Wi-LAN Inc.

Annual Information Form

For the Year Ended
October 31, 2006

January 20, 2007

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Unless otherwise indicated, all financial information is reported in thousands of Canadian dollars, with the exception of earnings per share data which is reported in dollars.

Forward-looking and Other Statements

All statements, other than statements of historical facts, included in this Annual Information Form ("AIF") regarding Wi-LAN Inc.'s ("Wi-LAN", or the "Company") strategy, future operations, financial position, future revenues, projected costs, prospects, plans and objectives of management are forward-looking statements. When used herein and therein, the words "may", "would", "could", "will", "intend", "plan", "anticipate", "believe", "estimate", "expect", and similar expressions, as they relate to Wi-LAN Inc. or its management, are intended to identify forward-looking statements. Such statements are subject to known and unknown risks, uncertainties, assumptions and other factors outside of management's control that could cause actual results to differ materially from those expressed in the forward-looking statements. These forward-looking statements are made as of the date of the AIF. The Company assumes no responsibility for the accuracy and completeness of the forward-looking statements and undertakes no obligations to publicly revise these forward-looking statements to reflect subsequent events or circumstances.

General Matters

Market data and industry forecasts used in this AIF were obtained from various publicly available sources. Although Wi-LAN believes that these independent sources are generally reliable, the accuracy and completeness of such information is not guaranteed and has not been independently verified.

Wi-LAN is Wi-LAN Inc.'s trade name and "Wi-LAN" is a registered trade-mark in Canada and the United States. This AIF also includes references to trade names and trade-marks of other companies, which trade names and trade-marks are the properties of their respective owners.

Unless otherwise indicated, all financial information is reported in thousands of Canadian dollars, with the exception of earnings per share data which is reported in dollars.

1. Corporate Structure

Wi-LAN was incorporated under the *Business Corporations Act* (Alberta) as 529144 Alberta Ltd. on May 14, 1992. The Company amended its articles to change its name to Wi-LAN Inc. on October 29, 1992. On October 3, 1994, the Company amended its articles to remove the prohibition on inviting the public to subscribe for securities of Wi-LAN. On March 24, 1998, the Company amended its articles to remove the remaining private company restrictions and to reorganize its share capital. On March 25, 1998, Wi-LAN completed an initial public offering of its shares on the Toronto Stock Exchange.

Wi-LAN has two active wholly-owned subsidiaries, Wi-LAN Technologies Inc., incorporated under the laws of Delaware, U.S.A., and Wi-LAN Technologies Corporation ("Wi-LAN Technologies"), incorporated under the *Business Corporations Act* (Alberta).

The head office is located at 11 Holland Avenue, Suite 608, Ottawa, Ontario, K1Y 4S1 and the registered office is located at 3300, 421 - 7th Avenue S.W., Calgary, Alberta, T2P 4K9. Wi-LAN's website is: www.wi-lan.com. The information on the website is not and should not be considered part of, or incorporated by reference into, this AIF.

2. General Development of the Business

Three-year History

Wi-LAN owns intellectual property ("IP") that it believes is essential for a number of products in wireless and wireline telecommunications markets. The Company believes that its patents are relevant to the following areas: CDMA (a third generation wireless platform); Wi-Fi (the underlying technology of wireless local area networks based on IEEE 802.11 specifications); WiMAX (a standards-based broadband wireless technology that provides metropolitan area network connectivity based on IEEE 802.16 specifications); and ADSL (a standards-based access technology that provides broadband Internet access over twisted pair telecommunications wiring). Wi-LAN has already licensed some or all of its intellectual property to a number of major companies including Cisco Systems, Inc. ("Cisco"), Fujitsu Microelectronics America, Inc. and its affiliates ("Fujitsu"), Nokia Corporation ("Nokia"), Redline Communications Inc. and NXP Semiconductors (formerly a division of Philips).

During the fiscal years ending October 31, 2004 and 2005, and continuing for the first half of fiscal 2006, Wi-LAN was a global broadband wireless equipment and intellectual property company. It operated in three segments:

- the first segment designed, developed, manufactured, sold and serviced a range of broadband wireless equipment ("products business");
- the second provided engineering services; and
- the third licensed its IP.

During that period, Wi-LAN's products and engineering services businesses were unprofitable and consumed cash resources.

Following an extensive review of strategic alternatives, Wi-LAN focused its resources on commercializing its portfolio of broadband wireless technology patents and growing its business through the acquisition of patents. At the end of January 2006, the Company’s board of directors approved a plan to exit its products business, and in March 2006, to divest its engineering services business. During 2006, the products business was sold, with the purchasers continuing to provide service and support for customers and distribution channel partners. During the second quarter, Wi-LAN signed a letter of intent to dispose of its engineering services business to a subsidiary of Fujitsu Microelectronics of America (“Fujitsu”). The transaction was completed in May 2006. In the third quarter, Wi-LAN relocated its head office to smaller premises in Ottawa, Ontario from Calgary, Alberta to reduce occupancy costs and facilitate access to the human resources required to manage its patent licensing business.

Wi-LAN has now completed its transformation from a broadband wireless technology development and equipment manufacturing company to a “pure play” wireless and wireline telecommunications IP licensing company. Wi-LAN’s entry into the wireline IP market was achieved by the acquisition of asymmetric digital subscriber line (“ADSL”) patents from Nokia in December 2006.

Recent Developments

In December 2005, the Company signed an agreement with Cisco Systems Inc. for the sale of patents, paid-up and prepaid royalties on certain licensed patents and settlement costs. In January 2006, Wi-LAN received proceeds of $11,648 (US$10,000). The settlement, less related costs of the patents sold and expenses amounting to $2,013, resulted in a net gain of $9,635.

During the second fiscal quarter of 2006, Wi-LAN completed the divestiture of its products business. The Libra 5800 product line was sold to GIL Technology Co. Ltd. (“GIL”); the Ultima 3, VIP and LIBRA MX product lines were sold to EION Wireless Inc. (“EION”); and the Til-Tek antenna business was sold to a subsidiary of Kavveri Telecom Products Limited (“Kavveri”). These purchasers provide ongoing support for Wi-LAN’s former customers and distribution channel partners. Aggregate net proceeds from these sales were approximately $1,200.

In March 2006, Wi-LAN and Industry Canada agreed to terminate a contribution agreement, as amended, under the Technology Partnerships Canada (“TPC”) program. In accordance with the termination agreement, Wi-LAN paid $1,800 and was released unconditionally by Industry Canada from any further claims or commitments under the TPC program. This release included the elimination of the Company’s prior obligation to issue warrants to the federal government to purchase Wi-LAN common shares. The $4,719 liability previously recorded by the Company in connection with the potential settlement of the obligation was credited to fiscal 2006 earnings, resulting in a net gain of $2,919 after the $1,800 payment.

Also in March 2006, the Company formed a new wholly-owned subsidiary, Wi-LAN Technologies, to focus on the licensing of Wi-LAN’s patent portfolio. Initially Wi-LAN Technologies acquired a portion of Wi-LAN’s overall patent portfolio. Wi-LAN Technologies then entered into an agreement to purchase substantially all of the assets of Ensemble

Communications, Inc. (“Ensemble”), based in La Jolla, California, from whom Wi-LAN had originally acquired its WiMAX Mac patents in 2004. As part of the 2004 transaction, Ensemble acquired licensing rights to the Wi-LAN patent portfolio, and revenue sharing on any related licenses Wi-LAN sold in the future. Under the terms of the purchase agreement, Wi-LAN Technologies also received inventors’ files, drawings and notes for other technology Ensemble was working on prior to its wind-up in 2004, as well as a license to a number of additional patents that are complementary to Wi-LAN’s current portfolio.

In March 2006, Wi-LAN sued D-Link Systems, Inc. and D-Link Canada Inc. (collectively, “D-Link”). In addition to a declaration of past infringement by D-Link, Wi-LAN sought an injunction to prevent future infringement of its Canadian patent No. 2,064,975 and damages, including punitive damages plus interest and legal costs. On December 15, 2006, Wi-LAN announced that on December 13, 2006, the Federal Court of Canada ordered that Wi-LAN’s claim for punitive damages be struck from the Wi-LAN Statement of Claim. The Court therefore allowed D-Link's appeal from a previous order made on August 21, 2006. Wi-LAN believes that this ruling does not materially impact its damages claim or prospects for recovery against D-Link. Wi-LAN wants to proceed expeditiously with its litigation and has therefore decided not to appeal this decision. D-Link has not yet filed a Statement of Defence in this action.

In May 2006, the Company announced the appointment of James Skippen as President & CEO of the Company effective June 20, 2006, at which time Mr. Skippen also became a director of the Company. Prior to joining Wi-LAN, Mr. Skippen was Senior Vice President Patent Licensing and General Counsel of MOSAID Technologies Incorporated (“MOSAID”) and was responsible for managing MOSAID’s patent licensing program.

In May 2006, Wi-LAN completed the sale of its engineering services division to Fujitsu and licensed its fixed WiMAX intellectual property under the IEEE 802.16d standards to Fujitsu for cash proceeds of approximately $2,200 (US$2,000), as well as other financial considerations. Additional royalties per unit will be payable by Fujitsu once a specified number of semiconductor units are produced. Wi-LAN transferred its entire engineering services division to Fujitsu, including the contracts for all of Wi-LAN’s technology development staff and for all 802.16d-related standards-based MAC and PHY technologies. In addition, Fujitsu purchased a license to Wi-LAN’s patent portfolio for 802.16d-related products and services, which includes OFDM and MAC licenses. Wi-LAN did not sell any of its patents as a result of this transaction. Completion of the Fujitsu transaction was the last internal milestone in the transformation of Wi-LAN into a pure patent licensing company.

In June 2006, Wi-LAN completed a private placement of 9,091,000 common shares for net cash proceeds of approximately $7,424 (gross proceeds of $8,000) priced at $0.88 per common share. As part of the transaction, brokers warrants to purchase 545,460 common shares (6% of the number of shares in the financing) with an exercise price of $0.88 per common share and a one-year life were issued.

In August 2006, Wi-LAN opened its head office in Ottawa, Ontario, where all of its officers and employees are now based, and terminated its office lease in Calgary, Alberta.

In August 2006, Wi-LAN raised additional net cash of approximately $7,313 (gross proceeds of $8,000) by the sale of 6,400,000 common shares offered by way of a short form prospectus. The financing was priced at $1.25 per common share. As part of the transaction, brokers warrants to purchase 384,000 common shares (6% of the number of shares in the financing) with an exercise price of $1.35 per common share and a one-year life were issued.

In August 2006, the Company announced the appointment of William Middleton as Vice-President, Licensing, General Counsel and Secretary and Jung Yee as Chief Technology Officer. Prior to joining Wi-LAN, Mr. Middleton was Vice President, Legal Services and General Counsel of Nygard International, before which he was General Counsel and Corporate Secretary of MOSAID. Prior to joining Wi-LAN, Mr. Yee was Chief Technology Officer and a founder of IceFyre Semiconductor Inc. Mr. Yee is the former chairman of the IEEE 802.16 MAC task group. See “Directors and Officers” in section 7.

In October 2006, Wi-LAN announced that its auditors, KPMG LLP, had resigned and that Wi-LAN’s Board of Directors, at the recommendation of its Audit Committee, had appointed PricewaterhouseCoopers LLP as the Company’s new auditors for the period until Wi-LAN’s next shareholders’ meeting.

In December 2006, the Company announced that Nokia had licensed the Company’s patent portfolio. Under the terms of this license, Nokia received a fully paid-up license to Wi-LAN’s current patent portfolio. In partial consideration for this license, Nokia transferred to the Company patents, both issued and pending, related to telecommunications and ADSL technologies. These patents have been ascribed a value of $34 million based on an independent valuation by a large accounting firm. As additional consideration, Nokia paid approximately $15.2 million (€10 million), less the required 10% withholding taxes, to Wi-LAN in January 2007.

In December 2006, Wi-LAN announced it had entered into an agreement with a syndicate of underwriters led by CIBC World Markets Inc., and including Wellington West Capital Markets Inc., Paradigm Capital Inc., Haywood Securities Inc. and Dundee Securities Corporation, pursuant to which the underwriters agreed to purchase, on a bought-deal basis, approximately 6,666,700 common shares of the Company at a purchase price of $4.50 per common share, for net cash proceeds of approximately $28,250 (gross proceeds of $30,000).

3. Description of the Business

The following commentary on Wi-LAN’s patents and business operations reflects the Company’s position as at January 9, 2007, including the licensing of its patents to Nokia and the acquisition of a portfolio of ADSL patents from Nokia in December 2006. Following the restructuring of the business, all revenues generated in fiscal 2006 and 2005 were from IP licensing.

Principal Markets

Wi-LAN plans to generate virtually all of its revenues from licensing its patent portfolio. The

Company currently has a total of approximately 146 patents, including both issued and unissued patents, and foreign equivalents, several of which it believes apply to the standards for at least four fundamental technologies which are broadly utilized in wireless and wireline telecommunications markets: Wi-Fi; CDMA; WiMAX; and ADSL.

The first key wireless technology segment to which the Company believes its patents have application is Wi-Fi. The Institute of Electrical and Electronics Engineers, Inc. ("IEEE") is a professional organization that sets standards for many types of electronic equipment. As an example, for the Wi-Fi market, the IEEE has issued standards 802.11 a, b, g and n regarding the performance of that equipment. Similarly, 802.16 d and e define performance standards for Wi-MAX equipment.

The second key wireless technology segment to which the Company believes its patents have application is CDMA. CDMA is one of the two main cellular technologies that most cellular phone systems currently utilize. Although GSM is the other technology used in the cellular world, CDMA has a very strong position in the North American market in particular.

The third key wireless technology segment to which the Company believes its patents have application is WiMAX, and the Korean equivalent which is referred to as WiBro, which are both based on the IEEE 802.16 standards. WiMAX is a framework for wireless communication that permits high-throughput broadband connections over long distances. WiMAX can be used for a variety of wireless applications including the broadcast of an Internet signal, high-speed enterprise connectivity for business and portable phones and PDAs. WiMAX is one of a few technologies that is competing to be the, or one of the, dominant wireless technologies of the future.

The fourth key technology segment to which the Company believes its patents have application is ADSL. This group of patents was acquired from Nokia in December 2006 as partial consideration for Nokia's license of Wi-LAN's patents. ADSL equipment provides subscribers with high-speed Internet access over conventional telephone wiring and currently represents about two-thirds of the global market for broadband network access.

Wi-LAN is continuing to evaluate its patents to determine whether or not they are applicable to other technology and product areas.

The Wi-Fi, CDMA, WiMAX and ADSL markets to which the Company believes its patents apply are large, multi-billion dollar markets. Independent estimates of the size of the markets, based on the equipment-level sales in the calendar years noted, are as follows:

- Wi-Fi - $82 billion in 2006, and growing (sources: IDC and Telecom Trends);
- CDMA - $50 billion in 2006, and growing (sources: Strategy Analytics; Dell'Oro);
- WiMAX - $544 million in 2007, and expected to grow substantially (sources: Maravedis; Telecom Trends); and
- ADSL – approximately $5 billion in 2006 and each of the following four years (source: Dell'Oro)

Given that the Company is at the beginning of its licensing program and has not yet fully tested the patents in extensive licensing negotiations or litigation, it is impossible to know with certainty whether the patents can withstand the scrutiny necessary to support even a modest royalty rate or to generate significant revenues.

Business Operations

The Company has been attempting to license its patents for several years as one part of its overall business, which included a products business and an engineering services business. In the first half of 2006 the Company disposed of its product and engineering services businesses but continued, as its sole focus, its patent licensing business. To achieve the objective of transforming itself into a patent licensing company, all of the former staff in Calgary except for one were either terminated or transferred with the sale of various business lines to third parties. The Company also hired Jim Skippen, a leading patent licensing executive, as President & CEO to build an employee team appropriate to the new business model and to transform the business into a pure patent licensing organization.

As part of the transition the Company moved its offices to Ottawa in order to take advantage of Ottawa's high tech business orientation and infrastructure, and because many of the staff required to operate the business are resident in Ottawa. The Company has leased facilities in Ottawa with a current annual rent of approximately $150. The Company has hired the senior staff that will operate the business from Ottawa during its current phase of growth. The following staff have been hired: President & CEO; CFO; Vice-President, Licensing and General Counsel; Chief Technical Officer; Director, Finance; Director, Intellectual Property; Director, Market Research; Corporate Counsel; Office Manager & Executive Assistant and receptionist. The Company expects that it can operate its business, with minor variances, for the foreseeable future with the staff currently in place, but will increase its staffing levels in line with its licensing opportunities and successes. It is expected that the founders of the Company, Dr. Hatim Zaghloul and Dr. Michel Fattouche, will continue to provide technical assistance to the Company.

The Company has license contracts with both Cisco (dated December 2005 for all of Wi-LAN's patents at that date) and Fujitsu (dated May 2006 for fixed WiMAX only – 802.16 d) which could reasonably be expected to generate modest future royalty revenue from WiMAX products. However, neither of these contracts is currently generating any royalty income other than the initial up-front license payments. In addition, on December 4, 2006, the Company entered into an agreement with Nokia pursuant to which Nokia has licensed Wi-LAN's patents, has transferred patents relating to telecommunications and ADSL technologies to Wi-LAN (which patents have been ascribed a $34 million value based on an independent valuation by a large accounting firm) and paid approximately $15.2 million (€10 million), less the required 10% withholding taxes, to Wi-LAN in January 2007.

The Company has previously notified and is in the process of reminding parties that it believes infringe Wi-LAN's patents that they infringe certain of the Company's patents and requesting discussions with these parties. The Company hopes such meetings will lead to such parties licensing the Company's relevant patents. In some cases the Company is already in active negotiations about licensing some or all of Wi-LAN's patents. On average, in management's experience, it takes two years from the time a party is approached about taking a license until the time when a license agreement is finalized. However, it may take a shorter period of time or a much longer period to complete any such license.

The process which is typically followed starts with the Company identifying both the target licensees and the products it believes are infringing the Company's patents. The Company then prepares a letter identifying both the infringing products and the patents that are infringed. The Company's letter invites the recipient to enter into licensing discussions. If the target agrees to enter discussions, then the Company presents claim charts mapping specific claims in the patents to applicable standards or to the recipient's products. The first stage of discussions may focus on legal and technical issues. The second stage of discussions, if it occurs, will generally focus on the financial terms of a license. The third part of the discussions will generally focus on the non-financial terms of the license, which can be quite complex. If the licensing discussions break down then there is an increased risk of litigation.

Royalty rates and the consideration for a license may vary significantly with different licensees since there are many factors that may make differing terms appropriate. Based on anecdotal information the Company understands that royalties charged in similar circumstances have ranged from less than 0.1% to 7%. Some of the factors that can affect the royalty rate include things such as the clarity of the reads of the patent claims on the patents in question, the significance of the patent technology to the performance of the products, the profitability of the products in question, the propensity of the party to resist a license or to litigate, the number of patents that are applicable, the volume of products that infringe, the geographies into which infringing products are sold, the party's future sales plans and the financial status of the prospective licensee. Licenses may require the licensee to pay a one-time sum, a sum payable in installments over some period of time or a running royalty payable either as a percentage or as a per unit amount on each infringing product sold. Licenses may be for a set term after which the party is unlicensed or for the lives of the patents. Generally the Company is prepared to grant licenses on reasonable and non-discriminatory terms to parties that request a license.

The Company expects that it will be required to litigate from time to time with parties that infringe its patents but refuse to pay what the Company considers fair consideration either for a license or as compensation for past infringement. Finally, it is important that target licensees know that, if necessary, the Company has sufficient funds to fight a protracted litigation, otherwise a party may be more reluctant to take a license.

Currently the Company is in litigation with D-Link in the Federal Court of Canada concerning the alleged infringement by D-Link of Canadian patent No. 2,064,975. This litigation is in its early stages. On December 15, 2006, Wi-LAN announced that on December 13, 2006, the Federal Court of Canada ordered that Wi-LAN's claim for punitive damages be struck from the Wi-LAN Statement of Claim against D-Link Canada Inc. and D-Link Systems Inc. The Court therefore allowed D-Link's appeal from a previous order made on August 21, 2006. Wi-LAN believes that this ruling does not materially impact its damages claim or prospects for recovery against D-Link. Wi-LAN wants to proceed expeditiously with its litigation and has therefore decided not to appeal this decision. In management's experience, the costs of taking a patent litigation to trial in Canada are generally in the range of $1-2 million although cost can vary significantly depending on a range of factors.

It is likely that the Company will litigate in the future in the United States and, in part, the proceeds from the issue and sale of shares in December 2006 will provide the Company with the funds necessary to prosecute U.S. litigation or to demonstrate to potential licensees that the Company has the capacity to do so. In management's experience a single patent litigation, up to and including trial, in the United States can cost between US$1-10 million, or more.

Management may consider utilizing contingency arrangements wherein the Company's law firm takes some portion of its fees as a percentage of the settlement or license payment generated if the litigation is successful. However, generally the Company would prefer to finance its litigations in the conventional manner by paying law firms on a fee-for-service basis to avoid giving up control of the litigation or its ability to manage matters or even terminate its outside lawyers if dissatisfied with their performance. Another reason the Company would be reluctant to engage in contingency litigation is that it will continue to license the patents in the litigation to other parties. The Company believes that there is typically a loss of control when a contingency firm is engaged and it will be more difficult for the Company to control all aspects of the licensing approach to the specific patents in the litigation. Management believes that many of the most successful and profitable licensing organizations which have developed a long-term, sophisticated patent licensing business, such as Qualcomm Inc., MOSAID, Rambus Inc., Texas Instruments Incorporated and Tessera, Inc., generally do not use contingency litigation.

On October 31, 2006, the Company's fiscal year-end, Wi-LAN had approximately $16.7 million in cash and short-term investments on hand. In January 2007, the Company received approximately $15.2 million, less 10% withholding taxes, due from Nokia. The total of $32 million, plus the net cash proceeds of approximately $28.3 million from the issuance of common shares that Wi-LAN completed on December 29, 2006, represents sufficient financial resources to fund more than five years of operations based on the Company's current plans and assuming no additional litigations are commenced or patents are purchased. The Company expects that within the next two to three years it will be in a position to fund ongoing operations from license revenues generated, although this is not assured.

In addition to any litigation commenced by the Company, it is also possible that one or more parties will file a suit against Wi-LAN seeking a declaratory judgment of non-infringement or invalidity against the Company's patents.

As part of its longer-term strategy, the Company plans to acquire additional patents, as they are identified and become available, to strengthen its portfolio, particularly in the wireless and telecommunications areas. The business models for acquisition may include: (a) the acquisition of patents or licensing rights to the patents with no up front cash payment, but sharing in any license fees generated through licensing the patents; (b) the acquisition of patents in partial consideration for a license to the Company's patent portfolio; and/or (c) the acquisition of patents for cash or common shares. Currently, the Company is in discussions with a number of parties concerning the possible acquisition of patents, but the cost of patent acquisitions is not specifically factored into the Company's plans due to the uncertainty of specific timing and price.

Employees and Facilities

At October 31, 2006 and January 9, 2007, Wi-LAN had 10 employees. The Company plans to grow staffing levels in 2007, and will manage its cost base relative to its licensing opportunities, taking into account licensing results that are achieved and its financial resources.

Wi-LAN's head office is located in approximately 4,000 square feet of leased space in Ottawa, Ontario, with annual rental expense of approximately $150. Additional space requirements will be driven by the number of employees in the business. Wi-LAN does not own any real property.

Risk Factors

- **The Company is now almost exclusively reliant on additional licensing of its patent portfolio to generate future revenues and cash flows.** As Wi-LAN has divested its products business and its engineering services business and is now solely an intellectual property licensing company, it is almost exclusively reliant on licensing its patent portfolio to generate revenues and cash flows. Although Wi-LAN has some existing licensing arrangements, there is no assurance that Wi-LAN will receive material revenues from these licensing agreements or that Wi-LAN will enter into additional licensing agreements with any other licensees. If Wi-LAN fails to enter into additional licensing arrangements, the Company's business, operational results and financial condition would be materially adversely affected.

- **The Company may be required to establish the enforceability of its patents in court in order to obtain material licensing revenues.** It may be necessary for the Company to commence or continue litigation against those it considers to be infringing its patents or for the Company to defend the validity of its patents against challenges from others. Litigation can be costly and time-consuming and the outcomes are uncertain. Any failure by a court to confirm the enforceability and validity of the Company's patents could materially adversely affect the Company. Prolonged litigation could also delay the receipt of licensing revenues by the Company and deplete the Company's financial resources.

- **The Company will need to acquire or develop new patents to continue and grow its business**. All patents have a limited life and will generally expire twenty years after the date on which the application for the patent was filed. In particular, two of Wi-LAN's key patents expire in 2012 and 2014. In order to be successful in the long term, in addition to the patents acquired from Nokia in December 2006, Wi-LAN will have to acquire or develop additional patents or acquire rights to license new patents. There can be no assurance that the Company will be able to do so. If the Company fails to acquire or develop additional patents or to acquire rights to license new patents, the Company's business, operational results and financial condition would be materially adversely affected.

- **The Company requires investment to translate its intellectual property position into sustainable profit in the market**. The Company's future growth depends on its ability to make the expenditures necessary to develop, market and license its patent portfolio and, if necessary, to enforce its patents. There can be no assurance that the Company will be able to obtain additional financial resources that may be required to successfully compete in its markets on favourable commercial terms, or at all. Failure to obtain such financing could result in the delay or abandonment of some or all of the Company's plans for developing and licensing its patent portfolio or for commencing litigation, which could have a material adverse effect on the business and financial condition of the Company.

- **The Company is dependent on its key officers and employees.** Failure to retain key officers and employees or to attract and retain personnel with the necessary skills could have a material adverse effect on the Company.

- **Changes in patent laws or in the interpretation or application of patent laws could materially adversely affect the Company**. The ability of the Company to earn licensing and other revenues is principally dependent on the strength of the rights conferred on the Company under patent laws. Changes in patent laws or in the interpretation or application of patent laws could materially adversely affect the Company's business and financial condition.

- **The Company has made and may make acquisitions of products, technologies or businesses which could materially adversely affect the Company**. The Company continually evaluates opportunities to acquire additional products, technologies or businesses. The Company has no present commitments or agreements with respect to any such acquisition. Acquisitions may result in potentially dilutive issuances of equity securities, the incurrence of debt and contingent liabilities, and amortization expense related to intangible assets acquired, any of which could materially adversely affect the Company's financial condition and results of operations. In addition, acquired businesses may be experiencing operating losses, which may adversely affect the Company's earnings. Acquisitions involve a number of risks, including difficulties in the assimilation of the acquired company's operations and products, diversion of management's resources, uncertainties associated with operating in new markets and working with new customers, and the potential loss of the acquired company's key employees.

4. Dividends

Wi-LAN has not paid dividends on any shares during the last five financial years. The Board has no current intention to pay cash dividends. The Board will review this policy from time to time having regard to the Company's financial condition, financial requirements and other factors considered relevant.

5. Capital Structure

Wi-LAN is authorized to issue an unlimited number of common shares, 6,350.9 special preferred shares and an unlimited number of preferred shares, issuable in series. There are no special preferred shares or preferred shares outstanding.

On October 31, 2006, there were 61,099,073 common shares issued and outstanding. In addition, there were 4,039,350 options to purchase common shares, 26,348 deferred stock units and

756,660 brokers warrants to purchase common shares issued and outstanding.

At the close of business on January 20, 2007, including the shares issued on December 29, 2006, there were 69,025,660 common shares issued and outstanding. In addition, there were 3,213,463 options to purchase common shares, 26,348 deferred stock units and 456,660 brokers warrants to purchase common shares issued and outstanding.

The following is a summary of the rights, privileges, restrictions and conditions attaching to the common shares, the special preferred shares and the preferred shares:

Common Shares

The holders of Wi-LAN's common shares are entitled to notice of and to vote at all meetings of shareholders (except meetings at which only holders of a specified class or series of shares are entitled to vote) and are entitled to one vote per common share. Subject to the preferences accorded to holders of preferred shares and any other shares ranking senior to the common shares from time to time with respect to the payment of dividends, holders of common shares are entitled to receive, if, as and when declared by the Board, such dividends as may be declared thereon by the Board from time to time. In the event of the liquidation, dissolution or winding-up of Wi-LAN, or any other distribution of assets among our shareholders for the purpose of winding-up our affairs (any such event, a "Distribution"), holders of common shares, subject to the preferences accorded to holders of preferred shares and any of our other shares ranking senior to the common shares from time to time with respect to payment on a Distribution, are entitled to share equally, share for share, in our remaining property.

Special Preferred Shares

The holders of Wi-LAN's special preferred shares are not entitled, subject to applicable law, to receive notice of or to attend any meeting of our shareholders and are not entitled to vote at such meetings. The special preferred shares rank ahead of all other classes of our shares with respect to the payment of dividends and the holders are entitled to receive a fixed non-cumulative dividend up to a maximum of $3.50 per year. In the event of a Distribution, the holders of the special preferred shares are entitled to receive $50.00 per share together with any declared but unpaid dividends prior to any payment or distribution to any of our other classes of shares, but shall not be entitled to share any further in the Distribution. The Board may at their option redeem all or any of the special preferred shares at any time for $50.00 per share plus the amount of any declared but unpaid dividends. Each holder of the special preferred shares may require Wi-LAN to redeem all or any of their shares at any time after April 28, 2000 for $50.00 plus the amount of any declared but unpaid dividends.

Preferred Shares

Wi-LAN's preferred shares at any time and from time to time may be issued in one or more series, each series to consist of such number of shares as may, before the issuance thereof, be determined by the Board. From time to time the Board may fix, before the designation of a series, the rights, privileges, restrictions and conditions attaching to each series of preferred shares including, without limiting the generality of the foregoing, the amount, if any, specified as being payable preferential to such series on a Distribution; the extent, if any, of further participation in a Distribution; voting rights, if any; and dividend rights (including whether such dividends be preferential, or cumulative or non-cumulative), if any. In the event of the voluntary or involuntary liquidation, dissolution or winding-up of Wi-LAN, or any other Distribution, holders of each series of preferred shares will be entitled, in priority to holders of our common shares and any of our other shares ranking junior to the preferred shares from time to time with respect to payment on a Distribution, to be paid rateably with holders of each other series of preferred shares the amount, if any, specified as being payable preferentially to the holders of such series on a Distribution. The holders of each series of preferred shares will be entitled, in priority to holders of our common shares and any of our other shares ranking junior to the preferred shares from time to time with respect to the payment of dividends, to be paid rateably with holders of each other series of preferred shares, the amount of accumulated dividends, if any, specified as being payable preferentially to the holders of such series.

On March 21, 2005, the Board adopted a resolution to approve a shareholder rights plan (the "Rights Plan") which was approved by the shareholders on May 19, 2005. The Rights Plan is designed to ensure fair treatment for all shareholders in the event of a takeover bid and to provide shareholders and the Board with adequate time to evaluate any bid for Wi-LAN and to take steps to maximize shareholder value in the event of any unsolicited take-over bid. The Company previously had a shareholder rights plan in place which expired in April 2002. The Company is not aware of any contemplated takeover bid. The terms of the Rights Plan are consistent with the terms of plans adopted by other Canadian public companies and with guidelines for such plans as published by shareholder rights advocate groups. The rights issued to the shareholders under the Rights Plan may be exercised only when a person, including any related party, acquires or announces its intention to acquire more than 20% of the outstanding common shares without either complying with the "permitted bid" provisions of the Rights Plan or obtaining the approval of the Board. Should such an acquisition occur, each right would, upon exercise, entitle a holder, other than the person pursuing the acquisition and related parties, to purchase the common shares at a 50% discount to the market price at the time. Under the Rights Plan, a permitted bid is a bid made to all shareholders and is open for acceptance for no less than 60 days. If more than 50% of the outstanding common shares, other than those owned by the person pursuing the acquisition and related parties, have been tendered, the person pursuing the acquisition may purchase and pay for the shares but must extend the bid for a further 10 days to allow the other shareholders to tender. Under the permitted bid mechanism, the shareholders will have more time to consider the bid and any other options that may be available before deciding whether or not to tender to the bid. The Board will also have time to consider and pursue alternatives and to make recommendations to the shareholders.

6. Market for Securities

Trading Place and Volume

Wi-LAN's common shares are listed and posted for trading on the Toronto Stock Exchange under the symbol "WIN". The volume of trading and price range of the common shares for the periods indicated are set forth in the following table. The data include trading information for December 2006, the month the license with Nokia was signed and the $30 million financing was completed and announced.

Month	Volume (000s)	High Trading Price	Low Trading Price
November 2005	860	$0.94	$0.78
December 2005	5,181	$1.38	$0.72
January 2006	1,480	$0.83	$0.70
February 2006	2,316	$0.71	$0.58
March 2006	2,740	$0.75	$0.55
April 2006	1,104	$0.74	$0.62
May 2006	8,211	$1.28	$0.65
June 2006	5,574	$1.57	$1.02
July 2006	4,457	$1.59	$1.25
August 2006	5,868	$1.53	$1.10
September 2006	6,787	$1.74	$1.29
October 2006	14,314	$2.42	$1.56
November 2006	8,553	$2.90	$1.80
December 2006	19,924	$5.39	$2.50

In October 2006, 172,800 warrants to purchase common shares were exercised at a price of $1.35 per common share. In December 2006 and January 2007, an additional 300,000 warrants to purchase common shares were exercised at a price of $0.88 per common share.

7. Directors and Officers

Directors

The following table sets forth the name, province and country of residence of each director of Wi-LAN, their position with Wi-LAN and the year in which they became a director of Wi-LAN. The term of office for each of the directors will expire at the time of the next annual shareholders' meeting.

Name and Place of Residence	Position Held with Wi-LAN	First Year as a Director
James Douglas Skippen Ontario, Canada	Director, President & CEO and Chief Legal Officer	2006
Dr. Hatim Zaghloul (1) Alberta, Canada	Chairman of the Board of Directors	2006
Dr. Michel Tewfik Fattouche (1) (2) (3) Alberta, Canada	Director	2006
John Kendall Gillberry (2) (3) Ontario, Canada	Director	2005

Name and Place of Residence	Position Held with Wi-LAN	First Year as a Director
William Keith Jenkins (4) Alberta, Canada	Director	2005
Dr. Robert Adolph Schulz (2)(4) Alberta, Canada	Director	2006

Notes:

Committees of the Board of Directors

(1) Technical Advisory Committee member (Dr. Michel Fattouche, Chairman)
(2) Audit Committee member (Dr. Robert Schulz, Chairman)
(3) Compensation Committee member (John Gillberry, Chairman)
(4) Governance and Nominating Committee member (William Jenkins, Chairman)

At October 31, 2006, as a group, Wi-LAN's directors and executive officers beneficially owned, directly or indirectly, or exercised control over 3,013,849 common shares which represented, 4.9% of the Company's outstanding common shares. At January 20, 2007, as a group, Wi-LAN's directors and executive officers beneficially owned, directly or indirectly, or exercised control over 3,176,931 common shares which represented, 4.6% of the Company's outstanding common shares. Additionally, at January 20, 2007, as a group, the directors and executive officers beneficially owned, directly or indirectly, or exercised control over 26,348 deferred stock units.

Except as disclosed below, each of our directors has been engaged for more than five years in his present principal occupation or in other capacities with the company or organization (or predecessor thereof) in which he currently holds his principal occupation. The information provided below has been provided to us by the individuals themselves and has not been independently verified by the Company.

James Douglas Skippen: June 2006 to present: President and CEO, & Chief Legal Officer of Wi-LAN and a director of the Company; May 2004 – June 2006: Senior VP Patent Licensing, General Counsel and Secretary of MOSAID Technologies Incorporated; October 2003 – May 2004: Counsel and Leader of the Ottawa Information Technology practice of McCarthy Tétrault LLP; 2001 - 2003: a series of executive positions with MOSAID Technologies Incorporated, with the final position being Senior VP Patent Licensing, General Counsel and Secretary.

Dr. Hatim Zaghloul: March 2005 to present: President and CEO, Innovative Products for Life, Inc., a company that markets and engineers innovative ideas; January 2004 – February 2005: Executive Chairman of Wi-LAN; 1997 – December 2003: Chairman and Chief Executive Officer of Wi-LAN.

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Dr. Michel Tewfik Fattouche: Chief Technical Officer and various other senior officer positions with Cell-Loc Location Technologies Inc. and its predecessor, Cell-Loc Inc., a developer of a family of network-based wireless location products that enable location-based services.

John Kendall Gillberry: 1996 to present: Founder and President, Bayfield Capital Group, a corporate finance advisory firm; July 2005 – present: COO and CFO of Software Innovation Inc., a software developer; 2004 – July 2005: President and CEO of Radiant Energy Corporation, a developer and marketer of infrared aircraft de-icing systems; June 2004 – May 2005: Chief Financial Officer, Skulogix Canada Inc., a provider of inventory and order fulfillment solutions; June 2004 – December 2005: President of BTE Technologies, Inc., a provider of technology-based solutions for the rehabilitation industry.

William Keith Jenkins: Partner, Fraser Milner Casgrain LLP, Barristers & Solicitors.

Dr. Robert Adolph Schulz: Professor of Strategic Management, University of Calgary – Haskayne School of Business.

Executive Officers

The following table sets forth the name, province and country of residence and position with Wi-LAN of each person who is an executive officer as of the date hereof.

Name and Place of Residence	Office(s) with Wi-LAN
James Douglas Skippen Ontario, Canada	Director, President & CEO, Chief Legal Officer
Robert Stephen Bower, FCA Ontario, Canada	CFO
William Ross Middleton Ontario, Canada	Vice-President, Licensing, General Counsel and Secretary
Jung Yee Ontario, Canada	Chief Technology Officer

Except as disclosed below, each of our executive officers has been engaged for more than five years in his present principal occupation or in other capacities with the company or organization (or predecessor thereof) in which he currently holds his principal occupation. The information provided below has been provided to us by the individuals themselves and has not been independently verified by the Company.

James Douglas Skippen: President & CEO – please see above for details.

Robert Stephen Bower: January 1, 2007 to present: CFO of Wi-LAN; March 1, 2006 - December 31, 2006: Acting Chief Financial Officer of Wi-LAN; 2004 – 2007: Director and Chair of the Audit Committee, FisherCast Global Corporation, a private tool and diecasting company; 1999 – 2005: CFO of SiGe Semiconductor, Inc., a private wireless semiconductor company.

William Ross Middleton: August 2006 to present: Vice-President, Licensing, General Counsel and Secretary of Wi-LAN; April 2004 – August 2006: Vice President, Legal Services and General Counsel, Nygard International; October 2003 – April 2004: General Counsel and Corporate Secretary of MOSAID Technologies Incorporated; December 2000 – September 2003: Senior Corporate Counsel of MOSAID Technologies Incorporated.

Jung Yee: August 2006 to present: Chief Technology Officer of Wi-LAN; May 2005 – July 2006: consultant; February 2001 – April 2005: Chief Technology Officer, IceFyre Semiconductor Inc.

Conflicts of Interest

The Chairman of the Board abstained from voting on the consulting contract described in Section 11 of the AIF.

9. Audit Committee Information

Audit Committee Charter

The text of the Audit Committee's Charter is attached at Appendix "A" to this AIF.

Composition

The current members of the Audit Committee are Dr. Robert Schulz (Chairman), Dr. Michel Fattouche and John Gillberry, each of whom is an "independent" director and each of whom is "financially literate" as such terms are defined in Multilateral Instrument 52-110 – Audit Committees of the Canadian Securities Administrators.

Education and Experience

Dr. Robert Schulz**:** Education includes: MBA from the University of Pittsburgh and PhD in Business Administration (minor in finance) from The Ohio State University. Experience includes: teaching business strategy and related courses at the B Comm, MBA and EMBA levels at the Haskayne School of Business at the University of Calgary. Co-coach of accounting and finance case competition teams, competing successfully at the national level.

Member of the Wi-LAN audit committee from June 1998 through March 2004, and Chairman since April 2006. Chairman of the Audit Committee of Renoworks Software, Inc., a TSX Venture company, since April 2004. Consulted for an Alberta MLA regarding the Auditor General's report on issues of the Alberta Heritage Fund, including internal control deficiencies (1981-83).

Dr. Michel Fattouche**:** Education includes: B.Sc. in Electrical Engineering from Cairo University, B.Sc. in Applied Mathematics from Ain Shams University and M.Sc. and PhD in Electrical Engineering from the University of Toronto. Experience includes: President of

Cell-Loc, a public company, from 1996 - 1997, and President & CEO of Cell-Loc from 1999 - 2002 (when the CFO reported to Dr. Fattouche).

Member of the Wi-LAN audit committee since April 2006, and member of the Wi-LAN Board from January 1993 - March 1999, then from April 2000 - March 2001, and from April 2006 - present.

John Gillberry**:** Education includes: MBA from Ivey School of Business (University of Western Ontario). Experience includes: Chief Financial Officer and Chief Operating Officer with Software Innovation Inc., an enterprise software development company.

Member of the Wi-LAN audit committee for fiscal 2005 and 2006. Other experience includes: member of audit committee for both private and public companies, and financial consultant on corporate finance matters for several venture-backed business.

Pre-approval of Non-audit Services

The following describes Wi-LAN's policy relating to the engagement of the external auditors for the provision of non-audit services.

When requiring the use of accounting and taxation and other consulting services, the Company will not utilize the services of the current external auditor where the delivery of the service may create a potential or perceived conflict of interest. Consulting services which require subsequent external auditing cannot be performed by our auditors. For greater clarity, the following consulting services do not present a conflict of interest: advice relating to the accounting treatment of new CICA pronouncements or services ancillary to the audit; preparation of corporate tax returns; and advice on tax related matters.

Non-audit services to be provided by the external auditors must be pre-approved by the Audit Committee.

External Auditor Service Fees

(Cdn$000s)	**Fiscal 2006**	**Fiscal 2005**
Audit Fees (1)	$142	$101
Audit-related Fees (2)	90	41
Tax Fees (3)	19	15
All Other Fees (4)	82	12
Total Fees Billed	$333	$169

(1) "Audit Fees" consist of the aggregate fees billed by KPMG LLP ("KPMG"), the Company's auditors prior to October 25, 2006, for professional services rendered by them for the audit of the Company's annual financial statements and review of the MD&A, and services that are normally provided by them in connection with statutory and regulatory filings or engagements. PricewaterhouseCoopers LLP ("PwC") were appointed as auditors on October 25, 2006, and did not bill any fees prior to October 31, 2006.

(2) “Audit-related Fees” consist of the aggregate fees billed by KPMG for assurance and related services rendered by them that are reasonably related to the performance of the audit or review of Wi-LAN’s financial statements and are not reported as Audit Fees. Professional services provided include review and “selected procedures” of quarterly financial statements and accounting advice on certain matters. PwC did not bill any fees prior to October 31, 2006.

(3) “Tax Fees” consist of the aggregate fees billed KPMG for professional services rendered by them for tax compliance, tax advice and tax planning. Tax services included advisory services and review and filing of the Company’s annual income tax returns. PwC did not bill any fees prior to October 31, 2006.

(4) “All Other Fees” consist of fees billed by KPMG for products and services other than Audit Fees, Audit Related Fees and Tax Fees. Fees billed by KPMG for the fiscal year ended October 31, 2006 for services provided by them relate to their review of the Company’s prospectus and other filings in connection with the August 2006 public offering, as well as services relating to Wi-LAN’s restructuring of its business. PwC did not bill any fees prior to October 31, 2006.

10. Legal Proceedings

The Company, in the course of its normal operations, is subject to claims, lawsuits and contingencies. Accruals are made in instances where it is probable that liabilities may be incurred and where such liabilities can be reasonably estimated. Although it is possible that liabilities may be incurred in instances for which no accruals have been made, the Company has no reason to believe that the ultimate outcome of these matters would have a significant impact on its consolidated financial position. The significant legal proceedings in which Wi-LAN is involved are summarized below.

There were several contingencies reported as at October 31, 2005 that were resolved during 2006. Legal action against Cisco was settled; the claim regarding a patent license and technology transfer agreement was resolved by the termination of the agreement with Industry Canada; and the commitment to purchase certain inventory was resolved as part of the disposition of the disposal of the engineering services business to Fujitsu.

In September 2002, the Company, its former Executive Chairman (now Chairman of the Board), and Wi-Com Technologies Inc. (a private Alberta company), among others, were served with two Statements of Claim. The lawsuits allege the defendants are liable for failing to deliver certain common share certificates in a timely manner to the claimants. The claimants are former shareholders of Wi-Com Technologies Inc. The Company maintains that it has defences to the Claims and does not believe that it will ultimately be found liable for the Claim. The Company is vigorously defending the actions and has filed a Statement of Defence and has also filed a counterclaim against the claimants. To date it has not been determined if legal liability exists, and accordingly, no provision has been made in the Company’s financial statements.

In August 2006, Wi-LAN was advised by a former distribution channel partner of its intention to pursue a claim against the Company for approximately $335 (US$300) regarding a dispute over inventory supplied by Wi-LAN. To date this customer has secured an order in South Africa for seizure of some office equipment at premises apparently occupied by Wi-LAN in South Africa but has not initiated a legal action in Canada. The Company believes it has no liability for the claim and intends to vigorously defend its position in any action brought against it.

In September 2006, the Company was advised of an action initiated in France by a former Wi-LAN customer that is claiming €661 (about $925) for the cost of defective product, remediation efforts and compensatory damages. Wi-LAN has retained counsel to defend, and plans to file a defence in February 2007. Wi-LAN is still investigating whether there is any basis for this claim.

In March 2006, Wi-LAN sued D-Link Systems, Inc. and D-Link Canada Inc. In addition to a declaration of past infringement by D-Link, Wi-LAN sought an injunction to prevent future infringement of its Canadian patent No. 2,064,975 and damages, including punitive damages plus interest and legal costs. On December 15, 2006, Wi-LAN announced that on December 13, 2006, the Federal Court of Canada ordered that Wi-LAN's claim for punitive damages be struck from the Wi-LAN Statement of Claim against D-Link Canada Inc. and D-Link Systems Inc. The Court therefore allowed D-Link's appeal from a previous order made on August 21, 2006. Wi-LAN believes that this ruling does not materially impact its damages claim or prospects for recovery against D-Link. Wi-LAN wants to proceed expeditiously with its litigation and has therefore decided not to appeal this decision. D-Link has not yet filed a Statement of Defence in this action.

11. Interests in Material Transactions

Except as disclosed in this AIF, no material transactions with the directors, senior officers, promoters or principal holders of our securities have occurred in our last three completed fiscal years or our current financial year. All of Wi-LAN's current senior officers were hired during the period from May 2006 through January 2007, and entered into employment agreements with the Company in the normal course of business.

In June 2006, the Chairman of the Board purchased 23,864 common shares at the price of $0.88 per share issued in connection with the Company's financing.

In July 2006, the Company entered into a one-year consulting contract with the Chairman of the Board through a company controlled by him. Under the terms of the agreement, Wi-LAN is paying a monthly consulting fee of $10 plus expenses, and granted the Chairman options to purchase 250,000 common shares at $1.30 per share.

12. Transfer Agent and Registrar

The registrar and transfer agent for Wi-LAN's common shares is Computershare Investor Services Inc. at its offices in Toronto, Ontario.

13. Material Contracts

Except for contracts entered into in the ordinary course of business, the only contracts entered into by Wi-LAN during the most recently completed financial year, or before the most recently completed financial year but are still in effect, follow.

In December 2005, the Company signed an agreement with Cisco Systems Inc. for the sale of patents, paid-up and prepaid royalties on certain licensed patents and settlement costs. In January 2006, Wi-LAN received proceeds of $11,648 (US$10,000).

During the second fiscal quarter of 2006, Wi-LAN completed its divestiture of its products business. The Libra 5800 product line was sold to GIL; the Ultima 3, VIP and LIBRA MX product lines were sold to EION; and the Til-Tek antenna business was sold to a subsidiary of Kavveri; the engineering services business was sold to Fujitsu in the fiscal third quarter of 2006. Proceeds on the disposal of the products business amounted to $1,754 less related expenses and other costs. Net proceeds on the disposal of the engineering services business to Fujitsu amounted to $100, and were included in the overall net loss from discontinued operations. A number of contingent costs were avoided by completing the dispositions.

As previously explained, Wi-LAN completed three financings in 2006, with gross proceeds of $8,000 in June, $8,000 in August and $30,000 in December.

- In June 2006, Wi-LAN completed a private placement of 9,091,000 common shares for net cash proceeds of approximately $7,395 (gross proceeds of $8,000) priced at $0.88 per common share. Fees paid to brokers amounted to 6% of the financing, or $480. As part of the transaction, brokers warrants to purchase 545,460 common shares (6% of the number of shares in the financing) with an exercise price of $0.88 per common share and a one-year life were issued.

- In August 2006, Wi-LAN raised additional net cash of approximately $7,342 (gross proceeds of $8,000) by the sale of 6,400,000 common shares offered by way of a short-form prospectus. The financing was priced at $1.25 per common share. Cash commissions of $480 (6% of the gross proceeds) were paid to the underwriters. As part of the transaction, brokers warrants to purchase 384,000 common shares (6% of the number of shares in the financing) with an exercise price of $1.35 per common share and a one-year life were issued.

- In December 2006, Wi-LAN raised further net cash of approximately $28,250 (gross proceeds of $30,000) by the sale of 6,666,700 common shares offered by way of a short-form prospectus. The financing was priced at $4.50 per common share. Cash commissions of $1,500 (5% of the gross proceeds) were paid to the underwriters. There were no brokers warrants issued.

14. Interests of Experts

Wi-LAN’s auditors are PricewaterhouseCoopers LLP (“PwC”), Chartered Accountants, 99 Bank

Street, Suite 7000, Ottawa, Ontario, K1P 1K6. PwC were appointed on October 25, 2006 following Wi-LAN's move to Ottawa from Calgary. To the knowledge of the Company, the partners and employees of PwC do not beneficially own, directly or indirectly, any of Wi-LAN's outstanding securities or other property.

15. Additional Information

Additional information with respect to Wi-LAN, including remuneration and indebtedness of directors and officers, principal holders of the Company's securities and options to purchase securities is contained in the information circular in respect of the annual and special meeting of shareholders to be held on March 22, 2007. Additional financial information is provided in Wi-LAN's fiscal 2006 audited financial statements and MD&A for years ending October 31, 2006. Additional information relating to Wi-LAN may be found on the SEDAR website at www.sedar.com.

Appendix "A"

Wi-LAN Inc. - Audit Committee Mandate

Purpose

The Board of Directors (the "Board") of Wi-LAN Inc. ("Wi-LAN") has established the Audit Committee (the "Committee") as a standing committee of the Board for the purposes of managing the relationship between Wi-LAN and its external auditors, overseeing the audit and financial reporting process, ensuring the adequacy and effectiveness of Wi-LAN's internal controls and procedures for financial reporting and ensuring the adequacy and effectiveness of Wi-LAN's risk management program. The Committee is hereby constituted with all the powers and duties conferred on it by the laws governing Wi-LAN and such powers and duties as may be conferred on it from time to time by resolution of the Board.

Member Qualifications, Appointment and Removal

The members of the Committee (the "Members"), and from among those Members, the Chairman of the Committee, are appointed annually by the Board. The Board will appoint not less than three directors as Members.

The Committee and each Member must meet the independence and audit committee composition requirements promulgated by all governmental and regulatory bodies exercising control over Wi-LAN as may be in effect from time to time, including those of any stock exchange upon which Wi-LAN's shares are listed. In general, no director who is an officer or employee of Wi-LAN (or any related entity of Wi-LAN) may be a Member and each Member must be free of any relationship with Wi-LAN that could or could be reasonably expected to, in the opinion of the Board, interfere with the exercise of that director's independent judgment as a Member.

All Members of the Committee should be "financially literate" (as that term is defined from time to time in Multilateral Instrument 52-110 (Audit Committees) or any replacement or supplementary instrument or rule or, if it is not defined, as that term is interpreted by the Board), which generally means that they must be able to read and understand fundamental financial statements including Wi-LAN's balance sheet, income statement and cash flow statement. At least one Member must have a professional accounting certification (or equivalent) or comparable experience and background that results in that Member's financial sophistication.

Any Member may be removed or replaced at any time by the Board as needed. A Member shall cease to be a Member upon ceasing to be a Wi-LAN director. The Board will fill vacancies on the Committee by the appointment of other qualified directors.

Duties and Responsibilities

In general, the Committee performs a number of roles including (i) assisting directors to meet their financial oversight responsibilities, (ii) providing better communication between directors and Wi-LAN's external auditors, (iii) enhancing the independence of the external auditor, (iv) increasing the credibility and objectivity of financial reports and (v) strengthening the role of the directors by facilitating in-depth discussions among directors, management and the external auditor. The Committee will have the specific duties and responsibilities set out below, as well as other such duties that are, in the opinion of the Board, in line with the purpose of the Committee as stated above.

Relationship with Auditors

The Committee is responsible for managing, on behalf of Wi-LAN's shareholders, the relationship between Wi-LAN and its external auditors. In furtherance of this responsibility, as delegated by the Board, the Committee shall:

(a) be directly responsible for recommending the selection and determining the compensation of the external auditor;

(b) oversee the work of the external auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for Wi-LAN, including the resolution of disagreements between management and the external auditor regarding financial reporting;

(c) establish procedures to monitor the independence of the external auditor and take necessary actions to eliminate all factors that might impair or be perceived to impair the independence of the external auditor;

(d) annually require the external auditors to identify the relationships that may affect its independence;

(e) establish procedures for review and approval of all audit and permitted non-audit services provided by external auditors;

(f) pre-approve all non-audit services to be provided to Wi-LAN or its subsidiaries by the external auditor, which pre-approval may be delegated to any Member; and

(g) provide the external auditor with the opportunity to meet with the Committee or the Board without management present at each regularly scheduled meeting of the Committee or the Board.

Audit and Financial Reporting

The Committee is responsible for overseeing the audit and financial reporting process. In furtherance of this responsibility, as delegated by the Board, the Committee shall:

(a) review, establish and monitor each annual audit of the external auditor with a written audit plan, including scope, fees and schedule;

(b) review with both management and the external auditor the appropriateness and acceptability of Wi-LAN's critical accounting policies and any proposed changes thereto;

(c) review with management and the external auditor the presentation and impact of significant risks and uncertainties associated with Wi-LAN's business, all alternative treatments of financial information with GAAP that have been discussed with management, the material assumptions made by management relating to them and their effect on Wi-LAN's financial statements;

(d) question management and the external auditor regarding financial reporting issues discussed during the fiscal period;

(e) review any problems experienced by the external auditors in performing audits;

(f) review and discuss the audited annual financial statements in conjunction with the external auditor and review with management all significant variances between comparative reporting periods;

(g) review and discuss the external auditor's report with the external auditor and management;

(h) review all material written communications between the external auditor and management, including post audit or management letters containing recommendations of the external auditors, management's response and follow up with respect to the identified weaknesses;

(i) review with management and with the external auditors, as appropriate, Wi-LAN's financial statements, MD&A and annual and interim earnings press releases prior to their public dissemination;

(j) satisfy itself that adequate procedures are in place for the review of Wi-LAN's public disclosure of financial information extracted or derived from Wi-LAN's financial statements, other than the public dissemination referred to in (i) above, and periodically assess the adequacy of those procedures;

(k) review with management Wi-LAN’s relationship with the regulators and the quality of its filings with the regulators; and

(l) review with the General Counsel any current or anticipated litigation or legal activity that could have a material effect on Wi-LAN’s financial position.

Internal Controls and Procedures

The Committee is responsible for overseeing the design, implementation and on-going effectiveness of a system of internal controls. In furtherance of this responsibility, as delegated by the Board, the Committee shall:

(a) establish, monitor and review policies and procedures for internal accounting, financial control and management information (“Internal Controls”);

(b) establish procedures for: (i) the receipt, retention and treatment of complaints received by Wi-LAN regarding accounting, internal accounting controls or auditing matters; and (ii) the confidential, anonymous submission by Wi-LAN employees of concerns regarding questionable accounting or auditing matters;

(c) monitor compliance with Wi-LAN’s Whistleblower Protection Policy on Financial Matters and coordinate and review all investigations undertaken thereunder;

(d) consult with the external auditor regarding the adequacy of the Internal Controls and review with the external auditor its report on the Internal Controls;

(e) address, on a regular basis, any perceived shortcomings in the Internal Controls;

(f) review the involvement of officers and directors in any matter related to business ethics or potential conflict of interest and advise the Board on the appropriate course of action;

(g) review and approve Wi-LAN’s hiring policies regarding partners, employees and former partners and employees of the present and former external auditor;

(h) prior to Wi-LAN entering into any Related Transaction, review the Related Transaction and recommend its approval or rejection by the Board. For the purposes of this Mandate, a “Related Transaction” means a business transaction or contract between Wi-LAN and a party in which a Wi-LAN director or officer has a direct or indirect interest. This direct or indirect interest could exist by virtue of the following: (i) the party is the director or officer; (ii) the director or officer, or their relative or spouse, is on the board of directors or is an officer of the party entering into such a business transaction with Wi-LAN; or (iii) the director or officer, or their relative or spouse, has a financial interest in the party entering into such a business transaction with Wi-LAN;

(i) annually, review any ongoing Related Transactions and report to the Board; and

(j) obtain from management adequate assurances that all statutory payments and withholdings have been made.

Risk Management

The Committee is responsible for overseeing the process by which Wi-LAN assesses and manages risk. In furtherance of this responsibility, as delegated by the Board, the Committee shall:

(a) identify risks inherent in Wi-LAN's business ("Risks");

(b) maintain policies and procedures that address the Risks on a reasonable, cost-effective basis;

(c) in conjunction with management, review, on an annual basis, all aspects of Wi-LAN's risk management program, including all significant policies and procedures relating to insurance coverage, foreign exchange exposures and investments (including Wi-LAN's use of financial risk management instruments);

(d) monitor compliance with environmental codes of conduct and legislation; and

(e) monitor compliance with safety codes of conduct and legislation.

Other

In furtherance of its duties, the Committee shall:

(a) meet regularly with management to discuss any areas of concern to the Committee or management;

(b) consider whether the quality of employees involved in the audit and financial reporting process and the processes described herein meets an acceptable standard; and

(c) annually review this Mandate and any other documents used by the Committee in fulfilling its responsibilities.

<u>Meetings, Structure and Reporting</u>

The Committee meets as required, but at least quarterly, typically on the day of the full Board to allow ample time for discussion. A majority of the Committee shall constitute a quorum. At all meetings of the Committee, every question shall be decided by a majority of the votes cast on the question. Attendance by the CFO at all Committee meetings is expected and attendance by the

Director, Finance (when in place) and the President & CEO is desirable. The Corporate Secretary, or his or her designee, shall attend all Committee meetings for the purposes of recording minutes. The audit partner from the external auditor will be invited to meet with the Committee at least twice a year and may request a meeting with the Committee at any time.

The Committee shall report to the Board on all proceedings, deliberations, decisions and recommendations of the Committee at the first subsequent meeting of the Board and at such other times and in such manner as the Board may require or as the Committee may, in its discretion, consider advisable.

Chairman

The Chairman's primary role is to ensure that the Committee functions properly, meets its obligations and responsibilities, fulfills its purpose and that its organization and mechanisms are in place and are working effectively. More specifically, the Chairman shall:

(a) chair meetings of the Committee;

(b) in consultation with the Chairman of the Board, the Members, the CFO and Corporate Secretary, set the agendas for the meetings of the Committee;

(c) in collaboration with the Chairman of the Board, the President & CEO, the CFO and the Corporate Secretary, ensure that agenda items for all Committee meetings are ready for presentation and that adequate information is distributed to Members in advance of such meetings in order that Members may properly inform themselves on matters to be acted upon;

(d) assign work to Members;

(e) approve the expense reports of the Chairman of the Board;

(f) act as liaison and maintain communication with the Chairman of the Board and the Board to optimize and co-ordinate input from directors, and to optimize the effectiveness of the Committee; and

(g) provide leadership to the Committee with respect to its functions as described in this Mandate and as otherwise may be appropriate.

Authority

The Committee shall have unrestricted direct access to Wi-LAN's external auditors, Wi-LAN personnel and documents and shall be provided with the resources necessary to carry out its duties. The Committee may, in its sole discretion and at Wi-LAN's expense, retain and agree to compensate independent counsel or advisors to assist with the performance of its duties. The Committee may adopt policies and procedures for carrying out its responsibilities.