Cameco

Presented by:

Max Konwitschny, *Portfolio Manager*
Sohil Agrawal, *Portfolio Manager*
James Altamirano, *Investment Analyst*
Caitlin Heggerud, *Investment Analyst*

Calgary Portfolio Management Trust

Cameco

"3.6 roentgen, not great, not terrible"

Cameco

Portfolio Managers: Max Konwitschny, Sohil Agrawal

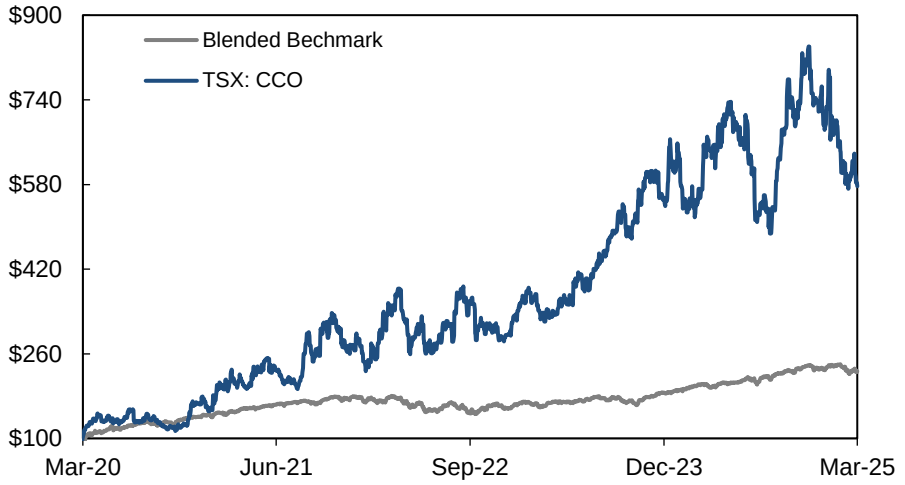
Investment Analyst: *James Altamirano*, *Caitlin Heggerud*

Company Overview

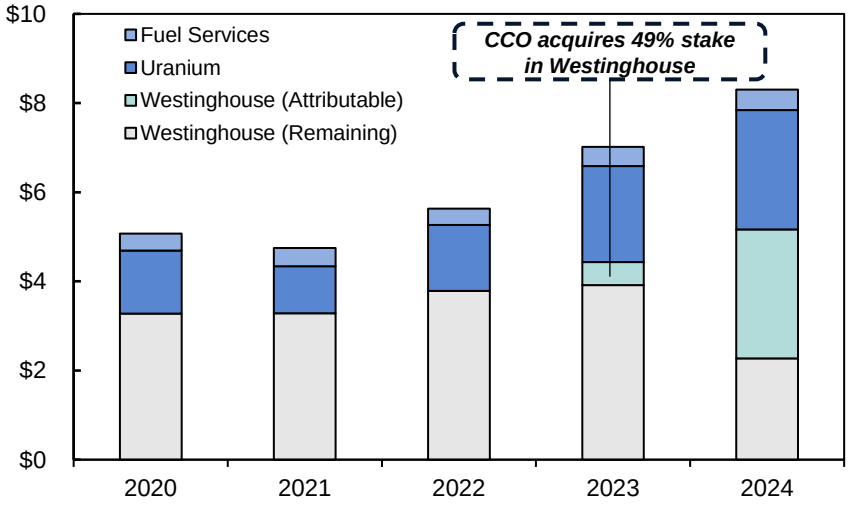
Business Overview

- Cameco (TSX: CCO) is a Canadian-based, international producer, refiner, and marketer of uranium and nuclear fuel. The Company engages in the mining, refining, and conversion of uranium for use in nuclear power generation
- **Uranium:** CCO is the world's second largest uranium producer after Kazatomprom, delivering over 33mm pounds in FY2024, representing ~18% of global production. The Company's primary uranium assets include its high-grade underground mines in northern Saskatchewan, Cigar Lake and McArthur River, as well as its JV interest in Kazakhstan
- **Fuel Services:** CCO refines, converts, and manufactures fuel through its Blind River refinery and Port Hope facility. The Blind River refinery is the world's largest commercial uranium refinery with 24mm kgU of licensed capacity. Port Hope is Canada's only Uranium conversion facility, representing 20% of the world's conversion capacity with 13.5mm kgU of production in 2024
- **Westinghouse:** CCO owns 49% of Westinghouse, a provider of fuel, nuclear services, technology, plant design, and equipment to utility and industrial clients globally, with Brookfield Renewables (TSX: BEP.UN) owning the remaining 51%

Historical Trading Performance (Indexed to $100)



Revenue Breakdown Over Time ($B)



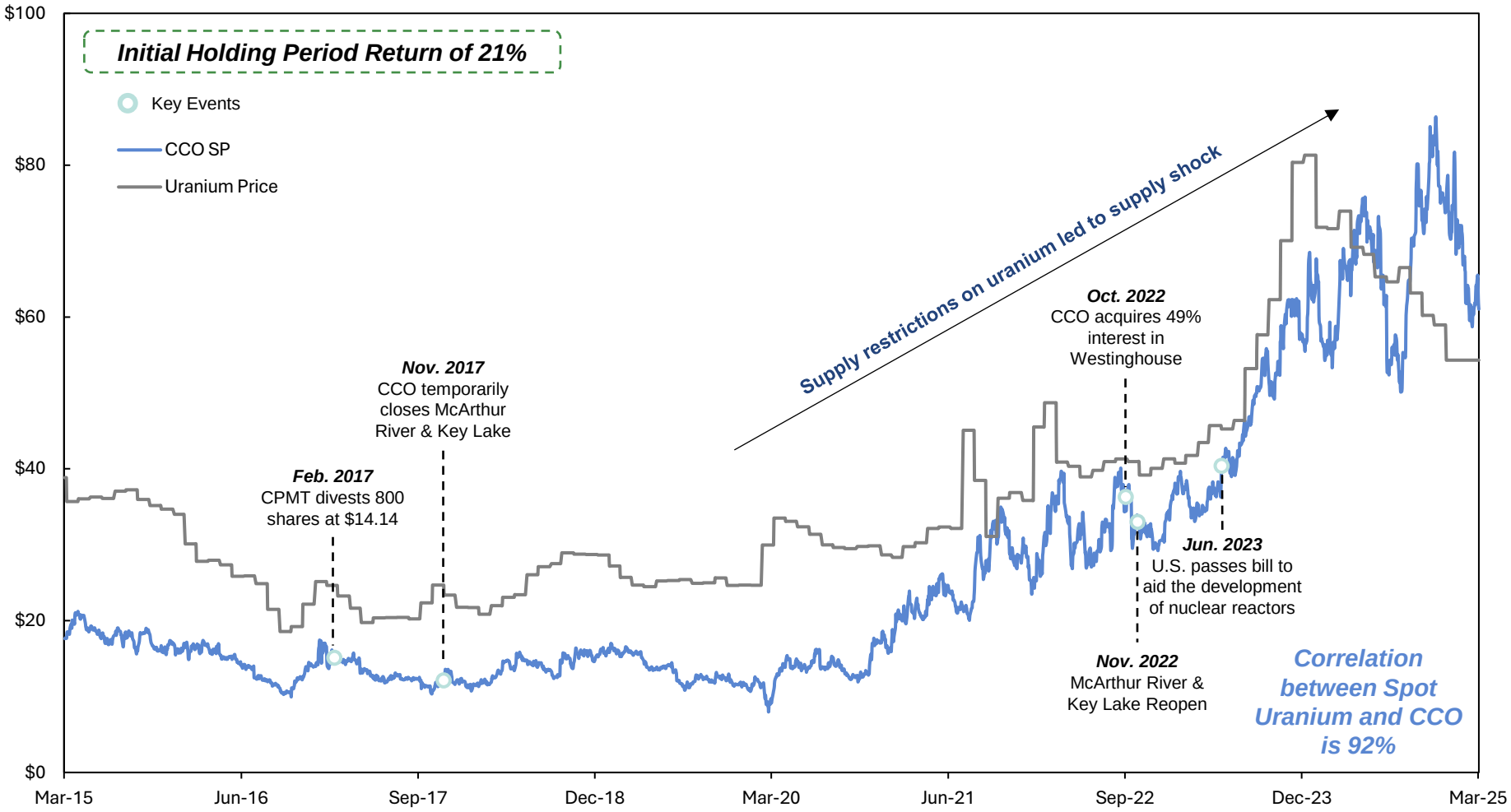
Key Metrics [1]

Market Cap	$23,433mm
Net Debt	$696mm
Enterprise Value	$24,129mm
LTM Dividend Yield	0.3%
Beta	1.04

Sources: Company Filings, S&P Capital IQ
(1) Figures as of April 4, 2025

Event History

Historical Price Performance and Key Corporate Events [1]



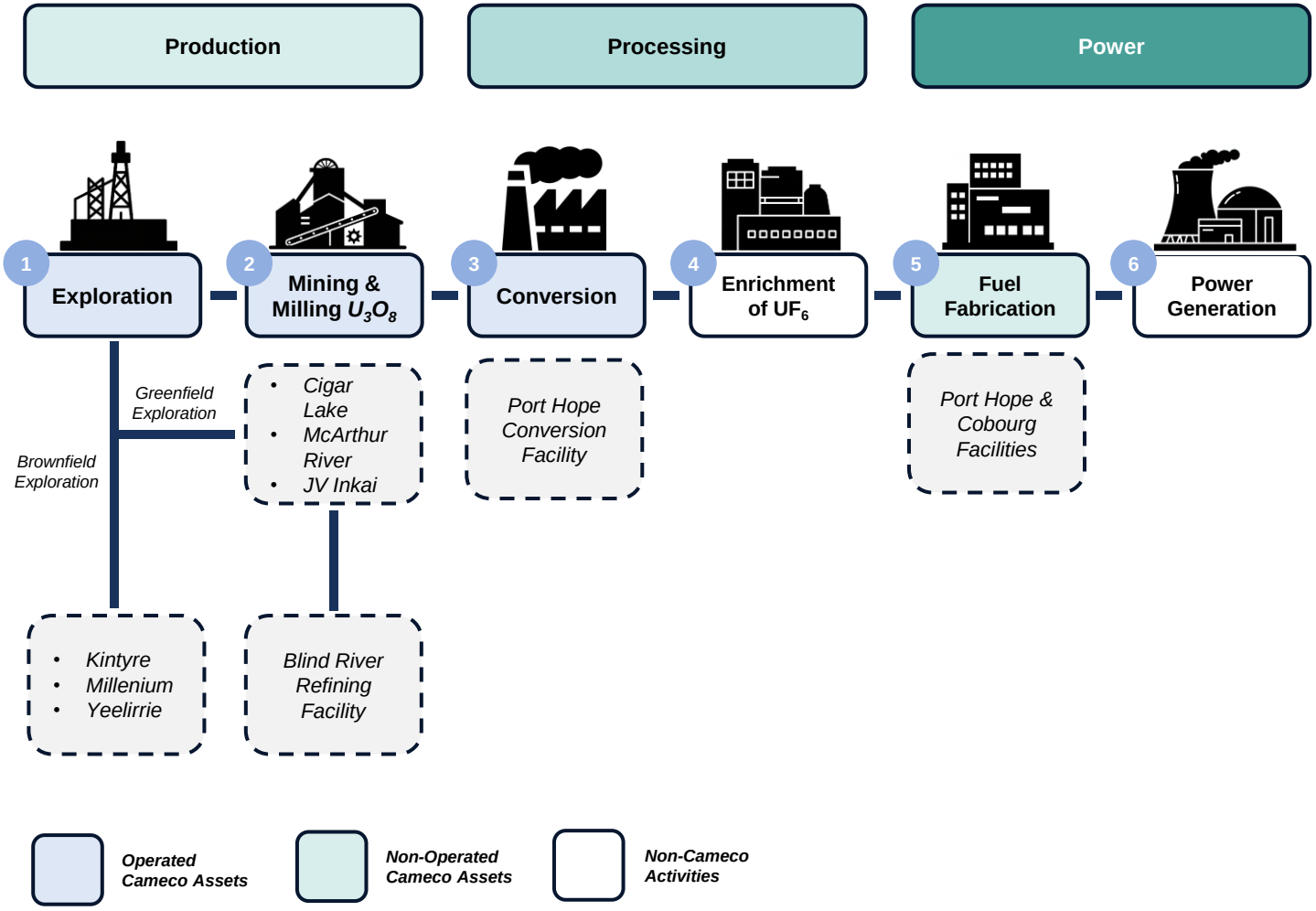
CPMT position in CCO was divested due to **volatility management** and **negative global uranium sentiment**

Sources: Company Filings, FRED, S&P Capital IQ

(1) Figures as of March 27, 2025

Nuclear Fuel Cycle

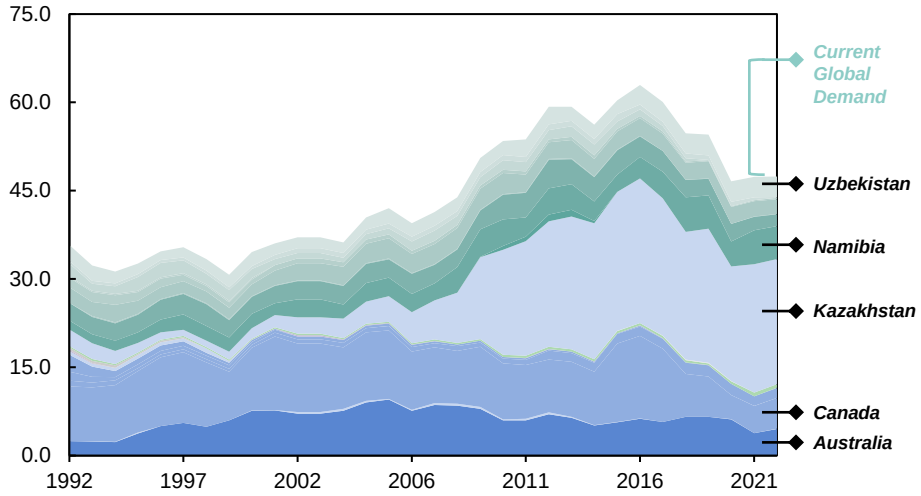
Simplified Front-end Fuel Cycle



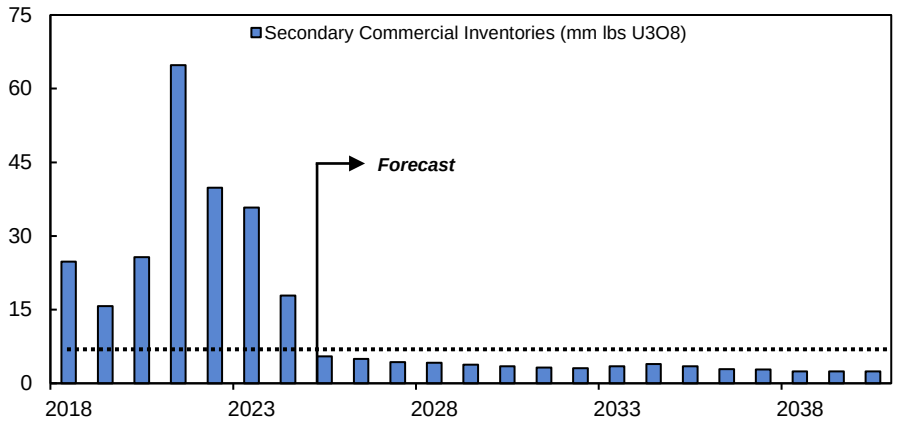
Sources: Company Filings

Global Uranium Production

Historical Uranium Production By Country (kilotons U)



Uranium Inventories (mm lbs U_3O_8)

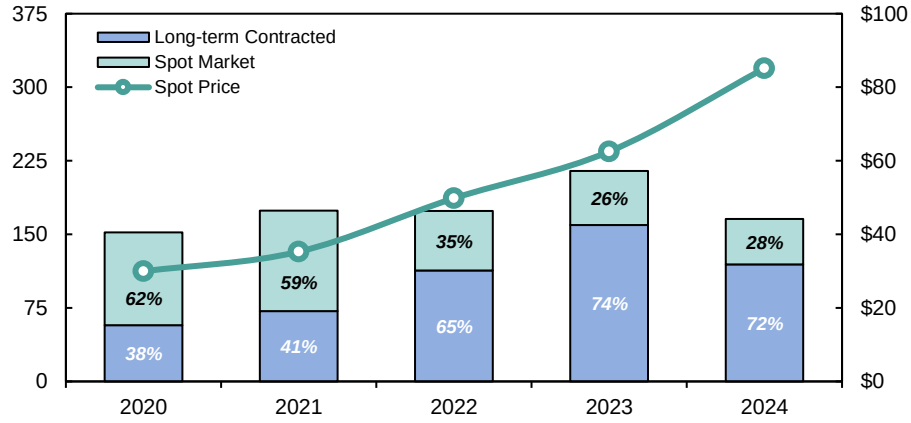


Commercial inventories set to fall below 7.0mm pounds (3% of global supply) for the foreseeable future – Uranium markets entering a period of scarcity

Overview

- **Producers:** Following a wave of consolidation in the 1990s, the global uranium industry is largely dominated by state-owned and integrated majors
  - Kazatomprom (Kazakhstan), Orano (France), and CGN (China), account for ~50% of global production, with CCO (Canada) being the largest, solely publicly-listed entity at ~18% of global production
- **Macro:** With Canada supplying 27% of U.S. uranium, tariff policy uncertainty has disrupted uranium procurement by utilities - CCO is insulated through contracting clauses
- Amidst the uncertainty and import bans, uranium spot price has dropped from US$92.84/lb in Q1 2024 to US$77.00/lb as of March 31
- **Near-Term:** Uranium production is forecasted to increase by ~10% YoY in FY2025, with inventories in the U.S. and EU elevated from 2024 levels driven by Russian import bans
- **Long-Term:** Uranium is projected to remain in a deficit through 2027, with underinvestment in production and nuclear power growth supporting LT pricing

LHS U_3O_8 Market Volume (mmlbs) vs RHS Spot Price (US$/lb U_3O_8)



~80% of uranium volume is traded in long-term contracts – Current contracting trends point towards utilities preparing for critical supply deficit

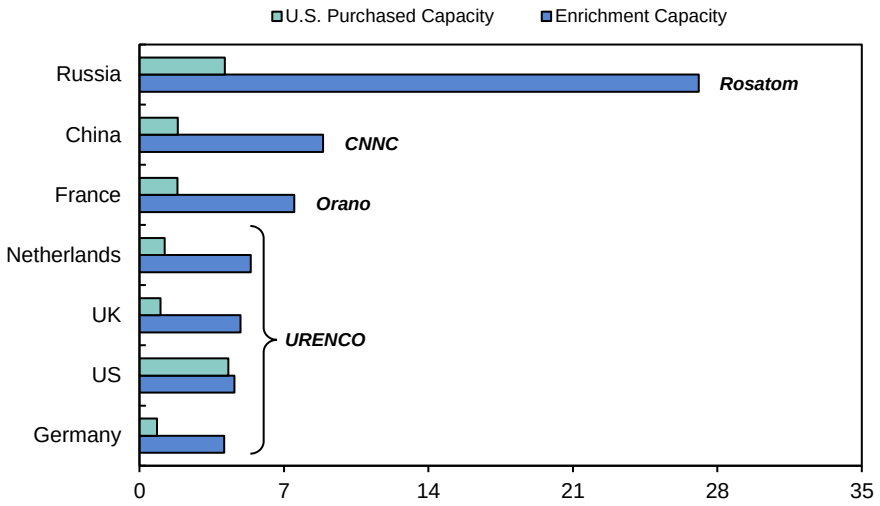
Sources: Company Filings, OECD, Energy Information Administration, UxC, Sprott

Global Uranium Conversion & Enrichment

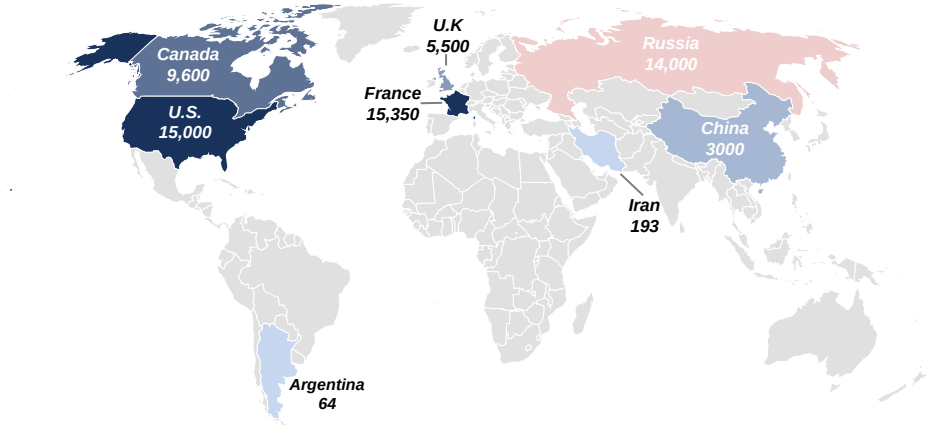
Conversion Overview

- After mining, uranium is dissolved, separated, and precipitated as yellowcake/uranium oxide (U_3O_8), which is the form uranium is primarily transported and traded in
  - U_3O_8, is then refined into high-purity uranium trioxide (UO_3) powder, the main feedstock for the next phase of conversion and enrichment
  - For use in CANDU/heavy water reactors, UO_3 is converted directly into UO_2 ceramic through a 'wet' process by dissolving the UO_3 in nitric acid
    - *CANDU reactors run on natural uranium (0.7% fissile U-235), skipping the enrichment process*
  - For light water reactors which require 3%-5% fissile U-235, UO_3 is converted to UF_6 for enrichment
- Russia controls ~29% of conversion and ~44% of enrichment capacity. Recent trade restrictions in the U.S. have incentivized capacity buildout in the U.S. – namely the Converdyn UF_6 facility in Metropolis, IL
  - With Western utilities relying on inexpensive Russian services, a larger reliance on North American uranium processing is expected in the near-term

Enrichment Capacity (mm SWU) vs U.S. Purchased Capacity (mm SWU)



Global UF_6 Conversion Capacity (MTU/year)



Cameco Operates Canada's Only Uranium Conversion Facility

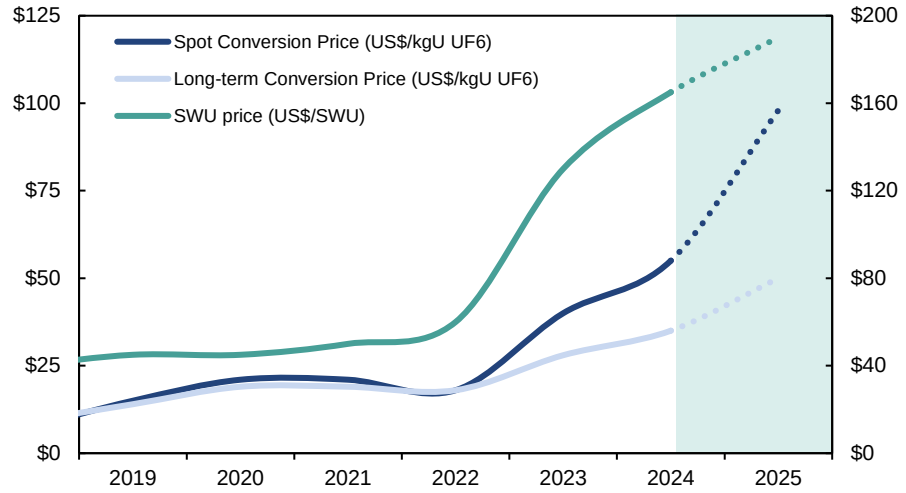
Enrichment Overview

- UF_6 is loaded into gas centrifuges to concentrate U-235 in from natural to fissile levels by gradually separating it from its heavier U-238 isotope
  - After enriching, UF_6 is deconverted into UO_2 for use in fuel pellets
- The *Prohibiting Russian Uranium Imports Act* in the U.S. has capped the amount of Russian-enriched uranium imports to U.S. utilities, with a complete halt in 2028
  - In response, Russia placed an export ban on enriched uranium to the U.S.
  - The U.S. is exploring Low-Enriched Uranium (LEU) production as well as High-Assay Low-Enriched Uranium (HALEU) capacity build outs
- A surge in demand and for enrichment services in the west has persisted
  - Western enrichers such as Urenco (operating plants in the UK, Netherlands, Germany, and the U.S.) and Orano (operating the Georges Besse II plant in France) have begun reshoring initiatives in the U.S.
  - Orano has been expanding its enrichment capabilities by 30%, including a 2.5mm SWU/yr expansion in 2023 in France, followed by a 3.3mm SWU/yr plant in Tennessee

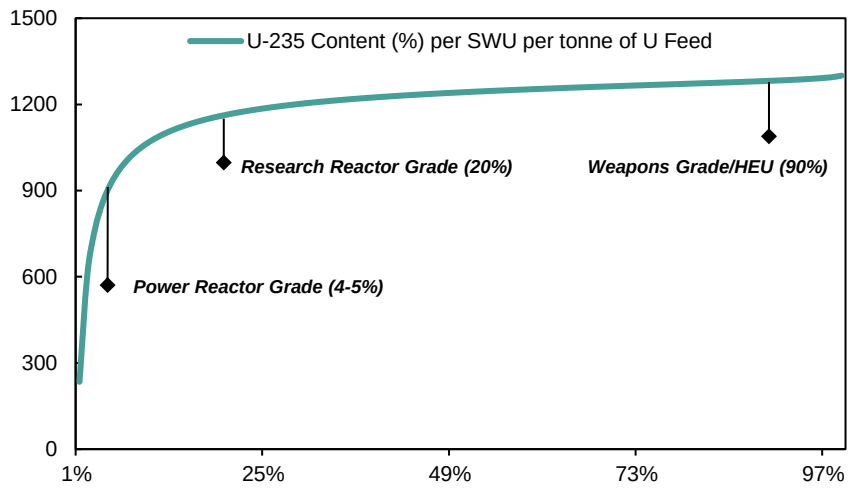
Sources: Street Research, U.S. Energy Information Administration, WISE Uranium Project, World Nuclear Association

Global Uranium Conversion & Enrichment

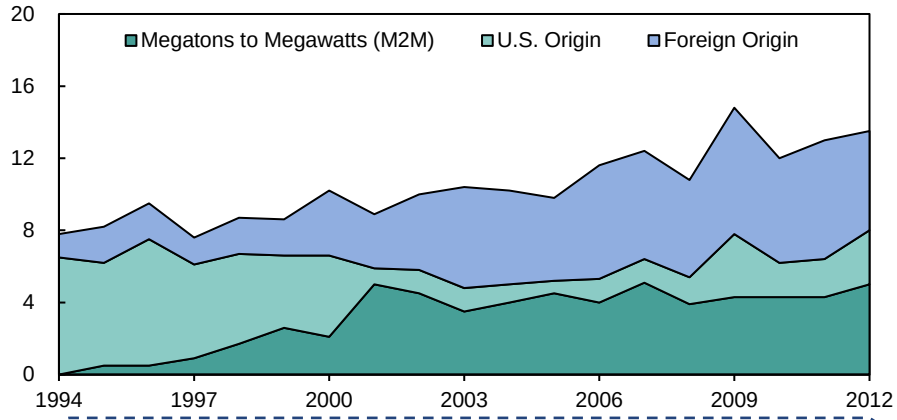
LHS Conversion Price vs RHS SWU Price



Enrichment Effort per Tonne of Uranium Feed Required vs U-235 Content



Megatons to Megawatts Programs



Megatons to Megawatts program drove reliance on Russian-enriched uranium through HEU downblending, disincentivizing investment in production and increasing reliance on secondary supply

Enrichment Nuance

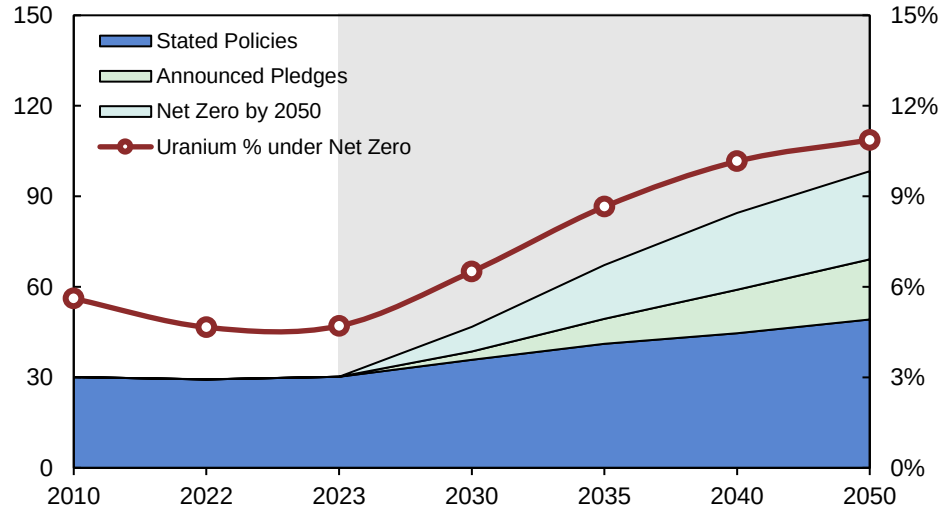
- **Overfeeding & Underfeeding:** Uranium enrichment operators adjust natural uranium feed and separative work (SWU) inputs to optimize production based on their relative costs, setting the U-235 level in the waste stream (tails assay)
  - **Underfeeding:** Less feed and more SWU, resulting in a lower tails assay (more U-235 extracted); preferred when feed is expensive relative to SWU
  - **Overfeeding:** More feed and less SWU – results in higher tails assay (less U-235 extracted); optimal when SWU is expensive or limited relative to feed
- Sustained periods of underfeeding, driven by high uranium prices or very low SWU costs, can signal weak demand to producers
  - *This has **discouraged investment in new mine production**, delayed restarts of idled mines, and lead to existing production cutbacks*
- Sustained periods of overfeeding, driven by low uranium prices or **high SWU costs**/constraints, signals strong demand to producers
  - *This can incentivize increased production from existing mines, encourage the restart of idled capacity, and support investment in new uranium projects as enrichers consume more feed*

Sources: Street Research, U.S. Energy Information Administration, WISE Uranium Project, World Nuclear Association

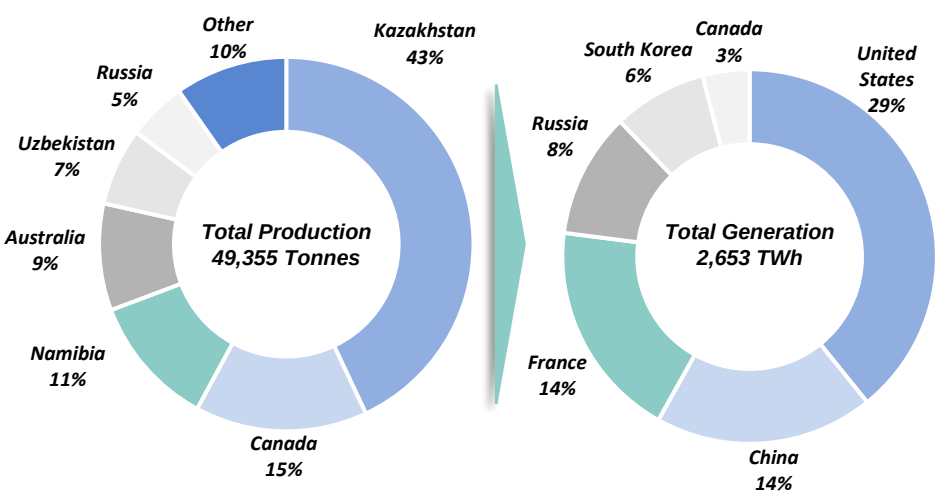
Global Nuclear Power Generation

Cameco

LHS Global Nuclear Electricity Generation (EJ) vs RHS % Uranium of Power Mix



LHS U_3O_8 Production vs RHS Nuclear Power Generation



Uranium's Position in Power Generation

	Nuclear	Hydro	Coal	Wind	Solar	CCGT (Natural Gas)
Baseload	✓	✓	✓	✗	✗	✓
Capacity Factor	✓	✗	✓	✗	✗	✓
Low Emissions	✓	✓	✗	✓	✓	✗
Additional Capacity	✓	✗	✗	✓	✓	✓
Large-Scale Output	✓	✓	✓	✗	✗	✓
Supply Chain Protection	✓	✓	✗	✗	✗	✗
Levelized Cost of Electricity	**~$40**	*~$90*	*~$100*	*~$70*	*~$95*	*~$80*

Sources: IEA

CPMT Calgary Portfolio Management Trust

Uranium Industry Overview

Timeline of Uranium Sentiment

Positive

Negative

1940 - 1970
Post-WWII "Atoms for Peace" Campaign

1970 – 1990
Three Mile Island and Chernobyl Accidents

Led some countries to abandon nuclear programs

1990 - 2010
Climate Change Viewed Nuclear as Low-Carbon Option

2014
Fukushima Nuclear Accident

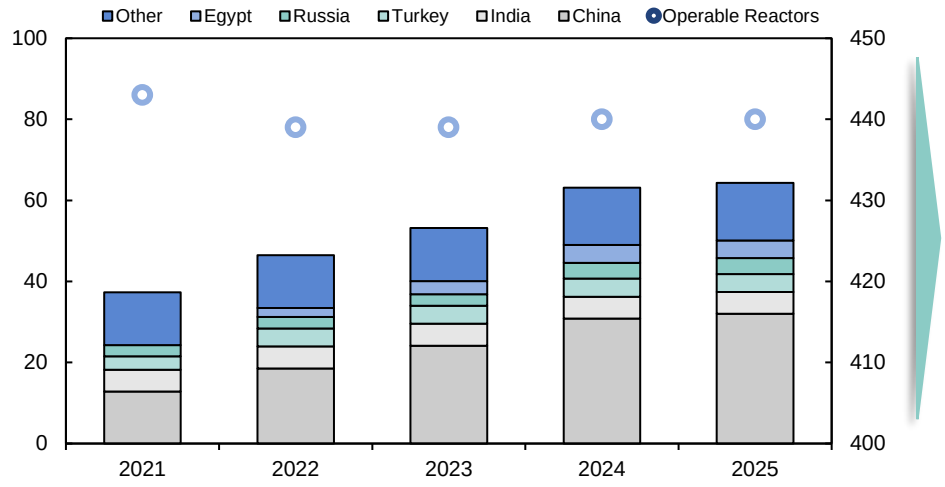
2020
COVID-19 Resulted in 9.2% Decline in Uranium Output

2024
Russian Export Ban and Kazakhstan Mineral Tax

2025
Data Center Buildout, Net-Zero Initiatives

Sentiment currently remains <u>divided</u> between countries who view it as essential for decarbonization and those concerned about safety and waste

LHS Under Construction Net Capacity (GWe) vs RHS Operable Reactors



Nuclear Policy by Country

Country	Sentiment	Commentary
China	*Very Positive*	The world's most aggressive nuclear expansion plan, aiming to triple its capacity by 2050. Strong state support to make nuclear central to national strategy
U.S.	*Positive*	Strong support for SMRs, with new reactor (Vogtle unit 4) coming into operation and approval of extending reactor lifespans of existing facilities
Russia	*Mixed*	Strong global exporter of nuclear tech via Rosatom; Prohibiting Russian Uranium Imports Act restricts U.S. imports on Russian uranium until 2040
Japan	*Mixed*	Restarting reactors under new safety protocols post-Fukushima; public support is mixed, but government is committed to a nuclear comeback for energy security
India	*Positive*	Tripling nuclear capacity by 2030 through partnerships and domestic builds; sees nuclear as key to decarbonization and energy security

Sources: Company Filings, S&P Capital IQ, World Nuclear Association

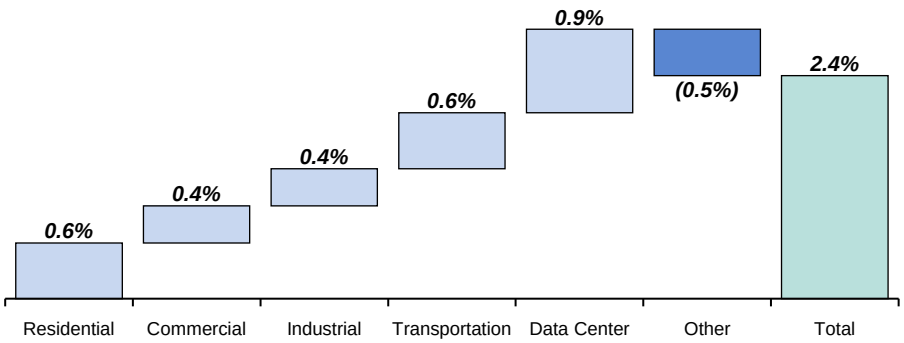
Uranium Industry Tailwinds

Cameco

Industry Catalysts

Global Decarbonization	Energy Security	Supply Constraints	Policy Support
*31 countries pledged **to triple nuclear capacity** by 2050 (COP29)*	*Supply risk from **Russia's dominance** in uranium & enrichment*	*Secondary supply shrinking; **historical underinvestment** limits primary supply*	***Reactor restarts** in Japan and China leads new builds with 16+ reactors approved*
*Nuclear offers **carbon-free baseload power** essential to climate goals*	***Prohibiting Russian Uranium Imports Act (U.S.)** pushes utilities toward Western sources*	***Prices rising** across uranium, conversion & enrichment*	***U.S. IRA** includes nuclear **and EU Green Taxonomy** certifies nuclear as climate-aligned*
*Supports **grid decarbonization** + electrification of industry, transport & heating*	*Governments view nuclear as **strategic energy infrastructure***	*Utilities aggressively returning to **long-term contracts** (119mm lbs in 2024)*	*Recognized as cheapest energy source with **long-term reliability and energy security***

Electricity Demand Growth Breakdown



Electricity demand is projected to grow at a 2.4% CAGR from 2022 to 2030, contrasting with stagnation since the early 2000s

Data Centre Tailwinds

- In 2018, data centres comprised 1.9% of total U.S. electricity consumption, rising to 4.4% in 2023. These requirements are expected to continue to grow rapidly, with data centres forecasted to make up 6.7-12.0% of total U.S. electricity consumption by 2028
- Significant power demand has led to structural electricity capacity constraints, which has slowed buildout. Lead times to power new data centres in prominent markets, such as Northern Virginia, are reaching upwards of three years
- Nuclear energy presents a strong long-term solution to these constraints due to its consistent, reliable output mixed with low carbon emissions
  - Hyperscalers' long investment time horizons and large capital positions facilitate the significant initial investments required for nuclear power
- Large data centre operators have entered partnerships, PPAs, and have invested in nuclear power producers to meet their electricity needs
  - Amazon invested in X-energy for the development of SMRs, and the *Three Mile Island* nuclear plant will be reopening to power Microsoft's data centres

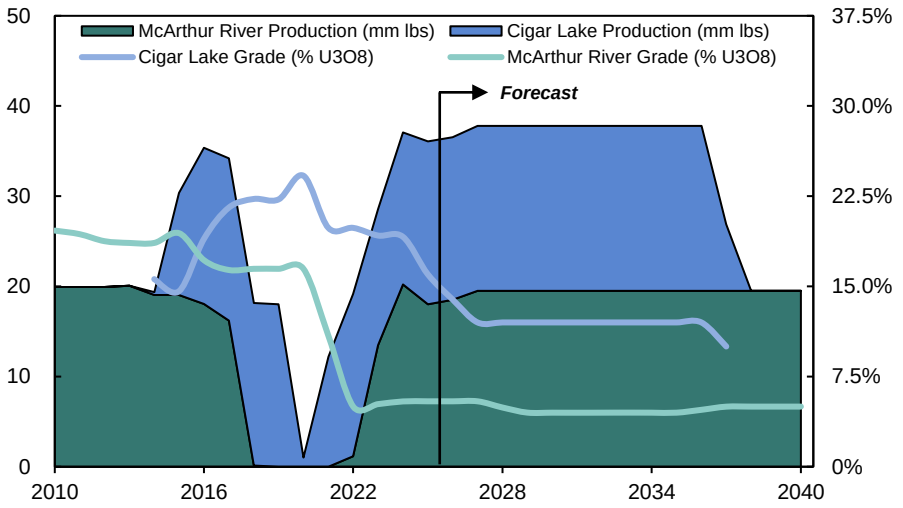
Sources: Company Filings, McKinsey, U.S. Department of Energy

Cameco Uranium Segment - Canada

Canadian Production

- The Company's tier-one Canadian operations include its McArthur River/Key Lake mine and Cigar lake mine, producing ~18.5mm lbs U_3O_8 , and ~18mm lbs U_3O_8 , respectively per annum
- **McArthur River:** World's largest high-grade (7.78% U_3O_8) underground deposit, producing ~550mm lbs of U_3O_8 since 1999 with ~360mm lbs of remaining 2P reserves
  - Extraction utilizes blasthole stoping and raiseboring, mitigating risks associated with ground freezing methods
  - CCO owns 69.8% of the project, with Orano owning the remaining 30.2%
  - Life-of-mine operating costs are $20.31/lb U_3O_8 with capital costs at $1.7B
- **Cigar Lake:** Worlds highest-grade uranium mine (15.9% U_3O_8), producing ~155mm lbs U_3O_8 since 2014, with ~193mm lbs of 2P reserves
  - Utilizes a jet boring method, freezing ore zones and processing the uranium slurry on the surface at McClean Lake mill
  - CCO controls 54.5% of the asset, Orano at 40.5%, and TEPCO at 5%

LHS Forecasted Production U_3O_8 vs RHS U_3O_8 Mill Grade

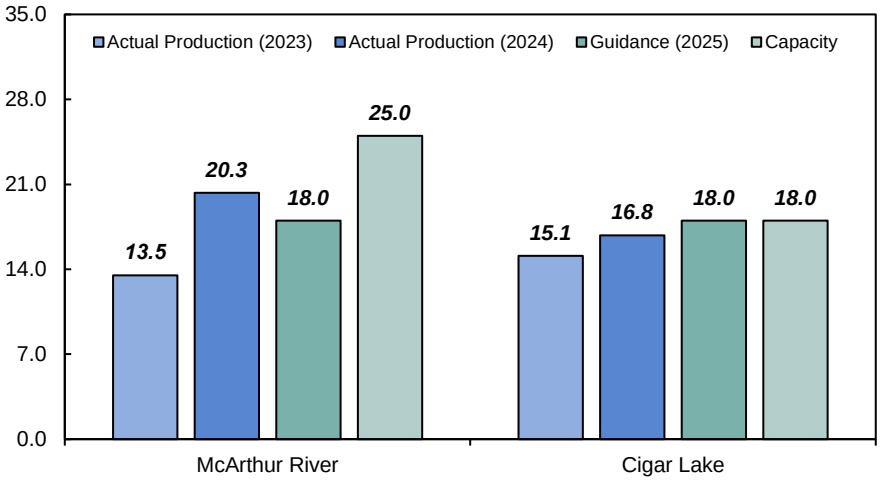


Tier 1 Assets

Tier 1 Uranium Properties	Cigar Lake	McArthur River	Processing Assets	Key Lake
Mineral 2P Reserves: *Working Interest*	*54.5%*	*69.80%*	*Working Interest*	*83.3%*
Grade (% U_3O_8)	*15.87%*	*6.72%*	*Packaged Production*	*20.3mm lbs U_3O_8*
Average Cost per lb U_3O_8	*$21.12*	*$20.31*	*Capacity*	*25.0mm lbs U_3O_8*
NPV ($B)	*$2.9B*	*$5.2B*	*License Life*	*2044*

CCO owns and operates the highest-grade, most prolific uranium mines and mills in the world

Asset Production & Guidance



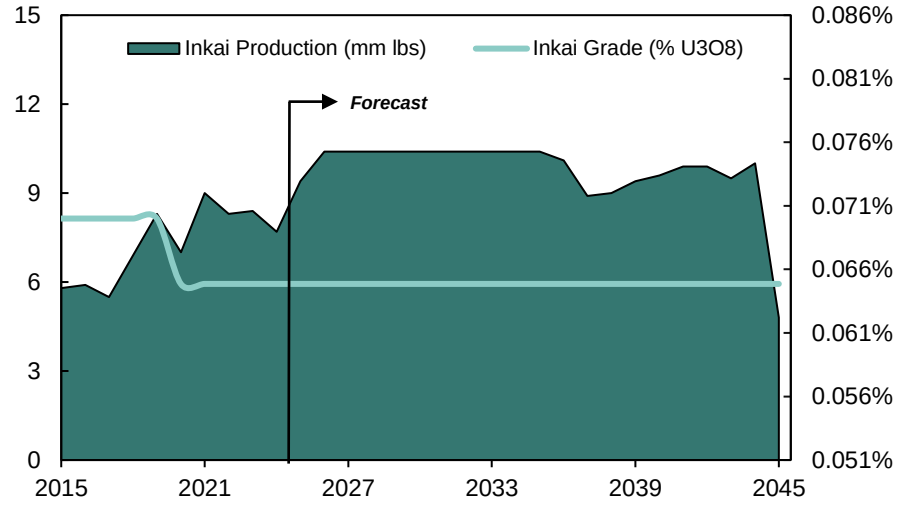
Sources: Company Filings, CPMT Estimates, S&P Capital IQ, Street Research

Cameco Uranium Segment - International

Kazakhstani Production

- CCO Inkai is an in-situ recovery (ISR) uranium operation spanning a 139 km² mining allotment in the Suzak District, Turkestan region of Kazakhstan
  - Managed under a joint venture with Cameco (40% W.I.) and Kazatomprom (60% W.I.), a state-controlled entity of Kazakhstan
- Inaki is hosted in the unconsolidated sediments of the Chu-Sarysu Basin and characterized by well-delineated mineralized horizons (Middle/Lower Inkuduk and Upper/Lower Mynkuduk)
- NPV of the mine is estimated at ~$4.3B at a 26.9% IRR, with capex estimates at $1.5B with process expansion projects for ramping production up to 10.4mm lbs U_3O_8 per annum by 2026
  - 2P estimates support cumulative production targets of ~212.3mm lbs U_3O_8 through mid-2045
- In Q2 2024, Kazakhstan amended its tax code to raise the uranium Mineral Extraction Tax from 6% to 9% in 2025 and introduced a progressive system in 2026, capping at 18% for production over 10.4mm lbs
  - Impacts JV Inkai's cost structure, though still remains lowest-cost play

LHS Forecasted Production U_3O_8 vs RHS U_3O_8 Mill Grade

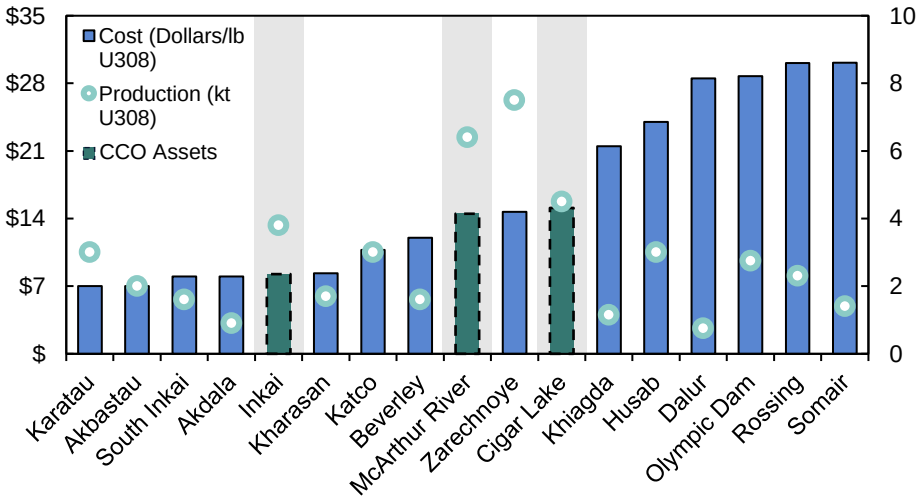


Analysis of International Markets

Opportunities	Threats
China Reactor Buildout	***Shifting Government Agenda***
▪ China, the largest driver of nuclear demand in the next decade, imports 66% of its uranium from Kazakhstan	▪ Recent shift in uranium mineral taxes structure to progressive taxes in Kazakhstan will impact the cost structure of JV Inkai
▪ This positions JV Inkai to be the major beneficiary of China's expanding reactor fleet, with 28 of the 62 reactors under construction worldwide in China	▪ Kazatomprom directed JV Inkai to suspend production for three weeks in 2025 due to delays in obtaining necessary approvals from Kazakhstan's Ministry of Energy

There is significant upside for JV Inkai through China's reactor buildout, contingent on support from Kazatomprom and Kazakhstan

LHS Cost per Pound U_3O_8 vs RHS Production (kt U_3O_8)



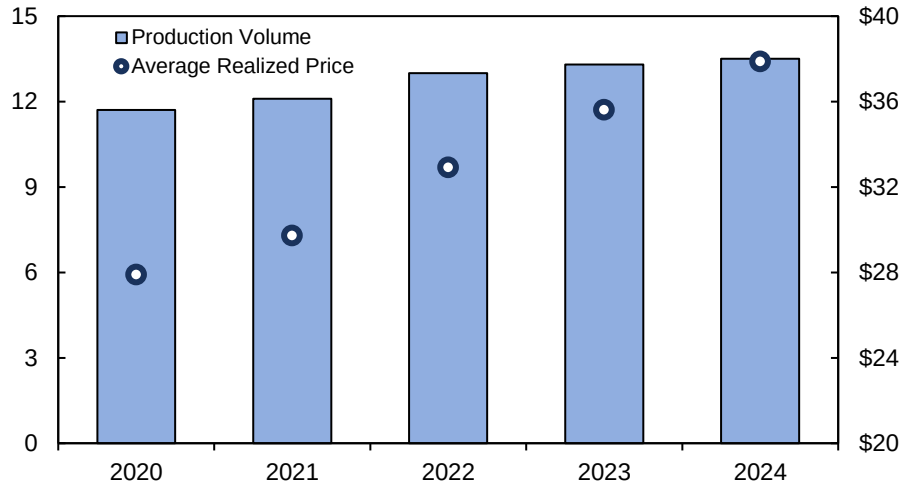
Sources: Company Filings, CPMT Estimates, S&P Capital IQ, Street Research

Cameco Fuel Services & Westinghouse

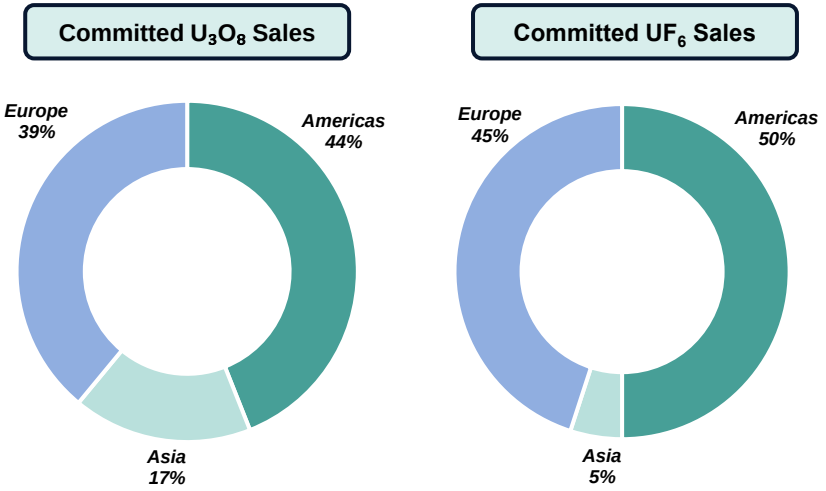
Segment Overview

- **Fuel Services Segment:** Provides intergraded uranium fuel services, with refining (UO_3), conversion (UF_6/UO_2), and fuel assembly manufacturing capabilities representing ~20% of the world's primary conversion capacity
  - Under long-term contracts with commitments totaling ~85mm kgU of UF_6 conversion as of FY2024
  - CCO operates through its Blind River refinery in Ontario, the worlds largest commercial UO_3 refinery with 24mm kgU of licensed capacity
  - CCO operates Canada's only conversion facility through its Port Hope plant, producing 12.5mm kgU/yr of UF_6 and 2.8mm kgU/yr of UO_2
- **Westinghouse:** CCO holds a 49% interest acquired in 2023 through a partnership with Brookfield Renewable Partners (51% owner)
  - Westinghouse is a nuclear reactor and fuel technology OEM that provides nuclear products and services including fuel rods and assemblies, maintenance, and engineering to half of the global light water reactor fleet

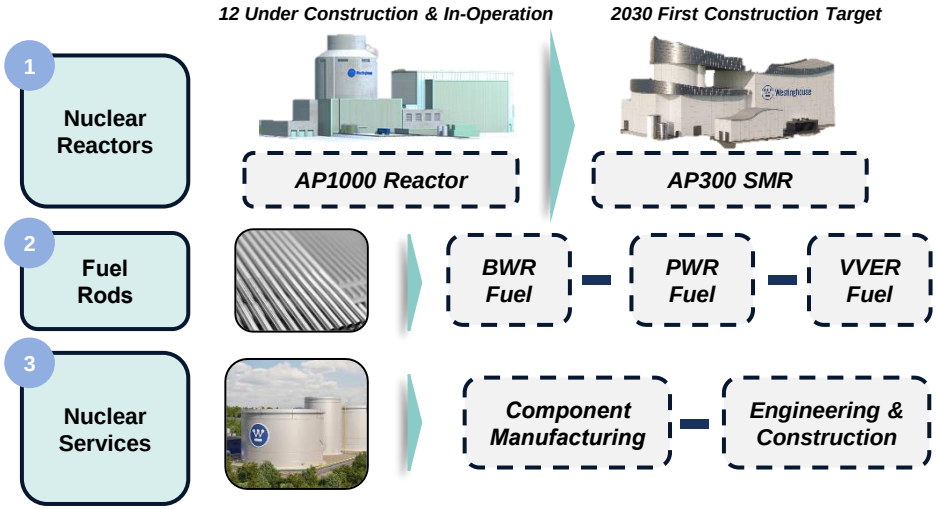
LHS Fuel Services Production (mmlbs) vs RHS Average Realized Price ($/lb)



End-Market Segmentation by Region



Westinghouse Nuclear Services & Products



Sources: Company Filings, CPMT Estimates, S&P Capital IQ, Street Research

Quality Management and ESG

Management Team

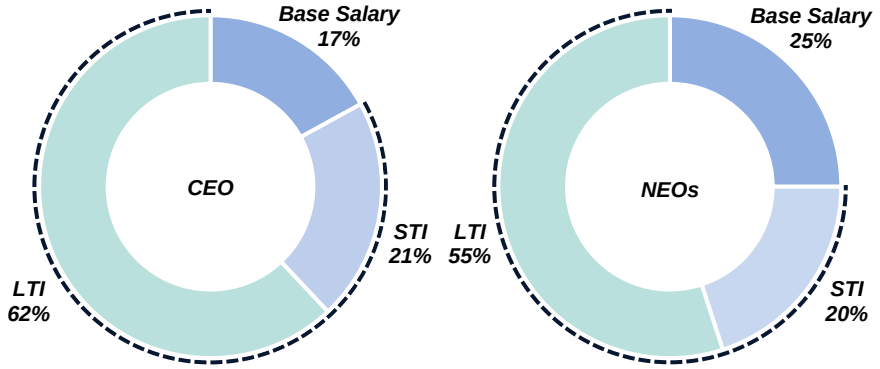
Tim Gitzel, President and CEO

- Gitzel assumed the role of President and CEO of CCO in 2011 after serving as the Senior Vice President and COO
- Prior to joining the Company, Gitzel served as Orano's Canadian subsidiary President and CEO and has over 30 years of senior management and legal experience in the Canadian and international uranium mining industry

Grant Isaac, Executive Vice President and CFO

- Isaac was appointed Executive Vice President in February 2023 and CFO in July 2011 after joining CCO in July 2009 as Senior Vice President of Corporate Services
- Prior to joining the Company, Isaac was the Dean of Edwards School and Business and received a PhD from the London School of Economics

Compensation Mix



~83% of CEO pay and ~75% of NEO pay is considered at-risk

Environment, Social, and Governance

- **Environment**
  - In 2023, CCO became a member of the Net Zero Nuclear initiative, which aims to triple nuclear energy capacity by 2050, positioning it as a key low-emission fuel source
  - Additionally, the Company targets to reduce its combined Scope 1 and Scope 2 emissions by 30% by 2030, compared to 2015 levels
  - CCO has decarbonization projects for all its operations which focus on water, waste, energy, land, biodiversity, and air quality management
- **Social**
  - In 2023, CCO's workforce was 25% women, 25% Indigenous, 9% visible minorities, and 2% persons with disabilities
  - Additionally, the Company created and employs nuclear safeguard practices across the business to ensure that countries comply with international obligations to not use nuclear materials for nuclear weapons
- **Governance**
  - In 2023, CCO's board members were 40% women and 20% Indigenous

Commentary

- **Base Salary**
  - Fixed compensation is based on current business challenges, experience of the executive, scope of the role, market competitiveness, individual performance, and internal equity
- **Short-Term Incentives (STI)**
  - STI are cash bonuses based on established corporate and individual performance targets as a percentage of the executive's base salary
  - Corporate performance is weighted at 80%, which is measured by financial performance and ESG objectives
  - Individual performance is weighted at 20% and is derived from the achievement of targets established at the beginning of the period
- **Long-Term Incentives (LTI)**
  - LTI are comprised of PSUs and RSUs, which are based on the absolute and relative performance, and the long-term performance of CCO shares
  - Absolute and relative performance is determined based on operational, financial, and realized uranium price performance

Sources: Company Filings

Competitive Advantage

Commentary

- CCO's portfolio ownership consists of tier-one, licensed, permitted, and long-lived assets with significant expansion potential, complemented by idle tier-two assets and a robust exploration pipeline of 457mm 2P reserves
- As a full-service firm, the Company has exposure to the entire nuclear fuel cycle, including both upstream and downstream. This positions the Company to meet the capture industry tailwinds being diversified to the entire value chain
- The Company's long-term purchase agreements span over a decade, allowing for supply flexibility through inventory management, strategic procurement, and licensed storage facilities, including the ability to curtail production or borrow product depending on market conditions
- Its operational strategy balances high-quality production in Canada with low-cost output from its Inkai Joint Venture in Kazakhstan, with growth runways in significant tier-one asset expansion opportunities
- The Company also boasts a significant USD/CAD hedge profile, with 63% and 14% of forex exposures in 2025 and after 2025 at 1.35 USD/CAD, respectively

Reserves and Resources vs Peers

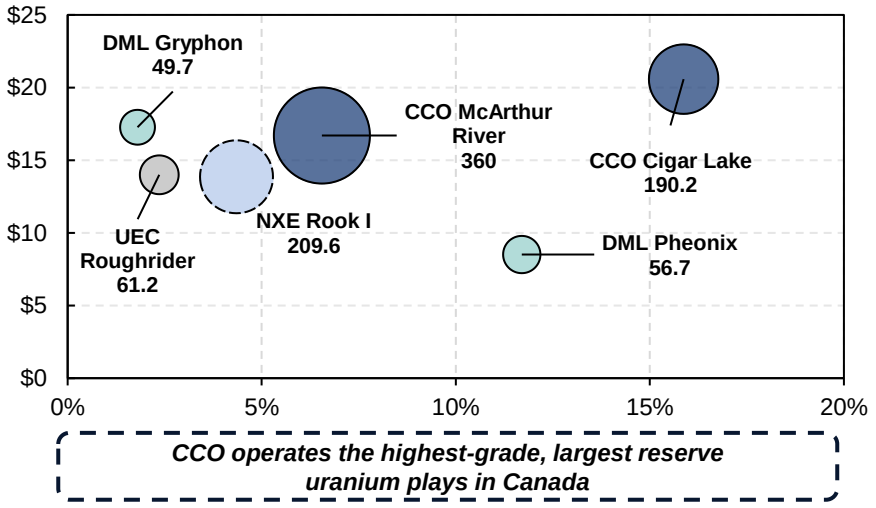
		Cameco	KAZATOMPROM	PALADIN	CGN
Reserves	Grade (PPM)	1,253	724	448	316
	U_3O_8 (mlbs)	485	782	63	107
Resources	Grade (PPM)	1,902	586	596	546
	U_3O_8 (mlbs)	409	541	382	40

Contract Profile

Tier 1 Uranium Properties	Contracted Capacity %
McArthur River/Key Lake	*70%*
Cigar Lake	*100%*
Inkai	*Not Released*
Total CCO Contracted Capacity	***32mm lbs***

- Uranium is not traded in meaningful quantities on a commodity exchange. As a result, utilities have historically bought the majority of their uranium and fuel services products under long-term contracts that are negotiated with suppliers
- The majority of CCO's portfolio is under long-term sales contracts, 61.6% of which is tied to market-related pricing, meaning revenue is exposed to spot Uranium The Company also undertakes activity in the spot and term Uranium markets as needed
- CCO has executed contracts to sell ~220mm lbs of U_3O_8 with 41 customers in Uranium and ~85mm kgs as UF_6 conversion with 34 customers in fuel services
- The Company has flexibility to pull forward long-term purchase arrangements in lower-price environments, with the use of licensed storage facilities for product

LHS Mine Cash OPEX per lb U_3O_8 vs 2P Grade



CCO operates the highest-grade, largest reserve uranium plays in Canada

Sources: Company Filings, S&P Capital IQ, Street Research

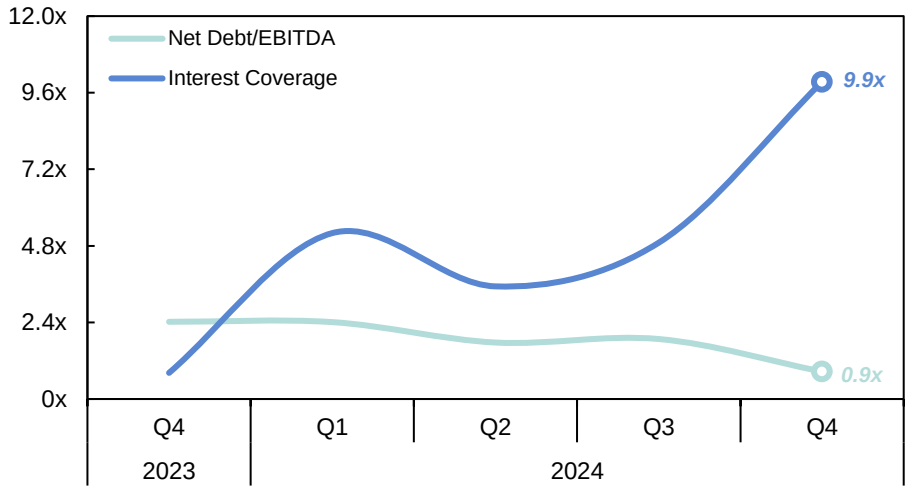
(1) Peers include NASDAQ: FSTR, NYSE: KOP, VMI, TRN, GBX

Strong Balance Sheet

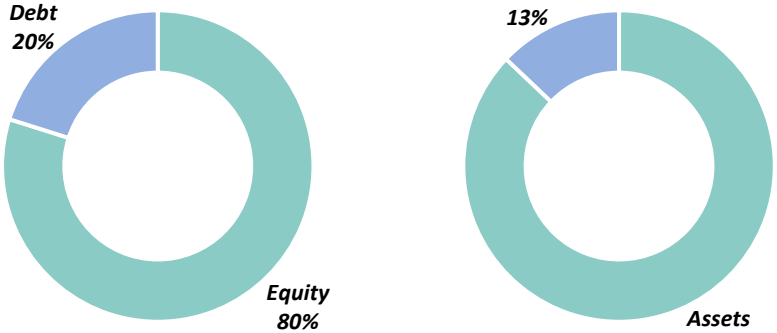
Financial Commentary

- 31%, or $400mm of CCOs debt matures in 2027, however the Company has strong liquidity, with $600mm in cash and $1B undrawn on its credit facility
  - Additionally, the current rate environment could facilitate more favorable refinancing terms
- Following the Westinghouse acquisition in 2023, management has focused on paying down the $600mm term loan used to fund the transaction, which was fully repaid in January 2025
  - This coincides with growing production and improved realized prices, which has contributed to a decrease in Net Debt/EBITDA from 2.4x to 0.9x from Q4 2023 to Q4 2024
- CCO holds a BBB- positive and BBB rating from S&P and DBRS, respectively driven by the Company's long-term contracts of ~2-10 years, decreasing leverage, and a strong uranium demand backdrop contributing to higher realized prices and continued site expansion

Net Debt/EBTIDA vs Interest Coverage



LHS Capital Structure vs RHS Debt to Assets



CCO holds $1,281mm in debt and $600mm in cash

Credit Rating

S&P Global — ***BBB- Positive***

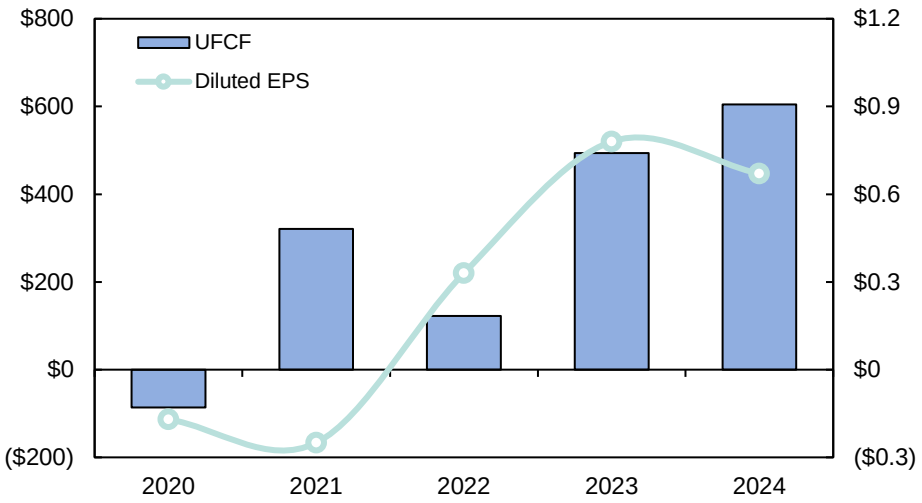
MORNINGSTAR | DBRS — ***BBB & R2***

- ***Long-term Contracts***
- ***Decreasing Leverage***
- ***Improved Profitability***
- ***Favourable Demand Backdrop***

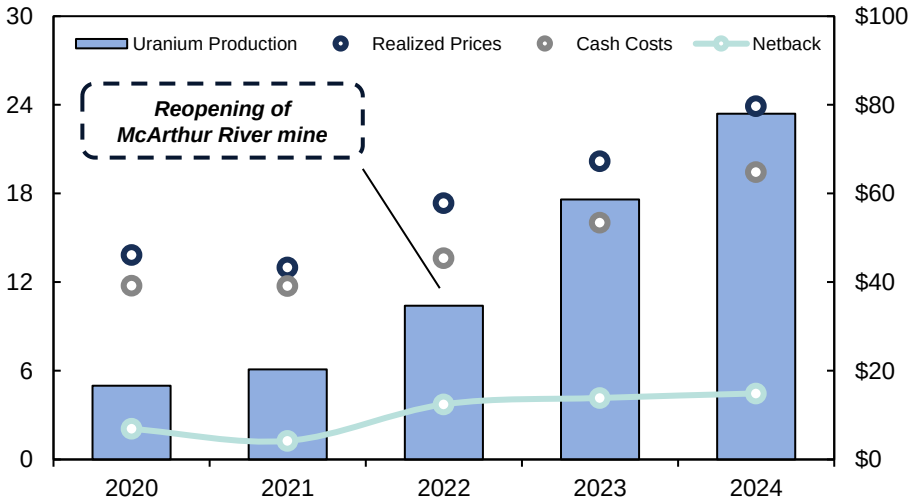
Sources: Company Filings, S&P Capital IQ

Growing Free Cash Flow

LHS Free Cash Flow ($mm) vs RHS Diluted EPS ($/share)



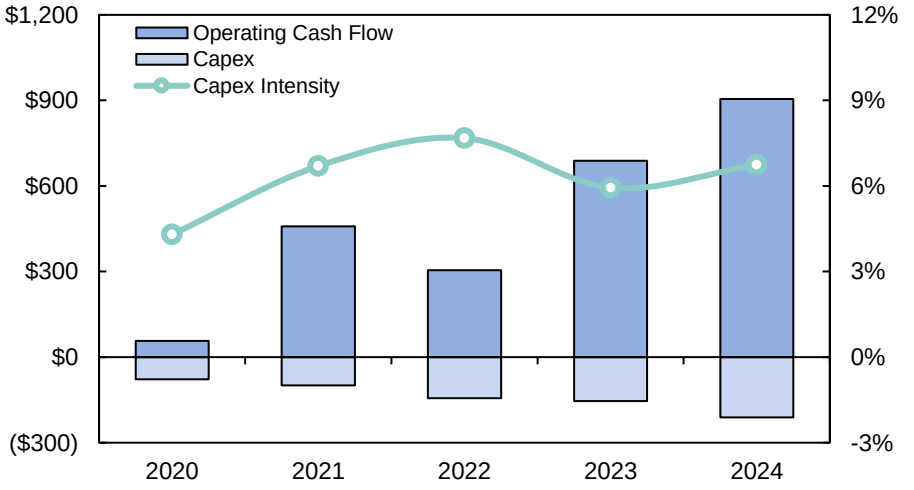
LHS Uranium Production (mm lbs) vs RHS Value per Pound of Uranium



Commentary

- CCO has grown its FCF at a five-year CAGR of 10% driven by strong demand and realized prices due to an increased focus on a low-carbon energy mix, reindustrialization, and data centre buildout
- This shift in demand facilitated the reopening of the McArthur River mine in FY2022, which contributed to a five-year uranium production CAGR of ~21%
  - McArthur River has yet to reach its full licensed production capacity of ~18mm pounds, producing only ~16mm pounds in FY2024. This allows for optionality to increase production when it is economically feasible to do so
  - The alleviation of supply chain issues at JV Inkai, along with continued expansion projects will contribute to production growth
- Additionally, given the long-term nature of CCO's contracts, renewals at more favorable prices should contribute meaningfully to FCF growth moving forward
- The Company's capital return strategy is focused primarily on its dividend, which has grown at a five-year CAGR of 16%

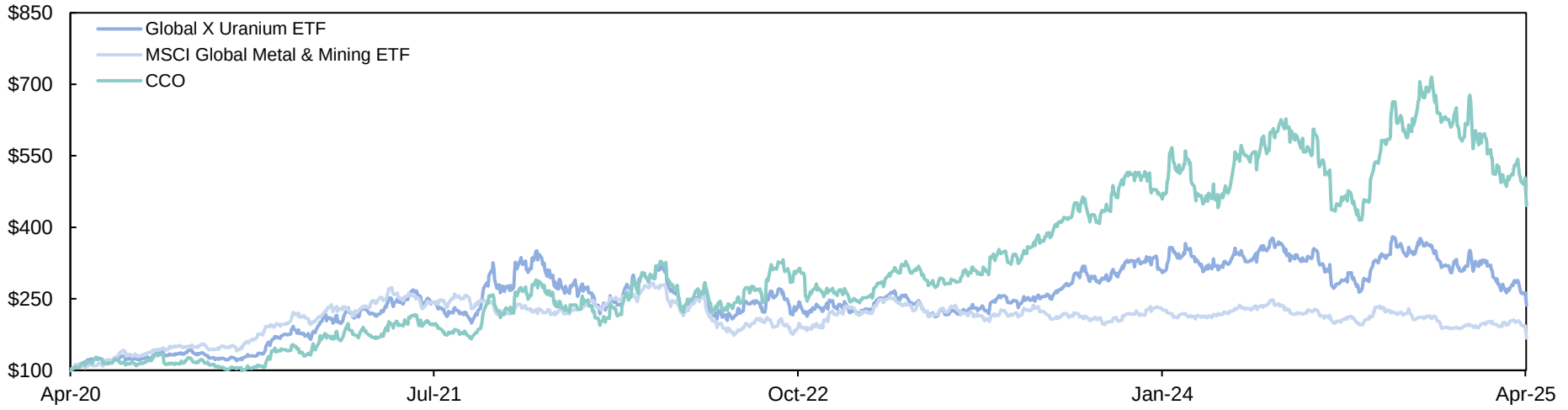
LHS EBITDA (US$B) vs RHS EBITDA Margin



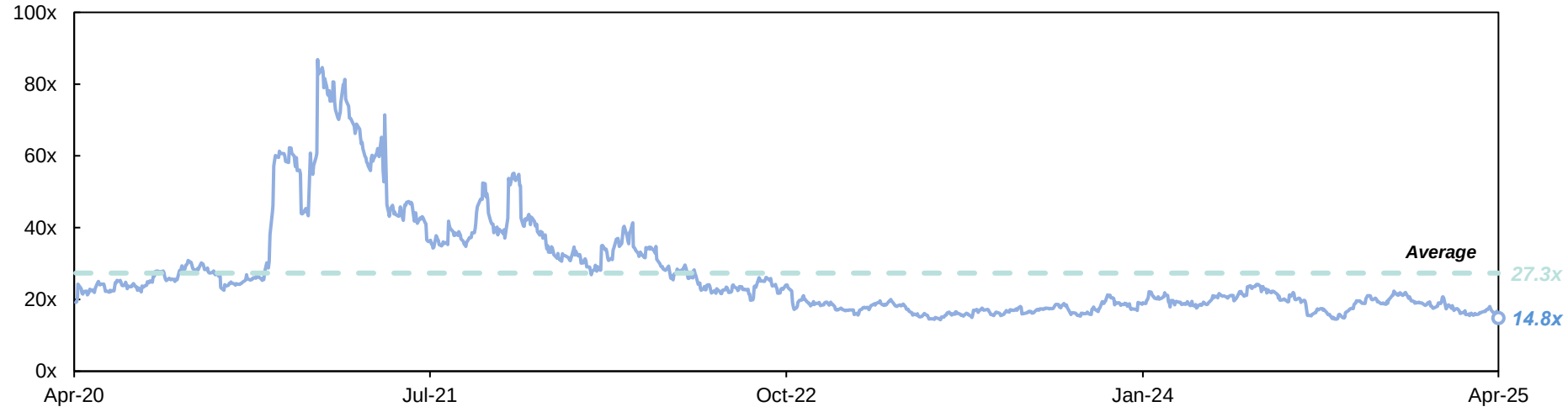
Sources: Company Filings, S&P Capital IQ

Trading Performance & Valuation

Historical Trading Performance (Indexed to $100)



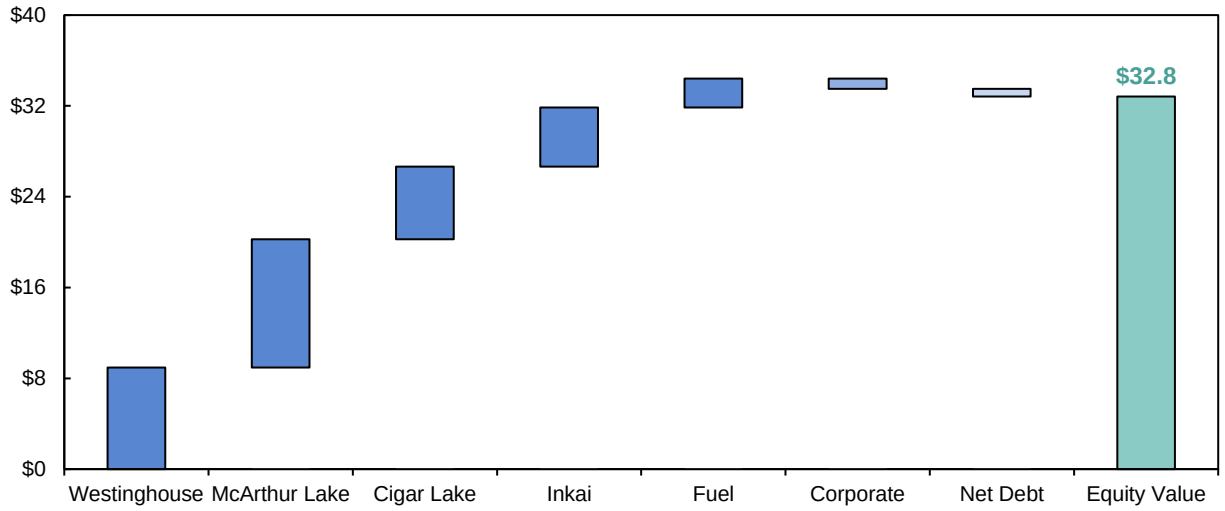
NTM EV/EBITDA



Sources: Bloomberg
(1) Figures as of April 3, 2025

Attractive Valuation

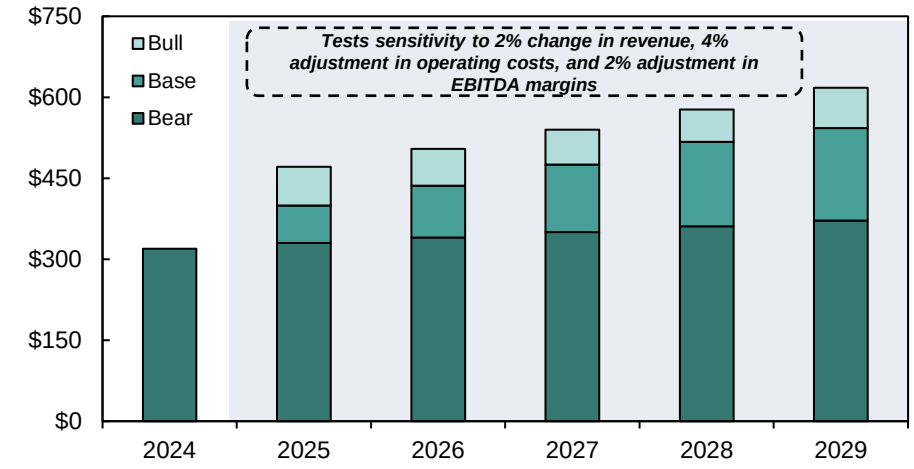
Sum-of-the-Parts Valuation ($B)



Methodology

- CCO was valued at $70 using a sum-of-the-parts valuation, implying a 30% implied return. This consists of (1) a net asset value model on its McArthur River, Cigar Lake, and Inkai assets with a P/NAV premium of 2.2x, (2) an NPV on its Fuel Services and Corporate segments, and (3) its Westinghouse segment using a five-year DCF with an EV/EBITDA exit multiple of 16.3x.
- Key assumptions included a WACC of 10.58% and conservative Westinghouse sales growth of 5.0%, compared to the 3-year average of 10%. The go-forward EBITDA margin is 17.6%, compared to the 4-year average of 18.1%
- The target price of $70 implies a 30% upside to CCO's current price of $54 on April 4, 2025. This reflects additional upside to the implied return of 18% as of March 31, 2025

Westinghouse FCF Projections - Cases ($mm)



Bear Case yields a $64 target price, even in unfavourable assumptions

Sensitivity Analysis

Price-to-NAV	WACC				
$69.61	8.58%	9.58%	10.58%	11.58%	12.58%
2.0x	$66.62	$65.70	**$64.82**	$63.99	$63.19
2.1x	$69.02	$68.09	**$67.21**	$66.38	$65.59
2.2x	**$71.41**	**$70.49**	**$69.61**	**$68.78**	**$67.98**
2.3x	$73.81	$72.88	**$72.00**	$71.17	$70.38
2.4x	$76.20	$75.28	**$74.40**	$73.57	$72.78

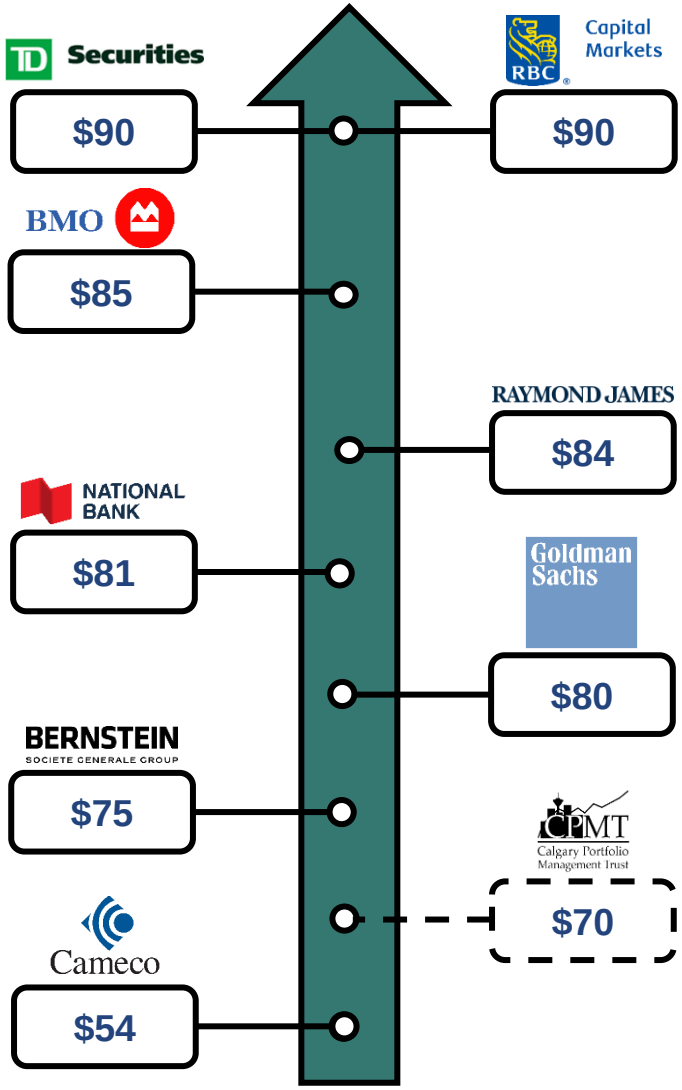
EV/EBITDA	WACC				
$69.61	8.58%	9.58%	10.58%	11.58%	12.58%
14.3x	$69.19	$68.36	**$67.58**	$66.83	$66.13
15.3x	$70.30	$69.42	**$68.59**	$67.80	$67.06
16.3x	**$71.41**	**$70.49**	**$69.61**	**$68.78**	**$67.98**
17.3x	$72.53	$71.55	**$70.62**	$69.75	$68.91
18.3x	$73.64	$72.61	**$71.64**	$70.72	$69.84

There is significant upside in the Company even in the worst-case scenarios as evident is the sensitivities

Sources: Company Filings, CPMT Estimates, S&P Capital IQ, Street Research

Street Estimates

Target Prices and Commentary [1]



BERNSTEIN SOCIETE GENERALE GROUP

Date: Mar. 31st, 2025

*"Cameco could be **well-positioned** to be a major **winner from Russia sanctions** in the nuclear fuel market. Its assets in the US and Canada give it a **competitive edge in the Western market**. In addition to the aforementioned tier-one assets, Cameco possesses **substantial uranium assets in the US**. These assets provide significant **flexibility in the face of geopolitical uncertainties** and the challenges of deglobalization."*

Scotiabank

Date: Feb. 21st, 2024

*"We rate CCO shares Sector Outperform based on **improving fundamentals** driven by the **dual Western World agendas of decarbonization and energy independence.** Given heightened global geopolitical risks, we anticipate **CCO and WEC to be prime beneficiaries of Russian replacement demand for U3O8 and nuclear services**. Our revised 12-month target of C$85.00 per share (vs. C$86.00 previously) is based on a 50/50 weighting of 20.0x our 2026E EV/EBITDA and 2.2x our updated 8% NAVPS estimate."*

Scotiabank

Date: Mar. 25th, 2025

"After reviewing our supply–demand outlook, we conclude that **uranium market fundamentals remain positive** despite the weakness in spot prices. In the near term, we forecast the **market to remain in a large structural deficit equal to 4.9% of annual demand until 2030.** On the demand side, the growing agendas of **decarbonization, energy independence, and power security are expected to drive meaningful long-term growth** in nuclear despite the uncertain build pace of new energy-intensive AI/data centres. Led by China, global nuclear capacity is forecast to increase by 12% by 2030, 30% by 2035, and by 50% by 2040."

Sources: Bloomberg, Company Filings, Street Research
(1) Figures as of March 20, 2024

Investment Thesis

Investment Thesis

The CPMT favours CCO's dominant position in uranium production, refinement, conversion, and fuel manufacturing. The Company's controlling interests in the ***world's largest high-grade and low-cost uranium reserves****, along with its high-growth,* ***vertically integrated fuel service exposure****, position CCO for significant growth. The Company's interest in Westinghouse offers strategic exposure to* ***accelerating nuclear reactor build-out****, downstream fuel services, and stable, recurring cash flows from global utility clients. CCO's strong track record of innovative resource extraction, site expansion, base-escalated offtake contracts, and flexible production and conversion capacity offer significant downside protection throughout the commodity cycle. As such, the CPMT believes that CCO's world-class assets and strong fundamentals* ***amidst structural, long-term secular tailwinds*** *present a highly attractive investment opportunity.*

Investment Risks

1. ***JV Inkai***
   The JV's majority owner is state-controlled Kazatomprom. This ownership structure presents a risk to CCO as a minority stakeholder, with potential exposure to adverse governmental actions, such as dividend restrictions, unfavorable tax policies, or forced asset sales. CCO has attempted to mitigate this and protect its minority stake through a favourable restructuring of JV Inkai in 2018

2. ***Supply Chain Constraints***
   CCO's long-term offtake agreements require it to fulfill uranium sales commitments regardless of production challenges. The Company is a net spot buyer of Uranium, exposing CCO to spot volatility, particularly during supply chain disruptions and input constraints. This is seen in the recent instability of sulfuric acid deliveries to JV Inkai, which resulted in reduced production estimates for the asset

3. ***Geopolitical Risk***
   Uranium remains a politically sensitive commodity, with anti-nuclear initiatives in key geographic areas influencing supply and demand. Furthermore, CCO is vulnerable to geopolitical tensions, as seen in the U.S. – Canada tariff dispute

Investment Criteria

Quality Management?	✓
Competitive Advantage?	✓
Strong Balance Sheet?	✓
Growing Free Cash Flow?	✓
Attractive Valuation?	✓

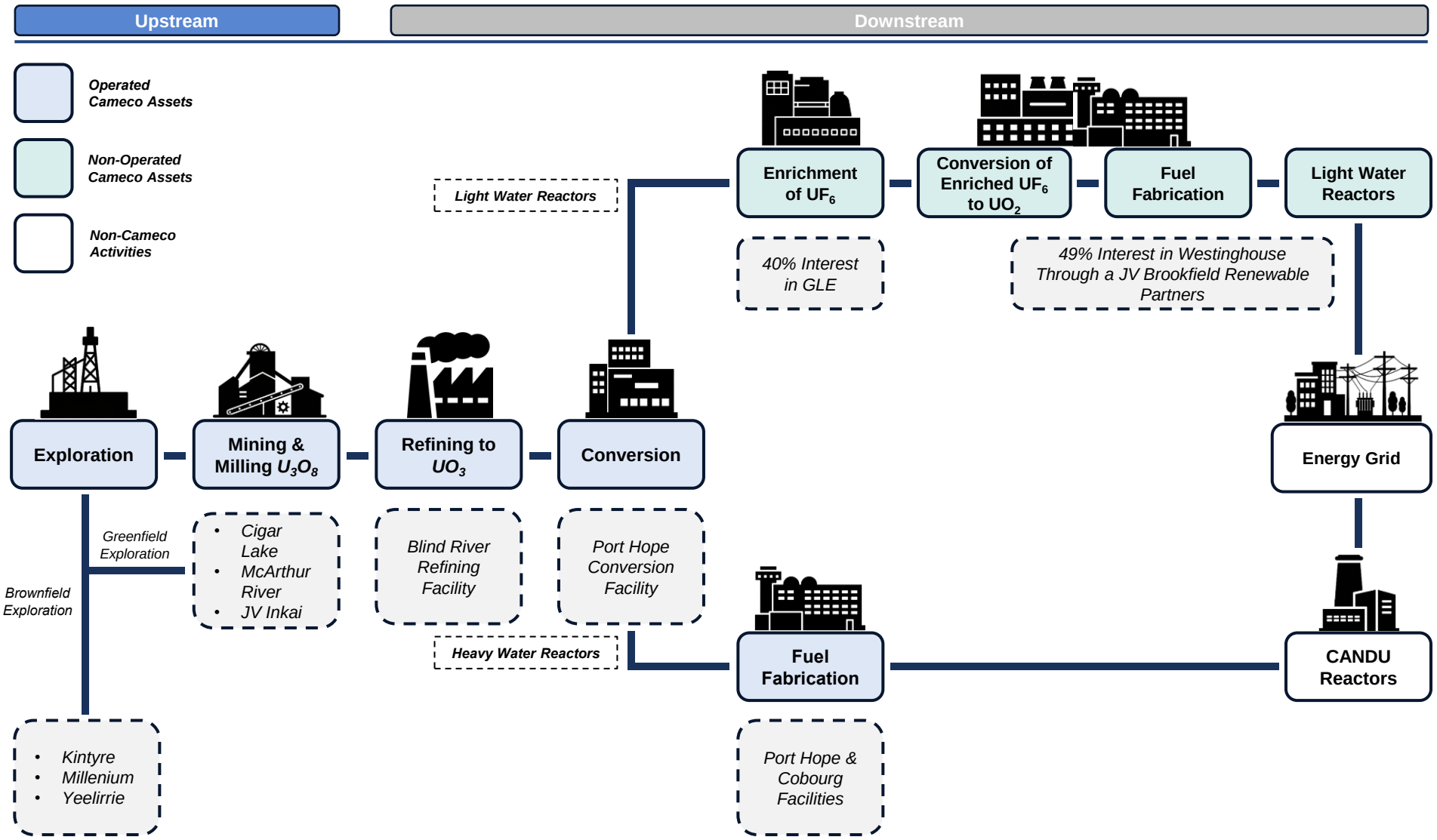
Investment Recommendation (1)

ACTION	BUY
CONVICTION	2
CURRENT PRICE	$54
TARGET PRICE	$70
IMPLIED RETURN	30%

Sources: CPMT Estimates, Company Filings, FactSet
(1) Figures as of April 4, 2025

Appendix

Nuclear Fuel Cycle



Sources: Company Filings