the Cigar Lake Project, the Key Lake Mill, the McArthur River Project, the Port Hope Facility and the Rabbit Lake Mine and shall include the shares or other securities issued by any Restricted Subsidiary as well as any claims or rights of Cameco or any Restricted Subsidiary against any Restricted Subsidiary;

“Property” means any right or interest in or to property of any kind whatsoever, whether real, personal or mixed and whether tangible or intangible;

“Rabbit Lake Mine” means an underground uranium mine located at Rabbit Lake, Saskatchewan;

“Restricted Subsidiary” means any Subsidiary that owns or leases an interest in a Principal Property or invests in, lends money to, or otherwise owns or holds shares or other securities issued by, one or more Restricted Subsidiaries;

“Shareholders’ Equity” shall, with respect to Cameco and its Consolidated Subsidiaries, be determined in accordance with IFRS; and

“Subsidiary” means any corporation or other entity of which securities or other ownership interests having ordinary voting power to elect a majority of the board of directors or other persons performing similar functions are directly or indirectly owned or controlled by Cameco.

CREDIT RATINGS

The Company has received the ratings set out in the table below in respect of the Offered Debentures to be issued pursuant to this prospectus supplement.

<u>Rating Agency</u>	<u>Rating</u>	<u>Trend/Outlook</u>
DBRS	A (low)	Stable
S&P	BBB+	Stable

The rating organizations base the ratings on quantitative and qualitative considerations which are relevant for Cameco. These ratings are intended to give an indication of the risk that Cameco will not fulfill its obligations in a timely manner. Credit ratings may not reflect the potential impact of all risks on the value of the securities. These ratings are not recommendations to buy, sell or hold securities and may be subject to revision or withdrawal at any time by the rating organization.

A definition of the categories of each rating has been obtained from the respective rating organization’s website and is outlined below:

DBRS’ credit ratings for long term debt range from AAA to D. Each rating category other than AAA and D is denoted by the subcategories “high” and “low”. The absence of either a “high” or “low” designation indicates the rating is in the “middle” of the category.

The “A” rating is ranked third of ten rating categories. Long-term debt rated “A” is of good credit quality. The capacity for the payment of financial obligations is substantial, but of lesser credit quality than AA, and may be vulnerable to future events, but qualifying negative factors are considered manageable.

DBRS uses “rating trends” for its ratings in the corporate sector. Rating trends provide guidance in respect of DBRS’s opinion regarding the outlook for the rating in question, with rating trends falling into one of three categories – “Positive”, “Stable” or “Negative”. The rating trend indicates the direction in which DBRS considers the rating is headed should present tendencies continue, or in some cases, unless challenges are addressed. In general, the DBRS view is based primarily on an evaluation of the issuing entity, but may also include consideration of the outlook for the industry or industries in which the issuing entity operates.

A Positive or Negative Trend is not an indication that a rating change is imminent. Rather, a Positive or Negative Trend represents an indication that there is a greater likelihood that the rating could change in the future than would be the case if a Stable Trend were assigned to the security.

DBRS assigns a rating trend for each security of an issuing entity and it is not unusual for securities of the same entity to have different trends. DBRS has assigned a Stable rating trend to the rating for the Offered Debentures.

Standard & Poor’s long-term issue credit ratings range from a top rating of AAA, reflecting the strongest credit quality, to D for debt issuers that are actually in default and for issuers who did not meet their financial obligations or have declared that they cannot do so. The “BBB” rating is ranked fourth of ten rating categories. An obligation rated “BBB” exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitment on the obligation.

The addition of pluses or minuses provides further distinctions within ratings ranging from AA to CCC.

A Standard & Poor’s rating outlook assesses the potential direction of a long-term credit rating over the intermediate term (typically six months to two years). In determining a rating outlook, consideration is given to any changes in the economic and/or fundamental business conditions. An outlook is not necessarily a precursor of a rating change or future CreditWatch action. A Negative outlook means that a rating may be lowered whereas a Stable outlook means that a rating is not likely to change and a Positive outlook means that a rating may be raised. Standard & Poor’s has assigned a Stable rating outlook to the rating for the Offered Debentures.

EARNINGS COVERAGE RATIO

The following consolidated earnings coverage ratios have been calculated for the twelve month period ended December 31, 2011 and the twelve month period ended September 30, 2012 and are derived from audited financial information, in the case of the ratio for the twelve month period ended December 31, 2011, and unaudited financial information, in the case of the ratio for the twelve month period ended September 30, 2012. The following earnings coverage ratios: (a) give effect to the issuance of the Offered Debentures under this prospectus supplement as if the Offered Debentures had been issued at the beginning of the applicable period; (b) do not give effect to normal course advances, issuances and repayments, as the case may be, of long-term debt under the Company's revolving credit facilities or commercial paper program subsequent to December 31, 2011 or September 30, 2012, as applicable, since the adjustments would not materially affect the ratios; (c) do not purport to be indicative of earnings coverage ratios for any future periods; and (d) have been calculated based on International Financial Reporting Standards.

	<u>12 Months ended December 31, 2011</u>	<u>12 Months ended September 30, 2012</u>
Interest requirements (in thousands)	\$82,009	\$82,804
Earnings attributable to equity holders before interest expense and taxes (in thousands)	\$544,166	\$566,979
Consolidated earnings coverage on long term debt.....	6.64 times	6.85 times

The following cash flow coverage ratios for the twelve month period ended December 31, 2011 and the twelve month period ended September 30, 2012 were calculated by dividing cash flow from operating activities by total interest and dividends.

	<u>12 Months ended December 31, 2011</u>	<u>12 Months ended September 30, 2012</u>
Cash flow coverage.....	3.10 times	2.57 times

PLAN OF DISTRIBUTION

Pursuant to an agency agreement dated as of November 7, 2012 (the “**Agency Agreement**”) between the Company and the Agents, the Agents have agreed to act as our agents to offer the Offered Debentures for sale to the public on a best efforts basis, if, as and when issued by us, subject to compliance with all necessary legal requirements and in accordance with the terms and conditions of the Agency Agreement. The Series E Debentures will be offered at a price of \$999.92 per \$1,000 principal amount of the Series E Debentures for total consideration of \$399,968,000 and the Series F Debentures will be offered at a price of \$999.54 per \$1,000 principal amount of the Series E Debentures for total consideration of \$99,954,000. We have agreed to pay to the Agents a fee of \$4.00 per \$1,000 principal amount of Series E Debentures, and a fee of \$5.00 per \$1,000 principal amount of Series F Debentures.

The obligations of the Agents under the Agency Agreement may be terminated at their discretion upon the basis of their assessment of the state of the financial markets and upon the occurrence of certain stated events. While the Agents have agreed to use their best efforts to sell the Offered Debentures offered under this prospectus supplement, the Agents will not be obligated to purchase any Offered Debentures which are not sold.

The Offered Debentures are being offered in each of the provinces and territories of Canada. The Offered Debentures have not been and will not be registered under the U.S. Securities Act or any state securities laws and may not be offered or sold within the United States. In addition, until 40 days after the commencement of the Offering of the Offered Debentures, an offer or sale of the Offered Debentures within the United States by any dealer, whether or not participating in the Offering, may violate the registration requirements of the U.S. Securities Act if such offer or sale is made otherwise than in accordance with an exemption from the registration requirements of the U.S. Securities Act.

The Company has agreed to indemnify the Agents against certain liabilities under the applicable Canadian securities legislation, and to contribute to payments that the Agents may be required to make in respect thereof.

Subscriptions will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. It is expected that the closing will be held on November 14, 2012 or such other date as may be agreed upon by the Company and the Agents, but, in any event, not later than November 21, 2012.

The Offered Debentures will not be listed on any securities exchange or quotation system and consequently, there is no market through which these securities may be sold and you may not be able to resell securities purchased under this prospectus supplement.

The Agents may not, throughout the period of distribution under this prospectus supplement, bid for or purchase Offered Debentures. This restriction is subject to certain exceptions, as long as the bid or purchase is not engaged in for the purpose of creating actual or apparent active trading in or raising the price of such securities. These exceptions include: (i) a bid or purchase permitted under the Universal Market Integrity Rules of the Investment Industry Regulatory Authority of Canada, and (ii) a bid or purchase made for and on behalf of a customer where the order was not solicited during the period of distribution. Under the first mentioned exception, the Agents may effect transactions which stabilize or maintain the market price of the Offered Debentures offered at levels other than those which might otherwise prevail in the open market. Such transactions, if commenced, may be discontinued at any time. The Agents may make a market in the Offered Debentures, but they will not be obligated to do so and may discontinue any market making at any time without notice. No assurance can be given that a trading market in any of the Offered Debentures will develop or as to the liquidity of any trading market for the Offered Debentures.

The Company has agreed that it will not, without the prior written consent of TD Securities Inc., on behalf of the Agents, such consent not to be unreasonably withheld, from the date of the Agency Agreement and ending a period of 90 days from the closing of the Offering, issue, offer, pledge, sell, contract to sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase or otherwise transfer, lend or dispose of directly or indirectly, additional senior unsecured debentures of the Company.

Each of the Agents are affiliates of Canadian chartered banks or other financial institutions that, among other lenders, are (as applicable) members of respective syndicates of lenders that have provided us with a \$1,250,000,000 unsecured revolving credit facility maturing in November 2017. Such banks or financial institutions (or other affiliates of the Agents) have also provided us with unsecured uncommitted or demand credit accommodations (including letters of credit) of various types totaling approximately \$1,400,000,000 and/or entered into currency swaps or other derivatives transactions with us. Consequently, we may be considered to be a “connected issuer” of each of the Agents under applicable securities laws. As at November 6, 2012, no indebtedness was outstanding under the credit facilities, although, as of such date, certain letters of credit were outstanding. The net proceeds of this Offering will be used to strengthen our capital position and enhance our financial flexibility in order to support planned expansion of our uranium production capacity and for general corporate purposes, and our receipt of the net proceeds of the Offering will enable us not to borrow amounts we might otherwise have borrowed under such credit facilities or other credit accommodations.

The Company is in compliance with the terms of, and the lenders have not waived any material breach of, the agreements governing the credit facilities, other credit accommodations and swap and other derivatives transactions referred to in the paragraph above since their respective dates of execution. The decision to distribute the Offered Debentures, including the determination of the terms of this Offering, has been made through negotiations between the Company and the Agents. The affiliated lenders, credit accommodation providers or swap or other derivatives providers of the Agents did not have any involvement in that decision or determination. The proceeds of the Offering will not be applied for the benefit of the Agents or their affiliates, other than as described herein.

RISK FACTORS

An investment in the Offered Debentures involves certain risks. Before making an investment decision, you should carefully consider all of the information in this prospectus supplement and in the documents incorporated by

reference herein and, in particular, should evaluate the risk factors below as well as those relating to the Company's business and other conditions that may have a material impact on the financial condition and prospects of the Company referenced in this prospectus supplement, the Annual Information Form, the Company's most recently filed annual management's discussion and analysis as well as any risk factors discussed in any quarterly management's discussion and analysis for the current year, and the other documents incorporated by reference herein. See "Documents Incorporated by Reference".

Failure of an Active Trading Market for the Offered Debentures to Develop

The Offered Debentures are a new issue of securities for which there is no trading market. The Company does not intend to list the Offered Debentures on any Canadian, U.S. or other securities exchange. This may affect the pricing of the securities in the secondary market, the transparency and availability of the trading prices, the liquidity of the securities and the extent of issuer regulation. No assurance can be given to you that an active trading market for the Offered Debentures will develop or be sustained. If an active market for the Offered Debentures fails to develop or be sustained, the price at which the Offered Debentures could be sold may be adversely affected and you may have difficulty selling all or a portion of your Offered Debentures. Whether or not the Offered Debentures will trade at lower prices depends on many factors, including the prevailing interest rates and the markets for similar securities, general economic conditions and the Company's financial condition, historic financial performance and future prospects.

Credit Ratings Assigned to Offered Debentures may Change

There cannot be any assurance that any credit rating assigned to the Offered Debentures issued hereunder will remain in effect for any given period of time or that any rating will not be lowered or withdrawn entirely by the relevant rating agency. A lowering or withdrawal of such rating may have an adverse effect on the market value of the Offered Debentures. In addition, real or anticipated changes in credit ratings can affect the cost at which the Company can access the debenture market.

The Offered Debentures are Unsecured Obligations and will be Effectively Subordinated to Creditors of our Subsidiaries.

The likelihood that purchasers of the Offered Debentures will receive payments owing to them under the terms of the Offered Debentures will depend on the Company's financial condition and creditworthiness. In addition, the Offered Debentures are unsecured obligations of the Company.

The Company conducts its operations through a number of subsidiaries and to the extent any such subsidiary has or incurs indebtedness with a third party, the holders of the Offered Debentures will, subject to the negative pledge and limitation on restricted subsidiary borrowing (which are referenced under the heading "Description of the Debt Securities" in the base shelf prospectus), effectively be subordinated to the claims of the holders of such third party indebtedness, including in the event of liquidation or upon a realization of the assets of any such subsidiary.

Bankruptcy and Related Laws

The Company is incorporated under the laws of Canada and a substantial portion of its assets are located in Canada.

The rights of the Trustee to enforce remedies are likely to be significantly impaired by the restructuring provisions of applicable Canadian federal bankruptcy, insolvency and other restructuring legislation if the benefit of such legislation is sought with respect to the Company. For example, both the *Bankruptcy and Insolvency Act* (Canada) and the *Companies' Creditors Arrangement Act* (Canada) contain provisions enabling "an insolvent person" to obtain a stay of proceedings as against its creditors and others and to prepare and file a proposal for consideration by all or some of its creditors to be voted on by the various classes of its creditors. Such a restructuring proposal could include a compromise of amounts owing under the Offered Debentures and, if accepted by the requisite majorities of creditors and if approved by the court, would be binding on persons who might not otherwise be willing to accept it. Moreover, this "proposal" legislation permits, in certain circumstances, the insolvent debtor to retain possession and administration of its property, even though it may be in default under the applicable debt instrument. The powers of the court under the *Bankruptcy and Insolvency Act* (Canada) and particularly under the *Companies' Creditors Arrangement Act* (Canada) have been exercised broadly to protect a restructuring

entity from actions taken by creditors and other parties. Accordingly, it is impossible to predict if payments under the Offered Debentures would be made following commencement of or during such a proceeding, whether or when the Trustee could exercise its rights under the Canadian Trust Indenture or whether and to what extent holders of the Offered Debentures would be compensated for any delay in payments of principal and interest. Based on judicial authority, similar consequences may arise if the benefit of the arrangement provisions of the *Canada Business Corporations Act* is sought with respect to the Company.

Interest Rate Risks

Prevailing interest rates will affect the market price or value of the Offered Debentures. Generally, the market price or value of the Offered Debentures will decline as prevailing interest rates for comparable debt instruments rise, and increase as prevailing interest rates for comparable debt instruments decline. Fluctuations in interest rates may also impact borrowing costs of the Company which may adversely affect its creditworthiness.

Repurchase upon Change of Control Triggering Event

In the event that the Company is required to offer to repurchase the Offered Debentures upon the occurrence of a Change of Control Triggering Event, it may not have sufficient funds to repurchase the Offered Debentures in cash at such time. In addition, the Company's ability to repurchase the Offered Debentures for cash may be limited by applicable law. If the Company is unable to the repurchase the Offered Debentures upon the occurrence of a Change of Control Triggering Event, cross-default provisions in the Company's other debt instruments may be triggered resulting in events of default thereunder.

ELIGIBILITY FOR INVESTMENT

In the opinion of Osler, Hoskin & Harcourt LLP, legal counsel to the Company, and Borden Ladner Gervais LLP, legal counsel to the Agents, the Offered Debentures offered hereby, if issued on the date hereof, would be qualified investments under the *Income Tax Act* (Canada) (the "**Tax Act**") and the regulations thereunder for trusts governed by a registered retirement savings plan ("**RRSP**"), a registered retirement income fund ("**RRIF**"), a registered education savings plan, a registered disability savings plan, a deferred profit sharing plan (other than a trust governed by a deferred profit sharing plan for which any employer is the Company or an employer with whom the Company does not deal at arm's length (for purposes of the Tax Act)) and a tax-free savings account ("**TFSA**"). The Offered Debentures will not be a "prohibited investment" for a TFSA, RRSP or RRIF provided that, for purposes of the Tax Act, the holder of the TFSA or the annuitant under the RRSP or RRIF, as the case may be, deal at arm's length with the Company for purposes of the Tax Act and does not have a significant interest (for purposes of the Tax Act) in the Company or in a corporation, partnership or trust with which the Company does not deal at arm's length. The Department of Finance has recently indicated that it is prepared to recommend further amendments to the prohibited investment rules contained in the Tax Act, however, no draft legislation has been released as at the date hereof.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of Osler, Hoskin & Harcourt LLP, legal counsel to the Company, and Borden Ladner Gervais LLP, legal counsel to the Agents, the following summary describes the principal Canadian federal income tax considerations generally applicable to a purchaser who acquires Offered Debentures pursuant to this prospectus supplement and who, at all relevant times and for purposes of the Tax Act, is or is deemed to be a resident of Canada, holds the Offered Debentures as capital property and is not affiliated with and deals at arm's length with the Company (a "**Holder**"). Generally, the Offered Debentures will constitute capital property to a Holder provided the Holder does not hold the Offered Debentures in the course of carrying on a business and does not acquire them as part of an adventure or concern in the nature of trade. Certain Holders who might not otherwise be considered to hold their Offered Debentures as capital property may, in certain circumstances, be entitled to make the irrevocable election permitted by subsection 39(4) of the Tax Act to have the Offered Debentures, and all other "Canadian securities" as defined in the Tax Act, owned by such Holder in the taxation year in which the election is made and in all subsequent taxation years, deemed to be capital property. Holders whose Offered Debentures might not otherwise be considered to be capital property should consult their own tax advisors concerning this election. This summary is not applicable to a Holder an interest in which would be a "tax shelter investment", a Holder to whom the "functional currency" reporting rules apply, or, for purposes of certain rules applicable to securities held by financial

institutions (referred to as the “mark-to-market” rules), a Holder which is a “financial institution”, each as defined in the Tax Act. Such Holders should consult their own tax advisers.

This summary is based upon the current provisions of the Tax Act and the regulations thereunder (the “**Regulations**”), all specific proposals to amend the Tax Act and Regulations (the “**Proposed Amendments**”) publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof and counsel’s understanding of the current published administrative and assessing policies and practices of the Canada Revenue Agency. This summary assumes that the Proposed Amendments will be enacted as currently proposed, but there can be no assurance that the Proposed Amendments will be enacted as proposed, or at all. This summary does not otherwise take into account or anticipate any changes in the law or administrative or assessing practice, whether by judicial, governmental or legislative decision or action, nor does it take into account tax legislation or considerations of any province, territory or foreign jurisdiction, which may differ from those discussed herein.

This summary is of a general nature only and is not intended to be and should not be construed to be, legal or tax advice to any particular Holder. This summary is not exhaustive of all Canadian federal income tax considerations. Accordingly, prospective purchasers of Offered Debentures should consult their own tax advisers having regard to their own particular circumstances.

Interest

A Holder that is a corporation, partnership, unit trust or a trust of which a corporation or partnership is a beneficiary will be required to include in computing its income for a taxation year all interest on the Offered Debentures that accrues to such Holder to the end of that year or that becomes receivable or is received by it before the end of that year, to the extent that such interest was not included in the Holder’s income for a preceding taxation year.

Any other Holder, including an individual, will be required to include in computing its income for a taxation year any interest on the Offered Debentures that is received or receivable by such Holder in that year (depending on the method regularly followed by the Holder in computing income) to the extent that such interest was not included in computing the Holder’s income for a preceding taxation year.

Any amount paid by the Company to a Holder as a penalty or bonus because of the repayment of all or part of the principal amount of an Offered Debenture before its maturity will be deemed to be received by the Holder as interest on the Offered Debentures at that time and will be required to be included in computing the Holder’s income as described above, to the extent such amount can reasonably be considered to relate to, and does not exceed the value at the time of payment of, interest that, but for the repayment would have been paid or payable by the Company on the Offered Debentures for a taxation year of the Company after that time.

If settlement of the Offering occurs after November 14, 2012 and a Holder becomes entitled to accrued interest from November 14, 2012 to the date of settlement (“**pre-issue interest**”), then the amount of the pre-issue interest will be deductible to the Holder in the year in which it is included in computing the income of the Holder provided that it is reasonable to consider that the purchase price of the Offered Debentures paid by the Holder to the Company included an amount in respect of the pre-issue interest. The adjusted cost base of the Offered Debentures to the Holder will be reduced by the amount of the pre-issue interest which is so deductible.

Disposition

On a disposition or a deemed disposition of an Offered Debenture (which will include a redemption, repurchase or repayment at maturity), a Holder generally will be required to include in computing its income for the taxation year in which the disposition occurs all interest that has accrued on the Offered Debenture to that time except to the extent that such interest has otherwise been included in the Holder’s income for that year or a preceding taxation year.

In general, on a disposition or a deemed disposition of an Offered Debenture, a Holder will realize a capital gain (or a capital loss) equal to the amount, if any, by which the proceeds of disposition, net of any amount included in the Holder’s income as interest and any reasonable costs of disposition, exceed (or are less than) the adjusted cost base of the Offered Debenture to the Holder immediately before the disposition or deemed disposition.

Generally, one-half of any capital gain (a “**taxable capital gain**”) realized by a Holder in a taxation year must be included in computing such Holder’s income for that taxation year, and one-half of any capital loss (an “**allowable capital loss**”) realized by a Holder in a taxation year must be deducted from any taxable capital gains realized by the Holder in the year. Allowable capital losses in excess of taxable capital gains realized in a particular taxation year may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any following taxation year against taxable capital gains realized in such years, subject to and in accordance with the provisions of the Tax Act.

LEGAL MATTERS

Certain legal matters relating to this Offering of the Offered Debentures will be passed upon on behalf of the Company by Osler, Hoskin & Harcourt LLP and on behalf of the Agents by Borden Ladner Gervais LLP. At the date hereof, partners and associates of Osler, Hoskin & Harcourt LLP, as a group, and Borden Ladner Gervais LLP, as a group, each own beneficially, directly or indirectly, less than 1% of any outstanding class of securities of the Company.

INTEREST OF EXPERTS

All technical and scientific disclosure relating to McArthur River described in this prospectus supplement is derived from the McArthur River Report, which was prepared by, or under the supervision of, David Bronkhorst, P. Eng., Alain G. Mainville, P. Geo., Gregory M. Murdock, P. Eng. and Leslie D. Yesnik, P. Eng., and has been included in reliance on the expertise of such individuals. Each of these individuals is our employee, and is a qualified person as such term is defined in NI 43-101.

None of these individuals received or will receive a direct or indirect interest in our property or in the property of any of our associates or affiliates. At the date hereof, each of these individuals beneficially owns, directly or indirectly, less than 1% of any outstanding class of our securities.

AUDITORS

The auditors of Cameco are KPMG LLP, 600, 128 — 4th Avenue South, Saskatoon, Saskatchewan S7K 1M8.

PURCHASERS’ STATUTORY RIGHTS

Securities legislation in certain of the provinces and territories of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces and territories, securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that such remedies for rescission, revision of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser’s province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser’s province or territory for the particulars of these rights or consult with a legal adviser.

CERTIFICATE OF THE COMPANY

Dated November 7, 2012

The short form base shelf prospectus, together with the documents incorporated in the short form base shelf prospectus by reference, as supplemented by the foregoing, constitutes full, true and plain disclosure of all material facts relating to the securities offered by the short form base shelf prospectus and this supplement as required by the securities legislation of each of the provinces and territories of Canada.

(Signed) Tim Gitzel

President and Chief Executive Officer

(Signed) Grant Isaac

Senior Vice-President and Chief Financial Officer

On behalf of the Board of Directors

(Signed) Victor Zaleschuk

Director

(Signed) John Clappison

Director

CERTIFICATE OF THE AGENTS

Dated November 7, 2012

To the best of our knowledge, information and belief, the short form base shelf prospectus, together with the documents incorporated in the short form base shelf prospectus by reference, as supplemented by the foregoing, constitutes full, true and plain disclosure of all material facts relating to the securities offered by the short form base shelf prospectus and this supplement as required by the securities legislation in each of the provinces and territories of Canada.

TD SECURITIES INC.

RBC DOMINION SECURITIES INC.

(Signed) Greg McDonald

(Signed) Patrick MacDonald

BMO NESBITT BURNS INC.

CIBC WORLD
MARKETS INC.

HSBC SECURITIES
(CANADA) INC.

NATIONAL BANK
FINANCIAL INC.

SCOTIA CAPITAL INC.

(Signed) Mark MacPherson

(Signed) David Scott

(Signed) David Loh

(Signed) William
Washington

(Signed) James
Gallant