

**FORM 51-102F3  
MATERIAL CHANGE REPORT**

**Item 1 - Name and Address of Company**

Quarterhill Inc. (the "Company")  
303 Terry Fox Drive, Suite 300  
Ottawa, ON K2K 3J1

**Item 2 - Date of Material Change**

August 1, 2018

**Item 3 - News Release**

The Company disseminated a news release by Canada News Wire on August 1, 2018, a copy of which is attached at Exhibit "A" to this Material Change Report.

**Item 4 - Summary of Material Change**

The Company announced that its Wi-LAN Inc. subsidiary had received a jury award in litigation against Apple Inc. in the amount of US\$145.1 million in damages for infringement of two United States patents.

**Item 5 - Full Description of Material Change**

On August 1, 2018, the Company provided an update on ongoing litigation between its subsidiary Wi-LAN Inc. and Apple Inc. The Company announced that, in a trial verdict rendered on August 1, 2018 in the United States District Court for the Southern District of California, a jury awarded Wi-LAN Inc. US\$145.1 million in damages against Apple Inc. for infringement of two of its United States patents.

**Item 6 - Reliance on subsection 7.1(2) of National Instrument 51-102**

N/A

**Item 7 - Omitted Information**

N/A

**Item 8 - Executive Officer**

Prashant R. Watchmaker, Senior Vice-President & General Counsel  
(613) 688-4331

**Item 9 - Date of Report**

August 2, 2018

**EXHIBIT "A"**

# WiLAN Provides Litigation Update

## *Jury Awards \$145.1 Million in damages to WiLAN in Patent Suit against Apple*

OTTAWA, Aug. 1, 2018 /CNW/ - WiLAN Inc. ("WiLAN"), a Quarterhill Inc. company (TSX: QTRH) (NASDAQ: QTRH), today provided an update on ongoing litigation.

In a trial verdict rendered on August 1, 2018 in the United States District Court for the Southern District of California a jury awarded WiLAN \$145.1 million in damages against Apple Inc. for infringement of WiLAN's US patent Nos 8,457,145 and 8,537,757.

### **About WiLAN**

WiLAN, a Quarterhill company, is one of the most successful patent licensing companies in the world and helps companies unlock the value of intellectual property by managing and licensing their patent portfolios. The company operates in a variety of markets including automotive, digital television, Internet, medical, semiconductor and wireless communication technologies. For more information: [www.wilan.com](http://www.wilan.com).

### **About Quarterhill**

Quarterhill is focused on the disciplined acquisition, management and growth of companies in dedicated technology areas including, vertical market software and solutions, intelligent industrial systems, and innovation and licensing. Quarterhill's emphasis is on seeking out acquisition opportunities at reasonable valuations that provide a foundation for recurring revenues, predictable cash flows and margins, profitable growth, intimate customer relationships and dedicated management teams. Quarterhill is listed on the TSX and NASDAQ under the symbol QTRH. For more information: [www.quarterhill.com](http://www.quarterhill.com).

### **Forward-looking Information**

This news release contains forward-looking statements and forward-looking information within the meaning of the U.S. Private Securities Litigation Reform Act of 1995 and other United States and Canadian securities laws. Forward-looking statements and forward-looking information are based on estimates and assumptions made by Quarterhill in light of its experience and its perception of historical trends, current conditions, expected future developments and the expected effects of new business strategies, as well as other factors that Quarterhill believes are appropriate in the circumstances. Many factors could cause Quarterhill's actual performance or achievements to differ materially from those expressed or implied by the forward-looking statements or forward-looking information. Such factors include, without limitation, the risks described in its March 1, 2018 annual information form for the year ended December 31, 2017 (the "AIF"). Copy of the AIF may be obtained at [www.sedar.com](http://www.sedar.com) or [www.sec.gov](http://www.sec.gov). Quarterhill recommends that readers review and consider all of these risk factors, and notes that readers should not place undue reliance on any of Quarterhill's forward-looking statements. Quarterhill has no intention, and undertakes no obligation, to update or revise any forward-looking statements or forward-looking information, whether as a result of new information, future events or otherwise, except as required by law.

View original content:

<http://www.prnewswire.com/news-releases/wilan-provides-litigation-update-300690701.html>

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**For further information:** For media inquiries, please contact: James Skippen, Executive Chairman, T: 613.688.3898, E: [jskippen@quarterhill.com](mailto:jskippen@quarterhill.com); For investor inquiries, please contact: Dave Mason, Investor Relations, T: 613.688.1693, E: [ir@quarterhill.com](mailto:ir@quarterhill.com)

CO: Quarterhill Inc.

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