

## **Cameco Corporation Nueltin Lake Exploration Project**

### **Non-Technical Proposal for 2008 Program**

Cameco is the world's largest uranium production company and has several uranium exploration projects in Nunavut and the Northwest Territories. The Nueltin Lake project area is located in southern Nunavut just north of the Manitoba border.

The key exploration target has been high grade polymetallic boulders (uranium, gold, molybdenum, copper, tungsten, cobalt, and nickel) that were first discovered near Sandybeach Lake in 1978. Cameco has held mineral claims in the area since 1998 and has undertaken several small field exploration programs consisting of geological mapping and prospecting, ground geophysics, and airborne geophysics. Additional claims were staked in 2006. The boulders are thought to be derived very locally and several targets have been identified but due to logistical and budgetary reasons they have never been drilled. This is the next step in evaluating the mineral potential and therefore the main focus of the 2008 exploration program will be a diamond drilling program (total 2000 – 3000 m) consisting of 15-25 short (100 – 200 m) holes to test the bedrock for the source of the mineralized boulders. Because of the remoteness of the area a drilling program of at least this size is required in order to make it cost effective. Most of the holes will be located on the central mineral lease (F56800) but a small number of reconnaissance holes may be drilled on the surrounding claims. The program will be conducted in June to early July using a heli-drill (mobilized by helicopter). It is expected to last about 4 weeks but may take as long as 6 weeks. Best practices will be used at all times during the program to minimize impacts to the environment. In addition to the drilling a mapping and prospecting program will be conducted on the claims to evaluate the remainder of the property. This will consist of walking traverses in 2 person crews, causing negligible disturbance.

Transportation of the drill, drilling supplies, and crews will be conducted by helicopter and where practical, by float plane. All crews will be based out of the Treeline Lodge of Nueltin Lake Lodge in northern Manitoba, approximately 15 km southwest. The use of existing camp facilities will minimize disturbance to the environment because roads and structures will not need to be built.

The long term objective of Cameco regarding the project is to evaluate the uranium potential of the area. Because of the shallowness of the exploration targets, the proposed program will be greatly effective in evaluating the region. Therefore, the future of the project will be strongly affected by the success of this drilling campaign.

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January 21, 2008