



May 12, 2022

British Columbia Environmental Assessment Office
836 Yates Street
Victoria, BC
V8W 1L8

Impact Assessment Agency of Canada
Pacific and Yukon Office
210A-757 West Hastings Street
Vancouver, BC
V6C 3M2

Sent Via Email

Attention: Tanishka Gupta, Ward van Proosdij, and Katherine St James

Re: Xat'sül First Nation – Spanish Mountain Gold Request for Substitution

Xat'sül T'micw Resources LLP ("XTR LLP") on behalf of Xat'sül First Nation ("XFN") has reviewed the Spanish Mountain Gold Project ("the Project") Environmental Assessment Office ("EAO") request for substitution pursuant to the *Impact Assessment Act (2019)* ("IAA"), as well as the IAA Cooperation Agreement between Canada and British Columbia. Furthermore, we also met with your agencies to discuss the above on April 26, 2022.

This letter provides an overview of XFN's understanding on the substitution request and Cooperation Agreement, and outlines support pursuant to agreeable project engagement and consensus seeking conditions.

The Project is expected to meet the definition of a designated project under the IAA and meets the thresholds for a reviewable project under the *Environmental Assessment Act (2018)* ("EAA"). It is our understanding that the substitution request and Cooperation Agreement between agencies is intended to align EAO and Impact Assessment Agency of Canada ("IAAC") processes and requirements, jointly establish requirements for the assessment, enable a single assessment application/report, and allow for respective and unfettered decisions by each agency.

Importantly, we also understand that the EAO seeks to rely on the advice from members of the Technical Advisory Committee ("TAC"), including representatives from federal authorities, in assessing the potential effects of the Project and the adequacy of any proposed mitigation measures. Along with this, we also understand that both agencies have a fiduciary duty to engage and consult with XFN with the goal of achieving consensus/consent on Project requirements and decisions. These sentiments were also echoed in our collective meeting on April 26, 2022.

Next, we are aware that the EAO is working closely with IAAC on the development of a joint Early Engagement Plan to enable coordinated engagement, facilitate common requirements, and issue joint documents, where possible, in accordance with the Cooperation Agreement. From our perspective, it will be important to ensure that this process is fluid and adaptive, allowing XFN to provide input throughout the regulatory process and lifetime of the Project to ensure meaningful engagement, adequate consultation, and to fully capture XFN interests and concerns.

Based on the above understandings and XFN's request to directly engage in consultation with the EAO and IAAC throughout the Project in an effort to obtain consensus/consent on key processes, requirements, and decisions, we are in a position to support the EAO and IAAC request for substitution.



We look forward to working with the EAO and IAAC to develop a joint XFN engagement process whereby the three parties will work together through the Project lifecycle.

Should there be any questions or comments, please contact Alexander Fanni, Project Manager, XTR LLP. Our team looks forward to meeting with the agencies to begin outlining a collective consultation and engagement process.

Sincerely,
<Original signed by>

Alexander Fanni,
Project Manager
Xatsūll T'micw Resources LLP

Cc: Chief Sheri Sellars, Xatsūll First Nation
Mike Stinson, Mining Coordinator, Xatsūll First Nation, Natural Resources Department