Cameco

2011 Turqavik-Aberdeen Projects Exploration Activities and Site Reclamation

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2011 TURQAVIK-ABERDEEN PROJECTS EXPLORATION ACTIVITIES AND SITE RECLAMATION

1.0 NWB – DESCRIPTION OF 2011 EXPLORATION ACTIVITES AND SITE RECLAMATION

Turqavik – Aberdeen Projects 2011 field season lasted from April 29th to October 6th with the drilling program starting on June 12th and ending on September 30th. The exploration program included diamond drilling and ground gravity geophysical surveying as well as exploration related environmental monitoring. Details of the water intake techniques, water monitoring and waste management at the camp, as well as at the drill sites, are described in the Annual Report. The following is a brief description of the work with photographs of site/grid conditions before and after completion of operations. Forty-six drill holes totalling 12,701 m were completed as part of the 2011 drilling program. Uranium mineralization was intersected sporadically in proximity to known mineralization encountered in 2010, consequently return water and drill cuttings were separated when drill holes encountered or were expected to be mineralized. All cuttings, return water and drill sites were inspected with an AutoMess 6150 AD 6 Dose Rate Meter to ensure cuttings and site are below 0.05% uranium concentration (which is correlated to Auto Mess values of >1 μSV/hr). Due to narrow intervals and overall lower grades of mineralization encountered compared to 2010 all bags of collected cuttings fell below 0.05% uranium concentration and were distributed in natural depressions around the drill site or within established sumps. Holes drilled on the Turqavik Project included TUR-026 to TUR-047 (recon and Tatiggaq zone formerly Gerhard zone) including one restart (TUR-045B) which were drilled on the greater Gerhard Grid, GEX-001 and GEX-002 were drilled on the Gerhard Extension grid, and LOK-001 and LOK-002 were drilled on the Loki grid. Drilling was conducted on the Aberdeen project on the Sansa Grid (Qavvik zone formerly Sansa zone) SAN-013 to SAN-022, the Ayra Grid AYA-001 to AYA-008, and the Ghost and Hound grids (GST-001 and HND-001 respectively).

2.0 GERHARD GRID (TATIGGAQ ZONE)

A large focus of the drilling activity on the Turqavik property consisted of drill holes completed on the Gerhard Grid. Drilling focused on extending mineralization identified in 2010 on the Tatiggaq Zone (formerly Gerhard Zone) and testing regional exploration targets on the grid. Drill holes testing for mineralization were spaced approximately 20-25 m apart on NW-SE trending grid lines. A majority of these drill holes utilized the same water source and cutting sump. All cuttings, return water, and drill sites were inspected with an AutoMess 6150 AD 6 Dose Rate Meter to ensure cuttings and site are below 0.05% uranium concentration (which is correlated to Auto Mess values of >1 μSV/hr). All bags fell below the 0.05% threshold and were distributed around the drill sites and sumps.

2.1 TUR-026

Location - Latitude: 64°20'29.19"; Longitude: 97°59'11.31"

Drilling of TUR-026 on the Tatiggaq Zone commenced on June 12th and was completed June 15th. The pump was located approximately 350 m away from the drill site on the nearest lake that wasn't frozen to the bottom. Uranium mineralization was intersected in the drill hole, cuttings were collected and bagged and the mineralized interval cemented off. Return water after recycling was pumped to a sump approximately 40 m to the north. Casing pulled, top of hole cemented.

2.2 TUR-027

Location - Latitude: 64°20'41.58" Longitude: 97°59'19.64"

Drilling of recon hole TUR-027 on the northern portion of the Gerhard grid commenced June 13th and was completed June 16th. The water line for the pump to Gerhard lake was approximately 500 m long. No mineralization was intersected. Cuttings were directed to the sump consisting of a natural depression 150 m to the west. Casing pulled, top of hole cemented.

2.3 TUR-028

Location - Latitude: 64°20'28.6"; Longitude: 97°59'10.10"

Drilling of TUR-028 on the Tatiggaq Zone commenced June 16th and was completed June 20th. Uranium mineralization was intersected in the drill hole, cuttings were bagged, return water was monitored, and zone was cemented. Casing pulled, top of hole cemented. Return water was pumped to the sump 40 m to the north.

2.4 TUR-029

Location - Latitude: 64°20'41.4"; Longitude: 97°59'33.9"

Drilling of TUR-029 on the northern portion of the Gerhard grid commenced on June 17th and was completed June 21st. Water was sourced from Gerhard Lake approximately 400 m to the northwest. No uranium mineralization was intersected and cuttings were pumped to the sump 40 m to the east. Casing was pulled and top of hole cemented.

2.5 TUR-030

Location - Latitude: 64°20'28.18"; Longitude: 97°59'08.26"

Drilling of TUR-030 on the Tatiggaq zone commenced June 20th and was completed on June 23rd. Water was sourced from the lake 370 m to the west. No mineralization was intersected, only slightly elevated radioactivity up to 400 cps was encountered. Cuttings were bagged as the drill hole was expected to intersect mineralization. Return water was directed to the sump approximately 70 m to the northwest. Casing was pulled and top of hole cemented.

2.6 TUR-031

Location - Latitude: 64°20'42.95"; Longitude: 97°59'33.17"

Drilling of TUR-031 on the northern portion of the Gerhard grid commenced June 21st and was completed June 24th. Water was obtained from the lake 320 m to the west. No mineralization was intersected and the return water/cuttings was pumped 50 m to the south sump which is a natural depression.

2.7 TUR-032

Location - Latitude: 64°20'30.37"; Longitude: 97°59'15.26"

Drilling of TUR-032 on the Tatiggaq zone commenced June 24th and was completed June 26th. Water was obtained from the lake 250 m to the west. Uranium mineralization was expected and cuttings were collected and bagged although no mineralization was intersected. Return water was pumped to the sump 50 m to the east. Casing pulled and top of hole cemented.

2.8 TUR-033

Location - Latitude: 64°20'42.39"; Longitude: 97°59'39.57"

Drilling of TUR-033 on the northern portion of the Gerhard grid gravity anomaly commenced on June 25th and was completed June 26th. Water was sourced from Gerhard lake 270 m to the northwest. No mineralization was intersected and cuttings and return water was directed to the sump 120 m to the east. Casing was pulled and top of hole cemented.

2.9 TUR-034

Location - Latitude: 64°20'29.02"; Longitude: 97°59'17.4"

Drilling of TUR-034 on the Tatiggaq zone commenced June 26th and was completed June 29th. Water was sourced from the lake 250 m to the west. No mineralization was intersected and cuttings were collected and bagged with the anticipation that mineralization would be intersected. Return water was pumped to the sump 90 m to the east. Casing pulled and top of hole cemented.

2.10 TUR-035

Location - Latitude: 64°20'37.47"; Longitude: 97°59'05.45"

Drilling of TUR-035 on the northern Gerhard grid commenced June 26th and was completed June 29th. Water was sourced from the lake west of Tatiggaq zone 450 m from the drill hole. No uranium mineralization was intersected with drill cuttings and return water pumped to a natural depression between TUR-035 and TUR-037 which was utilized for both drillholes. Casing was pulled and top of hole cemented.

2.11 TUR-036

Location - Latitude: 64°20'29.44"; Longitude: 97°59'19"

Drilling of TUR-036 on the Tatiggaq zone commenced June 30th and was completed July 4th. Water was sourced from the lake 220 m to the west. No uranium mineralization was intersected in the drill hole with cuttings and return pumped to the sump 100 m to the east. Casing was pulled and top of hole cemented.

2.12 TUR-037

Location - Latitude: 64°20'40.48"; Longitude: 97°58'57.87"

Drilling of TUR-037 on the northern Gerhard grid commenced on June 30th and was completed on July 6th. Water was sourced from the lake west of the Tatiggaq zone approximately 600 m southwest of the drill hole. No mineralization was intersected with the cuttings and return water pumped to a natural depression 50 m to the southwest of the collar which was also utilized by TUR-035.

2.13 TUR-038

Location - Latitude: 64°20'27.44" Longitude: 97°59'13.69"

Drilling of TUR-038 at the south western edge of the Tatiggaq zone commenced on July 5th and was completed on July 8th. Water was sourced from the lake 300 m to the west. Drill hole was altered although no uranium mineralization was intersected. Return water was pumped to the sump proximal to the Tatiggaq zone 85 m to the north. Casing was pulled and top of hole cemented.

2.14 TUR-039

Location - Latitude: 64°20'28.42"; Longitude: 97°59'13.95"

Drilling of TUR-039 on the Tatiggaq zone commenced July 9th and was completed July 11th. Water was sourced from the lake 300 m to the west. Weak uranium mineralization was encountered over a narrow interval (0.1 m%). Return water was pumped to the sump 80 m to the north of the drill hole. Due to only a 0.1 m% intercept only the top of the drill hole required cementing, casing was pulled.

2.15 TUR-040

Location - Latitude: 64°20'29.37"; Longitude: 97°59'12.41"

Drilling of TUR-040 on the Tatiggaq zone commenced on July 11th and was completed on July 15th. Mineralization was intersected in the drill hole with the cuttings separated and bagged and the return water pumped to the sump 25 m to the north. Mineralized zone was cemented, casing pulled and top of hole cemented.

2.16 TUR-041

Location - Latitude: 64°20'29.25"; Longitude: 97°59'13.3"

Drilling of TUR-041 on the Tatiggaq zone commenced on July 15th and was completed on July 17th. The original location and orientation of the drill hole had to be changed due to the collar location ending up to close to the cuttings sump. Hole was moved to the south west and hole azimuth shifted to the north to intersect the optimal target without disturbing the cutting sump. Mineralization was intersected in the drill hole with the cuttings separated and bagged and the return water pumped to the sump 30 m to the north. Mineralized zone was cemented, top of hole cemented and casing pulled.

2.17 TUR-042

Location - Latitude: 64°20'27.39"; Longitude: 97°59'09.79"

Drilling of TUR-042 on the Tatiggaq zone commenced July 18th and was completed July 22nd. Water was obtained from the lake 350 m to the west. Uranium mineralization was intersected in the drill hole with the cuttings separated and bagged and return water pumped to the cutting sump 80 m to the north. Mineralized zone and top of hole cemented, casing pulled.

2.18 TUR-043

Location - Latitude: 64°20'26.28"; Longitude: 97°59'14.2"

Drilling of TUR-043 on the southwest end of the Tatiggaq zone commenced July 23rd and was completed July 26th. Water was obtained from the lake 315 m to the west. Uranium mineralization was anticipated and cuttings bagged although the drill hole was lost prior to intersecting any uranium mineralization at 245.0 m. The core tube and ACE core orientation tool were lost down the hole. Casing pulled and top of hole cemented.

2.19 TUR-044

Location - Latitude: 64°20'24.92"; Longitude: 97°59'26.33"

Drilling of TUR-044 on the southern margin of the Gerhard grid, 200 m southwest of the Tatiggaq zone commenced July 27th and was completed July 30th. Water was obtained from the lake 225 m to the north- northwest. Limited uranium mineralization was intersected over a 10 cm interval in the drill hole and did not require collection of the cuttings. Return water was pumped to the sump 250 m to the northeast. Casing was pulled and top of hole cemented.

2.20 TUR-045A/B

Location - Latitude: 64°20'29.18"; Longitude: 97°59'00.97"

Drilling of TUR-045A/B on the Gerhard grid, 100 m northeast of the Tatiggaq zone commenced July 31st and was completed August 6th. Water was obtained from the lake 460 m to the west. TUR-045A was lost directly after casing through overburden. TUR-045B was completed from the same setup by changing the dip of the drill hole. No uranium mineralization was intersected with cuttings and return water pumped 140 m to the sump to the west. Casing pulled, top of hole cemented.

2.21 TUR-046

Location - Latitude: 64°20'32.34"; Longitude: 97°58'33.49"

Drilling of TUR-046 on eastern portion of the Gerhard grid magnetic low target commenced August 7th and was completed August 10th. Water was obtained from the lake 825 m to the west. No uranium mineralization was intersected; cuttings and return water were pumped to natural depression 60 m away which was bermed using Aqua Dam portable berms and was also utilized by hole TUR-047. Casing was pulled and top of hole cemented.

2.22 TUR-047

Location - Latitude: 64°20'32.23"; Longitude: 97°58'45.12"

Drilling of TUR-047 on the eastern Gerhard grid magnetic low target commenced August 11th was completed August 14th. Water was obtained from the lake 675 m to the west. No uranium mineralization was intersected with cuttings and return water pumped 100 m to the sump to the east which was also utilized by TUR-046. Casing pulled, top of hole cemented.

Figure 1: Gerhard Grid June 11th

Figure 2: TUR-026 before drilling

Figure 3: TUR-027 during drilling

Figure 4: TUR-027 following drilling operations

Figure 5: Spotting TUR-028

Figure 6: TUR-029 during drilling

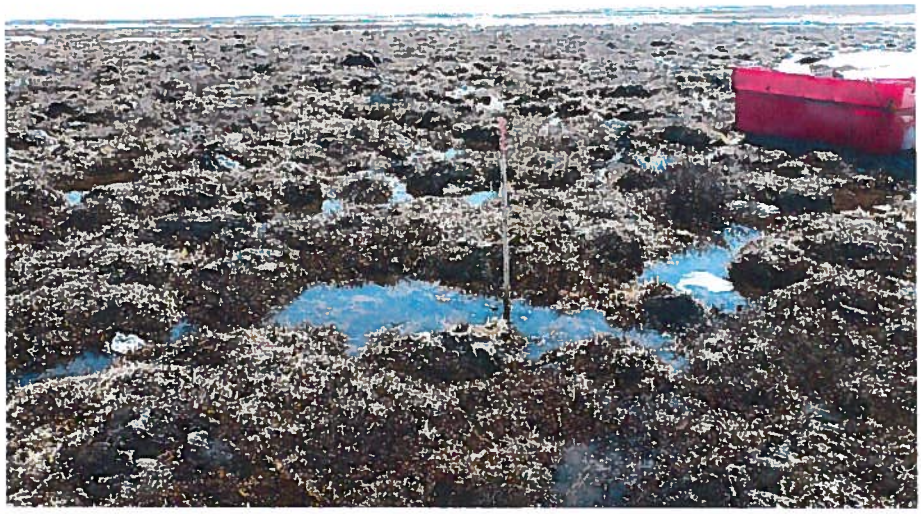

Figure 7: TUR-030 before drilling

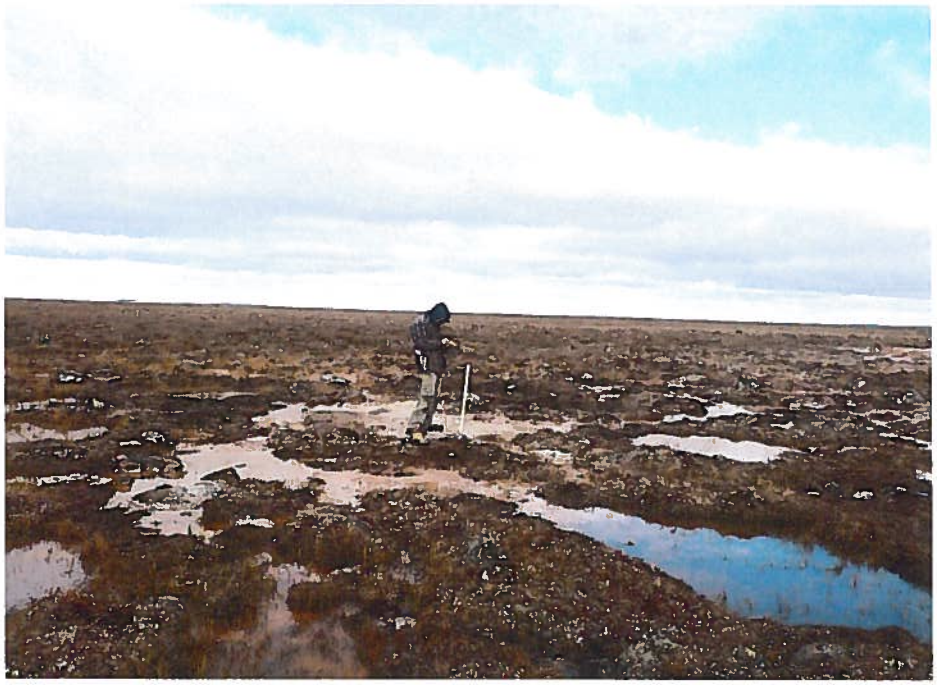

Figure 8: TUR-040 following drilling

Figure 9: TUR-026 and TUR-041 following drilling. Cuttings sump is visible in the background

Figure 10: Overview of Tatiggaq zone (Gerhard grid) following drilling operations - looking west. Stakes in the background represent drill collar locations

Figure 11: TUR-029, TUR-031 and TUR-033 following drilling looking west. Cuttings on the grid were directed to a natural depression in the centre of photo.

Figure 12: Location of TUR-046 prior to drilling

Figure 13: Location of TUR-047 prior to drilling

Figure 14: Location of TUR-047 following drilling

3.0 GERHARD EXTENSION GRID

Two holes were drilled on the Gerhard Extension grid on the Turqavik project approximately 300 m apart. Drilling of the holes commenced on July 12th and was completed on July 17th. Drill holes tested regional exploration targets along trend of the Gerhard grid approximately 1.5 km to the northeast. Water was sourced from the same lake used to pump for drill holes on the Tatiggaq zone approximately 550 m to the northeast. No uranium mineralization was intersected in the drill holes and all return water and cuttings were pumped to a sump 150 m away between the drill holes. Top of holes cemented, casing pulled.

3.1 GEX-001

Location - Latitude: 64°20'10.63"; Longitude: 98°00'39.88"

3.2 GEX-002

Location - Latitude: 64°20'14.73"; Longitude: 98°01'00.99"

Figure 15: GEX Grid following drilling

4.0 LOKI GRID

Two holes were drilled 140 m apart on the Loki grid on the western portion of the Turqavik project. Drilling commenced on July 18th and was completed July 24th. The drill holes tested regional exploration targets within a large gravity anomaly on the grid. Water was sourced from the nearest lake 550 m to the north for both drill holes. No mineralization was intersected in the drill holes with cuttings and return water from both holes pumped to a depression 70 m west of LOK-001. Casing was removed from all holes and top of holes cemented.

4.1 LOK-001

Location - Latitude: 64°22'32.47"; Longitude: 98°11'00.63"

4.2 LOK-002

Location - Latitude: 64°22'31.90"; Longitude: 98°11'10.92"

Figure 16: Loki grid following drilling

5.0 HOUND GRID

One drill hole tested a regional gravity anomaly on the Hound grid on the eastern margin of the Aberdeen project. Drilling of HND-001 commenced on July 24th and was completed July 29th. Water was sourced from a lake 475 m to the south. Casing of the drill hole slowed the completion of the hole significantly due to abnormally thick overburden. No mineralization was intersected in the drill hole with cuttings and return water pumped to a natural low 100 m to the east. Casing pulled and top of hole cemented.

5.1 HND-001

Location - Latitude: 64°19'51.45"; Longitude: 98°15'36.88"

Figure 17: Hound Grid following drilling

6.0 AYRA GRID

Eight drill holes were drilled on the Ayra grid in 2011. The focus of these drill holes were regional exploration and no uranium mineralization of any concentration was intersected in the drill holes. Drilling was conducted at both the western and eastern edges of the Ayra gravity anomaly with approximately 25 m spacing. Two water sources and cutting sumps were utilized for all holes completed on the grid.

6.1 AYA-001

Location - Latitude: 64°18'33.59"; Longitude: 98°25'32.42

6.2 AYA-002

Location - Latitude: 64°18'32.53"; Longitude: 98°25"29.35'

6.3 AYA-003

Location - Latitude: 64°18'35.04"; Longitude: 98°25'37.4'

6.4 AYA-004

Location - Latitude: 64°18'37.47"; Longitude: 98°25"28.38'

Drilling on the western portion of the Ayra grid (AYA-001 to AYA-004) was conducted from July 30th to August 20th. Water was sourced from a small lake approximately 150 to 250 m east of the drill holes. No uranium mineralization

was intersected in any of the drill holes, return water and cuttings were pumped to a natural depression central to all the drill holes approximately 30 m north of AYA-001. Casing removed from all holes, top of holes cemented.

Figure 18: Overview of the sites of AYA-001 to AYA-003 before drilling.

Figure 19: Overview of the western Aberdeen drill sites, AYA-001 to AYA-003

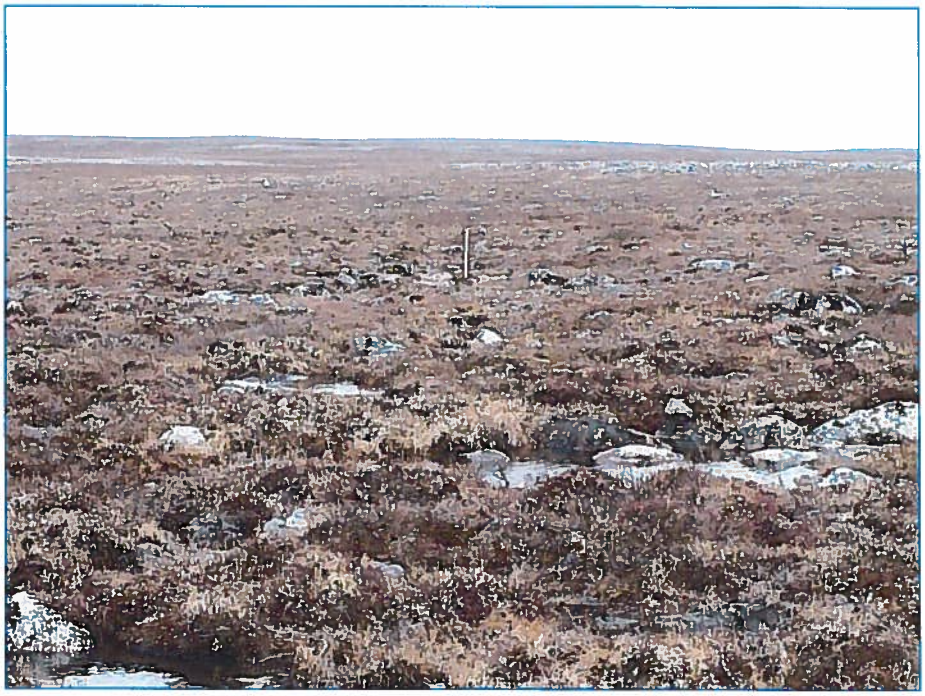

Figure 20: AYA-004 following drilling

6.5 AYA-005 and AYA-006

Location - Latitude: 64°18'40.98"; Longitude: 98°24"56.44'

6.6 AYA-007

Location - Latitude: 64°18'43.62"; Longitude: 98°25"02.66'

6.7 AYA-008

Location - Latitude: 64°18'39.99"; Longitude: 98°24"56.22'

Drilling on the eastern portion of the Ayra grid (AYA-005 to AYA-008) was conducted from August 21st and was completed September 7th. Water was sourced from a lake approximately 400 m west of the drill collars. No uranium mineralization was intersected in any of the drill holes, return water and cuttings were pumped to the sump used for the eastern Ayra holes approximately 150 m to the northeast. Casing removed from all holes, top of holes cemented.

Figure 21: AYA-005, AYA-006, AYA-008 following drilling

Figure 22: AYA-007 following drilling

7.0 GHOST GRID

One regional exploration hole was drilled on the Ghost grid to test a regional gravity anomaly. Drilling of GST-001 commenced September 7th and was completed September 10th. Water was obtained from a lake 300 m to the northwest. No mineralization was intersected, cuttings and return water was pumped to a natural sandy depression 140 m to the northwest. Casing pulled and top of hole cemented.

7.1 GST-001

Location - Latitude: 64°20'07.53"; Longitude: 98°21'09.28"

Figure 23: GST-001 following drilling

8.0 SANSA GRID

Approximately half of the drilling done on the Aberdeen property was undertaken on the Sansa grid (Qavvik zone formerly Sansa zone) with 10 holes being completed. Drilling was planned to extend mineralization intersected in 2009 and 2010 drill holes on the grid (Sansa zone). Again, all cuttings were collected from each drill hole and return water was pumped to 2 sumps to the southwest of the grid. All of these drillholes utilized the same water source. All cuttings, return water, and drill sites were inspected with an AutoMess 6150 AD 6 Dose Rate Meter to ensure cuttings and site are below 0.05% uranium concentration (which is correlated to Auto Mess values of >1 μSV/hr). No bags of cuttings exceeded 0.05% and were spread out surrounding the drill sites or within established sumps.

8.1 SAN-013

Location - Latitude: 64°20'44.08"; Longitude: 98°18'16.25"

Drilling of SAN-013 on the Qavvik zone commenced August 15th and was completed August 20th. Water was obtained from the lake 340 m to the northwest. Cuttings were bagged as mineralization was expected but not intersected. Return water was pumped to the sump 330 m to the west-southwest consisting of a natural depression which was bermed using the Aqua Dam portable berms. Casing was pulled and top of hole cemented.

8.2 SAN-014

Location - Latitude: 64°20'42.99"; Longitude: 98°18'21.84"

Drilling of SAN-014 on the southwest portion of the Qavvik zone began on August 21st and was completed on August 27th. Water was obtained from the lake 320 m to northwest. Mineralization was intersected in the drill hole, cuttings were collected and bagged and mineralized intervals cemented off. Return water was pumped 250 m to the sump to the west-southwest. Casing was pulled and top of hole cemented.

8.3 SAN-015

Location - Latitude: 64°20'43.52"; Longitude: 98°18'23.36"

Drilling of SAN-015 on the Qavvik zone commenced on August 28th and was completed on September 2nd. Water was sourced from the lake 300 m to the northwest. Mineralization was intersected in the drill hole, cuttings were collected and bagged and mineralized intervals cemented. Return water was pumped to the sump 230 m to the west-southwest.

8.4 SAN-016

Location - Latitude: 64°20'43.97"; Longitude: 98°18'19.28"

Drilling of SAN-016 on the Qavvik zone commenced on September 3rd and was completed on September 9th. Water was sourced from the lake 320 m to the northwest. Mineralization was intersected in the drill hole subcropping directly below a thin section of overburden. Cuttings were bagged and return water directed to the sump 290 m to the west-southwest. Due to the shallow nature of the mineralization the drill hole casing was removed and the drill hole was cemented below the mineralized zone directly to the top of hole.

8.5 SAN-017

Location - Latitude: 64°20'43.49"; Longitude: 98°18'17.8"

Drilling of SAN-017 on the Qavvik zone commenced on September 9th and was completed on September 16th. Water was sourced from the lake 345 m to the northwest. SAN-017 had to be restarted due to problems during casing. Mineralization was intersected in the drill hole with drill cuttings bagged and return water directed to the sump 305 m to the west-southwest. Multiple mineralized intervals cemented. Top of hole cemented and casing pulled.

8.6 SAN-018

Location - Latitude: 64°20'47.51"; Longitude: 98°18'06.9"

Drilling of SAN-018 on the easternmost edge of the Qavvik zone commenced on September 11th and was completed on September 16^{3h}. Water was sourced from the lake 400 m to the northwest. No mineralization was intersected in the drill hole with the return water directed to the sump 490 m to the west-southwest. Top of hole cemented and casing pulled.

8.7 SAN-019

Location - Latitude: 64°20'45.92"; Longitude: 98°18'17.66"

Drilling of SAN-019 on the Qavvik zone commenced on September 14th and was completed on September 21st. Water was sourced from the lake 290 m to the northwest. Drilling problems due to strong clay prolonged the completion of the drill hole and required a lot of hole washing throughout the course of the drill hole. Mineralization was intersected at depth, cuttings were collected, mineralized zones cemented off. Return water was directed to the sump 340 m to the west-southwest. Casing removed and top of hole cemented. Due to an unusual amount of rainfall prior to and during the drilling of SAN-019 the return water sump had to be relocated as runoff from the rain began to overwhelm the containment area. The sump was moved approximately 300 m to the south.

8.8 SAN-020

Location - Latitude: 64°20'43.48"; Longitude: 98°18'20.84"

Drilling of SAN-020 on the Qavvik zone commenced on September 16th and was completed on September 23rd. Water was sourced from the lake 320 m to the northwest. Mineralization was intersected in the drill hole; cuttings were collected and return water was pumped to the new sump 475 m to the south-southwest of the drill hole. Mineralized intervals cemented off. Casing removed and top of hole cemented.

8.9 SAN-021

Location - Latitude: 64°20'46.83"; Longitude: 98°18'21.16"

Drilling of SAN-021 on the Qavvik zone commenced September 22nd and was completed September 27th. Water was taken from the lake 240 m to the northwest. Cuttings were collected and bagged although no mineralization was encountered. Return water was pumped to the sump approximately 500 m to the south-southwest. Casing was left in the hole and capped to allow re-entry and continued drilling on SAN-021 in 2012.

8.10 SAN-022

Location - Latitude: 64°20'44.52"; Longitude: 98°18'18.33"

Drilling of SAN-022 on the Qavvik zone commenced on September 27th and was completed September 30th. Water was sourced from the lake 320 m to the northwest. Cuttings were separated and bagged as mineralization was encountered. Return water was pumped to the sump 500 m south-southwest of the drill site. Mineralized intervals and top of hole cemented, casing pulled. Final hole of the season.

Figure 24: Overview of Sansa grid following drilling. SAN-021 is visible in the foreground.

Figure 25: SAN-013 collar following drilling, photo is looking east

Figure 26: SAN-016 collar looing west towards SAN-020, SAN-015 and SAN-014 following drilling

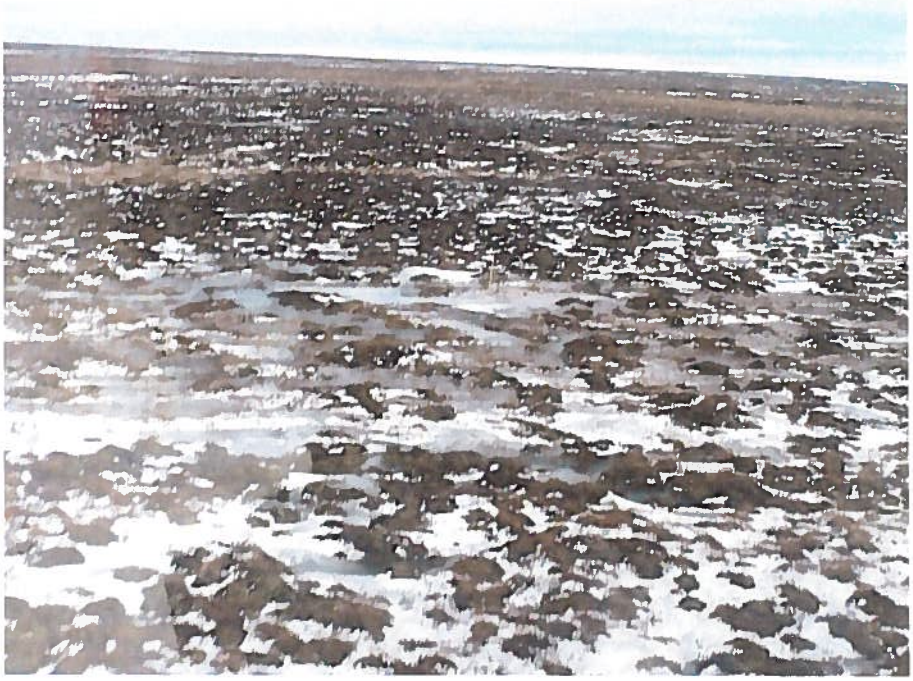

Figure 27: SAN-018 following drilling

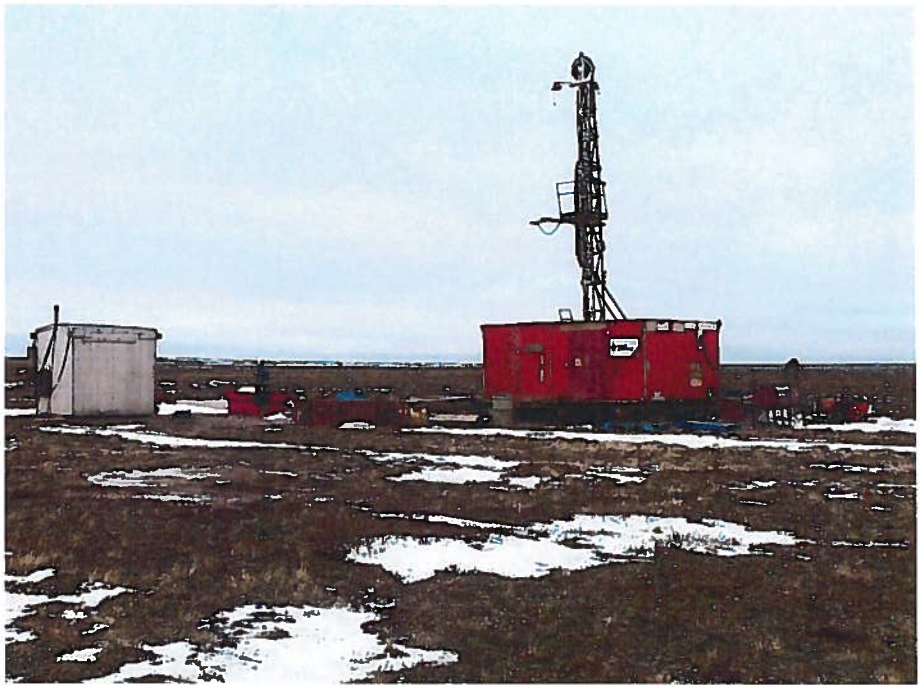

Figure 28: SAN-022 following drilling. Drill is being disassembled for season