

EXPLANATORY NOTES TO THE AGENDA OF THE EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS OF FORTUNA ENTERTAINMENT GROUP N.V.

Shareholders and persons entitled to attend shareholders' meetings of Fortuna Entertainment Group N.V. (the "**Company**") are invited to the Extraordinary General Meeting of Shareholders of the Company (the "**EGM**") to be held at the registered office of the Company at the address Strawinskylaan 809 WTC T.A/L 8, 1077 XX Amsterdam, The Netherlands, on 1 December 2017, starting at 11.00 a.m. (CET) and to take note of these explanatory notes to the agenda of the EGM.

Agenda for the EGM

1. Opening
2. Appointment of Boudewijn Wentink as a new member of the Management Board (*voting item*)
3. Approval of the amendment to the Company's articles of association (*voting item*)
4. Approval of the remuneration policy of the Management Board (*voting item*)
5. Appointment of Tom de Waard as a new member of the Supervisory Board (*voting item*)
6. Appointment of Michael R. Clark as a new member of the Supervisory Board (*voting item*)
7. Approval of the remuneration of the members of the Supervisory Board (*voting item*)
8. Closing

These explanatory notes include facts and circumstances relevant to shareholders of the Company with respect to agenda items that require to be voted upon. Such agenda items are marked with a "******".

| AGENDA ITEM | EXPLANATORY NOTES |
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| Agenda item 1 | Opening |
| Agenda item 2* | <p>Appointment of Boudewijn Wentink as a new member of the Management Board</p> <p>The appointment of Mr Wentink is recommended in view of the Company's focus on strengthening the Management Board as well as its focus on and commitment to Dutch corporate governance standards. In light of Mr Wentink's experience, both in private practice as a Dutch lawyer as well as on the boards of various international companies, the Management Board and Supervisory Board are very pleased that Mr Wentink is available to serve as a member of the Management Board.</p> <p>Mr Wentink was trained as a Dutch lawyer and is currently the Chief Executive Officer of Avocet Mining Plc, a West African gold mining and exploration company listed on the London Stock Exchange and the Oslo Børs. Mr Wentink was previously the Finance and Legal Director of New World Resources Plc, a (formerly listed) Central European hard coal producer. Prior to that, Mr Wentink was the Chief Compliance Officer at TNT Express in the Netherlands. Mr Wentink graduated from the Erasmus University Rotterdam where he obtained an LL.M in private law.</p> <p>Age: 48 Nationality: Dutch Current Position: Chief Executive Officer of Avocet Mining PLC Shares in the Company: 0</p> <p>In light of the above, the Management Board and the Supervisory Board jointly recommend the appointment of Mr Wentink.</p> <p>It is proposed to the General Meeting to appoint Mr Boudewijn Wentink as a new member of the Management Board for a period of four (4) years effective as of the date of this EGM, in accordance with article 15.3 of the Company's articles of association (the "Articles of Association"), provided that his term of appointment will end at closing of the first general meeting to be held in 2021.</p> |
| Agenda item 3* | <p>Approval of the amendment to the Company's Articles of Association</p> <p>The Articles of Association currently provide that if there is a tie in votes in the meeting of the Management Board, the chairman of the board of managing directors shall have the casting vote (Article 18.2).</p> <p>Agenda item 2 concerns the proposed appointment of Boudewijn Wentink as a new member of the Management Board. Mr Boudewijn Wentink resides in London, United Kingdom.</p> <p>In light of his proposed nomination to the Management Board and to maintain equal decision-making power between the two non-Dutch members of the Management Board (Mr Widerstrom and Mr Wentink) and the two Dutch members of the Management Board (Mr Van Bruchem and Ms Galacova), it is proposed to the General Meeting to remove the final sentence in Article 18.2 of the Articles of Association. The objective of this minor amendment is to avoid potential issues surrounding the tax treatment of the Company in the Netherlands.</p> <p>Also, since the last amendment of the articles of association, Dutch law has changed. Some other amendments to the articles are proposed to reflect these changes in law. In addition, it is proposed to make some general textual changes to the articles of association.</p> <p>Approval of the amendment of the Company's Articles of Association includes the authorization of each managing director of the Company and also each civil law notary, deputy civil law notary and notarial assistant of Allen & Overy LLP, each of them severally, to have the deed of amendment of the Company's Articles of Association executed.</p> <p>A copy containing a verbatim text of the proposed amendment to the Company's articles of association is available on the Company's website (www.fortunagroup.eu) as well as at the Company's offices and is included as Annex I to these explanatory notes.</p> |

AGENDA ITEM

EXPLANATORY NOTES

Agenda item 4*

Approval of the Remuneration Policy of the Management Board

In the past, the remuneration policy of the Management Board was laid down in the information set out annually in the annual accounts of the Company, as approved by the shareholders of the Company. In light of the proposed addition of Mr Wentink to the Management Board and in order to improve overall transparency, the Supervisory Board has now set out the proposed Remuneration Policy separately for the approval of the general meeting.

The Remuneration Policy determines the form, structure and method of determining the remuneration of the Management Board members by the Supervisory Board. It aims to provide a transparent and competitive structure which allows for remuneration to properly reflect the performance and experience of the individual members.

The proposed Remuneration Policy is available on the Company's website (www.fortunagroup.eu) as well as at the Company's offices and is included as Annex II to these explanatory notes.

The Supervisory Board unanimously recommends that the general meeting adopt the proposed Remuneration Policy which will take effect as per its adoption.

Agenda item 5*

Appointment of Tom de Waard as a new member of the Supervisory Board

In light of the ongoing effort of the Company to substantially increase its focus on Dutch Corporate Governance, and in order to deliver on its promise to shareholders to appoint an additional Supervisory Board member with specific knowledge and expertise in relation to Dutch Corporate Governance, the Management Board and Supervisory Board are very pleased that Mr De Waard is available to serve as a member of the Supervisory Board.

It is envisaged that, following his appointment as a member of the Supervisory Board, Mr De Waard will be appointed as Chairman of the Supervisory Board at the next Supervisory Board meeting.

Mr De Waard has vast experience practising as a Dutch corporate lawyer at renowned national and international law firms for over four decades. He is currently a partner with DeWaardSinke advocaten. From 1993 to 1995, Mr De Waard was the Dean of the Dutch Bar Association (*Nederlandse Orde van Advocaten*). Mr De Waard also on occasion acts as a temporary official appointed by the Enterprise Chamber of the Amsterdam Court of Appeal. Mr De Waard received his law degree from Leiden University in 1971.

Mr De Waard chairs the Supervisory Board of BE Semiconductor Industries N.V. (BESI). He is a member of the supervisory board of CWT Europe B.V., an executive director of the board of Nexperia Holding B.V., and the chairman of the Board of the Share Administration Office of Telegraaf Media Groep N.V.

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| Age: | 70 |
| Nationality: | Dutch |
| Current Position: | Partner at DeWaardSinke Advocaten Chairman, Supervisory Board of BE Semiconductor Industries N.V. (BESI) Member, Supervisory Board of CWT Europe B.V. Executive Director, Board of Nexperia Holding B.V. Chairman, Board of the Share Administration Office of Telegraaf Media Groep N.V. |
| Shares in the Company: | 0 |

Mr De Waard is independent in the sense of Article 22.2 of the Articles of Association and Article 2.1.8 of the Dutch Corporate Governance Code.

Mr De Waard's vast experience, both as a corporate lawyer and on the board of several international companies, make him very well-suited as Chairman of the Company's Supervisory

| AGENDA ITEM | EXPLANATORY NOTES | | | | | | | | |
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| | <p>Board. Therefore, the Management Board and the Supervisory Board jointly propose to the shareholders to appoint Mr De Waard as a member of the Supervisory Board for a period of four (4) years effective as of the date of this EGM, in accordance with article 23.3 of the Articles of Association, provided that his term of appointment will end at closing of the first general meeting to be held in 2021.</p> | | | | | | | | |
| <p>Agenda item 6*</p> | <p>Appointment of Michael R. Clark as a new member of the Supervisory Board</p> <p>In light of the strengthening of the Company's Supervisory Board, the Management Board and Supervisory Board are very pleased that Mr Clark, who possesses a wealth of financial knowledge and expertise, is available to join the Supervisory Board.</p> <p>Mr Clark graduated from Leeds University in the UK. He is a UK Chartered Accountant and obtained additional financial qualifications specifically the UK Insolvency Practitioner's examinations and the corporate finance diploma from the ICAEW. Subsequently, Mr Clark gained financial expertise as a Senior Executive with over 25 years of experience in central and Eastern Europe in both the advisory and financial sectors with a specialisation in distressed assets and businesses.</p> <p>As of May 2016, Mr Clark works as an advisor in the banking sector. In the past, Mr Clark performed various governance-level roles in the CIB Group (Intesa Sanpaolo), Hungary as a board and committee member (from 2009 and 2016). Prior to the CIB Group, Mr Clark was a partner with Deloitte Central Europe (2006 – 2009 and 1999 – 2002, respectively). From 2003 to 2008 Mr Clark had his own company focused on non-performing loan advising.</p> <table data-bbox="555 965 1043 1122"> <tr> <td>Age:</td> <td>55</td> </tr> <tr> <td>Nationality:</td> <td>British</td> </tr> <tr> <td>Current Position:</td> <td>Advisor in the banking sector Board member of Rockall SIA</td> </tr> <tr> <td>Shares in the Company:</td> <td>0</td> </tr> </table> <p>Mr Clark is independent in the sense of Article 22.2 of the Articles of Association and Article 2.1.8 of the Dutch Corporate Governance Code.</p> <p>Given Mr Clark's background and experience in the financial sector, the Management Board and the Supervisory Board jointly propose to the shareholders to appoint Mr Clark as a member of the Supervisory Board for a period of four (4) years effective as of the date of this EGM, in accordance with article 23.3 of the Articles of Association, provided that his term of appointment will end at closing of the first general meeting to be held in 2021.</p> | Age: | 55 | Nationality: | British | Current Position: | Advisor in the banking sector Board member of Rockall SIA | Shares in the Company: | 0 |
| Age: | 55 | | | | | | | | |
| Nationality: | British | | | | | | | | |
| Current Position: | Advisor in the banking sector Board member of Rockall SIA | | | | | | | | |
| Shares in the Company: | 0 | | | | | | | | |
| <p>Agenda item 7*</p> | <p>Approval of the remuneration of the members of the Supervisory Board</p> <p>The company advocates a simple and transparent structure with regard to the remuneration for members of the Supervisory Board. The remuneration level should be in line with peers and with levels adequate to attract qualified (international) Supervisory Board members. Furthermore, the remuneration should be aligned with the responsibilities and time spent by the Supervisory Board members.</p> <p>In view of the above, it is proposed to determine the remuneration for members of the Supervisory Board with effect as of their appointment, as follows:</p> <ol style="list-style-type: none"> a. fixed annual remuneration for a regular member of the Supervisory Board: EUR 30,000 b. fixed annual remuneration for the Chairman of the Supervisory Board: EUR 65,000 <p>As to the Supervisory Board members currently in office, the two Supervisory Board members affiliated with the majority shareholder, Mr Child and Mr Smrha, do not and will continue not to receive any remuneration. The remuneration of the current independent Supervisory Board member, Mr Ronde, is also determined as a fixed annual remuneration for a regular member of the Supervisory Board, i.e. EUR 30,000.</p> | | | | | | | | |

| AGENDA ITEM | EXPLANATORY NOTES |
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| | The proposed remuneration for the Supervisory Board members does not include a variable component (bonus) and/or a long-term incentive plan, nor does it include an additional attendance fee or remuneration for membership of any Supervisory Board committee. |
| Agenda item 8 | Closing |

Amsterdam, 20 October 2017

Management Board and Supervisory Board
Fortuna Entertainment Group N.V.

ANNEX I
DEED OF AMENDMENT ARTICLES OF ASSOCIATION

FORTUNA

FORTUNA ENTERTAINMENT GROUP N.V.

World Trade Center, Tower Kevel 8, Strawinskylaan 809, 1077 XX, Amsterdam, The Netherlands

Registration Number: 34364038, Bank: ABN Amro Bank 531 964 426, Tax ID Number: NL8214 64 838 B01

www.fortuna-group.eu

ANNEX II
REMUNERATION POLICY



FORTUNA ENTERTAINMENT GROUP N.V.

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