

CAMECO CORP  
Form 40-F  
March 30, 2007

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**  
**FORM 40-F**  
**ANNUAL REPORT PURSUANT TO SECTION 13(a) or 15(d)**  
**OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended 31 December 2006

Commission file number: 1-14228

**CAMECO CORPORATION**

(Exact name of Registrant as specified in its charter)

**CANADA**

(Province or other jurisdiction of incorporation or organization)

1090

(Primary Standard Industrial Classification Code Number)

2121 11th Street West, Saskatoon, Saskatchewan, Canada, S7M 1J3, Telephone: (306) 956-6200

(Address and telephone number of Registrant's principal executive offices)

Fletcher Newton, Power Resources, Inc., 141 Union Boulevard, Suite 330

Lakewood, Colorado, USA 80228, Telephone: (720) 917-0112

(Name, address, (including zip code) and telephone number (including area code) of agent for service in the United States)

Securities registered pursuant to Section 12(b) of the Act:

Title of Class: Common Shares, no par value.

Name of Exchange where Securities are listed: New York Stock Exchange

Securities registered or to be registered pursuant to Section 12(g) of the Act: None

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act: None

Information filed with this form:

þ Annual Information Form

þ Audited annual financial statements

Number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report:

352,292,632 Common Shares outstanding as of 31 December 2006

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Indicate by check mark whether the Registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes

No

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes

No

Certain statements in this Form 40-F constitute forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. In Exhibit 99.1 see Note Regarding Forward-Looking Statements .

**UNDERTAKING**

Cameco Corporation undertakes to make available, in person or by telephone, representatives to respond to inquiries made by the Commission staff, and to furnish promptly, when requested to do so by the Commission staff, information relating to: the securities registered pursuant to Form 40-F; the securities in relation to which the obligation to file an annual report on Form 40-F arises; or transactions in said securities.

**CONSENT TO SERVICE OF PROCESS**

Cameco Corporation has previously filed a Form F-X in connection with the class of securities in relation to which the obligation to file this report arises.

Any change to the name or address of the agent for service of process of the registrant shall be communicated promptly to the Securities and Exchange Commission by an amendment to the Form F-X referencing the file number of the relevant registration statement.

**SIGNATURES**

Pursuant to the requirements of the Exchange Act, Cameco Corporation certifies that it meets all of the requirements for filing on Form 40-F and has duly caused this annual report to be signed on its behalf by the undersigned, thereto fully authorized.

DATED this 30<sup>th</sup> day of March, 2007.

CAMECO CORPORATION

Per: */s/ O. Kim Goheen*  
O. Kim Goheen  
Chief Financial Officer

**CERTIFICATIONS AND DISCLOSURE REGARDING  
CONTROLS AND PROCEDURES**

- (a) ***Certifications.*** See Exhibits 99.6 and 99.7.
- (b) ***Evaluation of disclosure controls and procedures.*** As of the end of the period covered by this report, an evaluation of the effectiveness of Cameco Corporation's disclosure controls and procedures (as such term is defined in Rules 13a-14(c) and 15d-14(c) of the United States Securities Exchange Act of 1934 (the Exchange Act)) was carried out by Cameco Corporation's Chief Executive Officer (CEO) and Chief Financial Officer (CFO). Based on that evaluation, the CEO and CFO have concluded that as of such date Cameco Corporation's disclosure controls and procedures are effective to ensure that information required to be disclosed by Cameco Corporation in reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in United States Securities and Exchange Commission rules and forms.

It should be noted that while the CEO and CFO believe that Cameco Corporation's disclosure controls and procedures provide a reasonable level of assurance that they are effective, they do not expect that the disclosure controls and procedures or internal control over financial reporting to be capable of preventing all errors and fraud. A control system, no matter how well conceived or operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met.

- (c) ***Management's annual report on internal control over financial reporting.*** Management, including Cameco Corporation's CEO and CFO, is responsible for establishing and maintaining adequate internal control over Cameco Corporation's financial reporting. Management conducted an evaluation of the effectiveness of internal control over financial reporting based on the Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this evaluation, management concluded that Cameco Corporation's internal control over financial reporting was effective as of December 31, 2006.
- (d) ***Attestation report of the registered public accounting firm.*** Management's assessment of the effectiveness of internal control over financial reporting as of December 31, 2006, was audited by KPMG, LLP, an independent registered public accounting firm, as stated in their report beginning on page Exhibit No. 99.22 of Exhibit No. 99.2 - 2006 Consolidated Audited Financial Statements and their report in Exhibit No. 99.22.
- (e) ***Changes in Internal Control Over Financial Reporting.*** During the fiscal year ended December 31, 2006, there were no changes in Cameco Corporation's internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, Cameco Corporation's internal control over financial reporting, except as follows:

On May 1, 2006, the second implementation phase of an enterprise resource planning application became operational at Cameco's Canadian operations, including the plant maintenance, purchasing, materials management, accounts payable and project systems modules. The first phase, completed as of January 1, 2003, included human resources, payroll and finance modules. Cameco believes that certain changes made to the company's internal control structure, in connection with this implementation, strengthened its internal control structure.

***Audit Committee Financial Expert.*** Cameco Corporation's board of directors has determined that an audit committee financial expert serves on its audit committee. The audit committee financial expert is John H. Clappison. Mr. Clappison is an independent director as such term is used in the rules of the New York Stock Exchange.



**Code of Ethics.** Cameco Corporation's code of conduct and ethics, corporate governance guidelines and mandates of the board and its committees and position descriptions for the chief executive officer and the non-executive chair can be found on Cameco Corporation's web site [www.cameco.com](http://www.cameco.com) under Governance and are also available in print to any shareholder upon request. Since the adoption of the code, there have not been any amendments to the code, nor have there been any waivers, including implied waivers, from any provision of the code.

**Principal Accountant Fees and Services.** Disclosure is contained in Exhibit No. 99.4.

**Off-Balance Sheet Arrangements.** In the normal course of operations, Cameco Corporation enters into certain transactions which are not required to be recorded on its balance sheet. These activities include the issuing of financial assurances, derivative instruments and long-term product purchase contracts. These arrangements are disclosed in the following sections of Exhibit No. 99.3 2006 Management's Discussion and Analysis and the notes for Exhibit No 99.2 2006 Consolidated Audited Financial Statements:

- 1. Financial assurances** in MDA disclosed at Nuclear Electricity Generation Business, Liquidity and Capital Resources, and Risks and Risk Management and disclosed in notes 7, 8, 19 and 24 of the Consolidated Audited Financial Statements.
- 2. Derivative instruments** in MDA disclosed at Uranium Business, Risks and Risk Management, and Critical Accounting Estimates and disclosed in note 25 of the Consolidated Audited Financial Statements.
- 3. Long-term product purchase contracts** in MDA disclosed at Uranium Business and Liquidity and Capital Resources and disclosed in note 24 of the Consolidated Audited Financial Statements.

**Tabular Disclosure of Contractual Obligations.** Disclosure is contained in Exhibit No. 99.3 2006 Management's Discussion and Analysis under the heading Liquidity and Capital Resources with tables entitled Contractual Cash Obligations and Commercial Commitments.

**Identification of the Audit Committee.** Cameco Corporation's audit committee is comprised of: Nancy E. Hopkins (chair), Oyvind Hushovd, J. W. George Ivany, A. Neil McMillan, Robert W. Peterson and John H. Clappison.

#### **Disclosure Pursuant to the Requirements of the New York Stock Exchange**

##### Presiding Director at Meetings of Non-Management Directors

Cameco Corporation schedules regular director sessions in which Cameco Corporation's non-management directors (as that term is defined in the rules of the New York Stock Exchange) meet without management participation. Mr. Victor J. Zaleschuk, as non-executive chair of the company, serves as the presiding director (the Presiding Director) at such sessions. Each of the registrant's non-management directors, other than Joe Colvin, is independent as such term is used in the rules of the New York Stock Exchange. Cameco Corporation's criteria for director independence are set out as Appendix A to its board mandate, which can be found on Cameco Corporation's website [www.cameco.com](http://www.cameco.com) under Governance.

##### Communication with Non-Management Directors

Shareholders may send communications to Cameco Corporation's Presiding Director or non-management directors by mailing (by regular mail or other means of delivery) to the corporate head office at 2121-11th Street West, Saskatoon, Saskatchewan, Canada, S7M 1J3 a sealed envelope marked Private and Strictly Confidential-Attention: Chair of the Board of Directors of Cameco Corporation. Any such envelope will be delivered unopened to the Presiding Director for appropriate action. The status of all outstanding concerns addressed to the Presiding Director will be reported to the board of directors as appropriate.

Corporate Governance Guidelines

According to Section 303A.09 of the NYSE Listed Company Manual, a listed company must adopt and disclose a set of corporate governance guidelines with respect to specified topics. Such guidelines are required to be posted on the listed company's website. Cameco Corporation operates under corporate governance guidelines that are consistent with the requirements of Section 303A.09 of the NYSE Listed Company Manual, and which are contained in the corporate governance guidelines which can be found at Cameco Corporation's website at [www.cameco.com](http://www.cameco.com) under Governance .

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99.4	Principal Accountant Fees and Services	
99.5	Consent of Auditors	
99.6	Certification of Chief Executive Officer pursuant to Rule 13a -14(a) or 15d	14 of the Securities Exchange Act of 1934
99.7	Certification of Chief Financial Officer pursuant to Rule 13a -14(a) or 15d	14 of the Securities Exchange Act of 1934
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99.21	Consent of Expert	
99.22	Report of Independent Registered Public Accounting Firm	