CCO.TO gideon lens

Cameco Corporation - ER2 / Gideon Lens

Ticker: CCO.TO / XTSE:CCO **Report ID:** CCO-ER2-20260906-160434+0800 **Report date:** 2026-09-06 **Price anchor:** CAD 139.44, completed TSX session on 2026-09-04 **TTM end:** 2026-06-30 **Exact horizon:** 2031-06-30, exactly 5.0 years **Primary valuation method:** P/B-ROE in every scenario **Trade execution authorized:** NO

Investment conclusion

Cameco owns scarce uranium and nuclear-fuel assets, but the equity already prices a stronger outcome than the evidence supports. TTM external revenue was CAD 3.475 billion and normalized net income CAD 380 million. By 2031-06-30, Base reaches CAD 4.540 billion of revenue, CAD 1.159 billion of net income and CAD 2.66 of EPS. Uranium EBT expands to CAD 1.406 billion, Fuel Services reaches a 32% EBT margin, and Westinghouse reaches CAD 434 million of EBT. Even that improvement does not support CAD 139.44.

The conclusion is **PASS**. Management is YELLOW: contracting discipline and balance-sheet repair are positives, but a production-guidance miss and the absence of clean retained-return evidence for Westinghouse weaken capital-allocation confidence. Moat is YELLOW, including the 2046 test: tier-one uranium resources, licensed conversion capacity, qualification barriers and Westinghouse's installed base are real, but reserve replacement, cycle exposure and retained Westinghouse economics remain unproved. The P/E-at-15 gate fails decisively. Base EPS of CAD 2.6612 supports CAD 39.92 at 15x, a -71.37% cushion to the quote; even Bull EPS of CAD 5.2004 supports only CAD 78.01.

P/B-ROE controls shareholder-return underwriting because Bear EPS is negative while the going concern still retains CAD 6.763 billion of parent common equity. A P/E model would falsely collapse a surviving book claim to zero, and EV/NOPAT lacks a complete terminal claims bridge. The preflight therefore locked 1.0x, 2.0x and 3.5x exit P/B before any return calculation. Those multiples applied to CAD 15.53, CAD 25.42 and CAD 32.63 of terminal BVPS, plus CAD 1.20 of cumulative dividends, produce terminal wealth of CAD 16.73, CAD 52.04 and CAD 115.39 per share. Gross CAD IRRs are -34.57%, -17.89% and -3.72%; the probability-weighted gross CAD IRR is -17.25%. After conservative costs, withholding and FX paths, the net-SGD IRRs are -36.83%, -19.04% and -3.13%, with -17.83% probability-weighted.

The audited Compounder Score is **51/100**, comprising **51/80** for Business Quality and **0/20** for 20% Return Underwriting. The auditor removed two return points because a 20% Base return requires 13.6015x terminal P/B, a major expansion. Red team found the 2.0x Base exit modestly optimistic versus the 1.7468x historical median; that sensitivity lowers Base gross IRR to -20.03%. It also found 3.5x punitive if Bull earns 17.25% ROE: a non-controlling 5.0x sensitivity lifts Bull gross IRR to 3.34%. Both points are resolved because the same-denominator evidence and directional challenges preceded returns. Neither changes PASS.

Verdict: PASS

Scorecard:

Gate	Result	Notes
Management	YELLOW	Discipline is credible; guidance and Westinghouse retained returns need proof
Moat	YELLOW	Scarce assets endure, but reserve replacement keeps the 2046 test YELLOW
P/E <= 15 on confident EPS at TTM + 5 calendar years	FAIL	Base entry value CAD 39.92; cushion -71.37%
Compounder Score	Audited 51 / 100	Reject; strong assets do not overcome uncertain incremental returns and valuation
Business Quality Score	Audited 51 / 80	Quality evidence is credible but below dream-business status
20% Return UW Score	Audited 0 / 20	Every audited scenario loses money at today's price

One-line thesis (or reason to pass): Cameco's scarce nuclear assets are strategically valuable, but an 8.51x current P/B leaves negative returns even under the Bull operating case.

Security return underwriting (mandatory even when the verdict is PASS):

Measure	Result	Notes
Primary valuation method	P/B-ROE	One audited parent-common-equity method drives every scenario, weighting and net-SGD overlay
Gross local-currency bear / base / bull IRR	-34.57% / -17.89% / -3.72%	Five-year annualized shareholder return in CAD
Probability-weighted gross local-currency IRR	-17.25%	CAGR of 30% / 50% / 20% weighted terminal wealth, never an average of IRRs
Return bridge	CAD 139.44 -> CAD 16.73 / 52.04 / 115.39	Terminal BVPS times 1.0x / 2.0x / 3.5x P/B plus CAD 1.20 dividends; no separate cash or debt add-on

Gross local-currency underwriting is in CAD; net-SGD adjustments appear separately in CIO actionability. The price is the completed 2026-09-04 close and the operating bridge runs from 2026-06-30 to 2031-06-30.

Bear-case operating and return bridge

Bear case	Start (2026-06-30)	Horizon (2031-06-30)	CAGR / change	Justification
Retained investments	Not applicable	Not applicable	Not applicable	Cameco is not an insurer; parent common equity is the relevant perimeter
Retained net investment income	Not applicable	Not applicable	Not applicable	No managed-investment perimeter is modeled
Parent-owned operating income excluding fees	CAD 472.35m normalized	CAD -12.47m	turns negative	Weaker uranium economics, corporate cost and slow Westinghouse recovery
Fee income counted once	Not applicable	Not applicable	Not applicable	No insurer or external-capital fee bridge
Normalized common net income	CAD 379.68m	CAD -66.73m	turns negative	Bear tax and below-line assumptions preserve the statutory parent perimeter
Beginning common equity	CAD 7,133.77m	CAD 7,133.77m	-	Sourced parent-attributable common equity
Cumulative common net income	-	CAD 151.52m	cumulative	Five annual common-income rows counted once
Common dividends	-	CAD 522.69m	cumulative	CAD 0.24 per share annually, deducted from equity once
Common-share repurchases net of issuance	-	CAD +0.60m	cumulative	No buybacks; 39,063 options add CAD 0.596m proceeds once
OCI and other common-equity movements	-	CAD 0.00m	cumulative	No unsupported direct-equity plug
Terminal common equity	CAD 7,133.77m	CAD 6,763.20m	-1.06%	Complete roll-forward has zero residual
Diluted common share count	435.533m	435.572m	0.002%	Only remaining options issue new shares
Book value per common share	CAD 16.38	CAD 15.53	-1.06%	Terminal common equity divided by diluted shares
Normalized common ROE	5.32%	-0.97%	-6.29 pp	Terminal loss over average common equity; book survives
Valuation	8.51x P/B	1.00x P/B	-7.51x	Trough anchor without a bankruptcy shortcut
P/E cross-check	160.0x normalized	Not meaningful	not comparable	Negative terminal earnings make P/E economically unusable
Share value	CAD 139.44	CAD 15.53	-88.9%	Terminal BVPS times locked exit P/B
Cumulative distributions	-	CAD 1.20	cumulative	Five equal annual dividends counted once
Total ending value	CAD 139.44	CAD 16.73	-34.57% gross CAD IRR	Share value plus distributions

Base-case operating and return bridge

Base case	Start (2026-06-30)	Horizon (2031-06-30)	CAGR / change	Justification
Retained investments	Not applicable	Not applicable	Not applicable	Cameco is not an insurer; parent common equity is the relevant perimeter
Retained net investment income	Not applicable	Not applicable	Not applicable	No managed-investment perimeter is modeled
Parent-owned operating income excluding fees	CAD 472.35m normalized	CAD 1,034.44m	17.0%	Uranium, Fuel Services and Westinghouse improvements tie to statutory OI
Fee income counted once	Not applicable	Not applicable	Not applicable	No insurer or external-capital fee bridge
Normalized common net income	CAD 379.68m	CAD 1,159.14m	25.01%	Tax and below-line items reconcile to parent common earnings
Beginning common equity	CAD 7,133.77m	CAD 7,133.77m	-	Sourced parent-attributable common equity
Cumulative common net income	-	CAD 4,461.27m	cumulative	Five annual common-income rows counted once
Common dividends	-	CAD 522.69m	cumulative	CAD 0.24 per share annually, deducted from equity once
Common-share repurchases net of issuance	-	CAD +0.60m	cumulative	No buybacks; option proceeds included once
OCI and other common-equity movements	-	CAD 0.00m	cumulative	No unsupported direct-equity plug
Terminal common equity	CAD 7,133.77m	CAD 11,072.95m	9.19%	Complete roll-forward has zero residual
Diluted common share count	435.533m	435.572m	0.002%	Only remaining options issue new shares
Book value per common share	CAD 16.38	CAD 25.42	9.19%	Terminal common equity divided by diluted shares
Normalized common ROE	5.32%	10.99%	+5.67 pp	Terminal NI over average common equity
Valuation	8.51x P/B	2.00x P/B	-6.51x	Near 2021-2022 converted observations, above 1.7468x median
P/E cross-check	160.0x normalized	18.20x implied	-141.8x	Exit P/B divided by terminal normalized ROE
Share value	CAD 139.44	CAD 50.84	-63.5%	Terminal BVPS times locked exit P/B
Cumulative distributions	-	CAD 1.20	cumulative	Five equal annual dividends counted once
Total ending value	CAD 139.44	CAD 52.04	-17.89% gross CAD IRR	Share value plus distributions

Bull-case operating and return bridge

Bull case	Start (2026-06-30)	Horizon (2031-06-30)	CAGR / change	Justification
Retained investments	Not applicable	Not applicable	Not applicable	Cameco is not an insurer; parent common equity is the relevant perimeter
Retained net investment income	Not applicable	Not applicable	Not applicable	No managed-investment perimeter is modeled
Parent-owned operating income excluding fees	CAD 472.35m normalized	CAD 1,864.18m	31.6%	Coordinated uranium pricing, fuel margins and Westinghouse execution
Fee income counted once	Not applicable	Not applicable	Not applicable	No insurer or external-capital fee bridge
Normalized common net income	CAD 379.68m	CAD 2,265.13m	42.93%	High operating conversion survives tax and below-line claims
Beginning common equity	CAD 7,133.77m	CAD 7,133.77m	-	Sourced parent-attributable common equity

Bull case	Start (2026-06-30)	Horizon (2031-06-30)	CAGR / change	Justification
Cumulative common net income	-	CAD 7,599.17m	cumulative	Five annual common-income rows counted once
Common dividends	-	CAD 522.69m	cumulative	CAD 0.24 per share annually, deducted from equity once
Common-share repurchases net of issuance	-	CAD +0.60m	cumulative	No buybacks; option proceeds included once
OCI and other common-equity movements	-	CAD 0.00m	cumulative	No unsupported direct-equity plug
Terminal common equity	CAD 7,133.77m	CAD 14,210.85m	14.78%	Complete roll-forward has zero residual
Diluted common share count	435.533m	435.572m	0.002%	Only remaining options issue new shares
Book value per common share	CAD 16.38	CAD 32.63	14.78%	Terminal common equity divided by diluted shares
Normalized common ROE	5.32%	17.25%	+11.93 pp	Terminal NI over average common equity
Valuation	8.51x P/B	3.50x P/B	-5.01x	Below recent-cycle levels despite strong ROE; no IPO or asset-value credit
P/E cross-check	160.0x normalized	20.29x implied	-139.7x	Exit P/B divided by terminal normalized ROE
Share value	CAD 139.44	CAD 114.19	-18.1%	Terminal BVPS times locked exit P/B
Cumulative distributions	-	CAD 1.20	cumulative	Five equal annual dividends counted once
Total ending value	CAD 139.44	CAD 115.39	-3.72% gross CAD IRR	Share value plus distributions

CIO actionability (separate from ER2 underwriting):

Measure	Result	Notes
Status	PASS	The valuation gate fails and Base/PW returns are deeply negative
Bear / Base / Bull net SGD IRR	-36.83% / -19.04% / -3.13%	Five-year annualized after FX, trading, custody and withholding assumptions
Probability-weighted net SGD IRR	-17.83%	CAGR of 30% / 50% / 20% weighted terminal SGD wealth
10% mandate hurdle	FAIL	Base and probability-weighted cases both fail
15% stretch hurdle	FAIL	Even Bull is negative after SGD translation
Downside and portfolio fit	FAIL	Bear terminal wealth is only CAD 16.73; portfolio context cannot repair security economics
Proposed sizing ceiling	none	Research conclusion only; no owner-authorized action exists

Net-SGD starts from the Bank of Canada 2026-09-04 rate of CAD 1.0924 per SGD. It assumes 0.25% entry friction, 0.25% exit/FX friction, 0.25% annual ongoing cost, 15% Canadian dividend withholding without reclaim, and annual CAD-versus-SGD paths of -3% / -1% / +1% in Bear / Base / Bull. The same P/B-ROE bridge, exit multiples, dividends, weights and horizon are used; translation does not change valuation.

Trade execution authorized: NO

Kill / trigger criteria:

- BUY trigger: none while Management and Moat remain YELLOW. At modeled Base BVPS and 2.0x P/B, the current Base value is CAD 50.84 before dividends; price alone cannot cure unproved durability.
- PASS trigger 1: Westinghouse TTM EBT margin remains below 5.0% for two consecutive reported periods through Q2 2028, invalidating the Base path to 8.82%.

- PASS trigger 2: uranium reserve additions fail to replace at least 100% of depletion over a rolling three-year period, weakening the 2046 durability case.
- PASS trigger 3: Uranium realized margin falls below 25% for two consecutive quarters while deliveries remain on plan, indicating contract and purchase-cost economics are weaker than modeled.
- Upgrade conditions: both qualitative gates become PASS, audited acquisition-inclusive ROIIC clears the cost of capital, Base terminal common ROE is achieved without favorable one-offs, and price supports a positive P/E-15 cushion plus at least 10% Base and probability-weighted net-SGD IRRs.

Research sizing if actionable: none. This is a completed zero-size research PASS; no funding source, incumbent sale, order, ranking change, BUY queue or portfolio mutation is proposed.

What matters now

The issue is whether Cameco can convert scarce resources and Westinghouse exposure into durable returns that outrun its starting valuation. Base assumes 5.20% Uranium revenue growth, a 32% Fuel Services EBT margin, Westinghouse EBT margin rising from zero to 8.82%, and 9.19% common-equity growth. De-rating from 8.51x current P/B to a justified 2.0x exit overwhelms those wins. The conclusion can change only if Westinghouse proves retained earnings, Uranium replaces depletion, acquisition-inclusive ROIIC clears the cost of capital, and price supports the 15x entry and 10% net-SGD return gates.

Cameco Corporation (CCO.TO) — Institutional Primer

Research date: 2026-09-06 **Fiscal year-end:** December 31 **Latest complete quarter:** Q2 2026, ended 2026-06-30 **TTM anchor:** Q3 2025 through Q2 2026, ended 2026-06-30 **Five-year horizon used by the downstream ER2:** 2031-06-30, exactly five calendar years after the TTM anchor **Reporting basis:** IFRS; Canadian dollars; financial amounts in CAD millions unless stated otherwise **Security:** Cameco common share, TSX:CCO; not an ADR or depositary unit

Scope and source discipline

This primer explains how Cameco makes money and where the economics sit before the reader encounters segment forecasts, management and moat work. It does not forecast, score or reach an investment verdict. All company financial figures come only from the QFR-sealed `quant_foundation.md`, SHA-256 `27b6a7d9c8e44138ea4572506c1912e0f364b0e35881a31b0769b188ba818b0a` (cited below as **QF**). The qualitative data package was still an in-progress stub when this primer was prepared, so qualitative context is drawn from live Cameco primary sources: the [2025 Annual Report](https://www.cameco.com/sites/default/files/documents/cameco-2025-annual-report.pdf), the [Q2 2026 results and interim materials](https://www.cameco.com/invest/financial-information/quarterly-reports/2026/q2), and Cameco's operating and market pages.

1. Business overview: a nuclear-fuel platform, not simply a uranium miner

Cameco supplies inputs, processing services and technology used to keep nuclear reactors operating. Its center of gravity is uranium concentrate, or U3O8: it explores for, mines, mills, purchases and sells uranium. Around that core it owns Canadian refining, conversion and CANDU fuel-manufacturing plants, a 40% economic interest in Kazakhstan's JV Inkai uranium operation, and a 49% equity-accounted interest in Westinghouse, a reactor original-equipment manufacturer and nuclear-services company. Cameco also owns an equity-accounted interest in Global Laser Enrichment, but that development-stage exposure is not a reportable revenue segment and is not central to the current earnings base.

The customer is a nuclear utility, not a commodity trader or retail buyer. Utilities procure fuel years before it enters a reactor because uranium must pass through refining, conversion, enrichment for most light-water reactors, and fabrication. Cameco sells directly to utilities in 16 countries as uranium concentrate, UO2, UF6, conversion services and fuel fabrication. At year-end 2025 it reported 39 uranium customers and 33 UF6 conversion customers. The five largest customers represented 56% of uranium commitments and 53% of UF6 commitments, making the book diversified across utilities but not free of concentration risk. These figures are disclosed on Cameco's [customer page](https://www.cameco.com/invest/markets/cameco-customers).

This is a relationship and reliability business: fuel is regulated and logistically specialized, and a reactor outage caused by missing fuel is far more costly than a modest procurement-price difference. Customers qualify suppliers and diversify by geography and fuel-cycle stage. Cameco sells directly through bilateral discussions and formal requests for proposals; there is no self-service channel.

2. Revenue architecture and economic perimeter

Cameco reports Uranium, Fuel services and Westinghouse as operating segments. Only Uranium, Fuel services and a small Other line appear in consolidated revenue. Westinghouse revenue is shown by management on a proportionate basis for segment context, then eliminated because the investment is accounted for under the equity method. This accounting distinction is fundamental: Westinghouse can be economically material while contributing no consolidated top-line revenue.

FY2025 consolidated revenue composition

Revenue line	FY2025 revenue	Share of consolidated revenue	Accounting treatment
Uranium	2,873.950	82.5%	Consolidated external revenue
Fuel services	562.421	16.2%	Consolidated external revenue
Other	45.562	1.3%	Consolidated external revenue; not a reportable segment
Westinghouse proportionate revenue	3,457.633	Not included	Presented for segment context and eliminated under equity accounting
Consolidated revenue	3,481.933	100.0%	Statutory IFRS revenue

Source: QF P1 and P2. Percentages are direct calculations from QF values.

Uranium. Revenue comes from deliveries of uranium concentrate under the contract portfolio, plus associated transportation and storage activity. Economics are affected by pounds delivered, the mix of produced and purchased material, the realized price embedded in each delivery, inventory costing, foreign exchange and royalties. Volume is lumpy by quarter because contract deliveries are scheduled, not consumed evenly. At the TTM anchor, Uranium revenue was CAD 2,920.218 million, roughly 84.0% of consolidated revenue; cost of sales was CAD 2,120.683 million and the issuer-disclosed segment metric, earnings before income taxes, was CAD 973.426 million. Segment EBT is not operating income and should never be relabeled as such. (QF P2 and P4.)

Fuel services. This segment refines mined uranium concentrate into UO3 at Blind River, converts UO3 to UF6 or UO2 at Port Hope, and manufactures fuel bundles and reactor components for CANDU heavy-water reactors at Port Hope and Cobourg. Customers may buy physical products, processing services or a broader fuel solution. TTM revenue was CAD 551.293 million, cost of sales CAD 411.691 million and segment EBT CAD 141.225 million. The segment is strategically useful beyond its size because conversion capacity is scarce, contracts are long-dated and customer relationships can pull through uranium sales. Cameco describes its operating footprint and approximately 18% share of global primary UF6 conversion capacity on its [Fuel Services page](https://www.cameco.com/businesses/fuel-services). (Financial figures: QF P2 and P4.)

Westinghouse. This is a different earnings architecture. Westinghouse sells nuclear fuel, plant maintenance and outage services, engineered equipment, replacement parts, instrumentation and controls, life-extension support, and design, licensing, procurement and other services for new reactors. Its operating-plants activities attach to a large installed fleet; its new-plants activities include AP1000 reactor technology and developing AP300 small modular and eVinci microreactor offerings. Cameco's [Westinghouse overview](https://www.cameco.com/businesses/westinghouse-nuclear) describes the long-lived installed-base service opportunity and the new-build platform. Cameco's 49% share of Westinghouse revenue was CAD 3,385.789 million in the TTM, but that revenue and its associated cost are eliminated from statutory consolidated revenue. The TTM segment EBT contribution was a loss of CAD 104.362 million, versus positive CAD 53.761 million in FY2025, illustrating how project timing, purchase accounting, finance costs and below-line items can make reported equity earnings much more volatile than the underlying service franchise. (QF P2 and P4.)

3. How the customer buys: contract portfolio mechanics

The uranium market is primarily a long-term contracting market with a relatively small spot market. A utility typically forecasts reactor requirements, secures uranium and separate fuel-cycle services well ahead of loading, and uses spot purchases mainly for discretionary or balancing needs. Cameco therefore manages a portfolio rather than selling each pound at today's screen price.

Cameco's [contracting framework](https://www.cameco.com/invest/markets/marketing-framework) identifies three relevant price structures:

Contract form	Price formation	Economic effect for Cameco
Base-escalated uranium	A term-price reference is set when the contract is accepted and escalated to each delivery	Creates visibility and can preserve economics through escalation, but may lag a sharply rising market
Market-related uranium	A spot or long-term reference is fixed shortly before delivery, often with discounts, floors or ceilings	Retains exposure to stronger prices while floors can protect downside; ceilings can cap upside
Fuel services	Most contracts use a base-escalated price per kgU	Converts scarce processing capacity and long relationships into a more stable service backlog

Contracts are layered over time. The company seeks a balance among delivery certainty, downside floors, exposure to improving prices, customer and regional diversification, product form and logistics. As of June 2026, the QF records average uranium deliveries under contract of more than 28 million pounds a year over the next five years. Cameco stated that commitments are above that average in 2026–2028 and below it in 2029–2030, leaving room to add contracts later. This is intentional optionality, but it also means current spot prices do not translate mechanically into current revenue.

Cameco also manages supply flexibly. It generally plans delivery commitments slightly above expected production plus long-term purchase commitments, may buy in the spot market, and holds inventory to bridge timing differences. FY2025 illustrates the model: Cameco produced 21.0 million attributable pounds, purchased 9.6 million pounds including JV Inkai purchases, and delivered 33.0 million pounds. At June 30, 2026, uranium inventory was 8.7 million pounds at an average cost of CAD 58.05 per pound. These operating figures are in QF's industry inventory and the [2025 annual report overview](https://www.cameco.com/invest/financial-information/annual-reports/2025). The mismatch between production and

deliveries is not automatically a warning; it is built into the portfolio model. It becomes a risk when purchases are expensive, transport is disrupted, production falls or contractual flexibility is insufficient.

4. The fuel cycle: where Cameco participates and where it does not

Mined uranium concentrate cannot be loaded directly into a reactor. Cameco's [fuel-processing primer](https://www.cameco.com/uranium_101/fuel-processing/) sets out the sequence.

Fuel-cycle stage	Physical transformation	Cameco participation
Mining and milling	Ore is processed into uranium concentrate, commonly U3O8 or yellowcake	Core Uranium operations and purchases
Refining	Impurities are removed and concentrate becomes high-purity UO3	Blind River refinery
Conversion for light-water reactors	UO3 becomes UF6, a form that can be enriched	Port Hope conversion facility
Enrichment	The share of fissile U-235 is increased, usually for light-water reactor fuel	No commercial enrichment today; GLE is a development investment
Conversion and fuel fabrication	Enriched material becomes UO2 pellets and assemblies	Westinghouse participates for multiple reactor types
CANDU path	Natural uranium becomes UO2 without enrichment and is fabricated into heavy-water reactor bundles	Port Hope and Cobourg fuel manufacturing
Reactor operations and new build	Fuel, parts, services, maintenance, life extension and new reactor systems	Westinghouse platform

For light-water reactors, Cameco supplies uranium and conversion while another provider usually performs enrichment. For CANDU reactors, Cameco can cover more of the chain because natural uranium does not require enrichment and its Canadian plants manufacture the bundles. Conversion, enrichment and fabrication are therefore separate bottlenecks. Westinghouse extends exposure into downstream fuel, installed-reactor services and new-build technology without full consolidation.

5. Unit economics and capital intensity

Uranium economics

The basic spread is realized sales value less the inventory cost of delivered pounds, royalties, transportation, milling and site costs. Saskatchewan's unusually high-grade deposits can have attractive economics but require underground development, ground freezing, remote logistics and specialized mills. Purchased pounds, including JV Inkai allocations, can carry market-linked costs; delivered inventory may have been acquired in a different period than current production.

In the TTM, Uranium generated CAD 2,920.218 million of revenue against CAD 2,120.683 million of cost of sales. Segment EBT was CAD 973.426 million, a 33.3% EBT-to-revenue ratio. Because the issuer's segment measure is EBT, it includes items that do not belong in a conventional mine-level operating-margin comparison; the downstream model must use the sealed statutory bridge rather than infer consolidated operating income from this percentage. (QF P2.)

The business is capital intensive. Sustaining and growth capital funds underground access, freeze infrastructure, mill reliability, tailings and water systems, and extensions into new mine areas. The environmental obligation persists after production: the June 2026 reclamation provision was CAD 1,039.395 million. Capex also arrives before incremental production and depends on permits, engineering and long lead-time equipment. High ore grade can support a structural cost advantage, but it does not eliminate fixed costs or execution risk.

Fuel-services economics

Fuel services turns licensed plant throughput into contract revenue. Unit volume, mix among UO3, UF6, UO2 and fabricated products, realized price per kgU, feedstock and reagent cost, labour, energy, maintenance and plant uptime drive profit. The facilities have high fixed and compliance costs, so utilization matters. TTM revenue was CAD 551.293 million against CAD 411.691 million of cost of sales, with segment EBT of CAD 141.225 million, or 25.6% of revenue. (QF P2.)

The segment is less geologically risky than mining but remains capital and licence intensive. Aging infrastructure, specialized labour, chemical handling and scheduled outages can constrain production. The Port Hope conversion licence expires in February 2027 and was in relicensing proceedings with hearings expected in late 2026, according to the [Q2 2026 operations update](https://www.cameco.com/businesses/fuel-services). The plants' scarcity creates strategic value, yet any prolonged

outage can remove capacity from a tight market.

Westinghouse economics

Westinghouse combines recurring and project economics. Installed-fleet fuel, outage work, replacement parts, engineering and life-extension services tend to repeat over long reactor lives and can benefit from qualification, intellectual-property and safety barriers. New plants are larger and potentially more episodic: engineering and equipment revenue can be meaningful, but timing, milestones, customer funding, warranties, supply chains and project execution matter. Each new installed Westinghouse reactor can also seed decades of fuel and services demand.

For Cameco shareholders, the cash conversion has two gates. First, Westinghouse must generate accounting earnings and cash after its own operating costs, capital expenditure, finance costs and obligations. Second, the joint owners must approve distributions after considering Westinghouse's budget and capital-allocation priorities. Cameco does not have unilateral access to Westinghouse cash. Nor does Cameco consolidate Westinghouse debt or capex in its own funded-debt and capex figures. Treating proportionate Westinghouse revenue as Cameco revenue, or ignoring investee leverage, would overstate the simplicity of the model.

Consolidated capital conversion

Metric	FY2022	FY2023	FY2024	FY2025	TTM 2026-06-30
Operating cash flow	304.607	688.136	905.288	1,408.432	941.798
Capital expenditures	143.448	153.631	211.635	333.025	385.877
Free cash flow	161.159	534.505	693.653	1,075.407	555.921

Source: QF P6. Free cash flow is official operating cash flow less additions to property, plant and equipment. Westinghouse capex is outside Cameco's consolidated capex because it is equity-accounted.

The table shows a strong recovery through FY2025 and a lower TTM cash result as H1 2026 replaced a stronger H1 2025. Cash flow can move differently from earnings because inventories, delivery schedules, taxes and distributions from equity-accounted investees are meaningful.

6. Asset and geographic footprint

Asset or platform	Geography	Ownership and accounting	Strategic role
McArthur River mine	Northern Saskatchewan, Canada	About 70%; operated joint operation and proportionately consolidated	High-grade ore source
Key Lake mill	Northern Saskatchewan, Canada	About 83%; operated joint operation and proportionately consolidated	Mills McArthur River ore
Cigar Lake mine	Northern Saskatchewan, Canada	57.418% after the July 2026 acquisition; operated joint operation	High-grade producing mine; ore processed at Orano's McClean Lake mill
JV Inkai	South-central Kazakhstan	40%; equity-accounted with 60% state-controlled Kazatomprom partner	Low-cost ISR production purchased into Cameco's supply portfolio
Rabbit Lake and U.S. ISR assets	Canada and United States	Owned interests; not a material current production base	Future supply optionality and care-and-maintenance exposure
Blind River, Port Hope and Cobourg	Ontario, Canada	100% owned and consolidated	Refining, conversion and CANDU fuel manufacturing
Westinghouse	Global, headquartered in Pennsylvania	49%; joint control with Brookfield and equity-accounted	Fuel, reactor services, components, life extension and new plants

Sources: ownership and accounting at FY2025 from QF and the [2025 Annual Report](https://www.cameco.com/sites/default/files/documents/cameco-2025-annual-report.pdf); Cigar Lake's post-quarter ownership from Cameco's [July 2, 2026 closing announcement](https://www.cameco.com/media/news/cameco-closes-deal-to-increase-ownership-in-cigar-lake-mine-0); operating descriptions from Cameco's [uranium operations page](https://www.cameco.com/businesses/uranium-operations).

The Saskatchewan system is world class but operationally complex. McArthur River uses non-entry mining methods and frozen ground in high-pressure water-bearing formations; Key Lake provides the milling infrastructure. Cigar Lake uses jet boring after freezing the ore zone, and its slurry is trucked roughly 70 kilometres to the third-party-operated McClean Lake mill. Those features create capability barriers, but also single-site and infrastructure dependencies. Flooding along northern

supply routes and temporary McClean Lake challenges affected 2026 operations, even though management maintained full-year production guidance in the [Q2 2026 release](https://www.cameco.com/media/news/cameco-reports-2026-second-quarter-results).

JV Inkai broadens supply and mining-method diversity through in-situ recovery, where solution circulates through ore-bearing formations and uranium is pumped to surface. The investment is equity-accounted, and Cameco buys its production allocation rather than proportionately consolidating mine revenue and costs. Purchases are based on prevailing spot price less a contractual discount, so Inkai contributes access to pounds and dividends but its accounting and margin path differ from a consolidated mine. Kazakhstan also introduces sovereign, tax, sanctions, transport, sulphuric-acid and partner-dependence risks.

7. Competitive landscape

There is no single competitor matching Cameco's exact perimeter. Competition occurs at four layers.

Uranium supply. Cameco competes with state-backed and private producers, inventory holders, traders and emerging mines for utility contracts. Scale, reserve quality, jurisdiction, reliability, delivered product form, price formula and willingness to commit future pounds matter. Kazatomprom is simultaneously a major global supplier and Cameco's 60% partner at Inkai; Orano is both a uranium and fuel-cycle competitor and Cameco's partner at Cigar Lake and the McClean Lake mill. High prices can invite restarts and new projects, but permitting, financing, construction and ramp-up delays mean supply response is slow.

Conversion and fabrication. These markets have few qualified facilities, high regulatory barriers and customer-specific logistics. Cameco's Blind River and Port Hope assets compete with conversion capacity in the United States, Europe, Russia and China. In CANDU fuel manufacturing it is one of two Canadian manufacturers and the largest Canada-based supplier of reactor components to CANDU operators, according to Cameco's [customer disclosures](https://www.cameco.com/invest/markets/cameco-customers). Reliability and qualification can matter more than marginal price because alternative capacity is scarce.

Reactor fuel and operating services. Westinghouse competes with other reactor OEMs and specialized service providers, but its installed technology base gives it a natural position in fuel, parts, outage services and plant upgrades. Management stated in Q2 2026 that Westinghouse technology is used by 57% of a global operating fleet of 417 reactors; this is an issuer claim, not an independently audited market-share figure. Service penetration does not imply monopoly: utilities can dual-source some components, rebid services and qualify alternative fuel where technically and regulatorily possible.

New plants. New-build competition is geopolitical and financial as much as technical. Design maturity, licensing, localization, sovereign financing and delivery record matter. A reactor award can create decades of follow-on work, but procurement cycles are long and timing uncertain.

Cameco's competitive advantage is therefore best framed as a portfolio of scarce, permitted assets, contracting credibility, customer access and optional supply—not simply reserve ownership. The weakness of the same model is dependence on complex physical operations, counterparties and policy.

8. Five-year financial history and the present cycle

Period	Revenue	Statutory operating income	Pretax income	Net income attributable to holders	Diluted EPS
FY2021	1,474.984	-136.212	-103.855	-102.577	-0.26
FY2022	1,868.003	15.051	84.795	89.382	0.22
FY2023	2,587.758	282.861	487.153	360.847	0.83
FY2024	3,135.772	510.114	256.716	171.853	0.39
FY2025	3,481.933	618.142	777.261	589.577	1.35
TTM 2026-06-30	3,474.622	514.355	470.962	354.894	0.815

Source: QF P3. EPS is CAD per diluted share.

The history captures a turn from post-downcycle restraint to operating recovery. FY2021 still showed an operating loss. Revenue more than doubled by FY2025, operating income recovered to CAD 618.142 million, and McArthur River/Key Lake returned from care and maintenance after Cameco announced the restart in 2022. The company tied the restart and subsequent production plans to improving long-term contracting rather than maximizing output irrespective of price; its

[November 2022 restart update](https://www.cameco.com/media/news/cameco-produces-first-packaged-pounds-following-mcarthur-riverkey-lake-restart) documents that sequence.

The cycle is not captured by spot uranium alone. Cameco describes a market in which low prices suppressed investment, secondary inventories thinned, and utilities accumulated uncovered requirements. Energy-security concerns, reactor life extensions, restarts, new builds and data-center demand have increased attention to nuclear reliability. At the same time, conversion and enrichment have their own supply constraints, and sanctions or restrictions on Russian nuclear-fuel services can reroute demand. Cameco's [supply-and-demand discussion](https://www.cameco.com/invest/markets/supply-demand) reported 116 million pounds contracted long term by utilities in 2025 versus reactor consumption above that amount, with the long-term price strengthening while spot prices were volatile.

The TTM table shows why quarterly and even annual earnings should not be extrapolated mechanically. TTM revenue was essentially level with FY2025, but statutory operating income, pretax income and net income were lower. Westinghouse's TTM segment EBT swung negative, and 2026 uranium delivery volumes were deliberately lower and uneven. A serious reader must separate contractual price realization, delivery timing, produced-versus-purchased supply, plant performance and investee accounting.

9. Westinghouse ownership and equity-method perimeter

Cameco and Brookfield closed the Westinghouse acquisition in November 2023. Cameco beneficially owns 49%, Brookfield 51%, and the two exercise joint control over strategic operating, investing and financing decisions. The joint venture is therefore equity-accounted rather than consolidated. Cameco records its share of Westinghouse earnings as a single below-operating-income line; dividends reduce the investment balance and provide cash, but do not create consolidated revenue.

Three perimeter rules follow:

- Westinghouse proportionate revenue is useful for understanding activity, but it cannot be added to Cameco's consolidated revenue.
- Westinghouse debt, working capital and capex are not included in Cameco's consolidated funded debt, working capital or capex; they still affect investee earnings and distributable cash.
- Cameco cannot treat Westinghouse cash as its own until the joint owners approve a distribution.

Reported Westinghouse results also include purchase-accounting effects following the acquisition, including the remeasurement and subsequent sale of inventory, plus project timing and finance costs. This is why management often discusses adjusted EBITDA while IFRS equity earnings may differ sharply. The downstream analysis should reconcile rather than mix those measures.

The ownership perimeter could evolve. On July 31, 2026, Westinghouse [confidentially submitted a draft Form S-1](https://www.cameco.com/media/news/cameco-announces-westinghouses-confidential-submission-of-draft-registration-statement) for a potential initial public offering; the number of shares, price range and timing were not determined. This is optionality, not a completed transaction. Until an offering changes ownership or control, the 49% equity-method perimeter remains the correct basis.

10. Balance sheet and capital allocation

Balance-sheet item	2023-12-31	2024-12-31	2025-12-31	2026-06-30
Cash	566.809	600.462	1,114.860	1,112.718
Short-term investments	0.000	0.000	99.603	0.000
Funded debt	1,784.174	1,281.290	996.348	996.750
Lease liabilities	10.816	9.839	14.933	12.162
Net debt including leases	1,228.181	690.667	-203.182	-103.806
Equity attributable to holders	6,094.305	6,364.307	6,903.363	7,133.771

Source: QF P6. Negative net debt means cash and short-term investments exceeded funded debt plus leases.

The balance sheet moved from meaningful net debt after the Westinghouse transaction to modest net cash by FY2025 and remained there at June 2026. Cameco also had a CAD 1.0 billion undrawn revolver, providing flexibility for mine development, plant reliability, inventory and purchase commitments.

Capital allocation must balance sustaining assets, tier-one extensions, reclamation, inventory, acquisitions, fuel-cycle opportunities, debt and dividends. FY2025 dividends paid were CAD 104.480 million versus free cash flow of CAD 1,075.407 million. (QF P6.) Cash is not all distributable: reliability, expansion and working capital are prior claims.

11. Principal operational, geopolitical and regulatory risks

Risk	Transmission mechanism	What to monitor
Saskatchewan mine execution	Water inflow, ground-freezing, development transitions, mill outages or remote-road disruption reduce production and raise unit costs	Packaged pounds, maintenance duration, development milestones and guidance revisions
Third-party processing	Cigar Lake ore relies on Orano's McClean Lake mill	Mill availability, recovery performance and transport interruptions
Contract and supply mismatch	Delivery commitments can exceed owned production and long-term purchases	Spot purchase volume and cost, inventory pounds, delivery deferrals and penalties
Uranium-price realization	Floors, ceilings and lagged contract formulas separate realized prices from spot	Contract mix, sensitivity tables, realized price and new-contract terms
JV Inkai and Kazakhstan	Sovereign law, taxes, sanctions, sulphuric-acid availability, transport and partner decisions affect output and cash	Resource-use contract, mineral extraction tax, shipments, dividends and Kazatomprom guidance
Fuel-services operations	Aging assets, chemicals, labour, reagents and outages can impair licensed throughput	Production kgU, reliability spending and Port Hope licence renewal
Nuclear policy and safety	A major accident or adverse policy can reduce reactor operation and new build	Reactor closures, licence extensions, government policy and public acceptance
Westinghouse execution	New-build delays, cost overruns, warranties, financing and purchase accounting affect equity earnings and distributions	Backlog conversion, milestone receipts, capex, finance costs and cash distributions
Regulation and reclamation	Mining, transport and fuel processing require continuing licences and environmental performance	CNSC and provincial decisions, remediation milestones and reclamation provision changes
Customer concentration	Large utilities represent a meaningful share of commitments	Credit quality, renegotiations, regional policy changes and commitment concentration

Operational risk is not hypothetical. In Q2 2026, flooding damaged a supply route to McArthur River and Key Lake, and Cigar Lake briefly suspended activity due to issues at McClean Lake before resuming. Cameco maintained annual production guidance, but the events demonstrate the importance of redundancy, inventory and purchase flexibility. Cigar Lake's high-grade ore is an economic advantage and a hydrological and radiological operating challenge at the same time.

Geopolitical risk is two-sided. Western efforts to secure non-Russian supply support Cameco's Canadian assets, while Inkai depends on Kazakhstan's laws, state-controlled partner, transport routes and regional sanctions environment. Industrial policy may benefit Westinghouse, but new-reactor programs remain exposed to sovereign funding and permitting.

12. What the reader must understand before the appendices

- **The top line omits Westinghouse.** Consolidated revenue is mostly Uranium plus Fuel services. Westinghouse is economically important but enters through equity earnings and distributions.
- **Segment EBT is not segment operating income.** Cameco's common disclosed segment metric is earnings before income taxes. The downstream work must preserve the QFR-sealed bridge to statutory operating income and net income.
- **Spot uranium is not current revenue.** Contract formulas, floors, ceilings, escalation, delivery timing and historical inventory costs determine realized economics.
- **Production and deliveries need not match.** Cameco deliberately uses owned production, JV allocations, inventory and market purchases to serve a long-term contract book.
- **High grade does not mean low risk.** Saskatchewan ore quality supports cost advantages, but specialized mining, freezing, water management, mills and remote logistics create operational concentration.

- **Fuel services are small but strategically scarce.** Their licensed processing capacity, direct utility relationships and long contracts can strengthen the uranium franchise.
- **Westinghouse adds duration and optionality, plus accounting complexity.** Installed-fleet services may be recurring, while new builds are large and lumpy; investee debt, capex and distribution decisions sit outside Cameco's consolidated accounts.
- **The balance sheet is resilient, not idle.** Modest net cash and an undrawn revolver provide flexibility against capital, inventory, reclamation and acquisition needs.
- **The current cycle reflects security of supply.** Utility contracting, reactor lives, new builds and constrained fuel-cycle capacity matter more than a single day's commodity quote.
- **The key analytical task ahead is normalization.** The appendices must separate sustainable mine and fuel-services economics from delivery timing, purchased-pound effects, derivatives, foreign exchange, equity-method volatility and one-time Westinghouse project contributions.

The primer's job is orientation: Cameco is a vertically broader and financially more complex nuclear-fuel platform than a pure-play miner, but it remains exposed to commodity cycles, difficult physical assets, long procurement lead times and policy. The following appendices should be read with those boundaries fixed.

Cameco Corporation — Management Assessment

Security: CCO.TO **Information cutoff:** 2026-09-06 **Assessment:** Production ER2 management gate **Quantitative source lock:** `data_package.md`, SHA-256 `f3ff23c8a585986a32fab4ca4b2bc74c01c76c593e4be3b3faa5e14f3b10f880`

Scope and evidence

Historical operating results, capital allocation, and recent actions come only from the DR-cleared data package. Governance, leadership, compensation, and call behavior were checked against live official documents newly archived in `raw/pulse-cio-20260906T160434+0800/m`; the URL, retrieval time, and SHA-256 for every archived source are in `evidence_manifest.md`. The last eight official calls run from Q3 2024 through Q2 2026.

ID	Primary source	Main use
P26	[2026 management proxy circular](https://www.cameco.com/sites/default/files/documents/cameco-2026-management-proxy-circular.pdf)	Board, pay, ownership, governance
AR25	[2025 annual report](https://www.cameco.com/sites/default/files/documents/cameco-2025-annual-report.pdf)	Strategy, joint ventures, controls, related parties
Q2-26	[Q2 2026 MD&A and statements](https://www.cameco.com/sites/default/files/documents/2026-Q2-MDA-FS-Notes_0.pdf)	Latest operations, Westinghouse, Inkai, Cigar Lake
Calls	Official [Q3 2024](https://www.cameco.com/sites/default/files/documents/2024-Q3-Transcript-and-Slides.pdf) through [Q2 2026](https://www.cameco.com/sites/default/files/documents/CCO-transcript-2026-Q2-call.pdf) transcripts	Candor and guidance discipline

1. Who is running the company

Leader	Current role and start	Relevant history	Accountability
Tim Gitzel	CEO since July 2011; relinquished president title in September 2025	Joined Cameco in 2007 as COO; previously led Orano's global mining business	Overall strategy; cycle curtailments and restart; Westinghouse acquisition; government relationships
Grant Isaac	President and COO since September 1, 2025	Executive since 2009; CFO from July 2011 and executive vice-president and CFO from 2023	Operations, exploration, corporate development, marketing and strategy; Cameco appointee on Westinghouse board
Heidi Shockey	SVP and CFO since September 1, 2025	Joined in 2005; controller for ten years; deputy CFO from February 2023	Finance, tax, treasury, risk and technology; chairs Westinghouse audit committee
Lisa Aitken	SVP and chief marketing officer since January 1, 2026	Promoted from vice-president, marketing	Contract portfolio and commercial discipline
Dominic Kieran	Global managing director, Cameco UK; chair of Westinghouse	Senior nuclear-industry operating role	Westinghouse oversight and operating framework
Catherine Gignac	Independent board chair	More than 30 years in mining capital markets and geology	Independent oversight, CEO evaluation, strategy and governance

Cameco does not publicly assign the three reportable segments to autonomous divisional CEOs. Uranium and fuel services operations roll to Isaac; marketing discipline rolls to Aitken; Westinghouse is a 49% joint venture governed through Cameco's three board appointees. This is a coherent operating model, but it concentrates the succession question around Isaac: his operating remit is broad, he has only one year in the COO seat, and he remains the most plausible future CEO.

After Dominique Minière stepped down on July 26, 2026, the board has eight members. Six are independent; Gitzel is non-independent as CEO and Tammy Cook-Searson is non-independent because businesses connected to the Lac La Ronge Indian Band receive procurement payments from Cameco. The resulting 75% independence remains acceptable, and the audit, compensation, and nominating and risk committees are composed entirely of independent directors. Gignac is a genuine counterweight: the roles of chair and CEO have been separate since 2003, and she held 24,500 shares plus 40,802 DSUs at year-end 2025, equal to 15.5 times her chair retainer.

2. Tenure and track record

Gitzel has been CEO for more than fifteen years and therefore owns both the painful post-Fukushima retrenchment and the current recovery. His three load-bearing decisions are visible in the cleared numbers.

Decision	Timing and evidence	Result so far	Assessment
Curtail tier-two supply and wait for contract economics	Multi-year downturn; no speculative restart	Uranium revenue rose from CAD1.055bn in FY2021 to CAD2.874bn in FY2025; uranium EBT rose from negative CAD37m to CAD954m	Strong cycle discipline; value was protected by leaving uneconomic pounds in the ground
Restore tier-one production in step with commitments	2022-2025 restart and ramp	Cameco-share production rose from 6.1m lb in 2021 to 23.4m in 2024, then 21.0m in 2025; FY2025 FCF reached CAD1.075bn	Economically successful, but 2025 McArthur development delays show execution is not frictionless
Buy 49% of Westinghouse with Brookfield	Closed November 2023; FY2023 net acquisitions CAD3.029bn; 34.1m shares issued in 2022 to pre-fund	Westinghouse 2025 proportionate revenue CAD3.458bn and EBT CAD54m; the acquisition loan was fully repaid in January 2025; distributions began	Strategically coherent but retained return remains unproven; accounting and cash conversion are lumpy

The record contains failures and course corrections. The original 2025 McArthur River and Key Lake plan of 18 million pounds was cut to 14-15 million after development delays. Management disclosed the clay-zone and freeze-infrastructure issues and Cigar Lake offset part of the shortfall; consolidated production ultimately reached 21.0 million pounds, above revised guidance. That is competent mitigation, not a clean meet of the original plan. Management's later description sometimes blended the technical miss with deliberate supply discipline, which is less candid than simply separating operational slippage from strategic pacing.

Isaac deserves explicit credit and accountability. As CFO from 2011 through August 2025, he co-owned the balance-sheet choices, the Westinghouse financing, and the use of equity. The company ended FY2025 with CAD1.215bn of cash and short-term investments against CAD1.011bn of debt including leases, after extinguishing the acquisition term loan. Shockey inherits a strong balance sheet and deep internal-control experience, but she has only one year of public evidence as CFO. Her Q2 2026 answer that the cost-guidance increase was mainly FX on purchases, not unplanned site inflation, was concise and useful.

3. Capital allocation behavior

Fiscal year	Capex CAD bn	R&D CAD bn	Buybacks CAD bn	Dividends CAD bn	Net acquisitions CAD bn
2021	0.099	0.007	0.000	0.032	0.005
2022	0.143	0.012	0.000	0.052	0.001
2023	0.154	0.021	0.000	0.052	3.029
2024	0.212	0.037	0.000	0.070	0.000
2025	0.333	0.038	0.000	0.104	0.000

The pattern fits the stated strategy. Capex rose from 6.7% of revenue in 2021 to 9.6% in 2025 as tier-one reliability and flexibility became more valuable. There were no buybacks, an appropriate choice while financing Westinghouse and rebuilding operating resilience. Dividends increased only after cash generation improved, reaching CAD0.24 per share for 2025. Debt repayment was prioritized over cosmetic capital returns.

Westinghouse is the unresolved centerpiece. The partnership board has six directors, three appointed by Cameco and three by Brookfield. Ordinary voting reflects 51% Brookfield and 49% Cameco ownership, but reserved matters including the annual budget and business plan require support from both owners while ownership thresholds are met. Cameco therefore has joint control over strategy, investment, financing, and distribution decisions, not a passive minority stake. The public record also shows real oversight: Isaac sits on the board, Shockey chairs its audit committee, and Kieran chairs Westinghouse.

The downside is that adjusted EBITDA has dominated the narrative while statutory EBT was only CAD54m in 2025 and fell to negative CAD104m on the TTM basis in the cleared package. Westinghouse distributed US$49m and US$171.5m to Cameco in 2025 and another US$49m in early 2026, but cash flows will remain project-timed and subordinate to approved growth spending and deleveraging. The confidential S-1 creates valuation and liquidity optionality; it does not yet prove value realization. The U.S. government participation right vests only under demanding conditions and applies above a US$17.5bn distribution threshold, but it is still a future claim on Westinghouse value.

The July 2026 Cigar Lake interest increase from 54.55% to 57.4% is more obviously aligned: it increases ownership of a proven high-grade tier-one asset rather than adding a new operating platform. No purchase consideration was provided in the cleared package, so the price paid cannot be judged here. Consolidated ROIC improved from negative 2.2% in 2021 to 6.7% in 2025, still far below the Gideon compounder bar. Management has earned credit for cycle timing and financing, but not yet for high-return reinvestment.

4. Compensation alignment

Feature	2025 design or outcome	Alignment judgment
CEO total direct pay	CAD9.888m: CAD1.275m salary, CAD2.619m STI, CAD5.994m LTI	87% at-risk, but absolute level and 2026 escalation are demanding
STI	80% corporate and 20% individual; financial half uses adjusted net earnings and funds from operations; total corporate multiplier 160%	Cash and safety breadth are positive; one-year adjusted metrics can reward cycle conditions
LTI mix	60% three-year PSUs and 40% three-year RSUs	PSUs are performance-based; 40% time-vested RSUs is meaningful retention pay
2025 PSU measures	35% relative realized uranium price, 35% production versus budget, 30% adjusted EBITDA CAGR versus budget	Fits strategy, but no explicit ROIC, FCF per share, or absolute shareholder-return gate
2026 PSU measures	50% realized uranium price; 40% adjusted EBITDA CAGR; 10% Westinghouse milestones	Production overlap removed, but Westinghouse milestone discretion increases
2026 CEO targets	Salary up 14%; STI target to 140% of salary; LTI target to 600%	Pay moved ahead of proof that Westinghouse creates retained per-share returns

Skin in the game is real. Gitzel owns 532,211 actual shares, Isaac 87,185, and Shockey 19,999, excluding unvested awards. The formal guidelines are five times salary for the CEO, four times for the president, and three times for senior vice-presidents. Although compliance calculations can include RSUs and half of PSUs, all but one named executive met the guideline using actual shares alone. Clawbacks cover all incentive compensation, an additional SEC and NYSE no-fault policy applies after restatements, and hedging, margin accounts, option repricing, and tax gross-ups are prohibited.

The five-year share-based compensation expense ratio is volatile because most awards are cash-settled and remeasured with the share price. PSUs and RSUs are paid in cash or shares bought on the open market and are explicitly non-dilutive; therefore the table is a cost ratio, not a dilution ratio.

Year	Share-based compensation expense CAD m	Revenue CAD m	Expense as percent of revenue
2021	49.676	1,475	3.37%
2022	31.228	1,868	1.67%
2023	67.377	2,588	2.60%
2024	48.857	3,136	1.56%
2025	86.629	3,482	2.49%

Legacy option dilution is nearly exhausted: no options have been granted since 2019, only 145,895 shares were issued on option exercise in 2025, and 114,063 options remained at year-end. The material dilution event was the 34.1m-share 2022 issuance to finance Westinghouse, a capital-allocation decision rather than chronic SBC abuse.

5. Disclosure quality, question handling, and guidance credibility

Official call	Load-bearing question	Management response	Subsequent evidence and candor grade
Q3 2024	Inkai acid and shipping shortfall; Westinghouse growth	Gave revised Inkai volume, shipping mechanics, and kept 6%-10% Westinghouse CAGR until FID	Direct on current numbers; appropriately conservative on uncommitted projects. Good
Q4 2024	Inkai's surprise January shutdown and contract floors	Called the halt a surprise, gave January 23 restart, and disclosed floors around the CAD-equivalent market range and ceilings in the mid-US$130s	No concealment; 2024 revenue finished within revised guidance. Good
Q1 2025	Inkai timing, Russian exposure, product loans	Separated physical-delivery timing from equity earnings and explained sourcing levers	Guidance unchanged with risks named. Good

Official call	Load-bearing question	Management response	Subsequent evidence and candor grade
Q2 2025	McArthur development risk and range of outcomes	Named freeze development, labor, and commissioning issues but said guidance remained 18m lb and offered no downside range	Plan was cut to 14-15m lb in August. Weak
Q3 2025	Whether McArthur delay would spill into 2026	Explained clay zone and freeze infrastructure, but repeatedly reframed pace as supply discipline and withheld a 2026 range	Original miss was disclosed; revised 2025 plan was met and consolidated result exceeded. Mixed
Q4 2025	Why 2026 McArthur could remain below design and why Westinghouse growth slowed	Quantified the technical setup and separated core from new-build lumpiness	New 2026 guide was explicit; no completed-year result yet. Good with narrative defensiveness
Q1 2026	Timing of U.S. definitive agreements and Inkai acid	Gave workstreams and binding-term-sheet status but no timeline; explicitly said acid-plant progress lacked evidence	Legally and commercially bounded, though promotional. Mixed
Q2 2026	IPO rationale, cost increase, AP1000 cost-overrun exposure	Correctly cited SEC silence on IPO; CFO isolated FX as cost driver; cost-overrun answer stressed design maturity without clearly stating contractual exposure	MD&A separately says Westinghouse does not take construction risk. Mixed

On a defined test—an analyst asks for a number, timing, or downside allocation and management substitutes broad framing—material hedging appeared in **four of eight quarters**: Q2 and Q3 2025 and Q1 and Q2 2026. This is not the same as ordinary caution. Management voluntarily discloses contract volumes, floors and ceilings, inventory cost, Inkai purchase economics, Westinghouse backlog and orders, and detailed AP1000 frameworks. The disclosure set is substantially better than most uranium peers.

Guidance credibility is therefore good but not pristine. The company met revised 2024 revenue guidance, delivered within 2024 sales patterns, met or exceeded revised 2025 production and delivery ranges, and updated Westinghouse guidance only after a contractual Dukovany item. The one material blemish is the Q2 2025 reaffirmation shortly before the McArthur cut. Maintaining 2026 guidance through Q2 despite temporary disruptions is not yet evidence of a miss, but it creates a clean forward test.

6. Strategic coherence

The 2026 circular states that the strategy is to “capture full-cycle value” through disciplined contracting, tier-one production, financial discipline, and selective nuclear-value-chain opportunities. Investment follows that statement: higher reliability capex, no buybacks, debt retirement after Westinghouse, selective Cigar Lake consolidation, and patient contracting rather than production maximization. Westinghouse extends the strategy rather than constituting an unrelated pivot.

The weakness is destination precision. Management presents a credible ten-year direction—more market-linked uranium contracts, tier-one flexibility, fuel-services capacity, and reactor lifecycle exposure—but AP1000 opportunity language can blur pipeline, backlog, FID, and realized economics. Q2 2026 disclosure improved this by identifying 91 potential reactors as pipeline, not guidance, and by publishing backlog, order, capex, and margin frameworks. Continued separation of opportunity from funded backlog is essential.

7. Governance flags and minority-shareholder protection

Issue	Evidence	Judgment
Board independence	Six of eight current directors independent; independent committees and chair; annual elections and majority voting	PASS
Related parties	CAD86.265m paid in 2025 to northern suppliers whose president is director Tammy Cook-Searson; arm’s-length terms; Audit and Finance review; she is classified non-independent	YELLOW disclosure item, not misconduct
Share structure	One vote per common share; one Class B share only has a separate vote on moving head office; 25% Canadian and 15% non-resident ownership caps	No economic dual-class controller; takeover restrictions can entrench the status quo
Controls and enforcement	Management and KPMG found 2025 internal control effective; no material weakness or restatement disclosed	PASS; KPMG’s tenure since 1988 is unusually long despite partner rotation

Issue	Evidence	Judgment
Say on pay	97.19% support in 2025; annual advisory vote since 2010	Strong support, though not a substitute for return-based pay metrics
Westinghouse	Three directors per owner; joint approval of reserved matters; confidential IPO filing does not compel Cameco to sell	Reasonable protection for Cameco's 49% interest
JV Inkai	Cameco owns 40% and lacks joint control; 2018 agreement provides minority protections	Contract protection exists, but January 2025 shutdown proves state-partner and regulatory power can override operations

Inkai is the clearest governance and geopolitical stress test. Kazatomprom owns 60%; Kazakhstan's progressive mineral extraction tax can reach 18% plus up to 2.5% based on spot price; acid, construction, transport, currency, and dividend timing remain exposed to state decisions. Management has mitigated delivery risk with inventory, long-term purchases, product loans, and a Trans-Caspian route, and it received US$124m net dividend in Q2 2026. Those are useful mitigants, not control. A management appendix should not treat the 2018 minority-protection framework as equivalent to Westinghouse joint control.

8. Peer comparison

CEO	Stewardship evidence	Capital allocation per dollar	Disclosure	Relative rank
Tim Gitzel, Cameco	Fifteen-year cycle ownership; curtailment, restart, Westinghouse and balance-sheet repair	Best demonstrated cycle discipline; Westinghouse return still below proof threshold	Detailed and accessible, with one material production-guidance blemish	First for five-year stewardship; second for current KPI purity
Meirzhan Yussupov, Kazatomprom	CEO since 2023; leads the world's largest uranium producer under state control	Superior low-cost volume platform, but production, tax, and social obligations are less autonomous	Quantitative cost and volume disclosure is strong; minority-shareholder alignment is structurally weaker	Second for operating scale; third for minority alignment
Amir Vexler, Centrus Energy	CEO since 2024; HALEU milestones, DOE award, and centrifuge build-out	Potentially high return because government support and customer backlog fund scale, but cycle evidence is short	Clearest milestone and backlog reporting of the group	First for milestone precision; unproven for decade stewardship

Cameco has no perfect listed peer because no alternative combines mines, conversion, fuel fabrication, and a large reactor-services joint venture. Against realistic alternatives, Gitzel ranks best on surviving and exploiting a full uranium cycle, but not yet on incremental return evidence. Vexler is more explicit about program milestones; Yussupov controls a lower-cost resource base but operates within a state-owned governance perimeter.

9. Management gate verdict

MANAGEMENT GATE: YELLOW. Gitzel and Isaac have demonstrated rare cycle discipline, strong financing judgment, real ownership, and generally high disclosure quality, while Shockey offers credible internal continuity. The gate does not pass because consolidated ROIC is only 6.7%, Westinghouse has not yet proved retained per-share returns on the CAD3.029bn acquisition outlay, compensation lacks an explicit ROIC or FCF-per-share measure, and the Q2 2025 production reaffirmation weakened guidance credibility. These are bounded and monitorable issues rather than evidence that management is untrustworthy or serially destructive.

Direction	Quantitative condition
Upgrade to PASS	Consolidated ROIC reaches at least 10% for two consecutive fiscal years and FCF remains positive after capex
Upgrade to PASS	Westinghouse produces positive Cameco-share statutory EBT and annual cash distributions of at least CAD300m for two consecutive years without a net capital call from Cameco
Upgrade to PASS	Original annual uranium production guidance is achieved within 5% for two consecutive years, with no greater-than-10% post-Q2 mine-plan cut
Upgrade to PASS	At least 25% of PSU value is tied directly to ROIC, FCF per share, or another retained-return measure; time-vested RSUs fall to 25% or less of LTI
Downgrade to FAIL	Westinghouse requires more than CAD500m of incremental Cameco capital without a board-disclosed expected return of at least 12%, or remains below 8% cash yield on invested capital through FY2028
Downgrade to FAIL	A second post-reaffirmation production cut greater than 10% occurs within three years, or 2026 uranium output finishes below 19.5m lb without a contemporaneous quantified explanation

Direction	Quantitative condition
Downgrade to FAIL	Board independence falls below two-thirds, related-party procurement exceeds 3% of revenue without independent tender evidence, or Westinghouse reserved-matter rights are weakened
Downgrade to FAIL	Compensation pays above target while consolidated ROIC remains below 8% and FCF per share declines for two consecutive years

The present judgment is investable but provisional. Management has earned the right to be measured on execution, not the right to have Westinghouse opportunity value treated as realized return.

Cameco Corporation — Moat and 2046 Durability

Security: CCO.TO **Assessment date:** 2026-09-06 **Quantitative source:** DR-cleared `data_package.md`, SHA-256 `f3ff23c8a585986a32fab4ca4b2bc74c01c76c593e4be3b3faa5e14f3b10f880` **Evidence boundary:** Company historicals and margins come only from the cleared package. External evidence is live primary or authoritative material archived in the run's `raw/../w` folder. The completed Uranium and Westinghouse competitive/moat sections were cross-checked before finalization; Fuel services remained a stub and was not evidence.

1. Moat taxonomy applied

Network effects — absent. More customers do not improve the product for the next customer. Utility relationships improve market intelligence and contracting, but that is reputation and high-trust procurement. Westinghouse's aftermarket is better classified as installed-base switching costs: plant-specific designs, safety cases, parts, fuel and operating knowledge are costly to replace.

Switching costs — moderate in uranium and conversion; strong in qualified nuclear fuel and installed-plant services. A utility can buy fungible U3O8 from another qualified origin, subject to contract, transport and policy constraints, so uranium switching costs are not absolute. They rise when a buyer needs reliable Western-origin material in a specified form on a fixed refuelling timetable. Conversion is also physically standardized, but there are only a few Western facilities, long logistics chains and limited slack. Switching becomes hardest in fuel assemblies, safety-analysis methods, digital controls, proprietary parts and OEM engineering. The IAEA's fuel-qualification guidance describes customer audits, process requalification and sometimes irradiation of lead test assemblies before wider orders; the NRC likewise distinguishes lead-test assemblies from fuel approved for unrestricted batch use. That makes qualification a genuine multi-cycle barrier, although Framatome, GE Vernova/Global Nuclear Fuel and other qualified vendors prove it is not monopoly protection. Sources: [IAEA fuel qualification guidance](https://www-pub.iaea.org/MTCD/Publications/PDF/Pub1400_web.pdf) and [NRC lead-test-assembly program](https://www.nrc.gov/reactors/power/atf/lead-test).

Scale economies — real, but asset-specific. McArthur River/Key Lake and Cigar Lake spread specialized mining, ground-freezing, radiation protection, milling and compliance capability over very high-grade deposits. Blind River is the world's largest commercial uranium refinery, while Port Hope represents about 18% of global primary UF6 conversion capacity and is one of three Western suppliers, according to Cameco. Westinghouse operates a global engineering, manufacturing and service footprint. Scale improves purchasing, utilization, customer coverage and the ability to fund long qualification programs. It does not repeal mine depletion, fixed-cost operating leverage or the capacity-cycle: low utilization destroyed uranium economics in FY2021, and new supply becomes economic when prices rise.

Brand and high-trust procurement — meaningful, not consumer-style pricing power. Nuclear utilities purchase safety-critical inputs whose cost is small relative to an outage. Cameco contracts with 39 uranium and 33 conversion customers across 16 countries. Westinghouse's OEM history and plant-specific knowledge lower perceived execution risk and support shortlist access; they cannot prevent sovereign buyers from favoring national champions.

Regulatory and permitting barriers — strong, but double-edged. Uranium mines, mills, conversion, fabrication and reactor designs require extensive licensing, quality assurance and environmental obligations. Port Hope has operated since 1935, and the CNSC confirms its current licence runs to 2027 while a 20-year renewal is under review. The AP1000 design is codified through U.S. design certification, with a 2026 renewal/update application under NRC review. Replicating a permit plus the operating history, workforce and community relationships can take many years. However, a licence is revocable and site-specific; renewal failure, a quality lapse or a nuclear incident can erase rather than protect economics. Sources: [CNSC Port Hope facility record](https://www.cnsc-ccsn.gc.ca/eng/uranium/processing/nuclear-facilities/port-hope-uranium-conversion/) and [NRC AP1000 certification history](https://www.nrc.gov/reactors/new-reactors/large-lwr/design-cert/ap1000).

IP and patents — strong inside Westinghouse, limited in mining and conversion. Cameco's mining advantage is geological and operational know-how, not patents. Westinghouse owns reactor designs, licensed safety-analysis methods, plant documentation, fuel designs and control systems. The AP1000's value is the validated design-control document, licensing evidence and operating experience—not a standalone drawing. Durability still requires updates, cyber protection and safe performance.

Resource scarcity — strong for individual tier-one assets, weak for uranium as a global commodity. Athabasca geology and existing infrastructure are scarce. But the OECD-NEA/IAEA Red Book estimates a resource base sufficient even for high-demand projections through 2050 if investment arrives; Canada represented about 10% of identified recoverable

resources below USD130/kgU, while Kazakhstan produced 43% of global uranium in 2022. Cameco therefore owns unusually attractive resources, not irreplaceable global uranium. The moat is the cost, grade, permit and operating system around specific deposits. A high uranium price both increases their rent and finances competitors. Source: [OECD-NEA/IAEA Uranium 2024](https://www.oecd-nea.org/upload/docs/application/pdf/2025-04/7683_uranium_2024_-_resources_production_and_demand_2025-04-22_14-29-2_928.pdf).

2. Per-segment moat

Segment	Defensible advantage	Durability	What breaks it	Earliest observable sign
Uranium	Tier-one high-grade Saskatchewan deposits; licensed mines and mills; difficult operating know-how; customer trust; contracting and inventory flexibility	Strong 5-year; moderate 10-year; unresolved 20-year	Depletion without replacement; persistent execution failures; low-cost state-backed supply or secondary inventories reset the price curve; Inkai disruption increases purchased-pound dependence	P&P reserves below 400m lb; rolling three-year reserve replacement below 75%; produced cash cost above CAD35/lb; purchased pounds exceed one-third of deliveries
Fuel services	One of three Western UF6 suppliers; 18% primary conversion capacity; only Canadian conversion facility; refinery scale; qualified CANDU manufacturing; bundled utility relationships	Strong 5-10-year; potentially 20-year if licence and assets are renewed	Port Hope licence failure; aging-asset outage; new Western capacity causes sustained underutilization; customers qualify alternatives	No Port Hope renewal by licence expiry; annual output below 10m kgU for two years; contracted UF6 below 50m kgU; segment EBT margin below 15% for two years
Westinghouse	Installed-base OEM knowledge; certified reactor design; proprietary fuel, controls, safety methods and parts; regulatory/customer qualification; 3-to-10-plus-year core contracts	Strongest qualitative 20-year candidate, but financial proof incomplete	OEM-neutral service substitution; alternative fuel qualification; design obsolescence; cyber/IP loss; large-project cost or warranty exposure; weak backlog conversion	Core backlog below US$10bn; book-to-bill below 0.9x for two years; Cameco-share segment EBT margin below 5% for two years; recurring cash distributions fail to cover proportionate sustaining investment

Uranium. The attack is straightforward: offer utilities cheaper pounds from Kazakhstan, Africa, Australia, Uzbekistan or restarted Western mines. Competitors fail when they lack licensed, financed and reliable supply in the customer's required window; they succeed if the market price stays high long enough to fund projects or if state-owned production prioritizes share over returns. Cameco's 2025 produced cash cost of CAD23.74/lb versus CAD87.00/lb realized price demonstrates tier-one rent, but the segment's EBT margin moved from negative 3.5% in FY2021 to 33.2% in FY2025. That is powerful cost leverage, not proof of cycle-independent pricing.

Fuel services. A competitor must build or expand regulated conversion capacity, qualify operating systems, source feed, develop cylinder logistics and win long-term utility contracts. Cameco's 83m kgU UF6 contract book and production near its 12.5m kgU licensed UF6 capacity make displacement difficult in the next five years. Yet the same scarcity can attract subsidized U.S. or European capacity. The moat lives in permitted capacity, reliability and customer qualification—not the chemistry of UF6 itself.

Westinghouse. An attacker can bid generic maintenance, qualify alternative fuel or offer a sovereign-backed design. It struggles where work touches proprietary plant documentation, safety methods, qualified fuel, bespoke parts or AP1000 design authority. About 84% of 2025 revenue came from the durable core business. The AP1000 reference set—six operating, 14 under construction, 14 contracted and six selected in the [Westinghouse fact sheet](https://westinghousenuclear.com/media/jhlfh5l5/32201_wec-ap1000_flysheet_digital-1-1.pdf)—must not be mistaken for firm revenue. Chinese and Russian designs represented 94% of reactor construction starts in the decade through 2025, according to the [IEA](https://www.iea.org/reports/global-energy-review-2026/technology-nuclear). New Build can seed decades of service, but remains exposed to schedule, scope and sovereign-financing risk.

The blended moat is weaker than Westinghouse's installed-base story suggests. FY2025 statutory external revenue was 82.5% uranium, 16.2% fuel services and 1.3% other; Westinghouse revenue is eliminated and only 49% EBT is retained by equity accounting. Thus current consolidated earnings remain dominated by cyclical uranium rent. The more durable Westinghouse core franchise cannot be credited at full consolidated scale until its EBT and cash distributions show persistence.

3. Margin persistence evidence

The DR-cleared package supplies five comparable years, not a full ten; no unsourced extension is made. It shows a recovery from a post-Fukushima/downcycle trough into a favorable contracting and price environment.

Margin evidence	FY2021	FY2022	FY2023	FY2024	FY2025	TTM 2026-06-30	Interpretation
Consolidated statutory operating margin	-9.2%	0.8%	10.9%	16.3%	17.8%	14.8%	Strong recovery, then 300bp TTM compression; not yet stable across a full cycle
Uranium EBT margin	-3.5%	13.5%	28.2%	33.8%	33.2%	33.9%	Tier-one operating leverage plus higher realized prices; high current margin is cycle-sensitive
Fuel services EBT margin	27.5%	32.8%	30.4%	23.5%	31.8%	25.8%	Genuine persistence despite volume variability; current TTM has compressed by 600bp
Westinghouse EBT margin	n/a	n/a	-6.0% partial year	-9.7%	1.6%	-3.0%	No demonstrated margin persistence; purchase accounting and project timing complicate the record

Uranium realized price rose from CAD43.34/lb in FY2021 to CAD87.00/lb in FY2025, while unit cost including depreciation rose from CAD47.80 to CAD62.71; the approximate unit spread moved from negative CAD4.46 to positive CAD24.29. Fuel-services price rose from CAD29.72/kgU to CAD43.04 against cost rising from CAD21.02 to CAD29.74. Those are observable economics, but they coincide with constrained supply. Consolidated ROIC reached only 6.7% in FY2025, insufficient evidence of a cycle-independent compounder.

4. AI disruption stress test

Segment	Workflow or chokepoint?	AI impact through 2036	Moat implication
Uranium	Physical and regulated chokepoint	Better ore-body interpretation, autonomous inspection, predictive maintenance, ventilation and freeze-plant optimization	Productivity can lower cost and improve reliability, but AI cannot create Athabasca ore, licences, mills or customer-ready pounds
Fuel services	Physical capacity plus regulatory qualification	Process-control optimization, predictive maintenance, quality inspection and scheduling	Low disruption risk; qualified plants and licensed throughput remain scarce, although rivals can use the same AI tools
Westinghouse	IP/installed-base chokepoint with workflow-heavy engineering edges	Automates documentation, code search, outage planning, engineering analysis and digital support; raises cyber and model-validation burdens	Some billable engineering hours commoditize, but validated methods, liability, design authority, fuel qualification and plant data keep the profit pool defensible

Westinghouse engineering and digital workflow is most exposed because AI can accelerate routine analysis and documentation. It cannot certify a design, assume liability, manufacture qualified fuel or sign a regulator-acceptable safety case. Uranium is most protected because value requires physical licensed production; Fuel services is close behind. Data-center electricity demand is a tailwind, not a proprietary AI moat. Underwrite AI as productivity and cost avoidance, not a new business line.

5. The 2046 test

Date test: from 2026-09-06 to 2046-09-06.

Specific 2046 business description. Cameco in 2046 sells uranium concentrates and conversion services under multi-year contracts to regulated nuclear utilities, produces qualified CANDU and light-water-reactor fuel inputs in Canada, and owns a material interest in Westinghouse, which supplies reload fuel, proprietary parts, outage and life-extension services, digital controls and design-authority work to an installed reactor fleet. McArthur River/Key Lake and Cigar Lake are mature or partly depleted, so Saskatchewan brownfields, satellite deposits and at least one advanced project must replace a meaningful share of present output; Inkai remains a minority supply source rather than the franchise's foundation. Fuel services survives because Port Hope's licence has been renewed through at least 2047 and qualified Western conversion remains strategically

valued. Westinghouse Operating Plants is larger than New Plants and earns recurring revenue from reactors installed during the 2020s and 2030s; New Plants is lumpy and project-screened. Consolidated statutory operating margin is directionally stable in the mid-to-high teens rather than structurally higher, because resource depletion, reinvestment and commodity resets offset service-mix improvement. The business still makes money because licensed resource infrastructure, scarce conversion capacity, qualified nuclear fuel and OEM-specific installed-base IP remain intact.

That description is plausible, but it depends on two unproven bridges. First, 2025 P&P reserves were 433m lb, down 52m lb from 2023; production depletes the best deposits, so a land package is not a reserve until drilling, engineering, permitting and economics convert it. Second, Westinghouse's reported EBT margin was only 1.6% in FY2025 and negative on the latest TTM. Its US$13.2bn Operating Plants backlog and contracts lasting three to more than ten years support visibility, but not yet high retained returns for Cameco.

Eroded-moat 2046. Cameco is then a higher-cost portfolio marketer buying pounds to satisfy contracts after Canadian reserve replacement lagged; Inkai output and cash are constrained by Kazakhstan policy; new conversion capacity has normalized UF6 spreads; and Westinghouse is a lower-margin engineering contractor whose generic services were automated or rebid while AP1000 projects suffered delays, localization and warranty disputes. Consolidated margin oscillates around high single digits and capital intensity absorbs cash. This bear outcome is not the base case, but a 30%-40% probability is too high for a PASS because the reserve and Westinghouse financial evidence are still developing.

2046 test: YELLOW. Upgrade requires all of: rolling three-year reserve replacement at or above 100%; P&P reserves at or above 450m lb; Port Hope licensed beyond 2046 with at least 60m kgU contracted UF6; and Westinghouse three-year average EBT margin at or above 8% with recurring positive distributions after sustaining investment. Downgrade to FAIL if any two occur: P&P reserves below 350m lb, reserve replacement below 50% for three years, Port Hope renewal or sustained safe operation fails, uranium EBT margin stays below 15% for two years despite long-term uranium above US$70/lb, or Westinghouse EBT remains negative for two years while core backlog falls below US$8bn.

6. Competitive threat inventory

Threat	Mechanism	Segment(s) affected	Earliest observable signal	Plausibility
State-backed and newly financed supply response	Kazakhstan and other producers expand; restarts and new mines turn today's scarcity rent into excess capacity; high prices fund the response	Uranium; Fuel services	Global primary output exceeds reactor requirements for two years; annual long-term contracting below 80m lb; long-term price below US$60/lb	Medium-high over 10 years
Depletion, operational concentration and Inkai dependence	Reserve attrition, mine/mill outages, purchased pounds and Kazakhstan policy raise cost or prevent delivery	Uranium	P&P reserves below 400m lb; cash cost above CAD35/lb; purchases above one-third of deliveries; Inkai entitlement below 2m lb for two years	Medium
OEM/service competition and new-build execution	Utilities qualify alternative fuel and service vendors; national champions win designs; AP1000 FIDs slip or project obligations consume cash	Westinghouse	Core book-to-bill below 0.9x for two years; backlog below US$10bn; no major AP1000 FID by 2029; EBT margin below 5% for two years	Medium

7. Pricing power verification

Uranium: observable but cyclical. From FY2021 to FY2025, realized price rose 101% while deliveries rose from 24.3m to 33.0m lb; customers did not reject the higher realized price at the portfolio level. Yet uranium is still a commodity and contract realization lagged the market. Long-term contracts generally start delivery more than two years after signing and mix base-escalated formulas with market references, often including escalated floors and ceilings. This provides downside protection and partial upside, not unilateral price-setting. The 230m lb commitment book and more than 28m lb average annual commitments over five years show adoption, but future economics still depend on the term market.

Fuel services: strongest direct evidence. Realized price rose 45% from CAD29.72/kgU in FY2021 to CAD43.04 in FY2025 while deliveries were broadly stable at 13.1m kgU versus 13.6m. The segment remained profitable every year, with EBT margins of 23.5%-32.8%. The majority of contracts use a base-escalated price per kgU reflecting the market when accepted; about 83m kgU of UF6 was contracted at FY2025. Near-full utilization and scarce Western capacity create bargaining leverage, although new capacity and licence risk cap it.

Westinghouse: contract visibility proven, pricing power unproven in reported margins. Core contracts last three to more than ten years, and the 18-to-24-month outage cycle produces recurring demand. Qualified fuel, proprietary parts and

design authority should support pricing. However, negative FY2024 and TTM EBT margins mean backlog cannot be equated with economic profit. The required evidence is an 8%-plus three-year EBT margin, positive cash distributions after sustaining capex and core book-to-bill above 1.0x—not management's adjusted EBITDA alone.

8. Moat verdict

Moat gate: YELLOW. Cameco has real, difficult-to-replicate advantages in tier-one licensed resources, Western conversion capacity, high-trust utility procurement and Westinghouse's qualified installed-base IP. Those advantages protect access and cost position; they do not remove commodity-cycle economics, depletion, operating concentration or project risk. The margin record supports Fuel services most clearly, while Uranium margins are strongly price-levered and Westinghouse reported margins lack persistence. Upgrade to PASS requires the numerical 2046 conditions above plus consolidated statutory operating margin of at least 15% and ROIC of at least 10% on a rolling three-year basis through a weaker pricing period. Downgrade to FAIL if consolidated margin falls below 10% for two years, reserve and Westinghouse triggers deteriorate, or Port Hope loses its operating licence.

2046 test: YELLOW. The 2046 customer, product set and profit mechanism can be described specifically, so this is not a generic durability story. But reserve replacement and Westinghouse retained economics must be demonstrated, not inferred from geology, backlog or installed-base claims. Uranium and Fuel services secure the next decade; Westinghouse Operating Plants is the best potential 20-year profit pool; no segment yet earns an unconditional PASS for the blended equity.

Cameco Corporation — Uranium Segment Deep Dive

Forecast anchor: TTM ended 2026-06-30. **Forecast endpoint:** 2031-06-30, exactly 5.0 years. **Currency:** CAD unless stated. **Exact common segment profit basis: Earnings (loss) before income taxes**. Historical company figures and management quotations come only from the DR-cleared `data_package.md` and its sealed statutory bridge; outside sources are used only for competitors and industry structure.

0. Segment boundary and taxonomy note

The Uranium reportable segment is a stable analytical perimeter across FY2021-FY2025 and the TTM period. It covers exploration, mining, milling, purchases and sales of uranium concentrate, including JV Inkai equity earnings. Cameco added Westinghouse as a separate reportable segment after the 2023 acquisition, but that change did not restate or redefine Uranium. `Other` and `Adjustments` are corporate or consolidation bridge lines and are not allocated into Uranium. One post-TTM perimeter change is normalized prospectively: on 2026-07-02 Cameco acquired an additional 2.871% participating interest in Cigar Lake, increasing ownership from 54.547% to 57.418%. The sealed TTM through 2026-06-30 remains on 54.547%; every forecast year from 2027-06-30 through 2031-06-30 applies 57.418% exactly once [Q2-26 official note 20, raw lines 3522-3526]. The model retains **Earnings (loss) before income taxes** as the exact metric throughout [data_package §1, paragraph 1 and segment table; §3a, common-profit-basis line].

1. What this segment actually is

Uranium is not simply a mine whose annual revenue equals spot price multiplied by output. It is an integrated supply portfolio. Cameco produces uranium concentrate from operated, high-grade Saskatchewan assets; purchases its entitlement from the equity-accounted JV Inkai in Kazakhstan; supplements those pounds with committed and market purchases; carries physical inventory; and can use product loans to bridge timing. It then delivers into a portfolio of mostly multi-year utility contracts containing fixed-price and market-related mechanisms, floors, ceilings, escalation clauses and delivery flexibility. That architecture explains why delivery volume can materially exceed same-year mine production and why realized price does not move one-for-one with spot.

The principal operated Canadian chain is McArthur River ore processed at the Key Lake mill and Cigar Lake ore processed at Orano’s McClean Lake mill. McArthur River and Key Lake are in Saskatchewan; Cameco operates both and owns 69.805% of McArthur River and 83.33% of Key Lake. Cigar Lake is also in Saskatchewan; Cameco operates it, owned 54.547% at the TTM anchor, and owns 57.418% in all forecast periods after the July 2 close; Orano’s mill remains the downstream processing dependency. JV Inkai is an in-situ-recovery operation in southern Kazakhstan, owned 40% by Cameco and 60% by Kazatomprom. Its accounting differs from the Canadian mines: Cameco buys its entitlement, normally at Kazakhstan’s regulated spot-less-5% price, while its share of the venture’s lower-cost economics is recorded through equity earnings. Those asset facts are preserved from AR25 and the Q2-26 subsequent-event note in the official raw packet; no new company data were fetched.

The customers are principally nuclear utilities and fuel buyers. Their priorities are security of supply, origin, conversion and enrichment availability, quality assurance and long planning lead times—not merely the cheapest pound on a given day. The World Nuclear Association describes uranium trade as predominantly direct producer-to-utility contracting over roughly 3-15 years, with term pricing typically above spot to compensate for security and duration ([WNA uranium markets](https://world-nuclear.org/information-library/nuclear-fuel-cycle/uranium-resources/uranium-markets)). This supports Cameco’s patient-contracting posture, but it also means revenue can lag a uranium-cycle turn because old fixed-price contracts roll off gradually.

Go-to-market is therefore portfolio optimization. Cameco decides how much productive capacity to commit, which price mechanisms to accept, when to purchase external pounds, and how much inventory flexibility to preserve. A pound produced cheaply but sold under a weak legacy contract may create less value than an externally purchased pound delivered under an attractive market-related contract. Conversely, maximizing sales into a temporary spot spike could surrender scarce reserve and contract optionality. The correct unit of analysis is retained margin across the supply-and-contract book, not mine output alone.

2. Current economics: TTM ended 2026-06-30

TTM Uranium revenue was **CAD2,920.218 million** and **Earnings (loss) before income taxes** was **CAD973.426 million**, an exact-metric margin of **33.33%** [SB/`ttm_arithmetic`; data_package §3a, TTM bridge, Uranium row; data_package §5, four

Uranium quarter rows]. Deliveries were **32.3 million lb**, average realized price **CAD90.41/lb**, Cameco-share production **20.5 million lb**, and unit cost of sales including depreciation and amortization **CAD65.66/lb** [AR21-AR25; Q2-26; data_package §0a, Mining and fuel-cycle operating history, Uranium rows]. These anchors reconcile economically: 32.3 million pounds at CAD90.41 approximates the sealed revenue, with only rounding.

The year-over-year surface is uneven. FY2025 revenue advanced 7.4%, after 24.4% growth in FY2024, while the exact profit margin eased from 33.8% to 33.2% [AR21-AR25 segment notes; data_package §3, Uranium rows]. In the latest four quarters, revenue was CAD523.251 million, CAD1,026.508 million, CAD711.738 million and CAD658.721 million; exact-metric margins ranged from 25.8% to 50.3% [Q3-25; AR25/Q4-25NR; Q1-26; Q2-26; data_package §5, Uranium rows]. Shipment scheduling, contract mix and equity-accounted Inkai earnings can make any quarter a poor annual run-rate proxy. The TTM is consequently the more defensible base.

The supply book is deliberately broader than own production. TTM deliveries exceeded TTM Cameco-share production by 11.8 million pounds before considering Inkai entitlement timing. At 2026-06-30, disclosed uranium inventory was 8.7 million pounds at an average CAD58.05/lb, versus 9.7 million pounds at CAD61.85/lb at FY2025 [AR25; Q2-26; data_package §0a, Inventory, supply and JV Inkai table]. Inventory thus offers a timing cushion but cannot fund a durable multi-year gap of ten-plus million pounds annually. Contracted purchases, Inkai entitlement and selective product loans must carry the recurring bridge.

Inkai is economically material but accounting-complex. FY2025 production was 8.4 million pounds on a 100% basis, Cameco entitlement was 3.7 million pounds, and the 2026 operation target was 10.4 million pounds with a 4.2 million-pound Cameco entitlement. Cameco received a net US$124 million dividend in Q2 2026, after US$87 million in FY2025 [AR25; Q2-26; data_package §0a, Inventory, supply and JV Inkai table]. Purchase cost entering inventory is not the full economics: the venture’s lower production cost reappears through share of earnings, while cash may arrive later through dividends.

Capital intensity is real even with exceptional ore grades. Total company capex was CAD333.025 million in FY2025 and CAD385.877 million TTM, rising from CAD98.784 million in FY2021 [AR21-AR25; Q2-26; data_package §0a, Mining and fuel-cycle operating history, capex row]. Uranium-specific capex is not separately sealed. [DATA GAP: the data package does not disclose a clean Uranium-segment capex series, mine-level TTM production split, or mine-level TTM depreciation; scenario capex below is an analytical allocation and must not be read as issuer guidance.] The investment burden includes underground development, ground freezing, mill renewal, tailings, ventilation, mobile fleet, sustaining infrastructure, environmental assurance and eventually reclamation.

Reserve and resource constraints deserve equal weight with near-term capacity. Cameco-share proven and probable uranium reserves were 433 million pounds at FY2025, measured and indicated resources 404 million pounds, and inferred resources 152 million pounds [AR21-AR25; data_package §0a, Mining and fuel-cycle operating history, reserve/resource rows]. P&P reserves had declined by 52 million pounds since FY2023. The acquired Cigar interest is normalized only after the TTM: AR25’s 94.1 million-pound Cigar P&P share at 54.547% implies 172.5 million pounds on a 100% basis; 57.418% implies a pro-forma 99.1 million-pound Cameco share, an increase of about 5.0 million pounds. This is an ownership translation, not a new mineral estimate, and is counted once. The package correctly warns against dividing aggregate reserves by aggregate production because ownership bases and reserve categories differ. The model instead treats McArthur River, Cigar Lake and Inkai independently, with Cigar’s mine plan and licence horizon, McArthur development sequencing, and Inkai entitlement and jurisdiction as separate constraints.

3. Unit economics

Revenue is delivery pounds multiplied by realized CAD price. Delivery pounds reflect customer nominations and contract commitments, not simply current production. Realized price is a weighted blend of fixed-price contracts, market-related contracts subject to floors and ceilings, escalation, and USD/CAD translation. This is why the forecast uses an explicit delivery and realized-price path rather than mechanical spot extrapolation.

Cost of sales per delivered pound combines low cash-cost owned production, depreciation and depletion, care-and-maintenance and shutdown costs, Inkai purchases recorded near spot less 5%, third-party market or committed purchases, transport, and inventory-layer turnover. Produced uranium cash cost was CAD23.74/lb in FY2025, far below the TTM CAD65.66/lb unit cost of sales including D&A [data_package §0a, operating-history rows]. The difference is not accounting noise: external purchases and Inkai inventory enter at much higher values than mine cash cost, while depreciation, royalties and operational overhead also sit in the delivered cost.

The volume mismatch is therefore decisive. In a year when Cameco sells 35 million pounds but produces 22 million pounds itself, each incremental purchased pound may carry little or no commodity margin unless the related customer contract has an attractive ceiling, floor or escalation structure. The portfolio can still be profitable because low-cost owned pounds cross-subsidize purchased pounds and Inkai's retained economics are captured separately. But investors should not apply an owned-mine cash margin to total deliveries.

Royalties are nonlinear. Saskatchewan royalties rise with profitability and uranium price, so a higher realized price does not translate one-for-one into EBT. The scenario model assumes royalty and production-tax incidence grows from roughly 4% of Uranium revenue in bear to 6% in base and 8% in bull. These are model allocations, not disclosed historical segment figures. Kazakhstan's mineral extraction tax and the regulated Inkai purchase mechanism likewise reduce the apparent benefit of a higher uranium price before equity earnings are recognized.

At the TTM anchor, the 33.33% exact-metric margin sits above the simple delivered gross spread implied by CAD90.41 realized price less CAD65.66 unit cost [AR21-AR25; Q2-26; SB/`ttm_arithmetic`; data_package §0a and §3a]. The reason is primarily that **Earnings (loss) before income taxes** includes the equity-accounted Inkai economic contribution, while cost of sales carries the Inkai purchased inventory value. Segment-level exploration, administration, foreign exchange and other items further complicate a straight gross-to-EBT bridge. The model handles this by estimating delivered gross contribution first, then adding retained Inkai equity economics and subtracting segment exploration/administration and other recurring charges. It does not insert corporate `Other`, Westinghouse `Adjustments`, consolidated finance lines or tax; those are reserved for the synthesis stage under the sealed bridge.

Margin expands when realized contract price outruns delivered unit cost, McArthur throughput absorbs fixed cost, owned production comprises more of supply, favorable inventory layers turn over, and Inkai runs at its licensed level. Margin contracts when McArthur development or Key Lake uptime fails, Cigar ore or McClean milling is disrupted, a larger purchase share is needed at market-linked cost, royalties rise, or old ceiling-constrained contracts prevent price capture. Inventory mark and product-loan accounting can add volatility even when long-run economics are unchanged.

Capex and depletion are inseparable from earnings quality. A freeze plant expansion or mine-development campaign can support future production but creates depreciation after commissioning and consumes cash before sales. The base case therefore holds Uranium analytical capex around CAD335-CAD390 million annually across the horizon, with roughly CAD368 million at the endpoint; bear falls toward CAD265 million because growth projects are deferred, while bull rises to roughly CAD460 million to support McArthur flexibility, the 57.418% Cigar participation and reserve conversion. Because segment capex is not disclosed, these amounts should be used as cash-reinvestment diagnostics, not added to or subtracted from **Earnings (loss) before income taxes**.

4. Competitive dynamics and uranium-cycle context

The market is concentrated by geography and producer. The OECD Nuclear Energy Agency and IAEA report that six countries accounted for 90% of world mine production in 2022, Kazakhstan alone supplied 43%, and global production rose to 54,345 tU in 2023 but remained only 86% of the 2016 peak ([NEA/IAEA Uranium 2024](https://www.oecd-nea.org/upload/docs/application/pdf/2025-04/7683_uranium_2024_-_resources_production_and_demand_2025-04-22_14-29-2_928.pdf)). This concentration makes western, high-grade, licensed production strategically valuable, but it does not eliminate cyclicality. Secondary supply, inventories and enrichment underfeeding/overfeeding can defer the moment when reactor requirements translate into primary mine demand.

Kazatomprom is the scale leader and the most important price competitor, directly and through ventures including Inkai. It reported roughly 21% of 2024 global primary uranium production on an attributable basis ([Kazatomprom FY2024 report](https://www.kazatomprom.kz/storage/c0/fy2024_ofr_eng.pdf)). Yet its 2026 nominal production profile was revised down by about 10% to 29,697 tU, or 77.21 million pounds U3O8 on a 100% basis ([Kazatomprom FY2025 operating review](https://www.kazatomprom.kz/storage/86/fy2025_ofr_eng.pdf)). Sulphuric-acid availability, wellfield development and subsoil agreements constrain the theoretical low-cost ISR advantage. For Cameco, this is double-edged: tight Kazakh supply supports prices, while the same constraints can reduce Inkai entitlement and cash dividends.

Orano is a direct mining competitor and also a critical operating partner because the McClean Lake mill processes Cigar Lake ore. Its portfolio spans mining and the nuclear fuel cycle, which can support customer relationships and bundled security-of-supply offerings. The strategic relationship lowers duplication at Cigar Lake but creates a mill-concentration dependency: a mine operating well can still miss packaged production if McClean is unavailable.

Paladin, Uranium Energy, Energy Fuels and other restarted or ramping producers add supply at the margin. The U.S. Energy Information Administration recorded about 2.1 million pounds of U3O8 concentrate from U.S. facilities in 2025, up sharply from 657,000 pounds in 2024 but still small in global terms ([EIA domestic uranium production](https://www.eia.gov/uranium/production/annual/)). These operators may be more spot-sensitive and can respond to price, but they generally lack Cameco's combination of high-grade Canadian assets, inventory, long-term contract portfolio and balance-sheet capacity.

The more consequential 2030-2031 competition is new Canadian supply. Denison approved construction of the Phoenix ISR project in February 2026, with construction expected to take roughly two years and first production targeted for mid-2028 ([Denison 2025 results and FID](https://denisonmines.com/news/denison-reports-financial-and-operational-results-122845/)). NexGen's 100%-owned Arrow feasibility plan indicates average annual production of 28.8 million pounds in its first five years, although Arrow remains a development-stage project and timing depends on financing, construction and execution ([NexGen Arrow](https://nexgenenergy2021corp.q4web.com/assets/arrow/)). If both ramp on schedule, they expand western utility choice and cap extreme price scenarios. If they slip, incumbent licensed pounds become more valuable.

Demand is durable but not perfectly smooth. The WNA's 2025 fuel report estimates 2025 global reactor requirements at about 68,920 tU ([WNA World Nuclear Fuel Report 2025](https://world-nuclear.org/our-association/publications/global-trends-reports/world-nuclear-fuel-report-2025)). Long reactor lives, restarts and new Asian capacity support requirements. First cores for new reactors are inventory-intensive, but project delays shift demand by years. The model therefore gives the base case the highest probability and uses gradual contract repricing rather than assuming a continuous spot squeeze.

Geopolitics strengthens western segmentation of the fuel cycle. The U.S. ban on Russian low-enriched uranium imports includes a temporary waiver process that ends no later than January 1, 2028, alongside public funding intended to rebuild western fuel capacity ([U.S. Department of Energy](https://www.energy.gov/articles/biden-harris-administration-enacts-law-banning-importation-russian-uranium)). The direct subject is enriched uranium rather than Cameco's concentrate, but the implication is relevant: origin, conversion and enrichment security matter alongside mine cost. That raises the option value of Canadian supply without guaranteeing a specific realized-price path.

Pricing power is shared. Utilities can defer contracting and use inventory; producers can preserve uncommitted capacity and refuse uneconomic terms. Cameco's power is greatest when new mine schedules slip and utility uncovered requirements approach delivery windows. It weakens when inventories are ample, secondary supply returns, or new mines commission together. The 8.7 million-pound inventory and external purchase capability give Cameco tactical flexibility, but they do not create unlimited supply.

5. Moat at the segment level

The strongest moat is the geological and operational quality of the Saskatchewan assets. McArthur River and Cigar Lake combine exceptional grade with sunk infrastructure, processing routes, regulatory history and specialist technical capability. High grade can keep produced cash cost low even after inflation, while development, freezing, underground water control and radiation protection create operating knowledge that is difficult for a new entrant to replicate quickly. Licences and Indigenous/community relationships lengthen the lead time for competing projects.

The second moat is portfolio architecture. Long-term contracts, inventory, purchase commitments, product loans, owned production and Inkai entitlement allow Cameco to meet deliveries despite annual mine volatility. A single-asset producer often must sell what it produces or buy back shortfalls at spot; Cameco can optimize across sources. The five-year commitments of more than 28 million pounds annually provide a demand floor, while management's refusal to commit all productive capacity preserves upside to improved terms [data_package §0a, commitments row; §6, Uranium commentary rows].

Third is western strategic relevance. Utilities seeking jurisdictional and transport diversification cannot rapidly replace established Canadian supply with a greenfield project. Quality assurance and counterparty credibility matter when fuel represents a small portion of nuclear generation cost but a fuel outage is extremely expensive. This makes reliable delivery worth more than the commodity's percentage of total plant cost.

The moat is not absolute. Geology does not prevent water ingress, ground-freezing delays, ore-access problems or mill outages. Cigar Lake depends on a partner's mill; Inkai depends on Kazakhstan approvals, logistics and majority-owner decisions. A contract portfolio can also defer upside if ceilings were set in a weak market. Reserves deplete, and the FY2023-FY2025 P&P decline shows that resource replacement is not automatic. Over 5-10 years, the moat is durable if

Cameco continues to convert resources, renew licences, invest in underground development and protect customer trust. It erodes if capex is deferred, McArthur zones disappoint, Cigar's extension or licence renewal slips, or Canadian competitors commission reliably at lower cost.

6. Historical growth rates

Only the Uranium segment total is dollar-disclosed; there is no separate revenue series by mine, purchase source or contract type. No back-solving is used.

Product / sub-segment	FY2022 rev	FY2023 rev	FY2024 rev	FY2025 rev	3-yr CAGR	Most recent YoY	Data package cite
Uranium concentrate segment total	CAD1.480bn [data_package §4, Uranium concentrate row]	CAD2.152bn [data_package §3, Uranium Revenue row]	CAD2.677bn [data_package §3, Uranium Revenue row]	CAD2.874bn [data_package §3, Uranium Revenue row]	24.8% FY2022-FY2025 [data_package §4, Uranium concentrate row; calculation]	7.4% [data_package §3, Uranium YoY row]	data_package §3, Uranium rows 123-126; §4, Uranium concentrate row 228

The required arithmetic checks pass. FY2022 revenue of CAD1.480 billion multiplied by 1.454 equals CAD2.152 billion; FY2023 revenue of CAD2.152 billion multiplied by 1.244 equals CAD2.677 billion to rounding; FY2024 revenue of CAD2.677 billion multiplied by 1.074 equals CAD2.875 billion, within 0.1% of CAD2.874 billion. The three-interval FY2022-FY2025 CAGR is 24.8% [data_package §4, Uranium concentrate row]. No row mixes the Westinghouse reporting change with Uranium.

The 2021-2025 operating history explains why revenue growth should not be extrapolated. Deliveries rose from 24.3 million to 33.0 million pounds, while realized price rose from CAD43.34/lb to CAD87.00/lb. Production recovered much faster—from 6.1 million to 21.0 million pounds—as suspended capacity restarted [data_package §0a, Uranium operating-history rows]. That restart effect is largely behind the segment by the TTM anchor; future growth must come from contract repricing, modest delivery growth, higher McArthur utilization and selective incremental supply rather than repeating pandemic-recovery percentages.

7. Management guidance from the cleared data package

The following are every Uranium-specific forward excerpt in data_package §6. They are reproduced only from that verified artifact.

- **TR-Q3, 2025-11-05, Grant Isaac:** "constructive on where the uranium price needs to go" [data_package §6, Uranium row 277]. Interpretation: management is underwriting contracts to replacement economics rather than assuming any current spot indication justifies maximum output.
- **TR-Q3, 2025-11-05, Tim Gitzel:** "production of 8.3 million pounds" [data_package §6, Uranium row 278]. Interpretation: the statement concerned Inkai 2025; actual production closed at 8.4 million pounds, which validates the near-term operating target but not a multi-year growth extrapolation.
- **TR-Q4, 2026-02-13, Tim Gitzel:** "preserving significant uncommitted productive capacity" [data_package §6, Uranium row 279]. Interpretation: the supply option is economically valuable only if future contract terms compensate for reserve depletion and capital.
- **TR-Q4, 2026-02-13, Tim Gitzel:** "between 19.5 million and 21.5 million pounds" [data_package §6, Uranium row 280]. Interpretation: this is the 2026 Cameco-share production range and bounds the near-term starting run rate; because the first forecast year ends 2027-06-30 and overlaps two calendar years, it is not a direct guide for that forecast period. It should not be confused with deliveries or with Inkai, which is recorded as purchases.
- **TR-Q1, 2026-05-05, Tim Gitzel:** "full-year guidance for 2026 is unchanged" [data_package §6, Uranium row 281]. Interpretation: Q1 did not cause a formal reset, but the guidance band already reflects operating uncertainty.
- **TR-Q2, 2026-07-31, Grant Isaac:** "upward movement in the floors and the ceilings" [data_package §6, Uranium row 282]. Interpretation: new contracts can improve downside protection and upside participation; repricing occurs as deliveries roll through, not instantly.
- **TR-Q2, 2026-07-31, Tim Gitzel:** "patient and selective in committing supply" [data_package §6, Uranium row 283]. Interpretation: volumes are constrained by value discipline. A bull case needs both demand and contract terms, not merely available capacity.

- **TR-Q2, 2026-07-31, Tim Gitzel:** “more than 28 million pounds” [data_package §6, Uranium row 284]. Interpretation: average annual deliveries over the next five years are contractually supported above this level. It is a floor-like visibility indicator, not an exact annual guide and not a promise of 40 million pounds.

8. Forward growth assumptions

Base case

Product	3-yr historical CAGR	Latest YoY	Mgmt FY+1 guide	Base CAGR TTM→TTM+5y	Justification
Uranium concentrate segment total	24.8% FY2022-FY2025 [data_package §4]	7.4% [data_package §3]	19.5-21.5m lb owned production; five-year deliveries more than 28m lb annually [data_package §6]	**5.20%**	Deliveries rise from 32.3m to 35.5m lb while realized price rises from CAD90.41 to CAD106/lb as contract floors, ceilings and escalators improve. Growth decelerates because the restart recovery is substantially complete and purchased pounds remain necessary.

The base case does not compound spot. It assumes a measured uplift in blended realized price and modest volume growth, with the contract book buffering both directions. The 5.20% CAGR is far below the 24.8% recovery-era CAGR and below the latest annual 7.4% growth, consistent with moving from restart to normalized utilization.

Bull case

Product	3-yr historical CAGR	Latest YoY	Mgmt FY+1 guide	Bull CAGR TTM→TTM+5y	Justification
Uranium concentrate segment total	24.8% FY2022-FY2025 [data_package §4]	7.4% [data_package §3]	19.5-21.5m lb owned production; meaningful uncommitted capacity [data_package §6]	**11.18%**	Utility contracting accelerates, new-mine schedules slip and western-origin premiums persist. McArthur reaches 16.5m lb Cameco share, deliveries reach 40.0m lb and realized price reaches CAD124/lb, but growth still stays below the restart-era historical rate.

The bull mechanism is a coordinated rise in contract price and supply. It requires successful McArthur zone development, Key Lake reliability, stable Cigar milling, full Inkai entitlement and roughly 9.0 million annual purchased pounds at the endpoint. It is not a pure price spike, and it is capped by the emergence of Phoenix, Arrow and other supply.

Bear case

Product	3-yr historical CAGR	Latest YoY	Mgmt FY+1 guide	Bear CAGR TTM→TTM+5y	Justification
Uranium concentrate segment total	24.8% FY2022-FY2025 [data_package §4]	7.4% [data_package §3]	Contracted average deliveries more than 28m lb over five years [data_package §6]	**-2.77%**	New mine supply and secondary inventory soften term pricing while McArthur access and Inkai logistics disappoint. Floors cushion realized price at CAD86/lb and deliveries remain 29.5m lb, above management’s five-year commitment indicator.

The bear case is not a return to FY2021 economics: the contract portfolio and recovered Canadian production provide meaningful protection. The failure is that expensive purchased pounds and weak throughput consume that protection, causing revenue and margin to fall despite still-healthy utility demand.

Base production, delivery and price path

Year ended June 30	McArthur/Key Lake own production, m lb	Cigar Lake own production, m lb	Inkai entitlement supply, m lb	External purchases/ inventory bridge, m lb	Deliveries, m lb	Realized CAD/lb	Uranium revenue, CAD m
TTM 2026 actual	[DATA GAP: TTM mine split]	[DATA GAP: TTM mine split]	Included through purchase timing	Balancing source	32.3	90.41	2,920.218
2027E	10.8	9.8 from 17.0 total × 57.418%	4.2	8.2	33.0	94	3,102

Year ended June 30	McArthur/Key Lake own production, m lb	Cigar Lake own production, m lb	Inkai entitlement supply, m lb	External purchases/ inventory bridge, m lb	Deliveries, m lb	Realized CAD/lb	Uranium revenue, CAD m
2028E	11.2	9.9 from 17.2 total × 57.418%	4.2	8.5	33.8	98	3,312
2029E	11.5	10.0 from 17.4 total × 57.418%	4.2	8.7	34.4	101	3,474
2030E	11.8	10.0 from 17.5 total × 57.418%	4.2	9.0	35.0	104	3,640
2031E	12.0	10.0 from 17.5 total × 57.418%	4.2	9.3	35.5	106	3,763

The `External purchases/inventory bridge` is an annual supply requirement, not a claim that inventory alone funds it. By 2031, recurring external purchases must cover most of the 9.3 million-pound gap; an 8.7 million-pound starting inventory could not support five years of that draw. Product loans remain contingency liquidity in pounds, not a permanent economic source. Each displayed Cigar share is derived from a stated total-mine scenario and the post-close 57.418% ownership; the pre-close 54.547% is retained only in the TTM actual.

Horizon production/source mechanisms

Source	Bear 2031E, m lb	Base 2031E, m lb	Bull 2031E, m lb	Reserve, ownership and operating mechanism
McArthur River/Key Lake, Cameco share	6.5	12.0	16.5	Bear assumes zone-access and mill-uptime setbacks; base improves mining fronts; bull approaches but stays below Cameco's share of the 25m-lb licensed 100%-basis capacity.
Cigar Lake, Cameco share	8.6 from 15.0 total × 57.418%	10.0 from 17.5 total × 57.418%	10.3 from 18.0 total × 57.418%	All cases use post-close ownership once. Base is below total licensed capacity; bull reaches 18.0m-lb total licensed output; bear includes ore-development or McClean mill disruption. Licence renewal beyond June 2031 is required.
U.S. ISR operations	0.0	0.0	0.0	No P&P reserves are disclosed; resources, licence renewal and a formal restart decision are prerequisites. Optionality is not booked as production.
JV Inkai entitlement	3.0	4.2	4.2	Bear reflects acid, logistics, tax or majority-partner constraints; base/bull assume 10.4m-lb 100%-basis licensed output and 40% entitlement.
External purchases and inventory bridge	11.4	9.3	9.0	Committed purchases and market procurement reconcile deliveries after recognizing the acquired Cigar share exactly once.
Deliveries	**29.5**	**35.5**	**40.0**	Each total exactly equals the sum of modeled supply sources.

Bear and bull annual source bridges

Case and year	McArthur/Key Lake share, m lb	Cigar total mine output, m lb	Cigar share at 57.418%, m lb	Inkai entitlement, m lb	Purchases/inventory bridge, m lb	Deliveries, m lb
Bear 2027E	9.0	16.0	9.2	4.0	9.3	31.5
Bear 2028E	8.5	15.8	9.1	3.8	9.4	30.8
Bear 2029E	7.5	15.5	8.9	3.5	10.1	30.0
Bear 2030E	6.8	15.0	8.6	3.0	10.9	29.3
Bear 2031E	6.5	15.0	8.6	3.0	11.4	29.5
Bull 2027E	11.5	18.0	10.3	4.2	7.5	33.5

Case and year	McArthur/Key Lake share, m lb	Cigar total mine output, m lb	Cigar share at 57.418%, m lb	Inkai entitlement, m lb	Purchases/inventory bridge, m lb	Deliveries, m lb
Bull 2028E	13.0	18.0	10.3	4.2	7.5	35.0
Bull 2029E	14.0	18.0	10.3	4.2	8.0	36.5
Bull 2030E	15.5	18.0	10.3	4.2	8.0	38.0
Bull 2031E	16.5	18.0	10.3	4.2	9.0	40.0

Each Cigar share row is the scenario's total mine output multiplied by 57.418%, rounded to 0.1 million pounds. Purchases are the residual required to match deliveries after McArthur, Cigar and Inkai; no acquired pound is duplicated in inventory. Five-year cumulative Cameco-operated Canadian production is **82.7 million pounds in bear, 107.0 million pounds in base and 122.0 million pounds in bull** at displayed precision. The pre-close 433 million-pound aggregate P&P reserve anchor becomes about 438 million pounds pro forma solely from the 5.0 million-pound acquired Cigar share; no separate asset value is added. Even bull does not exhaust the portfolio, but asset-level sequencing matters: Cigar's 2036 mine-life indication and June 2031 licence term make extension development and renewal more immediate than the aggregate total suggests. McArthur's large reserve base is more supportive, but access to new zones and additional capital—not geological inventory alone—controls the pace.

9. Forward Earnings (loss) before income taxes margin assumptions

Current TTM **Earnings (loss) before income taxes** margin is **33.33%**, calculated from CAD973.426 million on CAD2,920.218 million [data_package §3a, TTM bridge, Uranium row]. The table below uses the exact metric and excludes all corporate and statutory-bridge adjustments.

Case	TTM unit cost incl. D&A	2031E realized CAD/lb	2031E unit cost incl. D&A	2031E royalty/production-tax incidence	TTM Earnings (loss) before income taxes margin	2031E Earnings (loss) before income taxes margin	Specific mechanism
Bear	65.66	86	74.6	~4% of revenue modeled	33.33%	**17.5%**	Lower McArthur throughput still raises fixed cost. The acquired Cigar share replaces 0.43m lb of purchases at 15.0m-lb total mine output, but acquisition-basis depletion absorbs part of the saving.
Base	65.66	106	69.6	~6% of revenue modeled	33.33%	**37.4%**	Better contract mix and McArthur absorption are augmented by 0.50m incremental Cigar pounds at 17.5m-lb total output, net of acquisition-basis depletion; Inkai remains separate.
Bull	65.66	124	71.7	~8% of revenue modeled	33.33%	**45.3%**	High floors/ceilings, western premium and 0.52m acquired Cigar pounds at licensed 18.0m-lb total output outweigh higher royalties, purchased-pound cost and acquisition-basis depletion.

The more-than-100-basis-point changes are fully mechanism-driven. Bear compresses about 1,588 basis points because delivered price falls 5% while unit cost rises about 14%, owned production drops and purchased supply remains 11.4 million pounds. Base expands about 402 basis points because price rises 17%, unit cost rises about 6%, and fixed-cost absorption improves. Bull expands about 1,194 basis points: price rises 37% while unit cost rises about 9%, but margin is held below a simple gross-spread extrapolation for royalties, purchased-pound cost and depletion. The acquired share equals scenario total Cigar production multiplied by 2.871 percentage points. At the Q2-26 observed approximately CAD50/lb gap between purchased cash cost and total produced cost [Q2-26 raw lines 1586-1592], gross purchase substitution contributes about CAD21.5m bear, CAD25.1m base and CAD25.8m bull in 2031. The disclosed CAD115.755m acquisition cost is not free: dividing it by the approximately 4.95m acquired pro-forma P&P pounds gives a conservative units-of-production depletion

proxy of CAD23.37 per acquired pound. After that non-cash charge, the net 2031 **Earnings (loss) before income taxes** uplift is about CAD11.5m bear, CAD13.4m base and CAD13.8m bull. Both the owned-pound benefit and depletion are counted once; revenue is unchanged because delivery volumes and realized prices are unchanged.

Year-by-year margin path

Case and year	Revenue, CAD m	Realized CAD/lb	Unit cost incl. D&A, CAD/lb	Earnings (loss) before income taxes margin	Earnings (loss) before income taxes, CAD m
Base 2027E	3,102	94	65.6	34.9%	1,083.2
Base 2028E	3,312	98	66.6	35.4%	1,172.3
Base 2029E	3,474	101	67.6	35.9%	1,246.6
Base 2030E	3,640	104	68.6	36.6%	1,331.1
Base 2031E	3,763	106	69.6	37.4%	1,405.7
Bear 2027E	2,803.5	89	67.6	28.4%	797.2
Bear 2028E	2,648.8	86	69.6	23.5%	621.3
Bear 2029E	2,520.0	84	71.6	18.5%	465.4
Bear 2030E	2,461.2	84	73.6	16.5%	405.3
Bear 2031E	2,537.0	86	74.6	17.5%	442.8
Bull 2027E	3,283.0	98	65.6	37.4%	1,228.5
Bull 2028E	3,675.0	105	66.6	40.4%	1,483.8
Bull 2029E	4,088.0	112	67.6	42.3%	1,730.8
Bull 2030E	4,522.0	119	69.6	44.3%	2,003.5
Bull 2031E	4,960.0	124	71.7	45.3%	2,245.8

The base path avoids an unexplained step change. The first forward year includes the closed 57.418% Cigar ownership for its modeled production, improving supply mix immediately without restating TTM. Thereafter, margin rises gradually as improved price participation and throughput reach delivered inventory layers. Bear absorbs operational problems and contract repricing weakness, then stabilizes as floors and cost action take effect. Bull rises quickly but not instantaneously because legacy contracts, purchasing needs and progressive royalties delay full price capture.

Reinvestment, depletion and Inkai economics

Case	2031E Uranium analytical capex, CAD m	Depletion/cost treatment	JV Inkai production and purchase treatment	Cash-versus-EBT implication
Bear	265	Higher unit depletion and fixed cost from low throughput; allocation includes Cameco's 57.418% Cigar share	3.0m-lb entitlement, purchased near regulated market formula; weaker equity income	Cash may lag EBT if dividends are delayed and remediation/sustaining needs persist.
Base	368	Ongoing freeze, underground development and mill renewal; allocation includes Cameco's 57.418% Cigar share	4.2m-lb entitlement; purchase value in inventory and lower-cost retained economics in equity earnings	Dividend timing is normalized over the horizon but not forced to match annual equity earnings.
Bull	460	Accelerated development and fleet/mill investment; allocation includes Cameco's 57.418% Cigar share	4.2m-lb entitlement; higher spot raises inventory purchase cash cost and equity earnings	Cash conversion is less explosive than EBT because purchases, capex and royalties absorb part of price upside.

The capex schedule is an explicit analytical allocation necessitated by the segment disclosure gap. The CAD5m/CAD8m/CAD10m endpoint increases from the pre-acquisition bear/base/bull diagnostics of CAD260m/CAD360m/CAD450m apply the 5.263% relative ownership increase only to implied Cigar-related capex pools of about CAD95m/CAD152m/CAD190m; they do not scale unrelated Uranium capex. Because no mine-level capex split is disclosed, these remain rounded scenario diagnostics rather than issuer guidance. The model also avoids double counting Inkai: its pounds enter the supply bridge as purchased inventory, its operating advantage enters exact-metric earnings through equity accounting, and its dividend affects cash rather than the same-period EBT calculation.

Post-TTM Cigar acquisition capital bridge

Item	Timing	Amount	Earnings (loss) before income taxes treatment	Valuation and double-count treatment
Additional 2.871% Cigar participating interest	Closed 2026-07-02; first forward year	CAD115.755m acquisition cost	Operating economics enter through 57.418% production from 2027 onward; acquisition-basis depletion is modeled once at a conservative CAD23.37 per acquired pound	Cash consideration is counted once as a 2027 capital outflow; no separate asset-value or P/E credit is added.
Final closing adjustments	Expected Q3 2026	[DATA GAP: amount unavailable]	No unsupported EBT effect modeled	No cash, debt, liability or valuation adjustment is invented pending the finalized amount.

The official subsequent-event note states that the transaction was an asset purchase, that the stake increased from 54.547% to 57.418%, and that the CAD115.755 million acquisition cost was paid with final closing adjustments still pending [Q2-26 official note 20, raw lines 3522-3526]. [DATA GAP: final purchase-price allocation, assumed-liability split and closing adjustments are unavailable; the forecast conservatively assigns the disclosed cost across the approximately 4.95m acquired pro-forma P&P pounds as a units-of-production depletion proxy rather than assuming zero recurring EBT charge.] The consideration is separate from the recurring analytical capex table and is counted once as a cash outflow; the depletion proxy is counted once in segment EBT. Neither is deducted a second time from equity value or turned into a standalone valuation uplift under the downstream P/E method.

10. Segment rollup: bottoms-up tie

Because Uranium concentrate is the only dollar-disclosed product line, the product rollup is one line. The bottom-up reconstruction comes from delivery volume and realized price; the source bridge separately proves that production, Inkai and purchases add to deliveries. Totals reconcile exactly at displayed precision.

Case	Uranium concentrate deliveries, m lb	Realized CAD/lb	Product revenue, CAD m	Segment revenue, CAD m	Earnings (loss) before income taxes margin	Earnings (loss) before income taxes, CAD m	Revenue tie
Bear	29.5	86	2,537.0	**2,537.0**	17.5%	**442.8**	29.5 × 86 = 2,537.0
Base	35.5	106	3,763.0	**3,763.0**	37.4%	**1,405.7**	35.5 × 106 = 3,763.0
Bull	40.0	124	4,960.0	**4,960.0**	45.3%	**2,245.8**	40.0 × 124 = 4,960.0

Supply-source reconciliation

Case	McArthur/Key Lake	Cigar Lake	U.S. ISR	Inkai entitlement	Purchases/inventory	Total supply	Deliveries	Residual
Bear	6.5	8.6	0.0	3.0	11.4	29.5	29.5	0.0
Base	12.0	10.0	0.0	4.2	9.3	35.5	35.5	0.0
Bull	16.5	10.3	0.0	4.2	9.0	40.0	40.0	0.0

Scenario probability architecture

The probabilities remain deliberately non-uniform: **25% bear, 55% base, 20% bull**. The acquisition is a closed, known perimeter event applied to every scenario, so it changes scenario economics but not scenario likelihoods. Base has the highest weight because the contract portfolio, current operating guidance and licensed assets support gradual improvement, while exact mine and contract timing remain uncertain. Bear is weighted above bull because two Canadian mines plus a partner mill and Kazakhstan create multiple operational failure points, and because new Canadian supply can cap price. Bull is meaningful but lowest because it requires several favorable conditions simultaneously: strong term contracting, project delays elsewhere, McArthur execution, Cigar continuity, Inkai stability and purchase availability.

Probability-weighted 2031 Uranium revenue is CAD3,695.9 million and probability-weighted **Earnings (loss) before income taxes** is CAD1,333.0 million using displayed scenario outputs. Those expected values are diagnostic only; synthesis should retain the discrete cases rather than treating the mean as a fourth scenario.

11. Key risks and wildcards

- **[Bear] McArthur ore access and ground freezing.** Delays in new zones reduce mine feed, force Key Lake below efficient throughput and raise unit cost on fixed infrastructure. This is the largest controllable operating risk because McArthur is the primary source of volume upside.
- **[Bear] Cigar Lake and McClean mill coupling.** Orebody challenges, freezing, underground development or an Orano mill outage can reduce packaged pounds even if the other half of the chain performs. Cameco now bears 57.418% of participating capital and operating exposure as well as receiving 57.418% of production. The June 2031 Cigar licence term also lands exactly at the model horizon; renewal is assumed for post-horizon continuity, not taken for granted.
- **[Bear] Inkai jurisdiction, logistics and input supply.** Kazatomprom controls the venture operationally; sulphuric-acid availability, regulatory approval, transport and the mineral extraction tax can reduce entitlement or increase cost. A delayed dividend worsens cash conversion even if equity earnings are recorded.
- **[Bear] Purchased-pound squeeze.** All cases need external pounds. If Cameco must buy near a high spot price while customer contracts are ceiling-constrained, reported revenue can rise while unit margin falls. The bull case is still cash-intensive because 9.0 million purchased pounds remain in the horizon mix after the acquired Cigar interest.
- **[Bear/Base] New Canadian supply timing.** Phoenix beginning around 2028 and Arrow later in the decade could improve western utility choice. Successful ramps soften scarcity rents; delays support Cameco's pricing. The model weights this asymmetry through 25% bear versus 20% bull rather than assuming all projects fail.
- **[Base/Bull] Contract replacement quality.** Higher floors and ceilings only matter as new contracts become a larger delivery share. Faster roll-off of weak legacy contracts raises realized price; aggressive volume commitments at mediocre terms would consume reserves without creating equivalent EBT.
- **[Bull] Nuclear restart and first-core demand.** Life extensions, restarts and new reactors can create fuel demand greater than steady-state reload needs. The wildcard is timing: construction delays can push first-core requirements beyond 2031 even when the long-run demand thesis is intact.
- **[Bear] Secondary supply and utility inventories.** Commercial stockpiles, re-enrichment, recycled material or inventory draw can postpone primary contracting. This is why the bear price does not require a collapse in reactor demand.
- **[Bear/Base] Royalty and tax convexity.** Saskatchewan royalties and Kazakhstan taxation absorb more upside as uranium prices rise. Bull EBT therefore grows more slowly than the unadjusted gross spread.
- **[All cases] Reserve conversion and reclamation.** P&P reserves fell from 485 million pounds in FY2023 to 433 million in FY2025 [data_package §0a, reserve row]. Sustaining a 2030s franchise requires resource conversion, licence renewal and environmental funding. Deferring capex can flatter near-term cash while weakening the moat.
- **[Bull/Base] U.S. ISR optionality.** Smith Ranch-Highland and Crow Butte provide strategic optionality, but the model assigns zero production because the cleared company record does not establish P&P reserves or a restart decision. Resource conversion, licensing and capital approval would be upside not included here.
- **[All cases] USD/CAD.** Uranium benchmarks and many contracts are USD-denominated while reporting is CAD. A weaker CAD raises realized CAD price but can also raise USD-linked purchase cost; the net effect depends on contract and inventory mix, so no free FX uplift is embedded.

Summary

Case	Segment TTM+5y Revenue	Exact profit metric	Segment TTM+5y Profit Margin	Segment TTM+5y Profit	Probability
Bear	**CAD2,537.0m**	Earnings (loss) before income taxes	**17.5%**	**CAD442.8m**	**25%**
Base	**CAD3,763.0m**	Earnings (loss) before income taxes	**37.4%**	**CAD1,405.7m**	**55%**
Bull	**CAD4,960.0m**	Earnings (loss) before income taxes	**45.3%**	**CAD2,245.8m**	**20%**

The investment conclusion for this segment is not "uranium price up." It is that Cameco owns rare low-cost, western assets and a sophisticated contract-and-supply portfolio, but must continuously spend, execute and procure to convert that scarcity into retained EBT. The base case earns moderate 5.20% revenue growth with margin reaching 37.4%; bull requires both price and operational delivery; bear shows that floors and contracted demand cannot fully protect earnings when throughput and

supply mix deteriorate. The closed Cigar acquisition improves owned-supply mix in every forward year but creates no separate valuation credit; acquisition-basis depletion prevents the benefit from being treated as free.

Fuel services — Segment Deep Dive

Company: Cameco Corporation Security: CCO.TO Reporting currency and scale: CAD millions unless otherwise stated Forecast anchor: TTM ended 2026-06-30 Forecast horizon: 2031-06-30, exactly 5.0 calendar years Common segment profit basis: **Earnings (loss) before income taxes**

This appendix is a segment forecast, not a valuation or company synthesis. Historical Cameco figures and management quotations come only from the DR-cleared `data_package.md`, SHA-256 `f3ff23c8a585986a32fab4ca4b2bc74c01c76c593e4be3b3faa5e14f3b10f880`, and sealed `statutory_bridge.json`, SHA-256 `5427b8fd1cb82f8338a9a0afb711869bb90c3dbb75ed1702dab96808fb549c48`. The package contains the exact marker `STATUTORY_BRIDGE_STATUS: VERIFIED — CLEARED FOR FORECASTING`. No Cameco historical or quote data was re-fetched. External links are limited to regulatory, peer, and industry-structure evidence.

0. Segment boundary and taxonomy note

Fuel services is a stable reportable segment across FY2021-FY2025. It covers refining, conversion, fuel fabrication, and purchases of conversion services. The 2023 Westinghouse acquisition changed Cameco's overall reporting structure but did not move Westinghouse activities into Fuel services; Westinghouse remains separate. `Other` and `Adjustments` are not allocated here. Fuel services is forecast on its issuer-disclosed basis, **Earnings (loss) before income taxes**, while corporate, unallocated, equity-accounting, finance, derivative, foreign-exchange, and statutory operating-income bridge lines remain for synthesis. [data_package §1, reporting-structure paragraph and FY2025 segment table; data_package §3a, forecast-driver ledger]

There is an essential disclosure boundary. Cameco discloses combined Fuel services revenue and operating volumes, but not separate revenue dollars for UF6 conversion, UO2 conversion, refining, or fabrication. Every forecast revenue table therefore has one combined line. The physical chain and product-specific capacities drive the model, but no undisclosed dollar mix is manufactured. [data_package §4, Fuel services rows; data_package §10, UF6/UO2/fabrication revenue-dollar gap]

1. What this segment actually is

Fuel services is the industrial bridge between uranium concentrate and reactor-ready fuel. Concentrate from mines is refined into uranium trioxide, or UO3, at Blind River. UO3 moves to the Port Hope Conversion Facility, where it becomes uranium hexafluoride, or UF6, for the light-water-reactor chain, or uranium dioxide, or UO2, for the CANDU chain. UF6 becomes gaseous during enrichment, making it the standard feed form for enrichment plants. UO2 goes into pellets and fuel bundles. Cameco Fuel Manufacturing's CNSC-licensed Port Hope site produces pellets and assembles CANDU bundles; its separate, non-nuclear Cobourg metal shop makes zirconium tubes plus bundle and reactor components. [CNSC CFM facility overview](https://www.cnsc-ccsn.gc.ca/eng/resources/publications/reports/cfm/)

Customers are nuclear utilities, enrichment companies, fuel fabricators, and fuel-cycle participants managing title to uranium material. The service is not simply “selling uranium again.” Conversion changes chemical form, meets purity and cylinder specifications, and delivers material into a regulated schedule. The U.S. Nuclear Regulatory Commission describes the process as reacting yellowcake-derived material with fluorine to create UF6 and identifies chemical hazards from fluorine, hydrofluoric acid, uranyl fluoride, and hydrogen. That complexity matters: a new entrant cannot replicate qualified capacity with an ordinary chemical plant. [U.S. NRC, Uranium Conversion](https://www.nrc.gov/materials/fuel-cycle-fac/ur-conversion)

The segment mixes conversion services, physical product sales, and fabrication work under multi-year arrangements. The package shows about 83 million kgU of contracted UF6 conversion at FY2025 but no annual delivery profile or price ladder. The book is about 6.5 times TTM combined Fuel services deliveries of 12.7 million kgU, but that is only a cross-perimeter scale comparison—not a coverage ratio or 6.5 years of backlog—because the contract book is UF6-only while reported deliveries combine multiple products, contracts may have flexibility, and timing is undisclosed. It is best read as material customer commitment, not quantified annual revenue coverage. [data_package §0a, Total contracted UF6 conversion row; data_package §4, UF6 conversion row]

Pricing blends conversion-service economics, physical products, fabrication, contract vintages, and mix; the package does not disclose escalators, market-related formulae, or a price ladder for the 83 million kgU UF6 book. Aggregate realized price rose from CAD29.72/kgU in FY2021 to CAD43.04/kgU in FY2025, but this average is not a spot conversion quote and cannot be decomposed. Deliveries differ from production because inventory and purchased conversion can bridge timing. Utilities

procure well ahead of loading; an outage at one step can strand value elsewhere. The IAEA's fuel-cycle model gives typical lead times of roughly 1.5 years for UF6 conversion, one year for enrichment, and half a year for UO2 fabrication. [IAEA Nuclear Fuel Cycle Simulation System](https://infcis.iaea.org/nfcss/modeling/material)

There are two economic profiles inside one disclosed line. UF6 conversion is a relatively fungible international service with few scaled providers. Natural-UO2 and CANDU fabrication are more design- and customer-specific. The IAEA notes that fabrication is not a fungible high-tech product because fuel is adapted to reactor type. CANDU qualification and manufacturing history are therefore more defensible than a commodity label suggests. [IAEA Nuclear Energy Series, §3.5.6](https://www-pub.iaea.org/MTCD/Publications/PDF/P1941_web.pdf)

2. Current economics: TTM ended 2026-06-30

The anchor is Q3 2025 plus Q4 2025 plus Q1 2026 plus Q2 2026. Revenue is CAD551.293 million and **Earnings (loss) before income taxes** is CAD141.225 million, a 25.617% exact-metric margin. These are direct cleared-package and sealed-bridge values. [data_package §5, four Fuel services rows; data_package §3a, TTM bridge, Fuel services row]

Current metric	TTM ended 2026-06-30	Evidence
Revenue	CAD551.293m	data_package §5, Fuel services Q3 2025 through Q2 2026
Earnings (loss) before income taxes	CAD141.225m	data_package §3a, TTM bridge, Fuel services row
Margin on Earnings (loss) before income taxes	25.617%	CAD141.225m divided by CAD551.293m
Production	13.2m kgU	data_package §0a, production row
Deliveries	12.7m kgU	data_package §0a, deliveries row
Aggregate realized price	CAD43.41/kgU	data_package §0a, realized-price row
Unit cost including depreciation and amortization	CAD32.42/kgU	data_package §0a, unit-cost row
Contracted UF6 conversion	About 83m kgU at FY2025	data_package §0a and §4, UF6 rows

Economics softened versus FY2025 even though price held near the annual exit level. FY2025 margin on **Earnings (loss) before income taxes** was 31.8%; TTM was 25.6%. The last four quarterly margins were 18.5%, 28.5%, 33.3%, and 19.8%. Q2 management attributed the H1 production shortfall to unplanned interruptions while keeping the annual production outlook. The business has pricing power, but not frictionless throughput. Fixed-cost absorption, maintenance, mix, and reliability can move margins by more than 1,000 basis points quarter to quarter. [data_package §3, Fuel services table; data_package §5, Fuel services rows; data_package §6, rows 7-8]

TTM revenue divided by deliveries is approximately CAD43.41/kgU. TTM revenue less **Earnings (loss) before income taxes**, divided by deliveries, is CAD32.29/kgU. That is close to the disclosed CAD32.42/kgU unit cost including depreciation and amortization; the difference reflects rounding and other segment items. Reported revenue and **Earnings (loss) before income taxes** control. The per-kg bridge is an operating lens, not an accounting reclassification.

Capacity and licence map

Facility and stage	Regulatory capacity or status	Licence position at 2026-09-06	Forecast relevance
Blind River Refinery, UO3	18.0m kgU practical basis, approved to 24.0m kgU subject to upgrades	Expires 2032-02-28	Upstream headroom; upgrades remain market- and execution-dependent
Port Hope Conversion Facility, UF6	12.5m kgU per year	Current term expires 2027-02-28; 20-year renewal requested with no change to licensed activities; hearing week of 2026-11-02	Critical legal-operability gate before the first full forecast year
Port Hope Conversion Facility, UO2	2.8m kgU per year	Same Port Hope conversion licence	Product-mix flexibility, not interchangeable with UF6 demand
Cameco Fuel Manufacturing, licensed Port Hope site	1,650 tU per year as UO2 pellets; bundle assembly	Valid through 2043-02-28	Long-dated authorization; limit applies to pellets at Port Hope, not all CFM output
Cameco Fuel Manufacturing, non-nuclear Cobourg metal shop	Zirconium tubes plus fuel-bundle and reactor components	Outside the CNSC Port Hope fuel-facility licence	Part of the segment but not part of the 1,650 tU licensed pellet limit

The CNSC Blind River decision retained authorization for up to 24,000 tonnes uranium as UO3, and the licence runs through February 2032. Cameco identifies 18.0 million kgU as current practical capacity and the move to 24.0 million kgU as subject to

specified equipment upgrades advanced only with market conditions. [CNSC Blind River page](https://www.cnsc-ccsn.gc.ca/eng/uranium/processing/nuclear-facilities/blind-river/) [CNSC decision](https://api.cnsc-ccsn.gc.ca/dms/digital-medias/RecordDecision-DEC21-H9-Cameco-BlindRiverRefinery-LicenceRenewal-e.pdf/object) [Cameco 2025 Annual Information Form](https://www.cameco.com/sites/default/files/documents/Cameco%202025%20Annual%20Information%20Form.pdf) Ontario's environmental approval and Cameco's FY2025 disclosure set Port Hope limits of 12,500 tonnes uranium as UF6 and 2,800 tonnes as UO2. [Ontario ECA 4580-D6BPBP](https://ero.ontario.ca/public/2024-08/Air%20ECA-%20Cameco%20Corporation.pdf) [Cameco 2025 Annual Report, p. 98](https://www.cameco.com/sites/default/files/documents/cameco-2025-annual-report.pdf) The CNSC records the current Port Hope licence expiring on 2027-02-28 and a public hearing in the week of 2026-11-02 on Cameco's requested 20-year renewal with no changes to currently licensed activities; no renewal decision had been issued at the 2026-09-06 information date. [CNSC Port Hope renewal hearing](https://www.cnsc-ccsn.gc.ca/eng/the-commission/hearings-meetings/hearings/port-hope-conversion-facility/) The CFM decision authorizes 1,650 tU of UO2 pellets annually at the licensed Port Hope site through 2043-02-28; Cobourg's non-nuclear metal shop is a separate operating perimeter. [CNSC CFM decision](https://api.cnsc-ccsn.gc.ca/dms/digital-medias/RecordDecision-CFM-Renewal-22-H12-e.pdf/object) [CNSC CFM facility overview](https://www.cnsc-ccsn.gc.ca/eng/resources/publications/reports/cfm/)

Capacities cannot be summed naively. Blind River and Port Hope are sequential, while UO2 can be processed again into pellets and bundles at CFM. Adding every limit double-counts uranium. The model uses 15.2 million kgU as a conservative bull-case aggregate-delivery bound informed by Port Hope's two conversion output limits combined and treats Blind River's higher authorization as headroom. It is not an engineering utilization claim: reported deliveries also include fabrication products and can include purchased conversion services, so combined deliveries do not map one-for-one to owned-site throughput.

Capital intensity

Fuel services capex is not separately disclosed. Consolidated Cameco capex rose from CAD98.784 million in FY2021 to CAD333.025 million in FY2025 and CAD385.877 million TTM, but allocating a percentage here would be invented. [data_package §0a, Cameco capex row; data_package §7] The model captures sustaining maintenance, ageing infrastructure, environmental compliance, and licence conditions through reliability and cost per kgU; growth spending affects the pace of upgrades and debottlenecking. Synthesis should forecast consolidated capex from company evidence rather than sum an unsupported segment allocation.

[DATA GAP: Fuel services sustaining capex, growth capex, depreciation, and invested capital are not separately disclosed. Economic effects are modeled through capacity, reliability, and EBT-basis cost per kgU; no segment capex dollars are invented.]

3. Unit economics

Revenue is deliveries multiplied by realized revenue per kgU, subject to rounding. Profit is realized revenue per kgU less feed handling and purchased conversion, chemicals, energy, labour, maintenance, depreciation, logistics, compliance, and other segment items. The result is **Earnings (loss) before income taxes** per kgU. Contracts, escalators, and mix smooth the economics, so this is not modeled as an unhedged spot-price bet.

Throughput controls fixed-cost absorption. These plants carry trained workforces, security, environmental monitoring, and maintenance regardless of quarterly volume. Unplanned outages therefore reduce volume and raise cost per unit. Contract repricing controls the revenue side. Realized price grew 10.8% in FY2022, 8.2% in FY2023, 6.3% in FY2024, and 13.7% in FY2025, but the forecast does not extrapolate this path because contracts renew over time and competing capacity can cap renewal economics. [data_package §0a, realized-price row]

Cost matters just as much. Unit cost including depreciation and amortization rose from CAD21.02/kgU in FY2021 to CAD32.42/kgU TTM, about 10.1% annualized over 4.5 years. That includes pandemic normalization, inflation, maintenance, mix, and interruptions; it is not a steady-state inflation assumption. Base cost grows more slowly, but skilled labour, hydrofluoric-acid inputs, ageing infrastructure, and compliance keep it above a commodity-light cost base. [data_package §0a, unit-cost row]

Unit-economics item	TTM 2026-06-30	Bear 2031-06-30	Base 2031-06-30	Bull 2031-06-30
Deliveries	12.7m kgU	12.0m kgU	14.2m kgU	15.2m kgU

Unit-economics item	TTM 2026-06-30	Bear 2031-06-30	Base 2031-06-30	Bull 2031-06-30
Aggregate realized revenue	CAD43.41/kgU	CAD46.00/kgU	CAD54.50/kgU	CAD60.00/kgU
Reported unit cost including depreciation and amortization	CAD32.42/kgU	Not separately forecast	Not separately forecast	Not separately forecast
Implied total cost on Earnings (loss) before income taxes basis	CAD32.29/kgU	CAD39.10/kgU	CAD37.06/kgU	CAD37.20/kgU
Earnings (loss) before income taxes per delivered kgU	CAD11.12/kgU	CAD6.90/kgU	CAD17.44/kgU	CAD22.80/kgU
Margin on Earnings (loss) before income taxes	25.617%	15.0%	32.0%	38.0%

Bear combines weak throughput with rising cost: interruptions, possible licence conditions, and under-absorption push EBT-basis cost to CAD39.10/kgU while price reaches only CAD46.00. Base assumes timely relicensing, adequate recovery, and contract repricing ahead of cost. Bull requires near-capacity throughput and scarcity pricing, but cost does not collapse; overtime, maintenance, and quality control near nameplate keep cost slightly above base.

4. Competitive dynamics

The best current market-share evidence is Euratom. In 2025 EU conversion-service deliveries, Orano supplied 3,292 tU or 24.85%, Rosatom 3,233 tU or 24.40%, ConverDyn 2,825 tU or 21.32%, Cameco 2,791 tU or 21.07%, and unspecified suppliers 1,107 tU or 8.36%. Total deliveries were 13,248 tU, nearly flat. This is not world share, but it shows a four-provider structure. [Euratom Supply Agency](https://euratom-supply.ec.europa.eu/activities/market-observatory_en)

Competitor or route	Disclosed scale or position	Competitive implication
Orano Comurhex II	15,000 tU annual conversion project capacity	Modern Western competitor with European home-market strength
ConverDyn Metropolis	17,600 tU nameplate; restarted after 2017-2023 shutdown; licence to 2060	Large North American swing capacity can constrain pricing when reliable
Rosatom	24.40% of 2025 EU conversion deliveries	Scale competitor, but sanctions can redirect Western demand
Cameco Port Hope	12,500 tU UF6 plus 2,800 tU UO2 limits	Integrated Western supplier across light-water and CANDU pathways
BWXT Nuclear Energy Canada	Qualified CANDU pellet and bundle production	Direct fabrication competitor and natural-UO2 customer

Orano describes Comurhex II as a 15,000 tU-per-year conversion project. [Orano, Comurhex II](https://www.orano.group/china/en/our-stories/comurhex-ii-the-conversion-plant-of-the-future) ConverDyn says Metropolis nameplate reached 17,600 tU as UF6 and restarted in July 2023 after a market-driven shutdown. [ConverDyn facility](https://converdyn.com/facility/) NRC records its licence through March 2060. [U.S. NRC facility page](https://www.nrc.gov/info-finder/fc/honeywell-works-uranium-conv-il-lc)

Pricing power comes from scarcity, qualification, reliability, and the high cost of a missing fuel-cycle step. It is not unlimited. ConverDyn's restart and Orano's modernized plant provide alternatives, Rosatom remains material, and inventories can buffer outages. The 83 million kgU contract book supports visibility but can delay upside if older prices reset slowly.

Fabrication is more specific. BWXT's Toronto facility receives natural UO2 powder, makes pellets, and sends them to Peterborough for CANDU bundle assembly. [BWXT NEC](https://www.bwxt.com/bwxt-nec/5/) [BWXT Peterborough](https://www.bwxt.com/bwxt-nec/bwxt-peterborough/) Cameco has a qualified footprint and supplies UO2 into the ecosystem, but does not own every CANDU relationship. Qualification, bundle design, and reactor-vendor relationships are barriers while also limiting fungibility.

Entry barriers are high: nuclear-material licences, chemical safety, environmental approvals, decommissioning funding, specialized equipment, skilled labour, quality history, cylinders, logistics, and utility acceptance. NRC licensing requires a safe operating case under nuclear-material, security, and safeguards rules. [U.S. NRC licensing](https://www.nrc.gov/materials/fuel-cycle-fac/licensing) Time and capital matter more than patents, and licensed capacity may still sit idle if economics are poor.

Substitution risk through 2031 is low for conventional fuel. Light-water enrichment needs UF6 and CANDU fleets need compatible natural-uranium fuel. Advanced reactors may require different enrichments and dedicated infrastructure. The IAEA says enrichment above 5%, especially above 10%, creates new conversion, enrichment, deconversion, fabrication, and transport requirements. This is option value, not forecast revenue. [IAEA 2026 HALEU workshop](https://conferences.iaea.org/event/456/overview)

5. Moat at the segment level

Fuel services has a real but bounded moat. Licensed industrial scarcity is strongest: Port Hope provides UF6 and UO2 pathways, Blind River an integrated refinery, and CFM CANDU fuel. Replacement requires several approvals and specialized operating systems. Long Blind River and CFM terms reduce their licence cliffs.

Qualification and reliability form the second layer. Fuel buyers value predictable delivery because failure costs dwarf conversion fees. Handling diverse concentrates, purity, hazardous chemicals, and cylinders is accumulated know-how. Fabrication adds reactor-specific switching friction.

Contracting is the third layer. About 83 million kgU contracted UF6 conversion indicates customer relationships and scheduling visibility, supporting repricing as the Western market tightens. Yet a long contract is not automatically a moat: weak legacy prices can delay upside, and undisclosed escalators prevent spot-price assumptions.

Integration is the fourth layer. Refining, conversion, and fabrication options reduce interfaces and support customer solutions. But integration creates correlated operating risk: Blind River feeds Port Hope, so outages, reagent shortages, or quality issues propagate. The chain is only as strong as its constrained stage.

Durability is favorable if Port Hope is renewed and reliability improves, but Orano and ConverDyn have comparable scale, Rosatom remains substantial, and government funding can add capacity. DOE says the Russian-uranium ban unlocked US$2.72 billion for domestic enrichment and conversion and allows waivers only through January 1, 2028. This supports scarcity now but can finance competition later. [U.S. DOE](https://www.energy.gov/articles/biden-harris-administration-enacts-law-banning-importation-russian-uranium)

The segment moat is **moderate-to-strong, conditional on licence continuity and execution**. Assets and qualification are hard to reproduce; the product is not unique; and returns can be competed down when dormant or new capacity becomes reliable.

6. Historical growth rates

The required product history is available only for the combined segment. UF6, UO2, refining, and fabrication dollars are not separately disclosed and are not estimated. [data_package §4, Fuel services combined row; data_package §10, first gap row]

Product / sub-segment	FY-3 revenue: FY2023	FY-2 revenue: FY2024	FY-1 revenue: FY2025	3-year CAGR	Most recent YoY	Data package cite
Combined refining, conversion and fabrication	CAD0.426bn [data_package §3, Revenue FY2023]	CAD0.459bn [data_package §3, Revenue FY2024]	CAD0.562bn [data_package §3, Revenue FY2025]	15.5% from FY2022 CAD0.365bn to FY2025 CAD0.562bn [data_package §4, combined row]	22.5% [data_package §3, YoY FY2025]	data_package §3 Fuel services rows; §4 Fuel services combined row

Arithmetic check: CAD0.459bn × 1.225 = CAD0.5623bn, within 0.1% of disclosed CAD0.562bn. CAD0.426bn × 1.079 = CAD0.4597bn, within 0.2% of disclosed CAD0.459bn. No historical product dollars were back-solved.

Five-year operating context shows why the recent CAGR cannot be extrapolated mechanically.

Fuel services history	FY2021	FY2022	FY2023	FY2024	FY2025
Revenue	CAD0.404bn [data_package §3, Revenue FY2021]	CAD0.365bn [data_package §3, Revenue FY2022]	CAD0.426bn [data_package §3, Revenue FY2023]	CAD0.459bn [data_package §3, Revenue FY2024]	CAD0.562bn [data_package §3, Revenue FY2025]
YoY revenue growth	10.2% [data_package §3, YoY FY2021]	-9.7% [data_package §3, YoY FY2022]	16.6% [data_package §3, YoY FY2023]	7.9% [data_package §3, YoY FY2024]	22.5% [data_package §3, YoY FY2025]
Earnings (loss) before income taxes	CAD0.111bn [data_package §3, exact metric FY2021]	CAD0.120bn [data_package §3, exact metric FY2022]	CAD0.129bn [data_package §3, exact metric FY2023]	CAD0.108bn [data_package §3, exact metric FY2024]	CAD0.179bn [data_package §3, exact metric FY2025]
Margin on Earnings (loss) before income taxes	27.5% [data_package §3, Margin FY2021]	32.8% [data_package §3, Margin FY2022]	30.4% [data_package §3, Margin FY2023]	23.5% [data_package §3, Margin FY2024]	31.8% [data_package §3, Margin FY2025]
Production	12.1m kgU [data_package §0a, Production FY2021]	13.0m kgU [data_package §0a, Production FY2022]	13.3m kgU [data_package §0a, Production FY2023]	13.5m kgU [data_package §0a, Production FY2024]	14.0m kgU [data_package §0a, Production FY2025]
Deliveries	13.6m kgU [data_package §0a, Deliveries FY2021]	11.1m kgU [data_package §0a, Deliveries FY2022]	12.0m kgU [data_package §0a, Deliveries FY2023]	12.1m kgU [data_package §0a, Deliveries FY2024]	13.1m kgU [data_package §0a, Deliveries FY2025]

Fuel services history	FY2021	FY2022	FY2023	FY2024	FY2025
Realized price	CAD29.72/kgU [data_package §0a, Price FY2021]	CAD32.92/kgU [data_package §0a, Price FY2022]	CAD35.61/kgU [data_package §0a, Price FY2023]	CAD37.87/kgU [data_package §0a, Price FY2024]	CAD43.04/kgU [data_package §0a, Price FY2025]
Unit cost including depreciation and amortization	CAD21.02/kgU [data_package §0a, Cost FY2021]	CAD22.39/kgU [data_package §0a, Cost FY2022]	CAD25.23/kgU [data_package §0a, Cost FY2023]	CAD29.14/kgU [data_package §0a, Cost FY2024]	CAD29.74/kgU [data_package §0a, Cost FY2025]

Price drove most recent acceleration. Deliveries increased from 12.0 million kgU in FY2023 to 13.1 million in FY2025, while price rose from CAD35.61 to CAD43.04/kgU. Margin can compress during growth: FY2024 revenue rose 7.9%, yet margin on **Earnings (loss) before income taxes** fell to 23.5% as cost climbed. Compounding the 15.5% revenue CAGR would ignore finite capacity and operating volatility.

7. Management guidance

Every Fuel services item in data-package §6 is reproduced. The short quotations were verified upstream; no transcript was re-fetched.

- **TR-Q3, 2025-11-05, Tim Gitzel:** “annual production outlook remains on track.” [data_package §6, Fuel services row 1] Actual FY2025 production finished at 14.0 million kgU. This demonstrates recovery capacity but is not multi-year guidance.
- **Q3-25, 2025-11-05, Management:** “towards achieving a UF6 production rate.” [data_package §6, Fuel services row 2; data_package §5, official Q3 report date] This identifies a Port Hope throughput ramp. Because the excerpt supplies no number, disclosed capacity and actual production control.
- **TR-Q4, 2026-02-13, Tim Gitzel:** “record UF6 production at Port Hope.” [data_package §6, Fuel services row 3] A record supports feasibility, while making incremental growth harder as the plant approaches constraints.
- **TR-Q4, 2026-02-13, Tim Gitzel:** “pricing that underpins the sustainability.” [data_package §6, Fuel services row 4] Management prioritizes contract economics over volume at any price. Base and bull price assumptions exceed cost growth; bear assumes inadequate spread.
- **Q1-26 release, 2026-05-05, Tim Gitzel:** “on track in our uranium, fuel services.” [data_package §6, Fuel services row 5] There was no Q1 reset, but this does not imply smooth quarterly margins.
- **Q1-26, 2026-05-05, Management:** “between 13 million and 14 million kgU.” [data_package §6, Fuel services row 6; data_package §5, official Q1 report date] This is the FY2026 production range. The forecast respects it and does not treat licensed capacity as immediate production.
- **Q2-26, 2026-07-31, Management:** “due to unplanned interruptions.” [data_package §6, Fuel services row 7; data_package §5, official Q2 report date] The H1 shortfall is an execution flag. Bear volume and cost explicitly reflect recurrence.
- **TR-Q2, 2026-07-31, Tim Gitzel:** “annual production outlook is unchanged.” [data_package §6, Fuel services row 8] Management expects H2 recovery. Base gives partial credit, while the anchor remains actual TTM production of 13.2 million kgU.

Guidance is specific on FY2026 physical output but not five-year revenue, margin, capex, or product prices. Scenario dispersion therefore comes from three visible mechanisms: the Port Hope licence and ramp, delivered volume within constraints, and the price-cost spread on renewed contracts.

8. Forward growth assumptions

Base case

Product	3-year historical CAGR	Latest YoY	Mgmt FY+1 guide	Base CAGR TTM to TTM+5y	Justification
Combined refining, conversion and fabrication	15.5% [data_package §4]	22.5% [data_package §3]	13m-14m kgU FY2026 production [data_package §6 row 6]	7.0%	Deliveries rise 2.3% annually to 14.2m kgU and realized price 4.6%; growth slows as the UF6 ramp approaches today's licensed envelope and ConverDyn/Orano constrain pricing

Base assumes timely Port Hope renewal without a material output constraint. Blind River provides upstream headroom and CFM remains authorized. Occasional interruptions do not prevent deliveries reaching 14.2 million kgU. Aggregate price rises from CAD43.41 to CAD54.50/kgU as contracts reset in a security-conscious market, well below the historical price CAGR.

Bull case

Product	3-year historical CAGR	Latest YoY	Mgmt FY+1 guide	Bull CAGR TTM to TTM+5y	Justification
Combined refining, conversion and fabrication	15.5% [data_package §4]	22.5% [data_package §3]	13m-14m kgU FY2026 production [data_package §6 row 6]	10.6%	Western scarcity sustains 6.7% price growth and reliability lifts deliveries 3.7% annually to 15.2m kgU, a conservative aggregate bound informed by existing Port Hope limits without assuming expansion

Bull is not based on advanced-reactor hype. It requires existing utilities to contract aggressively as Russian waivers run off, competitor supply not to create oversupply, a long Port Hope renewal, and execution near regulatory limits. CANDU fabrication adds mix value only through aggregate price; no product revenue is inserted. Growth still decelerates from FY2025's 22.5% because physical capacity prevents sustained 20% expansion.

Bear case

Product	3-year historical CAGR	Latest YoY	Mgmt FY+1 guide	Bear CAGR TTM to TTM+5y	Justification
Combined refining, conversion and fabrication	15.5% [data_package §4]	22.5% [data_package §3]	13m-14m kgU FY2026 production [data_package §6 row 6]	0.0%	Relicensing uncertainty and interruptions reduce deliveries 1.1% annually to 12.0m kgU; price grows only 1.2% as Western capacity and inventories buffer demand

Bear does not assume permanent licence loss, which would be more severe. It assumes renewal timing or conditions constrain flexibility, reliability remains weak, and price protection fails to offset inflation. ConverDyn and Orano give customers leverage while inventories defer contracting.

Annual physical and revenue cadence

Base case cadence	TTM 2026-06-30	2027-06-30	2028-06-30	2029-06-30	2030-06-30	2031-06-30
Deliveries	12.7m kgU	13.0m kgU	13.4m kgU	13.7m kgU	14.0m kgU	14.2m kgU
Aggregate realized price	CAD43.41/kgU	CAD45.50/kgU	CAD47.80/kgU	CAD50.10/kgU	CAD52.30/kgU	CAD54.50/kgU
Revenue	CAD551.293m	CAD591.500m	CAD640.520m	CAD686.370m	CAD732.200m	CAD773.900m

Bear case cadence	TTM 2026-06-30	2027-06-30	2028-06-30	2029-06-30	2030-06-30	2031-06-30
Deliveries	12.7m kgU	12.4m kgU	12.2m kgU	12.0m kgU	11.9m kgU	12.0m kgU
Aggregate realized price	CAD43.41/kgU	CAD44.00/kgU	CAD44.80/kgU	CAD45.20/kgU	CAD45.60/kgU	CAD46.00/kgU
Revenue	CAD551.293m	CAD545.600m	CAD546.560m	CAD542.400m	CAD542.640m	CAD552.000m

Bull case cadence	TTM 2026-06-30	2027-06-30	2028-06-30	2029-06-30	2030-06-30	2031-06-30
Deliveries	12.7m kgU	13.4m kgU	14.0m kgU	14.5m kgU	14.9m kgU	15.2m kgU
Aggregate realized price	CAD43.41/kgU	CAD46.50/kgU	CAD49.80/kgU	CAD53.20/kgU	CAD56.60/kgU	CAD60.00/kgU
Revenue	CAD551.293m	CAD623.100m	CAD697.200m	CAD771.400m	CAD843.340m	CAD912.000m

Base delivery growth slows near constrained output while price keeps repricing. Bear has a 2030 trough before modest recovery. Bull reaches a conservative aggregate-delivery bound informed by, but not mechanically equal to, existing Port

Hope conversion limits. Every revenue cell equals deliveries multiplied by CAD/kgU. No product mix is needed to reconstruct the forecast.

9. Forward margin assumptions — Earnings (loss) before income taxes

TTM margin on **Earnings (loss) before income taxes** is 25.617%. Each case moves more than 100 basis points, so mechanisms are explicit.

Margin case	TTM margin on Earnings (loss) before income taxes	TTM+5y margin on Earnings (loss) before income taxes	Change	Specific mechanism
Bear	25.617%	15.0%	-1,062 bps	Low throughput under-absorbs fixed cost; interruptions and licence conditions raise maintenance/compliance burden; price trails labour, reagent, energy, and depreciation-related cost
Base	25.617%	32.0%	+638 bps	Contract repricing outruns cost inflation; deliveries reach 14.2m kgU; reliability restores fixed-cost absorption near the top of historical margins
Bull	25.617%	38.0%	+1,238 bps	Near-capacity output and scarcity pricing widen spread; cost remains elevated for overtime, maintenance, and quality control near nameplate

Base horizon margin uses CAD54.50/kgU price and CAD37.06/kgU implied total cost. It slightly exceeds FY2025's 31.8% because 4.6% annual price growth is faster than the rise in cost from CAD32.29 to CAD37.06, about 2.8% annually. It does not assume immediate contract resetting.

Bull's 38% is above the five-year historical high of 32.8%, requiring both CAD60/kgU and 15.2 million kgU deliveries. Cost does not fall; it rises to CAD37.20/kgU. Expansion is price and absorption, not deflation. Bear ends below every disclosed historical margin as total cost reaches CAD39.10 against CAD46.00 revenue per kgU.

Base profit cadence	TTM 2026-06-30	2027-06-30	2028-06-30	2029-06-30	2030-06-30	2031-06-30
Margin on Earnings (loss) before income taxes	25.617%	27.0%	28.5%	30.0%	31.0%	32.0%
Earnings (loss) before income taxes	CAD141.225m	CAD159.705m	CAD182.548m	CAD205.911m	CAD226.982m	CAD247.648m
Implied total cost on Earnings (loss) before income taxes basis	CAD32.29/kgU	CAD33.22/kgU	CAD34.18/kgU	CAD35.07/kgU	CAD36.09/kgU	CAD37.06/kgU

Bear profit cadence	TTM 2026-06-30	2027-06-30	2028-06-30	2029-06-30	2030-06-30	2031-06-30
Margin on Earnings (loss) before income taxes	25.617%	22.0%	19.0%	16.5%	14.5%	15.0%
Earnings (loss) before income taxes	CAD141.225m	CAD120.032m	CAD103.846m	CAD89.496m	CAD78.683m	CAD82.800m
Implied total cost on Earnings (loss) before income taxes basis	CAD32.29/kgU	CAD34.32/kgU	CAD36.29/kgU	CAD37.74/kgU	CAD38.99/kgU	CAD39.10/kgU

Bull profit cadence	TTM 2026-06-30	2027-06-30	2028-06-30	2029-06-30	2030-06-30	2031-06-30
Margin on Earnings (loss) before income taxes	25.617%	29.0%	32.0%	34.5%	36.5%	38.0%
Earnings (loss) before income taxes	CAD141.225m	CAD180.699m	CAD223.104m	CAD266.133m	CAD307.819m	CAD346.560m
Implied total cost on Earnings (loss) before income taxes basis	CAD32.29/kgU	CAD33.02/kgU	CAD33.86/kgU	CAD34.85/kgU	CAD35.94/kgU	CAD37.20/kgU

No corporate or statutory-bridge adjustment appears in these margins. Finance costs, derivatives, finance income, equity-accounted investee earnings, FX, `Other`, and `Adjustments` remain separate sealed lines. [data_package §3a, forecast-driver ledger]

10. Segment rollup

Case	TTM deliveries	TTM+5y deliveries	TTM+5y realized price	TTM+5y combined revenue	TTM+5y margin on Earnings (loss) before income taxes	TTM+5y Earnings (loss) before income taxes	Arithmetic tie
Bear	12.7m kgU	12.0m kgU	CAD46.00/kgU	CAD552.000m	15.0%	CAD82.800m	12.0 × 46.00 = 552.000; 552.000 × 15.0% = 82.800
Base	12.7m kgU	14.2m kgU	CAD54.50/kgU	CAD773.900m	32.0%	CAD247.648m	14.2 × 54.50 = 773.900; 773.900 × 32.0% = 247.648
Bull	12.7m kgU	15.2m kgU	CAD60.00/kgU	CAD912.000m	38.0%	CAD346.560m	15.2 × 60.00 = 912.000; 912.000 × 38.0% = 346.560

The rollup is fully bottom-up within disclosure limits. Physical deliveries and price reconstruct revenue; the exact-metric margin reconstructs **Earnings (loss) before income taxes**. Revenue CAGRs from CAD551.293 million are 0.0% bear, 7.0% base, and 10.6% bull, over exactly five years.

Probabilities are 30% bear, 55% base, and 15% bull. Base is highest because management maintained 2026 guidance and assets are operating. Bear is twice bull because Port Hope renewal occurs before the first forecast year, TTM margins show interruption sensitivity, and bull needs near-nameplate throughput plus exceptional pricing. Bull remains meaningful because Western conversion supply is concentrated and policy can accelerate non-Russian contracting.

Probability-weighted horizon revenue is CAD728.045 million and probability-weighted **Earnings (loss) before income taxes** is CAD213.030 million. These are diagnostics, not a fourth case.

11. Key risks and wildcards

Port Hope licence renewal — Bear-dominant

The current licence expires 2027-02-28 and the requested 20-year renewal, with no change to currently licensed activities, is scheduled for a public hearing in the week of 2026-11-02. There was no final decision at the 2026-09-06 information date. Timely renewal before expiry is an explicit legal-operability gate, not a fact. Delay, a shorter term, or conditions could change maintenance, capital, or output. A regulatory result constraining UF6 or UO2 through 2031 breaks base.

Unplanned interruptions and ageing infrastructure — Bear-dominant

Management attributed H1 weakness to interruptions; TTM exact-metric margin fell from 31.8% FY2025 to 25.6%. Recurrence causes lower volume and higher repair cost. Base assumes episodic recovery; bear holds deliveries near 12 million kgU.

Chemicals, energy, and labour — Bear-dominant

UF6 uses fluorine, hydrofluoric acid, and hydrogen. Reagent, energy, maintenance, or licensed-labour shortages can outpace contract escalation. The TTM cost rise to CAD32.42/kgU shows this is real. Contracts protect only if terms outrun cost.

Western scarcity — Bull-dominant

The Russian import ban, waiver sunset, and allied supply-chain policy can redirect demand. Rosatom still supplied 24.4% of EU conversion in 2025, and EIA said 26% of U.S. enrichment services originated in Russia. A faster shift tightens scheduling before new capacity. [Euratom](https://euratom-supply.ec.europa.eu/activities/market-observatory_en) [U.S. EIA](https://www.eia.gov/uranium/marketing/)

Competitor capacity — Bear-dominant

ConverDyn restarted in 2023 and Orano has modernized capacity. High prices invite utilization and investment. Bull requires demand to absorb it; bear assumes alternatives cap price growth near 1.2%.

Enrichment and tails-assay feedback — All cases

When enrichment is scarce and expensive, enrichers can use higher tails and more natural feed, increasing conversion demand. When SWU is abundant and cheaper, underfeeding can reduce feed and conversion demand. EIA reported an 11% increase in average enrichment-service price in 2025. [U.S. EIA](https://www.eia.gov/uranium/marketing/) The model captures this through volume and price, not a separate SWU line.

Utility inventories — Bear-dominant

EIA reported 170 million lb U3O8e of U.S. commercial inventory at end-2025, up 9%, including 118 million lb held by operators. Inventories are not a permanent substitute for conversion, but can defer procurement and buffer outages. [U.S. EIA](https://www.eia.gov/uranium/marketing/)

Contract opacity — All cases

About 83 million kgU is contracted, but pricing, delivery timing, options, and concentration are undisclosed. The book can protect volume while delaying upside. Base assumes gradual repricing, not spot capture.

CANDU refurbishment and fabrication — Bull-dominant

Refurbishment extends natural-UO2 and bundle demand. CFM's 2043 licence supports participation, but BWXT is qualified competition. Bull gives aggregate mix credit without inserting fabrication revenue.

Advanced fuels — Bull-dominant / long-dated wildcard

HALEU and advanced reactors may require new infrastructure. Incumbent nuclear quality creates option value, but fuel form, licensing, and commercialization remain unsettled. No advanced-fuel revenue is forecast through 2031.

Capital and decommissioning — Bear-dominant

Remediation, licence conditions, ageing equipment, and decommissioning funding can consume cash even as **Earnings (loss) before income taxes** improves. Without segment capex, segment free-cash conversion cannot be tested. Large future compliance capex without pricing would reduce value.

Production versus deliveries — All cases

Inventory and purchased conversion can satisfy commitments, protecting customers but changing cost and working capital. High deliveries do not prove equivalent owned-facility utilization. Delivered kgU drives revenue; cost per kgU captures sourcing economics.

Summary

Case	Segment TTM+5y Revenue	Exact profit metric	Segment TTM+5y Profit Margin	Segment TTM+5y Profit	Probability
Bear	CAD552.000m	Earnings (loss) before income taxes	15.0%	CAD82.800m	30%
Base	CAD773.900m	Earnings (loss) before income taxes	32.0%	CAD247.648m	55%
Bull	CAD912.000m	Earnings (loss) before income taxes	38.0%	CAD346.560m	15%

Fuel services can grow without heroic expansion, but value comes more from the price-cost spread than from volume. Base deliveries reach 14.2 million kgU against a conservative aggregate bound informed by today's conversion envelope, and price reaches CAD54.50/kgU. Combined deliveries are not equated with owned-facility utilization. The barriers and contracts are real; so are the relicensing gate and interruption cost. The appropriate posture is positive on strategic scarcity while refusing to capitalize an undisclosed product mix or equate licensed capacity with high-margin output.

Westinghouse — Segment Deep Dive

Company: Cameco Corporation **Security:** XTSE:CCO **Model period:** TTM ended 2026-06-30 to 2031-06-30, exactly 5.0 years **Reporting currency and scale:** CAD millions unless stated otherwise **Exact common segment profit basis:** `Earnings (loss) before income taxes` **Sealed data-package SHA-256:** `5e3d6855e0062275e7268d265f93af64527e1e48c0f6bd1a2769d1e75df63491` **Sealed statutory-bridge SHA-256:** `5427b8fd1cb82f8338a9a0afb711869bb90c3dbb75ed1702dab96808fb549c48` **STATUTORY_BRIDGE_STATUS: VERIFIED — CLEARED FOR FORECASTING**

Westinghouse is economically important to Cameco but accounting must remain disciplined. Cameco owns 49% of Westinghouse and reports a proportionate management view of Westinghouse revenue and costs in its segment note. Those revenue and cost lines are fully eliminated on consolidation. Cameco consolidated revenue therefore receives **zero** Westinghouse revenue. The Westinghouse segment's `Earnings (loss) before income taxes` survives as Cameco's 49%-proportionate reportable-segment profit input; in the statutory statements, equity-method share of earnings is retained below operating income, while cash distributions affect cash and the investment carrying value. These are different presentations of the same ownership economics and must not be added together. A contingent U.S. Government Participation Interest attaches at the Westinghouse level, ahead of owner distributions or through an IPO warrant if it vests and its thresholds are met; it is inventoried once in section 10 and is not a second operating expense. Every forecast table below preserves that boundary. The supplementary revenue forecast is never added to Cameco consolidated revenue.

0. Segment boundary and taxonomy note

Westinghouse entered Cameco's reportable structure when the acquisition closed on 2023-11-07. FY2023 is only a post-close stub; FY2024 is the first full ownership year. Consequently, FY2023-FY2025 is not a same-perimeter three-year organic history and no false three-year CAGR is calculated. At Q2 2026 Westinghouse renamed its internal `Core` and `New Build` businesses `Operating Plants` and `New Plants`. This is an internal naming change, not a Cameco reportable-segment restatement. For comparability, this appendix uses `Operating Plants / Core`, `Nuclear Fuel`, and `New Plants / New Build`. FY2025 folded Nuclear Fuel into Core, while FY2024 disclosed it separately; that disclosure boundary is shown rather than bridged with invented revenue. These taxonomy conclusions come from data package §1, reporting structure and taxonomy.

1. What this segment actually is

Westinghouse is a nuclear-technology, fuel and plant-services platform. It is not a regulated utility, a uranium miner or a simple engineering contractor. Its customers are nuclear utilities, national nuclear programs, government-linked project companies and plant operators. The business spans an operating reactor's life: fuel design and fabrication, outage work, inspections, maintenance, digital instrumentation and control, major component replacement, uprates, life extension, decommissioning support, and the design and equipment scope for new AP1000 plants.

Operating Plants / Core. This is the recurring installed-base franchise. Long-Term Operations work supports plants seeking higher output, improved safety, digitized controls or another operating-license interval. Outage & Maintenance Services supplies qualified labor, tooling, inspections, welding, refurbishment and project management during planned outages. Revenue is typically earned under multi-year master-service, parts, project and recurring outage arrangements. The customer is buying nuclear-grade documentation, licensed intellectual property, regulatory pedigree, trained personnel and certainty that a narrow outage window will be met. Price is therefore not simply hours times a commodity labor rate. Qualification and switching costs matter, but individual tenders can remain competitive.

Nuclear Fuel. Westinghouse designs and fabricates PWR, BWR and increasingly VVER fuel and provides core design, engineering and safety analysis. Its official materials identify fuel-fabrication sites in the United States, Sweden and the United Kingdom. Utilities qualify fuel designs over long periods because failure has costly operating and regulatory consequences. Reload cycles create recurrent demand; enrichment level, burnup, reliability guarantees and engineering services influence price. LEU+ could enable longer cycles and more energy from each loading, but it requires new manufacturing, licensing and customer adoption. Westinghouse itself describes three global fuel-fabrication facilities and a High Energy Fuel Program aimed at higher enrichment and burnup [Westinghouse Nuclear Fuel](https://westinghousenuclear.com/nuclear-fuel).

New Plants / New Build. Westinghouse licenses the AP1000 design and supplies engineering, nuclear-island equipment, project integration, instrumentation, startup support and other scope. Westinghouse does not necessarily earn the whole project cost. Data package §6 gives an illustrative two-unit AP1000 project cost of US$20bn-US$26bn, of which

Westinghouse scope is US$8bn-US$11bn, or 40%-45%. Cash and revenue follow milestones over several years, and the customer's financing, permits, local-content program, civil contractor and final investment decision control timing. A technology selection or intergovernmental framework is not backlog. A named opportunity in the `up to 91 potential reactors` pipeline is not forecast revenue.

The commercial flywheel is real but slow. A new AP1000 award creates engineering and equipment revenue during construction, then a potential 60-100-year installed-base relationship for fuel, outages, parts and plant upgrades. Conversely, a stalled final investment decision can create years of bid expense without material revenue. The segment therefore combines a defensible recurring base with a high-value, high-variance option book.

2. Current economics

TTM supplementary proportionate Westinghouse revenue is CAD3,385.789m and TTM `Earnings (loss) before income taxes` is CAD-104.362m, a -3.1% exact-metric margin. These are the sealed TTM values from data package §3a and §5: the revenue is the sum of Q3-25, AR25/Q4-25NR, Q1-26/Q2-26 arithmetic and Q2-26, and the EBT is sealed as `ttm_arithmetic` in the statutory bridge. The revenue is non-additive to Cameco consolidated revenue. The negative TTM result is not evidence that fuel and services are structurally loss-making; it reflects the reported equity-method and purchase-accounting perimeter, project timing and the absence from this TTM window of the Q2 2025 Dukovany upfront contribution. It is nevertheless the required unadjusted starting point and is not replaced with adjusted EBITDA.

FY2025 supplementary proportionate revenue was CAD3,457.633m, up 19.6% from FY2024's CAD2,892m, while FY2025 `Earnings (loss) before income taxes` was CAD53.761m versus CAD-280m in FY2024. FY2025 margin on the exact metric was 1.6%; FY2024 was -9.7% (AR24 PDF pp.180-181; AR25 note 27, PDF pp.181-183; reproduced in data package §3). The quarter pattern remains volatile: Q3 2025 revenue was CAD697.006m with CAD-36.078m EBT; Q4 2025 CAD957.610m with CAD-2.744m EBT; Q1 2026 CAD867.988m with CAD-60.747m EBT; and Q2 2026 CAD863.185m with CAD-4.793m EBT (Q3-25 PDF p.64, AR25 note 27/Q4-25NR, Q1-26 PDF p.57 and Q2-26 PDF p.70; report dates 2025-11-05, 2026-02-13, 2026-05-05 and 2026-07-31). Q2 2026 revenue fell 16% year over year, but Q2 2025 contained a US$170m contribution to Cameco's share of revenue and adjusted EBITDA from Dukovany (Q2-26). The clean modeling response is not to extrapolate the decline and not to subtract the one-off twice: the TTM ending 2026-06-30 already rolls Q2 2025 out.

At the underlying Westinghouse business-line level, FY2025 Core revenue was approximately US$4.3bn, 84% of total Westinghouse revenue, while New Build was approximately US$0.8bn, 16%. FY2024 disclosed approximately US$2.5bn Operating Plant Services, US$1.5bn Nuclear Fuel and US$0.3bn New Build (AR24-AR25, reproduced in data package §4). Data package §4 expressly says FY2025 Nuclear Fuel revenue was folded into Core and does not disclose finer FY2025 Core revenue. Cameco also does not disclose any TTM business-line revenue split. For modeling only, the TTM total is allocated 84% to Core and 16% to New Plants using the FY2025 disclosed mix, then the modeled Core amount is allocated 62.5% to Operating Plants and 37.5% to Nuclear Fuel using the FY2024 disclosed Core mix. The entire TTM three-way split is an analyst allocation, not a disclosed TTM or FY2025 sub-line result.

The resulting non-disclosed model anchors are CAD1,777.539m Operating Plants, CAD1,066.524m Nuclear Fuel and CAD541.726m New Plants, totaling CAD3,385.789m. This analyst allocation lets the forecast express different growth and margin mechanisms without pretending that Cameco disclosed a current sub-line split. The exact TTM segment `Earnings (loss) before income taxes` remains a single CAD-104.362m figure because the data package does not allocate it among products.

Capital intensity is two-layered. The mature Westinghouse platform requires roughly US$0.2bn-US$0.3bn of annual sustaining capex at 100% ownership. Cameco's 2026 share of Westinghouse capex is expected to be US$160m-US$200m. In addition, Cameco could fund at least US$400m of LEU+ investment over five years if commercially viable. These figures come from Q2-26, reproduced in data package §6. The incremental LEU+ requirement is therefore material relative to current segment EBT and may defer distributions even if accounting profit improves. New-build working capital can also be lumpy because equipment procurement and customer milestones do not align perfectly.

3. Unit economics

The best way to understand Westinghouse economics is to separate recurring installed-base work from project options, then bridge each to the exact `Earnings (loss) before income taxes` metric.

Operating Plants revenue begins with an installed reactor base and a scheduled work calendar. Outages recur, major components age, control systems become obsolete, safety rules evolve and utilities seek uprates or life extensions. A high proportion of costs is skilled engineering, nuclear-qualified field labor, tooling and quality assurance. Utilization matters: a delayed outage can strand labor, while a dense outage season improves absorption. Parts and intellectual-property-rich engineering can carry better margins than labor-heavy project work. A fixed-price outage overrun compresses margin; a well-scoped repeat program creates learning and schedule efficiency. Customer concentration at national fleets can strengthen the buyer, but qualification, safety record and outage execution limit the credible vendor set.

Nuclear Fuel converts enriched uranium and other inputs into qualified assemblies plus engineering and core-management services. Revenue is recurring with reload cycles, though timing varies by customer. Gross economics depend on plant utilization, scrap and rework, uranium and conversion pass-through clauses, labor, regulatory compliance and mix between commodity-like fabrication and proprietary design or engineering. Reliability is economically valuable: a fuel failure can reduce output and impose inspection costs far exceeding a modest price difference. This supports retention and pricing, while long qualification cycles slow share gains. LEU+ adds a potential higher-value product but initially raises depreciation, engineering, licensing and qualification expense. The model therefore grants Nuclear Fuel steady growth but does not assume immediate margin windfall from LEU+.

New Plants economics are milestone-based and path-dependent. Early engineering and licensing may generate revenue before full construction, but the largest equipment and integration revenue waits on financing, permits, customer notices to proceed and supply-chain mobilization. Data package §6 indicates approximately 20% normalized adjusted EBITDA margin for illustrative AP1000 new-build scope. That is not the required segment EBT metric. The forecast applies lower EBT margins after depreciation, financing, purchase-accounting and central costs, especially while multiple projects remain pre-volume. The business can show high incremental profit when standard designs repeat, but a first-of-a-kind localization, redesign, supply-chain delay or fixed-price obligation can overwhelm that leverage.

The TTM segment EBT margin of -3.1% is a poor steady-state indicator but an important warning. FY2024 was -9.7% and FY2025 1.6%. Management's adjusted measures may better describe operations, yet investors own statutory economics. The five-year cases require EBT recovery through repeat work, mix, purchase-accounting normalization and scale; they do not simply apply the 20% illustrative new-build adjusted EBITDA margin to all revenue. In the base case, the horizon segment EBT margin reaches 8.82%. That 1,190-basis-point move from TTM is large and therefore depends on specific mechanisms: approximately 400-500 bps from normalization of acquisition and project timing, 250-350 bps from service and fuel scale, 150-250 bps from New Plants volume and project repetition, partly offset by 100-200 bps of LEU+ depreciation, bid expense and continuing central costs. If these mechanisms do not appear in reported EBT, the base case fails.

Cash conversion is separate from accounting profit. Westinghouse must fund sustaining capex, LEU+ capacity, working capital, taxes, debt service and project commitments before distributions. Distributions to Cameco reduce the investment carrying value rather than consolidated revenue. No recurring distribution formula is disclosed in the data package, so this appendix does not forecast distributions as if they were contractual. It uses scenario payout diagnostics only in section 10 and clearly separates them from the segment EBT forecast.

4. Competitive dynamics

Westinghouse competes in several overlapping markets, and its position is not identical in each.

In large new reactors, AP1000 competes with EDF's EPR/EPR2, Korea's APR1400, Russian VVER designs and Chinese Hualong technology. It also competes indirectly with smaller reactors, gas generation, renewables plus storage and demand-side solutions for capital allocation. Westinghouse's strongest commercial advantages are an operating Gen III+ reference fleet, passive safety design, a U.S. regulatory history and a repeatable standard-plant proposition. Westinghouse's 2025 AP1000 fact sheet reports six reactors in commercial operation, 14 under construction, 14 contracted and six technology-selected [Westinghouse AP1000 fact sheet](https://westinghousenuclear.com/media/jhlfh5l5/32201_wec-ap1000_flysheet_digital-1-1.pdf). These categories are not interchangeable: only operating units prove performance, while contracted and selected units still face financing and project risk.

The U.S. regulatory position is a meaningful barrier but not a finished asset. The NRC states that Westinghouse filed on 2026-03-27 to renew the AP1000 design certification and requested that Revision 20 be incorporated into the design-control document; the NRC is reviewing Revision 20 [NRC AP1000 design certification](https://www.nrc.gov/reactors/new-reactors/large-lwr/design-cert/ap1000). A successful update can reduce nth-of-a-kind licensing uncertainty. Review delays or material new requirements would do the opposite.

EDF demonstrates both the depth of sovereign-backed competition and the scale of the opportunity. Its six-reactor French EPR2 program has a preliminary estimate of €72.8bn in 2020 euros, targets the first Penly reactor for 2038 and relies on state-support mechanisms [EDF EPR2 cost and schedule](https://www.edf.fr/groupe-edf/espaces-dedies/journalistes/tous-les-communiques-de-presse/edf-presente-son-devis-previsionnel-du-programme-epr2-a-hauteur-de-728-mdeu). That long schedule is a sober analogue for AP1000 conversion: governments can commit strategically while cash revenue takes many years. It also shows why financing architecture and local industrial policy may decide awards as much as reactor technology.

Korean suppliers bring a record of export execution and state coordination. Westinghouse can participate in Korean-led projects through intellectual property, fuel or subcontracting even when AP1000 is not selected; Dukovany is evidence of that channel. This creates upside but complicates competitive mapping because a nominal competitor can also be a customer or licensee. Russian and Chinese vendors have dominated recent construction starts in their home and aligned markets. The IEA reports that 94% of reactors beginning construction over the decade through 2025 used Chinese or Russian designs [IEA Global Energy Review 2026](https://www.iea.org/reports/global-energy-review-2026/technology-nuclear). AP1000's addressable 91-reactor pipeline must therefore be discounted for geopolitics, sovereign finance, localization and vendor alignment.

Small modular reactors are both a substitute and an adjacency. GE Hitachi awarded BWXT the reactor-pressure-vessel contract for the first BWRX-300 at Ontario Power Generation's Darlington site, evidence that at least one competing SMR has entered manufacturing [GE Vernova BWRX-300 vessel contract](https://www.gevernova.com/news/press-releases/ge-hitachi-awards-contract-bwrx-300-reactor-pressure-vessel-bwxt). Westinghouse's AP300 can reuse AP1000 technology and supply chains, but this appendix assigns no explicit AP300 revenue because the sealed data package provides no backlog or project-revenue anchor for it. A pipeline announcement without customer financing does not justify revenue.

In fuel, the competitive set includes Framatome, Global Nuclear Fuel, TVEL and regional suppliers. Westinghouse claims leadership in PWR fuel and has established fabrication facilities in the United States, Sweden and the United Kingdom [Westinghouse fuel fabrication operations](https://westinghousenuclear.com/nuclear-fuel/fuel-fabrication-operations). The Russia-diversification push creates openings in VVER fuel, but customers require regulatory approval and operating evidence. In plant services, OEM knowledge helps, but utilities also use Framatome, GE Hitachi, Mitsubishi, KHNP, BWXT, independent service companies and in-house teams. Competition is tender-specific; Westinghouse does not have monopoly economics across every outage.

Industry demand supports the installed-base case. The IAEA's 2025 projection puts global nuclear capacity at 561 GW in the low case and 992 GW in the high case by 2050, with SMRs a meaningful part of additions [IAEA Energy, Electricity and Nuclear Power Estimates 2025](https://www-pub.iaea.org/MTCD/publications/PDF/p15942-25-02880E_RDS-1-45_web.pdf). More relevant to the next five years, lifetime extensions, uprates, fuel security and the existing fleet can generate revenue without waiting for a greenfield reactor. The high-case projection should not be converted mechanically into Westinghouse growth; it is evidence of a favorable demand envelope, not market-share proof.

5. Moat at the segment level

Westinghouse has a credible moat, but its strength differs sharply by business line.

The deepest moat is nuclear qualification and installed intellectual property. Reactor and fuel designs require regulator review, safety analysis, documented quality systems, specialized manufacturing and an operating track record. Customers cannot switch core designs or safety-critical suppliers casually. Westinghouse's engineering archives, plant-specific configurations, trained workforce, tooling and relationships accumulate over decades. In fuel, qualification cycles and failure consequences support retention. In operating-plant services, OEM knowledge and nuclear-grade execution create a narrower credible vendor set.

The second moat is lifecycle breadth. Fuel, services, digital controls, components and new-reactor engineering allow Westinghouse to sell through many points in a plant's life. A new AP1000 can seed decades of fuel and service demand. This is more durable than a one-time equipment sale. It also creates data and learning advantages, because operational feedback improves engineering and outage planning. Westinghouse's own full-scope refueling materials note experience since 1968 and hundreds of plant outages, which supports but does not prove superior economics [Westinghouse refueling services](https://westinghousenuclear.com/data-sheet-library/full-scope-refueling-services/).

The third moat is scarcity of nuclear human capital and qualified supply chain. Nuclear-grade welders, project managers, safety analysts and component suppliers cannot be created instantly. Standardization across repeated AP1000 units could turn scarcity into pricing and utilization leverage. The same scarcity can also be a constraint: labor inflation, bottlenecks or

quality escapes can consume margin. A resource constraint is not automatically a moat if the company must pay all of the scarcity rent to employees and suppliers.

New Plants has the highest strategic optionality but the least proven margin durability. AP1000 has operating references and a certified lineage, yet buyers are sovereign or regulated, projects are huge, and contract terms can transfer risk back to the vendor. Westinghouse's 2017 bankruptcy is a permanent reminder that reactor technology and project economics are different things. The business model now emphasizes a bounded engineering and equipment scope rather than turnkey construction exposure, but contract discipline must be demonstrated through EBT and cash conversion.

Over five to ten years, the fuel and operating-services moat should remain durable if reliability stays strong, licenses remain current and Westinghouse invests in LEU+, digital systems and specialized labor. New-build advantage is more contingent: successful repeat delivery could deepen the moat, while another major schedule or cost failure would impair it. The proper segment conclusion is therefore **strong installed-base moat, conditional project moat**. A blended label that ignores this difference would overstate certainty.

6. Historical growth rates — reproduced from the data package

The table intentionally does not calculate a three-year organic CAGR for Westinghouse because FY2023 was a post-close stub and the finer business-line taxonomy changes between FY2024 and FY2025. n/d means the cited data-package row says not separately disclosed. US-dollar business-line figures describe 100% Westinghouse; CAD segment figures are Cameco's 49% proportionate management view. Business lines are not added to the CAD segment row.

Product / sub-segment	FY2023 revenue	FY2024 revenue	FY2025 revenue	3-yr CAGR	Most recent YoY	Exact profit metric	Data-package cite
Westinghouse segment, 49% proportionate view	CAD0.521bn partial year [AR23 segment note; data_package §3]	CAD2.892bn [AR24 segment note; data_package §3]	CAD3.458bn [AR25 segment note; data_package §3]	n/m due partial FY2023 [AR23; data_package §1]	19.6% [AR24-AR25; data_package §3]	Earnings (loss) before income taxes	AR23-AR25 segment notes; data_package §3
Operating Plants / Core, 100% Westinghouse view	n/d [AR23-AR25 searched; data_package §4]	Approx. US$4.0bn including Nuclear Fuel [AR24; data_package §4]	Approx. US$4.3bn including Nuclear Fuel [AR25; data_package §4]	n/m; only two comparable points [AR24-AR25]	Approx. 7.5% [AR24-AR25; data_package §4]	Earnings (loss) before income taxes; product profit not disclosed	AR24-AR25 and Q2-26; data_package §4
Nuclear Fuel, 100% Westinghouse view	n/d [AR23-AR25 searched; data_package §4]	Approx. US$1.5bn [AR24; data_package §4]	Folded into Core; not separately disclosed [AR25; data_package §4]	n/m [AR24-AR25]	n/d [AR25; data_package §4]	Earnings (loss) before income taxes; product profit not disclosed	AR24 and Q2-26; data_package §4
New Plants / New Build, 100% Westinghouse view	n/d [AR23-AR25 searched; data_package §4]	Approx. US$0.3bn [AR24; data_package §4]	Approx. US$0.8bn [AR25; data_package §4]	n/m; only two points and Dukovany-distorted [Q2-26; data_package §5]	Approx. 166.7% [AR24-AR25; data_package §4]	Earnings (loss) before income taxes; product profit not disclosed	AR24-AR25 and Q2-26; data_package §§4-5

Primary-source locations for this table: AR23 PDF p.173; AR24 PDF pp.180-181; AR25 note 27, PDF pp.181-183; business-line disclosures at AR24 PDF pp.102-105 and AR25 PDF pp.103-106. The sources are indexed and reproduced in data package §§1, 3 and 4.

Row tie-out, segment: CAD2.892bn × 1.196 = CAD3.459bn, versus CAD3.458bn disclosed; 0.03% rounding difference, within the 2% contract.

Row tie-out, Core: US$4.0bn × 1.075 = US$4.3bn. The inputs are approximate, so 7.5% is descriptive rather than precision history.

Row tie-out, New Plants: US$0.3bn × 2.667 = US$0.8bn. The growth is mathematically consistent but not a normalized rate because FY2025 contains the Dukovany upfront contribution.

No row is back-solved. The data package explicitly prohibits inferring finer FY2025 Core sub-line revenue. The model's TTM split in section 2 is an openly labeled forward-model allocation from the FY2024 mix, not a historical disclosure.

7. Management guidance — data-package quotations

Every quotation below is reproduced from data package §6 rather than re-fetched. It anchors the forecast but is not treated as numerical guidance unless management supplied a number.

Source and data-package row	Verbatim excerpt	Topic and interpretation	Exact profit metric
TR-Q3, 2025-11-05 — Grant Isaac [data_package §6, Westinghouse row 1]	“the pie is growing”	The US strategic partnership can enlarge demand, but a policy framework is not a customer notice to proceed.	Earnings (loss) before income taxes
TR-Q3, 2025-11-05 — Grant Isaac [data_package §6, Westinghouse row 2]	“start two two-packs a year”	This is an eventual capacity aspiration. The base case stays below it because financing and supply-chain mobilization precede starts.	Earnings (loss) before income taxes
TR-Q4, 2026-02-13 — Tim Gitzel [data_package §6, Westinghouse row 3]	“outlook remains strong”	Supports a positive medium-term demand view, but does not justify repeating Dukovany upfront economics.	Earnings (loss) before income taxes
TR-Q1, 2026-05-05 — Grant Isaac [data_package §6, Westinghouse row 4]	“more markets that pick the AP1000”	Technology selections broaden the funnel; awards must still convert to signed scope and revenue milestones.	Earnings (loss) before income taxes
Q1-26 — management [data_package §6, Westinghouse row 5]	“first half is expected to be weaker”	H1 seasonality helps explain weak reported EBT, but full-year recovery must be observed rather than assumed.	Earnings (loss) before income taxes
TR-Q1, 2026-05-05 — Grant Isaac [data_package §6, Westinghouse row 6]	“enthusiasm for the AP1000 because it has an undisputable competitive advantage”	Management conviction is tested against actual project selection, financing and EBT conversion.	Earnings (loss) before income taxes
Q2-26 — management, 2026-07-31 [data_package §6, Westinghouse row 7]	“up to 91 potential reactors”	This is pipeline, not backlog, orders or revenue. Scenario conversion probabilities are applied only as project-start mechanisms.	Earnings (loss) before income taxes
TR-Q2, 2026-07-31 — Dominic Kieran [data_package §6, Westinghouse row 8]	“a very positive trend on the backlog”	Direction is constructive, but timing and scope mix remain uncertain.	Earnings (loss) before income taxes

The quantitative management framework is more useful than the adjectives. Operating Plants backlog was US$13.2bn at 2025-12-31 and 2025 new orders were US$5.2bn. Nuclear Fuel, which sits within Operating Plants/Core, had US$7.3bn backlog and US$2.3bn of 2025 new orders. Long-Term Operations had US$2.6bn backlog and US$1.8bn orders; Outage & Maintenance Services had US$3.3bn backlog and US$1.1bn orders. These component backlogs overlap the Operating Plants total and therefore must not be summed. New Plants backlog was US$0.8bn and 2025 new orders were US$2.0bn. All of these amounts are from Q2-26, reproduced in data package §6. The new-orders number is a booking flow; the backlog is a point-in-time balance after execution, cancellations and scope rules. Neither is converted one-for-one to a single year's revenue.

8. Forward growth assumptions — explicit by business line

8.1 Base case — 50% probability

The base case gives the recurring franchise most of the forecast weight. It assumes the US$13.2bn Operating Plants backlog supports mid-single-digit growth; Nuclear Fuel benefits from security-of-supply and VVER diversification; and New Plants converts signed work plus only a small portion of the 91-reactor opportunity set. The pipeline is a mechanism, not a revenue amount. Base New Plants revenue reflects roughly one to two active two-unit programs at varying stages by 2031, not 91 reactors.

Product	Historical growth evidence	Latest YoY	Management FY+1 guide	Base CAGR TTM to 2031-06-30	Base case mechanism	Exact profit metric
Operating Plants / Core ex-fuel model allocation	Approx. 7.5% FY2024-FY2025 Core growth; no 3-year CAGR	Segment Q2 2026 -16%; product n/d	Strong outlook; H1 weaker; US$13.2bn backlog	6.00%	Backlog, uprates, life extensions and outage demand; growth stays below the approximate recent Core rate as project mix normalizes.	Earnings (loss) before income taxes
Nuclear Fuel	FY2024 US$1.5bn; FY2025 folded into Core; CAGR n/m	n/d	No numeric revenue guide; US$7.3bn backlog and LEU+ opportunity	7.00%	Reload recurrence, VVER diversification and pricing offset qualification lead times and LEU+ investment drag.	Earnings (loss) before income taxes
New Plants / New Build	Approx. US$0.3bn to US$0.8bn, a 166.7% one-year rise distorted by Dukovany	Segment Q2 2026 -16%; product n/d	US$0.8bn backlog; US$2.0bn orders; up to 91-reactor pipeline is not guidance	13.94%	Signed work converts over several years; only low-single-digit pipeline conversion reaches active revenue by horizon.	Earnings (loss) before income taxes

The base year-by-year paths are deliberately non-linear. Operating Plants growth is 5%, 6%, 6%, 6% and 7%. Nuclear Fuel is 6%, 7%, 7%, 7% and 8%. New Plants is 8%, 12%, 15%, 16% and 19%, reflecting the lag between selection and engineering/equipment milestones rather than an instant backlog dump.

8.2 Bear case — 30% probability

The bear case is not nuclear abandonment. It assumes customers continue operating plants but procurement remains price-sensitive, labor scarcity limits throughput, LEU+ consumes cash before commercial scale, and most proposed new builds do not reach funded notice-to-proceed by 2031. Signed New Plants work is delayed and revenue declines before a modest terminal stabilization.

Product	Historical growth evidence	Latest YoY	Management FY+1 guide	Bear CAGR TTM to 2031-06-30	Bear case mechanism	Exact profit metric
Operating Plants / Core ex-fuel model allocation	Approx. 7.5% FY2024-FY2025 Core growth; no 3-year CAGR	Segment Q2 2026 -16%; product n/d	Strong outlook is qualitative	2.50%	Backlog converts, but labor bottlenecks, scope deferral and competitive tenders absorb most nominal price growth.	Earnings (loss) before income taxes
Nuclear Fuel	FY2024 US$1.5bn; FY2025 folded into Core; CAGR n/m	n/d	No numeric revenue guide	3.50%	Reload demand persists, but qualification delays and capital constraints limit LEU+ and VVER share gains.	Earnings (loss) before income taxes
New Plants / New Build	One-year 166.7% rise is not normalized	Segment Q2 2026 -16%; product n/d	Pipeline and framework are not guidance	-5.26%	Dukovany is already absent from the TTM anchor; new orders move right, and only about 1%-2% of the named reactor pipeline reaches material work by horizon.	Earnings (loss) before income taxes

Bear year-by-year growth is 3%, 3%, 2.5%, 2% and 2% for Operating Plants; 4%, 4%, 3.5%, 3% and 3% for Nuclear Fuel; and -15%, -10%, -5%, 0% and 5% for New Plants. The New Plants decline reflects delayed project work from the non-disclosed model allocation; it does not apply a second Dukovany normalization because the one-off is already outside the TTM anchor.

8.3 Bull case — 20% probability

The bull case requires evidence beyond announcements: repeat AP1000 financing packages, an orderly design-certification update, localization capacity and multiple notices to proceed. It assumes Westinghouse approaches but does not fully attain management's eventual two-two-packs-per-year aspiration during the horizon. Operating Plants and Nuclear Fuel accelerate because new and extended reactors add service and reload scope.

Product	Historical growth evidence	Latest YoY	Management FY+1 guide	Bull CAGR TTM to 2031-06-30	Bull case mechanism	Exact profit metric
Operating Plants / Core ex-fuel model allocation	Approx. 7.5% FY2024-FY2025 Core growth; no 3-year CAGR	Segment Q2 2026 -16%; product n/d	Backlog trend positive	8.50%	Uprates, extensions, dense outage utilization and new AP1000 service preparation compound with pricing.	Earnings (loss) before income taxes
Nuclear Fuel	FY2024 US$1.5bn; FY2025 folded into Core; CAGR n/m	n/d	LEU+ is an opportunity, not a sales guide	9.99%	LEU+ achieves licensing and initial commercial scale; VVER diversification and reload pricing raise mix.	Earnings (loss) before income taxes
New Plants / New Build	One-year 166.7% rise is an unsuitable steady rate	Segment Q2 2026 -16%; product n/d	Two two-packs per year is capacity aspiration	25.23%	Roughly 10%-15% of the named opportunity set advances enough to support two or more overlapping project pairs, still far below 91-reactor revenue.	Earnings (loss) before income taxes

Bull year-by-year growth is 7%, 8%, 8.5%, 9% and 10% for Operating Plants; 8%, 9%, 10%, 11% and 12% for Nuclear Fuel; and 15%, 22%, 27%, 29% and 34% for New Plants. The acceleration is plausible only if funded projects enter equipment-heavy phases. It is not a default maturation curve.

8.4 Revenue path and pipeline discipline

The following table makes the deceleration and acceleration paths reconstructable. All values are analyst allocations within supplementary 49%-proportionate revenue and remain eliminated from Cameco consolidated revenue. Cameco does not disclose the TTM product split shown in the first column.

Case and business line	TTM 2026-06-30	2027-06-30	2028-06-30	2029-06-30	2030-06-30	2031-06-30	Exact profit metric
Bear Operating Plants	1,777.5	1,830.9	1,885.8	1,932.9	1,971.6	2,011.0	Earnings (loss) before income taxes
Bear Nuclear Fuel	1,066.5	1,109.2	1,153.6	1,193.9	1,229.7	1,266.6	Earnings (loss) before income taxes
Bear New Plants	541.7	460.5	414.4	393.7	393.7	413.4	Earnings (loss) before income taxes
Bear total supplementary revenue	3,385.8	3,400.5	3,453.8	3,520.6	3,595.0	3,691.0	Earnings (loss) before income taxes
Base Operating Plants	1,777.5	1,866.4	1,978.4	2,097.1	2,222.9	2,378.5	Earnings (loss) before income taxes
Base Nuclear Fuel	1,066.5	1,130.5	1,209.7	1,294.3	1,384.9	1,495.7	Earnings (loss) before income taxes
Base New Plants	541.7	585.1	655.3	753.6	874.1	1,040.2	Earnings (loss) before income taxes
Base total supplementary revenue	3,385.8	3,582.0	3,843.3	4,145.0	4,482.0	4,914.4	Earnings (loss) before income taxes
Bull Operating Plants	1,777.5	1,902.0	2,054.1	2,228.7	2,429.3	2,672.2	Earnings (loss) before income taxes
Bull Nuclear Fuel	1,066.5	1,151.8	1,255.5	1,381.1	1,533.0	1,716.9	Earnings (loss) before income taxes
Bull New Plants	541.7	623.0	760.0	965.3	1,245.2	1,668.5	Earnings (loss) before income taxes
Bull total supplementary revenue	3,385.8	3,676.8	4,069.7	4,575.0	5,207.5	6,057.6	Earnings (loss) before income taxes

Backlog coverage is strongest in Operating Plants: US$13.2bn equals roughly three years of FY2025 Core revenue, before considering new bookings, but contract duration and component overlap prevent a precise coverage ratio. New Plants backlog of US$0.8bn is only about one year of FY2025 New Build revenue. The US$2.0bn of 2025 new orders is encouraging but still much smaller than the economic value of a fully released two-unit AP1000 scope. Thus, the model gives recurring revenue a higher confidence and assigns the 91-reactor pipeline only a scenario probability.

9. Forward `Earnings (loss) before income taxes` margin assumptions

The horizon margins are analyst estimates on the exact sealed metric. They are intentionally far below the illustrative 20% normalized adjusted EBITDA margin for a two-unit AP1000 project because adjusted EBITDA precedes depreciation, amortization, financing and other items that matter to EBT. The current segment anchor is -3.1% TTM EBT margin, with FY2025 at 1.6% and FY2024 at -9.7%.

Case	Product	TTM exact-metric margin	2031-06-30 `Earnings (loss) before income taxes` margin	Change	Specific mechanism	Exact profit metric
Bear	Operating Plants	Not disclosed by product	4.0%	n/m	Recurring work remains profitable, but labor, rework, bid pricing and under-absorption cap recovery.	Earnings (loss) before income taxes
Bear	Nuclear Fuel	Not disclosed by product	6.0%	n/m	Reload recurrence supports profit; LEU+ depreciation and delayed qualification absorb mix gains.	Earnings (loss) before income taxes
Bear	New Plants	Not disclosed by product	-2.0%	n/m	Thin active backlog, bid expense and stop-start localization keep project EBT negative.	Earnings (loss) before income taxes
Bear	Segment weighted average	-3.1%	4.01%	+709 bps	Partial normalization occurs, but no repeat-project operating leverage.	Earnings (loss) before income taxes

Case	Product	TTM exact-metric margin	2031-06-30 Earnings (loss) before income taxes margin	Change	Specific mechanism	Exact profit metric
Base	Operating Plants	Not disclosed by product	8.0%	n/m	Backlog conversion, outage utilization, parts and engineering mix drive scale leverage.	Earnings (loss) before income taxes
Base	Nuclear Fuel	Not disclosed by product	10.0%	n/m	Price, plant loading and higher-value engineering offset LEU+ ramp costs.	Earnings (loss) before income taxes
Base	New Plants	Not disclosed by product	9.0%	n/m	Repeat engineering and equipment scope converts, but stays below adjusted EBITDA framework.	Earnings (loss) before income taxes
Base	Segment weighted average	-3.1%	8.82%	+1,190 bps	Project timing normalizes; recurring mix, scale and purchase-accounting roll-off exceed investment drag.	Earnings (loss) before income taxes
Bull	Operating Plants	Not disclosed by product	10.0%	n/m	Dense outage schedule, uprates, pricing and reusable engineering improve absorption.	Earnings (loss) before income taxes
Bull	Nuclear Fuel	Not disclosed by product	13.0%	n/m	LEU+ reaches scale and VVER wins increase proprietary mix and utilization.	Earnings (loss) before income taxes
Bull	New Plants	Not disclosed by product	14.0%	n/m	Several standardized projects reach equipment-heavy phases with contract discipline.	Earnings (loss) before income taxes
Bull	Segment weighted average	-3.1%	11.95%	+1,503 bps	High utilization and repeat units drive leverage, still haircut to 20% adjusted EBITDA illustration.	Earnings (loss) before income taxes

The key audit is not whether adjusted EBITDA rises; it is whether Cameco's Westinghouse segment EBT turns sustainably positive. A base-case checkpoint is at least a mid-single-digit exact-metric margin by the TTM ending 2028-06-30, followed by high-single-digit margin as New Plants ramps. If management reports strong adjusted EBITDA but EBT stays near zero, the presumed purchase-accounting and scale bridge is invalid.

LEU+ is modeled as both growth and drag. The base case includes the at-least-US$400m Cameco-share investment over the five-year period, with licensing and depreciation constraining early EBT. The bear case spends the capital but commercial adoption slips, creating the worst return profile. The bull case gets higher utilization and fuel pricing, but does not treat the investment as free: depreciation and incremental operating cost remain in the 13% terminal Nuclear Fuel EBT margin.

The projected margin recovery is not a generic mean reversion. Operating Plants earns higher utilization from a recurring backlog; Nuclear Fuel earns more value from reliability, qualification and potential longer-cycle products; New Plants shifts from bid and early engineering to repeat equipment scope. Against those positives sit depreciation, investment, central costs and project risk. The base case's 8.82% is therefore a demanding but testable outcome, not an automatic normalization to management's adjusted metric.

10. Segment rollup, ownership, capex and distributions

10.1 Bottom-up 2031-06-30 rollup

All product revenues are analyst allocations within Cameco's 49%-proportionate supplementary management view; Cameco does not disclose these TTM product amounts or product-level EBT. Product EBT equals analyst-allocated product revenue times the assumed product margin on the exact common segment profit basis. Totals reconcile exactly before displayed rounding. No product or total revenue enters Cameco consolidated revenue.

Case	Product	2031-06-30 supplementary revenue	Earnings (loss) before income taxes margin	2031-06-30 Earnings (loss) before income taxes	Exact profit metric
Bear	Operating Plants	2,011.0	4.0%	80.4	Earnings (loss) before income taxes

Case	Product	2031-06-30 supplementary revenue	Earnings (loss) before income taxes margin	2031-06-30 Earnings (loss) before income taxes	Exact profit metric
Bear	Nuclear Fuel	1,266.6	6.0%	76.0	Earnings (loss) before income taxes
Bear	New Plants	413.4	-2.0%	-8.3	Earnings (loss) before income taxes
Bear	Westinghouse total	3,691.0	4.01%	148.2	Earnings (loss) before income taxes
Base	Operating Plants	2,378.5	8.0%	190.3	Earnings (loss) before income taxes
Base	Nuclear Fuel	1,495.7	10.0%	149.6	Earnings (loss) before income taxes
Base	New Plants	1,040.2	9.0%	93.6	Earnings (loss) before income taxes
Base	Westinghouse total	4,914.4	8.82%	433.5	Earnings (loss) before income taxes
Bull	Operating Plants	2,672.2	10.0%	267.2	Earnings (loss) before income taxes
Bull	Nuclear Fuel	1,716.9	13.0%	223.2	Earnings (loss) before income taxes
Bull	New Plants	1,668.5	14.0%	233.6	Earnings (loss) before income taxes
Bull	Westinghouse total	6,057.6	11.95%	724.0	Earnings (loss) before income taxes

The bear sum is CAD2,011.0m + CAD1,266.6m + CAD413.4m = CAD3,691.0m, and EBT is CAD80.4m + CAD76.0m - CAD8.3m = CAD148.2m. The base sum is CAD4,914.4m, and EBT is CAD433.5m. The bull sum is CAD6,057.6m, and EBT is CAD724.0m. Displayed rounding creates at most CAD0.1m of apparent difference, well inside the 1% rollup tolerance.

10.2 Equity-method and consolidated-revenue bridge

The 49% ownership factor is already embedded in the supplementary revenue and EBT rows. Applying another 49% haircut would double-count ownership. Conversely, adding the supplementary revenue to consolidated revenue would gross up a business Cameco accounts for under the equity method. The correct downstream synthesis treatment is: zero Westinghouse consolidated revenue; the modeled Westinghouse `Earnings (loss) before income taxes` enters the common segment-profit sum; statutory bridge adjustments reverse revenue, costs and other non-consolidated lines exactly once; statutory share of earnings is not an additional segment-profit add-on; and cash distributions are financing/investment cash flows, not revenue or a second earnings line.

Item	Bear 2031	Base 2031	Bull 2031	Consolidated treatment	Exact profit metric
Supplementary Westinghouse revenue, 49% view	3,691.0	4,914.4	6,057.6	Fully eliminated; add CAD0 to Cameco consolidated revenue	Earnings (loss) before income taxes
Westinghouse segment profit	148.2	433.5	724.0	Retained in reportable-segment profit and bridged once	Earnings (loss) before income taxes
Additional 49% ownership haircut	0.0	0.0	0.0	Not applied; ownership already embedded	Earnings (loss) before income taxes
Modeled IPO proceeds or ownership change	0.0	0.0	0.0	Not modeled because terms are undisclosed	Earnings (loss) before income taxes

10.3 Capex and distribution diagnostic

The data package supplies capex frameworks but not a contractual distribution policy. Therefore the following payout ratios and horizon annual distributions are diagnostics, not forecast segment profit and not consolidated revenue. A 25% illustrative cash tax on EBT is used solely to translate terminal EBT to after-tax earnings capacity. Actual Westinghouse taxes, debt covenants, working capital and boards will determine cash distributions.

Case	2031 Earnings (loss) before income taxes	Illustrative after-tax earnings at 75%	Diagnostic payout ratio	Diagnostic 2031 Cameco cash distribution	Capital mechanism	Exact profit metric
Bear	148.2	111.1	20%	22.2	Sustaining capex and LEU+ absorb cash; projects slip.	Earnings (loss) before income taxes

Case	2031 `Earnings (loss) before income taxes`	Illustrative after-tax earnings at 75%	Diagnostic payout ratio	Diagnostic 2031 Cameco cash distribution	Capital mechanism	Exact profit metric
Base	433.5	325.1	45%	146.3	US$0.2bn-US$0.3bn sustaining capex at Westinghouse plus LEU+ are funded before a moderate payout.	Earnings (loss) before income taxes
Bull	724.0	543.0	60%	325.8	Scale supports capex and larger distributions, though new-project working capital remains.	Earnings (loss) before income taxes

The base capital plan assumes Cameco funds the disclosed at-least-US$400m LEU+ investment over the five-year period if commercial milestones are met, plus its share of ordinary capex. It does not deduct capex directly from EBT, but the terminal margins include associated depreciation and operating costs. The bear case is economically painful because investment proceeds while commercial qualification is late. The bull case earns a return on the investment through higher Nuclear Fuel revenue and margin.

Distributions are treated conservatively because equity-accounted earnings do not ensure parent liquidity. Westinghouse can retain cash for project working capital, fabrication expansion, debt service or contingencies. A one-off project-related distribution does not establish a recurring payout ratio. The diagnostic is stated before the contingent U.S. Government Participation Interest because the five-year scenario amounts are below its US$17.5bn distribution threshold; section 10.4 explicitly tests and counts that claim once. The diagnostic is useful to the combined synthesis agent because it shows how an attractive EBT outcome can still produce modest parent cash when capex is high.

10.4 U.S. Government Participation Interest — contingent senior-claim inventory

The binding term sheet announced on 2025-10-28 creates a contingent claim at **Westinghouse**, not a direct claim on Cameco's consolidated mining or fuel-services cash. The official terms state that the U.S. Government is to arrange financing and facilitate permitting and approvals for new U.S. Westinghouse reactors with aggregate investment value of at least US$80bn, including near-term financing for long-lead items. The Participation Interest vests only if the U.S. Government makes a final investment decision and enters definitive agreements to complete new U.S. Westinghouse reactors with aggregate value of at least US$80bn. If no vesting event occurs before January 2029, the Participation Interest ceases to have rights with respect to Westinghouse. These are legal conditions, not the same thing as the `up to 91 potential reactors` pipeline, and the pipeline is not treated as backlog or forecast revenue.

If vested, the Participation Interest entitles the U.S. Government to **20% of any cash distributions in excess of US$17.5bn made by Westinghouse after the Participation Interest is granted**. Economically, this claim sits ahead of distributions to Brookfield and Cameco only above that threshold. For a thresholded gross Westinghouse distribution pool `D`, the contingent government take is `20% × max(D − US$17.5bn, 0)` under the disclosed terms; Cameco's residual owner receipt is then 49% of the amount remaining for the owners, absent any later ownership change. This is the only place the distribution claim is deducted in the scenario architecture. It is not also deducted from revenue, EBT, equity-method earnings or the operating margin.

The term sheet also supplies an IPO path. If the Participation Interest has vested on or prior to January 2029 and Westinghouse has an IPO valuation of at least US$30bn at that time, the U.S. Government will be entitled to require an IPO. Immediately before or in connection with that IPO, the Participation Interest would directly or indirectly convert into a **five-year warrant** to purchase equity securities equivalent to 20% of the IPO entity's public value at exercise after deducting US$17.5bn from that public value. This is a contingent dilution or senior-equity claim on Westinghouse's IPO value, not an entitlement to 20% of Cameco itself. Exact capitalization, exercise mechanics and the effect on Cameco's 49% percentage interest await definitive agreements and an IPO structure. Source: [Cameco 2025 Annual Report, Strategic Partnership with US Government](https://www.cameco.com/sites/default/files/documents/cameco-2025-annual-report.pdf), MD&A pp.60-61 (PDF p.62), reproduced in the archived official annual-report text at lines 2842-2864.

The current bear, base and bull **operating** scenarios do not change because the Participation Interest is downstream of Westinghouse EBT. The current **distribution** scenarios also carry zero numerical government deduction for a threshold reason, not by omission. A deliberately conservative five-year upper bound holds each case's terminal annual Cameco distribution run-rate constant for all five years: CAD0.111bn Bear, CAD0.732bn Base and CAD1.629bn Bull. Dividing once by Cameco's 49% residual interest gives 100%-Westinghouse owner pools of CAD0.227bn, CAD1.493bn and CAD3.324bn. Even the Bull pool would require an implausible CAD/USD rate above 5.26 to reach the US$17.5bn threshold; this is an

algebraic threshold screen, not an FX forecast or a forecast of cumulative distributions. The IPO warrant also has zero modeled numerical effect because no IPO valuation, IPO proceeds or IPO transaction is credited in any scenario. Its existence nevertheless caps unmodeled upside if a qualifying IPO occurs.

Scenario	Vesting treatment before January 2029	US$17.5bn distribution-threshold test	US$30bn IPO and five-year-warrant treatment	Modeled effect counted once	Exact profit metric
Bear	Assumed not vested; rights expire absent US$80bn FID and definitive agreements	Five-year Cameco upper bound CAD0.111bn; 100%-Westinghouse pool CAD0.227bn	No IPO value, proceeds or warrant credit	0.0	Earnings (loss) before income taxes
Base	Vesting unresolved; no qualifying US$80bn event is assumed	Five-year Cameco upper bound CAD0.732bn; 100%-Westinghouse pool CAD1.493bn	No IPO value, proceeds or warrant credit	0.0	Earnings (loss) before income taxes
Bull	Vesting is plausible but not assumed as completed without the required FID and agreements	Five-year Cameco upper bound CAD1.629bn; 100%-Westinghouse pool CAD3.324bn	Qualifying IPO remains contingent; warrant is an explicit upside cap but no IPO is modeled	0.0	Earnings (loss) before income taxes

The zero entries are not statements that the Participation Interest has no value. They mean the defined scenario wealth paths do not cross the stated thresholds and contain no IPO value to which the warrant could attach. A later vesting event, cumulative distributions approaching US$17.5bn or a Westinghouse IPO at US$30bn or more would require a new owner-distribution and dilution bridge. Under such a repair, the claim would be applied at Westinghouse once, before calculating Cameco's 49% residual, and not again in Cameco's P/E, EBT or consolidated-revenue bridge.

10.5 IPO uncertainty

Westinghouse confidentially submitted a draft Form S-1 on 2026-07-31, but the Cameco 2026-07-31 announcement and TR-Q2, reproduced in data package §9, provide no offering size, valuation, primary versus secondary mix, ownership sale, dilution or timing. The Participation Interest described above is the one disclosed contingent IPO claim: if it vests on or prior to January 2029 and the IPO valuation is at least US$30bn, the government will be entitled to require the IPO and the interest converts into the five-year warrant. This appendix holds Cameco's economic ownership at 49% in all cases and models zero IPO proceeds, while flagging that a warrant exercise could dilute or subordinate that interest under final terms. Base case: an IPO may improve disclosure and capital access but creates no modeled value. Bear case: offering preparation adds cost and distraction or the process is withdrawn. Bull case: public-market access helps fund expansion, but no multiple uplift or monetization enters the forecast. Any later terms would require a new ownership, dilution, proceeds, Participation Interest and distribution bridge, with the government claim counted once at Westinghouse.

11. Key risks and wildcards

Pipeline illusion — bear and base. The 91-reactor figure is a maximum opportunity set, not contracted scope. National policy can reverse, elections can change funding, and projects can remain in feasibility work for years. The forecast is most sensitive to notices to proceed, not announcements.

Project-contract risk — bear. Fixed-price commitments, localization, supplier inflation or design change can turn a strategically successful award into poor EBT. The 20% illustrative adjusted EBITDA margin is not protection against contract losses or below-EBITDA costs.

Financing and sovereign support — all cases. Large reactors need government backing, regulated recovery, export-credit finance or long-duration offtake. EDF's state-supported EPR2 program illustrates the financing dependence. The bull case needs repeatable financing packages; the bear case assumes delays.

Regulatory and design-certification risk — bear and base. AP1000's U.S. certification update can lower future licensing uncertainty if completed as expected. Delay, redesign or new requirements can push engineering revenue right and raise cost.

Execution capacity — bull and bear. Management's two-two-packs-per-year aspiration requires engineering, module, component and craft capacity. In the bull case, standardized repetition creates learning. In the bear case, the same scarcity raises wages and supplier costs before revenue arrives.

Fuel reliability and qualification — bear. Nuclear Fuel's moat depends on flawless performance. A quality event can create remediation expense, regulatory attention and customer loss. VVER and LEU+ wins need qualification; they should not be booked from geopolitical demand alone.

LEU+ investment return — bear, with bull optionality. At least US$400m of Cameco-share investment is substantial. Delayed licensing or limited customer willingness to pay could leave underutilized assets. Successful 24-month cycles and higher burnup could deepen customer value and fuel margins.

Customer bargaining and tender pressure — bear. National fleets and large utilities can use multi-vendor tenders and localization requirements. OEM intellectual property provides leverage, but not across every maintenance job.

Seasonality and project lumpiness — base. H1 weakness and the Dukovany contribution show that quarterly revenue and EBT are poor trend lines. A serious monitoring framework should use TTM EBT, order quality, backlog conversion and cash distributions rather than a single quarter.

Purchase accounting and metric opacity — all cases. Westinghouse adjusted EBITDA can improve while Cameco's reported segment EBT remains weak. The investment thesis requires the exact metric to normalize. Persistent gaps between adjusted measures, EBT and distributions are a red flag.

Equity-method cash separation — all cases. Cameco does not automatically receive Westinghouse cash. Debt, capex and boards intervene between earnings and distributions. The equity-method carrying value can grow without equivalent parent liquidity.

IPO perimeter change — all cases. A public offering could create price discovery and capital access, or dilute and complicate ownership. No terms means no forecast proceeds and no valuation uplift. Downstream valuation should revisit only after public terms exist.

U.S. Government Participation Interest — bull and long-tail base. Vesting requires a U.S. Government final investment decision and definitive agreements for at least US$80bn of new U.S. reactor construction before January 2029. If vested, 20% of Westinghouse distributions above US$17.5bn and the possible five-year IPO warrant above the US$30bn IPO threshold cap owner upside. Current scenario cash flows do not reach the thresholds, but a successful AP1000 supercycle could; this contingent senior claim must remain in every future ownership and distribution bridge.

Geopolitics and export controls — bear and bull. Western fuel diversification supports Westinghouse, but nuclear exports, technology transfer and local content are politically sensitive. A country can prefer a sovereign-aligned vendor despite AP1000's technical merits.

SMR substitution — bear, with option value. BWRX-300 and other smaller reactors may capture sites where financing a gigawatt plant is difficult. Westinghouse has AP300 adjacency, but this model assigns no revenue before a disclosed contracted anchor.

Installed-fleet extension — base and bull. Life extensions, uprates and restarts can grow Operating Plants without greenfield risk. This is the most credible upside because it monetizes an existing customer and asset base. Monitoring should focus on signed scope and service backlog rather than broad capacity targets.

Summary

The probability weights are deliberately non-uniform: 30% bear, 50% base and 20% bull. Base is most likely because the installed-base backlog and fuel recurrence support growth, but new-build timing and the required EBT recovery remain uncertain. Bear has a higher weight than bull because large-reactor financing, localization and accounting-to-cash conversion create asymmetric execution risk. Bull requires several independent successes: project financing, design standardization, supply-chain ramp, LEU+ qualification and exact-metric margin conversion.

Case	Segment TTM+5y supplementary revenue	Exact profit metric	Segment TTM+5y profit margin	Segment TTM+5y profit	Probability
Bear	CAD3,691.0m	Earnings (loss) before income taxes	4.01%	CAD148.2m	30%
Base	CAD4,914.4m	Earnings (loss) before income taxes	8.82%	CAD433.5m	50%
Bull	CAD6,057.6m	Earnings (loss) before income taxes	11.95%	CAD724.0m	20%

Probability-weighted supplementary revenue is CAD4,776.0m and probability-weighted `Earnings (loss) before income taxes` is CAD406.0m. Those are expectation values, not a fourth operating case. The decisive evidence over the next two years is whether Westinghouse converts the large Operating Plants backlog into sustained mid-single-digit revenue growth and whether Cameco's exact Westinghouse segment EBT margin reaches mid-single digits without relying on another

Dukovany-like upfront contribution. Until that occurs, the segment is best underwritten as a strong installed-base franchise plus discounted new-build options, not as 91 reactors of forecast revenue.

Data gaps and modeling boundaries

- [DATA GAP: FY2025 Nuclear Fuel revenue is folded into Core and is not separately disclosed in data package §4.]
- [DATA GAP: FY2025 Operating Plants revenue excluding Nuclear Fuel is not separately disclosed in data package §4.]
- [DATA GAP: TTM business-line revenue is not disclosed; the 84%/16% Core/New Plants split and 62.5%/37.5% Operating Plants/Nuclear Fuel split are analyst allocations from FY2025 and FY2024 disclosure, respectively.]
- [DATA GAP: Product-level EBT and EBT margins are not disclosed; only segment-level Earnings (loss) before income taxes is sealed.]
- [DATA GAP: Westinghouse has no disclosed ordinary recurring distribution policy; the U.S. Government Participation Interest defines only a contingent 20% claim above US$17.5bn if vested.]
- [DATA GAP: The 91-reactor AP1000 pipeline has no disclosed project-by-project probability, final-investment-decision schedule or revenue curve.]
- [DATA GAP: Westinghouse IPO size, valuation, primary or secondary mix, dilution, ownership outcome and timing are undisclosed.]
- [DATA GAP: Definitive Participation Interest agreements, vesting status, warrant capitalization and exact IPO exercise mechanics are not disclosed.]

These gaps are handled by explicit analyst allocations and scenario mechanisms, not fabricated historical figures. None changes the accounting boundary: Westinghouse supplementary revenue remains fully eliminated from Cameco consolidated revenue, while Cameco's 49% equity-method economics are forecast only on `Earnings (loss) before income taxes` and separately considered distributions.

Cameco Corporation — Synthesis (Combined Earnings Model)

This repaired Production appendix mechanically consolidates the final peer-reviewed segment models into a five-year statutory earnings cadence for Cameco Corporation. The common issuer-disclosed segment profit basis is **Earnings (loss) before income taxes**. No source discovery, accounting reclassification, plug, silent scaling, unpriced IPO value, or invented balance-sheet residual is used. All financial amounts are CAD unless stated otherwise; annual cadence tables use CAD millions.

1. Anchors, validation and accounting perimeter

- Today: **2026-09-06**. Fiscal year-end: **December 31**.
- Reported TTM anchor: **2026-06-30**, comprising Q3 2025 + Q4 2025 + Q1 2026 + Q2 2026, four non-overlapping standalone quarters. This is arithmetically equivalent to FY2025 minus H1 2025 plus H1 2026.
- Latest completed FY for historical tie-out only: **FY2025**.
- Forecast horizon: **2031-06-30**, exactly 5.0 calendar years after the TTM end. Every CAGR and annual cadence begins at 2026-06-30; no row compounds for six years or substitutes FY2025 as the forecast base.
- Valuation price: **CAD139.44 per TSX common share**, listing XTSE:CCO, raw exchange close for 2026-09-04. Raw-source SHA-256 is `06c7a3fb96c70f9edb81f7a2d33eb2526ad540dee91e15c301a2ff29616f8227`; QFR-sealed quote-packet SHA-256 is `a8fa3861163fab7977c54eb9777cb58312481ca5e46b06c0aae0eeb05c594788`; actionability expiry is 2026-09-07T16:04:34+08:00.
- The strict quote validator reran at aware SGT 2026-09-06T19:47:18+08:00 with the expected packet hash and returned `QUOTE_PACKET_VALID`. The strict statutory validator returned `STATUTORY_BRIDGE_VALID` at SHA-256 `5427b8fd1cb82f8338a9a0afb711869bb90c3dbb75ed1702dab96808fb549c48`.
- Final upstream hashes match: QF `3cabd23798477bd00cbe6481772745c0b1dad4b953123b418601c2052813a398`; QFR review `497fca7546a96c8fdd96908c4908a371daaf3a4a82d6d42b851da2e431abf9b4`; DR-cleared data package `5e3d6855e0062275e7268d265f93af64527e1e48c0f6bd1a2769d1e75df63491`; Uranium `f4802eac42ebb9aa105c0b15f62967ea3601b7876b6dba7c1a6906df4b9f94e7`; Fuel services `05b3fca5c3f795015504ee8c2fb95f59f5065a5249c41aa72aadff6023b3ef40`; Westinghouse `ad907b186ba4197ed677083a357a4690e400010879621b4e3a5a7b42f5232575`.
- Current `gate_manifest.json`, SHA-256 `1e0d5c20060fc33199b91c8a7139e6ea9e89b2b310cc8f461727ab3df96e35f2`, durably binds those files, preserves VP attempt history and marks S for this P/B-ROE repair. It contains the exact QFR verdict `QUANT FOUNDATION VERIFIED — CLEARED FOR WAVE 1`, DR verdict `DATA PACKAGE VERIFIED — CLEARED FOR WAVE 2`, and `STATUTORY BRIDGE VERIFIED — CLEARED FOR FORECASTING`. The validator-cleared method preflight is `valuation_preflight.json` at SHA-256 `6aecaace7b09adc076bbf8f13be142e736f5b0ad391d9eb62aa1d6dd53027234`.
- Reporting and quote currency are CAD. The listed unit is one common share, not an ADR. The split factor, depositary ratio, class factor, financial-shares-per-listed-unit factor and CAD/CAD FX factor are all exactly 1.000000.
- Reported TTM diluted weighted-average shares are 435.633060273973 million. Point-in-time common shares at 2026-06-30 are 435.532978 million. These denominators are not interchangeable and are reconciled in section 6.

Cameco is not a property-and-casualty insurer or reinsurer. The insurer lane is **NOT TRIGGERED — issuer is not a P&C insurer or reinsurer**; no `insurer_return_bridge.json` is created.

Westinghouse remains equity-accounted. Its supplementary 49%-proportionate revenue and costs are fully eliminated from Cameco consolidated revenue in every period. Only its sealed EBT, equity-method classification and distribution economics survive. Applying another 49% haircut would double-count ownership. The proposed IPO receives zero value, proceeds and ownership-change credit. The 91-reactor pipeline is not backlog, not orders and not revenue.

2. Segment-level terminal assumptions

The endpoints below reproduce final reviewed section 10 outputs. Uranium reflects the post-TTM Cigar Lake acquisition exactly once: Cameco's 54.547% interest remains in the TTM history, while the closed 57.418% interest applies from 2027 onward. Uranium terminal EBT includes one acquisition-basis depletion charge and no standalone asset-value credit.

Segment	Exact profit metric	TTM revenue, CAD B	Bear 2031 revenue	Base 2031 revenue	Bull 2031 revenue	Bear margin	Base margin	Bull margin
Uranium	Earnings (loss) before income taxes	2.920218	2.537000	3.763000	4.960000	17.5%	37.4%	45.3%
Fuel services	Earnings (loss) before income taxes	0.551293	0.552000	0.773900	0.912000	15.0%	32.0%	38.0%
Westinghouse, 49% supplementary view and fully reve nue-eliminated	Earnings (loss) before income taxes	3.385789	3.691000	4.914400	6.057600	4.01%	8.82%	11.95%

Terminal segment EBT is CAD442.8/CAD1,405.7/CAD2,245.8 million for Uranium, CAD82.800/CAD247.648/CAD346.560 million for Fuel services and CAD148.2/CAD433.5/CAD724.0 million for Westinghouse in Bear/Base/Bull. Sources are the final peer-reviewed segment appendices, sections 8-10, at the hashes above.

The Cigar ownership bridge is explicit: the 2026-07-02 asset purchase increased the interest by 2.871 percentage points to 57.418% for CAD115.755 million. Every 2027-2031 Cigar production row uses total-mine production × 57.418% once. The consideration is a 2027 capital outflow, not an EBT deduction; the conservative CAD23.37-per-acquired-pound depletion proxy is already embedded once in Uranium EBT. The transaction issued no Cameco shares, so it changes the operating perimeter but not the denominator.

3. Combined revenue build

The segment sum includes Westinghouse supplementary revenue so its full elimination is visible. Other external corporate sales remain at the TTM source-bound CAD3.111 million in every scenario.

Line, CAD B	Bear	Base	Bull
Sum of segment 2031 revenue, including supplementary Westinghouse	6.780000	9.451300	11.929600
Full Westinghouse supplementary-revenue elimination	-3.691000	-4.914400	-6.057600
Other external corporate sales	0.003111	0.003111	0.003111
Combined statutory 2031 revenue	**3.092111**	**4.540011**	**5.875111**
TTM 2026-06-30 to 2031-06-30 CAGR	-2.31%	5.49%	11.08%

TTM statutory external revenue is CAD3.474622 billion: Uranium 2.920218 + Fuel services 0.551293 + Other external 0.003111. Westinghouse supplementary revenue of 3.385789 and the equal elimination net to zero. The Base first-forward-year statutory revenue denominator is CAD3.696611 billion, 6.389% above TTM and within the recency tolerance.

4. Normalized anchor and complete annual statutory cadence

Reported TTM versus normalized TTM

The normalized TTM is a denominator bridge, not a substitute historical period. Reported derivative loss of CAD145.828 million and FX gain of CAD55.387 million are event-heavy marks and are reset to zero. The TTM `Adjustments` line of CAD42.007 million has no source-bound recurring forecast relation to Westinghouse gross supplementary revenue and is also reset to zero. No event-heavy item is mechanically annualized.

The normalized `Other` amount is reported –581.334 – derivative loss of –145.828 – FX gain of +55.387 = –490.893 million. It still preserves every remaining sealed classification. Normalized tax uses 26.9%, the upstream statutory schedule. Reported diluted shares remain the normalized TTM denominator because normalization does not rewrite issued or weighted-average shares.

TTM line, CAD M except shares and EPS	Reported TTM	Normalized TTM	Normalization
Statutory external revenue	3,474.622	3,474.622	No change
Sum of reportable-segment EBT	1,010.289	1,010.289	No segment history restatement
`Adjustments`	42.007	0.000	No recurring source-bound path
`Other`	-581.334	-490.893	Remove derivative loss and FX gain only
Pretax income	470.962	519.396	Segment EBT + Adjustments + Other
Finance costs	-115.601	-115.601	Retained
Derivatives	-145.828	0.000	Event-heavy mark reset
Finance income	31.925	31.925	Retained
Equity-accounted investee earnings	129.292	129.292	Retained once
Foreign exchange	55.387	0.000	Event-heavy mark reset
Other income	1.432	1.432	Retained
Net below-line amount	-43.393	47.048	Sum of six lines above
Operating bridge	43.393	-47.048	Exact negative of below-line amount
Statutory operating income	514.355	472.348	Pretax + operating bridge
Tax expense	-116.097	-139.718	Reported versus 26.9% normalized
Net income	354.865	379.678	Pretax + tax
Diluted weighted-average shares, M	435.633060	435.633060	Reported TTM denominator retained
EPS per listed TSX common share	0.814663	0.871556	NI divided by reported TTM diluted shares

Forecast-driver construction

The exact `Other` label remains intact in the statutory tables, but its numerical forecast is made reconstructable. Excluding finance costs, derivatives, finance income, FX and other income from reported TTM `Other` leaves a CAD408.649 million corporate/unallocated residual; equity-accounted earnings are not subtracted here because they already reside in segment EBT and must not be added twice. The residual includes CAD113.522 million TTM all-plan compensation expense. Removing that expense leaves CAD295.127 million core corporate/unallocated cost before share plans.

Core cost grows 4.0%/2.5%/1.0% annually in Bear/Base/Bull. Scenario-specific equity- and cash-settled plan expenses are added once. Finance cost, derivatives, finance income, FX and other income are then added to reach the exact `Other` line. Equity-accounted investee earnings are shown below-line and reversed in the operating bridge; they are not added to `Other`, preventing a second Westinghouse or Inkai earnings pickup.

Westinghouse annual EBT uses an explicit normalization cadence because only the terminal product margins are sealed. Bear margins are –1.0%, 0.0%, 1.5%, 3.0% and 4.01%; Base is 0.0%, 5.0%, 6.5%, 7.8% and 8.82%; Bull is 1.0%, 6.0%, 8.0%, 10.0% and 11.95%. This respects the appendix's Base checkpoint of mid-single-digit exact-metric margin by 2028 and avoids annualizing the weak H1 or Dukovany timing.

Equity-accounted earnings equal Westinghouse EBT plus an explicit Inkai/other-investee residual. The residual declines 200/180/160/145/130 million in Bear, is 190/195/200/200/200 million in Base, and rises 225/240/260/280/300 million in Bull. This line is a statutory classification bridge: it is reversed from OI and reinstated below-line, so it does not create additional pretax income.

Terminal operating-income build, CAD B	Bear	Base	Bull
Sum of segment EBT	0.673800	2.086848	3.316360
`Adjustments`	0.000000	0.000000	0.000000
`Other`	-0.766476	-0.501153	-0.296182
Consolidated segment-profit metric, equal to pretax	-0.092676	1.585695	3.020178
Operating bridge adjustments	0.080209	-0.551256	-1.155999
Statutory operating income	**-0.012467**	**1.034439**	**1.864179**

Terminal operating-income build, CAD B	Bear	Base	Bull
Statutory OI margin	-0.40%	22.79%	31.73%

Bear annual statutory cadence

Line, CAD M except shares and EPS	2027-06-30	2028-06-30	2029-06-30	2030-06-30	2031-06-30
Statutory external revenue	3,352.211	3,198.471	3,065.511	3,006.951	3,092.111
Uranium EBT	797.200	621.300	465.400	405.300	442.800
Fuel services EBT	120.032	103.846	89.496	78.683	82.800
Westinghouse EBT	-34.005	0.000	52.809	107.850	148.200
Sum of segment EBT	883.227	725.146	607.705	591.833	673.800
`Adjustments`	0.000	0.000	0.000	0.000	0.000
`Other`	-530.569	-594.918	-660.866	-718.435	-766.476
Pretax income	352.658	130.228	-53.161	-126.602	-92.676
Finance costs	-119.069	-122.641	-126.320	-130.110	-134.013
Derivatives	-50.000	-75.000	-100.000	-125.000	-145.828
Finance income	29.000	27.000	25.000	22.000	20.000
Equity-accounted investee earnings	165.995	180.000	212.809	252.850	278.200
Foreign exchange	-25.000	-50.000	-75.000	-90.000	-100.000
Other income	1.432	1.432	1.432	1.432	1.432
Operating bridge, negative of below-line sum	-2.358	39.209	62.079	68.828	80.209
Statutory operating income	**350.300**	**169.437**	**8.918**	**-57.774**	**-12.467**
Tax expense or benefit at 28.0%	-98.744	-36.464	14.885	35.449	25.949
Net income	**253.914**	**93.764**	**-38.276**	**-91.153**	**-66.727**
Diluted weighted-average shares, M	435.567763	435.572041	435.572041	435.572041	435.572041
EPS per listed TSX common share	**0.582949**	**0.215266**	**-0.087875**	**-0.209273**	**-0.153194**

Base annual statutory cadence

Line, CAD M except shares and EPS	2027-06-30	2028-06-30	2029-06-30	2030-06-30	2031-06-30
Statutory external revenue	3,696.611	3,955.631	4,163.481	4,375.311	4,540.011
Uranium EBT	1,083.200	1,172.300	1,246.600	1,331.100	1,405.700
Fuel services EBT	159.705	182.548	205.911	226.982	247.648
Westinghouse EBT	0.000	192.165	269.425	349.596	433.500
Sum of segment EBT	1,242.905	1,547.013	1,721.936	1,907.678	2,086.848
`Adjustments`	0.000	0.000	0.000	0.000	0.000
`Other`	-461.875	-469.812	-480.063	-490.509	-501.153
Pretax income	781.030	1,077.201	1,241.873	1,417.169	1,585.695
Finance costs	-115.601	-115.601	-115.601	-115.601	-115.601
Derivatives	0.000	0.000	0.000	0.000	0.000
Finance income	31.925	31.925	31.925	31.925	31.925
Equity-accounted investee earnings	190.000	387.165	469.425	549.596	633.500
Foreign exchange	0.000	0.000	0.000	0.000	0.000
Other income	1.432	1.432	1.432	1.432	1.432
Operating bridge, negative of below-line sum	-107.756	-304.921	-387.181	-467.352	-551.256
Statutory operating income	**673.274**	**772.280**	**854.692**	**949.817**	**1,034.439**

Line, CAD M except shares and EPS	2027-06-30	2028-06-30	2029-06-30	2030-06-30	2031-06-30
Tax expense at 26.9%	-210.097	-289.767	-334.064	-381.218	-426.552
Net income	**570.933**	**787.434**	**907.809**	**1,035.951**	**1,159.143**
Diluted weighted-average shares, M	435.569902	435.572041	435.572041	435.572041	435.572041
EPS per listed TSX common share	**1.310772**	**1.807816**	**2.084176**	**2.378368**	**2.661197**

Bull annual statutory cadence

Line, CAD M except shares and EPS	2027-06-30	2028-06-30	2029-06-30	2030-06-30	2031-06-30
Statutory external revenue	3,909.211	4,375.311	4,862.511	5,368.451	5,875.111
Uranium EBT	1,228.500	1,483.800	1,730.800	2,003.500	2,245.800
Fuel services EBT	180.699	223.104	266.133	307.819	346.560
Westinghouse EBT	36.768	244.182	366.000	520.750	724.000
Sum of segment EBT	1,445.967	1,951.086	2,362.933	2,832.069	3,316.360
`Adjustments`	0.000	0.000	0.000	0.000	0.000
`Other`	-426.467	-386.957	-347.751	-318.836	-296.182
Pretax income	1,019.500	1,564.129	2,015.182	2,513.233	3,020.178
Finance costs	-109.821	-104.330	-99.113	-94.158	-89.450
Derivatives	20.000	40.000	60.000	80.000	95.017
Finance income	34.000	37.000	40.000	43.000	45.000
Equity-accounted investee earnings	261.768	484.182	626.000	800.750	1,024.000
Foreign exchange	20.000	40.000	60.000	70.000	80.000
Other income	1.432	1.432	1.432	1.432	1.432
Operating bridge, negative of below-line sum	-227.379	-498.284	-688.319	-901.024	-1,155.999
Statutory operating income	**792.121**	**1,065.845**	**1,326.863**	**1,612.209**	**1,864.179**
Tax expense at 25.0%	-254.875	-391.032	-503.795	-628.308	-755.044
Net income	**764.625**	**1,173.097**	**1,511.386**	**1,884.925**	**2,265.133**
Diluted weighted-average shares, M	435.572041	435.572041	435.572041	435.572041	435.572041
EPS per listed TSX common share	**1.755450**	**2.693233**	**3.469889**	**4.327469**	**5.200364**

Every annual table satisfies four identities: segment EBT + `Adjustments` + `Other` = pretax; operating bridge is the negative of the six below-line lines; pretax + operating bridge = statutory OI; and pretax + tax = NI. EPS uses that year's diluted weighted-average denominator. The Bear tax benefit in loss years is a mechanical 28% scenario assumption, not a claim about immediate cash realization.

5. Terminal net income, EPS and return-method handoff

Terminal line	Bear	Base	Bull
Revenue, CAD B	3.092111	4.540011	5.875111
Statutory OI, CAD B	-0.012467	1.034439	1.864179
Pretax income, CAD B	-0.092676	1.585695	3.020178
Tax rate	28.0%	26.9%	25.0%
Net income, CAD B	-0.066727	1.159143	2.265133
Diluted quote-basis financial shares, M	435.572041	435.572041	435.572041
Reporting EPS per quote-basis share	-0.153194	2.661197	5.200364
Financial shares per listed unit	1.000000	1.000000	1.000000
FX, quote CAD per reporting CAD	1.000000	1.000000	1.000000

Terminal line	Bear	Base	Bull
Quote-currency EPS per listed unit	**CAD -0.153194**	**CAD 2.661197**	**CAD 5.200364**

The mandatory bridge is `NI_REPORTING ÷ QUOTE_BASIS_DILUTED_FINANCIAL_SHARES × FINANCIAL_SHARES_PER_LISTED_UNIT × FX_QUOTE_PER_REPORTING`. Base is CAD1,159.142963 million ÷ 435.572041 million × 1 × 1 = CAD2.661197 per listed TSX share.

CS receives a complete P/E denominator and EPS cadence. S does not select terminal exit multiples; the P/E 15 gate is a separate current-entry-price test. EV/NOPAT cannot control without source-bound terminal cash, debt and claim paths, and no net-debt plug is inserted.

Return-method input	Bear	Base	Bull	Treatment
Statutory OI, CAD B	-0.012467	1.034439	1.864179	Annual statutory cadence
Normalized cash tax rate	28.0%	26.9%	25.0%	Scenario schedule
Normalized NOPAT, CAD B	-0.008976	0.756175	1.398134	OI × one minus tax rate
Terminal cash	Unavailable	Unavailable	Unavailable	Current cash CAD1.113B; no complete terminal cash-flow path
Terminal short-term investments	Unavailable	Unavailable	Unavailable	FY2025 anchor CAD0.100B; no terminal path
Terminal gross funded debt	Unavailable	Unavailable	Unavailable	Current funded debt CAD0.997B; no terminal path
Terminal lease liabilities	Unavailable	Unavailable	Unavailable	Current lease obligations CAD0.012B; no terminal path
Preferred equity	0.000	0.000	0.000	Authorized but none outstanding or disclosed
Parent warrants or convertibles	0.000	0.000	0.000	None outstanding or disclosed
Reclamation provision, current CAD B	1.039395	1.039395	1.039395	Kept separate; terminal path unavailable
Waste-disposal provision, current CAD B	0.008989	0.008989	0.008989	Kept separate; terminal path unavailable
Cigar acquisition cash, 2027 CAD B	-0.115755	-0.115755	-0.115755	Counted once; no separate asset-value credit
Option exercise proceeds, 2027 CAD B	0.000596	0.000596	0.000596	Counted once with 39,063-share issuance
Five-year award settlement plus employee-plan cash, CAD B	-0.158000	-0.257624	-0.437000	Cash only; expense and dilution not counted again
U.S. Government Participation Interest	0.000	0.000	0.000	Counted once at Westinghouse; thresholds not reached and IPO credit is zero
Separately valued non-operating assets	Unavailable	Unavailable	Unavailable	Westinghouse and Inkai remain in earnings; no separate value added
Diluted listed-equivalent units, M	435.572041	435.572041	435.572041	Terminal share/unit bridge
Terminal EPS, CAD per listed unit	-0.153194	2.661197	5.200364	Complete P/E input

The U.S. Government Participation Interest is inventoried exactly once at Westinghouse. Vesting requires a qualifying US$80 billion FID and definitive agreements before January 2029. If vested, the government receives 20% of Westinghouse cash distributions above US$17.5 billion; a qualifying IPO of at least US$30 billion can convert the interest to a five-year warrant. The reviewed five-year 100%-Westinghouse distribution upper bounds of CAD0.227/CAD1.493/CAD3.324 billion are below the threshold, and no IPO value is modeled. Zero numerical effect therefore follows from the scenario conditions, not omission. Any threshold crossing would be deducted at Westinghouse before Cameco's residual and nowhere else.

5b. Non-insurer P/B-ROE parent-common-equity input bridge

This is a return-method input bridge for VP, not a valuation. Cameco is not a P&C insurer or reinsurer, so the mandatory insurer lane remains **NOT TRIGGERED** and no `insurer_return_bridge.json` is created. The non-insurer P/B-ROE bridge is required because Bear terminal normalized EPS is negative while the company remains a going concern with substantial positive parent common equity. A negative earnings year cannot be converted into zero book value: only modeled losses, distributions and direct-equity transactions can change the surviving claim.

The opening balance is the June 30, 2026 total shareholders' equity attributable to Cameco equity holders of **CAD7,133.771 million**, sourced to the official Q2 2026 interim balance sheet and statement of changes in equity, page 51, and reproduced in `quant_foundation.md` section 4 at its cleared SHA-256 `3cabd23798477bd00cbe6481772745c0b1dad4b953123b418601c2052813a398`. The CAD0.038 million non-controlling interest is excluded, so the amount is parent-attributable common equity rather than total consolidated equity. There are no outstanding preferred or redeemable equity claims. Westinghouse is equity-accounted: its third-party equity is outside Cameco's consolidated equity, while Cameco's investment carrying value and equity-method earnings are already inside the parent balance and income statements. No supplementary 49%-proportionate Westinghouse revenue, costs, assets, debt or third-party equity are grossed up.

At the CAD139.44 packet price and 435.532978 million current issued common shares, current parent common market capitalization is CAD60,730.718452 million. Reported parent-common BVPS is `7,133.771 / 435.532978 = CAD16.379404914`, and current reported P/B is `139.44 / 16.379404914 = 8.513129795x`. Normalization changes TTM earnings, not the point-in-time equity balance; therefore normalized parent-common BVPS and P/B are also CAD16.379404914 and **8.513129795x**. The point-in-time current-share denominator is deliberately distinct from the 435.633060 million TTM diluted weighted-average earnings denominator and the 435.572041 million terminal listed-equivalent denominator.

Direct-equity policy and count-once rules

The annual identity is `beginning parent common equity + parent/common NI - common dividends - repurchases + option/other common issuance + equity-settled SBC credit - equity-settled award settlement debit + OCI + impairments taken directly to equity + other direct-equity movements = ending parent common equity`. Forward statutory NI is treated as parent/common NI because future NCI attribution is explicitly assumed zero: the current NCI claim is only CAD0.038 million and no source-bound forecast allocation exists. The historical TTM CAD0.029 million parent/NCI attribution difference is not annualized.

The common dividend is held at the latest CAD0.24 annual rate in all scenarios and all five years. This is an explicit conservative no-growth assumption, not management guidance. Dividend cash uses the scenario's 2027 diluted-average listed shares as a record-date proxy and 435.572041 million thereafter. Repurchases are zero because no repurchase authorization or deployment path is source-bound; this is consistent with the zero-share-retirement schedule in section 6. The remaining 39,063 options exercise once in 2027 at CAD15.27, adding CAD0.596492 million of proceeds and 0.039063 million common shares. Any contributed-surplus transfer on exercise is an intra-equity reclassification and does not alter total parent common equity.

Equity-settled RSU compensation is counted twice only in the two offsetting places required by the accounting: its expense reduces NI, while the matching contributed-surplus credit increases direct equity. Because future grant and vesting dates are unavailable, the normalized forward assumption settles the same amount from contributed surplus through cash/open-market delivery in each year; the credit and debit therefore net to zero total equity, while the expense remains in NI and settlement cash remains in the cash/claim handoff. This is an explicit steady-state assumption rather than a balancing plug. The annual credit and settlement debit are the existing non-cash RSU schedule: Bear CAD9.000/8.500/8.000/7.500/7.000 million, Base CAD11.002/11.200/11.500/11.800/12.000 million, and Bull CAD12.500/13.000/13.500/14.000/15.000 million.

Cash-settled PSUs, cash-settled RSUs, DSUs, phantom options and PRSUs create liabilities and compensation expense; their cash settlement reduces cash and the liability but does not create a second direct-equity debit. The employee plan purchases existing market shares; its expense is already in NI and it creates neither issuer shares nor a direct-equity credit. Accordingly, those instruments have zero separate direct-equity effect. Their existing five-year cash paths of CAD158.000/CAD257.624/CAD437.000 million remain in section 5a and are not subtracted again here. The Cigar acquisition's CAD115.755 million cash consideration changes cash and acquired net assets, not parent common equity at closing; no direct-equity effect is source-bound, so the modeled direct-equity effect is explicitly zero. Impairments, if any, are already recognized through NI unless a source explicitly requires a direct-equity entry; no separate impairment-to-equity entry is assumed.

Forecast OCI and every other unenumerated direct-equity movement are explicitly zero in all years. This is conservative because recent currency-translation and hedge OCI has been volatile and cannot be extrapolated from one half-year without a source-bound FX/hedge forecast. Zero is not used to force any ending equity target: every ending balance is the arithmetic output of the displayed beginning balance, NI, dividend and security transactions.

Annual parent-common equity roll-forward

Amounts are CAD millions except per-share data. RSU settlement debit is displayed as a positive amount and subtracted in the identity. `Cash/employee direct equity` covers the cash-settled award classes and employee-plan purchases; it is zero for the count-once reasons above. `Impairment/other` includes all other direct-equity movements not already enumerated. The Cigar acquisition direct-equity column is zero even though the acquisition has a separate CAD115.755 million cash effect.

Case / year	Beginning parent common equity	Parent common NI	Common dividends	Cash repurchases	Option proceeds / issuance	RSU equity credit	RSU settlement debit	Cash/employee direct equity	Cigar direct equity	OCI	Impairment/other	Ending parent common equity	Residual
Bear 2027	7,133.771000	253.913681	104.536263	0.000000	0.596492	9.000000	9.000000	0.000000	0.000000	0.000000	0.000000	7,283.744910	0.000000
Bear 2028	7,283.744910	93.763826	104.537290	0.000000	0.000000	8.500000	8.500000	0.000000	0.000000	0.000000	0.000000	7,272.971446	0.000000
Bear 2029	7,272.971446	-38.275972	104.537290	0.000000	0.000000	8.000000	8.000000	0.000000	0.000000	0.000000	0.000000	7,130.158184	0.000000
Bear 2030	7,130.158184	-91.153290	104.537290	0.000000	0.000000	7.500000	7.500000	0.000000	0.000000	0.000000	0.000000	6,934.467604	0.000000
Bear 2031	6,934.467604	-66.726982	104.537290	0.000000	0.000000	7.000000	7.000000	0.000000	0.000000	0.000000	0.000000	6,763.203333	0.000000
Base 2027	7,133.771000	570.932802	104.536776	0.000000	0.596492	11.002000	11.002000	0.000000	0.000000	0.000000	0.000000	7,600.763518	0.000000
Base 2028	7,600.763518	787.434074	104.537290	0.000000	0.000000	11.200000	11.200000	0.000000	0.000000	0.000000	0.000000	8,283.660302	0.000000
Base 2029	8,283.660302	907.808798	104.537290	0.000000	0.000000	11.500000	11.500000	0.000000	0.000000	0.000000	0.000000	9,086.931810	0.000000
Base 2030	9,086.931810	1,035.950549	104.537290	0.000000	0.000000	11.800000	11.800000	0.000000	0.000000	0.000000	0.000000	10,018.345069	0.000000
Base 2031	10,018.345069	1,159.142963	104.537290	0.000000	0.000000	12.000000	12.000000	0.000000	0.000000	0.000000	0.000000	11,072.950742	0.000000
Bull 2027	7,133.771000	764.624835	104.537290	0.000000	0.596492	12.500000	12.500000	0.000000	0.000000	0.000000	0.000000	7,794.455037	0.000000
Bull 2028	7,794.455037	1,173.096784	104.537290	0.000000	0.000000	13.000000	13.000000	0.000000	0.000000	0.000000	0.000000	8,863.014531	0.000000
Bull 2029	8,863.014531	1,511.386462	104.537290	0.000000	0.000000	13.500000	13.500000	0.000000	0.000000	0.000000	0.000000	10,269.863703	0.000000
Bull 2030	10,269.863703	1,884.924693	104.537290	0.000000	0.000000	14.000000	14.000000	0.000000	0.000000	0.000000	0.000000	12,050.251107	0.000000
Bull 2031	12,050.251107	2,265.133280	104.537290	0.000000	0.000000	15.000000	15.000000	0.000000	0.000000	0.000000	0.000000	14,210.847097	0.000000

Each next-year beginning balance equals the prior year's ending balance at full precision. Across five years, Bear common NI sums to CAD151.521263 million, cash dividends total CAD522.685422 million, option proceeds add CAD0.596492 million, and all other net direct-equity movements are zero; thus `7,133.771000 + 151.521263 - 522.685422 + 0.596492 = 6,763.203333`. Bear book value therefore remains positive despite negative terminal EPS. Base ends at CAD11,072.950742 million and Bull at CAD14,210.847097 million by the same identity.

Complete VP P/B-ROE input handoff

No exit P/B multiple, terminal share value, IRR or score is selected here. VP controls those decisions after validating the bridge. Terminal normalized common NI is the section 4 terminal NI on the same parent/common perimeter. Terminal-year average equity is `(2031 beginning + 2031 ending) / 2`. BVPS uses terminal diluted quote-basis common shares and the sealed 1.0 share-class, depositary and CAD/CAD FX factors, so reporting-currency BVPS per financial share equals CAD BVPS per listed TSX unit.

P/B-ROE input	Current / reported	Current / normalized	Bear 2031	Base 2031	Bull 2031
Parent common equity, CAD M	7,133.771000	7,133.771000	6,763.203333	11,072.950742	14,210.847097
Current issued listed-equivalent shares used for P/B, M	435.532978	435.532978	n/a	n/a	n/a
Terminal diluted listed-equivalent common shares, M	n/a	n/a	435.572041	435.572041	435.572041
CAD BVPS per listed unit	16.379405	16.379405	15.527175	25.421629	32.625710
Price per listed unit, CAD	139.440000	139.440000	Not selected by S	Not selected by S	Not selected by S
Parent-common P/B, x	8.513130	8.513130	Exit multiple not selected	Exit multiple not selected	Exit multiple not selected
Terminal-year average common equity, CAD M	n/a	n/a	6,848.835468	10,545.647906	13,130.549102
Normalized terminal common NI, CAD M	n/a	n/a	-66.726982	1,159.142963	2,265.133280
Normalized terminal ROE	n/a	n/a	-0.974282%	10.991671%	17.250865%
Cumulative common distributions, CAD M	n/a	n/a	522.685422	522.685936	522.686449
Cumulative distributions per listed unit, CAD	n/a	n/a	1.200000	1.200000	1.200000
Five-year equity roll-forward residual, CAD M	n/a	n/a	0.000000	0.000000	0.000000

The current normalized P/B equals reported P/B because the preflight earnings normalization does not alter reported parent common equity. Terminal average equity, terminal NI and ROE are all scenario-consistent: Bear `-66.726982 / 6,848.835468 = -0.974282%`; Base `1,159.142963 / 10,545.647906 = 10.991671%`; Bull `2,265.133280 / 13,130.549102 = 17.250865%`. The negative Bear ROE is not replaced with zero equity or zero BVPS. The separate binary P/E-15 entry gate remains unchanged; this P/B-ROE handoff neither overrides that failure nor caps any later exit multiple.

6. Share, award, cash-settlement and security-unit paths

Denominator bridge

Reported TTM diluted shares of 435.633060 million are a weighted-average earnings denominator and include period-specific treasury-stock dilution from options that existed during H1 2026. Current issued shares are 435.532978 million. Only 39,063 options can create new parent shares; all current RSUs, PSUs, DSUs, phantom options and PRSUs settle in cash or open-market-purchased existing shares under the final QF inventory. They are not issuer-share dilution.

The options are deep in the money at CAD15.27 and are assumed exercised once during 2027. Gross issuance is 0.039063 million shares and gross cash proceeds are CAD0.596492 million. At CAD139.44, the current treasury-stock-method incremental amount is 0.039063 × one minus 15.27 divided by 139.44 = 0.034785 million. Bear assumes year-end exercise, Base midpoint exercise and Bull start-of-year exercise. This produces distinct first-year diluted weighted averages, while all terminal issued and diluted shares converge to 435.572041 million. The contributed-surplus transfer on exercise is unavailable for the remaining options; it is a direct-equity reclassification with no P&L effect and is not invented.

Case and year	Starting issued shares, M	Buyback, CAD B	Avg buyback price	Shares retired, M	Option issuance, M	Other award or SBC issuance, M	Ending issued shares, M	Diluted weighted-average shares, M	Option proceeds, CAD M
Bear 2027	435.532978	0.000000	n/a	0.000000	0.039063	0.000000	435.572041	435.567763	0.596492
Bear 2028	435.572041	0.000000	n/a	0.000000	0.000000	0.000000	435.572041	435.572041	0.000000
Bear 2029	435.572041	0.000000	n/a	0.000000	0.000000	0.000000	435.572041	435.572041	0.000000
Bear 2030	435.572041	0.000000	n/a	0.000000	0.000000	0.000000	435.572041	435.572041	0.000000
Bear 2031	435.572041	0.000000	n/a	0.000000	0.000000	0.000000	435.572041	435.572041	0.000000
Base 2027	435.532978	0.000000	n/a	0.000000	0.039063	0.000000	435.572041	435.569902	0.596492
Base 2028	435.572041	0.000000	n/a	0.000000	0.000000	0.000000	435.572041	435.572041	0.000000
Base 2029	435.572041	0.000000	n/a	0.000000	0.000000	0.000000	435.572041	435.572041	0.000000
Base 2030	435.572041	0.000000	n/a	0.000000	0.000000	0.000000	435.572041	435.572041	0.000000
Base 2031	435.572041	0.000000	n/a	0.000000	0.000000	0.000000	435.572041	435.572041	0.000000

Case and year	Starting issued shares, M	Buyback, CAD B	Avg buyback price	Shares retired, M	Option issuance, M	Other award or SBC issuance, M	Ending issued shares, M	Diluted weighted-average shares, M	Option proceeds, CAD M
Bull 2027	435.532978	0.000000	n/a	0.000000	0.039063	0.000000	435.572041	435.572041	0.596492
Bull 2028	435.572041	0.000000	n/a	0.000000	0.000000	0.000000	435.572041	435.572041	0.000000
Bull 2029	435.572041	0.000000	n/a	0.000000	0.000000	0.000000	435.572041	435.572041	0.000000
Bull 2030	435.572041	0.000000	n/a	0.000000	0.000000	0.000000	435.572041	435.572041	0.000000
Bull 2031	435.572041	0.000000	n/a	0.000000	0.000000	0.000000	435.572041	435.572041	0.000000

Post-acquisition denominator reconciliation is exact: the Cigar asset purchase creates zero common shares; 435.532978 + 0.039063 option shares + zero RSU/PSU/DSU/phantom/PRSU issuance = 435.572041 million terminal common shares. Dividing by the split, depositary and class factors of 1 gives 435.572041 million listed-equivalent units. The Class B governance share is excluded because it has no disclosed common economic or conversion right.

Current award inventory and scenario assumptions

The complete QF inventory is preserved. Current RSUs are 623,863 units with mixed equity- and cash-settled accounting, but both settlement routes use open-market shares or cash; neither issues treasury shares. Current PSUs are 485,730 phantom units and are cash-settled for accounting and dilution purposes. DSUs are 245,395 cash units. Phantom options are 12,500 and PRSUs 24,023 at the latest disclosed FY2025 counts. The employee plan bought 20,684 existing shares in H1 2026 and is modeled at 41,368 open-market shares annually. No plan unit is added to issued shares.

Bear assumes 70% of current RSUs vest and 30% forfeit, with 60% of vested units paid in cash and 40% delivered from open-market purchases. Base assumes 85% vesting and a 50/50 settlement mix. Bull assumes 95% vesting and 40% cash/60% open-market delivery. PSU performance settlement is 50%/100%/150% of target in Bear/Base/Bull, with service-forfeiture assumptions of 10%/5%/0%. DSU redemptions through 2031 are 20%/40%/60%; phantom-option exercise is 50%/75%/100%; PRSU payout is 50%/100%/150%. All are scenario assumptions, not issuer guidance.

TTM plan expense is not blindly annualized. CAD11.002 million is the non-cash equity-settled RSU cash-flow add-back; total equity-settled-plan expense is CAD17.126 million, including CAD6.124 million employee-plan expense. Cash-settled-plan expense is CAD96.396 million and is event-heavy because it includes fair-value remeasurement. The annual schedule normalizes each class explicitly. Plan expense is embedded once in the corporate/unallocated residual used in section 4. Settlement cash reduces cash once but does not reduce NI again; open-market purchase reallocates existing ownership and does not issue shares.

Case and year	Non-cash RSU expense	Employee-plan expense and cash	Cash-settled-plan expense	Award cash/open-market settlement	New issuer shares from awards
Bear 2027	9.000	6.000	45.000	35.000	0.000000
Bear 2028	8.500	6.000	42.000	30.000	0.000000
Bear 2029	8.000	6.000	40.000	25.000	0.000000
Bear 2030	7.500	6.000	38.000	20.000	0.000000
Bear 2031	7.000	6.000	36.000	18.000	0.000000
Base 2027	11.002	6.124	60.000	50.000	0.000000
Base 2028	11.200	6.300	60.000	48.000	0.000000
Base 2029	11.500	6.500	62.000	45.000	0.000000
Base 2030	11.800	6.700	64.000	42.000	0.000000
Base 2031	12.000	7.000	66.000	40.000	0.000000
Bull 2027	12.500	6.500	75.000	70.000	0.000000
Bull 2028	13.000	7.000	80.000	75.000	0.000000
Bull 2029	13.500	7.500	85.000	80.000	0.000000
Bull 2030	14.000	8.000	90.000	85.000	0.000000
Bull 2031	15.000	8.000	95.000	90.000	0.000000

Five-year award settlement cash is CAD128/CAD225/CAD400 million for Bear/Base/Bull; employee-plan cash is CAD30/CAD32.624/CAD37 million. Their sum produces the return handoff above. These cash paths are not terminal cash estimates because operating cash flow, capex, dividends and working capital are not fully forecast. They simply prevent a false flat-share/no-cash assumption.

7. Binary P/E 15 entry-price test

Required horizon EPS at CAD139.44 is CAD9.296000 per listed unit. Cushion is `(EPS × 15 − 139.44) ÷ 139.44`.

Case	2031 EPS, CAD per listed unit	EPS × 15	Packet price	Cushion	Pass?
Bear	-0.153194	-2.297909	139.440000	-101.65%	FAIL
Base	2.661197	39.917953	139.440000	-71.37%	FAIL
Bull	5.200364	78.005464	139.440000	-44.06%	FAIL

The confident Base case controls and fails. Bull cannot rescue the binary test. The P/E 15 gate is not a terminal exit-multiple selector or cap.

8. Historical statutory and reflexivity checks

Historical revenue bridge, CAD M	FY2025	TTM 2026-06-30
Uranium external revenue	2,873.950	2,920.218
Fuel services external revenue	562.421	551.293
Westinghouse supplementary revenue	3,457.633	3,385.789
Equal Westinghouse elimination	-3,457.633	-3,385.789
Other external revenue	45.562	3.111
Reconstructed consolidated revenue	**3,481.933**	**3,474.622**
Reported consolidated revenue	3,481.933	3,474.622
Residual	0.000	0.000

Historical profit bridge, CAD M	FY2025	TTM 2026-06-30
Sum of reportable-segment EBT	1,187.125	1,010.289
`Adjustments`	3.763	42.007
`Other`	-413.627	-581.334
Pretax income	777.261	470.962
Operating bridge	-159.119	43.393
Reconstructed statutory OI	**618.142**	**514.355**
Reported statutory OI	618.142	514.355
Residual	0.000	0.000

FY2025 operating adjustments are +115.175 – 95.017 – 23.172 – 216.386 + 61.740 – 1.459 = –159.119 million. TTM adjustments are +115.601 + 145.828 – 31.925 – 129.292 – 55.387 – 1.432 = +43.393 million. Both are within their sealed tolerances and the broader 2% reflexivity limit.

9. Interim and horizon reconciliation

NOT TRIGGERED — four non-overlapping quarters used: Q3 2025 + Q4 2025 + Q1 2026 + Q2 2026. The equivalent FY2025 – H1 2025 + H1 2026 bridge uses identical January 1-June 30 coverage. No quarterly amount is added on top of a cumulative half-year. TTM diluted shares are a day-weighted annual/interim bridge, not a sum of quarterly shares.

The 57.418% Cigar stake is post-TTM and begins only in 2027. The TTM operating history remains on 54.547%. This is the required current-to-forward perimeter bridge and does not stretch the five-year horizon.

10. Sensitivity

Each row changes one Base variable while holding all other Base lines constant.

Variable	Down	Base	Up	EPS down	EPS Base	EPS up	Change from Base
Uranium revenue CAGR	3.20%	5.20%	7.20%	2.445077	2.661197	2.894392	-0.216120 / +0.233195
Fuel services EBT margin	30.0%	32.0%	34.0%	2.635221	2.661197	2.687173	-0.025976 / +0.025976

Variable	Down	Base	Up	EPS down	EPS Base	EPS up	Change from Base
Terminal diluted shares	-5.0%	435.572M	+5.0%	2.801260	2.661197	2.534473	+0.140063 / -0.126724
Tax rate	23.9%	26.9%	29.9%	2.770412	2.661197	2.551982	+0.109215 / -0.109215

Uranium growth remains the largest prescribed sensitivity. Share count and tax follow; Fuel services margin is smaller. Westinghouse EBT conversion is separately load-bearing because Base rises from zero in 2027 to a 5% margin in 2028 and 8.82% at terminal. Even favorable sensitivity endpoints leave EPS × 15 far below the packet price.

11. Combined earnings summary

Weights are 30% Bear, 50% Base and 20% Bull. Base has the largest weight because contracted demand and licensed assets support gradual improvement. Bear exceeds Bull because uranium pricing/operations, Port Hope execution and Westinghouse EBT conversion can fail independently. The weights are non-uniform and consistent with the Management and Moat YELLOW findings.

Case	Revenue, CAD B	OI, CAD B	OI margin	NI, CAD B	EPS, CAD per listed unit	Probability	EPS × 15	Versus CAD139.44
Bear	3.092111	-0.012467	-0.40%	-0.066727	-0.153194	30%	-2.297909	CAD -141.737909, -101.65%
Base	4.540011	1.034439	22.79%	1.159143	2.661197	50%	39.917953	CAD -99.522047, -71.37%
Bull	5.875111	1.864179	31.73%	2.265133	5.200364	20%	78.005464	CAD -61.434536, -44.06%
Probability-weighted	4.372661	0.886315	20.27%	1.012580	2.324713	100%	34.870697	CAD -104.569303, -74.99%

Probability-weighted EPS is 30% × –0.153194 + 50% × 2.661197 + 20% × 5.200364 = CAD2.324713. The row is a diagnostic weighted sum, not a fourth scenario.

Tie-out checks

- **PASS — reported financial and statutory bridge, TTM and FY2025.** FY2025 segment EBT 1,187.125 + Adjustments 3.763 – Other 413.627 = pretax 777.261; adding operating bridge –159.119 gives OI 618.142. TTM 1,010.289 + 42.007 – 581.334 = 470.962; adding 43.393 gives 514.355. FY2025 and TTM external revenue reconstruct to 3,481.933 and 3,474.622. All residuals are zero and within packet tolerance and 2%.

- **PASS — NI, shares, listed unit and FX equal EPS.** Bear –66.726982 ÷ 435.572041 × 1 × 1 = –0.153194. Base 1,159.142963 ÷ 435.572041 × 1 × 1 = 2.661197. Bull 2,265.133280 ÷ 435.572041 × 1 × 1 = 5.200364. The TTM normalized denominator is separately 435.633060 and is not substituted at terminal.

- **PASS — segment sum at horizon.** Bear 6.780000 – 3.691000 + 0.003111 = 3.092111; Base 9.451300 – 4.914400 + 0.003111 = 4.540011; Bull 11.929600 – 6.057600 + 0.003111 = 5.875111. The named Westinghouse elimination is complete.

- **PASS — product-to-segment rollup.** Uranium revenue is 29.5 × 86 = 2,537; 35.5 × 106 = 3,763; 40.0 × 124 = 4,960. Fuel services is 12.0 × 46 = 552; 14.2 × 54.50 = 773.9; 15.2 × 60 = 912. Westinghouse product sums are 3,691.0/4,914.4/6,057.6. Every residual is within 1%.

- **PASS — weighted margin.** Uranium terminal EBT divided by revenue is 17.4537%/37.3564%/45.2782%, matching 17.5%/37.4%/45.3%. Fuel services matches 15%/32%/38%. Westinghouse product-weighted EBT is 148.168/433.468/724.007 million, or 4.0148%/8.8203%/11.9519%, matching the reviewed table within rounding.

- **PASS — share count and security-unit path.** TTM reported diluted shares are 435.633060. Current issued shares 435.532978 + 0.039063 option issuance = 435.572041 terminal shares; RSU, PSU, DSU, employee, phantom-option and PRSU issuance is zero under disclosed settlement mechanics. Cigar consideration issues zero shares. Split ×

depositary × class factors are 1; terminal listed equivalents are 435.572041 million. Option proceeds and award cash are counted once.

- **PASS — growth plausibility.** Uranium Base CAGR 5.20% is below 1.2 × 24.8% = 29.76%; Fuel services 7.00% is below 18.60%. Westinghouse lacks a comparable three-year same-perimeter CAGR, but its reviewed appendix explicitly justifies 6.00% Operating Plants, 7.00% Nuclear Fuel and 13.94% New Plants; the 91-reactor pipeline is excluded from backlog and revenue.

- **PASS — five-year revenue arithmetic.** Uranium calculated endpoints from TTM and stated CAGR differ from displayed endpoints by 0.022%/0.009%/0.015%; Fuel services by 0.128%/0.088%/0.038%. All nine Westinghouse product rows differ by 0.004%-0.021%. Every exponent is exactly five and every residual is within 1%.

- **PASS — recency anchor.** Base 2027 statutory revenue is 3,102.0 + 591.5 + 3.111 = 3,696.611 million versus 3,474.622 TTM, a 6.389% rise. Westinghouse supplementary revenue grows to 3,582.0 but remains eliminated. The Base first-year run rate is within 10% of TTM.

- **PASS — period, annual cadence and horizon integrity.** Four quarters do not overlap; the H1 replacement arithmetic is like-for-like. TTM is reported and normalized separately; 2027 is the first forward year; 2031 is terminal. Cigar ownership shifts from 54.547% historical to 57.418% forward exactly once. All 15 annual scenario-year rows tie through segment EBT, bridge, OI, pretax, tax, NI, shares and EPS.

- **PASS — valuation, unit bridge, packet hashes and probability arithmetic.** Quote and statutory hashes match their QFR/DR seals. The TSX common-share, CAD, split, class, depositary and FX bridges all equal the packet. EPS × 15 is −2.297909/39.917953/78.005464. Probabilities sum to 100%; weighted EPS is 2.324713. Base cushion is `(39.917953 − 139.44) ÷ 139.44 = −71.3727%`, and Base controls.

Additional non-insurer P/B-ROE common-equity checks

- **PASS — opening parent-common perimeter.** Official June 30, 2026 parent-holder equity CAD7,133.771 million plus excluded NCI CAD0.038 million equals total consolidated equity CAD7,133.809 million. Preferred and redeemable claims are zero. Westinghouse third-party equity is outside Cameco consolidation.

- **PASS — annual equity identities and continuity.** All 15 scenario-year rows have CAD0.000000 million residual at full precision, and each 2028-2031 beginning balance equals the prior ending balance. No target terminal equity or balancing flow is used.

- **PASS — award, issuance and acquisition count once.** The 39,063-option exercise adds 0.039063 million shares and CAD0.596492 million equity/cash once in 2027. Equity-settled RSU credits and settlement debits offset at their annual normalized schedules; employee purchases and cash-settled awards issue zero shares and have zero second direct-equity effect. Cigar consideration changes cash/acquired assets but contributes CAD0.000000 direct equity.

- **PASS — terminal equity and BVPS.** Bear CAD6,763.203333 million divided by 435.572041 million listed-equivalent shares equals CAD15.527175 per unit; Base equals CAD25.421629 and Bull CAD32.625710. Split, class, depositary and CAD/CAD FX factors are each 1.0.

- **PASS — normalized terminal ROE.** Bear normalized common NI CAD−66.726982 million divided by CAD6,848.835468 million average equity equals −0.974282%; Base is 10.991671%; Bull is 17.250865%. NI, average equity and annual period definitions match.

- **PASS — negative EPS does not erase equity.** Bear retains CAD6,763.203333 million parent common equity and CAD15.527175 BVPS after three terminal-path loss years and CAD522.685422 million cumulative dividends. Neither equity nor terminal value is forced to zero; VP must value the surviving book claim independently.

SYNTHESIS CLEARED — 11/11 TIE-OUTS PASSED.

P/E 15 gate: FAIL — cushion -71.37%.

Cameco Corporation — Compounder Score

Security: TSX common share (`CCO.TO`) **Analysis date:** 2026-09-06 **Currency:** CAD **Current price:** CAD139.44 **TTM end / horizon:** 2026-06-30 / 2031-06-30, exactly 5.0 years **Primary valuation method:** P/B-ROE **Scope:** security-level return underwriting only; no portfolio-fit, sizing, trade, rank, owner-action or CIO-actionability decision is made.

1. Executive Verdict

COMPOUNDER SCORE: 53/100. BUSINESS QUALITY SCORE: 51/80. 20% RETURN UW SCORE: 2/20. SCORE-IMPLIED CLASSIFICATION: Reject. This is a diagnostic classification under the CompounderScorer rubric, not the final ER2 verdict.

Cameco owns scarce, licensed nuclear-fuel-cycle assets and a potentially durable 49% interest in Westinghouse. The evidence supports a real moat in high-grade uranium, Western conversion capacity, utility relationships and plant-specific nuclear know-how. It does not support the defining compounder claim: a high, consistently measured acquisition-inclusive ROIIC with a long record of per-share value creation. Five FY2021-FY2025 ROIC observations have a median of only 2.8%; FY2025 reached 6.7%. The 2023 Westinghouse acquisition consumed CAD3.029 billion and required meaningful pre-funding dilution, yet Westinghouse's latest TTM EBT is negative. Standard industrial ROIIC is unreliable here because statutory operating NOPAT excludes equity-accounted Westinghouse earnings while Cameco's acquisition cost sits in invested capital. The score therefore uses industrial ROIC as a secondary diagnostic, gives no points for unproven ROIIC, and emphasizes parent-common book growth, per-share outcomes, segment spreads and retained cash economics.

Valuation is the decisive failure. The validator-cleared preflight at SHA-256 `f64214d2a46ffb4511ae97730aa19856944837de96a428d0f266008bd8f3abc5` passed all five foundations with no blockers. It locks one P/B-ROE method, a comparable current parent-common P/B of 8.513129795212098x, and Bear/Base/Bull exits of 1.0x/2.0x/3.5x. At those exits, gross CAD IRRs are **-34.57% / -17.89% / -3.72%**, and the 30%/50%/20% probability-weighted gross IRR is **-17.25%**. Even Bull does not preserve the current CAD139.44 price over five years. The same P/B-ROE wealth bridges produce net-SGD IRRs of **-36.83% / -19.04% / -3.13%**, with probability-weighted net-SGD IRR **-17.83%**. Both weighted returns are CAGRs of weighted terminal wealth, never averages of scenario IRRs.

Two hard vetoes fail. First, a 20% return would require exit P/B of 13.6015x in Base, above the comparable current 8.5131x and the locked 2.0x Base exit. Second, today's price requires more than flawless execution: even the grounded Bull case, with CAD14.211 billion terminal common equity, 17.25% normalized ROE and a 3.5x exit P/B, still loses value annualized. The separate P/E-at-15 entry gate also fails and remains separate from the controlling P/B-ROE method.

2. Data Source Map

Evidence need	Controlling source	Period / use	Confidence
Price and listed security	`quote_packet.json`; `quant_foundation.md`	TSX common, CAD139.44 on 2026-09-04	High
Statements and TTM	`quant_foundation.md`; `statutory_bridge.json`	FY2021-FY2025 and TTM 2026-06-30	High
Parent common equity	Official Q2 2026 interim; `appendix_synthesis.md`	CAD7,133.771m opening; CAD0.038m NCI excluded	High
Cash flow and capex	`quant_foundation.md`; `data_package.md`	FY2021-FY2025 and TTM; official issuer classification	High
Shares and awards	`quant_foundation.md`; `appendix_synthesis.md`	TTM, current and 2027-2031 denominator paths	High
SBC	`quant_foundation.md`	TTM all-plan CAD113.522m; non-cash RSU add-back CAD11.002m	High
Uranium economics	`appendix_B_uranium.md`	Volumes, prices, costs, contracts and terminal EBT	Medium-High
Fuel services economics	`appendix_B_fuel_services.md`	Volume, conversion pricing and terminal EBT	Medium-High
Westinghouse economics	`appendix_B_westinghouse.md`	49%-proportionate view and equity-method EBT	Medium
Capital allocation	`appendix_management.md`	FY2021-FY2025, incentives and governance	Medium-High
Moat and durability	`appendix_moat.md`	Competitive position and 2046 test	Medium

Evidence need	Controlling source	Period / use	Confidence
Scenario equity bridge	`appendix_synthesis.md`	15 zero-residual 2027-2031 rows	High arithmetic / Medium forecast
Method and exits	`valuation_preflight.json`	P/B-ROE; 1.0x/2.0x/3.5x locked before scoring	High process / Medium economic
CAD/SGD anchor	[Bank of Canada daily rates](https://www.bankofcanada.ca/rates/exchange/daily-exchange-rates/)	2026-09-04: 1 SGD = CAD1.0924	High
Dividend withholding	[Canada-Singapore tax convention, Article X](https://www.canada.ca/en/department-finance/programs/tax-policy/tax-treaties/country/singapore-convention-1976.html)	15%; no reclaim assumed	High legal text / investor-specific caveat
Singapore capital-gains diagnostic	[IRAS guidance](https://www.iras.gov.sg/taxes/individual-income-tax/basics-of-individual-income-tax/what-is-taxable-what-is-not/gains-from-sale-of-property-shares-and-financial-instruments)	Personal-investment gains generally not taxable	High official guidance / investor-specific caveat

The source chain is internally strong but analytically uneven. Statutory financials, parent equity, shares and scenario arithmetic reconcile tightly. Long-term organic ROIIC, mine-level sustaining versus growth capital, Westinghouse retained capital and current award-settlement splits remain incomplete. Overall source confidence is Medium despite high confidence in the return arithmetic.

3. Key Financial and Quality Metrics

Cameco is a commodity producer with an equity-accounted nuclear-technology investment, so a single consolidated industrial ROIC can mislead. Westinghouse operating assets and debt are not consolidated; its 49% earnings enter below operating income. Conversely, the CAD3.029 billion acquisition expanded the equity-accounted investment. Gross-capex ratios below are therefore proxies, not clean ROIIC.

Metric	1-year	3-year	Five observations / longest available	10-year	Interpretation
Revenue CAGR	11.04% FY2025	23.07% FY2022-FY2025	23.95% FY2021-FY2025 over four intervals	Insufficient evidence	Strong cycle recovery, not steady-state proof
NOPAT growth	21.18% FY2025	245.08% from near-zero FY2022	Not meaningful from negative FY2021	Insufficient evidence	Base effects dominate
FCF CAGR	55.04% FY2025	88.27% FY2022-FY2025	35.29% FY2021-FY2025 over four intervals	Insufficient evidence	Cash improved with the cycle
Adjusted ROIC	6.7% FY2025	5.3% FY2023-FY2025 median	2.8% FY2021-FY2025 median	Insufficient evidence	Below compounder standard
Organic ROIIC	Insufficient evidence	63.15% gross-capex proxy	Insufficient evidence	Insufficient evidence	Omits depreciation, working capital and retained WEC capital
Acquisition-inclusive ROIIC	n/a	11.83% gross-capex-plus-acquisition proxy	Insufficient evidence	Insufficient evidence	WEC purchase sharply lowers proxy
Reinvestment rate	n/a	Insufficient evidence	99.74% gross-capex / cumulative NOPAT proxy	Insufficient evidence	Net capex and working-capital series incomplete
FCF / NOPAT	237.92% FY2025	223.21% cumulative FY2023-FY2025	295.41% FY2021-FY2025	Insufficient evidence	Early NOPAT and equity-accounting timing distort
Operating margin	17.8% FY2025	10.9%-17.8% range	-9.2%-17.8% FY2021-FY2025	Insufficient evidence	Cyclical recovery
Gross margin	Insufficient evidence	Insufficient evidence	Insufficient evidence	Insufficient evidence	WEC supplementary costs are eliminated
Diluted share CAGR	-0.09% FY2025	2.28% FY2022-FY2025	2.31% FY2021-FY2025 over four intervals	Insufficient evidence	2022 WEC pre-funding drove increase
SBC / revenue	3.27% TTM	n/a	n/a	n/a	Full all-plan expense
SBC / FCF	20.42% TTM	n/a	n/a	n/a	Cash-settled remeasurement is material

TTM NOPAT is CAD375.993505m using statutory operating income times 73.1%; TTM FCF is CAD555.921m, or 147.85% of NOPAT. TTM CFO/net income is 265.38%, FCF/net income 156.65%, and CFO/NOPAT 250.48%. Current market

capitalization is CAD60.731 billion. A secondary enterprise-value diagnostic is CAD60.627 billion after adding CAD996.750m funded debt and CAD12.162m leases and subtracting CAD1,112.718m cash; it does not gross up Westinghouse and does not control valuation. It implies about 161.24x EV/TTM NOPAT. TTM FCF yield is 0.92%, annual dividend yield 0.17%, and net buyback yield 0.00%.

4. Rubric Scorecard

Category	Subcriterion	Score	Evidence-based judgment
1	1A Normalized ROIC	1/5	Five-observation median 2.8%; latest 6.7%
1	1B ROIIC	0/8	No clean organic or acquisition-inclusive retained-capital denominator
1	1C No sharp deterioration	2/3	ROIC improved, but WEC TTM EBT reversed negative
1	1D Unit economics	2/3	Uranium and conversion spreads support returns; cycle matters
1	1E Cash conversion	2/3	FCF supports earnings; Inkai/WEC timing is lumpy
1	1F Not an artifact	2/3	Reporting reconciles; equity accounting limits comparisons
1 subtotal	Incremental Returns on Capital	**9/25**	Below compounder standard
2	2A Market opportunity	4/5	Nuclear contracting and Western supply runway are large
2	2B Reinvest at scale	2/5	WEC retained returns and reserve replacement unproved
2	2C Organic opportunity	3/4	Contracts, capacity and brownfields support growth
2	2D Repeatable playbook	2/3	Contracting discipline proven; new-build conversion is not
2	2E Market structure	2/2	Licensing and qualification constrain supply
2	2F No ROIC collapse	0/1	High returns through growth are unproved
2 subtotal	Reinvestment Runway	**13/20**	Attractive opportunity, incomplete return proof
3	3A Clear advantage	4/4	Tier-one resources, conversion and installed-base IP
3	3B Pricing power	2/3	Contract terms help; commodity resets remain
3	3C Competitive evidence	2/3	Strong positions; sovereign and OEM competition persist
3	3D Customer stickiness	2/2	Qualification and long contracts create friction
3	3E Stress resilience	1/2	Balance sheet survived; operating profits did not
3	3F Disruption risk	1/1	Physical licensing limits AI displacement
3 subtotal	Durability of Moat	**12/15**	Real moat, exposed to depletion and cycles
4	4A Clean earnings	1/2	Detailed bridge, event-heavy derivatives/FX/equity timing
4	4B Cash supports earnings	2/2	Multi-year OCF and FCF strong
4	4C SBC/dilution honesty	2/2	Full costs retained; cash awards not called dilution
4	4D Balance sheet	2/2	Net cash and CAD1bn undrawn revolver
4	4E Disclosure	1/1	Strong disclosure with explicit gaps
4	4F Governance/accounting	1/1	No trust-destroying issue found
4 subtotal	Accounting and Financial Quality	**9/10**	Strong controls, complex economics

Category	Subcriterion	Score	Evidence-based judgment
5	5A Reinvestment priority	2/2	Reliability, debt and tier-one assets prioritized
5	5B Acquisition discipline	1/2	Cigar coherent; WEC return unproved
5	5C Buyback discipline	2/2	No cosmetic repurchases while funding resilience
5	5D Incentive alignment	1/2	No direct ROIC/FCF-per-share measure
5	5E Owner mentality	1/1	Patient contracting protects resource value
5	5F Past decisions	1/1	Balance-sheet repair and restart were sensible
5 subtotal	Capital Allocation Discipline	**8/10**	Good stewardship, unresolved WEC acquisition
Business quality	Categories 1-5	**51/80**	Not a proven high-ROIIC compounder
6	6A Base IRR	0/6	Gross Base IRR -17.89%
6	6B Conservative exit	2/4	Exits independent and below current; no hurdle cleared
6	6C Bear acceptable	0/3	Gross Bear IRR -34.57%
6	6D Reverse hurdle	0/3	Base needs 60.21% BVPS CAGR or 13.60x P/B
6	6E Price not perfection	0/2	Even Bull loses money
6	6F Cash returns	0/2	CAD1.20 total is less than 1% of entry
Return subtotal	Price and 20% Return Underwriting	**2/20**	Valuation overwhelms quality
Total	Compounder Score	**53/100**	Reject under this diagnostic

5. ROIIC and Reinvestment Analysis

The evidence does not support a clean 3-year or 5-year ROIIC. A mechanical FY2022-FY2025 gross-capex proxy is `(CAD452m FY2025 NOPAT - CAD11m FY2022 NOPAT) / CAD698.291m FY2023-FY2025 capex = 63.15%`. That looks excellent but is not decision-grade: it treats gross capex as net reinvestment, excludes depreciation and working capital, begins near a trough, and omits WEC retained profit from NOPAT. Adding the CAD3.029bn Westinghouse purchase drops the proxy to 11.83%. The acquisition-inclusive result is more relevant but still not a full-perimeter ROIIC.

The commodity adaptation uses four lenses. FY2021-FY2025 consolidated ROIC recovered from -2.2% to 6.7%, but its median was only 2.8%. Uranium unit spread improved from negative CAD4.46/lb in FY2021 to positive CAD24.29/lb in FY2025 as realized uranium price rose from CAD43.34 to CAD87.00/lb. Fuel services FY2025 realized price was CAD43.04/kgU against CAD29.74/kgU cost. Westinghouse produced only CAD53.761m of 2025 EBT on Cameco's supplementary view and negative CAD104.362m TTM EBT. These show operational leverage and asset quality, not a stable high-ROIIC record.

Acquisitions and dilution are treated honestly. The 2022 issue of 34.1m shares pre-funded Westinghouse and drove much of the 2.31% annual diluted-share increase from FY2021 to FY2025. It is an acquisition cost borne per share. The post-TTM Cigar acquisition adds 2.871 points of ownership for CAD115.755m cash, creates no shares and adds no direct-equity value plug. The model includes its production and acquisition-basis depletion once. The 39,063 options add 0.039063m shares and CAD0.596492m proceeds once in 2027. RSUs, PSUs, DSUs, phantom options and PRSUs use cash or open-market shares and are not issuer dilution.

6. Runway Analysis

Cameco has more than 28m lb of average annual uranium commitments over the next five years. Fuel services has about 83m kgU of contracted UF6 conversion. Uranium deliveries exceed owned production, so inventory, purchases, product loans and Inkai entitlement remain supply bridges rather than optional details. High-grade Saskatchewan resources and latent capacity permit patient contracting rather than forced spot-price production.

Westinghouse may provide the longest runway. Operating Plants backlog was US$13.2bn at 2025 year-end, with US$5.2bn of new orders; New Plants backlog was US$0.8bn with US$2.0bn new orders. The installed fleet needs recurring fuel, outage work, parts, controls and life-extension services. Yet backlog and the AP1000 pipeline are not retained earnings. Reported

WEC EBT margin lacks persistence, and the proposed IPO receives zero value credit. The U.S. Government Participation Interest is counted exactly once at Westinghouse: all reviewed distribution bounds stay below US$17.5bn, giving zero modeled effect. No IPO proceeds, rerating or ownership credit enters book value.

Reserve replacement also constrains the score. P&P reserves fell from 485m lb in FY2023 to 433m lb in FY2025. Land is not an economic reserve until drilling, permitting, engineering and prices support conversion. The 2046 moat test remains YELLOW. Runway gets credit for scarce assets and demand but not high marks until reserve replacement and WEC retained returns are observed.

7. Moat Analysis

Cameco's moat combines high-grade licensed resources; specialized mining and milling; scarce Western conversion and fabrication; long utility contracts and high-trust procurement; and 49% of Westinghouse's reactor-specific fuel, parts, safety methods, design authority and installed-base service network. Replication is slow, capital intensive and regulator dependent. These advantages protect access and confidence, but do not remove uranium cycles, depletion, Kazakhstan exposure, sovereign-backed reactor competition, utilization risk or project execution.

Pricing power is real but bounded. Uranium contracts contain market exposure and improving floors and ceilings, while conversion scarcity supports repricing. The observed margin expansion coincided with constrained supply. WEC proprietary installed-base work should carry switching costs, yet statutory EBT proof is weak. AI can reduce routine engineering hours but cannot assume liability, certify designs, manufacture qualified fuel or replace design authority. Disruption risk is low; cycle and sovereign competition matter more.

8. Accounting and Capital Allocation Analysis

Accounting quality is a relative strength. The statutory bridge distinguishes segment EBT from operating income and keeps WEC supplementary revenue eliminated. Parent equity excludes CAD0.038m NCI and all third-party WEC equity. TTM all-plan expense CAD113.522m remains an economic cost; only CAD11.002m equity-settled RSU expense is a non-cash add-back. Cash-settled awards are not converted into phantom dilution. Official IFRS classifications override differing FMP operating-income and OCF rows.

Capital allocation shows discipline: production curtailment in weak markets, restart as contracts improved, acquisition-loan repayment, no buybacks, and a dividend rise only after cash strengthened. Cigar ownership consolidation is coherent. The unresolved issue is WEC: CAD3.029bn and 34.1m pre-funding shares have not produced proven high retained returns. Compensation also lacks a direct ROIC or FCF-per-share gate. These reduce acquisition and incentive scores without implying dishonesty.

9. 20% Return Underwriting

Methodology note — Primary valuation method: P/B-ROE. The same method controls Bear, Base, Bull, probability weighting, reverse-return/max-buy-price and net-SGD. P/E is rejected as controlling because Bear EPS is negative while CAD6.763bn of parent equity survives. EV/NOPAT is rejected because a complete terminal cash, debt, lease, provision and senior-claim path is unavailable. No method is blended.

Opening parent common equity is CAD7,133.771000m. The identity is beginning equity plus parent common NI, less dividends and repurchases, plus option issuance, plus RSU credit, less matched RSU settlement debit, plus OCI and other direct-equity movements. All residuals are zero. Amounts are CAD millions.

Case / year	Beginning equity	Common NI	Dividends	Repurchases	Option issuance	RSU credit	RSU debit	Cash/employee direct equity	Cigar direct equity	OCI	Impairment/other	Ending equity	Residual
Bear 2027	7,133.771000	253.913681	104.536263	0.000000	0.596492	9.000000	9.000000	0.000000	0.000000	0.000000	0.000000	7,283.744910	0.000000
Bear 2028	7,283.744910	93.763826	104.537290	0.000000	0.000000	8.500000	8.500000	0.000000	0.000000	0.000000	0.000000	7,272.971446	0.000000
Bear 2029	7,272.971446	-38.275972	104.537290	0.000000	0.000000	8.000000	8.000000	0.000000	0.000000	0.000000	0.000000	7,130.158184	0.000000
Bear 2030	7,130.158184	-91.153290	104.537290	0.000000	0.000000	7.500000	7.500000	0.000000	0.000000	0.000000	0.000000	6,934.467604	0.000000
Bear 2031	6,934.467604	-66.726982	104.537290	0.000000	0.000000	7.000000	7.000000	0.000000	0.000000	0.000000	0.000000	6,763.203333	0.000000

Case / year	Beginning equity	Common NI	Dividends	Repurchases	Option issuance	RSU credit	RSU debit	Cash/employee direct equity	Cigar direct equity	OCI	Impairment/other	Ending equity	Residual
Base 2027	7,133.771000	570.932802	104.536776	0.000000	0.596492	11.002000	11.002000	0.000000	0.000000	0.000000	0.000000	7,600.763518	0.000000
Base 2028	7,600.763518	787.434074	104.537290	0.000000	0.000000	11.200000	11.200000	0.000000	0.000000	0.000000	0.000000	8,283.660302	0.000000
Base 2029	8,283.660302	907.808798	104.537290	0.000000	0.000000	11.500000	11.500000	0.000000	0.000000	0.000000	0.000000	9,086.931810	0.000000
Base 2030	9,086.931810	1,035.950549	104.537290	0.000000	0.000000	11.800000	11.800000	0.000000	0.000000	0.000000	0.000000	10,018.345069	0.000000
Base 2031	10,018.345069	1,159.142963	104.537290	0.000000	0.000000	12.000000	12.000000	0.000000	0.000000	0.000000	0.000000	11,072.950742	0.000000
Bull 2027	7,133.771000	764.624835	104.537290	0.000000	0.596492	12.500000	12.500000	0.000000	0.000000	0.000000	0.000000	7,794.455037	0.000000
Bull 2028	7,794.455037	1,173.096784	104.537290	0.000000	0.000000	13.000000	13.000000	0.000000	0.000000	0.000000	0.000000	8,863.014531	0.000000
Bull 2029	8,863.014531	1,511.386462	104.537290	0.000000	0.000000	13.500000	13.500000	0.000000	0.000000	0.000000	0.000000	10,269.863703	0.000000
Bull 2030	10,269.863703	1,884.924693	104.537290	0.000000	0.000000	14.000000	14.000000	0.000000	0.000000	0.000000	0.000000	12,050.251107	0.000000
Bull 2031	12,050.251107	2,265.133280	104.537290	0.000000	0.000000	15.000000	15.000000	0.000000	0.000000	0.000000	0.000000	14,210.847097	0.000000

The return bridge uses CAD139.44, exact 5.0 years, 435.572041m terminal diluted listed-equivalent shares and CAD1.200000 distributions per share. No cash, debt, lease, reclamation, NCI, non-operating asset or IPO add-on follows BVPS times P/B. These economics are inside parent book/earnings or excluded. The double-count check passes.

Item	Bear	Base	Bull	Probability-weighted
Probability	30%	50%	20%	100%
Terminal parent common equity, CAD M	6,763.203333	11,072.950742	14,210.847097	n/a
Terminal diluted listed shares, M	435.572041	435.572041	435.572041	n/a
Terminal BVPS, CAD	15.527175063	25.421628800	32.625710007	n/a
Normalized terminal ROE	-0.974282%	10.991671%	17.250865%	n/a
Exit P/B	1.0x	2.0x	3.5x	Locked scenario exits
Terminal value/share, CAD	15.527175063	50.843257600	114.189985026	n/a
Cumulative distributions/share, CAD	1.200000000	1.200000000	1.200000000	n/a
Terminal wealth/share, CAD	16.727175063	52.043257600	115.389985026	54.117778324 expected
Gross local IRR	-34.57%	-17.89%	-3.72%	-17.25%
Separate net-debt/non-operating add-on	None	None	None	None

Probability-weighted gross IRR is `(54.117778324 / 139.44)^(1/5) - 1 = -17.2457099802%`, not a weighted average of IRRs.

P/B/P-E/ROE checks pass. Bear P/E is not meaningful because EPS is negative; positive book stays valued at 1.0x. Base share value divided by EPS implies 19.1054x point-in-time P/E, while `2.0x / 10.991671%` implies 18.1956x on average-equity ROE. Bull gives 21.9581x point P/E and 20.2888x ROE-implied P/E. The difference is average versus ending equity; exact P/B divided by point P/E equals EPS divided by ending BVPS.

Reverse 20% hurdle. Required terminal wealth is `139.44 × 1.20^5 = CAD346.971340800`. After CAD1.20 distributions, Base at 2.0x needs BVPS CAD172.885670400, common equity CAD75.304bn and 60.21% annual BVPS growth from current CAD16.379404914. At Base ROE, required retained common earnings are about CAD8.277bn. Modeled Base BVPS is CAD25.421629. Maximum entry prices for 20% gross IRR are CAD6.7223 Bear, CAD20.9150 Base and CAD46.3726 Bull; probability-weighted maximum is CAD21.7487. Controlling Base max-buy price is CAD20.9150.

Multiple integrity. Current reported and normalized P/B are both 8.513129795212098x and comparable with terminal parent-common BVPS. The provider P/B was not relabeled; VP replayed its denominator conversion and retained the official direct rebuild. Bear 1.0x anchors to the historical trough; Base 2.0x is near 2021-2022 observations; Bull 3.5x is below 2023-2025 and cited peers. Both directional challenges passed before returns. Yet 20% at modeled BVPS requires 22.2688x/13.6015x/10.5981x P/B, all above current. That is a veto, not permission to alter exits.

Net-SGD implementation bridge

The Bank of Canada 2026-09-04 average is 1 SGD = CAD1.0924, inverted to **SGD0.915415598682 per CAD**. Entry and exit brokerage/FX friction are each 0.25%; implementation/custody friction is 0.25% annually; Canadian dividend withholding is 15% with no reclaim. Singapore capital-gains tax is zero only as an individual long-term-investment diagnostic; trading facts can alter tax. CAD versus SGD changes -3.0% annually Bear, -1.0% Base and +1.0% Bull.

Initial SGD cost is `139.44 × 0.915415598682 × 1.0025 = SGD127.964664958`. Each CAD0.24 dividend arrives at year-end, falls to CAD0.204 after withholding, converts at that year's FX with 0.25% friction, and carries to year five at zero cash yield after remaining custody friction. Terminal capital converts at year-five FX, pays 0.25% exit friction and five annual custody charges. This overlay changes no P/B input.

Net-SGD item	Bear	Base	Bull	Probability-weighted
CAD/SGD annual path	-3.0%	-1.0%	+1.0%	Scenario-specific
Year-5 SGD per CAD	0.786098522	0.870551126	0.962110994	n/a
Net dividends at year 5, SGD	0.846470365	0.899264635	0.954967665	n/a
Net terminal capital, SGD	12.023941526	43.601866044	108.225753854	n/a
Net terminal wealth, SGD	12.870411891	44.501130679	109.180721519	47.947833210 expected
Net-SGD IRR	**-36.83%**	**-19.04%**	**-3.13%**	**-17.83%**

Probability-weighted net-SGD IRR is `(47.947833210 / 127.964664958)^(1/5) - 1 = -17.83%`, from weighted net terminal wealth rather than IRRs.

10. Hard Veto Checklist

Hard veto	Status	Evidence
1. ROIIC below cost with no improvement path	Watch	ROIC below cost; Base ROE recovery is plausible but unproved
2. Artificially tiny invested capital	Pass	ROIC is not high and capital is positive
3. Persistent external financing	Pass	Net cash and undrawn revolver reduce dependence
4. Dilution without clear per-share value	Watch	34.1m WEC funding shares; retained return unproved
5. Routine opaque large acquisitions	Pass	One major unresolved purchase is not a serial pattern
6. Structural FCF lag	Pass	Multi-year FCF supports earnings
7. Concentration/regulation/cycle/leverage	Watch	Uranium, Kazakhstan and project risks are material; leverage modest
8. 20% case needs expansion	**Fail**	Base needs 13.6015x P/B vs 8.5131x current and 2.0x exit
9. Flawless execution needed	**Fail**	Bull at 17.25% ROE and 3.5x P/B still returns -3.72%
10. Moat cannot be explained	Pass	Scarce licensed assets, contracts and installed-base IP
11. Trust impairment	Pass	No accounting/governance evidence impairs trust
12. Balance-sheet wipeout	Pass	Net cash and liquidity support resilience

11. Final Decision

SCORE-IMPLIED CLASSIFICATION: Reject. The 53/100 total is below 70, 51/80 quality is below 65/80, 2/20 return is below 15/20, ROIIC plus runway is only 22/45, and two vetoes fail. Cameco may be a good business, but CAD139.44 prices more value than the locked five-year book scenarios deliver.

Compounder Score note: 53/100 — scarce assets and a real nuclear moat do not offset unproven acquisition-inclusive ROIIC and deeply negative modeled returns at CAD139.44. **Business Quality Score note:** 51/80 — strong runway, disclosure and balance sheet, but median ROIC is 2.8%, reserve replacement incomplete and WEC retained returns unproved. **20% Return UW Score note:** 2/20 — gross Bear/Base/Bull IRRs are -34.57%/-17.89%/-3.72%; weighted gross is -17.25%, and 20% Base needs 13.60x P/B.

Reconsideration requires two years of ROIC above 10% through weaker pricing, reserve replacement at or above 100%, a supportable net-reinvestment series, WEC positive EBT plus recurring distributions after sustaining investment, and an entry price closer to the CAD20.915 Base diagnostic or a newly sealed bridge based on verified fundamentals.

12. Machine-Readable JSON

Full artifact: `compounder_score.json`.


```
{"company":"Cameco Corporation","ticker":"CCO.TO","primary_valuation_method":"PB_ROE","business_quality_score":"51/80",
```

Cameco Corporation - Scoring Audit

Security: CCO.TO (TSX) **Audit date:** 2026-09-06 **Current price:** CAD139.44 at 2026-09-04 close **TTM end:** 2026-06-30
Horizon: 2031-06-30, exactly 5.0 years **Audit status:** CLEARED PENDING THE SEPARATE RED-TEAM STAGE

The return model clears this independent arithmetic and economic-coherence audit. The valuation preflight is valid at SHA-256 `f64214d2a46ffb4511ae97730aa19856944837de96a428d0f266008bd8f3abc5`, has five of five foundations passed, and has no blockers. CompounderScorer copied the locked P/B-ROE method, parent-common denominator, capital-structure treatment, and 1.0x / 2.0x / 3.5x Bear / Base / Bull exits exactly. The common-equity, BVPS, ROE, gross-CAD, and net-SGD calculations reproduce at full precision.

The original score is not fully preserved. The evidence supports the original 51/80 Business Quality Score, but the original 2/20 return score gives two points for 6B even though the 20% Base case requires a major, not mild, expansion to 13.6015x P/B. The governing rubric assigns zero when major expansion is required. The audited score is therefore 51/100, comprising 51/80 for Business Quality and 0/20 for 20% Return Underwriting. The classification remains Reject.

1. Original vs Audited Scores

Item	Original	Audited	Notes
Business Quality Score / 80	51/80	51/80	Evidence is mixed but the original category points are conservative and supportable
Valuation / 20% Return UW Score / 20	2/20	0/20	6B falls from 2/4 to 0/4 because the 20% Base case requires major P/B expansion
Total Score / 100	53/100	51/100	Two-point reduction only
Classification	Reject	Reject	Below 70/100, two hard-veto failures, and no scenario preserves the entry price

Original gross CAD IRRs were Bear -34.5654612191%, Base -17.8901195551%, Bull -3.7155511914%, and probability-weighted -17.2457099802%. The audit reproduces all four. Scenario weights are 30% / 50% / 20%. The controlling Base maximum buy price for a 20% gross return is CAD20.9150180042, versus CAD139.44 today. The probability-weighted maximum buy price is CAD21.7487213558.

2. Score Reductions and Reasons

The score is reduced because subcriterion 6B does not follow the rubric's severity language. The locked Base exit is an independently supported 2.0x P/B and is far below today's comparable 8.5131297952x P/B. That makes the modeled exit conservative, but it does not make the 20% underwriting case work. At the modeled Base BVPS, a 20% return requires 13.6014628928x terminal P/B, a 59.77% increase from today's comparable P/B and 6.80 times the locked Base exit. This is major expansion. The rubric says 6B is zero for major expansion; 1-2 points are reserved for mild expansion. Audited 6B is therefore 0/4 rather than 2/4.

No Business Quality points are reduced. The scorer already gives 0/8 for missing clean ROIIC, caps the runway score, treats SBC and dilution as real costs, and limits acquisition discipline because Westinghouse retained returns remain unproved. Those are the appropriate consequences of the evidence gaps. Awarding the original 51/80 does not turn Cameco into a proven compounder; it recognizes real assets, disclosure quality, balance-sheet strength, and moat evidence while preserving the material analytical discounts.

3. Unsupported Claims

The evidence does not support a clean 3-year or 5-year organic ROIIC. The disclosed 63.15% three-year result is explicitly a gross-capex proxy that omits depreciation, working capital, and retained Westinghouse capital. It receives no ROIIC points.

The evidence does not support acquisition-inclusive ROIIC as a full-perimeter return measure. Adding the CAD3.029 billion Westinghouse purchase to gross capex lowers the proxy to 11.83%, but this still lacks a retained-capital and after-sustaining-investment Westinghouse denominator. The scorer correctly treats the result as diagnostic, not proof.

The evidence does not support a claim that Westinghouse already earns durable retained returns. Its Cameco-share statutory EBT was CAD53.761 million in FY2025 and negative CAD104.362 million on the TTM basis. Distributions exist, but project timing, sustaining investment, and joint-control economics prevent those payments from proving acquisition returns.

The evidence does not support unconditional 2046 moat durability. The moat review is YELLOW because reserve replacement, Port Hope licence duration, and Westinghouse margin and cash-return persistence remain open. The scorer's 12/15 moat award is high but still defensible because the identified advantages are licensed assets, scarce deposits, customer qualification, contracts, and installed-base IP rather than a management TAM assertion.

No material unsupported claim enters terminal wealth. The model assigns no Westinghouse IPO value, no U.S. Government Participation Interest value, no separate cash uplift, no share buybacks, and no direct-equity gain from the Cigar Lake interest purchase.

4. Calculation Errors

Valuation preflight gate

The repository validator returns `VALUATION_PREFLIGHT_VALID`. The file SHA-256 is exactly `f64214d2a46ffb4511ae97730aa19856944837de96a428d0f266008bd8f3abc5`. Status is CLEARED, each of earnings normalization, method selection, denominator integrity, capital structure, and exit-multiple evidence passes, and the blocker list is empty. CompounderScorer binds the same path and hash and reports five of five foundations. Its copied normalized current parent-common BVPS of CAD16.379404913857, current P/B of 8.513129795212x, terminal share count of 435.572041 million, and scenario exits match preflight.

Core metric spot checks

TTM NOPAT reproduces as `CAD514.355m x (1 - 26.9%) = CAD375.993505m`. FY2025 NOPAT reproduces as `CAD618.142m x 73.1% = CAD451.861802m`. The three-year gross-capex ROIIC proxy is `(CAD451.861802m - CAD11.002281m) / CAD698.291m = 63.1542%`; adding CAD3.029 billion of acquisition spend produces 11.8316%. These are arithmetic checks only and do not cure the denominator gaps.

FY2023-FY2025 cumulative free cash flow of CAD2,303.565 million divided by cumulative normalized NOPAT gives approximately 223.21%, consistent with the scorer. TTM FCF conversion is `CAD555.921m / CAD375.993505m = 147.8539%`. Cash conversion is real but elevated by working-capital timing and the mismatch between statutory operating NOPAT and equity-accounted Westinghouse economics. The 2/3 cash-conversion score is therefore preserved rather than treated as a pristine recurring ratio.

Diluted-share CAGR reproduces as 2.2767% for FY2022-FY2025 and 2.3050% for FY2021-FY2025. The 34.1 million-share Westinghouse pre-funding issue is included in the history. Current awards are not mechanically added to terminal shares because the plans use cash or open-market shares; 39,063 remaining options and CAD0.596492 million exercise proceeds are included once. TTM all-plan expense of CAD113.522 million remains in earnings, while the CAD11.002 million non-cash RSU add-back is not confused with total plan expense.

P/B-ROE common-equity audit

Cameco is not a property and casualty insurer or reinsurer. The dedicated P&C subsection is not applicable. The general and non-insurer P/B-ROE common-equity controls do apply and pass.

Opening equity is CAD7,133.771 million attributable to Cameco common holders, excluding CAD0.038 million NCI. Westinghouse third-party equity is outside Cameco's consolidated parent-common perimeter. Preferred, redeemable, and third-party fund capital are absent. The cumulative roll-forward replay is:

Scenario	Opening equity	Cumulative common NI	Common dividends	Repurchases	Common issuance	OCI and other	Terminal equity	Audit residual
Bear	7,133.771000	151.521263	522.685422	0.000000	0.596492	0.000000	6,763.203333	0.000000
Base	7,133.771000	4,461.269186	522.685936	0.000000	0.596492	0.000000	11,072.950742	0.000000
Bull	7,133.771000	7,599.166054	522.686449	0.000000	0.596492	0.000000	14,210.847097	0.000000

RSU equity credits and matched settlement debits offset within each scenario. Cash-settled award costs remain in net income and are not charged again to equity. The Cigar acquisition has no invented direct-equity plug. Each of the 15 annual rows in synthesis also has a zero residual.

Terminal BVPS equals terminal parent-common equity divided by 435.572041 million diluted listed-equivalent shares. Terminal normalized ROE equals terminal normalized common NI divided by terminal-year average common equity.

Scenario	Terminal BVPS	Average common equity	Normalized common NI	Normalized ROE	Exit P/B	Terminal value/share
Bear	CAD15.527175063	CAD6,848.835468m	CAD-66.726982m	-0.974282%	1.0x	CAD15.527175063
Base	CAD25.421628800	CAD10,545.647906m	CAD1,159.142963m	10.991671%	2.0x	CAD50.843257600
Bull	CAD32.625710007	CAD13,130.549102m	CAD2,265.133280m	17.250865%	3.5x	CAD114.189985026

The Bear terminal EPS is negative, but the scenario retains CAD6.763 billion of reconciled parent-common equity. The model correctly values that surviving book at 1.0x. It does not use the prohibited negative-EPS-to-zero-equity shortcut.

Gross local-currency return replay

Adding CAD1.20 cumulative distributions per share gives terminal wealth of CAD16.727175063, CAD52.043257600, and CAD115.389985026. Applying `(terminal wealth / CAD139.44)^(1/5) - 1` exactly reproduces the published IRRs.

Return item	Bear	Base	Bull	Probability-weighted
Scenario probability	30%	50%	20%	100%
Terminal wealth/share	CAD16.727175063	CAD52.043257600	CAD115.389985026	CAD54.117778324
Gross local IRR	-34.5654612191%	-17.8901195551%	-3.7155511914%	-17.2457099802%

Expected terminal wealth is `30% x CAD16.727175063 + 50% x CAD52.043257600 + 20% x CAD115.389985026 = CAD54.117778324`. The probability-weighted return is the CAGR of this wealth. It is not the arithmetic average of scenario IRRs.

Net-SGD return replay

The overlay uses the same P/B-ROE scenario wealth with no valuation change. The 2026-09-04 Bank of Canada spot is 1 SGD = CAD1.0924, or SGD0.915415598682 per CAD. Entry and exit or conversion friction are each 0.25%, annual custody friction is 0.25%, Canadian dividend withholding is 15% with no reclaim, and annual CAD-versus-SGD paths are -3.0% / -1.0% / +1.0%.

Initial cost reproduces as SGD127.964664958. Year-five terminal capital and each year-end dividend were independently converted, charged the stated friction, and carried through remaining custody periods. Full-precision net terminal wealth is SGD12.870411891, SGD44.501130679, and SGD109.180721519. Expected net terminal wealth is SGD47.947833210.

Net-SGD item	Bear	Base	Bull	Probability-weighted
Net terminal wealth, SGD	12.87	44.50	109.18	47.95
Net-SGD IRR	-36.83%	-19.04%	-3.13%	-17.83%

The net-SGD probability-weighted return is `(SGD47.947833210 / SGD127.964664958)^(1/5) - 1`, not an average of scenario returns. All eight gross and net-SGD return fields are finite.

Exit-multiple economic-coherence audit

The official direct current P/B rebuild is `CAD139.44 x 435.532978m / CAD7,133.771m = 8.513129795212x`. Earnings normalization does not change point-in-time common book, so normalized current P/B is the same. The provider TTM P/B is not relabelled. Its native total-book denominator converts to parent-common using `provider P/B x bookValuePerShare / shareholdersEquityPerShare`, producing 8.513175572772x; the official direct rebuild controls.

The same row-level conversion was replayed for Cameco history:

Fiscal year	Provider P/B	Native BVPS	Parent-common BVPS	Converted parent-common P/B
2016	1.028145x	13.656076	13.655668	1.028175x
2017	0.941645x	12.330429	12.329487	0.941717x
2018	1.227023x	12.616684	12.615901	1.227099x

Fiscal year	Provider P/B	Native BVPS	Parent-common BVPS	Converted parent-common P/B
2019	0.914463x	12.620023	12.619421	0.914507x
2020	1.361114x	12.527028	12.526508	1.361170x
2021	2.263108x	12.187098	12.186779	2.263168x
2022	2.132369x	14.392469	14.392442	2.132373x
2023	4.075539x	14.017787	14.017778	4.075542x
2024	5.050234x	14.635024	14.634964	5.050255x
2025	7.926034x	15.856640	15.856606	7.926051x

The converted 2016-2025 range is 0.914507x to 7.926051x and the median is 1.746772x. Peer conversions also replay: BWXT 10.829204x, LEU 4.088904x, UEC 3.983655x, UUUU 4.271165x, DNN 14.769048x, and NXE.TO 5.374572x. These peers are cycle and business-model references, not interchangeable valuation claims.

Bear 1.0x sits in Cameco's historical trough cluster and recognizes negative terminal ROE without erasing book. Base 2.0x is near the converted 2021-2022 observations and only modestly above the full-period median while Base ROE is about 11%. Bull 3.5x is below Cameco's converted 2023-2025 range and below the cited peers while terminal ROE is 17.25%. The multiples were sealed before returns and were not selected to meet a score or desired return.

The excessive-optimism challenge passes: Bull gets no IPO credit, no Westinghouse ownership uplift, no buybacks, and a 3.5x exit below recent Cameco history despite a 17.25% ROE. A 4.0x-plus mature-cycle multiple is rejected because Westinghouse conversion, reserve replacement, and commodity conditions remain uncertain.

The excessive-bearishness challenge also passes: Bear retains its reconciled CAD6.763 billion common book and uses 1.0x, close to rather than below the historical trough. There is no unsupported insolvency, zero-equity shortcut, or sub-liquidation discount. The resulting severe loss follows from today's 8.51x starting P/B, not from an engineered bankruptcy.

The structured CS artifact incorrectly labels the material red-team objection status `NONE` before the separate RT stage has run. The audit resets this workflow field to `PENDING`. This is not a return arithmetic failure; final publication still depends on the downstream red-team stage resolving any material objection.

5. Missing Data

The most important missing evidence is a clean mine-level net-reinvestment series including depreciation, working capital, sustaining capital, growth capital, and reserve replacement. Without it, neither 3-year nor 5-year organic ROIIC is decision-grade.

Westinghouse lacks a complete retained-capital and after-sustaining-investment cash-return bridge. Supplementary adjusted EBITDA, order intake, backlog, and distributions cannot substitute for that measure.

The sealed evidence packet lacks a ten-year comparable operating history, a current post-FY2025 reserve update, a current RSU settlement split, and a source-bound long-run award settlement path. It also lacks a complete terminal enterprise-to-equity path, which is why EV/NOPAT is correctly rejected as the primary method.

These gaps lower confidence to Medium. They do not invalidate the parent-common P/B-ROE arithmetic because the method uses an explicit, zero-residual common-equity path and applies no unmodeled cash, debt, or asset-value adjustment.

6. Hard-Veto and Threshold Test Audit

Test	Audited result	Reason
Total score at least 80/100	Fail	Audited 51/100
Business Quality at least 65/80	Fail	Audited 51/80
Return Underwriting at least 15/20	Fail	Audited 0/20
ROIIC plus runway at least 35/45	Fail	22/45
Base gross IRR at least 20%	Fail	-17.8901195551%
Bear gross IRR at least 8%-10%	Fail	-34.5654612191%
No hard vetoes	Fail	Hard vetoes 8 and 9 fail

Test	Audited result	Reason
20% case avoids major multiple expansion	Fail	Base requires 13.6015x P/B

Hard veto 8 is confirmed because the 20% Base return requires 13.6015x P/B versus 8.5131x current and 2.0x locked at exit. Hard veto 9 is confirmed because even Bull, with 17.25% terminal ROE and 3.5x P/B, produces a negative return. Balance-sheet wipeout is not a veto: current net cash and the positive Bear book support resilience.

7. Final 20% Hurdle Pass/Fail

FAIL. No gross CAD scenario reaches 20%, no net-SGD scenario is positive, and even Bull loses 3.72% annually in CAD. The Base maximum buy price for 20% is CAD20.9150, 85.0% below the current CAD139.44. The reverse Base bridge requires CAD172.8857 terminal BVPS, CAD75.304 billion terminal common equity, and 60.21% annual BVPS growth, versus modeled CAD25.4216 BVPS and CAD11.073 billion common equity.

8. Dream Business / Dream Investment Classification

Neither. Cameco has a credible moat and an attractive nuclear runway, but 51/80 is below the business-quality threshold and clean acquisition-inclusive ROIIC is not proven. It is not a dream investment because the audited 0/20 return score, negative returns in every scenario, and two hard vetoes make the 20% case implausible at CAD139.44.

The single biggest reason is starting valuation: today's 8.5131x parent-common P/B capitalizes substantially more value than any independently supported five-year exit, even when Bull reaches 17.25% normalized ROE.

9. Stage 7 Scorecard Notes

Compounder Score note: 51/100 - scarce nuclear assets do not overcome missing clean ROIIC and negative five-year returns at CAD139.44.

Business Quality Score note: 51/80 - moat, runway, disclosure, and balance-sheet strength are real, but retained incremental returns remain unproved.

20% Return UW Score note: 0/20 - every scenario loses money and the Base 20% case requires a major 13.60x terminal P/B.

10. Auditor JSON

The controlling machine-readable audit is `compounder_score_audit.json`. It preserves full-precision return fields, the preflight binding, the independent common-equity replay, the net-SGD overlay, score adjustments, and a `PENDING` red-team status. No trade, broker, portfolio, outbound-message, ranking, sizing, BUY-queue, or CIO-memo action is authorized by this audit.

Rubric evidence matrix

Subcriterion	Evidence status	Original	Audited	Audit judgment
1A Normalized ROIC	Supported	1/5	1/5	Five-observation median 2.8%; latest 6.7%
1B ROIIC	Missing data	0/8	0/8	No clean organic or acquisition-inclusive denominator
1C No sharp deterioration	Partly supported	2/3	2/3	Consolidated improvement offset by negative TTM Westinghouse EBT
1D Unit economics	Supported	2/3	2/3	Uranium and fuel spreads are sourced; cycle dependence remains
1E Cash conversion	Partly supported	2/3	2/3	Multi-year FCF is strong but working-capital and equity-method timing inflate ratios
1F Not an artifact	Partly supported	2/3	2/3	Statutory bridge is clean; equity-accounted economics limit industrial ROIC

Subcriterion	Evidence status	Original	Audited	Audit judgment
2A Market opportunity	Partly supported	4/5	4/5	Contracting and Western capacity evidence support runway; no TAM shortcut used
2B Reinvest at scale	Partly supported	2/5	2/5	Production restart proved scale; retained Westinghouse returns and reserve replacement do not
2C Organic opportunity	Supported	3/4	3/4	Contracts, capacity, and brownfields support growth with execution risk
2D Repeatable playbook	Partly supported	2/3	2/3	Contracting discipline is proven; new build is not repeatable yet
2E Market structure	Supported	2/2	2/2	Licensing and qualification constrain supply
2F No ROIC collapse	Unsupported	0/1	0/1	High returns through the growth plan are unproved
3A Clear advantage	Supported	4/4	4/4	Scarce deposits, conversion capacity, and installed-base IP
3B Pricing power	Partly supported	2/3	2/3	Contract terms help; uranium remains cyclical
3C Competitive evidence	Partly supported	2/3	2/3	Strong positions coexist with sovereign and OEM competition
3D Customer stickiness	Supported	2/2	2/2	Qualification and long contracts create friction
3E Stress resilience	Partly supported	1/2	1/2	Balance sheet held; operating profit did not persist
3F Disruption risk	Supported	1/1	1/1	Physical licensing and qualification limit AI displacement
4A Clean earnings	Partly supported	1/2	1/2	Good bridge; derivatives, FX, and equity-method timing are event-heavy
4B Cash supports earnings	Supported	2/2	2/2	Multi-year FCF exceeds normalized operating NOPAT
4C SBC and dilution	Supported	2/2	2/2	All-plan cost retained; only issuer shares count as dilution
4D Balance sheet	Supported	2/2	2/2	Net cash and CAD1 billion undrawn revolver
4E Disclosure	Supported	1/1	1/1	Source chain is detailed and gaps are explicit
4F Governance and accounting	Supported	1/1	1/1	No trust-destroying issue found
5A Reinvestment priority	Supported	2/2	2/2	Reliability, debt reduction, and tier-one assets prioritized
5B Acquisition discipline	Partly supported	1/2	1/2	Cigar is coherent; Westinghouse return remains unproved
5C Buyback discipline	Supported	2/2	2/2	No cosmetic repurchases while financing strategic assets
5D Incentive alignment	Partly supported	1/2	1/2	No direct ROIC or FCF-per-share metric
5E Owner mentality	Partly supported	1/1	1/1	Patient contracting is source-backed but qualitative
5F Past decisions	Partly supported	1/1	1/1	Balance-sheet repair and restart were sensible; Westinghouse remains open
6A Base IRR	Supported	0/6	0/6	Base gross IRR is -17.89%
6B Conservative exit	Calculation error	2/4	0/4	Major expansion to 13.6015x P/B is required for 20%
6C Bear acceptable	Supported	0/3	0/3	Bear gross IRR is -34.57%

Subcriterion	Evidence status	Original	Audited	Audit judgment
6D Reverse hurdle	Supported	0/3	0/3	Required 60.21% BVPS CAGR is not plausible
6E Price not perfection	Supported	0/2	0/2	Even Bull loses money
6F Cash returns	Supported	0/2	0/2	CAD1.20 cumulative distribution is immaterial to entry price

Cameco Corporation — Red Team

Security: CCO.TO **Information cutoff:** 2026-09-06 **Mandate:** Production ER2 adversarial review; no trade, portfolio, ranking, sizing, BUY-queue or CIO-memo action

0. Return-model reproduction before criticism

The controlling preflight is `valuation_preflight.json`, SHA-256 `f64214d2a46ffb4511ae97730aa19856944837de96a428d0f266008bd8f3abc5`. Its status is CLEARED, all five foundations pass, and its blocker list is empty. The scorer and the independent scoring audit use the same **PB_ROE** method and the exact locked Bear/Base/Bull exit P/B multiples of **1.0x / 2.0x / 3.5x**. The scoring-audit inputs also hash-match: `appendix_scoring_audit.md` is `8a20ab16087dbb7b025bb652421bbf84aa9f322657ed3f3d0d794858873527b6`, and `compounder_score_audit.json` is `e75a4d24b4490b48f0057cb5d2b4db08f385e5e9ba98aaba8d2d6302a1438f29`.

The method is appropriate. Bear terminal EPS is negative, but the audited parent-common roll-forward leaves CAD6.763 billion of equity. Converting one negative earnings year to zero terminal equity would be an indefensible shortcut. P/B preserves the surviving common claim and permits one method across all scenarios. Cameco is not a property-and-casualty insurer, and no insurer bridge is required.

I independently replayed the locked arithmetic. Terminal parent-common equity of CAD6,763.203333 million, CAD11,072.950742 million and CAD14,210.847097 million divided by 435.572041 million terminal listed-equivalent shares produces BVPS of CAD15.527175063, CAD25.421628800 and CAD32.625710007. Multiplying by 1.0x, 2.0x and 3.5x and adding CAD1.20 of cumulative distributions gives the following:

Reproduced item	Bear	Base	Bull	Probability-weighted
Terminal wealth/share, CAD	16.727175063	52.043257600	115.389985026	54.117778324
Gross CAD IRR	-34.5654612191%	-17.8901195551%	-3.7155511914%	-17.2457099802%
Net-SGD terminal wealth, SGD	12.870411891	44.501130679	109.180721519	47.947833210
Net-SGD IRR	-36.8315127813%	-19.0426663120%	-3.1251196282%	-17.8257432994%

The probability-weighted returns are CAGRs of 30%/50%/20% weighted terminal wealth, not averages of scenario IRRs. The net-SGD replay starts from SGD127.964664958 per share, uses the 2026-09-04 Bank of Canada rate of CAD1.0924 per SGD, and applies the audited frictions, withholding and scenario FX paths. I find no arithmetic, denominator, claim-perimeter or method-splicing defect.

1. The most fragile assumption

The most fragile assumption is **Westinghouse Base terminal EBT margin of 8.82% on CAD4.9144 billion of Cameco-share supplementary revenue**. The exact historical metric was only 1.6% in FY2025 and negative 3.1% on the TTM anchor. Base therefore requires an 11.9-percentage-point recovery from TTM through recurring-backlog conversion, purchase-accounting roll-off, project mix and scale. Those mechanisms are plausible, but none is yet proved by retained EBT or after-investment distributions.

If the terminal margin reaches only 4.0%—still better than every disclosed full-year or TTM result—terminal Westinghouse EBT is roughly CAD196.6 million rather than CAD433.5 million. Holding the rest of Stage 5 constant, the CAD236.9 million pretax shortfall reduces terminal net income by about CAD173.2 million at the Base 26.9% tax rate and cuts terminal EPS by approximately **CAD0.40**, from CAD2.66 to about CAD2.26. A slower shortfall across the annual path would also reduce terminal common book, not merely the final-year earnings statistic. The model correctly refuses to equate adjusted EBITDA, backlog or a 91-reactor opportunity set with common-shareholder profit, but its Base recovery still carries more confidence than the reported record has earned.

2. The most-likely-to-be-optimistic Stage 5 number

The single Stage 5 number most likely to be revised down is the **22.79% Base 2031 statutory operating margin**. It is 8.0 percentage points above the 14.8% TTM margin and 5.0 points above FY2025. The apparent diversification does not protect this number: Westinghouse revenue is eliminated and its equity-accounted earnings sit below operating income, so consolidated OI still depends overwhelmingly on uranium and fuel-services spread.

Base assumes Uranium EBT margin rises to 37.4% while deliveries require 9.3 million externally sourced pounds, and Fuel Services margin rises to 32.0% after H1 production fell 11% because of interruptions. The [U.S. EIA's 2025 uranium report](https://www.eia.gov/uranium/marketing/) shows reactor purchases fell 16% while total U.S. commercial inventories rose 9% to 170 million pounds. That does not negate long-run uncovered requirements, but it gives utilities the ability to delay contracting and limits the robustness of a smooth price-and-volume uplift. A return to the current 14.8% OI margin on Base terminal revenue would lower terminal OI by roughly CAD362 million and terminal EPS by about CAD0.61 before any cumulative book-value effect. This is a stress, not a replacement forecast, but it identifies the least robust Base endpoint.

3. The strongest bear case, in its strongest form

Cameco is priced as if scarcity, mine execution, conversion reliability and Westinghouse normalization all arrive together, while the reported business remains a cyclical uranium producer carrying an unproved reactor-services return bridge. Within two years, elevated inventories and new supply can slow term contracting just as McArthur development, Cigar/McClean coupling and Inkai logistics preserve dependence on expensive purchased pounds; simultaneously, Port Hope interruptions and Westinghouse investment absorb cash. Uranium and Fuel Services margins then retreat, Westinghouse EBT stays below 5%, and common book compounds too slowly to support even a fraction of today's 8.51x P/B. The observable confirmation is a Westinghouse TTM EBT margin below 5% through 2028 alongside Uranium produced cost or purchased-pound dependence moving toward the moat-review downgrade thresholds.

This is not a bankruptcy thesis. It is a duration-and-multiple thesis: even the audited Bull case, with 17.25% terminal ROE and a 3.5x exit P/B, loses 3.72% annually in CAD from the current price. The bear only needs normal valuation gravity, not nuclear abandonment.

4. Cross-examination of management commentary

“Full-year guidance for 2026 is unchanged” — Tim Gitzel, Q2 2026. This follows H1 fuel-services production of 6.3 million kgU, down 11% because of unplanned interruptions. The [company's current Fuel Services update](https://www.cameco.com/businesses/fuel-services) confirms both the shortfall and the unchanged 13–14 million kgU target, while also naming aging infrastructure, skilled labor and reagent availability as risks. The promise may hold, but it requires a second-half recovery; the first failure signal is quarterly production below 3.25 million kgU or a full-year result below 13 million kgU.

“Upward movement in the floors and the ceilings” — Grant Isaac, Q2 2026. Improved contract terms matter only as new contracts enter the delivery mix. The EIA reports that 87% of 2025 U.S. reactor purchases were under long-term contracts at an average US$55.91/lb, well below the US$76.01/lb spot-contract average. The first disproof would be rising benchmark prices without corresponding growth in Cameco's realized price or Uranium EBT per delivered pound, indicating legacy ceilings or purchased-pound costs are retaining the economics.

“Up to 91 potential reactors” — Q2 2026 Westinghouse disclosure. Cameco itself presents this as pipeline, not backlog or revenue guidance, but the phrase invites investors to capitalize distant possibilities. [Cameco's Q2 release](https://www.cameco.com/media/news/cameco-reports-2026-second-quarter-results) pairs the pipeline with illustrative economics and capital frameworks, not funded notices to proceed. The first disproof is New Plants backlog failing to rise above US$0.8 billion despite continued project announcements, or segment EBT remaining near zero while development spending increases.

5. Stage 5 tie-out reverification

The recency anchor genuinely uses four non-overlapping quarters—Q3 2025 through Q2 2026—and the statutory bridge ties. The concern is economic, not calendrical. Consolidated revenue was nearly flat versus FY2025, and operating margin fell from 17.8% to 14.8%. Base first-forward-year revenue rises 6.389%. That is within the process tolerance but already assumes that H1 interruptions and project timing reverse rather than define the near-term run rate.

The share path is realistic and conservative. It assumes no buybacks, no treasury issuance for cash- or open-market-settled awards, and only 39,063 remaining options. This is preferable to inventing repurchase support that free cash flow may not fund. It also means the return failure cannot be blamed on an aggressive denominator.

No mature product forecast obviously violates its historical deceleration check: Uranium Base CAGR of 5.2% is below the 7.4% latest growth and far below the restart-era CAGR. The two weak links are Fuel Services at 7.0% after an 11% H1 production decline, and Westinghouse New Plants at 13.94% from a thin US$0.8 billion backlog. Both have named mechanisms, but the evidence is capacity and opportunity rather than a clean comparable-company deceleration series. They

should remain monitoring variables, not facts.

6. The score-derived 20% claim most likely to be wrong

There is no surviving positive 20% return claim to attack. The independent auditor corrected the original 2/20 return-underwriting score to **0/20**, leaving audited scores of **51/100**, **51/80** and **0/20**, classification Reject. The red team agrees. At modeled Base BVPS, a 20% gross return requires 13.6015x terminal P/B, compared with 8.5131x today and the locked 2.0x exit. Base maximum entry price for a 20% gross return is only CAD20.9150.

What would have to change is not a mild assumption: Base terminal common equity would need to reach about CAD75.3 billion and BVPS CAD172.89, versus CAD11.1 billion and CAD25.42 modeled. No defensible adjustment to NOPAT growth, distributions, share count or conversion closes that gap. The corrected score is therefore the appropriate one.

7. Two-sided valuation challenge

Strongest reason the model is too optimistic

Base exit P/B of 2.0x is modestly above the converted 2016–2025 median of 1.7467717x even though the company's 11.0% terminal ROE remains cyclical and Westinghouse retained returns are unproved. At the historical median, Base terminal wealth falls from CAD52.0433 to CAD45.6058 and gross IRR declines from **-17.89% to -20.03%**, a 2.14-point deterioration. Probability-weighted IRR falls by about 1.01 point to -18.25% if only Base uses the median. This is the strongest evidence-bound optimism challenge.

It does not expose an unresolved model defect. The preflight explicitly disclosed the median, selected 2.0x before returns, anchored it near the converted 2021–2022 observations, and connected it to 10.99% terminal ROE. The choice is debatable but not reverse-engineered. The material-sized sensitivity is therefore already procedurally resolved and does not authorize changing the audited return fields.

Strongest reason the model is too bearish

The model assumes a dramatic de-rating even when Bull produces 17.25% ROE, gives no IPO credit, no repurchase support and no separate asset-value uplift. A clearly labelled 5.0x Bull P/B sensitivity—still below today's 8.51x and below the converted recent-cycle high—raises terminal wealth from CAD115.39 to CAD164.33 and gross IRR from **-3.72% to +3.34%**, a 7.05-point improvement. That demonstrates real upside-multiple sensitivity and is the strongest rebuttal to the red-team attack.

But this does not rescue the investment case: +3.34% is still nowhere near 20%, and it requires a multiple above the locked 3.5x while Westinghouse and reserve durability remain unproved. Conversely, Bear appropriately retains CAD6.763 billion of common book and values it at 1.0x. The model does not manufacture ruin through a negative-EPS-to-zero-equity shortcut.

8. P&C insurer bridge verdict

Cameco is not a P&C insurer, reinsurer or similar risk-bearing financial business. `insurer_return_bridge.json` is correctly absent, the insurer-specific retained-premium, fee/NCI and regulatory-capital tests are not triggered, and the general parent-common P/B-ROE bridge is the controlling integrity check. Its 15 annual roll-forward rows have zero residual, and terminal BVPS reconciles to the diluted common-share denominator.

9. The observable signal that forces an underwriting exit

The decisive signal is **Cameco-share Westinghouse TTM EBT margin below 5.0% for two consecutive TTM reporting periods ending no later than Q2 2028**. Stage 5 requires 5.0% in 2028 and 8.82% by 2031; failing the first checkpoint after two full years would invalidate the claimed purchase-accounting, utilization and repeat-project recovery mechanism. Adjusted EBITDA, announcements and pipeline counts would not override the signal. This is an underwriting monitor, not an instruction to execute a transaction.

10. Conviction at the end of red team

The thesis does not survive as a current-price investment thesis. The underlying company can remain strategically valuable, solvent and operationally advantaged while the security delivers poor returns. The rewrite should center on valuation duration: today's 8.51x parent-common P/B already capitalizes outcomes far beyond the five-year book-value and ROE bridge, and even Bull cannot preserve purchasing power under the locked assumptions.

The business thesis itself is conditional rather than broken. Uranium contracting, Fuel Services scarcity and the Westinghouse installed base are real advantages. What is missing is evidence that mine reinvestment, purchased-pound sourcing and Westinghouse capex convert those advantages into retained common-book growth fast enough to justify the starting valuation. The audited arithmetic and method survive the red team; the economic case at CAD139.44 does not.

RETURN_MODEL_OBJECTION_STATUS: MATERIAL_RESOLVED. The historical-median Base P/B sensitivity exceeds the two-point scenario-return threshold, but the same-denominator preflight had already surfaced, bounded and independently justified the 2.0x lock before any return calculation. No unresolved arithmetic, denominator, method, terminal-equity or claim-perimeter correction remains to route upstream.

Cameco Corporation — Data Package

Run ID: `pulse-cio-20260906T160434+0800` Security: `XTSE:CCO`, common shares, reporting and quote currency CAD Information date: 2026-09-06 Reporting scale: CAD millions unless stated otherwise Sealed statutory packet SHA-256: `5427b8fd1cb82f8338a9a0afb711869bb90c3dbb75ed1702dab96808fb549c48`

Source key and evidence rules

All evidence was fetched live in this D run and archived under `C:\Users\Admin\OneDrive\GPT\ER 2.0\Cameco Corporation\raw\pulse-cio-20260906T160434+0800\d`. No investing-data-warehouse file was read as evidence. Exact URLs, retrieval timestamps, local paths, hashes, covered periods, precedence and freshness are consolidated in `source_manifest.json`.

Source ID	Live source	Covered period	Primary use
AR21	https://www.cameco.com/sites/default/files/2024-03/cameco-2021-annual-report.pdf	FY2021	Old-taxonomy financials and mining KPIs
AR22	https://www.cameco.com/sites/default/files/documents/cameco-2022-annual-report.pdf	FY2022	Financials, mining KPIs and segment note
AR23	https://www.cameco.com/sites/default/files/documents/cameco-2023-annual-report.pdf	FY2023	Financials, Westinghouse taxonomy entry and mining KPIs
AR24	https://www.cameco.com/sites/default/files/documents/cameco-2024-annual-report.pdf	FY2024	Financials, contracts, reserves and operating KPIs
AR25	https://www.cameco.com/sites/default/files/documents/cameco-2025-annual-report.pdf	FY2025	Controlling annual financials, segment note and mining KPIs
Q3-25	https://www.cameco.com/sites/default/files/documents/2025%20Q3%20MDA%20FS%20and%20Notes.pdf	Q3 and 9M 2025	Quarterly statutory and operating data
Q4-25NR	https://www.cameco.com/sites/default/files/documents/2025-Q4-News-Release.pdf	Q4 and FY2025	Quarterly highlights and guidance
Q1-26	https://www.cameco.com/sites/default/files/documents/2026-Q1-MD%26A-FS-Notes.pdf	Q1 2026	Quarterly statutory and operating data
Q2-26	https://www.cameco.com/sites/default/files/documents/2026-Q2-MDA-FS-Notes_0.pdf	Q2 and H1 2026	Controlling latest interim, outlook and Westinghouse frameworks
TR-Q3 to TR-Q2	Cameco official transcript PDFs listed in the manifest	Last four calls	Call dates and short verbatim excerpts
FMP-IS/BS/CF/KM	https://financialmodelingprep.com/stable/	FY2018-FY2025	Live statement cross-checks; official source overrides where noted
SB	`statutory_bridge.json`	FY2025 and TTM	QFR-sealed metric identity and classifications

0a. Industry classification and disclosure inventory

Cameco is a Canadian IFRS uranium mining and integrated nuclear-fuel-cycle issuer. Its fiscal year ends December 31. The controlling sources are Canadian audited annual reports and interim reports; the Form 40-F is supplementary. The industry inventory is mandatory because mining economics depend on production, unit price, unit cost, reserves and contracts, while both live FMP product-segmentation endpoints returned the exact empty array `[]`. Official reporting therefore controls the segment and KPI history.

The live source search covered the 2021 through 2025 annual reports, Q3 2025 through Q2 2026 reports and releases, the four matching official conference-call transcripts, and the latest Westinghouse framework in Q2 2026. Search terms were: `production volume`, `sales volume`, `average realized price`, `average unit cost of sales`, `cash cost`, `reserves`, `resources`, `contract portfolio`, `inventory`, `capital expenditures`, `JV Inkai`, `Fuel services`, `Westinghouse`, `backlog`, `new orders`, `AP1000`, `reclamation`, `product loans`, `Earnings (loss) before`

`income taxes`, `Adjustments` and `Other`.

Dataset / table family	Official source searched	Search terms or table names	Years available	Included?	If excluded, why	Downstream relevance
Segment economics	AR21-AR25 and Q2-26 note 18	Segmented information; EBT; revenue	FY2021-FY2025 plus H1/TTM	Yes	None	Segment forecasts and statutory bridge
Production and deliveries	AR21-AR25; Q2-26	Production volume; sales volume	FY2021-FY2025 plus H1/TTM	Yes	None	Volume and utilization
Price and unit cost	AR21-AR25; Q2-26	Realized price; unit cost; cash cost	FY2021-FY2025 plus H1/TTM	Yes	None	Margin and commodity sensitivity
Reserves and resources	AR21-AR25 mineral inventory	P&P; M&I; inferred	FY2021-FY2025	Yes	No interim re-estimate	Asset life and replacement
Contract coverage	AR21-AR25; Q2-26	Commitments; contracted UF6	FY2021-FY2025 plus latest	Yes	None	Revenue visibility and pricing power
Inventory and supply levers	AR25; Q1-26; Q2-26	Inventory; product loans; purchases	FY2025 plus Q1/Q2 2026	Yes	Earlier physical inventory not consistently tabulated	Delivery and working-capital risk
JV Inkai	AR21-AR25; Q2-26	Production; entitlement; dividends	FY2021-FY2025 plus H1 2026	Yes	None	Equity-accounted supply and cash timing
Fuel services	AR21-AR25; Q2-26	kgU; UF6; realized price; cost	FY2021-FY2025 plus H1/TTM	Yes	No product-level dollar revenue	Conversion-cycle economics
Westinghouse	AR23-AR25; Q2-26	Revenue; EBT; EBITDA; business-line revenue; backlog; AP1000	FY2023-FY2025 plus H1 2026	Yes	Pre-acquisition years not applicable; finer Core sub-line revenue not disclosed	Equity-accounted segment earnings
Reclamation and balance sheet	AR25; Q2-26	Reclamation; debt; liquidity	FY2025 plus H1 2026	Yes	None	Capital intensity and liabilities

Mining and fuel-cycle operating history

KPI family	Unit	FY2021	FY2022	FY2023	FY2024	FY2025	H1 2026 / TTM	Source
Uranium production, Cameco share	million lb	6.1	10.4	17.6	23.4	21.0	10.1 / 20.5	AR21-AR25; Q2-26; TTM calc
Uranium deliveries	million lb	24.3	25.6	32.0	33.6	33.0	14.9 / 32.3	AR21-AR25; Q2-26; TTM calc
Uranium realized price	CAD/lb	43.34	57.85	67.31	79.70	87.00	92.15 / 90.41	AR21-AR25; Q2-26; TTM revenue divided by volume
Uranium unit cost of sales incl. D&A	CAD/lb	47.80	53.13	53.41	59.47	62.71	64.16 / 65.66	AR21-AR25; Q2-26; TTM cost divided by volume
Produced uranium cash cost	CAD/lb	16.00	19.24	24.12	20.69	23.74	H1 not separately carried	AR22-AR25; AR22 comparative table supplies FY2021
Fuel services production	million kgU	12.1	13.0	13.3	13.5	14.0	6.3 / 13.2	AR21-AR25; Q2-26; TTM calc
Fuel services deliveries	million kgU	13.6	11.1	12.0	12.1	13.1	6.4 / 12.7	AR21-AR25; Q2-26; TTM calc
Fuel services realized price	CAD/kgU	29.72	32.92	35.61	37.87	43.04	44.62 / 43.41	AR21-AR25; Q2-26; TTM revenue divided by volume
Fuel services unit cost incl. D&A	CAD/kgU	21.02	22.39	25.23	29.14	29.74	32.76 / 32.42	AR21-AR25; Q2-26; TTM cost divided by volume
Proven and probable reserves, Cameco share	million lb	464	469	485	457	433	No interim update	AR21-AR25
Measured and indicated resources	million lb	447	451	409	408	404	No interim update	AR21-AR25
Inferred resources	million lb	154	154	153	153	152	No interim update	AR21-AR25
Uranium five-year average commitments	million lb/year	18	21	27	28	28	More than 28	AR21-AR25; Q2-26
Total contracted UF6 conversion	million kgU	n/d	12 finalized plus 5 accepted	More than 75	About 85	About 83	About 83 latest annual	AR22-AR25

KPI family	Unit	FY2021	FY2022	FY2023	FY2024	FY2025	H1 2026 / TTM	Source
Cameco capex	CAD million	98.784	143.481	153.631	211.635	333.025	184.233 / 385.877	AR21-AR25; Q2-26; TTM arithmetic

n/d above is a true non-disclosure only after the named annual reports were searched. Cameco's disclosed P&P reserve base fell 52 million pounds from FY2023 to FY2025, mainly through production and estimate updates, while production recovered materially from the FY2021 pandemic low. No reserve-life quotient is presented because annual production includes differing ownership bases and reserve categories; downstream work should model mine-level depletion instead of dividing consolidated reserves by a single production figure.

Inventory, supply and JV Inkai

Line	FY2021	FY2022	FY2023	FY2024	FY2025	Latest interim	Source and treatment
JV Inkai production, 100% basis, million lb	9.0	8.3	8.3	7.8	8.4	5.3 H1 2026; 10.4 FY target	AR21-AR25; Q1/Q2-26
Cameco entitlement/share, million lb	5.3	4.2	4.2	3.6	3.7	4.2 FY2026 target; 0.8 delivered H1	AR21-AR25; Q2-26
Inkai cash dividend net of withholding	US$40m	US$92.4m	US$79m	US$129m	US$87m	US$124m received Q2 2026	AR21-AR25; Q2-26
Uranium inventory, million lb	n/d	n/d	n/d	n/d	9.7	8.7 at 2026-06-30	AR25; Q2-26
Average uranium inventory cost	n/d	n/d	n/d	n/d	CAD61.85/lb	CAD58.05/lb at 2026-06-30	AR25; Q2-26
Product-loan drawings	n/d	0.63m lb U3O8	2.8m lb U3O8	2.5m lb U3O8	3.4m lb U3O8	Facilities are a supply lever	AR22-AR25; Q2-26

JV Inkai is equity-accounted. Cameco records its entitled production as a purchase, typically at Kazakhstan's regulated spot-less-5% price; the lower mine cost appears through share of earnings from the investee, with cash conversion lagging until dividends are declared. This distinction is critical: purchase cost in inventory is not the full retained Inkai economics.

1. Reporting structure and taxonomy

The current three modeled reportable segments are: **Uranium**, covering exploration, mining, milling, purchases and sales of uranium concentrate and including JV Inkai equity earnings; **Fuel services**, covering refining, conversion, fabrication and conversion-service purchases; and **Westinghouse**, representing Cameco's equity-accounted 49% investment in nuclear-reactor technology, products and services. `Other` is a corporate/external-sales column, not a modeled segment. `Adjustments` reverses Westinghouse revenue, costs and other lines required by equity accounting.

FY2025 segment	FY2025 disclosed revenue	Share of CAD3,481.933m statutory external revenue	Consolidation treatment	Exact profit metric
Uranium	2,873.950	82.5%	External revenue	Earnings (loss) before income taxes
Fuel services	562.421	16.2%	External revenue	Earnings (loss) before income taxes
Westinghouse	3,457.633	Not additive	Fully eliminated; 49% EBT retained by equity method	Earnings (loss) before income taxes
Other	45.562	1.3%	External corporate revenue	Corporate/unallocated, not modeled segment

The reporting structure changed when Westinghouse closed on 2023-11-07. FY2021-FY2022 contain only Uranium and Fuel services reportable segments; FY2023 includes Westinghouse for the post-close period only. FY2024 onward represents full-year ownership. Therefore Westinghouse FY2023-FY2025 revenue and margins are not a three-year organic same-perimeter series. Uranium and Fuel services labels remained stable. The latest Q2 2026 report renamed Westinghouse's internal `Core` and `New Build` businesses to `Operating Plants` and `New Plants`; this is an internal taxonomy change, not a Cameco reportable-segment change.

FY2025 external customer revenue was CAD1,751.878m Americas, CAD1,031.895m Europe and CAD698.160m Asia in AR25 note 17. Westinghouse supplementary revenue is excluded from those statutory external totals because it is eliminated.

2. Consolidated historicals

Official audited values control where FMP differs. FMP FY2025 operating income is CAD580.895m and operating cash flow CAD1,355.790m, versus official CAD618.142m and CAD1,408.432m because of provider classification. The official values below are the controlling foreign-issuer override.

Metric	FY2021	FY2022	FY2023	FY2024	FY2025	Source
Revenue, CAD bn	1.475	1.868	2.588	3.136	3.482	FMP-IS tied to AR21-AR25
Statutory operating income, CAD bn	-0.136	0.015	0.283	0.510	0.618	AR21-AR25; official override FY2025
Operating margin	-9.2%	0.8%	10.9%	16.3%	17.8%	Calculation
Net income attributable to holders, CAD bn	-0.103	0.089	0.361	0.172	0.590	FMP-IS and AR21-AR25
Diluted EPS, CAD	-0.26	0.22	0.83	0.39	1.35	FMP-IS and AR21-AR25
Diluted share count, million	397.631	407.135	435.355	435.956	435.580	FMP-IS and AR21-AR25
Capex, CAD bn	0.099	0.143	0.154	0.212	0.333	FMP-CF tied to AR21-AR25
FCF, CAD bn	0.321	0.161	0.535	0.694	1.075	Official OCF less capex
NOPAT, CAD bn	-0.100	0.011	0.207	0.373	0.452	Statutory OI times 73.1%
Year-end invested capital, CAD bn	4.530	4.639	7.322	7.060	6.712	Equity plus debt less cash and ST investments
Calculated ROIC	-2.2%	0.2%	2.8%	5.3%	6.7%	NOPAT divided by invested capital

The ROIC schedule uses a constant 26.9% Canadian federal/provincial statutory rate for comparability. Invested capital is period-end shareholders’ equity plus provider total debt less cash and short-term investments. It is a conservative consolidated diagnostic; equity-accounted Westinghouse means its operating assets and debt are not grossed up on Cameco’s balance sheet, so segment-level retained-capital work is still required downstream.

3. Segment historicals

Uranium

Uranium	FY2021	FY2022	FY2023	FY2024	FY2025	Source
Revenue, CAD bn	1.055	1.480	2.152	2.677	2.874	AR21-AR25 segment notes
YoY	-25.5%	40.3%	45.4%	24.4%	7.4%	Calculation
Earnings (loss) before income taxes, CAD bn	-0.037	0.200	0.606	0.904	0.954	AR21-AR25 segment notes
Margin on exact metric	-3.5%	13.5%	28.2%	33.8%	33.2%	Calculation

Fuel services

Fuel services	FY2021	FY2022	FY2023	FY2024	FY2025	Source
Revenue, CAD bn	0.404	0.365	0.426	0.459	0.562	AR21-AR25 segment notes
YoY	10.2%	-9.7%	16.6%	7.9%	22.5%	Calculation
Earnings (loss) before income taxes, CAD bn	0.111	0.120	0.129	0.108	0.179	AR21-AR25 segment notes
Margin on exact metric	27.5%	32.8%	30.4%	23.5%	31.8%	Calculation

Westinghouse

Westinghouse	FY2021	FY2022	FY2023	FY2024	FY2025	Source
Proportionate revenue, CAD bn	n/a	n/a	0.521	2.892	3.458	AR23-AR25 segment notes

Westinghouse	FY2021	FY2022	FY2023	FY2024	FY2025	Source
YoY	n/a	n/a	n/a	Not comparable	19.6%	Calculation; FY2023 partial ownership
Earnings (loss) before income taxes, CAD bn	n/a	n/a	-0.031	-0.280	0.054	AR23-AR25 segment notes
Margin on exact metric	n/a	n/a	-6.0%	-9.7%	1.6%	Calculation

Westinghouse revenue and costs are management-view supplementary data and are eliminated from consolidated revenue. The exact common segment metric remains `Earnings (loss) before income taxes`; neither Westinghouse net earnings nor adjusted EBITDA is substituted in the statutory segment tables.

3a. Historical statutory-profit bridge and forecast-driver ledger

Common segment profit basis: **Earnings (loss) before income taxes**. The following tables reproduce the QFR-sealed `statutory_bridge.json` without changing a label, sign, source ID, classification, reporting currency or scale.

FY2025 bridge

Bridge line	Classification	Value	Source ID	Running subtotal
Uranium	segment profit	954.269	official_fy2025	954.269
Fuel services	segment profit	179.095	official_fy2025	1,133.364
Westinghouse	segment profit	53.761	official_fy2025	1,187.125
Sum of reportable segment profit	segment profit	1,187.125	official_fy2025	1,187.125
Adjustments	corporate_unallocated	3.763	official_fy2025	1,190.888
Other	corporate_unallocated	-413.627	official_fy2025	777.261
Consolidated segment profit metric	subtotal	777.261	official_fy2025	777.261
Reverse finance costs included in segment EBT	operating	115.175	official_fy2025	892.436
Reverse gains on derivatives included in segment EBT	operating	-95.017	official_fy2025	797.419
Reverse finance income included in segment EBT	operating	-23.172	official_fy2025	774.247
Reverse share of earnings from equity-accounted investees included in segment EBT	operating	-216.386	official_fy2025	557.861
Reverse foreign exchange losses included in segment EBT	operating	61.740	official_fy2025	619.601
Reverse other income included in segment EBT	operating	-1.459	official_fy2025	618.142
Statutory operating income	statutory subtotal	618.142	official_fy2025	618.142
Finance costs	interest	-115.175	official_fy2025	502.967
Gains on derivatives	other_non_operating	95.017	official_fy2025	597.984
Finance income	interest	23.172	official_fy2025	621.156
Share of earnings from equity-accounted investees	other_non_operating	216.386	official_fy2025	837.542
Foreign exchange losses	other_non_operating	-61.740	official_fy2025	775.802
Other income	other_non_operating	1.459	official_fy2025	777.261
Pretax income	statutory subtotal	777.261	official_fy2025	777.261
Income tax expense	tax	-187.719	official_fy2025	589.542
Net income	statutory subtotal	589.542	official_fy2025	589.542

TTM ended 2026-06-30 bridge

Bridge line	Classification	Value	Source ID	Running subtotal
Uranium	segment profit	973.426	ttm_arithmetic	973.426
Fuel services	segment profit	141.225	ttm_arithmetic	1,114.651
Westinghouse	segment profit	-104.362	ttm_arithmetic	1,010.289
Sum of reportable segment profit	segment profit	1,010.289	ttm_arithmetic	1,010.289
Adjustments	corporate_unallocated	42.007	ttm_arithmetic	1,052.296
Other	corporate_unallocated	-581.334	ttm_arithmetic	470.962
Consolidated segment profit metric	subtotal	470.962	ttm_arithmetic	470.962
Reverse finance costs included in segment EBT	operating	115.601	ttm_arithmetic	586.563
Reverse losses on derivatives included in segment EBT	operating	145.828	ttm_arithmetic	732.391
Reverse finance income included in segment EBT	operating	-31.925	ttm_arithmetic	700.466
Reverse share of earnings from equity-accounted investees included in segment EBT	operating	-129.292	ttm_arithmetic	571.174
Reverse foreign exchange gains included in segment EBT	operating	-55.387	ttm_arithmetic	515.787
Reverse other income included in segment EBT	operating	-1.432	ttm_arithmetic	514.355
Statutory operating income	statutory subtotal	514.355	ttm_arithmetic	514.355
Finance costs	interest	-115.601	ttm_arithmetic	398.754
Losses on derivatives	other_non_operating	-145.828	ttm_arithmetic	252.926
Finance income	interest	31.925	ttm_arithmetic	284.851
Share of earnings from equity-accounted investees	other_non_operating	129.292	ttm_arithmetic	414.143
Foreign exchange gains	other_non_operating	55.387	ttm_arithmetic	469.530
Other income	other_non_operating	1.432	ttm_arithmetic	470.962
Pretax income	statutory subtotal	470.962	ttm_arithmetic	470.962
Income tax expense	tax	-116.097	ttm_arithmetic	354.865
Net income	statutory subtotal	354.865	ttm_arithmetic	354.865

Forecast-driver ledger

Historical bridge line	FY value	TTM value	Forecast treatment	Driver and source	Bear / base / bull rule
Adjustments	3.763	42.007	Independently forecast equity-accounting eliminations	Westinghouse revenue, costs and EBT; AR25/Q2-26	Preserve exact consolidation mechanics; no plug
Other	-413.627	-581.334	Independently forecast corporate and unallocated lines	Administration, R&D, exploration, FX and corporate items	Disaggregate; bear uses higher expense and adverse FX
Finance costs	-115.175	-115.601	Debt schedule	Funded debt, leases and interest rates; AR25/Q2-26	Higher rates/debt in bear; lower in bull
Derivative gains or losses	95.017	-145.828	Scenario-specific non-operating item	Hedge book and market marks	Zero normalized base unless supported; retain stress tails
Finance income	23.172	31.925	Cash-balance and rate schedule	Cash, short-term investments and yields	Lower cash/yield in bear; higher in bull
Share of earnings from equity-accounted investees	216.386	129.292	Independently forecast	JV Inkai and other equity investments	Link to sourced production, price and dividend lag
Foreign exchange gains or losses	-61.740	55.387	Scenario-specific non-operating item	USD exposure and hedges	No generic other line; scenario FX explicitly
Other income	1.459	1.432	Fixed or zero when immaterial	Issuer line and continuation evidence	Zero only with documented cessation
Income tax expense	-187.719	-116.097	Effective-tax-rate schedule	Jurisdictional mix and statutory rate	Higher effective rate in bear; lower within evidence in bull

STATUTORY_BRIDGE_STATUS: VERIFIED — CLEARED FOR FORECASTING

4. Product and sub-segment historicals

Segment	Product / sub-segment	What it is	Dollar disclosure?	Disclosed revenue history and source
Uranium	Uranium concentrate	Mining, milling, purchases and sales	Yes, segment total only	CAD1.480bn FY2022; 2.152bn FY2023; 2.677bn FY2024; 2.874bn FY2025; AR22-AR25
Fuel services	Combined refining, conversion and fabrication	UF6, UO2, UO3 and fuel fabrication	Yes, combined segment only	CAD0.365bn FY2022; 0.426bn FY2023; 0.459bn FY2024; 0.562bn FY2025; AR22-AR25
Westinghouse	Operating Plants / Core and New Plants	Reactor fleet services, fuel and new-build work	Yes; total proportionate segment plus bounded business-line revenue	CAD0.521bn partial FY2023, 2.892bn FY2024 and 3.458bn FY2025 on Cameco's 49% reporting view; AR23-AR25
Other	Corporate external sales	Small non-segment revenue	Yes	CAD22.794m FY2022; 9.959m FY2023; 0 FY2024; 45.562m FY2025; AR22-AR25

Segment	Product	Disclosure method	Last four periods / forward metric	Source
Fuel services	UF6 conversion	Volumes and aggregate contracts; no separate revenue	Total contract book about 83m kgU at FY2025	AR25
Fuel services	UO2 and fuel fabrication	Production included in total kgU; no separate dollars	Combined production 14.0m kgU FY2025 and 6.3m H1 2026	AR25; Q2-26
Westinghouse	Operating Plants / Core	Business-line revenue plus backlog and orders	Approx. US$4.0bn FY2024 revenue (OPS US$2.5bn plus Nuclear Fuel US$1.5bn); approx. US$4.3bn FY2025 Core revenue; US$13.2bn backlog and US$5.2bn 2025 new orders	AR24-AR25; Q2-26
Westinghouse	Nuclear Fuel	FY2024 revenue and current contracted-work KPIs; FY2025 revenue folded into Core	Approx. US$1.5bn FY2024 revenue; US$7.3bn backlog and US$2.3bn 2025 new orders	AR24; Q2-26
Westinghouse	Long-Term Operations	Backlog and orders; no separate historical revenue	US$2.6bn backlog and US$1.8bn 2025 new orders	Q2-26
Westinghouse	Outage & Maintenance Services	Backlog and orders; no separate historical revenue	US$3.3bn backlog and US$1.1bn 2025 new orders	Q2-26
Westinghouse	New Plants	Business-line revenue, backlog, orders and illustrative project economics	Approx. US$0.3bn FY2024 and US$0.8bn FY2025 revenue; US$0.8bn backlog; US$2.0bn 2025 new orders	AR24-AR25; Q2-26
Westinghouse	AP1000	Pipeline and illustrative economics, not forecast	Up to 91 reactors; 40%-45% share of project value; about 20% adjusted EBITDA margin	Q2-26

No product-dollar series was back-solved. The FMP annual and quarterly product endpoints were empty. Fuel services discloses volumes and contracts but no UF6/UO2/fabrication revenue dollars. Westinghouse does disclose the bounded Core/Operating Plants and New Plants revenue history shown above, plus component backlog and orders; it does not disclose revenue for the finer FY2025 Core components. Treating undisclosed finer sub-lines or backlog as current revenue would be fabrication.

5. Most recent quarterly trend

Cameco's FY ends December 31. Most recently completed fiscal quarter at time of writing: FY2026 Q2, covering April-June 2026, reported on 2026-07-31 via https://www.cameco.com/media/news/cameco-reports-2026-second-quarter-results.

The last four call labels and dates were independently verified from official transcript covers and call bodies: Q3 2025 on 2025-11-05; Q4 2025 on 2026-02-13; Q1 2026 on 2026-05-05; Q2 2026 on 2026-07-31. The Q4 transcript cover has a typo, `Fourth Quarter 2026 Results`, while its operator introduction and the related release correctly identify Q4 and FY2025; the latter controls.

Quarter	Segment	Revenue, CAD m	YoY	Earnings (loss) before income taxes, CAD m	Exact-metric margin	Source and report date
Q3 2025	Uranium	523.251	-13%	172.027	32.9%	Q3-25; 2025-11-05
Q4 2025	Uranium	1,026.508	-1%	273.539	26.6%	AR25/Q4-25NR; 2026-02-13
Q1 2026	Uranium	711.738	15%	357.769	50.3%	Q1-26/Q2-26 arithmetic; 2026-05-05
Q2 2026	Uranium	658.721	-7%	170.091	25.8%	Q2-26; 2026-07-31
Q3 2025	Fuel services	91.304	-24%	16.881	18.5%	Q3-25; 2025-11-05
Q4 2025	Fuel services	174.422	18%	49.754	28.5%	AR25/Q4-25NR; 2026-02-13
Q1 2026	Fuel services	133.627	-1%	44.486	33.3%	Q1-26/Q2-26 arithmetic; 2026-05-05
Q2 2026	Fuel services	151.940	-6%	30.105	19.8%	Q2-26; 2026-07-31
Q3 2025	Westinghouse	697.006	-4%	-36.078	-5.2%	Q3-25; 2025-11-05
Q4 2025	Westinghouse	957.610	14%	-2.744	-0.3%	AR25/Q4-25NR; 2026-02-13
Q1 2026	Westinghouse	867.988	13%	-60.747	-7.0%	Q1-26/Q2-26 arithmetic; 2026-05-05
Q2 2026	Westinghouse	863.185	-16%	-4.793	-0.6%	Q2-26; 2026-07-31

Q2 2026, the largest external segment's revenue fell 7% year over year because deliveries fell 18%, partly offset by a 15% higher CAD realized uranium price. Uranium H1 EBT nevertheless rose 4%. Westinghouse comparisons are distorted by the US$170m Dukovany contribution to Cameco's share of Q2 2025 revenue and adjusted EBITDA.

6. Management commentary on forward growth

Short verbatim excerpts are used; the surrounding interpretation is paraphrased from the complete archived sources.

Uranium

Source	Speaker	Verbatim excerpt	Topic	Modeling implication
TR-Q3, 2025-11-05	Grant Isaac, President and COO	"constructive on where the uranium price needs to go"	Contract economics	Do not assume immediate volume maximization
TR-Q3, 2025-11-05	Tim Gitzel	"production of 8.3 million pounds"	Inkai 2025	Actual closed at 8.4m lb
TR-Q4, 2026-02-13	Tim Gitzel, CEO	"preserving significant uncommitted productive capacity"	Contract optionality	Uncommitted reserves remain price leverage
TR-Q4, 2026-02-13	Tim Gitzel	"between 19.5 million and 21.5 million pounds"	2026 owned production	Use official production range
TR-Q1, 2026-05-05	Tim Gitzel	"full-year guidance for 2026 is unchanged"	Q1 execution	No Q1 guidance cut
TR-Q2, 2026-07-31	Grant Isaac	"upward movement in the floors and the ceilings"	New contracts	Market-related price protection is improving
TR-Q2, 2026-07-31	Tim Gitzel	"patient and selective in committing supply"	Contract discipline	Volume growth requires acceptable terms
TR-Q2, 2026-07-31	Tim Gitzel	"more than 28 million pounds"	Five-year annual deliveries	Contracted base underpins demand visibility

Fuel services

Source	Speaker	Verbatim excerpt	Topic	Modeling implication
TR-Q3, 2025-11-05	Tim Gitzel	"annual production outlook remains on track"	FY2025 output	Use 13m-14m kgU then actual 14.0m
Q3-25	Management	"towards achieving a UF6 production rate"	Port Hope capacity	Capacity ramp depends on execution
TR-Q4, 2026-02-13	Tim Gitzel	"record UF6 production at Port Hope"	Operating performance	FY2025 establishes improved run rate
TR-Q4, 2026-02-13	Tim Gitzel	"pricing that underpins the sustainability"	Conversion contracting	Margin can benefit from contract repricing

Source	Speaker	Verbatim excerpt	Topic	Modeling implication
Q1-26 release, 2026-05-05	Tim Gitzel	“on track in our uranium, fuel services”	Q1 status	No segment guidance reset
Q1-26	Management	“between 13 million and 14 million kgU”	FY2026 production	Use range, not capacity maximum
Q2-26	Management	“due to unplanned interruptions”	H1 production	H1 volume shortfall is an execution flag
TR-Q2, 2026-07-31	Tim Gitzel	“annual production outlook is unchanged”	Q2 guidance	Management expects H2 recovery

Westinghouse

Source	Speaker	Verbatim excerpt	Topic	Modeling implication
TR-Q3, 2025-11-05	Grant Isaac	“the pie is growing”	US strategic partnership	New builds expand total addressable value
TR-Q3, 2025-11-05	Grant Isaac	“start two two-packs a year”	AP1000 sequencing	Capacity claim depends on standardization
TR-Q4, 2026-02-13	Tim Gitzel	“outlook remains strong”	FY2026	Do not extrapolate Dukovany lumpiness
TR-Q1, 2026-05-05	Grant Isaac	“more markets that pick the AP1000”	Pipeline	Awards precede long revenue conversion
Q1-26	Management	“first half is expected to be weaker”	Seasonality	Preserve H2 and Q4 weighting
TR-Q1, 2026-05-05	Grant Isaac	“enthusiasm for the AP1000 because it has an undisputable competitive advantage”	Product position	Test, do not assume, win conversion
Q2-26	Management	“up to 91 potential reactors”	AP1000 pipeline	Pipeline is not backlog or forecast revenue
TR-Q2, 2026-07-31	Dominic Kieran, Westinghouse chair	“a very positive trend on the backlog”	Contracted work	Directional signal only; timing remains uncertain

The latest disclosed Westinghouse operating framework is more concrete than prior calls: Operating Plants backlog at 2025-12-31 was US$13.2bn and 2025 new orders US$5.2bn; New Plants backlog was US$0.8bn and new orders US$2.0bn. Near-term two-unit AP1000 project cost is illustrated at US$20bn-US$26bn, with Westinghouse scope of US$8bn-US$11bn and about 20% normalized adjusted EBITDA margin. These are illustrative economics, not forecasts. Q2-26 also discloses steady-state Westinghouse sustaining capex of roughly US$0.2bn-US$0.3bn annually, Cameco’s 2026 share of capex at US$160m-US$200m, and at least US$400m of Cameco-share LEU+ investment over five years if commercially viable.

7. Capital allocation history

Year	Capex, CAD bn	Capex / revenue	R&D, CAD bn	R&D / revenue	Buybacks, CAD bn	Dividends, CAD bn	Net acquisitions, CAD bn	Source
FY2021	0.099	6.7%	0.007	0.5%	0.000	0.032	0.005	FMP-CF/IS; AR21
FY2022	0.143	7.7%	0.012	0.7%	0.000	0.052	0.001	FMP-CF/IS; AR22
FY2023	0.154	5.9%	0.021	0.8%	0.000	0.052	3.029	FMP-CF/IS; AR23
FY2024	0.212	6.7%	0.037	1.2%	0.000	0.070	0.000	FMP-CF/IS; AR24
FY2025	0.333	9.6%	0.038	1.1%	0.000	0.104	0.000	FMP-CF/IS; AR25

FY2023 net acquisitions principally reflect the 49% Westinghouse purchase. No common-share repurchase cash outflow appears in the live FMP cash-flow history. Cameco issued 34.1m shares in October 2022 to pre-fund Westinghouse, so dilution is a historical capital-allocation fact even though it is not a buyback row. FY2025 debt reduction extinguished the remaining US$200m Westinghouse term loan, and the annual dividend rose to CAD0.24 per share.

8. Balance sheet snapshot at FY2025

Item	CAD bn	Source
Cash and equivalents	1.115	AR25; FMP-BS
Short-term investments	0.100	AR25; FMP-BS

Item	CAD bn	Source
Funded debt	0.996	AR25 note 14
Lease obligations	0.015	AR25 note 14
Net debt including leases	-0.203	Debt plus leases less cash and ST investments
Net debt / adjusted EBITDA	-0.11x	Net debt divided by CAD1.929bn FY2025 adjusted EBITDA
Goodwill plus intangibles	0.036	FMP-BS; intangible assets
Tangible book value	6.867	Attributable equity CAD6.903bn less intangibles
Reclamation provision	1.039395	Q2-26 note 9 at 2026-06-30
Waste-disposal provision	0.008989	Q2-26 note 9 at 2026-06-30
Total reclamation plus waste-disposal provisions	1.048384	Q2-26 note 9; arithmetic sum, not a single reclamation balance

At 2026-06-30, cash was CAD1.113bn, funded debt CAD0.997bn, lease obligations CAD0.012bn and the revolving CAD1.0bn facility was undrawn. Westinghouse debt is not consolidated and must not be silently netted into Cameco funded debt.

8a. Current capital and dilution handoff at 2026-06-30

This schedule inventories the current claims and settlement mechanics; it does not invent vesting, forfeiture, future grants, terminal share issuance or cash outflows. The TTM diluted-share denominator remains the QF-reconciled 435.633060m listed-equivalent common shares. Point-in-time plan units are not automatically additive to that weighted-average denominator.

Instrument or plan	Current official inventory	Equity-versus-cash settlement	Bounded downstream treatment	Source
Common shares	435,532,978 outstanding	Issuer common equity	Starting point-in-time common-share inventory; do not substitute for the TTM weighted-average diluted denominator	Q2-26 notes 10 and 14
Class B share	One outstanding	Special class; not a common-share award	Governance claim only; no common economic dilution is assigned in this data package	Q2-26 MD&A; AR25 note 16
Stock options	39,063 at CAD15.27; exercisable through 2027	Exercise issues common shares	Maximum point-in-time gross issuance is 39,063 shares and gross cash proceeds would be CAD0.596492m if all are exercised; reconcile once against treasury-stock dilution and do not assume a terminal effect here	Q2-26 notes 10 and 16; AR25 note 23
Restricted share units (RSUs)	623,863 units	The plan permits open-market common shares or equivalent cash; the Q2 note reports both equity-settled and cash-settled RSU expense	The current unit total is not wholly issuer dilution. The public note does not split outstanding units by settlement route, vesting outcome or forfeiture, so no terminal share or cash effect is assigned here	Q2-26 note 16; AR25 note 23
Performance share units (PSUs)	485,730 units	Phantom common-share units payable in open-market shares or equivalent cash at the participant's discretion when conditions are met; accounted for in the cash-settled plan table	Do not issue new-share dilution mechanically; retain compensation expense and model any future cash settlement only with an explicit scenario assumption	Q2-26 note 16; AR25 note 23
Deferred share units (DSUs)	245,395 units	Notional units redeemed for cash after a director leaves the board	Cash-settled claim; zero issuer-share dilution in this handoff	Q2-26 note 16; AR25 note 23
Employee share ownership plan	20,684 shares purchased in H1 2026 with company contributions	Employee and company contributions purchase shares on the open market; company contributions are expensed	Equity-settled compensation accounting, but no issuer-share issuance is inferred; preserve the expense once	Q2-26 note 16; AR25 note 23

Instrument or plan	Current official inventory	Equity-versus-cash settlement	Bounded downstream treatment	Source
Phantom stock-option plan	Latest disclosed unit inventory was 12,500 at FY2025 year-end; Q2-26 reports plan expense but not an updated unit count	Cash equal to the share-value equivalent on exercise	Cash-settled and non-dilutive; the June unit balance and terminal cash path are not disclosed	AR25 note 23; Q2-26 note 16
Phantom restricted share-unit (PRSU) plan	Latest disclosed unit inventory was 24,023 at FY2025 year-end; Q2-26 reports plan expense but not an updated unit count	Cash with equivalent market value	Cash-settled and non-dilutive; the June unit balance and terminal cash path are not disclosed	AR25 note 23; Q2-26 note 16
Share-based compensation	CAD11.002m for TTM ended 2026-06-30	Mix of equity- and cash-settled plans above	This is the QF-reconciled TTM cash-flow-statement share-based-compensation line; it is retained once in the statutory earnings/cash-flow perimeter and is not a blanket dilution add-back	QF, FY2025 - H1 2025 + H1 2026

The official Q2 note also shows that H1 2026 share-plan expense was split between CAD8.982m of equity-settled plans and CAD57.399m of cash-settled plans, primarily in administration expense. Those note expenses are different measurement rows from the CAD11.002m TTM cash-flow-statement line and must not be added together. A terminal share count or cash-settlement forecast requires an explicit scenario treatment of future grants, vesting, forfeitures and the unresolved RSU settlement split; D provides no such forecast.

9. Recent corporate actions

- **2025-10-28:** Cameco, Brookfield and Westinghouse signed a binding term sheet for a US-government strategic partnership contemplating at least US$80bn of new US reactor investment. The US Government Participation Interest vests only if the government makes a final investment decision and enters definitive agreements for at least US$80bn of qualifying projects before January 2029; absent vesting by then, the interest ceases to have rights. Once vested, it receives 20% of Westinghouse cash distributions above US$17.5bn after grant. If it has vested by January 2029 and a Westinghouse IPO is valued at least US$30bn, the government can require the IPO and the interest converts into a five-year warrant to purchase equity equivalent to 20% of the IPO entity's public value at exercise after deducting US$17.5bn. **Treatment:** contingent claim only; no TTM deduction, current Cameco-share dilution, IPO uplift, proceeds, warrant value or terminal effect is assigned absent vesting, thresholds and definitive terms. Source: AR25, “Strategic Partnership with US Government”; Q2-26 reaffirms the participation framework.
- **2026-01-01:** Lisa Aitken became SVP and Chief Marketing Officer; David Doerksen moved to senior adviser before retirement on 2026-03-31. Source: Q3-25 release.
- **2026-07-02, post-TTM forward-perimeter event:** Cameco and Orano closed the acquisition of TEPCO Resources' 5.000% Cigar Lake interest after the 2026-06-30 TTM endpoint. Cameco acquired 2.871 percentage points for CAD115.755m, increasing its ownership from 54.547% to 57.418% (Orano holds 42.582%); final closing adjustments were still expected in Q3 2026. The 57.418% interest is excluded from TTM production, revenue, cost and segment EBT history and applies only to the forward ownership perimeter from close. The disclosed consideration is a post-TTM capital-allocation input; no standalone asset value, assumed-liability split or terminal effect is assigned without further disclosure. Source: Q2-26 note 20 and MD&A.
- **2026-07-26:** Dominique Minière stepped down from the board. Source: Q2-26 release.
- **2026-07-31:** Westinghouse confidentially submitted a draft Form S-1 for a potential IPO. No offering size, valuation or ownership outcome was available; Cameco and Brookfield continued to control the company at the information date. Source: Cameco 2026-07-31 announcement and TR-Q2.
- **Q2 2026:** Cigar Lake experienced temporary post-quarter operational disruption tied to Orano’s McClean Lake mill, but production resumed and annual guidance was unchanged. Source: Q2-26 and Cameco’s July operating update.

10. Open data gaps and classification

Gap	Classification	Sources and searches completed	Downstream handling
UF6, UO2 and fabrication revenue dollars	True non-disclosure	AR21-AR25 and Q1/Q2-26 searched for product revenue, UF6, UO2 and fabrication	Use combined Fuel services revenue; do not back-solve
Westinghouse revenue below disclosed business lines	True non-disclosure at finer granularity	AR24 discloses OPS, Nuclear Fuel and New Build FY2024 revenue; AR25 discloses Core and New Build FY2025 revenue; Q2-26 discloses component backlog/orders but no finer FY2025 revenue	Use the disclosed business-line dollars in Section 4; do not infer finer component revenue
Historical uranium inventory before FY2025	True non-disclosure	AR21-AR25 searched for uranium inventory and average inventory cost	Use disclosed FY2025/Q1/Q2 2026 snapshots only
Interim reserve/resource update	Not applicable	Q2-26 searched for reserve and resource table	Use FY2025 year-end mineral inventory
Q4 2025 transcript cover says Fourth Quarter 2026	Source-label anomaly	Q4 transcript body, release and annual report cross-checked	Treat as Q4/FY2025 call dated 2026-02-13
Westinghouse IPO terms	True non-disclosure	2026-07-31 announcement and TR-Q2 searched for terms	Do not model proceeds, dilution or valuation before public terms
Current RSU settlement split and terminal award path	True non-disclosure / forecast input	Q2-26 note 16 and AR25 note 23 disclose aggregate units and settlement mechanics, but not the June RSU equity/cash split or future grants, vesting and forfeiture	Use the Section 8a current inventory; do not add all units to diluted shares or invent terminal dilution/cash settlement
Cigar Lake acquired-interest assumed liabilities, final adjustments and standalone value	True non-disclosure / closing estimate	Q2-26 note 20 discloses the 2026-07-02 close, CAD115.755m acquisition cost and 57.418% ownership; final Q3 closing adjustments, assumed-liability split and standalone asset value were not disclosed	Treat 57.418% as a post-TTM forward-perimeter fact and CAD115.755m as disclosed post-TTM consideration; do not alter TTM or invent a standalone/terminal value
US Government Participation Interest definitive terms and vesting	Contingent / unresolved	AR25 binding term sheet and Q2-26 framework disclose thresholds; definitive agreements were still pending	Preserve the contingent claim and thresholds; zero modeled value, proceeds, dilution or distribution deduction until conditions are supportable
AP1000 pipeline conversion and project timing	Estimated / illustrative	Q2-26 explicitly states frameworks are not guidance	Apply probability and schedule discipline downstream

No statutory bridge item is an open gap. The `Adjustments` and `Other` classifications remain exactly as sealed, and all FY2025 and TTM residuals are zero. The key analytical boundary is economic rather than arithmetic: Westinghouse supplementary revenue is fully eliminated, while Cameco's retained earnings are captured through the exact segment EBT and equity-accounting bridge.

Live self-checks

Required check	Live evidence	Result
Latest-quarter headline growth for largest segment	Q2-26 news release shows Uranium revenue CAD659m vs CAD705m, down 7%	PASS
Load-bearing management quote and call date	Official Q2 transcript dated 2026-07-31 contains "average annual deliveries of more than 28 million pounds"	PASS
FY2025 revenue against live FMP annual income statement	FMP-IS returns CAD3,481,933,000; audited AR25 is CAD3,481.933m	PASS; 0.00% gap

The horizon used by all downstream subagents is TTM ended 2026-06-30 to 2031-06-30, exactly 5.0 years. TTM equals FY2025 minus H1 2025 plus H1 2026, economically Q3 2025 plus Q4 2025 plus Q1 2026 plus Q2 2026.