

**DISCOVEX RESOURCES LIMITED**  
**ACN 115 768 986**  
**SUPPLEMENTARY BIDDER'S STATEMENT**

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**1. IMPORTANT INFORMATION**

This document is the supplementary bidder's statement (**Supplementary Bidder's Statement**) made under section 643 of the *Corporations Act 2001* (Cth) (**Corporations Act**) by DiscovEx Resources Limited (ACN 115 768 986) (**DiscovEx**) to the bidder's statement dated and lodged with the Australian Securities and Investments Commission (**ASIC**) on 24 April 2024 issued by DiscovEx (**Original Bidder's Statement**) in relation to its off-market takeover offer (**Offer**) for all of the fully paid ordinary shares on issue in Latitude 66 Cobalt Limited (ACN 623 040 773) (**Latitude**).

This Supplementary Bidder's Statement was lodged with ASIC on 22 May 2024. Neither ASIC nor ASX, nor any of their officers, takes any responsibility for the contents of this Supplementary Bidder's Statement.

This Supplementary Bidder's Statement must be read together with the Original Bidder's Statement. If there is a conflict between the Original Bidder's Statement and this Supplementary Bidder's Statement, this Supplementary Bidder's Statement will prevail.

Unless the context otherwise requires, terms defined in the Original Bidder's Statement have the same meaning in this Supplementary Bidder's Statement.

Please consult your legal, financial or other professional adviser if you do not fully understand the contents of this Supplementary Bidder's Statement.

A copy of this Supplementary Bidder's Statement will be available on the ASX website ([www.asx.com](http://www.asx.com)) and the Company's website ([www.discovexresources.com.au](http://www.discovexresources.com.au)).

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**2. PURPOSE OF THIS SUPPLEMENTARY BIDDER'S STATEMENT**

The purpose of this Supplementary Bidder's Statement is to amend certain information provided to investors in the Original Bidder's Statement as set out in Section 3 below.

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**3. AMENDMENTS TO THE ORIGINAL BIDDER'S STATEMENT**

The following amendments are made to the Original Bidder's Statement:

**3.1 Letter from the DCX Chairman**

The first paragraph on page vi is amended by:

(a) replacing:

*"The Combined Group will undertake a diversified growth strategy to grow the JORC Code compliant resource at the KSB Project, continue to advance the study work on the pathway to development of the strategic gold and cobalt projects, management of the strategic "free carry" joint venture interest in the Greater Duchess Copper Gold Joint Venture and continuing to advance the strategic exploration assets in both Western Australia and Finland."*

with

*“The Combined Group will undertake a diversified growth strategy to grow the Mineral Resource Estimate at the KSB Project, continue to advance the study work on the pathway to development of the strategic gold and cobalt projects, management of the strategic “free carry” joint venture interest in the Greater Duchess Copper Gold Joint Venture and continuing to advance the strategic exploration assets in both Western Australia and Finland.”*

### 3.2 Section 3.3 (Directors and key personnel of DCX)

The second paragraph under the heading “**David Morgan – Non-Executive Director**” on page 16 is amended by:

(a) Replacing the sentence which states that:

*“He was General Manager Mining and Metallurgy for Sundance Resources' Mbalam Iron Ore Project in Cameroon where he oversaw the completion of a PFS on a \$3.3 billion Direct Shipping Ore and Itabirite project for that company, including the delivery of 10 years of JORC compliant, high grade Ore Reserves and the establishment of project metallurgical and processing parameters.”*

with

*“He was General Manager Mining and Metallurgy for Sundance Resources' Mbalam Iron Ore Project in Cameroon where he oversaw the completion of a PFS on a \$3.3 billion Direct Shipping Ore and Itabirite project for that company.”*

### 3.3 Section 3.17 (Further information)

The table in Section 3.17 is amended by inserting the following:

Date	Subject of Announcement
21 May 2024	Takeover Bid Update
21 May 2024	Takeover Update
15 May 2024	Supplementary Target's Statement
15 May 2024	Takeover Bid Update - 25% threshold reached
30 April 2024	Quarterly Activities Report
30 April 2024	Quarterly Cashflow Report
26 April 2024	Prospectus
26 April 2024	Greater Duchess Exploration Update - CNB
26 April 2024	Target's Statement
24 April 2024	Bidder's Statement

### 3.4 Section 4.2 (Overview of Latitude 66)

The following paragraph in Section 4.2 is amended by:

(a) replacing the paragraph which states that:

*"Latitude 66 has unlocked the potential of the Kuusamo Schist Belt (KSB) with new discoveries and significant increases in the cobalt and gold mineral resource inventory. Latitude 66 possesses cobalt and gold projects in Finland spanning all stages of the exploration pipeline, from greenfield exploration targets to mine development."*

with

*"Latitude 66 has unlocked the potential of the Kuusamo Schist Belt (KSB) with new discoveries and significant increases in the cobalt and gold mineral resource inventory. Latitude 66 possesses cobalt and gold projects in Finland spanning all stages of the exploration pipeline."*

### **3.5 Section 4.2.1 (KSB Project)**

The second paragraph of Section 4.2.1 is amended by:

- (a) replacing:

*"K North (K1, K2 and K3) contains a JORC compliant resource of 650,000oz Au (7.3Mt @ 2.7g/t) and 5,840t Co (@ 0.08%) with the following resource category:"*

with

*"K North (K1, K2 and K3), being entirely contained within the Latitude 66 mining permit area, contains a Mineral Resource Estimate of 650,000oz Au (7.3Mt @ 2.7g/t) and 5,840t Co (@ 0.08%) with the following resource category:"*

### **3.6 Section 4.2.2 (PSB Project)**

The fifth paragraph of Section 4.2.2 is amended by:

- (a) replacing the sentence which states that:

*"In addition to gold, the Peräpohja Schist Belt also contains other economically important minerals such as copper, zinc, and nickel."*

with

*"In addition to gold, the Peräpohja Schist Belt also contains other minerals such as copper, zinc, and nickel."*

### **3.7 Section 8.3 (Latitude 66 specific risks)**

Section 8.3 is amended by:

- (a) deleting the "Potential expiry of the mining concession/right in the Juomasuo area" risk factor and replacing it with the below "Potential expiry of the mining concession/right in the Juomasuo area" risk factor;
- (b) adding the "Exploration Permit expiry and pending appeals" risk factor; and
- (c) deleting the "Environmental impacts of activities carried out in Juomasuo area" risk factor and replacing it with the below "Environmental impacts of activities carried out in Juomasuo area" risk factor.

Risk Category	Risk
<p><b>Potential expiry of the mining concession/right in the Juomasuo area</b></p>	<p>Latitude 66's Juomasuo mining concession/right mining register number 3965 (including both the Juomasuo mining concession, original mining register number 3965/1a and the Pohjasvaara mining concession, original mining register number 3965/2a, by which the original Juomasuo mining concession was later enlarged) is in force until further notice subject to commencement of mining activity as regulated in the Finnish Mining Act.</p> <p>Under Finnish law, a mining permit will expire:</p> <ul style="list-style-type: none"> <li>a) if the permit holder has not, within the applicable time limit, initiated mining activity or such preparatory work as indicates that the permit holder is seriously aiming at actual mining activity;</li> <li>b) if mining activities have been interrupted because of a factor dependent on the mining permit holder continuously for a minimum of five years; or</li> <li>c) if mining activities can be considered to have ended.</li> </ul> <p>The permit holder can apply for postponement of expiry of the permit in case the mining activity or preparatory work has not been commenced within the set time. The permit authority may postpone the expiry of the mining permit (twice at the most and for a maximum of ten years in all) and specify a new deadline for commencing mining activity, or for continuing operations. Latitude 66 applied for such an extension and on 28 April 2022 a decision was issued by the Finnish mining authority that mining activity must be commenced in five years after the decision has gained legal force. This decision has not gained legal force since it has been appealed to the competent Finnish Administrative Court by various third parties unrelated to Latitude 66 where the matter is pending. In the pending appeals both the approved postponing of expiry of the mining permit and the issuance of the necessary provisions for securing public and private interests in relation to the mining permit has been appealed. As far as the postponing of expiry of the mining permit is in question it has been demanded in the appeals that the decision of Turvallisuus- ja kemikaalivirasto (<b>Tukes</b>) shall be revoked and the matter shall be referred back to Tukes for declaring that the Juomasuo mining permit has expired. These appeals are at a preliminary stage with no date yet set for a hearing or provision of submissions. The Company does not consider that it can make an assessment of the likely success of such appeals on reasonable grounds at this time, however does note that Latitude 66 operations and actions fulfill all requirements of Finnish Mining Act for an extension of the mining permit.</p> <p>The Company will keep the market fully informed of any material developments with regard to the pending appeals.</p> <p>The Company notes that when a decision is appealed to the Administrative Court, the decision gains legal force after the Administrative Court has issued its decision and the time allowed for appeal has expired provided that no appeals have been submitted in that time. Moreover, if the decision is further appealed to the Supreme Administrative Court, the decision will gain legal force after the Supreme Administrative</p>

	<p>Court has issued its decision. The date on which the decision gains legal force and becomes final is directly based on the legislation and cannot be ordered by the Administrative Court or the Supreme Administrative Court.</p> <p>As a consequence, the decision of the Finnish mining authority on the postponing of expiry of the Juomasuo mining permit cannot gain legal force retrospectively. Consequently, the decision of the Finnish mining authority cannot gain legal force from the date it was originally issued since the decision has been appealed to the Administrative Court.</p> <p>If the appeals are rejected and the abovementioned decision is upheld, according to the decision of the mining authority, Latitude 66 shall commence mining activity in five years after the decision has gained legal force. Latitude 66's plan is to obtain the necessary permits required for commencement of mining activity during Q2/2024-Q2/2027, carry out the necessary construction works during Q1/2027-Q1/2028 and commence mining activity in 2028. Possible appeals against the permits may cause a delay to the planned timetable. The expiry of the Juomasuo mining permit (the original Juomasuo mining concession and Pohjasvaara mining concession) has already been postponed once earlier. Thus, in accordance with the Finnish Mining Act, it would not be possible to postpone the expiry of the Juomasuo mining permit further unless the conditions for deviating from the maximum postponement limitation can be fulfilled.</p> <p>If the Administrative Court considers that the prerequisites for postponing expiry of the Juomasuo mining permit are not fulfilled and, respectively, the prerequisites for ordering the mining permit to expire are considered met, according to the Finnish Mining Act the mining authority shall decide that the mining permit expires. When a mining permit expires, the permit holder will lose the right to carry out mining activities and exploration in the area as well as the privilege for exploiting the minerals. The right and privilege to the deposit could be acquired again by being the first party to submit a new mining permit application or an exploration permit application in accordance with the Finnish Mining Act after the Juomasuo mining permit has expired. A new mining permit or an exploration permit application can be submitted only after a qualifying period unless the conditions for deviating from this requirement can be fulfilled. By submitting a reservation notification, that party may reserve an area for himself for the purpose of preparing an application for an exploration permit. With respect to a reservation notification, the qualifying period applies if the reservation is applied for an area that has previously been a reservation area.</p>
<p><b>Exploration Permit expiry and pending appeals</b></p>	<p>The Company notes that the Latitude 66 exploration permits are expected to be material to the Company's operations following completion of the Proposed Acquisition.</p> <p>Further, the Company notes that the exploration permits are separate and independent permits for which the validity of and requirements are considered separately from the mining permit. Thus, possible expiry of the mining permit would not automatically lead to expiration or cancellation of any of Latitude 66's exploration permits.</p> <p>With respect to the pending appeals against certain of the exploration permits by various third parties unrelated to</p>

	<p>Latitude 66, there is a risk that the exploration permit decisions that have not yet gained legal force could be reversed. These appeals relate to the validity of the granting of the exploration permits to Latitude 66 and have been made on grounds such as the Finnish mining authority not having followed the required permitting process and various environmental and biodiversity impacts. These appeals are at a preliminary stage with no date yet set for a hearing. The Company does not consider that it can make an assessment of the likely success of such appeals on reasonable grounds at this time, however, does note that all previous appeals against exploration permits granted to Latitude 66 have been unsuccessful.</p> <p>The Company will keep the market fully informed of any material developments with regard to the pending appeals.</p>
<p><b>Environmental impacts of activities carried out in Juomasuo area</b></p>	<p>An administrative constraint procedure is ongoing in relation to Latitude 66's Juomasuo mining concession area and the waste rock areas located therein. The local authority considers ordering Latitude 66 to conduct investigation of the environmental impacts of the activities carried out in the mining concession area in the Hangaspuro stream. If the authority were to issue the contemplated order, Latitude 66 would be obligated to conduct the required investigations imposing some additional costs.</p> <p>Latitude 66 notes that should the local authority order Latitude 66 to conduct investigation of the environmental impacts of the activities carried out in the mining concession area in the Hangaspuro stream and the investigation show that restorative measures are needed, preparation of the plans for restorative measures would create costs. Latitude 66 notes given no such investigations have been required.</p> <p>Consequently, Latitude 66 is not presently able to reliably estimate the financial and timing implications of any restorative order given that this would be entirely dependent on the outcome of such investigations should they be required. Further, Latitude 66 is of the opinion that the contemplated administrative constraint order is not necessary since the company has already ordered investigation of the potential environmental impacts in the Hangaspuro stream.</p> <p>If pollution would be discovered in the Hangaspuro stream, Latitude 66 shall in addition to the results of the investigation, provide a report on the need for restoration and a proposal for possible restoration measures to the supervision authority. In that case, the authority might issue new orders obligating Latitude 66 to conduct the necessary measures to restore the environment to a previous state or to reduce or eliminate the harm that has arisen, and possibly to avoid further harm or damage which actions would impose further costs. If the pollution detected in the Hangaspuro stream would be found to result from the Juomasuo mining concession area (such as the waste rock areas) further investigation concerning possible contamination of soil as well as measures to treat the possible contamination and to avoid further pollution could be required. In addition to the above investigation and restoration obligations, a third party could claim compensation for environmental damages.</p>

Test mining has been conducted at the Juomasuo mining concession area as evidenced by an old quarry, settling basins and waste rock areas that are currently located in the area. However, Latitude 66 has stated that activities conducted by the company only include fencing, landscaping, drilling, sampling and other similar actions and therefore, no activities imposing potential harmful environmental impacts and/or pollution. Thus, it seems that the activities which could cause potential pollution, have not originally been conducted by Latitude 66 but a former operator in the Juomasuo area.

The Finnish legislation provides mechanisms for presenting claims against a former operator in a certain area. However, the authority may primarily try to issue the restoration order(s) to Latitude 66 as the current operator and holder of the Juomasuo mining concession area. In addition, limitations and/or division of liability including the contracts and/or transaction documents concerning or involving the Juomasuo mining concession area may impact the possibility to address the environmental liabilities to the former operators.

Additionally, Latitude 66 notes that, the Centre for Economic Development, Transport, and the Environment of North Ostrobothnia (**ELY Centre**) has on 7 May 2024 issued its decision in the administrative proceeding related to impacts of activities at the Juomasuo area on the administrative compulsion regarding taking of samples from Hangaspuro stream. The ELY Centre ordered Latitude 66 Cobalt Oy to:

- a) investigate the quality of water and sediments in Hankaspuro and their harmfulness; and
- b) submit the research results, a report on the need for remediation and a proposal for possible remediation measures to the ELY Centre.

Sampling is to be carried out twice during the year so that the samples represent both minimum flow and excess flow periods. Based on the results of the analysis, a report shall be submitted on the need for remediation of Hangaspuro stream and possible necessary remediation measures. This obligation must be fulfilled by 31 August 2025 and has a penalty payment of EUR 30,000 which may be ordered to be paid if the obligation is not fulfilled by this date. Latitude 66 has arranged for the necessary sampling to occur and the Company will keep the market fully informed of any material developments with regard to this obligation.

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#### **4. CONSENTS**

The Company confirms that as at the date of this Supplementary Bidder's Statement, each of the parties that have been named as having consented to being named in the Bidder's Statement have not withdrawn that consent.

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#### **5. ASIC AND ASX DISCLAIMER**

A copy of this Supplementary Bidder's Statement was lodged with ASIC and provided to ASX on 22 May 2024. None of ASIC, ASX or any of their respective officers takes any responsibility for the contents of this Supplementary Bidder's Statement.

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**6. FURTHER INFORMATION**

Latitude Shareholders who have any questions in relation to the Offer please call the DCX/Latitude 66 Takeover Query Line on 1300 441 607 (within Australia) or +61 2 7250 6677 (from outside Australia).

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**7. DIRECTOR'S AUTHORISATION**

This Supplementary Bidder's Statement has been approved by a unanimous resolution passed by the directors of DiscovEx.



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Signed for and on behalf of  
DiscovEx Resources Limited  
Toby Wellman  
Managing Director