With the restart and the last of the mill expansion construction, the camp at McClean Lake is full every day. Employees don’t just take their meals and sleep at camp, that’s also where they enjoy some well-deserved relaxation when they are not on shift. Jamming in the music room, playing table tennis or racquetball, or working out in the gym are only a few of the activities they enjoy at camp.
Safety is always top of mind at AREVA Resources Canada, particularly when restarting an operation such as was the case at McClean Lake. With many new inexperienced employees on site, the commissioning of new circuits, and ore grades more than 10 times higher than those processed in previous years at McClean Lake, 2015 was an excellent safety year. We implemented new programs and continued to build our safety culture. It is particularly impressive to see everyone making safety their business.

2015 was truly a year of exciting changes and outstanding milestones. We experienced the first full year of production at our McClean Lake operation after four years of care and maintenance without production – and it has been quite the year! A record-breaking 11.3 million pounds of uranium concentrate was produced at the McClean Lake mill in 2015, well above targets and up from a past maximum output of 6.5 million pounds. AREVA’s share of 2015 production at the mill totaled 4.2 million pounds.

The substantial rise in output at McClean Lake is a direct result of our upgrade and expansion work at the mill and the higher grade ore coming from our partnership with the Cigar Lake mine. With the upgrade, our McClean Lake family has grown to 330 permanent employees with many more hired to complete specific projects. With our joint venture partnerships in the McArthur River mine and Key Lake mill, AREVA’s share of uranium concentrate production reached 12.9 million pounds!

Despite our many successes, this year was not without its challenges. The fires that burned through northern Saskatchewan early in the summer of 2015 threatened the communities of our families and our friends. It is during times like these that we truly experience the meaning and importance of community. We witnessed firsthand the kindness and generosity of our team through their many hours of volunteer work at evacuation shelters and their numerous donations to evacuees. The safety and security of our family members is always priority number one, both inside and outside the workplace.

This year, while exploring many sites and thousands of kilometres throughout northern Saskatchewan and Nunavut, our exploration team celebrated four years without a lost-time incident. This achievement is a testament to the wide-ranging nature of AREVA’s safety training endeavours and culture.

Our many accomplishments this year did not come without the hard work and dedication exemplified by the AREVA family at McClean Lake, Saskatchewan, and exploration projects. I would like to extend my utmost gratitude for the support that has been shown over the last year through the actions of each AREVA employee. I am confident and look forward to a bright and sustainable future together.
Safety – Always at the Forefront

Safety is paramount in actions and decisions made by AREVA and our employees. Our commitment to safety is demonstrated through our work practices, which focus on risk reduction. The constant focus on safety throughout our operations is a direct result of our wide range of safety programs, which contribute to our culture of keeping safety at the forefront of our minds.

AREVA’s annual Safety Day was a success once again this year; the event provided employees with opportunities to reflect, ask questions, and evaluate both our successes and our shortcomings. This year, the McClean Lake Occupational Health Committee and McClean Lake Safety Group introduced the McClean Lake Annual Safety Day event and runner-up in the first aid surface event.

In July, after a full month of voluntarily suspending our shipments of product, due to road closures caused by the forest fires that engulfed the North, McClean Lake transported its first loads of uranium concentrate. McClean Lake’s Nuclear Energy Workers’ total average effective dose for 2015 was 0.89 millisievert* (mSv), up from 0.37 mSv in 2014 when very limited quantities of uranium ore concentrates were produced. The maximum annual total radiation dose of 5.28 mSv was well below the average regulatory effective dose limit of 20 mSv in any one year and not exceeding 100 mSv in 5 years, demonstrating the effectiveness of the mill design to process ore grades over 25%.

With many new employees on site, in 2015 we introduced the new “Green Hand Program” at McClean Lake to help new employees become familiar with the site, its procedures and best practices. As part of the Green Hand Program, all new employees at McClean Lake receive a Green Hand sticker to wear on their hard hat for their first six months on site. The Green Hand sticker is a visual signal to all employees that a team member is fairly new to the workplace. It is meant to encourage supervisors and co-workers to offer these new employees additional support as needed. After six months, new employees receive a safety “re-orientation”, as well as a review of any incidents the worker may have been involved in. These extra steps provide more opportunities to correct behaviour before it becomes an ingrained habit, as well as occasions to encourage and reinforce positive behaviour. Green Hand or experienced hand, we all have a hand in our own and each other’s safety.

Our actions and efforts follow a consistent value; AREVA is committed to providing a safe and healthy work environment and production will not be made at the expense of safety.
At AREVA, our employees are our family. It's particularly true at our McClean Lake operation where employees develop a close bond with one another as they live, work, have fun and eat together. As a large employer of people from small northern communities, many of our employees are in fact brothers, sisters, mothers, fathers, aunts, uncles, cousins and in-laws of one another.

As an equal opportunity employer, AREVA is committed to contributing to the prosperity of our province through fair and equitable recruitment practices. Given the location of our operation, we give hiring priority to local northern talent. The Saskatchewan uranium mining industry is the largest industrial employer of Aboriginal people in Canada. As of December 2015, 51% of employees at our McLean Lake operation were residents of northern Saskatchewan and 46% were of Aboriginal descent.

Within AREVA, women are represented at every level in the organization. To date, 26% of AREVA’s workforce is female, compared to an overall 17% average in the Canadian mining industry. We continue to look for ways to increase recruitment and retention of women. Our ongoing partnership with programs such as the University of Saskatchewan’s Edwards School of Business Womentorship Program and organizations such as Women In Mining and Women in Nuclear Saskatchewan allows our employees to actively participate in events and workshops geared specifically toward women in industry.

Our education and training opportunities allow employees to continually grow and advance within AREVA throughout their careers. This year, AREVA celebrated 33 employees who reached long service milestones including two employees with 35 years at the company. Beyond the opportunities for education, training, and advancement, AREVA offers an above-average pay scale and benefits to its employees.

While most AREVA employees work at our McLean Lake operation in northern Saskatchewan, we also have a full time presence in Saskatoon where our 149 employees occupied three office buildings in 2015 and in La Ronge with our Northern Affairs office. Due to the recent restart of the McLean Lake mill, there has been substantial growth in employment at the site. As of December 2015, AREVA employees at McLean Lake numbered 330, up from 150 only five years ago when mining had stopped and the mill was in care and maintenance mode.

Providing Meaningful and Rewarding Work
At AREVA, our employees are our family. It’s particularly true at our McClean Lake operation where employees develop a close bond with one another as they live, work, have fun and eat together. As a large employer of people from small northern communities, many of our employees are in fact brothers, sisters, mothers, fathers, aunts, uncles, cousins and in-laws of one another.

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AREVA relies on the ingenuity and dedication of the diverse Saskatchewan people. Our nearly 500 employees within the province represent a vital force to the success of our operations. In order to ensure continued success, AREVA invests heavily in people and in the communities near which we operate.

**Training - A Big Part of What We Do**

Through the support of a wide variety of innovative training programs, AREVA builds opportunities for both present and prospective employees. In 2015, over $600,000 was devoted to training initiatives at the McClean Lake operation. Our operational training requirements include classroom and on-the-job training, one-on-one training with a mill trainer, equipment training with vendors, peer-training with senior operators and of course self-study courses. From safety related training such as the respiratory protection program, to heavy equipment operation, heavy duty equipment mechanics, personal fall protection, advanced radiation protection, mobile equipment certifications, Saskatchewan apprenticeship programs and many more, training is ongoing at McClean Lake.

AREVA has partnered with Northern Career Quest to offer the Mill Operator Training Program. Since the start of the program in 2012, there have been seven sessions, and to date, 65 residents of northern Saskatchewan were given the opportunity to learn new skills and experience life at McClean Lake. In 2015, 11 trainees successfully completed the Mill Operator Training Program and seven of them are now employed at our site. The program has been deemed one of the best run partnerships with Northern Career Quest, with a retention rate at McClean Lake of over 90%. AREVA is proud of the trainers that work hard to make the program outstanding and we look forward to seeing these successful trainees and many more build their careers within the uranium mining industry.

Employees in the Saskatoon offices also have opportunities to gain valuable knowledge and improve their skills through attendance at conferences and workshops. The lunch and learn sessions are also well-attended sessions during which employees can learn about topics such as uranium ore traceability, wills and estate planning, or healthy living.

**Education is the Key**

Since 1979, AREVA has awarded annual scholarships to residents of Saskatchewan’s North. To date, AREVA has invested over $1,645,500 through 471 scholarships for northern students. In 2015, AREVA disbursed a total of $100,000 amongst 31 recipients. Over the years, many of our scholarship recipients have established their careers with AREVA. We currently count 11 past scholarship recipients who are currently employed by AREVA in positions ranging from recreation technician to environmental technician to instrumentation technologist or power engineer. We are proud to have been able to contribute to their professional development in a meaningful way and delighted that they are now members of the AREVA family.

Supporting innovative educational programs is definitely one of AREVA’s key areas of community investment. In 2015, AREVA provided funding to support Connected North, a new virtual educational program connecting northern Saskatchewan students to other students and subject matter experts from around the country.
We’re committed to preserving the environment

AREVA recognizes the importance of healthy ecosystems as the backbone of vibrant communities, and our continued strong environmental performance is a commitment to the regions in which we operate. Our strict environmental policies reflect this knowledge and go beyond compliance to include commitments to continual improvement and innovation. We have the utmost respect for the northern land where we operate and we are committed to the environmental preservation of its pristine nature. Monitoring of the environment around our operations is a constant priority at AREVA. Our environmental monitoring programs allow us to understand and transparently communicate our environmental performance to our stakeholders and the public.

Emissions and discharges from operations at McClean Lake remain well below regulatory limits, and we have pride in protecting the environment throughout all mining phases including exploration and decommissioning. AREVA has taken great care in the decommissioning of the Cluff Lake mine in northwestern Saskatchewan and our ongoing monitoring confidently demonstrates that the sites, and will continue to be, safe for traditional land uses.

A Focus on Water

Water – one of the most important substances for life on Earth. Abundant, available, clean water is important to the people who reside, hunt, trap, and fish in northern Saskatchewan. At the McLean Lake operation we divert clean water around the site and recycle process water to reduce our water footprint. Water that does come into contact with our mine area and process water from the milling of ore is treated, held for testing to confirm the treated water meets acceptable quality, and then is released. AREVA routinely adjusts water management, evaluates water treatment improvements, and monitors water quality downstream from our operations in a continuous feedback process that drives a steady and strong performance.

We also support community and regional monitoring programs to provide communities with additional and independent assurance. Water samples taken near each of the Athabasca Basin communities by community members and processed by an independent environmental firm continue to show that the surface water quality is meeting all provincial objectives. These results are published annually in the Athabasca Working Group Environmental Monitoring Program report issued by Canada North Environmental Services. The water quality remains excellent in the region and the uranium mining operations continue to demonstrate responsible resource development – economic opportunity without compromise to ecosystem integrity.

Monitoring of McLean Lake Treated Water Released in the Environment

Note: The McLean Lake mill went under a period of care and maintenance starting in the summer of 2010 and ending in the fall of 2014. No mining has taken place at McLean Lake from 2009 to date.
Canada is the largest focus of the AREVA group’s worldwide exploration activities due to the prevalence of extremely high-grade uranium ore-bodies. Our exploration team is actively searching for these uranium deposits in northern Saskatchewan, northern Alberta and Nunavut. In 2015, we completed a total of 48,000 metres of drilling with an additional 71,000 metres completed with joint venture partners. In all, AREVA is involved in a total of 45 exploration projects in Saskatchewan, Alberta and Nunavut. In addition, AREVA has some properties in Quebec which are not currently active.

Exploration is done by air using geophysical instruments and by ground using geophysical surveying methods and drilling. Uranium is five hundred times more common than gold, however, high concentrations are rare. Saskatchewan’s Athabasca Basin is home to the highest known concentrations in the world with grades over 20% uranium.

We’re preparing for the future through exploration

Year-Round Exploration
Although our exploration teams do take time off, they spend a lot of time in the field, drilling, collecting data, surveying, reviewing and logging drill core. It’s not always all fun and games being out in the elements year round, yet the appeal of the next big find keeps them going one field season after the next.

Our Projects of Interest
In 2015, the main focus of AREVA’s uranium exploration in Saskatchewan was the Waterbury Cigar Lake Project, situated on the eastern Athabasca Basin. The program was aimed at discovering new resources and possible extensions of the Cigar Lake deposit.

We also explored possible extensions of the known Shea Creek deposits. Situated in the western Athabasca Basin, Shea Creek is one of the largest known undeveloped uranium resources in Canada.

AREVA’s Kiggavik Project is located 80 kilometres west of Baker Lake, Nunavut. The project is currently awaiting a decision from the federal Minister of Indigenous and Northern Affairs Canada related to its environmental assessment. However, for now it is only an exploration project, which field season ran in the summer months. Aside from the Kiggavik Project, the exploration team also ran a drilling campaign at the St. Tropez Project located about three kilometres north of Kiggavik. The St.Tropez Project is owned and operated solely by AREVA.

Exploration Projects Ownership

<table>
<thead>
<tr>
<th>Project</th>
<th>AREVA Resources (Operator)</th>
<th>JCU Exploration (Canada) Co. Ltd</th>
<th>DAEWOO Corporation</th>
<th>UEX</th>
<th>Cameco Corporation</th>
<th>Idemitsu Uranium Exploration Canada Ltd</th>
<th>TEPCO Resources Inc</th>
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<td>33.5%</td>
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<td>Waterbury Cigar Lake</td>
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<td>7.9%</td>
<td>5%</td>
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Dunja Gaco started with AREVA as a geology summer student at the Kiggavik project in Nunavut. After completing her degree she joined AREVA as a geologist-in-training, building her hours to obtain her professional geoscience certification. In this photo she inspects some of the drill cores from Kiggavik.
Production Milestones
Following the recent restart of the McClean Lake mill in October 2014 and the start of production at the Cigar Lake mine in early 2014, the year 2015 has been filled with exciting and significant production milestones. In July, for the first time in 16 years of production at McClean Lake, the mill packaged over 1.5 million pounds of uranium concentrate in just one month. By the end of 2015, another production milestone was reached with the processing of over 11.3 million pounds of U₃O₈ throughout the year. This momentous breakthrough well exceeded targets of 6-8 million pounds.

The McClean Lake mill is truly a unique facility as it is the most technologically advanced mill in the world for the processing of high-grade uranium ore without dilution. Over the 2015 period, feed grades were well above historical mill levels of about 1%, averaging over 17.5%, and at times exceeding 25% uranium.

The mill is currently undergoing an extension project, which will bring about further production milestones. The project, due for competition in late 2016, will substantially increase the mill’s capacity. The mill will be capable of producing 24 million pounds of uranium concentrate annually. However, our current production plan is set to reach and stay constant at 18 million pounds of production from the Cigar Lake mine ore for several years. The remaining capacity may be used in the future for ores from other sources such as the deposits still available at McClean Lake or the nearby Midwest property.

Since the McClean Lake mill’s initial start in 1999 to the end of 2015, it has achieved a production of over 52 million pounds of uranium concentrate. Prior to shutdown (2010-2014), McClean Lake produced up to 6.5 million pounds of uranium concentrate a year. However, the upgrade and expansion work and the higher grade ore coming from Cigar Lake, all contributed to the sharp rise in production output in 2015.

Continual Improvement
With the restart of the mill in 2014, AREVA embarked on implementing a Lean Six Sigma approach to various projects in the Saskatoon office, within our exploration projects and Cluff Lake decommissioned mine monitoring, and at the McClean Lake operation. Lean Six Sigma provides process improvement tools and methods geared to improve performance by reducing waste and making results more predictable and less variable.

At McClean Lake, Lean Six Sigma is helping AREVA be more profitable by making our processes more efficient, leading to costs reductions. It is also helping to make the mill safer by tackling incidents with the potential to become serious incidents if left unaddressed. It also helps the employees directly involved in the projects to develop or improve their skillsets in regard to decision-making, problem solving and teamwork.

Examples of our Lean Six Sigma projects at McClean Lake in 2015 included the optimization of bulk-issue consumable management, employee transport and aircraft capacity optimization, and mill air quality improvements.

We’re ramping up production at McClean Lake
Checking the valves and inner workings of the uranium ore slurry receiving platform is all in a day’s work for Alphonse Roberts, mill operator. With the increase in production these days he is particularly busy with the unloading of, on average, 14 trucks of ore slurry from Cigar Lake every day.
Cigar Lake
The Cigar Lake mine production ramp-up exceeded expectations in 2015. In September, AREVA was pleased to celebrate with its partners and many stakeholders, the grand opening of the Cigar Lake mine and the processing of its ore at the McClean Lake mill. The grand opening was a great opportunity to recognize the dedication and hard work of our employees and partners in the inauguration of this significant achievement.

Cigar Lake is the highest-grade uranium mine in the world. Working together, the Cigar Lake and McClean Lake sites will become the second largest uranium producer in the world once they achieve full ramp-up. Cigar Lake is expected to produce 16 million pounds of uranium concentrate in 2016 and 18 million pounds once fully ramped-up in 2017.

McArthur River & Key Lake
Production at McArthur River has been excellent with ore grades about 100 times the world average. In 2015, AREVA received 5.8 million pounds of uranium concentrate from McArthur River ore after processing at the Key Lake mill.

Over the years, the McArthur River mine has tested different mining methods including boxhole boring and blasthole stopping. However, the raise boring method has been the one predominantly used at McClean Lake to date. All of these methods use remote-control equipment, which allows the ore to be mined while minimizing employee exposure to radiation. Once the ore is mined, it is crushed and processed underground. The ore is then pumped to the surface as a slurry or mud and trucks take the slurry to the Key Lake mill for further processing. The Key Lake mill has been in operation since 1983 and in 1999 it started processing high-grade uranium ore slurry from the McArthur River mine.

Joint Ventures Ownership

<table>
<thead>
<tr>
<th>McLean Lake</th>
<th>AREVA Resources (Operator)</th>
<th>Denison Mines Inc.</th>
<th>OURD (Canada) Co. Ltd.</th>
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<th>Cigar Lake</th>
<th>AREVA Resources</th>
<th>Cameco Corporation (Operator)</th>
<th>Idemitsu Uranium Exploration Canada Ltd.</th>
<th>TEPCO Resources Inc.</th>
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</thead>
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<tr>
<td>37.1%</td>
<td>50%</td>
<td>7.9%</td>
<td>5%</td>
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<table>
<thead>
<tr>
<th>Key Lake</th>
<th>AREVA Resources</th>
<th>Cameco Corporation (Operator)</th>
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<td>16.7%</td>
<td>83.3%</td>
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<table>
<thead>
<tr>
<th>McArthur River</th>
<th>AREVA Resources</th>
<th>Cameco Corporation (Operator)</th>
</tr>
</thead>
<tbody>
<tr>
<td>30.2%</td>
<td>69.8%</td>
<td></td>
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</table>
Community Support Matters to Us
Community is at the heart of our operations and we take pride in ensuring that our activities are not only safe and environmentally friendly, but also support the livelihood and development of the communities near our operations and in which many of our employees live.

We know many of our stakeholders understand and appreciate our industry’s commitment to running sustainable operations and being active in the communities. We believe that this is reflected in the high level of support for uranium mining throughout Saskatchewan. This support continued to grow over the last year. 86% of overall residents and 81% of northern residents support the industry while 62% of overall residents and 66% of northern residents recognize the industry as being extremely important to the province. Moreover, awareness of AREVA Resources Canada and our operations is significant in the North at 75%. We appreciate everyone’s support of our industry and work hard to continue to meet or exceed our stakeholders’ expectations of our industry and company.

Staying Connected
AREVA strives to raise awareness and keep an open dialogue with our stakeholders and the public about our activities. In keeping with this commitment, this year we introduced AREVA Nįh Ghalaná Honie, our new quarterly newsletter geared specifically to the seven Athabasca Basin communities to provide information related to our operations and the participation of Athabasca residents in these activities. This publication is distributed directly to elected leadership and officials while being made available to all community members. The newsletter’s name, AREVA Nįh Ghalaná Honie, means “news about AREVA’s activity” in Dene language. Over the past several years, AREVA has increased its online presence, predominantly on social media. Channels such as Twitter, Facebook, LinkedIn, and YouTube have made information about AREVA more accessible while building a platform for two-way communication. During 2015, activity and interaction with the public grew on each of AREVA’s social media channels. Likes on our Facebook page grew by 41%, followers on Twitter grew by 22%, views on Youtube grew by 14%, and we nearly doubled our follower count on LinkedIn. We encourage everyone to visit our various online social media platforms regularly for our latest news, to ask questions, and to connect with us as often as you’d like.

For the past five years, AREVA has sponsored the Don Allen Saskaloppet helping provide an opportunity for young and old to have fun on the ski trails around La Ronge, Saskatchewan.
One of the ways AREVA invests in Saskatchewan communities is through our supply chain. AREVA’s operations have come to rely on the services and materials provided by northern and Aboriginal owned businesses. In 2015, we purchased over $47 million in goods and services from businesses such as West Wind Aviation, Northern Resource Trucking, Points North Group, Athabasca Basin Security, Athabasca Catering, Points Athabasca Construction Limited, Team Drilling, and Flyer Electric. These businesses are all owned by northern or First Nations organizations.

Another way we contribute to the communities where employees live, is through our community investment program. In February, AREVA donated $100,000 in support of the Yuthe Dene Sekwi Chu La Koe Betsedi, a 10-bed therapeutic home facility located in Stony Rapids, for at risk northern youth. This donation represented the second and last installment of AREVA’s $200,000 financial support. We are pleased to be able to help northern Saskatchewan youth and their families grow into healthy, productive, and strong communities.

AREVA supported and sponsored other initiatives in 2015 including the annual Saskaloppet in La Ronge, Bloom in support of Saskatoon’s Royal University Hospital Neonatal Intensive Care Unit, Steps for Life Walk, and the Annual Northern Saskatchewan Football Jamboree by the Northern Lights School Division No.113. In addition to these events, AREVA employees also continued to mentor elementary school students at Caroline Robins Community School in Saskatoon and participated in Treaty Day Celebrations, Elders’ Gatherings, and Academic Achievements Day in Athabasca Basin communities including Fond du Lac, Black Lake, Pinehouse and Île-à-la-Crosse.

In 2015, AREVA donated over $340,000 in northern Saskatchewan communities, about $40,000 for communities in Nunavut, and close to $200,000 in the “south” or greater Saskatoon area for support of community events and organizations. This represents an average of over $1,200 per AREVA employee provided to non-profit and community organizations.

Lending a Hand
Being a part of our communities also means lending a hand when help is needed. 2015 was a challenging year throughout northern Saskatchewan as fires wreaked havoc and forced the evacuation of many communities. Community is never more important than in difficult times like this and at AREVA we witnessed its power firsthand.

AREVA and its employees donated about $10,000 in cash and in-kind supplies for evacuation shelters, including bags full of clothes for evacuees and steel-toed boots for emergency help workers. Furthermore, employees volunteered well over 400 work-hours during the evacuations, providing essential services such as emergency operations and firefighting. Many of them also spent many hours during their time off to provide assistance in any way they could. We are very proud of our employees for stepping up to the plate when it mattered most.
At Cluff Lake, nature is reclaiming its place. Grasses and trees are growing steadily on the former tailings management area. AREVA’s environmental scientists continue to monitor the progress of the vegetation growth and the water quality in the area to ensure they meet the decommissioning plan.

Looking back and looking ahead

Cluff Lake Decommissioned Mine
Mining and milling operations began at AREVA’s Cluff Lake project in 1980. The project ran for 22 years and had produced 62 million pounds of uranium concentrate by the time it was shut down in 2002. Since its decommissioning, 800,000 trees have been planted at the Cluff Lake site and the area is progressively returning to its natural state.

In late 2013, the Cluff Lake site was opened to the public for use in traditional activities such as hunting and trapping. AREVA continues to monitor the site and carries out inspections four times a year. Eventually, once AREVA and the regulatory agencies are satisfied that the decommissioned site meets requirements, the Province of Saskatchewan will assume control of the site through the Institutional Control Program.

As part of our commitment to keep our stakeholders informed of our ongoing monitoring activities at the site of the former Cluff Lake mine, in 2015 AREVA employees travelled to La Loche, Buffalo Narrows, Île-à-la-Crosse, and Beavul to discuss the progress of the Cluff Lake decommissioning. We met with the communities’ mayors and councils as well as Metis and First Nations representatives. The team also organized public meetings to present their studies’ findings to residents directly.

Tailings Management Facility
AREVA is planning to increase its tailings management capacity under the JEB Tailings Management Facility (TMF) Expansion Project. This project involves increasing the approved height of placed tailings within the TMF to maximize storage of tailings below ground surface to secure capacity for tailings that will be produced by the McClean Lake mill over the next 20 years. The construction of a berm to contain the tailings pond water during the operations phase will be required. After its useful life, during the decommissioning phase, the water cover will be removed, the berm will be pushed in and graded to blend into the existing landscape and a cover will be placed over the tailings. This project will take place entirely on the existing surface lease of the McClean Lake operation, and will not involve disturbing any new untouched areas.

The project requires approval from the Canadian Nuclear Safety Commission (CNSC) and construction approval from the Province of Saskatchewan.

Industry Trends
Today there are over 440 nuclear power reactors operating in 31 countries and generating 13.5% of the world’s electricity.

There are currently more than 60 nuclear reactors under construction worldwide and hundreds more planned over the next decade.

Uranium demand is slated to increase by over 25% between 2020 and 2030, driven by the increase in energy demand and planned nuclear reactor construction, particularly in countries like China, India and South Korea.

Source: World Nuclear Association
Record Production
The Cigar Lake operation mined 12.9 million pounds of uranium in 2015, compared to 0.52 million pounds in 2014. All of the ore mined at Cigar Lake is processed at the McClean Lake mill. AREVA Resources has a 37.1% interest in the Cigar Lake operation. In 2015, AREVA achieved its first full year of high-grade uranium ore processing at the McClean Lake mill following its upgrade and restart. Production at the mill surpassed expectations by totaling 11.3 million pounds. This total is up from the 0.34 million pounds of uranium processed in 2014. This year, AREVA’s share of production totaled 4.2 million pounds.

Mining of uranium at the McArthur River operation reached 19.7 million pounds in 2015. All McArthur River ore is milled at the Key Lake facility. In 2015, AREVA received 5.8 million pounds of uranium from McArthur River’s production through its 30.2% ownership of this operation.

Increased Revenue
Revenues were $435 million in 2015, significantly higher than 2014 revenues of $284 million. This increase was due to a combination of higher sales volumes and a favorable exchange rate, offset by lower contract prices.

Higher production volumes from the Cigar Lake operation contributed to increased sales volumes. Although the spot price increased slightly from 2014, the majority of uranium sold is under long-term contracts, thereby reducing the exposure to spot price variations.

Challenging Market
The uranium market strengthened slightly in 2015 for the first time since 2011, after four consecutive years of decline.

The average spot price was $36US in 2015 versus $39US in 2014. The spot price was relatively stable compared to previous years, peaking in March at $39US and bottoming out in December at $34US. Even with the slight increase, the uranium market remains challenging.

Although the industry is going through a “bear market” with low uranium prices, at McClean Lake the hustle and bustle at the mill does not prevent the local wildlife to make use of its natural habitat.
AREVA Resources Canada Inc. is a subsidiary of the AREVA group. AREVA supplies high added-value products and services to support the operation of the global nuclear fleet.

The company is present throughout the entire nuclear cycle, from uranium mining to used-fuel recycling, including nuclear reactor design and operating services.

AREVA is recognized by utilities around the world for its expertise, its skills in cutting-edge technologies and its dedication to the highest level of safety.

AREVA’s 40,000 employees are helping build tomorrow’s energy model: supplying ever safer, cleaner and more economical energy to the greatest number of people.

www.areva.com