

Federal Authority Advice Record (FAAR)**FAAR Response must be submitted by February 3, 2026**

Lawyers-Ranch Project- Thesis Gold Inc. (proponent)

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1. Will your department or agency exercise a **power, perform a duty or function**, or provide **financial assistance**, related to the project to enable it to be carried out in whole or in part?

Based on the information provided to date, it is likely that NRCan may be required to exercise a power or perform a duty or function related to the Project, as NRCan may issue a licence, under the Explosives Act, for explosives manufacturing and storage.

As relevant,

- a) Specify the power, duty or function, or financial assistance, and the likelihood that it will be required to construct the project, based on the Initial Project Description, as either Required, Potential, Likely, Unlikely or Not Required

A licence by NRCan under the Explosives Act is unlikely to be required to construct the Project.

Rational: Based on the information provided and similar mining projects, NRCan is of the view that for the construction phase of the Project, the proponent will not use enough explosives to require explosives manufacturing on site. The Proponent would then only require a permit for explosives storage on the mine site, which could be delivered by the Government of BC. NRCan's licencing under the Explosives Act, for explosives manufacturing and the storage, would occur only for the operation phase. To be confirmed by the proponent.

- b) Describe any associated Indigenous or public consultation, including timelines

The licencing by NRCan under the *Explosives Act* would likely not trigger additional Indigenous or public consultation.

- c) Describe any associated information requirements (e.g., alternative means assessment, habitat offsetting), and specify those that may be coordinated with the impact assessment process, if an impact assessment is required

Not applicable

- d) Identify any associated project-specific guidance or issues of which the proponent should be aware, or information the proponent should provide.

The type of explosives licence to be required for construction.

- e) Indicate whether your department or agency has identified any power that it will not be exercising or may not be able to exercise to allow the project to be carried out, in whole or in part.

Not applicable

2. **Using Table 1**, identify project- and context- specific **key issues**, based on the expertise within your mandate¹ and the information in your possession, including the Initial Project Description, any exchanges with the proponent or others related to the project and known means to address the effects of the project. For each key issue:
- a) Specify the key issue (e.g., specific species and location)
 - b) Specify the project component or activity linked to the key issue
 - c) Explain why it's a key issue based on:

.../6

¹ Refer to the [Memoranda of Understanding with IAAC](#).

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- i. biophysical effect pathway(s) from the specific project component or activity
 - ii. concern unique to the project or a priority within your mandate
 - iii. the issue being material² to decision making under the *Impact Assessment Act*
- d) Identify how the issue could be resolved, including through means other than an impact assessment
- e) Identify additional information the proponent could provide including to give confidence on how the issue can be addressed through other means.

*Kathy McPherson – Sr. Impact
Assessment Officer*

Name of Departmental / Agency
Responder

² An issue is material to decision making if its analysis is anticipated to affect the conclusions on (1) whether adverse effects within federal jurisdiction or direct and incidental adverse effects (collectively adverse federal effects) are likely not significant, or of low, medium or high significance; (2) appropriate mitigation measures for significant adverse federal effects; or (3) justification in the public interest

Table 1: Key Issues to inform the impact assessment process

This table should outline key issues to inform the impact assessment process, including whether an impact assessment is required and, if so, the scope of the assessment and tailoring of the Tailored Impact Statement Guidelines/Application Information Requirements in a substituted assessment.

Key issues are the major concerns directly related to a project component or activity, the analysis of which is anticipated to be material to decision-making under the *Impact Assessment Act*.

Federal authorities' advice should be guided by the identification and resolution of key issues. If an impact assessment is required, it will be focused on key issues.

Comment ID	a) Key issue	b) Project component or activity	c)(i) Biophysical effect pathway(s)	c)(ii) Concern unique to the project or a priority within your mandate	c)(iii) Material to federal decision-making	d) Means for issue resolution	e) Additional information from the proponent
<p>Identify comments by organization and comment number.</p> <p>e.g.: IAAC-01</p>	<p>Specify the key issue (e.g., specific species and location).</p>	<p>Identify the project component or activity linked to the key issue.</p> <p>Be specific about the nature, scale, novelty and complexity or the component or activity.</p>	<p>Identify the specific biophysical effect pathway between the project component or activity and the affected environmental or human receptor (including Indigenous Peoples).</p>	<p>Describe why it's a key issue within the mandate of your department or agency, including in terms of priorities of the federal government and in terms of anticipated likelihood, severity or uncertainty of effects.</p> <p>Identify if the key issue is common for projects of this nature or in this sector, or whether it's unique to this project due to its complexity, size or novelty; a sensitive or rare receiving environment; and/or proximity of sensitive environmental or human receptors (including Indigenous Peoples).</p>	<p>Describe why the key issue is material to decision-making as either:</p> <ul style="list-style-type: none"> • an adverse effect within federal jurisdiction, or a direct or incidental adverse effect, that may be significant based on available evidence including: <ul style="list-style-type: none"> ○ federal experts' knowledge and experience with past project assessments; ○ presence of sensitive species, habitats or human receptors (including Indigenous Peoples); ○ novel or complex project activities, components or technologies; ○ high uncertainties in effects or in the effectiveness of mitigation measures; ○ unknown or unproven mitigation; or • a factor for the justification in the public interest anticipated to be material to decision-making such as a likely positive effect contributing to sustainability, to Canada's environmental obligations or climate change commitments or in supporting governmental priorities, such as reconciliation with Indigenous Peoples. 	<p>Describe how the key issue could be resolved or addressed by:</p> <ul style="list-style-type: none"> • Any means, including powers, duties, functions, frameworks, policies or guidance that your department or agency has; • Any means, including powers, duties, functions, frameworks, policies or guidance from another jurisdiction, including the province; • Common, proven, well-understood or standard mitigation measures to mitigate the effect or effect pathway(s); or • Commitments made by the proponent (e.g., in the Initial Project Description). 	<p>Describe information the proponent can provide, or commitments the proponent can make, in their Response to the Summary of Issues that would provide confidence that the issue can be resolved by existing means.</p> <p>Consider whether information, studies, analyses or collaborative work with other authorities would be required to address the issue beyond existing means.</p>
NRCan-01	<p>Geological and groundwater physical environments.</p> <p>Initial Project description (IPD December 17, 2025)</p> <p>Sec. 8.21 Physical Environment; Table B-1 Existing Conditions Studies Undertaken for the Project</p>	<p>Many project components influence groundwater recharge, flow and discharge. In particular, open pits and underground workings require dewatering. Similarly, groundwater wells</p>	<p>Groundwater flow provides baseflow to streams and, at times, is the dominant source of surface water quantity and quality. Groundwater typically supports fish and fish habitat in key aspects such as water quantity,</p>	<p>Although groundwater data are being collected (Table B-1), there is no description of the groundwater physical environment in the IPD. Similarly, there is no description of the geological physical</p>	<p>Fish and fish habitat are a key issue of federal jurisdiction. Local streams have fish and fish habitat that may be adversely influenced by project activities.</p>	<p>NRCan recommends that the geological and groundwater physical environments be described for baseline conditions. All the geological and groundwater methods and data should be reported in the DPD or EIS (and appendices). This reporting should include details of drilling, sampling, monitoring wells, monitoring data, and hydraulic testing using accepted methods and reporting practices. It should also</p>	<p>The proponent can commit to providing the information requested in column d).</p>

		directly remove groundwater.	water temperature and water quality.	environment in the IPD. Both descriptions above are common expectations for mining projects with groundwater takings or potential groundwater contamination.		include geological mapping and descriptions of all pertinent geological units and features. Description of the groundwater environment should also include characterization of hydrogeological units (e.g., their spatial extent and hydraulic conductivities) and of the groundwater flow system (e.g., groundwater recharge, flow paths, groundwater divides, groundwater-surface water interaction and features such as faults and fractures).	
NRCan-02	Dewatering of open pits and underground workings. Groundwater pumping from wells. Initial Project description (IPD December 17, 2025) Sec. 4.2 and Table 4-1, Proposed Project Components; Sec. 4.4 Water Requirements and Management.	Open pits and underground workings require dewatering which originates as groundwater flow into the pits or underground workings. Similarly, groundwater wells directly remove groundwater.	Groundwater flow provides baseflow to streams and, at times, is the dominant source of surface water quantity and quality. Groundwater typically supports fish and fish habitat in key aspects such as water quantity, water temperature and water quality.	The project will include both open pits and underground workings which will require dewatering. There is no mention of dewatering in the IPD, what use will be made of the water removed from the open pits and mines, nor the potential impacts of dewatering on groundwater levels, stream discharge, fish and fish habitat. The description of open pits and underground workings does not indicate the depths/elevations of these project elements. Although groundwater wells may be required for potable water supply, it is not clear if groundwater supply is needed for supplementation of process water given that water will also	Fish and fish habitat are a key issue of federal jurisdiction. Local streams have fish and fish habitat that may be adversely influenced by project activities.	NRCan recommends the development of appropriate 3D numerical groundwater models for baseline conditions as well as Operations, and Closure/Post-Closure phases. The groundwater models should be developed and reported using best practices. NRCan recommends using the groundwater model for analysis of anticipated groundwater inflows to and groundwater levels (drawdown) around open pits and underground workings with estimated impacts on stream discharge (and fish and fish habitat if applicable). The analysis should include appropriate maps, cross-sections and summary tables. NRCan recommends that water management plans include the estimated volumes/fluxes of water removed from open pits and underground workings and pumped from proposed groundwater wells. Discuss how this water will be managed and/or discharged to the environment.	The proponent can commit to providing the information and analysis requested in column d).

				<p>be supplied by dewatering.</p> <p>The above mentioned points are common expectations for mining projects with groundwater takings or potential groundwater contamination.</p>			
NRCan-03	<p>Potential interaction of Bull Trout and Rainbow Trout with project infrastructure on Notary Creek.</p> <p>Initial Project description (IPD December 17, 2025) Table 8-1, Sec. 8.2.2 Biophysical Feasibility Studies.</p>	<p>Many project components influence groundwater recharge, flow and discharge. In particular, open pits and underground workings require dewatering. Similarly, groundwater wells directly remove groundwater.</p>	<p>Groundwater flow provides baseflow to streams and, at times, is the dominant source of surface water quantity and quality. Groundwater typically supports fish and fish habitat in key aspects such as water quantity, water temperature and water quality.</p>	<p>Table 8-1 indicates that there is no potential interaction of Bull Trout and Rainbow Trout with project infrastructure on Notary Creek. However, Figure 4-3 shows the presence of two open pit mines with underground workings along the headwaters of Notary Creek. Dewatering necessary for mining could lower groundwater levels and discharge to Notary Creek (and other creeks). Decreased flow has the potential to impact fish and fish habitat.</p> <p>This is a common expectation for mining projects with groundwater takings or potential groundwater contamination.</p>	<p>Fish and fish habitat are a key issue of federal jurisdiction. Local streams have fish and fish habitat that may be adversely influenced by project activities.</p>	<p>Groundwater removal (by pumping or dewatering) can reduce stream flow in adjacent watersheds. Consequently, it is premature to assume that there are no potential interactions with project infrastructure in Notary Creek. NRCan recommends that Table 8-1 be updated. This example demonstrates the need for the development of appropriate 3D numerical groundwater models for the analysis of anticipated groundwater drawdown and of flow resulting from the proposed open pits and underground workings (as recommended in NRCan-02).</p>	<p>The proponent can commit to providing the information and analysis requested in column d).</p>
NRCan-04	<p>Cheni Mine TMF</p> <p>Initial Project description (IPD December 17, 2025) Sec. 3.3 Project history, Sec. 9.2 Potential Cumulative Effects</p>	<p>The Cheni mine TMF could influence baseline conditions and influence groundwater, surface water, fish</p>	<p>Groundwater flow through the Cheni mine TMF could influence fish and fish habitat.</p>	<p>NRCan recommends that any pertinent reporting and data in relation to the Cheni mine TMF (e.g. reports, monitoring</p>	<p>Fish and fish habitat are a key issue of federal jurisdiction. Local streams have fish and fish habitat that may be adversely influenced by project activities.</p>	<p>NRCan recommends that the Cheni mine TMF be shown on future maps/figures and any available data be considered in the assessment of cumulative effects.</p>	<p>The proponent can commit to providing the information requested in column d).</p>

		and fish habitat assessments.		data) be summarized and made available for review in the Lawyers-Ranch project.			
NRCan-05	<p>Initial Project Description (IPD, December 17, 2025)</p> <ul style="list-style-type: none"> Section 4.3.2 – Operation Phase Section 4.5.4 – Mining Waste and Tailings 	Mining and mineral processing activities resulting in the generation, handling, storage, and management of ore (including low-grade ore), waste rock, and tailings.	Disturbance and exposure of sulphide-bearing geologic materials to oxygen and water may result in metal leaching and acid rock drainage, and the use of cyanide in gold processing may result in the release of cyanide and/or its degradation products, with the potential to affect groundwater and surface water quality and downstream aquatic environments, including fish and fish habitat.	Geochemical characterization of ore (including low-grade ore), waste rock, and tailings is needed to inform predictions of drainage chemistry, support site and off-site water quality predictions, which are used to identify appropriate tailings and waste rock management and mitigation measures. This is a priority within NRCan's mandate related to source-term characterization and confidence in mitigation selection.	All mine waste must be appropriately characterized in order to support reliable drainage chemistry predictions, site and off-site water quality which then inform mitigation planning, and reduce uncertainty related to potential changes in groundwater or surface water quality that could result in adverse effects within federal jurisdiction, including effects on fish and fish habitat.	NRCan recommends adequate geochemical characterization of ore, low-grade ore, waste rock, and tailings to inform material management and mitigation measures consistent with established federal and provincial guidance, such as Prediction Manual for Drainage Chemistry from Sulphidic Geologic Materials (Report 1.20.1, MEND).	The proponent could provide scope, methods, and results of geochemical characterization and how results are used to inform tailings, waste rock management and mitigation measures.
NRCan-06	<p>Initial Project Description (IPD, December 17, 2025)</p> <ul style="list-style-type: none"> Section 4.3.2 – Operation Phase Section 4.5.4 – Mining Waste and Tailings 	Construction and site preparation activities involving excavation, handling, reuse, or disposal of historic mine wastes, overburden, and construction materials, including materials sourced on-site or transported from external sources.	Disturbance or re-disturbance of geologic materials may result in metal leaching and acid rock drainage (ML/ARD), with the potential to affect groundwater and surface water quality and downstream aquatic environments.	Geochemical characterization of all disturbed materials, including historic mine wastes and construction materials, is needed to inform predictions of drainage chemistry, support site and off-site water quality predictions which are used to make material management decisions. This is a priority within NRCan's mandate related to	Uncharacterized or inadequately characterized disturbed materials may contribute to changes in groundwater or site and off-site surface water quality that could result in adverse effects within federal jurisdiction, including effects on fish and fish habitat, and may introduce uncertainty regarding drainage chemistry predictions and the selection and effectiveness of mitigation measures.	NRCan recommends geochemical characterization of all disturbed materials to inform material management decisions consistent with established federal and provincial guidance such as Prediction Manual for Drainage Chemistry from Sulphidic Geologic Materials (Report 1.20.1, MEND).	The proponent could provide information on the scope, methods, and results of geochemical characterization for historic wastes and construction materials, and how results inform decisions on reuse, placement, or disposal.

				comprehensive source-term characterization.			
NRCan-07	<p>Initial Project Description (IPD, December 17, 2025)</p> <ul style="list-style-type: none"> Section 4.3.2 – Operation Phase Section 4.7 – Alternative Means for Carrying Out the Project 	Alternative means to manage waste rock and tailings	Waste rock and tailings that can generate metal leaching and acid rock drainage when exposed to water and oxygen may require an assessment of alternatives to identify the optimal mitigation measure.	Management of tailings and waste rock that can generate metal leaching and acid rock drainage on surface require the implementation of saturated water conditions or an engineered cover. Engineering covers are subject to erosion and their lifetime depends on continuous maintenance in perpetuity an issue often encountered in mining projects. The availability of open pits provides the opportunity of backfilling potential metal leaching and acid rock drainage material, which is a preferred approach MEND 2.36.1b.	Management of tailings and waste rock that may generate metal leaching and acid rock drainage into mined out pits provide an advantageous mean to mitigate metal leaching and acid rock drainage in the long-term.	NRCan recommends that the proponent provide better explanation of the sequential mining of underground workings and open pits. Since the mine may operate for 14 years, there may be opportunities to backfill mined-out pits during operations, decreasing surface liability associated with management of potential metal leaching and acid rock drainage on surface.	The proponent could continue internal and external consultation waste rock and tailings management workshops that consider timely backfill of mined-out pits.
NRCan-08	<p>Economic Conditions-Project feasibility</p> <p>Potential effects of the project</p>			The positive economic impact of mining projects is a key issue within NRCan’s mandate, as it directly supports the federal government’s priorities related to economic growth, critical mineral development, regional development, and reconciliation with Indigenous Peoples.	The positive economic impact of a mining project is material to decision-making as a factor in the justification in the public interest under the Impact Assessment Act. It can represent a likely positive effect that contributes to sustainability, supports Canada’s climate and environmental objectives—particularly through the responsible development of critical minerals—and aligns with federal priorities such as advancing regional economic development and reconciliation with Indigenous Peoples. Economic benefits, including employment, infrastructure investment, and local and Indigenous business opportunities, are often key to the long-term viability and acceptability of a project. These benefits can offset or contextualize potential adverse effects, provided they are transparently assessed and equitably distributed. As such, the economic dimension is integral to a	NRCan recommends that the proponent provide a detailed assessment of the positive economic impacts of their project by conducting an economic impact analysis. This should include a quantitative and qualitative evaluation of how the project will contribute to the local, regional, and national economy. Specifically, they should consider aspects such as job creation (direct, indirect, and induced employment), local business opportunities, government revenues (taxes and royalties), and infrastructure development.	The proponent can leverage Input-Output (IO) models to assess and quantify the positive economic impacts of their initiative, such as job creation, contributions to GDP, and overall economic activity. By providing key data—such as capital and operational expenditures, industry classification, supply chain details, and expected production or service output—they can generate insights

					balanced determination of whether a project is in the public interest.	They should also assess the long-term economic sustainability of the project, including potential economic diversification. To support their analysis, they can use models such as StatCan's public input-output model to estimate the broader economic effects. Additionally, it would be valuable for them to compare their findings with similar projects in other regions and provide insights into how the project aligns with market demand, global supply chains, and Canada's critical minerals strategy.	into direct, indirect, and induced economic effects. IO models use this information to estimate how spending circulates through the economy, affecting employment levels, labour income, and tax revenues at local, regional, and national levels. This analysis helps stakeholders and decision-makers understand the broader economic benefits of the project.

Please insert additional rows as necessary.