

CAMECO CORP
Form 6-K
June 20, 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 June, 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):

Exhibit Index

| Exhibit No. | Description | Page No. |
|-------------|-----------------------------------|----------|
| 1. | Press Release dated June 19, 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: June 19, 2006

Cameco Corporation

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

2

| Listed | Share Symbol |
|--------|--------------|
| TSX | CCO |
| NYSE | CCJ |

web site address:
www.cameco.com

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

Cameco Acquires Interest in Uranium Exploration Company

Saskatoon, Saskatchewan, Canada, June 19, 2006

Cameco Corporation announced today that it has acquired a 19.5% share of UNOR Inc. and signed a strategic alliance with the company.

UNOR (formerly Hornby Bay Exploration Ltd.) is a uranium exploration and development company with its head office in Toronto, Ontario. Its principal properties are 226 mineral claims in northwestern Nunavut on the Hornby Basin, a geological formation with similar characteristics to the uranium-rich Athabasca Basin in northern Saskatchewan. UNOR's shares trade on the TSX Venture Exchange.

Cameco purchased 22.9 million common shares of UNOR at \$0.40 per share through a private placement for \$9.2 million. The strategic alliance agreement concluded between Cameco and UNOR includes the following terms:

As long as Cameco continues to hold 10% of UNOR's outstanding common shares, it will have the right to nominate one person for election to UNOR's board of directors, and UNOR will consult with Cameco on its exploration and development programs;

As long as Cameco continues to hold 16% of UNOR's outstanding common shares, it will have the right to participate in any future equity issues, match equity or debt required for mine development, operate any mine developed on UNOR's properties and market any uranium produced; and

Cameco and UNOR each have right of first refusal on each other's uranium projects in a specified area of Nunavut and the Northwest Territories.

This agreement strengthens our effort to identify new uranium reserves for the future, said Cameco president and CEO Jerry Grandey. Cameco gains the right to participate in the exploration of new regions and adds the expertise of a solid technical team to our knowledge base.

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; 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; weather and other natural phenomena; ability to maintain and further improve positive labour relations; 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; terrorism; sabotage; 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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| Media inquiries: | Lyle Krahn | (306) 956-6316 |

4