I have carefully read the revised manuscript and the reply made by the authors to both referees. While I believe that Physical Review Applied could in principle be more suitable for such a practical demonstration of range finding with thermal light, I found the minor revisions made by the authors to be insufficient. I therefore encourage the authors to fully address the following points upon resubmission:

- While I appreciate the fact that the demonstration in ref. [15] was in-fiber ranging, I do believe that it is important to make the novelty of your current demonstration clearer in the text. To my understanding, the main novelty here is practical - the use of a subthreshold laser diode for an experimental demonstration of thermal light-based range sensing in free space over almost 2 km. This point should be made clear in the text, in respect to previous works (e.g. [15] and <u>https://doi.org/10.1364/OE.486348</u>). The current manuscript in my opinion still slightly implies that ranging using thermal light was not demonstrated/proposed before.
- 2. In the first reply, the higher loss of a free-space link is mentioned: "The return loss in a non-lab based free space range finding measurement is significantly larger...". What was the loss in your experiment? It would be useful to discuss how it compares to realistic scenarios (for example without a retro-reflector) and what could be further improved in the system to mitigate additional loss.
- 3. Regarding the use of the term "quantum sensing". I agree that this term is used extensively in the community. I do suggest at least making it clear in the text what you mean by that. As you suggested: "That said, we do feel that quantum sensing a such has probably a less obvious or widely accepted definition as one would like to in physics, and we hope to perhaps contribute to a necessary discussion with our work", I feel that having a short description of what you mean by quantum sensing in your context will be beneficial.
- 4. I believe that further discussing the advantages of thermal light sensing compared with standard modulated intensity schemes in the text would be useful.