

CAMECO CORP
Form 6-K
September 25, 2006

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549**

FORM 6-K

**Report of Foreign Private Issuer
Pursuant to Rule 13a-16 or 15d-16 Under
the Securities Exchange Act of 1934
For the month of September, 2006**

Cameco Corporation

(Commission file No. 1-14228)

2121-11th Street West

Saskatoon, Saskatchewan, Canada S7M 1J3

(Address of Principal Executive Offices)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F Form 40-F

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

If Yes is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b):

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| 1. | Press Release dated September 25, 2006 | 3-4 |

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: September 25, 2006

Cameco Corporation

By:

Gary M.S. Chad

Gary M.S. Chad
Senior Vice-President, Governance,
Legal and Regulatory Affairs, and
Corporate Secretary

Listed

TSX

NYSE

web site address:

www.cameco.com

**Share
Symbol**

CCO

CCJ

2121 1st Street West, Saskatoon, Saskatchewan, S7M 1J3 Canada

Tel: (306) 956-6200 Fax: (306) 956-6201

Cameco Confirms Uranium Supply

Saskatoon, Saskatchewan, Canada, September 25, 2006

Cameco Corporation became aware today of incorrect and misleading speculation about the company's recent uranium purchase and existing supplies.

Cameco confirms that the company has sufficient uranium to meet all current and future sales commitments based on its inventory of uranium, current mining plans, reserve base and long-term purchase agreements. The company's uranium supply situation remains unchanged from the disclosure in the last quarter's management's discussion and analysis.

In addition to being the world's largest uranium producer, Cameco is one of the world's largest uranium traders. The recent purchase of about 1 million pounds U₃O₈ (400 tonnes as UF₆) at an average weighted price of less than \$51 (US) per pound U₃O₈ was one example of trading activity. The company identified this purchase as a buying opportunity and has already sold a portion of this material at higher prices. Cameco expects to sell the remainder of this material at a profit. Since the company purchased this material, the uranium spot price has increased to more than \$53 (US) per pound U₃O₈. Cameco will continue to look for trading opportunities.

The statements regarding the company's future financial outlook are based on the following key assumptions: no significant changes in our estimates for sales volumes, costs and prices as well as no disruption of supply from our mines or third-party sources.

Cameco, with its head office in Saskatoon, Saskatchewan, is the world's largest uranium producer. The company's uranium products are used to generate electricity in nuclear energy plants around the world, providing one of the cleanest sources of energy available today. Cameco's shares trade on the Toronto and New York stock exchanges. Statements contained in this news release, which are not historical facts, are forward-looking statements that involve risks, uncertainties and other factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements. Factors that could cause such differences, without limiting the generality of the following, include: the impact of the sales volume of fuel fabrication services, uranium, conversion services, electricity generated and gold; volatility and sensitivity to market prices for uranium, conversion services, electricity in Ontario and gold; competition; the impact of change in foreign currency exchange rates and interest rates; imprecision in decommissioning, reclamation, reserve and tax estimates; environmental and safety risks including increased regulatory burdens and long-term waste

disposal; unexpected geological or hydrological conditions; adverse mining conditions; political risks arising from operating in certain developing countries; terrorism; sabotage; a possible deterioration in political support for nuclear energy; changes in government regulations and policies, including tax and trade laws and policies; demand for nuclear power; replacement of production; failure to obtain or maintain necessary permits and approvals from government authorities; legislative and regulatory initiatives regarding deregulation, regulation or restructuring of the electric utility industry in Ontario; Ontario electricity rate regulations; natural phenomena including inclement weather conditions, fire, flood, underground floods, earthquakes, pit wall failure and cave-ins; ability to maintain and further improve positive labour relations; strikes or lockouts; operating performance, disruption in the operation of, and life of the company's and customers' facilities; decrease in electrical production due to planned outages extending beyond their scheduled periods or unplanned outages; success of planned development projects; and other development and operating risks.

Although Cameco believes that the assumptions inherent in the forward-looking statements are reasonable, undue reliance should not be placed on these statements, which only apply as of the date of this report. Cameco disclaims any intention or obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

- End -

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