Cameco

CAMECO CORPORATION
Corporate Office
2121 – 11th Street West
Saskatoon, Saskatchewan
Canada S7M 1J3

Tel 306.956.6200
Fax 306.956.6201
www.cameco.com

Direct tel: (306) 956-6441
Direct fax: (306) 956-6390

December 22, 2015

Phyllis Beaulieu
Nunavut Water Board
Box 119
Gjoa Haven NU X0B 1J0

Dear Ms. Beaulieu:

2015 Annual Report for License No. 2BE-QAM1217

Please find attached a land use report for Nunavut Water Board Permit No. 2BE-QAM1217 that outlines activities carried out by Cameco in 2015.

If you have any questions on this submission, please contact myself via email Jennifer_rysavy@cameco.com or phone (306) 956-6441.

Sincerely,
CAMECO CORPORATION

Jennifer Rysavy
Technician, Asset Rights

Attachment

CAMECO CORPORATION
2015 TURQAVIK AND ABERDEEN PROJECTS
EXPLORATIONACTIVITIES AND CAMP MAINTENANCE
NUNAVUT WATER BOARD LICENSE: 2BE-QAM1217

December 2015

Leon Davis
Camp Manager

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CAMECO CORPORATION
2015 TURQAVIK - ABERDEEN PROJECTS
EXPLORATION ACTIVITIES AND
CAMP MAINTENANCE

1.0 DESCRIPTION OF 2015 EXPLORATION ACTIVITIES

The Turqavik – Aberdeen Projects 2015 field season lasted from July 03 to August 06, 2015. The exploration program consisted of a complete tear-down of the camp into crates preparing for a 2016 winter overland haul. A short two week fuel haul took place from April 23 to May 09, 2015. Details of the water intake techniques, water monitoring and waste management at the camp are described in the Annual Report document. The following is a brief description of the 2015 work with photographs.

2.0 ABERDEEN LAKE CAMP

Spring of 2015 saw all bulk fuel remaining in the 50,000L tanks hauled offsite. The summer field season saw the Aberdeen Lake camp packed up into crates preparing for a site demobilization in the upcoming 2016 winter overland haul season. See Figure 1 for the state of the camp upon arrival in April, 2015. Remaining Jet A-1 and Diesel fuels were hauled out of site utilizing a local Baker Lake contractor, Peter's Expediting Limited. (Figure 2). Many hours of digging were required to complete the fuel haul. Figure 3 shows the 8 ft. deep hole that was needed to access the fuel transfer bowsers.

Figure 1: View of the Aberdeen Lake camp looking east

Figure 2: PEL hauling fuel out of Aberdeen.

Figure 3: Photograph showing fuel bowser during transfer with partially buried bulk tanks in the background.

The summer field season was comprised of a small crew to assist with tearing down the camp. Everything was packed up into crates that were left elevated off the ground for an easy winter haul in 2016. See Figure 4 for a view of the camp progress, shortly after arrival in July.

Figure 4: Start of the camp teardown

The entire camp was methodically disassembled and crated up. Most of the wood used for the flooring material was reused for the crates. Any remaining scraps were burned with all ash having been crated up for disposal at a later date. A helicopter was used to place several of the large heavy items in an easier to access spot for winter overland equipment access. While utilizing the helicopter, temporarily stored radioactive cuttings were moved from the Aberdeen site to the AREVA Resources Canada Inc. storage facility for disposal at a later date. Minimal helicopter time was utilized to keep costs down. Figure 5 shows the repositioning of large objects with the assist of a helicopter and Figure 6 shows the removal of the radioactive cuttings.

All remaining fuel drums were removed from the site in 2015. Existing old fuel that was being utilized for the incinerator as well as all existing structure heating fuel was flown out via a Turbo Otter to Baker Lake. All of the aging fuel was donated to local contractor, Baker Lake Contracting & Supply Ltd as they have a waste fuel heating system capable of utilizing the fuel.

Sites SW20 and SW37 will be cleaned up during the 2016 overland winter haul planned. The storage sea can at SW20 was elevated off the ground to prevent freezing as well as all garbage drill rod being stacked for ease of removal (Figure 7). There are also 26 sealed fuel drums within a berm belonging to another company that is no longer doing work in the area. These will be hauled out during the 2016 winter work. Site SW37 consists of a large empty drum storage area that will be removed during the winter haul as well.

Figure 5: Photograph showing helicopter assisted moving

Figure 6: Photograph of laydown that temporarily stored cuttings

Figure 7: Photograph of site SW20 after being prepared for the winter haul

Figure 8: Aerial photo of the Aberdeen Lake camp crated for removal

The short summer program was completed without incident. All crates and fuel tanks are planned for winter 2016 overland haul removal (Figure 8).

3.0 QAMANAARJUK LAKE CAMP

The Qamanaarjuk Lake Camp was left intact for another year. Plans to remove it are in motion for the 2016 summer season. The site remains without fuel.

4.0 DISCUSSION AND RECOMMENDATIONS

Our exploration presence has significantly decreased during 2015 and will continue to be conducted at similar activity level for several years to come. As a result, our land use activities are restricted to our Aberdeen Lake camp largely with some minor oversight and maintenance of our Qamanaarjuk Lake camp. Plans are for a complete site removal of both camps by 2017. Going forward, exploration activities will continue to be at a minimum.

NWB Annual Report **Year being reported:** 2015

License No: 2BE-QAM1217 **Issued Date:** June 1, 2012
Expiry Date: May 31, 2017

Project Name: Turqavik - Aberdeen Project

Licensee: Rebecca Hunter

Mailing Address:
Cameco Corporation
2121-11th Street West
Saskatoon, Saskatchewan
S7M 1J3

Name of Company filing Annual Report (if different from Name of Licensee please clarify relationship between the two entities, if applicable):

Same as above.

General Background Information on the Project (*optional):

The 2015 exploration program consisted of fuel removal from the bulk tanks in the spring and a full camp teardown into crates during the summer.

Licence Requirements: the licensee must provide the following information in accordance with

Part B

A summary report of water use and waste disposal activities, including, but not limited to: methods of obtaining water; sewage and grey water management; drill waste management; solid and hazardous waste management.

Water Source(s): Aberdeen Lake, other lakes for drilling

Water Quantity:

5	Quantity Allowable Domestic (cu.m)
0.5	Actual Quantity Used Domestic (cu.m)
280	Total Quantity Allowable Drilling (cu.m)
0	Total Quantity Used Drilling (cu.m) per drill

Waste Management and/or Disposal

- [x] Solid Waste Disposal
- [x] Sewage
- [ ] Drill Waste
- [x] Grey water
- [ ] Hazardous
- [ ] Other:

Additional Details:

Summary Report:

A summary report of water use and waste disposal activities includes a detailed description of methods of obtaining water and its treatment for domestic use, and description of procedures for grey water and sewage management. The following report outlines the water use and disposal practices during the Turqavik – Aberdeen Projects 2015 field season.

Potable water for use at the exploration camp is taken from Aberdeen Lake, located 60 m from camp. From the lake, water is pumped with a newly installed electric well pump. The intake location is approximately 7 m away from the shore. There, the pump is surrounded by a fine mesh cover, ensuring no organisms get sucked in. Through the 1" (2.54 cm) supply hose, water is pumped into a sheltered 1250 gallon (4.73 m3) tank. There are 2 separate pressure systems for the Kitchen and the Dry facility feeding from the same water tank. The water is passed through a pressure system to a dual stage max flow sediment and carbon system. During the filtering process, water is passed through a polyspun sediment filter that removes sediments as small as 5 µ. In addition, the system includes a charcoal filter that also filters down to 5 µ. It then passes through a small commercial 10GPM UVMAX PRO 10 Uv sterilization treatment filter. This filtered and treated water is only used for consumption, preparation of foods, showering, washing of kitchen supplies and laundry. On average, approximately .5 m3 of water was used daily. Water intake was monitored by a mounted standard meters that are used in municipal supply distribution systems (nutating disc displacement flow meter). Logs of pumped water are kept and are included with this report.

At the camp there is 1 - 800 L capacity sump. It has a 400L capacity overflow sump attached via ABS piping. All grey water from domestic use (cooking, dish washing, showering, and washing machine) is disposed into either one of the sumps. These sumps are located at a distance of well above the minimum 30 metres from the high water mark of Aberdeen Lake, near the main Dry facility. The sumps were lined with wooden plywood walls for support with no bottom to allow for proper drainage into the sand. The kitchen sump was equipped with a commercial baffled grease trap for efficient waste separation prior to disposal.

All sewage and domestic wastes are incinerated. Human waste is managed by the use of Incinolet incinerating toilets which utilizes an internal electrical element to evaporate and burn waste immediately after usage. On premises, there is one incinerator for disposing of burnable waste. The incinerator is a "Model A600" supplied by Inciner8. It has floor dimensions of 91cm x 152cm. This unit is a dual chambered incineration unit. The main chamber is top loading to prevent and chance of leaks with a burn temperature of 1200 degrees Celsius. The secondary chamber burns off the dioxins and furans within the smoke at 850 degrees Celsius. This makes for a very clean clear smoke output. The incinerator uses liquid fuel such as diesel or Jet A for both burner units in both chambers supplied in a 205L drum hooked up to the incinerator. All kitchen waste, and solid waste (such as glass and plastic jars, paper, wood shavings, metal cans etc.) are incinerated. Incinerated ash as well as ash from the Incinolet toilets is removed by hand, packed into cardboard boxes and wrapped in two plastic bags for additional security. These packages and all other garbage from site were packed into crates for an overland haul at a later date.

The Aberdeen Lake Camp has made the transition in the 2012 season from drums to bulk fuel storage. There are 11 - 50,000L double walled 110% contained steel fuel storage vessels on site. 6 of these are for bulk Jet A-1 fuel and the other 5 are for bulk P-50 Diesel. Berms at camp are primarily used for temporary drum storage and filling from the bulk tanks to prevent ground contamination. These tanks have been registered with Environment Canada EC #'s as follows - Tank 1 -EC00024159, Tank 2 -EC00024177, Tank 3 -EC00024178, Tank 4 -EC00024180, Tank 5 - EC00024186, Tank 6 -EC00024187, Tank 7 -EC00024163, Tank 8 -EC00024182, Tank 9 -EC00024188, Tank 10 - EC00024189, Tank 11 -EC00024190. Fuel from the tanks is dispensed using Gormann Rupp Model 82D1-EX13-X Self Priming Centrifugal spark proof pumps. Pumps are connected to filtered cabinets with 50ft of roll out nozzled hose for dispensing. The systems are fully grounded and commissioned. All remaining fuel was removed from the tanks in May of this year in preperation for the camp decomission.

All fuel drums at the camp that were being utilized for incinerator fuel were removed via Turbo Otter this summer season. At the end of the summer season, no fuel was left on site. All structures were packed into crates elevated off the ground to prevent freezing to it and allowing for an overland winter haul in 2016. Sumps were filled in and garbage was packed into crates for removal. Site currently has 52 crates, 2 generators, 1 incinerator, 1 ATV, 2 snowmobiles, 11 x 50,000L drained fuel tanks, and 2 fuel bowser cabinets awaiting overland transport in 2016.

A list of unauthorized discharges and a summary of follow-up actions taken.

Spill No.: n/a (as reported to the Spill Hot-line)

Date of Spill:

Date of Notification to an Inspector:

Additional Details: (impacts to water, mitigation measures, short/long term monitoring, etc.)

Revisions to the Spill Contingency Plan

SCP submitted and approved - no revision required or proposed

Additional Details:

Revisions to the Abandonment and Restoration Plan

AR plan submitted and approved - no revision required or proposed

Additional Details:

Progressive Reclamation Work Undertaken

Additional Details (i.e., work completed and future works proposed)

In 2015, all fuel was removed from the Aberdeen camp. The 2016 exploration program will consist of an overland haul planned to remove the crated camp. The empty fuel tanks stored at camp will also be transported overland in 2016.

Results of the Monitoring Program including:

The GPS Co-ordinates (in degrees, minutes and seconds of latitude and longitude) of each location where sources of water are utilized;

Details attached

Additional Details:

Report on locations where sources of water are utilized are listed.

The GPS Co-ordinates (in degrees, minutes and seconds of latitude and longitude) of each location where wastes associated with the licence are deposited;

Details described below

Additional Details:

See attached Excel sheet for GPS coordinates. At the camp, one sump is used for disposal of grey water. Sewage and other waste are incinerated.

Results of any additional sampling and/or analysis that was requested by an Inspector

Additional Details: (date of request, analysis of results, data attached, etc.)

Any other details on water use or waste disposal requested by the Board by November 1 of the year being reported.

Additional Details: (Attached or provided below)

Any responses or follow-up actions on inspection/compliance reports

Additional Details: (Dates of Report, Follow-up by the Licensee)

Any additional comments or information for the Board to consider

The current exploration camp site at Aberdeen Lake and the previous exploration camp at Qamanaarjuk Lake will be kept under care and maintenence to be utilized for future exploration.

Date Submitted:	12/17/15	
Submitted/Prepared by:	Jennifer Rysavy	
Contact Information:	**Tel:**	(306) 956-6441
	Fax:	(306) 956-6390
	email:	jennifer_rysavy@cameco.com

Nunavut Water Board

Standard Form for Annual Reporting Requirements of NWB2 Exploration Water Licenses

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Under the terms of your water licence issued by the Nunavut Water Board ("NWB") for the use of water and the disposal of waste into water associated with mineral exploration (NWB2 Licenses), Licensees are required to submit to the NWB an Annual Report no later than March 31st of the year following the calendar year being reported.

In order to aid the Licensee with the preparation of the Annual Report and facilitate its review by the NWB, Licensees are **required** to use the following form.

Recommendation and Helpful tips for use:

Metric units shall be used to report any relevant data.

How to Add additional space within Text boxes - Right click mouse on the row number (directly to the left of your screen) which falls within the text box range and click insert. **Do not drag or drop text box to modify size of the text box because formatting will not be maintained and data will be lost.** If you have large amounts of data recommend adding additional worksheets. Go to the help menu for assistance.

Electronic versions should be submitted in Adobe to ensure protection of your information. If you do not have shortcut keys to save as a PDF. Go to print menu . Choose to print "Entire Worksheet" then select printer option Adobe PDF and you will be prompted to save the document as a PDF document. Reminder ensure you have saved your document in Excel so that future changes can be made.

Modify the Header - Select "View" then "Header" from the main menu. Select "Custom Header" and change to reflect the valid Water Licence No.

Textboxes denoted with ***** are optional.

Annual Reports shall be submitted by either fax, mail or email in adobe acrobat or Excel format to:

Nunavut Water Board
c/o Manager of Licensing
P.O. Box 119
Gjoa Haven, NU X0B 1J0
Tel: 867-360-6338
Fax:867-360-6369
Email: licensing@nunavutwaterboard.org

Coordinates for locations where water is pumped

Source Description	Latitude			Longitude		
	° Deg	' Min	" Sec	° Deg	' Min	" Sec
Aberdeen Lake Camp	64	23	33.12	98	16	30.5
Qamanaarjuk Lake Camp (Not used in 2015)	64	37	43	97	59	40.1

Coordinates for locations where water is pumped

Source Description	Latitude			Longitude		
	° Deg	' Min	" Sec	° Deg	' Min	" Sec

Coordinates for locations of areas of waste disposal

Location Description (type)	Latitude			Longitude		
	° Deg	' Min	" Sec	° Deg	' Min	" Sec
Aberdeen Lake Camp	64	23	33.12	98	28	3.78

Coordinates for locations of areas of waste disposal

Location Description (type)	Latitude			Longitude		
	° Deg	' Min	" Sec	° Deg	' Min	" Sec

Coordinates for locations of fuel caches.

Location Description (type)	Latitude			Longitude		
	° Deg	' Min	" Sec	° Deg	' Min	" Sec
Fuel Cache 1	64	27	19	97	54	0.74

Camp Water Use

Date	Meter Reading Kitchen	Meter Reading Dry	Total Water Pumped (m^3)	Comments
			15.0	Meter was removed for camp decomissioning.
				High Estimated usage based upon three
				1,250 Gal tank fills during camp
				teardown duration.
	July Total :		15.0	
	Cumulative Total:		15.0	
	July Daily Average:			
	Cumulative Daily Average:			

Date	Meter Reading Kitchen	Meter Reading Dry	Total Water Pumped (m^3)	Comments
	August Total:		0.0	
	Cumulative Total:		15.0	
	August Daily Average:		0.0	
	Cumulative Daily Average:		0.5	