



## QUARTERHILL INC. NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN THAT the annual and special meeting of the shareholders of Quarterhill Inc. ("**Quarterhill**") will be held on Monday, May 12, 2025 at 10:00 a.m. (Eastern time) (the "**Meeting**"). The Meeting is a virtual only meeting via live audio webcast on the Internet only. Registered shareholders of Quarterhill and duly appointed proxyholders can attend the meeting online at <https://meetnow.global/MRFXRDH> to participate, vote, or submit questions during the Meeting's live webcast.

Quarterhill has adopted a virtual format for the Meeting to make participation accessible for our shareholders from any location with Internet connectivity, thereby providing all shareholders with an equal opportunity to participate at the Meeting regardless of their geographic location or their individual constraints, while providing a significantly cost-efficient and environmentally friendly manner in which to engage with our shareholders.

The same participation opportunities will be offered for the Meeting as have previously been provided at the in-person portion of our past meetings, while permitting an online experience available to all our shareholders regardless of their location. At this virtual Meeting, registered shareholders and duly appointed proxyholders will have an opportunity to participate, ask questions and vote in real time provided they comply with the applicable procedures set out in Quarterhill's April 1, 2025 Management Information Circular (the "**Circular**"). Any shareholder that is unable to attend the Meeting virtually can still vote by proxy prior to the Meeting, as further described in the Circular.

**The Meeting will be accessible online at <https://meetnow.global/MRFXRDH> starting at 10:00 a.m. (Eastern time) on May 12, 2025.** Note that this site may not be fully accessible on all Internet browsers and if you are unable to access this site on your browser, we suggest trying to access it via a different browser.

The Meeting will be held to:

1. receive Quarterhill's financial statements for the financial year ended December 31, 2024 (the "**Financial Statements**"), together with the report of Quarterhill's auditors thereon;
2. fix the number of directors for the ensuing year at six;
3. elect the members of Quarterhill's Board of Directors (the "**Board**");
4. appoint Quarterhill's auditors and to authorize the Board to fix the auditors' remuneration;
5. consider and, if deemed appropriate, approve, adopt and ratify, with or without modification, the resolution to amend Quarterhill's 2018 Equity Incentive Plan (the "**Equity Plan**"), as more particularly set forth in the Circular; and
6. transact such further or other business as may properly come before the Meeting or any adjournment or postponement of the Meeting.

A copy of the Circular and a form of proxy accompany this Notice. The specific details of the matters proposed to be put before the Meeting are set forth in the Circular.

The record date for the determination of shareholders entitled to receive notice of, and to vote at, the Meeting is March 28, 2025. Registered shareholders and duly appointed proxyholders can attend the Meeting, ask questions and vote, all in real time at <https://meetnow.global/MRFXRDH>, **provided** they are connected to the Internet and comply with all the requirements set out in the accompanying Circular. Any non-registered (or beneficial) shareholder will be able to attend the Meeting, ask questions and vote, all in real time, **only if** they duly appoint themselves as their own proxyholder and comply with all the requirements set out in the accompanying Circular relating to such appointment and registration. Failing which, any non-registered (or beneficial) shareholder will be able to attend the Meeting as a guest but will not be able to vote or ask questions at the Meeting. Quarterhill shareholders will be able to participate at the Meeting online regardless of their geographic location.

Proxies to be used at the Meeting or at any adjournment or postponement thereof must be deposited with Quarterhill's transfer agent, Computershare Investor Services Inc. ("**Computershare**") at 100 University

Avenue, 8<sup>th</sup> Floor, Toronto, Ontario, M5J 2Y1, Attention: Proxy Department in the envelope provided for that purpose, by fax to Computershare at 1-866-453-0330 or by otherwise following Computershare's instructions and, in any such case, not later than 10:00 a.m. (Eastern time) on May 8, 2025 or not less than 48 hours (excluding Saturdays, Sundays and statutory holidays) before the commencement of such adjourned or postponed meeting.

You will need a Control Number (also referred to as an Invite Code for proxyholders) to participate in the Meeting. For registered shareholders, the Control Number will be listed on your form of proxy or in the email notification you received. For non-registered shareholders, any duly appointed proxyholder must obtain a Control Number by registering with Computershare at [www.computershare.com/Quarterhill](http://www.computershare.com/Quarterhill) and the duly appointed proxyholder will receive a Control Number after the voting deadline for the Meeting has passed. **FAILURE TO REGISTER A PROXYHOLDER WITH COMPUTERSHARE WILL RESULT IN THE PROXYHOLDER NOT RECEIVING A CONTROL NUMBER TO PARTICIPATE IN THE MEETING AND ONLY BEING ABLE TO ATTEND THE MEETING AS A GUEST.**

In accordance with National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer*, Quarterhill has elected to use "Notice and Access" to deliver proxy-related materials such as the Circular and its Financial Statements and related management's discussion and analysis (the "MD&A") (collectively, the "Meeting Materials") to both registered and non-registered shareholders. "Notice and Access" is a set of rules for reducing the volume of materials that must be physically mailed to shareholders by posting the Meeting Materials online and providing shareholders with a notice stating where they are available. Rather than receiving a paper copy of the Meeting Materials in the mail, shareholders will have access to them online. Shareholders will receive a notice package (the "Notice Package") containing the information prescribed by applicable Canadian securities laws (including a description of the matters to be addressed at the Meeting and of the notice-and-access procedures to access the Meeting Materials), as well as a form of proxy (for registered shareholders) or a voting instruction form (for non-registered shareholders). Where a shareholder has previously consented to electronic delivery, the Notice Package will be sent to the shareholder electronically and otherwise will be mailed to the shareholder.

Copies of the Meeting Materials are available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca) and on Quarterhill's website at: <https://ir.quarterhill.com/Investors/default.aspx>. Registered shareholders who would like to receive paper copies of the Meeting Materials may contact Computershare toll-free at 1-866-962-0498 or direct from outside North America at 1-514-982-8716. Non-registered shareholders who would like to receive paper copies of the Meeting Materials may contact Broadridge Investor Communications Solutions toll-free at 1-877-907-7643 or direct from outside North America at 1-303-562-9305 (for service in English) or 1-303-562-9306 (for service in French). For shareholders to receive paper copies of the Meeting Materials before the deadline for the submission of voting instructions and the date of the Meeting, we recommend that they call the appropriate number above and make their request as soon as possible but no later than May 2, 2025.

Shareholders who are unable to attend the virtual only Meeting should date and sign the enclosed form of proxy and return it to Quarterhill's Corporate Secretary or to Computershare in the envelope provided for that purpose or by fax, or by otherwise following Computershare's instructions, in any case not later than 10:00 a.m. (Eastern time) on May 8, 2025 or the last business day preceding any adjournment or postponement of the Meeting. To be represented by proxy, you must complete and submit the enclosed form of proxy or another appropriate form of proxy.

DATED at Toronto, Ontario this 1st day of April, 2025.

BY ORDER OF THE BOARD OF DIRECTORS

/s/ Chuck Myers

Chuck Myers  
Chief Executive Officer



**QUARTERHILL INC.**  
**MANAGEMENT INFORMATION CIRCULAR**  
**APRIL 1, 2025**

This Management Information Circular (this "**Circular**") and the accompanying form of proxy (the "**Proxy**") are being sent in advance of the Annual and Special Meeting of Shareholders (the "**Meeting**") of Quarterhill Inc. ("**Quarterhill**", "**we**" or "**us**" and, where appropriate, "**our**") to be held at 10:00 a.m. (Eastern time) on May 12, 2025. References in this Circular to "**ETC**", "**IRD**" and "**WiLAN**" relate to Quarterhill's subsidiaries, Electronic Transaction Consultants, LLC, International Road Dynamics Inc. and Wi-LAN Inc., respectively. Information in this Circular is given as of April 1, 2025 unless otherwise indicated.

**Shareholders will not be able to attend the virtual Meeting in person. The virtual Meeting will be accessible online only at <https://meetnow.global/MRFXRDH> starting at 10:00 a.m. (Eastern time) on May 12, 2025.** Please note that this site may not be fully accessible on all Internet browsers and if you are unable to access this site on your browser, we suggest trying to access it via a different browser.

**A summary of the information shareholders will need to attend the Meeting online is provided below.** This Circular includes information we are required to disclose to shareholders and also describes and explains the business to be transacted and the matters to be voted on at the Meeting. Unless otherwise stated, all ordinary resolutions put forward at the Meeting must be approved by a majority (50%) of votes cast by shareholders present in person or represented by proxy at the Meeting and entitled to vote thereon.

All dollar amounts in this Circular are in **Canadian** dollars unless otherwise specified. Any US dollar amounts in this Circular are indicated by the use of "US\$" before a specified dollar amount. Unless otherwise specified, Toronto Stock Exchange ("**TSX**") closing market prices for Quarterhill common shares ("**Common Shares**") for any specified date are provided in **Canadian** dollars.

Due to rounding associated with foreign exchange and other calculations in this Circular, dollar amounts may not add up precisely, and some data may differ slightly between different tables presenting similar information.

### **Delivery of Meeting Materials**

As permitted by the Canadian Securities Administrators and pursuant to exemptions from the management proxy solicitation and financial statement and management's discussion and analysis delivery requirements received from the Director appointed under the *Canada Business Corporations Act* (the "**CBCA**"), we are using "Notice and Access" to deliver proxy-related materials such as this Circular and our annual financial statements for the year ended December 31, 2024 (the "**Financial Statements**") and related management's discussion and analysis (the "**MD&A**") (collectively, the "**Meeting Materials**") to both registered and non-registered shareholders. "Notice and Access" is a set of rules for reducing the volume of materials that must be physically mailed to shareholders by posting the Meeting Materials online and providing shareholders with a notice stating where they are available. Rather than receiving a paper copy of the Meeting Materials in the mail, shareholders will have access to them online. Shareholders will receive a notice package (the "**Notice Package**") containing the information prescribed by applicable Canadian securities laws (including a description of the matters to be addressed at the Meeting and of the notice and access procedures for accessing the Meeting Materials, as well as a form of proxy (for registered shareholders) or a voting instruction form (for non-registered shareholders). Where a shareholder has previously consented to electronic delivery, the Notice Package will be sent to the shareholder electronically and otherwise will be mailed to the shareholder. Shareholders are reminded to review the Circular prior to voting.

You are a registered shareholder if your name appears on a share certificate or a Direct Registration System statement confirming your holdings. If you are a registered shareholder, you have received a "Form of Proxy" for the Meeting. You are a non-registered shareholder if your shares are held through an intermediary (broker, trustee or other financial institution). If you are a non-registered shareholder, you have received a "Voting Instruction Form" for the Meeting. Please ensure that you follow the instructions on your Voting Instruction Form to be able to attend and vote at the Meeting.

Copies of the Meeting Materials are available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca) and at: <https://ir.quarterhill.com/Investors/default.aspx>. Registered shareholders who would like to receive paper copies of the Meeting Materials may contact Quarterhill's transfer agent and registrar Computershare Investor

Services Inc. ("**Computershare**") toll-free at 1-866-962-0498 or direct from outside North America at 1 (514) 982-8716. Non-registered shareholders who would like to receive paper copies of the Meeting Materials may contact Broadridge Investor Communications Solutions ("**Broadridge**") toll-free at 1-877-907-7643 or direct from outside North America at 1-303-562-9305 (for service in English) or 1-303-562-9306 (for service in French). For shareholders to receive paper copies of the Meeting Materials before the deadline for the submission of voting instructions and the date of the Meeting, we recommend that they call the appropriate number above and make their request as soon as possible but no later than May 2, 2025.

**PLEASE NOTE THAT IF YOU REQUEST A PAPER COPY OF THE MEETING MATERIALS, YOU WILL NOT RECEIVE A NEW FORM OF PROXY OR VOTING INSTRUCTION FORM AND, THEREFORE, YOU MUST RETAIN THE FORMS INCLUDED IN THE NOTICE PACKAGE IN ORDER TO VOTE.**

All references to websites in this Circular are for your information only. Information contained on or linked through any website is not part of, and is not incorporated by reference in, this Circular.

## **The Meeting**

The Meeting will be accessible virtually via live audio webcast on the Internet only at <https://meetnow.global/MRFXRDH>. Quarterhill has adopted a virtual format for the Meeting to make participation accessible for our shareholders from any location with Internet connectivity, thereby providing all shareholders with an equal opportunity to participate at the Meeting regardless of their geographic location or their individual constraints, while providing a significantly cost-efficient and environmentally friendly manner in which to engage with our shareholders.

The same participation opportunities will be offered for the Meeting as have previously been provided at the in-person portion of our past meetings, while permitting an online experience available to all our shareholders regardless of their location. At this virtual Meeting, shareholders will have an opportunity to participate, ask questions and vote in real time provided they comply with the applicable procedures set out in this Circular. Any shareholder that is unable to attend the Meeting virtually, can still vote by proxy prior to the Meeting.

Attending and voting at the Meeting will only be available for registered shareholders and duly appointed proxyholders.

Registered shareholders and duly appointed proxyholders can attend the Meeting, ask questions and vote, all in real time, **provided** they are connected to the Internet (at <https://meetnow.global/MRFXRDH>) and comply with all of the requirements set out in this Circular INCLUDING OBTAINING A CONTROL NUMBER BY REGISTERING WITH COMPUTERSHARE AT [www.computershare.com/Quarterhill](http://www.computershare.com/Quarterhill) IF REQUIRED AND AS EXPLAINED BELOW.

Any non-registered (or beneficial) shareholder will be able to attend the Meeting, ask questions and vote, all in real time, **only if** they duly appoint themselves as their own proxyholder and comply with all of the requirements set out in this Circular relating to that appointment and registration. Failing which, any non-registered (or beneficial) shareholder will be able to attend the Meeting as a guest, but will not be able to vote or ask questions at the Meeting.

Quarterhill shareholders can participate at the Meeting online regardless of their geographic location.

**IF YOU DO NOT REGISTER A PROXYHOLDER WITH COMPUTERSHARE, THEN YOUR PROXYHOLDER WILL NOT RECEIVE A CONTROL NUMBER TO PARTICIPATE IN THE MEETING AND WILL ONLY BE ABLE TO ATTEND THE MEETING AS A GUEST. SEE INSTRUCTIONS BELOW.**

## **Voting by Proxy**

Voting by Proxy is the easiest way to vote. It means you, as a Quarterhill shareholder, are giving one of our officers or your preferred other proxyholder the authority to attend the Meeting and vote on your behalf.

On any ballot that may be called for, the Common Shares represented by proxy will be voted or withheld from voting in accordance with the instructions of the shareholder on such ballot, and if a shareholder specifies a choice with respect to any matter to be acted upon, the Common Shares will be voted accordingly.

The persons named in the Proxy will have discretionary authority with respect to any amendments or variations of the matters of business to be acted on at the Meeting or any other matters properly brought before the Meeting or any adjournment or postponement thereof, in each instance, to the extent permitted by law, whether or not the amendment, variation or other matter that comes before the Meeting is routine and whether or not the amendment, variation or other matter that comes before the Meeting is contested.

**The Proxy is being solicited by Quarterhill's management for use at the Meeting and at any adjournment or postponement of the Meeting.** We expect that solicitation will be primarily by mail, but Proxies may also be solicited personally, by telephone or other form of correspondence. We will pay the fees and costs

of intermediaries for their services in transmitting Proxy-related material in accordance with National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer*.

The persons named in the Proxy are Quarterhill management's representatives (the "**Management Designees**"). **You have the right to appoint a person or company (who does not need to be a Quarterhill shareholder) to represent you at the Meeting other than the persons designated in the Proxy.** You may do so by following the instructions set out in the Proxy.

A Proxy can be submitted to Computershare either in person, by mail or courier, to 100 University Avenue, 8<sup>th</sup> Floor, Toronto, Ontario, M5J 2Y1, or via the internet at [www.investorvote.com](http://www.investorvote.com). The Proxy must be deposited with Computershare by **no later than May 8, 2025, 10:00 a.m. (Eastern time)**, or if the Meeting is adjourned or postponed, not less than 48 hours (excluding Saturdays, Sundays and statutory holidays) before the commencement of such adjourned or postponed meeting. If a shareholder who has submitted a Proxy attends the Meeting via the webcast and has accepted the terms and conditions when entering the Meeting online, any votes cast by such shareholder on a ballot will be counted and the submitted Proxy will be disregarded.

If a shareholder wishes to appoint a third party (i.e., not the Management Designees) as their proxyholder to represent them at the Meeting, then they must submit their proxy or voting instruction form (as applicable) prior to registering their proxyholder with Computershare. Registering the proxyholder is an additional step once a shareholder has submitted their proxy or voting information form. **Failure to register a duly appointed proxyholder will result in the proxyholder not receiving a Control Number (or Invite Code) to participate in the Meeting.** To register a proxyholder, shareholders must visit [www.computershare.com/Quarterhill](http://www.computershare.com/Quarterhill) not later than 10:00 a.m. (Eastern time) on May 8, 2025 or the last business day preceding any adjournment or postponement of the Meeting and provide Computershare with their proxyholder's contact information, so Computershare may provide the proxyholder with a Control Number by email. **FAILURE TO REGISTER A PROXYHOLDER WITH COMPUTERSHARE WILL RESULT IN THE PROXYHOLDER NOT RECEIVING A CONTROL NUMBER TO PARTICIPATE IN THE MEETING AND ONLY BEING ABLE TO ATTEND THE MEETING AS A GUEST.**

Quarterhill Management Designees named in the Proxy or any other person you properly appoint as a proxy will vote or withhold from voting the Common Shares held by you and in respect of which they have been appointed proxyholder in accordance with your directions on the Proxy.

In the absence of any contrary direction from you, your Common Shares will be voted as follows:

1. **FOR** the fixing of the number of directors for the ensuing year at six;
2. **FOR** the election of the directors named in this Circular;
3. **FOR** the appointment of Quarterhill's auditors named in this Circular; and
4. **FOR** the approval, adoption and ratification of the resolution (the "**Equity Plan Resolution**") set out at **Exhibit C** to this Circular relating to the approval of the amendments to Quarterhill's 2018 Equity Incentive Plan, as may be amended from time to time (the "**Equity Plan**");

all as more fully set forth in this Circular.

Quarterhill management does not know of any amendment to the matters referred to in the accompanying Notice of Meeting or of any other business that will be presented at the Meeting. If any amendment or other business is properly brought before the Meeting, however, the accompanying Proxy confers discretionary authority upon the persons named in the Proxy to vote upon any amendment or on such other business in accordance with their discretion.

### **Revoking Your Proxy**

In addition to revoking your Proxy in any other manner permitted by law, you may revoke your Proxy under sub-section 148(4) of the CBCA by stating clearly in writing that you want to revoke your Proxy and by delivering the written statement to Quarterhill's Corporate Secretary or to Computershare in any of the manners described above, in either case at any time up to 10:00 a.m. (Eastern time) on May 8, 2025 or the last business day preceding any adjournment or postponement of the Meeting at which your Proxy is to be used, or with the Chairperson of the Meeting on the day of the Meeting or any adjournment or postponement of the Meeting and, in any such case, your original Proxy will be revoked. If your written statement revoking your Proxy is delivered to the Chairperson of the Meeting on the day of the Meeting or any adjournment or postponement of the Meeting, then the revocation of your Proxy will not be effective with respect to any matter on which a vote has already been cast pursuant to your original Proxy.

### **Interest of Certain Persons or Companies in Matters to be Acted Upon**

None of Quarterhill's directors, any proposed directors or executive officers, or any associate or affiliate of any such person, by way of beneficial ownership of securities or otherwise, has any direct or indirect material

interest in any of the matters to be acted upon at the Meeting other than the election of directors.

### **Voting Securities and Principal Holders Thereof**

Only holders of record of Common Shares at close of business on March 28, 2025 (the "**Record Date**") are entitled to receive notice of and vote at the Meeting. The failure of any shareholder to receive notice of a meeting of shareholders does not, however, deprive them of a vote at the Meeting.

At the Record Date, 116,190,969 Common Shares were issued and outstanding, the holders of which are entitled to one (1) vote for each Common Share held.

To the knowledge of Quarterhill's directors and executive officers, as at the Record Date, based on publicly available information, no person or company beneficially owns, or controls or directs, directly or indirectly, 10% or more of the Common Shares.

### **Advice to Non-Registered (Beneficial) Shareholders**

Only registered holders of Common Shares, or the persons they appoint as proxies, are permitted to attend and vote at the virtual Meeting and only if they have followed the requirements set out in this Circular. In many cases, however, Common Shares are beneficially owned by a shareholder (a "**Non-Registered Holder**") and are registered either:

1. in the name of an intermediary (an "**Intermediary**") with whom a Non-Registered Holder deals in respect of the Common Shares such as, among others, banks, trust companies, securities dealers, or brokers and trustees or administrators of self-administered RRSPs, TFSAs, RRIFs, RESPs and similar plans; or
2. in the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which acts as nominees for many Canadian brokerage firms of which an Intermediary is a participant).

The Notice of Meeting, the Proxy or Voting Instruction Form and this Circular are being sent to both registered owners and Non-Registered Holders of Common Shares. If you are a Non-Registered Holder and we or our agent have sent these materials directly to you, your name and address and information about your holdings of securities have been obtained pursuant to applicable securities regulatory requirements from the Intermediary holding on your behalf.

If you did not object to your Intermediary disclosing your name to Quarterhill, you will receive the Notice Package, and non-objecting beneficial owners will also receive the request for voting instructions form from Computershare, Quarterhill's transfer agent. If you objected to your Intermediary disclosing your name, you will receive the Meeting Materials from your Intermediary, together with either a request for voting instructions or a form of proxy. Typically, Intermediaries will use a service company (such as Broadridge) to forward Meeting Materials to Non-Registered Holders.

#### *If you received these materials from Computershare*

By choosing to send these materials to you directly, Quarterhill (and not the Intermediary holding on your behalf) has assumed responsibility for delivering these materials to you and executing your proper voting instructions.

If you do not wish to attend the virtual Meeting or to have another person attend and vote on your behalf, you should complete, sign and return the enclosed request for voting instructions in accordance with the directions provided. **You may revoke your voting instructions at any time by written notice to Computershare, but Computershare is not required to honour the revocation of your voting instructions unless the revocation is received by 10:00 a.m. (Eastern time) on May 8, 2025 or the last business day preceding any adjournment or postponement of the Meeting.**

IF YOU WISH TO ATTEND THE VIRTUAL MEETING AND VOTE AT THE VIRTUAL MEETING (OR HAVE ANOTHER PERSON ATTEND AND VOTE ON YOUR BEHALF), YOU **MUST** COMPLETE, SIGN AND RETURN THE REQUEST FOR VOTING INSTRUCTIONS IN ACCORDANCE WITH THE DIRECTIONS PROVIDED AND A FORM OF PROXY WILL BE SENT TO YOU GIVING YOU (OR THE OTHER PERSON) THE RIGHT TO ATTEND AND VOTE AT THE VIRTUAL MEETING. YOU (OR THE OTHER PERSON) MUST THEN REGISTER THE PROXYHOLDER AND OBTAIN A CONTROL NUMBER – FAILURE TO REGISTER YOUR CHOSEN PROXYHOLDER WILL RESULT IN THAT PERSON NOT RECEIVING A CONTROL NUMBER WHICH IS REQUIRED TO VOTE YOUR COMMON SHARES AT THE VIRTUAL MEETING. Registration must be completed at [www.computershare.com/Quarterhill](http://www.computershare.com/Quarterhill) so Computershare can provide the proxyholder with a Control Number by email ahead of the meeting.

You should follow the instructions on the request for voting instructions and contact your broker or other intermediary if you require assistance.

If you received these materials from your Intermediary

If you are a Non-Registered Holder and have received the Notice Package from your Intermediary or their service company, you will receive either a request for voting instructions or a form of proxy. The purpose of these procedures is to permit Non-Registered Holders to direct the voting of the Common Shares they beneficially own. You should follow the procedures set out below, depending on which type of document you receive.

A. Request for Voting Instructions.

If you do not wish to attend the virtual Meeting or have another person attend and vote on your behalf, you should complete, sign and return the enclosed request for voting instructions in accordance with the directions provided. **You may revoke your voting instructions at any time by written notice to your Intermediary, except that the Intermediary is not required to honour the revocation unless the revocation is received at least 7 days before the Meeting.**

If you wish to attend the virtual Meeting and vote in person (or have another person attend and vote on your behalf), you **must** complete, sign and return the enclosed request for voting instructions in accordance with the directions provided, and you must also register to attend the meeting as set out below after you have submitted your completed proxy or voting instruction form – failure to register as proxyholder will result in you not receiving a control number which is required to vote your common shares at the virtual Meeting. Registration must be completed at [www.computershare.com/quarterhill](http://www.computershare.com/quarterhill) so Computershare can provide your proxyholder with a control number by e-mail. WITHOUT A CONTROL NUMBER, PROXYHOLDERS WILL NOT BE ABLE TO VOTE AT THE VIRTUAL MEETING BUT CAN ATTEND AS GUESTS.

You should follow the instructions on the request for voting instructions and contact your broker or other intermediary promptly if you require assistance.

B. Form of Proxy.

The form of proxy must be signed by the Intermediary (typically by a facsimile, stamped signature) and completed to indicate the number of Common Shares you beneficially own. Otherwise, it will be incomplete.

If you do not wish to attend the virtual Meeting, you should complete the form of proxy in accordance with the instructions set out in the section titled "Voting by Proxy" above.

If you wish to attend the virtual Meeting and vote in person, you **must** insert your name in the blank space provided in the form of proxy. If you appoint another person to attend the virtual Meeting and vote your common shares on your behalf other than the Quarterhill officers named in the form of proxy, then you **must** also register your proxyholder after you have submitted your form of proxy – failure to register your chosen proxyholder will result in that person not receiving a Control Number which is required to vote your common shares at the virtual Meeting. Registration **must** be completed at [www.computershare.com/quarterhill](http://www.computershare.com/quarterhill) so Computershare can provide your proxyholder with a Control Number by e-mail. All appointees must follow the instructions to obtain a Control Number for voting at the Meeting. If not completed correctly, they will not receive the Control Number from Computershare. WITHOUT A CONTROL NUMBER, PROXYHOLDERS WILL NOT BE ABLE TO VOTE AT THE VIRTUAL MEETING BUT CAN ATTEND AS GUESTS.

To be valid, proxies must be deposited with Computershare, at 100 University Avenue, 8<sup>th</sup> Floor, Toronto, ON, M5J 2Y1, Attention: Proxy Department in the envelope enclosed, by fax to Computershare at 1-866-249-7775 or (416) 263-9524 or by otherwise following Computershare's instructions, no later than 10 a.m. (Eastern time) on May 8, 2025 or not less than 48 hours (excluding Saturdays, Sundays and statutory holidays) before the commencement of such adjourned or postponed meeting.

You should follow the instructions on the proxy document which you received and contact your Intermediary promptly if you need assistance.

**Advice for United States Non-Registered Holders**

For **UNITED STATES** Non-Registered Holders, for you to attend and vote at the Meeting, you must first obtain a legal proxy from your Intermediary (i.e., your broker, bank or other agent) and then register in advance to attend the Meeting. Follow the instructions from your Intermediary included with your proxy materials or contact your Intermediary to request a legal proxy form. After first obtaining a valid legal proxy from your Intermediary, to then register to attend the Meeting, you **MUST** submit a copy of your legal proxy to Computershare. Requests for registration should be directed by e-mail to: [USLegalProxy@computershare.com](mailto:USLegalProxy@computershare.com) or to: Computershare, 100 University Avenue, 8<sup>th</sup> Floor, Toronto, Ontario, M5J 2Y1, Canada.

**Requests for registration must be labeled "Legal Proxy" and received no later than 10:00 a.m. (Eastern time) on May 8, 2025.** You will then receive a confirmation of your registration by e-mail after we receive your registration materials, and you can attend the Meeting and vote your Common Shares at

<https://meetnow.global/MRFXRDH> during the Meeting.

WITHOUT A CONTROL NUMBER, PROXYHOLDERS WILL NOT BE ABLE TO VOTE AT THE VIRTUAL MEETING, BUT CAN ATTEND AS GUESTS.

### **How to Attend and Participate at the Meeting**

Quarterhill is holding the Meeting in a virtual only format which will be conducted via live audio Internet webcast. Shareholders will not be able to attend the virtual Meeting in person. We believe that shareholders will be able to participate in the Meeting in a meaningful way, including by asking questions, which remains important despite holding the Meeting virtually this year.

Attending the Meeting online will allow registered Quarterhill shareholders and duly appointed proxyholders (including Non-Registered Holders who have duly appointed themselves as proxyholders) to participate at the Meeting and ask questions at appropriate times during the Meeting, all in real time, albeit by posting the question to the Meeting website. Registered shareholders and duly appointed proxyholders will also be able to vote their Common Shares at the appropriate times during the Meeting. We anticipate shareholders will have substantially the same opportunity to ask questions on matters of business before the Meeting as they have in past years including when our annual shareholders' meeting was held in person.

Guests, including Non-Registered Holders who have not duly registered themselves as proxyholders, can log into the Meeting as set out below. Guests can listen to the Meeting, but will not be able to vote any Common Shares at the Meeting.

Log in instructions for guests, registered shareholders and duly appointed proxyholders:

1. Log in online at <https://meetnow.global/MRFXRDH>.
2. For **registered shareholders** and **duly appointed proxyholders**, click "Shareholder" and enter the Control Number (or Invite Code) before the start of the Meeting. For Control Numbers:
  - o registered shareholders: the 15-digit Control Number located on the form of proxy, or in the e-mail confirmation sent to you, is your Control Number; or
  - o duly appointed proxyholders (including those chosen by Non-Registered Holders): Computershare will provide the proxyholder with a Control Number (or Invite Code) by e-mail after the proxy voting deadline has passed and the proxyholder has been duly appointed **AND** registered with Computershare (as described above at [www.computershare.com/Quarterhill](http://www.computershare.com/Quarterhill)).
3. For **guests**, or Non-Registered Shareholders who have not appointed themselves as proxyholder, click "Guest" and complete the online form; note you will not be able to vote or submit questions.

### *Possible Difficulties in Accessing the Meeting*

The virtual meeting platform is fully supported across most commonly used web browsers (note: Internet Explorer is not a supported browser). We encourage you to access the Meeting prior to the start time.

If you attend the Meeting online, you must be connected to the Internet at all times during the Meeting to vote your Common Shares when balloting commences. **You must allow ample time to log into the Meeting online and to complete all necessary procedures to be admitted into the Meeting. It is your responsibility to ensure connectivity for the entire duration of the Meeting. If you lose Internet connectivity once the Meeting has commenced, there may not be sufficient time to resolve your connectivity issue before ballot voting is completed. Consequently, even if you currently plan to access the Meeting and vote during the live webcast, you should consider voting your Common Shares in advance or by proxy to ensure your vote will be counted if you do experience any technical difficulties or are otherwise unable to access the entirety of the Meeting.**

### **Quorum**

The by-laws of the Corporation provide that a quorum of Shareholders is present at a meeting of Shareholders if at least two persons holding or representing by proxy not less than 25% of the outstanding shares entitled to vote at the meeting are present.

## **PARTICULARS OF THE MATTERS TO BE ACTED UPON**

### **ITEM 1 - PRESENTATION OF FINANCIAL STATEMENTS AND OTHER FINANCIAL INFORMATION**

Quarterhill's Financial Statements and the auditor's report on the Financial Statements will be presented to shareholders at the Meeting. The Financial Statements will be mailed to shareholders who advised us or Computershare that they wished to receive them in accordance with applicable laws including pursuant to the Notice Package. In accordance with the provisions of the CBCA, the Financial Statements will only be presented at the Meeting and will not be voted on.

We have filed an Annual Information Form for our financial year ended December 31, 2024 and our Financial Statements on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca), which Annual Information Form and Financial Statements contain, among other things, the disclosure required under National Instrument 52-110 – *Audit Committees* ("**NI 52-110**"). Section 9 of the Annual Information Form includes the information required to be disclosed in Form 52-110F1 of NI 52-110.

### **ITEM 2 - FIXING THE NUMBER OF DIRECTORS**

The term of office of each of the current directors expires at the Meeting. At the Meeting, shareholders will be asked to consider a resolution fixing the number of directors of Quarterhill to be elected at six members.

**The Board of Directors of Quarterhill (the "Board") unanimously recommends that the Shareholders vote "FOR" the resolution to fix the number of directors of Quarterhill at six.** Unless otherwise directed, it is the intention of the Management Designees, if named as proxy, to vote for the resolution in favour of fixing the number of directors to be elected at the Meeting at six.

### **ITEM 3 - ELECTION OF DIRECTORS**

#### **Advance Notice By-Law**

At our June 18, 2014 annual and special meeting of shareholders, Quarterhill's shareholders adopted our By-Law No. 2 setting out principled requirements for shareholders to nominate directors prior to any meeting of Quarterhill shareholders at which directors are to be elected, and that had previously been adopted by the Board on May 16, 2014 (the "**Advance Notice By-Law**"). Complete copies of the Advance Notice By-Law can be found at Quarterhill's website and on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). Pursuant to the Advance Notice By-Law, for an annual shareholders' meeting, a shareholder nominating a person for election to the Board must provide notice to Quarterhill's Corporate Secretary not less than 30 nor more than 65 days prior to the date of the meeting (or, if the meeting is to be held less than 50 days after the date on which the first public announcement of the meeting's date was made, then notice must be given to Quarterhill not later than the close of business on the 10th day following such public announcement). For a special shareholders' meeting which is not also an annual meeting, a shareholder nominating a person for election to the Board must provide notice to Quarterhill's Corporate Secretary not later than the close of business on the 15th day following the date on which the first public announcement of the meeting's date was made. The Advance Notice By-Law ensures that all shareholders, including those participating in a meeting by proxy rather than in person, receive adequate prior notice of director nominations, as well as sufficient information concerning nominees, and can thereby exercise their voting rights in an informed manner. In addition, the Advance Notice By-Law assists in facilitating an orderly and efficient meeting process.

#### **Board Tenure Policy**

The Board believes that the advantages of long service and experience by its members must be balanced with renewal and the introduction of fresh perspectives and varied skill sets of new directors, particularly as Quarterhill continues to grow into new business areas. On March 9, 2022, the Board adopted a policy setting limits to the maximum period any individual director may serve on the Board (the "**Tenure Policy**"). The Tenure Policy follows the recommendation published by the Capital Markets Modernization Taskforce (the "**Taskforce**") in its January 2021 final report prepared for the Government of Ontario (the "**Final Report**"). In the Final Report, the Taskforce recommended that the Government of Ontario:

"Amend Ontario securities legislation to set a 12-year maximum tenure limit for directors of publicly listed issuers, with an exception for (a) 15-year maximum tenure limit for the Chair of the board; (b) non-independent directors of family-owned and controlled businesses, where such nominees represent a minority of the board; and, (c) no more than one other director who will be deemed not to be independent, and will still have a 15-year limit. Issuers must implement this recommendation within three years of this amendment taking effect."

Quarterhill's Tenure Policy is identical to the Taskforce's recommendation except that it does not include item "(b)" because Quarterhill is not a "family-owned and controlled business". In 2023 the Tenure Policy was fully implemented and functions together with the Board's annual anonymous survey relating to the effectiveness of the Board and its members completed by all Board members and overseen by the Board's environmental, social

& governance and nominating committee (the "**ESG and Nominating Committee**") to assist in ongoing Board renewal.

## **The Nominees**

At the Meeting, shareholders will be asked to consider a resolution electing the directors of Quarterhill to hold office until the earlier of the next annual meeting of Quarterhill's shareholders or until his or her successor is duly elected or appointed, unless such director's office is earlier vacated in accordance with our by-laws. The persons nominated are, in the opinion of the Board, qualified to direct the activities of Quarterhill until the next annual meeting of shareholders. All nominees have indicated their willingness to stand for election.

Set forth on the following pages is information relating to each person proposed to be nominated by management for election as a director at the Meeting including whether that person is considered to be an "independent" (as that term is defined in National Instrument 58-101 – *Disclosure of Corporate Governance Practices* ("**NI 58-101**") and NI 52-110) member of the Board. Other than the Tenure Policy, Quarterhill does not have a term limit or retirement policy for our directors. The information provided below has been provided to us by the individuals themselves and has not been independently verified.

The information on the following pages includes the numbers of Common Shares, deferred stock units ("**DSUs**") and restricted stock units ("**RSUs**") and options to purchase Common Shares ("**Options**") existing under the Equity Plan that each person nominated for election to the Board has advised Quarterhill are beneficially owned, directly or indirectly, or over which control or discretion is exercised, by them at March 27, 2025. None of the nominees hold any other types of securities of Quarterhill.

The information on the following pages also indicates whether each such person is a member of the Board's audit committee ("**Audit Committee**"), compensation committee ("**Compensation Committee**") and the ESG and Nominating Committee. Quarterhill's committees will be reconstituted following the Meeting.

Quarterhill management does not contemplate that any of the Board nominees described in the following pages will be unable to serve as a director, but if that should occur for any reason prior to the Meeting, the persons named in the Proxy reserve the right to vote for any nominee in their discretion unless the shareholder has specified in the Proxy that such shareholder's Common Shares are to be voted against any particular nominee to the Board.

**The Board unanimously recommends that the shareholders vote "FOR" each of the director nominees listed below at the Meeting.** Unless otherwise directed, it is the intention of the Management Designees, if named as proxy, to vote for the election of the persons named in the following table to the Board.



ASHA DANIERE, Toronto, Ontario, Canada

Asha Daniere is a Strategic Advisor at Asha P. Daniere Professional Corporation, as well as a current and former board member of several public and private companies. Ms. Daniere is currently a director of MEGA Uranium Inc. (TSX:MGA) and Thunderbird Entertainment Inc. (TSX-V:TBRD). Ms. Daniere was previously on the Board of Proactive Inc., SRX Health Solutions, Canopy Rivers Inc. (CSE:RIV), and MDC Partners, Inc. (NASDAQ:STGW). She is currently the Chair of the Corporate Governance Committee of the Toronto International Film Festival.

**Director since:** N/A  
**Age:** 57  
**Independent**

Ms. Daniere has been providing strategic and legal advice to clients in the media, entertainment and tech sectors through Asha P. Daniere Professional Corporation since 2020. She was previously the Executive Vice President Legal and Business Affairs at Blue Ant Media Inc. from September 2012 to February 2020. Prior to that, Ms. Daniere has held several management positions in both public and private companies, as well as an associate position at White & Case LLP, a New York-based law firm.

Ms. Daniere holds a Bachelor of Arts degree from the University of Toronto and a Juris Doctor degree from Tulane Law School in New Orleans, Louisiana, and is admitted to the bar of both Ontario and New York.

If elected, Ms. Daniere would be an "independent" member of the Board.

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**Skills & Expertise:** Accounting & Finance; Corporate Governance; Leadership; Legal; Mergers & Acquisitions; Public Company Management; Strategic Planning; and Technology

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**Attendance at Board Meetings:** N/A <sup>(1)</sup>

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**Attendance at Committee Meetings:** N/A <sup>(1)</sup>

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**Securities Held on March 27, 2025:**

**Common Shares:** Nil

**Market Value of Common Shares:** N/A

**Minimum Equity Ownership:** Not Attained – Ms. Daniere has until 2030 to achieve her minimum equity ownership goal, assuming she is elected.

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**DSUs:** Nil

**Market Value of DSUs:** N/A

**RSUs:** Nil

**Market Value of RSUs:** N/A

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**Options:** Nil

Date of Grant	Expiry Date	Number Granted	Exercise Price	Unexercised	Value of In-the-Money Unexercised Options
N/A	N/A	N/A	N/A	N/A	N/A

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**Public Board Membership During Past 5 Years:** MEGA Uranium Inc. (TSX: MGA); Thunderbird Entertainment Group Inc. (TSX-V: TBRD); WonderFi Technologies Inc. (TSX:WNDR); Canopy Rivers Inc. (CSE: RIV); MDC Partners, Inc. (NASDAQ: STGW)

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**Public Board Interlocks:** MEGA Uranium Inc. (TSX: MGA); Thunderbird Entertainment Group Inc. (TSX-V: TBRD)

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<sup>(1)</sup> Ms. Daniere is not yet a member of the Board and is being proposed as a nominee.

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PASQUALE T. (PAT) DEON, Langhorne, Pennsylvania, USA

Mr. Deon is the former Chairman of the Southeastern Pennsylvania Transportation Authority (“SEPTA”) and current Vice Chairman of the Pennsylvania Turnpike Commission. During his 25-year tenure as the Chairman of SEPTA, the sixth-largest public transit system in the United States, Mr. Deon led significant expansions and technological innovations.

Mr. Deon has also been recognized for his leadership roles on several influential boards, including the Delaware River Port Authority, the Greater Philadelphia Chamber of Commerce, the Pennsylvania Convention Centre and Independence Health Group.

Mr. Deon also has extensive entrepreneurial experience, as a principal of Progressive Management, whose holdings include businesses in the real estate, energy, hospitality, and regulated gaming industries, and he also serves as the Executive Chairman of SportsContentCo, LLC, a data supplier to the sports betting industry.

Mr. Deon is an “independent” member of the Board and is a member of each of the Compensation Committee and the ESG and Nominating Committee.

**Director since:**  
December 2024  
**Age:** 67  
**Independent**

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**Skills & Expertise:** Corporate Governance; Executive Compensation; Leadership; Mergers & Acquisitions; Strategic Planning; and Transportation Systems

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**Attendance at Board Meetings:** N/A <sup>(1)</sup>

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**Attendance at Committee Meetings:** N/A <sup>(1)</sup>

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**Securities Held on March 27, 2025:**

**Common Shares:** 47,000

**Market Value of Common Shares:** \$70,030 <sup>(2)</sup>

**Minimum Equity Ownership:** Not Attained – Mr. Deon has until 2029 to achieve his minimum equity ownership goal

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**DSUs:** 18,109

**Market Value of DSUs:** \$26,982 <sup>(2)</sup>

**RSUs:** N/A

**Market Value of RSUs:** N/A

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**Options:**

Date of Grant	Expiry Date	Number Granted	Exercise Price	Unexercised	Value of In-the-Money Unexercised Options <sup>(2)</sup>
N/A	N/A	N/A	N/A	N/A	N/A

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**Public Board Membership During Past 5 Years:** None

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**Public Board Interlocks:** None

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(1) Mr. Deon became a director on December 31, 2024.

(2) Based on the TSX closing price of the Common Shares of \$1.49 on March 27, 2025.

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RUSTY LEWIS, Pennsylvania, USA

Mr. Lewis is a Senior Advisor to Brown Brothers Harriman Capital Partners, where he also serves as a Board Director on one of their portfolio companies, Clever Devices, that provides ITS systems and services to transit agencies globally. He is also Chairman of the Board of Directors of Binswanger, a US private, full-service commercial real estate company.

Mr. Lewis has over 30 years of senior-level management experience as an owner and CEO of multiple private businesses and as a senior executive and director of several public companies. Prior to heading Brown Brothers Harriman's Philadelphia office, he was the CEO of Zinio, a digital magazine newsstand application. Prior to Zinio, Mr. Lewis retired from VeriSign after having served in multiple positions, including Executive Vice President of Strategic Development and Executive Vice President and General Manager of the Naming and Directory Services business unit. From 1986 to 1994, Mr. Lewis owned and, until 2004, was part of management of Transcore, which led the market in RFID electronic toll collection systems. He sold Transcore to SAIC in 1994 (Transcore was most recently sold by Roper Technologies, Inc. to Singapore Technologies Engineering in 2022).

Mr. Lewis is a graduate of Haverford College, Haverford, Pennsylvania, USA and holds an MBA from Harvard Business School in Cambridge, Massachusetts, USA.

Mr. Lewis is an "independent" member of the Board, Chair of the Board, and a member of each of the Compensation Committee, and ESG and Nominating Committee<sup>(2)</sup>.

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**Skills & Expertise:** Accounting & Finance; Corporate Governance; Executive Compensation; Leadership; Mergers & Acquisitions; Public Company Management; Risk Management; Strategic Planning; Technology; and Transportation Systems

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**Attendance at Board Meetings:** 5/5

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**Attendance at Committee Meetings:** ESG and Nominating Committee 5/5; Compensation Committee 2/2

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**Securities Held on March 27, 2025:**

**Common Shares:** 2,095,773      **Market Value of Common Shares:** \$3,659,733 <sup>(1)</sup>  
**Minimum Equity Ownership:** Attained

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**DSUs:** 248,214      **Market Value of DSUs:** \$369,839 <sup>(1)</sup>

**RSUs:** N/A      **Market Value of RSUs:** N/A

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**Options:**

Date of Grant	Expiry Date	Number Granted	Exercise Price	Unexercised	Value of In-the-Money Unexercised Options <sup>(1)</sup>
May 13, 2022	May 13, 2028	46,728	\$2.14	46,728	\$0

**Public Board Membership During Past 5 Years:** None

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**Public Board Interlocks:** None

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(1) Based on the TSX closing price of the Common Shares of \$1.49 on March 27, 2025.

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CHUCK MYERS, Austin, Texas, USA



**Director since:** May 2023

**Age:** 63

**Non-Independent**

Mr. Myers joined the Board of Directors on May 9, 2023 and was appointed Quarterhill's Chief Executive Officer on September 5, 2023. He has more than 25 years of leadership experience as a CEO, board member and advisor, and founder for private and public companies in the technology industry.

Prior to joining Quarterhill, Mr. Myers was CEO and a board member at Cogniac Corporation, a provider of enterprise-class AI deep learning solutions. Under his leadership, Cogniac was named "2021 Global Entrepreneurial Company of the Year in Computer Vision" by Frost & Sullivan and "A Global Leader" by IDC in 2022. Prior to Cogniac, Mr. Myers was President, CEO, and a board member at Airgain, Inc. (NASDAQ: AIRG), a leading provider of embedded antenna technologies used to enable high performance wireless networking. Earlier in his career, Mr. Myers was a co-founder of the SAIC Transportation Division and was instrumental in building the first electronic toll collection system in the U.S. That single project led to the creation of Transcore, one of the largest electronic toll collection providers in the world. During this period, Mr. Myers played significant roles in several acquisitions including Syntonic, Cubic Toll Systems, and JHK Associates.

Mr. Myers holds a Master of Science degree in Management of Technology from MIT, a Bachelor of Science degree in Engineering from National University, and an Organizational Leadership Certificate from Yale School of Management.

Mr. Myers is not an "independent" member of the Board as he is Quarterhill's Chief Executive Officer.

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**Skills & Expertise:** Corporate Governance; Cyber / Information Security; Executive Compensation; Leadership; Mergers & Acquisitions; Public Company Management; Risk Management; Strategic Planning; Technology; and Transportation Systems

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**Attendance at Board Meetings:** 5/5

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**Securities Held on March 27, 2025:**

**Common Shares:** 561,618

**Market Value of Common Shares:** \$836,811 <sup>(1)</sup>

**Minimum Equity Ownership:** Not Attained – Mr. Myers has until 2028 to achieve his minimum equity ownership goal

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**DSUs:** 98,400

**Market Value of DSUs:** \$146,616 <sup>(1)</sup>

**RSUs:** 396,421

**Market Value of RSUs:** \$590,667 <sup>(1)</sup>

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**Options:**

Date of Grant	Expiry Date	Number Granted	Exercise Price	Unexercised	Value of In-the-Money Unexercised Options <sup>(1)</sup>
N/A	N/A	N/A	N/A	N/A	N/A

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**Public Board Membership During Past 5 Years:** None

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**Public Board Interlocks:** None

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<sup>(1)</sup> Based on the TSX closing price of the Common Shares of \$1.49 on March 27, 2025.

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ROBIN SAUNDERS, London, England, United Kingdom

Robin Saunders is the Founder and Managing Partner of Clearbrook Capital Partners LLP, a London based advisory and investment firm focused on corporate consolidations across numerous sectors. With a career spanning more than three decades, Robin has been recognized as a financial innovator, leading transactions and investments valued at over €50 billion across 15 countries. Prior to Clearbrook, Robin held executive positions at leading global financial institutions, including Citigroup, Chase, Deutsche Bank and WestLB, specializing in securitization and principal finance.

**Director since:** February 2025  
**Age:** 62  
**Independent**

Ms. Saunders is also an active investor in global asset managers and technology-driven startups. A passionate mentor and educator, she serves as a Visiting Fellow at the Saïd Business School, University of Oxford, and is a frequent speaker on finance and investment innovation at academic and industry events.

Ms. Saunders is an "independent" member of the Board and is a member of each of the Compensation Committee and the ESG and Nominating Committee.

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**Skills & Expertise:** Accounting & Finance, Corporate Governance; Executive Compensation; Leadership; Mergers & Acquisitions; Public Company Management; Risk Management; Strategic Planning; and Technology

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**Attendance at Board Meetings:** N/A <sup>(1)</sup>

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**Attendance at Committee Meetings:** N/A <sup>(1)</sup>

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**Securities Held on March 27, 2025:**

**Common Shares:** 0

**Market Value of Common Shares:** N/A

**Minimum Equity Ownership:** Not Attained – Ms. Saunders has until 2030 to achieve her minimum equity ownership goal

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**DSUs:** 7.752

**Market Value of DSUs:** \$11,550 <sup>(2)</sup>

**RSUs:** N/A

**Market Value of RSUs:** N/A

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**Options:**

Date of Grant	Expiry Date	Number Granted	Exercise Price	Unexercised	Value of In-the-Money Unexercised Options <sup>(2)</sup>
N/A	N/A	N/A	N/A	N/A	N/A

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**Public Board Membership During Past 5 Years:** None

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**Public Board Interlocks:** None

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(1) Ms. Saunders became a director on February 19, 2025.

(2) Based on the TSX closing price of the Common Shares of \$1.49 on March 27, 2025.

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STEPHEN A. SMITH, Etobicoke, Ontario, Canada

Mr. Smith is an accomplished executive and board member currently serving as a director of Organigram Holdings (TSX:OGI, NASDAQ:OGI), a Cannabis company; Flow Beverage Corp. (TSX:FLOW), a premium water company in North America; and Chair of the Board of CanPR Technology Ltd, (TSX-V:WPR), an immigration services company. Mr. Smith also serves on the Advisory Board of Harbour Solutions Limited, a private company developing a wide range of products utilizing coca extract. Mr. Smith previously held a number of board positions with other public companies, including MAV Beauty Brands, Freshii Inc., Newstrike Brands and CST Brands Ltd.

**Director since:** N/A  
**Age:** 68  
**Independent**

Mr. Smith previously held a number of executive positions, including Co-CEO and CFO of Cara Operations Limited (now Recipe Unlimited) and Executive Vice President, CFO of Loblaw Companies Limited. He began his career with Pricewaterhouse Coopers.

Mr. Smith holds a Bachelor of Commerce from the University of Toronto. He holds a CPA, Chartered Accountant designation from the Ontario Institute of Chartered Accountants.

If elected, Mr. Smith would be an "independent" member of the Board.

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**Skills & Expertise:** Accounting & Finance; Corporate Governance; Cyber / Information Security; Executive Compensation; Leadership; Mergers & Acquisitions; Public Company Management; Risk Management; Strategic Planning; Technology

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**Attendance at Board Meetings:** N/A <sup>(1)</sup>

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**Attendance at Committee Meetings:** N/A <sup>(1)</sup>

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**Securities Held on March 27, 2025:**

**Common Shares:** Nil

**Market Value of Common Shares:** N/A

**Minimum Equity Ownership:** Not Attained – Mr. Smith has until 2030 to achieve his minimum equity ownership goal

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**DSUs:** Nil

**Market Value of DSUs:** N/A

**RSUs:** Nil

**Market Value of RSUs:** N/A

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**Options:** Nil

Date of Grant	Expiry Date	Number Granted	Exercise Price	Unexercised	Value of In-the-Money Unexercised Options <sup>(2)</sup>
N/A	N/A	N/A	N/A	N/A	N/A

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**Public Board Membership During Past 5 Years:** MAV Beauty Brands (formerly TSX); Freshii Inc. (formerly TSX)

**Public Board Interlocks:** Organigram Holdings (TSX: OGI, NASDAQ:OGI); Flow Beverage Corp. (TSX:FLOW); CanPR Technology Limited (TSX-V:WPR)

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(1) Mr. Smith is not yet a member of the Board and is being proposed as a nominee.

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## Corporate Cease Trade Orders or Bankruptcy

Except as disclosed below, to Quarterhill's knowledge, none of the proposed directors:

- (a) is at the date hereof or has been, in the last 10 years before the date hereof, a director, chief executive officer or chief financial officer of any company, including Quarterhill, that (i) was subject to a cease trade order, an order similar to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemptions under securities legislation, that was in effect for a period of more than 30 consecutive days (an "Order") that was issued while the proposed director was acting in such capacity; or (ii) was subject to an Order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer;
- (b) is at the date hereof or has been in the 10 years before the date hereof, a director or executive officer of a company, including Quarterhill that, while that person was acting in that capacity or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; and
- (c) has, within the last 10 years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold their assets.

Mr. Stephen Smith was a director of MAV Beauty Brand Inc. ("**MAV Beauty**"). On November 14, 2023, MAV Beauty commenced voluntary proceedings under the Companies' Creditors Arrangement Act (Canada) ("**CCAA**") in the Ontario Superior Court of Justice (Commercial List) in order to facilitate a restructuring through a going-concern sale of substantially all of the assets of MAV Beauty. On November 20, 2023, the Ontario Securities Commission issued a cease trade order in respect of the trading of MAV Beauty's securities for the failure to file certain periodic reports following the commencement of the CCAA proceedings. During the CCAA proceedings, on December 8, 2023, MAV Beauty completed a sale of substantially all of the assets of the company and its subsidiaries to an affiliate of Nexus Capital Management LP. The trading of MAV Beauty's common shares on the TSX was halted and the TSX delisted MAV Beauty common shares on December 21, 2023. Mr. Smith resigned as a director of MAV Beauty on December 20, 2023.

## Penalties and Sanctions

To Quarterhill's knowledge, no proposed director has, as at the date hereof, been subject to:

- (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

## Board Skills and Experience

The members of the Board have identified skills, competencies and experience in the following areas as being important to the Board's contribution to Quarterhill's long-term strategic success:

1. Accounting & Finance – meaning being a Chartered Professional Accountant or having a similar designation or being "financially literate" as defined in applicable laws;
2. Corporate Governance – meaning having current or former experience helping to guide the governance principles of organizations similar to Quarterhill, having professional experience in corporate governance;
3. Cyber / Information Security – meaning having current or former senior experience specifically in advising and/or assisting organizations similar to Quarterhill with respect to identifying, managing and minimizing their cyber or information security risks;
4. Executive Compensation – meaning having current or former significant experience in human resources generally and/or determining and monitoring compensation matters for organizations similar to Quarterhill, negotiating executive employment agreements and/or designing and implementing incentive and equity plans for organizations similar to Quarterhill;
5. Leadership – meaning having had a senior officer and/or managerial role in organizations similar to Quarterhill with direct reports and responsibilities over principal business units, divisions or functions of those organizations and/or having a policy-making function for those organizations;
6. Legal – meaning being a current or former practicing corporate attorney, lawyer, solicitor or barrister;
7. Mergers & Acquisitions – meaning having proven experience in mergers and acquisitions from an accounting, business, finance and/or legal perspective;

8. Public Company Management – meaning having current or former experience as a senior executive of a publicly-listed company and/or as a professional advising the board of directors of a publicly-listed company;
9. Risk Management – meaning having significant proven experience in identifying and assessing risks to the business, assets and reputation of organizations similar to Quarterhill and implementing solutions to address and alleviate those risks;
10. Strategic Planning – meaning having significant proven experience in identifying and assessing the business, priorities, stakeholder ambitions and aspirations of organizations similar to Quarterhill to define their organizational strategies and directions and implementing solutions to align these matters through budgeting, finance, staffing and other areas to guide those organizations to pursue those strategies and directions;
11. Technology – meaning having educational background in technology, current or former professional experience in advising on technology matters from a business perspective and/or current or former experience as a senior executive of a technology organization; and
12. Transportation Systems – meaning having had a senior officer, managerial and/or advisory role in organizations in the transportation and/or intelligent transportation industries including having current or former experience as a senior executive of such an organization, as a professional advising the board of directors and/or management of such an organization and/or having significant industry relationships with such an organization.

The matrix below is provided to assist shareholders in identifying which nominees to the Board have the skills, competencies and experiences identified above. The matrix is also a tool designed to assist the ESG and Nominating Committee and the Board in identifying the appropriate talent and expertise against the competitive landscape in which we conduct our businesses.

Competencies and Experience	Pat T. Deon	Rusty Lewis	Chuck Myers	Robin Saunders	Asha Daniere	Stephen Smith
Accounting & Finance		✓		✓	✓	✓
Corporate Governance	✓	✓	✓	✓	✓	✓
Cyber / Information Security			✓			✓
Executive Compensation	✓	✓	✓	✓		✓
Leadership	✓	✓	✓	✓	✓	✓
Legal					✓	
Mergers & Acquisitions	✓	✓	✓	✓	✓	✓
Public Company Management		✓	✓	✓	✓	✓
Risk Management		✓	✓	✓		✓
Strategic Planning	✓	✓	✓	✓	✓	✓
Technology		✓	✓	✓	✓	✓
Transportation Systems	✓	✓	✓			

#### ITEM 4 - APPOINTMENT OF AUDITORS

At the Meeting, Quarterhill's shareholders will be asked to re-appoint Ernst & Young Canada LLP to serve as auditors until the close of the next annual meeting of the shareholders, and to authorize the Board to fix the remuneration of the auditors appointed. Ernst & Young Canada LLP was first appointed as our auditors on November 30, 2020. Prior to November 30, 2020, Quarterhill's auditors were PricewaterhouseCoopers LLP who acted for us since October 25, 2006.

**The Board unanimously recommends that the shareholders vote "FOR" the resolution re-appointing Ernst & Young Canada LLP as auditors of Quarterhill and authorizing the Board to fix the remuneration of Ernst & Young Canada LLP.** Unless otherwise directed, it is the intention of the Management Designees, if named as proxy, to vote for the resolution re-appointing Ernst & Young Canada LLP as auditors of Quarterhill and authorizing the Board to fix the remuneration of Ernst & Young Canada LLP.

The re-appointment of Ernst & Young Canada LLP as auditors of Quarterhill will be authorized if approved by a majority of votes cast by shareholders present in person or represented by proxy at the Meeting and entitled to vote thereon.

#### ITEM 5 – AMENDMENT TO EQUITY PLAN

At the Meeting, Quarterhill's shareholders will be asked to consider, and if thought advisable, to approve, with or without variation, the Equity Plan Resolution substantially in the form set out in **Exhibit C** to this circular, approving an amendment to the Equity Plan (as set out in **Schedule 1 to Exhibit C**). The purpose of the amendment sought by the Equity Plan Resolution is to increase the maximum number of Common Shares (subject to adjustment in accordance with the Equity Plan) that may be issued for all purposes pursuant to the Equity Plan (together with all other "security based compensation arrangements" (as defined by the TSX)) from 10% to 12% of the total number of Common Shares issued and outstanding from time to time (calculated on a non-diluted basis).

Assuming the approval of the Equity Plan Resolution, the maximum aggregate number of Common Shares (subject to adjustment in accordance with the Equity Plan) that may be subject to issuance at any given time in connection with awards granted under the Equity Plan may not exceed 12% of the total number of issued and outstanding Common Shares (calculated on a non-diluted basis) at the time of any award grant less any Common Shares issuable under any other Quarterhill "security based compensation arrangements" (as defined by the TSX) of which, would include Quarterhill's Employee Share Purchase Plan (the "ESPP") which was approved by Quarterhill's shareholders at its annual and special meeting of shareholders held on May 13, 2024 (the "**2024 Meeting**").

A copy of the Equity Plan, as proposed to be amended by the Equity Plan Resolution, is attached hereto as **Schedule 1 to Exhibit C**.

Effective April 1, 2025, the Board adopted the foregoing amendment to the Equity Plan substantially in the form set out in the Equity Plan Resolution, subject to approval by Quarterhill's shareholders at the Meeting. **The Board unanimously recommends that the shareholders vote "FOR" the Equity Plan Resolution (the full text of which is set out in Exhibit C to this Circular) to approve the amendment to the Equity Plan.** Unless otherwise directed, it is the intention of the Management Designees, if named as proxy, to vote for the Equity Plan Resolution approving the amendment to the Equity Plan. The Equity Plan Resolution will be authorized if approved by a majority of votes cast by shareholders present in person or represented by proxy at the Meeting and entitled to vote thereon.

In the event that the Equity Plan Resolution is not approved by Quarterhill's shareholders at the Meeting, then the amendment proposed therein will not come into force, and Quarterhill will be able to continue granting awards under the Equity Plan, unamended, until May 13, 2027, when approval of unallocated entitlements under the Equity Plan will expire.

## **STATEMENT OF ENVIRONMENTAL, SOCIAL AND GOVERNANCE MATTERS**

Quarterhill understands that we have important roles in advancing material environmental, social and governance matters that are of increasing importance to us and to our various stakeholders including our shareholders, customers, suppliers and employees and their families and communities (collectively, "**ESG Matters**"). The Board's ESG and Nominating Committee is tasked with developing, implementing and assessing effective processes and practices relating to ESG Matters, including updating our shareholders as to ESG Matters in our annual management information circular disclosure. Quarterhill has adopted an Environmental, Social and Governance Statement (the "**ESG Statement**") to enhance these processes and practices, and to communicate our commitment to ESG Matters to our various stakeholders.

Over the past year, as in previous years, the ESG and Nominating Committee has dedicated significant efforts to refocusing on key governance practices. A comprehensive governance review was conducted, concentrating on board objectives, board skills and experience, board composition and renewal, and corporate processes. This extensive review was carried out with the external assistance of Hugessen Consulting and involved both written and oral interviews. The review examined several critical issues, including: the organization's strategic ambition; corporate processes; Board objectives; Board skills (both existing and desired); and Board renewal, among others.

Following the review, an action plan was implemented to reset the Board's objectives and enhance its effectiveness. Particular emphasis was placed on mapping internal processes to ensure transparency and consistency. Additionally, the review focused on identifying critical Board skills and potential gaps by comparing these critical skills with the existing Board skills. As a result of these efforts, Board renewal was undertaken, leading to the addition of two new directors in late 2024/early 2025. These new directors bring critical skills in areas of expertise relevant to Quarterhill.

### *Policy Refresh and Creation*

In 2024, the ESG and Nominating Committee also dedicated considerable time to refreshing and, in some cases, creating corporate policies under its auspices. These policies include: Board Tenure Policy, Share Ownership and Minimum Equity Ownership Policy, Board Diversity Policy, Corporate Disclosure and Confidentiality Policy, Whistle-blower Policy, Insider Trading Policy, Majority Voting Policy. Other core corporate documents were either revamped or refreshed, including: Board Mandate, Committee Charters, ESG Statement, Human Rights Statement and the CEO and Board Chair Descriptions. These efforts reflect the committee's ongoing commitment to enhancing governance practices and ensuring the Board's effectiveness in achieving Quarterhill's strategic objectives.

### *ESG Updates*

With respect to "environmental" matters, Quarterhill's businesses and our employees are working to produce positive effects to the environment including by endeavouring to implement practices such as the following:

- our Intelligent Transportation Systems (“ITS”) product and service offerings assist governmental authorities at various levels in various jurisdictions to enhance the efficiency of their transportation networks, work towards reducing greenhouse gas emissions from commercial and private vehicles (including optimizing fuel consumption where possible), strive to enhance safety and quality of life of road users (including both motorists and more vulnerable users such as pedestrians and cyclists), attempt to reduce consumers’ use of fossil fuels, and assist in the efficient move away from a reliance on revenues from fossil fuel taxes to build and maintain road systems to a user pay basis in which road use tolls pay for such systems;
- relying on responsible and commercially standard practices to help reduce the environmental impacts of our manufacturing, installation and maintenance operations, the operation of which necessarily result in the use of power to operate equipment, emissions from certain industry-standard industrial processes and more general emissions from the receipt and shipment of materials and finished products and the installation and maintenance of those products;
- otherwise working to reduce energy consumption where commercially reasonable by optimizing lighting and HVAC schedules at our various corporate premises and encouraging our various landlords to use reduced consumption products such as LED lightbulbs, recycled paper products and water conservation tools in these premises;
- our employees being encouraged to recycle where possible and appropriate both at our various corporate premises and when they work from home where recycling programs are available;
- our use of the Canadian Securities Administrators’ “notice-and-access” system permitting us to send this Circular and all related materials for the Meeting to our shareholders, which we expect will significantly reduce our use of paper from our 2021 printing of more than 500,000 pieces of 8½ x 11 inch sheets, weighing more than 550 lbs, that were sent by mail and courier to more than 16,000 Quarterhill shareholders for our annual shareholders’ meeting that year, which is the last year in which we did not use the “notice-and-access” system;
- greater reliance on communication technologies enabling remote collaboration between employees and between employees and customers and suppliers to reduce travel where possible and appropriate; and
- a general reduction of paper use where possible and appropriate including to reduce the movement of physical documents.

With respect to “social” matters, Quarterhill has adopted policies that reflect our respect for the people who make our businesses possible as well as those who provide services to our customers and suppliers together with the broader communities in which all of these people live and work including with respect to the following:

- we have exceptionally talented teams in each of our operating subsidiaries and in Quarterhill itself, with individuals coming from diverse backgrounds bringing their highly developed skills to our businesses – we value each of our individual employees and all of their respective contributions that advance our goals and, as such, we are committed to fostering a culture that provides them with meaningful opportunities to grow in their careers and motivates them to deliver their best, which, in turn, we believe will deliver increasing value to our shareholders and other stakeholders;
- we have adopted an over-arching Human Rights Statement (the “**Human Rights Statement**”) to communicate our commitments and values relating to diversity and inclusion to our various stakeholders;
- we strive to consider diversity in the identification and nomination of new Board members and the hiring of all employees including members of senior management. We are committed to a merit-based system for nomination and hiring within a diverse and inclusive culture that strives to be free from conscious and unconscious bias and discrimination while considering candidates for all roles based on their respective merits and balancing their respective backgrounds, skills, experience and knowledge but also taking into account such considerations as gender, age, aboriginal status, disabilities, visible minority status and other important personal characteristics;
- Quarterhill has moved employees to a hybrid work model subject to individual employees’ job descriptions and requirements around manufacturing, installation, maintenance and testing; and
- we generally offer a wide variety of important group benefits including medical, dental, prescription and mental health resources that are customized to market preferences in the places in which we conduct business.

With respect to "governance" matters, Quarterhill is committed to conducting its businesses in an ethical manner and has adopted a Code of Business Conduct and Ethics (the "**Code**"), a copy of which Code can be found at our website at [www.quarterhill.com](http://www.quarterhill.com). The Code works in tandem with each of our insider trading policy, our corporate disclosure and confidentiality policy and our whistleblower protection policy on financial matters (copies of each of which can be found at our website at [www.quarterhill.com](http://www.quarterhill.com)) (collectively, the "**Policies**"). The Code and the Policies are internal facing requirements setting out our expectations as to how our people conduct themselves in their business dealings and performance of duties and are expected to be complied with in letter and spirit. All of our Board members, and Quarterhill's employees, are responsible for reading, understanding and complying with the Code and the Policies and annually certifying in writing that they understand each provision of the Code and the Policies and have conducted themselves in compliance with the Code and the Policies over the preceding 12 months.

In addition to the foregoing, Quarterhill recognizes that the area around ESG Matters continues to develop and offers opportunities for us to grow and revise our practices. Both Quarterhill management and our ESG and Nominating Committee are committed to regularly reviewing all ESG Matters impacting our businesses and the regulatory landscape relating to those ESG Matters generally and as to their reporting and disclosure to our shareholders including all related requirements.

## **STATEMENT OF EXECUTIVE COMPENSATION**

The disclosure provided in this Statement of Executive Compensation is provided to communicate to our shareholders about executive compensation paid by Quarterhill in its year ended December 31, 2024 and the decision-making process relating to that compensation.

### **Compensation Committee**

As of December 31, 2024, the members of the Compensation Committee are Bill Morris (Chair), Anna Tosto Rusty Lewis, each of whom is an "independent" director as such term is defined in Section 1.4 of NI 52-110. On March 3, 2025, Pat T. Deon and Robin Saunders were appointed to the Compensation Committee, both of whom is an "independent" director as such term is defined in Section 1.4 of NI 52-110. Each of the Compensation Committee members has experience in executive compensation through executive experience and/or membership on boards of directors of public or private entities and, as such, possesses a thorough understanding of employee and executive compensation. The Board believes that the members of the Compensation Committee are qualified to fulfill their duties.

The Compensation Committee assists the Board in overseeing the design and administration of Quarterhill's compensation programs for executive officers, directors, and the broader employee base. The Compensation Committee also provides direction on succession planning and retention of the Chief Executive Officer and other key employees and assists in the establishment of fair and competitive compensation and performance incentive plans. The Compensation Committee recommends annual compensation for the CEO and other executive officers and the directors, which includes establishing targets and measuring performance. The Compensation Committee relies, in part, on input from our management to assess individual executive and corporate performance for our directors and executive officers. The Compensation Committee has the authority to retain independent advisors to provide advice on our compensation practices.

The Compensation Committee's Charter (the "**Charter**") sets out the responsibilities, powers and operation of the Compensation Committee. Pursuant to the Charter, the Compensation Committee's responsibilities include the review and recommendation of general human resources and compensation principles, policies and plans, and the review and recommendation on executive officer (and to the extent deemed appropriate, the broader employee base) compensation matters. A copy of the current version of the Compensation Committee's Charter is available at our website at [www.quarterhill.com](http://www.quarterhill.com).

### **Compensation Consultant**

During the years ended December 31, 2023 and 2024, Hugessen Consulting Inc. ("**Hugessen**") was retained by the Compensation Committee to assist with various matters including peer groups and executive compensation benchmarking. All decisions and actions taken by the Compensation Committee and Board have been based on numerous factors and circumstances, which may, but do not necessarily reflect the information or advice obtained from Hugessen.

During the year ended December 31, 2024, AON Consulting Inc. ("**AON**") was also retained to assist the Board and/or Compensation Committee with certain compensation matters. AON provided advice to the Board in defining the direction of Quarterhill's long-term incentive plan with a goal to aligning the senior leadership team compensation plans with Quarterhill's share price performance. AON also provided services during 2024 to Quarterhill's management on executive benchmarking. The Board or Compensation Committee does not need to pre-approve services of AON and Hugessen that are provided to Quarterhill at the request of management.

The following table sets forth information concerning the fees billed by the compensation consultants for the periods presented:

Compensation Consultant	Financial Year Ending	Executive Compensation-Related Fees <sup>(1)</sup>	All Other Fees <sup>(2)</sup>
Hugessen	December 31, 2024	\$44,918	\$34,516
	December 31, 2023	\$69,947	\$0
AON	December 31, 2024	\$18,629	\$26,872
	December 31, 2023	\$0	\$0

(1) "Executive Compensation-Related Fees" means the aggregate fees billed for services related to determining compensation for any of the Company's directors and executive officers.

(2) "All Other Fees" means the aggregate fees billed for all other services that are not included under "Executive Compensation-Related Fees" and includes general consulting advice.

### Named Executive Officers

For the year ended December 31, 2024, Quarterhill's "named executive officers" (collectively, the "Named Executive Officers" or "NEOs") are:

NEOs who are current employees of Quarterhill:

- Chuck Myers, Chief Executive Officer;
- Kevin Holbert, Executive Vice President, Business Development Tolling (formerly President & Chief Executive Officer of ETC);
- David Sparks, Executive Vice President, Strategy; and
- Morgan Demkey, Vice President Operations (Safety & Enforcement).

NEOs who are former employees of Quarterhill:

- Kyle Chriest, Chief Financial Officer from March 15, 2024 to January 31, 2025 (Mr. Chriest was interim CFO from May 24, 2023 through March 14, 2024. On March 15, 2024, Mr. Chriest resigned from his position as of January 31, 2025); and
- James M. Childress, Chief Technology Officer from January 1, 2023 to September 30, 2024.

For all tables below, we have bolded the names of our NEOs that remain current employees of Quarterhill as of April 1, 2025.

### Compensation Discussion & Analysis

#### Compensation Principles and Objectives

With respect to executive compensation (including our NEOs), our Compensation Committee and management strive to: (1) align Quarterhill executive officers' interests with those of our shareholders by using both short-term cash incentives and long-term equity-based incentives that are directly correlated with the market price of our Common Shares; and (2) ensure that overall executive compensation is internally equitable within Quarterhill and our subsidiaries, and also competitive externally so we can attract, retain and motivate qualified and committed professionals who will drive our businesses forward successfully.

We believe that an effective executive compensation program founded on these key principles is essential for building long-term shareholder value. Quarterhill's compensation program is designed to reward executive officers for maximizing shareholder value in an ethical manner.

#### Target Compensation

Quarterhill sets target executive officer compensation based on market rates for similar positions and each executive officer's expected contribution and past performance. Target compensation is comprised of a guaranteed base salary amount and a performance-based incentive amount which is comprised of short-term (cash) and long-term (equity-based) compensation.

Quarterhill is shifting its executive compensation mix towards both equity and long-term retention and performance-based awards. With most of the executive team now based in Texas and a greater strategic differentiation through software, our compensation peer group has been adjusted for 2025. Going forward, we are replacing our PRSU-based awards with a market standard mix of RSUs, with three-year vesting, and PSUs, based on multi-year performance targets. Equity-based compensation is being increased, particularly for the

CEO, starting with 2025 grants. The emphasis will be on performance and long-term effort, ensuring that our leadership is aligned with the interests of our shareholders and committed to the company's sustained success.

If our executive officers meet or exceed targets, and an executive officer's individual contribution was satisfactory, executive officers will generally receive their full target compensation, as ultimately determined at the discretion of the Board. If not achieved, executive officers will generally receive less than their full target compensation, as ultimately determined at the discretion of the Board. The Compensation Committee considers each element of its short-term incentive program ("**STIP**") and long-term incentive program ("**LTIP**") compensation together when recommending appropriate compensation amounts and grants. The Chief Executive Officer recommends target compensation levels for other executive officers while the Compensation Committee recommends target compensation for the Chief Executive Officer. NEOs are generally not present for, nor do they participate in, Compensation Committee or Board discussions or approvals relating to their own compensation.

The following elements of compensation are discussed in further detail below: (1) base salary, (2) STIP, and (3) LTIP (equity-based compensation).

### **Compensation Peer Group**

The following peer group was selected based on Quarterhill's current size, geographic focus, and industry, for purposes of benchmarking Quarterhill's director and executive compensation. The peer group was most recently reviewed in November 2024 and will be revised by the Compensation Committee as deemed necessary.

<b>Company Name</b>	<b>Industry</b>	<b>Location of Headquarters</b>
Vecima Networks Inc.	Communications Equipment	Canada
Rekor Systems, Inc.	Application Software	United States
Lantronix, Inc.	Communications Equipment	United States
Identiv, Inc.	Electronic Equipment and Instruments	United States
Firan Technology Group Corporation	Electronic Manufacturing Services	Canada
908 Devices Inc.	Electronic Equipment and Instruments	United States
Ouster, Inc.	Electronic Equipment and Instruments	United States
Luna Innovations Incorporated	Electronic Equipment and Instruments	United States
LiveVox Holdings, Inc.	Application Software	United States
CalAmp Corp.	Communications Equipment	United States
Presto Automation Inc. <sup>(1)</sup>	Electronic Equipment and Instruments	United States
Iteris, Inc.	Electronic Equipment and Instruments	United States
Cepton, Inc.	Electronic Equipment and Instruments	United States

(1) Only used as a peer for purposes of benchmarking executive compensation.

### **Elements of Compensation**

#### *Base Salary*

Base salary is generally based on market competitiveness and individual qualifications, experience and performance, as originally established upon an executive officer joining Quarterhill. An executive officer's base salary is intended to provide fixed compensation to secure their services.

Quarterhill's determination of the "market" rate and competitiveness of each executive officer role is not based on any single measure or any formal set of measures, but instead, Quarterhill management reviews a number of factors to determine each executive officer's "market" value including:

- publicly available salary guides (including from Quarterhill's peer group discussed above);
- the need to extrapolate information where no reasonable match can be found between the requirements of a specific officer role and the data available to us;
- reasonable considerations affecting the professional markets where we compete for skills; and
- reasonable considerations specific to geographic markets where we compete for talent.

Based on such factors, subject to Board approval where required, senior management establishes percentage increases to base salary predicated on how each executive officer's performance in the year measures against the "market value" of their respective role with Quarterhill and overall market salary movement.

#### *Short-term Incentive Plan Program*

Quarterhill's STIP historically consist of an annual performance-based cash incentive forming part of target compensation, paid based on achieving annual corporate revenue ("**Revenue**") and adjusted earnings

before income taxes, depreciation and amortization ("**AEBITDA**") targets focused on positioning Quarterhill for present and future success with a discretionary portion based on the Board's determination of Quarterhill's annual performance and each individual's contribution to that performance.

For 2024, the STIP and LTIP programs were based on the following metrics: 20% Revenue, 45% AEBITDA, 20% Net Cash and 15% on the Board's discretion. For details on how Quarterhill calculates AEBITDA, please see Quarterhill's most recent management's discussion and analysis for the three months and year ended December 31, 2024 dated March 17, 2025 available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

Revenue and AEBITDA targets for 2024 were subject to minimum thresholds. AEBITDA threshold must be met for any incentive payments to be made under both the STIP and LTIP. Quarterhill's minimum Revenue threshold is 85% and minimum AEBITDA threshold is 60% of the targets. Each target also provides for leverage up to between 150% and 200% for significant over-target performance over and above the respective goals. Targets are measured against Quarterhill's annual results achieved in 2024 and any related cash incentives are paid thereafter. Disclosure of actual dollar amounts for these targets would seriously prejudice Quarterhill's interests and the Compensation Committee and the Board as a whole believe that the use of these targets is well correlated to Quarterhill's long-term, sustainable financial strength and growth.

For the year ended December 31, 2024, the AEBITDA threshold was not met, and as a result, no payments were made under the STIP. However, following the CEO's recommendation to the Compensation Committee (in respect of NEOs other than the CEO), and with Compensation Committee approval and recommendation to the Board, certain discretionary cash bonuses were awarded to select NEOs in recognition of their exceptional contributions throughout the year. Amounts are reflected under the heading "*Non-Equity Incentive Plan Compensation – Annual Incentive Plans*" in the Summary Compensation Table, below.

In respect of the 2024 fiscal year, the Board elected to grant Mr. Myers a discretionary bonus in the amount of USD\$405,000. Mr. Myers exceeded the Board's expectations in improving customer relationships, renegotiating most of our underperforming tolling contracts, integrating the operations, improving program management controls, divesting and restructuring non-performing assets outside North America, upgrading the leadership team and creating a high-performance culture. Despite these efforts, the financial impact of the underperforming contracts was greater than anticipated in the targets set shortly after his arrival. Given that no payout would be made under STIP or LTIP, the Board decided that recognizing his contributions with this bonus was in Quarterhill's best interests.

The Board approved a discretionary bonus of \$172,668 for Mr. Demkey in recognition of the above-target performance of the Safety and Enforcement business unit in 2024. This bonus also acknowledges his leadership in guiding the team following the departure of the CEO of Safety and Enforcement at the beginning of the year, ensuring continuity and strong results throughout 2024.

The NEO's discretionary cash bonuses for the year ended December 31, 2024 are reflected below. Amounts are reflected under the heading "*Non-Equity Incentive Plan Compensation – Annual Incentive Plans*" in the Summary Compensation Table below for NEOs. The following does not include NEOs who were no longer employed by Quarterhill as of December 31, 2024 and did not receive a discretionary cash bonus.

<b>Named Executive Officer</b>	<b>Discretionary Cash Bonus Paid in respect of Year Ended December 31, 2024</b>
<b>Chuck Myers</b>	\$582,755 <sup>(1)</sup>
Kyle Christ	\$0
<b>Kevin Holbert</b>	\$0
<b>David Sparks</b>	\$64,751 <sup>(1)</sup>
<b>Morgan Demkey</b>	\$172,668

(1) Converted from US dollars at a rate of US\$1 = \$1.4389 equal to the Bank of Canada US dollar daily average exchange rate on December 31, 2024 – the Canadian dollar equivalent of actual amounts paid may vary depending on the exchange rate in effect on the payment date.

#### *Long-term Incentive Plan Program*

For fiscal 2024, the long-term portion of Quarterhill's executive officer compensation was comprised of performance RSUs ("**PRSUs**") (and underlying RSUs). Previous grants of any long-term incentives are taken into account when considering any new grants.

PRSUs, or Performance Restricted Stock Units, are an obligation on Quarterhill's part to issue to certain employees up to a pre-set maximum number of RSUs in the following period if stipulated performance targets are achieved. For clarity, PRSUs only represent a commitment to grant RSUs if the stipulated performance targets are achieved. Effective in 2025, Quarterhill is no longer utilizing PRSUs and will instead utilize RSUs and PSUs under its LTIP program.

Based on Hugessen's compensation benchmarking review conducted in the 2023 financial year, it was determined that it was in the best interests of Quarterhill to adjust the mix of fixed and variable at-risk compensation for its executive officers to provide for a greater relative amount of variable and long-term, at-risk compensation, on the basis that Quarterhill's compensation mix included a below-market proportion of at-risk compensation. Based on this, the Compensation Committee has determined to maintain base salary levels while increasing the amount of long-term incentive compensation in the form of equity grants, which remain subject to certain performance and/or time hurdles, as discussed below.

For the year ended December 31, 2024, with respect to Messrs. Myers, Holbert, Sparks and Demkey, 50% was tied to their AEBITDA target, 40% to their Net Cash Target and 10% was subject to the Board's discretion. If annual targets are achieved, then RSUs are issued on a one-to-one basis in respect of the related PRSUs until 100% of such target performance metric is achieved, provided that significant over-target performance can result in up to between 150% and 200% of RSUs being issued upon PRSUs in any year. Any PRSUs that do not result in the issuance of RSUs are immediately forfeited. The targets are set based on Quarterhill's AEBITDA and Net Cash goals for the year, all of which are established to be challenging yet attainable for management given anticipated trends. Disclosure of actual dollar amounts for these targets would seriously prejudice Quarterhill's interests and the Compensation Committee and the Board as a whole believe that the use of these targets is well correlated to Quarterhill's long-term, sustainable financial strength and growth.

These targets are subject to minimum thresholds, below which, no RSUs will be issued. AEBITDA threshold must be met for any incentive payments to be made under both the STIP and LTIP. Each target also provides for leverage up to 200% for the CEO and 150% for other NEOs for significant over-target performance over and above the respective goals. Targets are measured against Quarterhill's annual results achieved in each year and any RSUs are issued thereafter.

For the year ended December 31, 2024, the AEBITDA threshold was not met, and as a result, no RSUs were issued under the LTIP. However, following the CEO's recommendation to the Compensation Committee, and with Compensation Committee approval and recommendation to the Board, discretionary RSU grants were awarded to select NEOs in recognition of their exceptional contributions throughout the year. The Board elected to award Mr. Demkey two discretionary RSU grants in 2024. The first grant of 100,000 RSUs was in June, 2024 in recognition of his April promotion to lead the safety and enforcement business, and the second grant of 120,000 RSUs at year-end reflected that this business exceeded its performance targets for the year.

RSUs are awards under the Equity Plan that vest into fully-paid Common Shares equally twice a year over 3 years after grant (i.e., approximately 16.7% of each grant of RSUs vest into Common Shares twice per year). Upon vesting of any RSUs to Common Shares, either: (1) the holder must pay the applicable amount of income tax on that conversion in cash to Quarterhill, which Quarterhill will remit to the appropriate authorities; or (2) Quarterhill will reduce the number of Common Shares issuable on that conversion by an appropriate number to reflect the amount of income tax payable based on the market value of the Common Shares on that date and Quarterhill will remit the amount of that income tax to the appropriate authorities.

The value of RSUs is directly correlated to the market price of our Common Shares as it changes over the 3-year period over which the RSUs vest and, as such, they fully align our NEO's respective interests with our shareholders' interests in increasing Quarterhill's market value generally and our Common Share market price specifically.

The following table sets out our target and actual LTIP for the year ended December 31, 2024, based on Quarterhill's PRSU obligations and the attainment of related performance criteria. The table below does not include NEOs who were no longer employed by Quarterhill as of December 31, 2024 and did not receive LTIP in respect of the year.

Named Executive Officer	Target RSUs issuable per PRSUs	Actual RSUs to be Issued per PRSUs	Percentage of RSUs to Actually be Issued
<b>Chuck Myers</b>	603,070	0	0%
Kyle Chriest	N/A	N/A	N/A
<b>Kevin Holbert</b>	245,614	0	0%
<b>David Sparks</b>	231,578	0	0%
<b>Morgan Demkey</b>	81,140	0	0%

#### *Options*

During the year ended December 31, 2024, no Options were granted. Options do not form a substantial part of executive pay at this time.

## Managing Compensation-Related Risk

Based on Quarterhill's compensation practices and policies, the Compensation Committee and Board have concluded that there do not appear to be any risks arising from the compensation programs that are reasonably likely to have a material adverse effect on Quarterhill at this time. Quarterhill has certain risk-management policies and prohibitions with a goal to managing compensation-related risk, as summarized below.

### **Hedging Prohibition**

As part of Quarterhill's insider trading policy, our employees and directors are prohibited from: (1) entering into short sales of our securities, (2) transactions on derivatives relating to our securities (such as put and call options), and (3) any other hedging or equity monetization transactions where the person's economic interest and risk exposure to Quarterhill securities are changed.

### **Compensation Risk Assessment and Mitigation**

The Compensation Committee reviews Quarterhill's compensation practices and policies at least annually and more often if required to deal with specific issues arising between annual reviews. The Compensation Committee and the Board have implemented policies designed to mitigate risk in our compensation policies and practices including the following:

- the Compensation Committee's annual review of our compensation practices ensures that: (1) we compensate our executive officers satisfactorily to ensure Quarterhill does not lose employees with critical skills, (2) executive officers have sufficient "at risk" compensation to align their interests with those of our shareholders, and (3) our executive officers are motivated to continually improve Quarterhill and our business;
- an increasingly significant portion of each executive officer's target compensation under our Equity Plan is performance-based, "at risk" and aligned to shareholder interests as it depends on the long-term movement of the market price of our Common Shares;
- the target performance metrics for any equity awards under Quarterhill's long-term incentive plan and the vesting periods and performance targets for RSUs have been implemented both to mitigate the risk of executive officers generating short-term benefits and to tie compensation to corporate performance and our Common Share price;
- under our current executive officer long-term incentive plan, equity awards under the long-term incentive plan make up a significant portion of the incentive compensation of each executive officer and are substantially linked to Quarterhill's revenues and earnings, thereby aligning our executive officers' interests directly with our shareholders' interests;
- in addition to cash incentives, any increases to base salary and the determination of any equity awards under our Equity Plan are largely based on Quarterhill's and executive officers' respective annual performance, thereby providing a strong pay-for-performance link;
- the Minimum Equity Ownership Requirements (discussed under the heading "*Minimum Equity Ownership Requirement*" below) are intended to both align Quarterhill's executive officers' personal interests with those of all shareholders and encourage them not to risk their equity positions for short-term gains; and
- the terms of our insider trading policy ensure that Options, DSUs, RSUs, PSUs and any other Common Share-based awards ("**Other Share Based Awards**") under the Equity Plan (collectively, "**Awards**") cannot be granted when Quarterhill has undisclosed material information.

### **Executive Clawback Policy**

Under Quarterhill's Executive Clawback Policy, which applies to all executives at the Vice-President level or higher, provided there are no factors that would make reimbursement unfair in the circumstances and it is in the best interests of Quarterhill, the Board may, in its sole discretion, to the fullest extent permitted by applicable laws, require reimbursement of the "after tax" amount of all or a portion of any short-term, medium-term and/or long-term incentive compensation received by an executive officer after December 31, 2013 where:

- the amount of such short-term, medium-term and/or long-term incentive compensation was calculated based upon, or contingent on, the achievement of certain financial results that were subsequently and negatively the subject of or affected by a restatement of all or a portion of Quarterhill's financial statements; and
- the executive officer engaged in gross negligence, intentional misconduct or fraud that caused or contributed materially to the need for the restatement as admitted by the executive officer or, in the

absence of such admission, as determined by the Board acting reasonably; and

- the amount of the short-term, medium-term and/or long-term incentive compensation that would have been awarded to or the profit realized by the executive officer resulting from such short-term, medium-term and/or long-term incentive compensation if the financial results had been properly reported would have been lower than the amount actually awarded, received or realized.

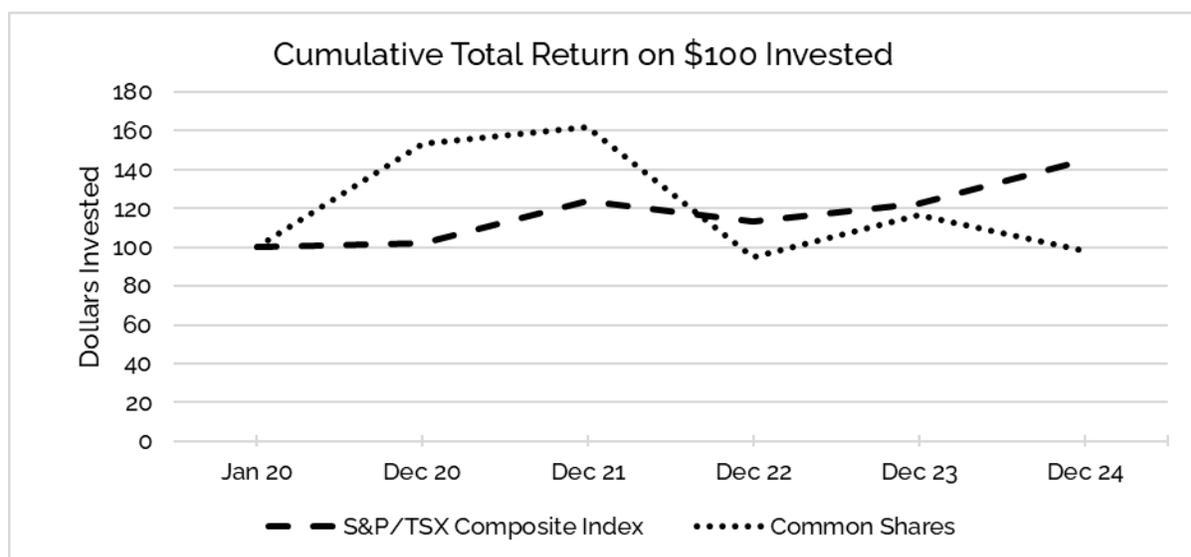
### Minimum Equity Ownership Requirement

The Board has established a minimum equity ownership requirement for all Quarterhill non-employee directors and the CEO (each, a "**Participant**") pursuant to which each Participant must own or control, directly or indirectly, common shares or hold DSUs or RSUs having an aggregate value of 3x base salary or annual board retainer, as applicable (the "**Minimum Equity Ownership Requirement**"). The policy contains additional ways the Minimum Equity Ownership Requirement may be satisfied. The Minimum Equity Ownership Requirement must be satisfied within five years of the date of the individual's election or appointment to the Board or as an officer.

The Minimum Equity Ownership Requirement will be audited annually in January of each calendar year by the Chief Financial Officer, who shall report the results to the Compensation Committee. The measurement of the value of each Participant's common shares, DSU and RSU holdings is based on: (A) for shares, the higher of: (i) the price actually paid or deemed to have been paid for shares, and (ii) the closing price of the shares on the TSX on the final trading day of the most recently completed year, and (B) for DSUs and RSUs, the closing price of the shares on the TSX on December 31 of the most recently completed year (or, if such date is not a trading date, on the last trading date of such year).

### Performance Graph

The graph below shows Quarterhill's cumulative total shareholder return on our Common Shares for the period from January 1, 2020 to December 31, 2024 and compares this cumulative total return with the cumulative total return of the S&P/TSX Composite Total Return Index for the same period. All dividends paid by Quarterhill and received by shareholders during the periods shown are assumed to have been reinvested in Common Shares.



During the period covered by this graph, other than an increase during early 2020 to mid 2022, total shareholder return declined relative to the S&P/TSX Composite Index. An investment of \$100 in Common Shares on January 1, 2020 would have been worth approximately \$98 on December 31, 2024, representing a compound annual growth of approximately -0.36%. In comparison, the S&P/TSX Composite Index reported a compound annual growth of approximately 7.66% over the same period.

The trend in the performance graph does not directly correlate to the trend of the compensation paid to the Named Executive Officers. As described under "*Statement of Executive Compensation – Compensation Discussion and Analysis*", base salaries reflect each executive officer's individual qualifications, experience and performance and are determined based on consideration of "market" rates. Quarterhill has concluded that management must be compensated based on competitive market conditions and the value of the services provided, irrespective of Common Share price movements. PRSUs and RSUs each form a portion of compensation, and therefore total compensation for the Named Executive Officers is affected by increases or decreases in the price of the Common Shares as the value of such PRSUs and RSUs changes as the Corporation's share price changes.

## Summary Compensation Table

The table below shows the compensation earned by the Named Executive Officers as employees of Quarterhill and/or its subsidiaries in the financial years ended December 31, 2024, December 31, 2023 and December 31, 2022. The names of the Named Executive Officers who are current employees of Quarterhill as of April 1, 2025 are bolded for easy reference.

Name and Principal Position	Year	Salary (\$)	Share-Based Awards <sup>(1)</sup>	Option-Based Awards	Non-Equity Incentive Plan Compensation		All Other Compensation <sup>(2)</sup>	Total Compensation
					Annual Incentive Plans	Long-Term Incentive Plans		
<b>Chuck Myers</b> <b>Chief Executive Officer</b> <sup>(3)</sup>	2024	\$791,395	--	--	\$582,755 <sup>(4)</sup>	--	\$17,960	\$1,392,110
	2023	\$221,027	\$1,091,422 <sup>(5)(6)</sup>	--	\$136,393	--	\$7,600 <sup>(7)</sup>	\$1,456,442
	2022	--	--	--	--	--	--	--
Kyle Chriest Chief Financial Officer <sup>(8)</sup>	2024	\$331,013	\$88,000 <sup>(9)</sup>	--	--	--	\$16,551	\$435,564
	2023	\$235,308	\$135,810 <sup>(10)</sup>	--	\$13,000	--	\$66,130 <sup>(11)</sup>	\$450,248
	2022	\$19,231	\$20,160 <sup>(12)</sup>	--	--	--	\$31,477 <sup>(13)</sup>	\$70,868
<b>Kevin Holbert</b> <b>Executive Vice President, Business Development Tolling</b> <sup>(14)</sup>	2024	\$503,615	--	--	--	--	\$19,112	\$522,727
	2023	\$462,910	--	--	--	--	\$99,723 <sup>(15)</sup>	\$562,633
	2022	\$470,892	--	\$108,750 <sup>(16)</sup>	--	--	--	\$579,642
James M. Childress Chief Technology Officer <sup>(17)</sup>	2024	\$378,209	--	--	--	--	\$241,512 <sup>(18)</sup>	\$619,721
	2023	\$449,684	\$597,403 <sup>(19)(20)</sup>	--	\$67,452	--	\$272,587 <sup>(21)</sup>	\$1,387,126
	2022	\$459,975	--	--	\$63,250	--	--	\$523,225
<b>David Sparks</b> <b>Executive Vice President, Strategy</b> <sup>(22)</sup>	2024	\$474,837	\$117,750 <sup>(23)</sup>	--	\$64,751	--	\$16,817	\$674,155
	2023	\$18,263	\$445,000 <sup>(24)</sup>	--	--	--	--	\$463,263
	2022	--	--	--	--	--	--	--
<b>Morgan Demkey</b> <b>Vice President Operations (Safety &amp; Enforcement)</b> <sup>(25)</sup>	2024	\$230,077	\$374,400 <sup>(26)(27)</sup>	--	\$172,668	--	\$11,504	\$788,649
	2023	\$165,404	--	--	--	--	\$46,928 <sup>(28)</sup>	\$212,332
	2022	\$167,388	--	--	\$18,663	--	\$8,370	\$194,421

(1) Value of share-based awards calculated using the applicable TSX closing price on the grant date.

(2) The value of all other perquisites and benefits for each Named Executive Officer which was less than the lesser of \$50,000 and 10% of such Named Executive Officer's salary has not been disclosed. Except as noted, these amounts generally represent contributions to Named Executive Officers' respective registered retirement savings plans, and similar payments made by Quarterhill on behalf of such Named Executive Officers.

(3) Mr. Myers was appointed to the Board on May 9, 2023 and subsequently employed as Quarterhill's Chief Executive Officer from September 5, 2023. Except with respect to "share-based awards" and "option-based awards", Mr. Myer's compensation is generally denominated in US dollars, the amounts of which have been converted to Canadian dollars for this summary compensation table at a rate of US\$1 - \$1.4389, equal to the Bank of Canada US dollar daily exchange rate on December 31, 2024 and US\$1 - \$1.3226, equal to the Bank of Canada US dollar daily exchange rate on December 31, 2023.

(4) Mr. Myers earned a discretionary bonus of USD\$405,000 for the year ended December 31, 2024, which has been converted at a rate of US\$1 - \$1.4389, equal to the Bank of Canada US dollar daily exchange rate on December 31, 2024.

(5) Includes 98,400 DSUs valued at \$123,000, granted to Mr. Myers on June 16, 2023 as director compensation. Also includes 500,000 RSUs valued at \$735,000 granted to Mr. Myers when he became Quarterhill CEO on September 6, 2023, vesting in six equal installments, every six months over a period of three years. On the date of the RSU grant, these RSUs had a value of \$1.47 each, equal to the TSX closing price of the Common Shares on September 5, 2023. The actual value received on the vesting of RSUs, if any, will differ from their grant date valuations.

(6) Includes 126,174 RSUs valued at \$233,422, granted to Mr. Myers on March 20, 2024, vesting in six equal installments, every six months over a period of three years. On the date of grant, these RSUs had a value of \$1.85 each, equal to the TSX closing price of the Common Shares on March 19, 2024. The actual value received on the vesting of RSUs, if any, will differ from their grant date valuations.

(7) Mr. Myers was paid \$7,600 in director fees for the period May 9, 2023 to August 9, 2023 for in-person attendance of Board meetings.

(8) Mr. Chriest joined Quarterhill on November 21, 2022 as Vice President Corporate Finance and was appointed as Quarterhill Interim Chief Financial Officer effective May 24, 2023. Mr. Chriest became Chief Financial Officer effective March 15, 2024, and resigned from his employment with Quarterhill effective January 31, 2025. Amounts disclosed for Mr. Chriest's 2023 compensation represent 143 days of compensation as Quarterhill's Vice President Finance and 222 days of compensation as Quarterhill's Interim Chief Financial Officer. Amounts disclosed for Mr. Chriest's 2022 compensation represents 41 days of compensation.

(9) Represents the value of 50,000 RSUs granted to Mr. Chriest on December 11, 2024 which vested as to 8,333 RSUs on that date and 41,667 RSUs were to vest in 5 equal installments, every six months over a period of three years, which unvested RSUs were forfeited on Mr. Chriest's departure. On the date of grant, these RSUs had a value of \$1.76 each, equal to the TSX closing price of the Common Shares on December 10, 2024.

(10) Represents the value of 73,410 RSUs granted to Mr. Chriest on March 20, 2024 vesting in six equal installments, every six months over a period of three years. On the date of grant, these RSUs had a value of \$1.85 each, equal to the TSX closing price of the Common Shares on March 19, 2024. The actual value received on the vesting of RSUs, if any, will differ from their grant date valuations.

(11) Mr. Chriest received a one-time cash compensation award of \$66,130.

(12) Represents the value of 16,000 RSUs granted to Mr. Chriest on June 17, 2023 vesting in six equal installments, every six months over a period of three years. On the date of grant, these RSUs had a value of \$1.26 each, equal to the TSX closing price of the Common Shares on June 16, 2023. Any unvested RSUs were vested upon Mr. Chriest's resignation.

(13) Represents amount paid for signing bonus and other compensation to Mr. Chriest.

- (14) Except with respect to "share-based awards" and "option-based awards", Mr. Holbert's compensation is generally denominated in US dollars, the amounts of which have been converted to Canadian dollars for this summary compensation table at a rate of US\$1 - \$1.4389, equal to the Bank of Canada US dollar daily exchange rate on December 31, 2024, US\$1 - \$1.3226, equal to the Bank of Canada US dollar daily exchange rate on December 31, 2023 and US\$1 - \$1.3544, equal to the Bank of Canada US dollar daily exchange rate on December 31, 2022.
- (15) Mr. Holbert received commissions based on a commission plan, established prior to 2023, related to his previous role as ETC Chief Commercial Officer.
- (16) Quarterhill granted Options to Mr. Holbert on May 13, 2022. The valuation of these option-based awards is based on the Black-Scholes option valuation model at the time of grant which determined the fair market value of the option at \$0.87.
- (17) Mr. Childress was appointed as Quarterhill's Chief Technology Officer effective January 1, 2023, prior to which he was ETC's Chief Technology Officer when Quarterhill acquired ETC on September 1, 2021. Except with respect to "share-based awards" and "option-based awards", Mr. Childress' compensation is generally denominated in US dollars, the amounts of which have been converted to Canadian dollars for this summary compensation table at a rate of US\$1 - \$1.4389, equal to the Bank of Canada US dollar daily exchange rate on December 31, 2024, US\$1 - \$1.3226, equal to the Bank of Canada US dollar daily exchange rate on December 31, 2023 and US\$1 - \$1.3544, equal to the Bank of Canada US dollar daily exchange rate on December 31, 2022.
- (18) Represents amounts paid to Mr. Childress in 2024 as triggered by his ceasing to be a Quarterhill employee on September 30, 2024.
- (19) Includes 150,000 RSUs, valued at \$228,000, granted to Mr. Childress on November 9, 2023 vesting in six equal installments, every six months over a period of three years. On the date of grant, these RSUs had a value of \$1.52 each, equal to the TSX closing price of the Common Shares on November 8, 2023. The actual value received on the vesting of RSUs, if any, will differ from their grant date valuations.
- (20) Includes 199,677 of RSUs, valued at \$369,403 granted to Mr. Childress on March 20, 2024 vesting in six equal installments, every six months over a period of three years. On the date of grant, these RSUs had a value of \$1.85 each, equal to the TSX closing price of the Common Shares on March 19, 2024. The actual value received on the vesting of RSUs, if any, will differ from their grant date valuations.
- (21) Mr. Childress was paid a \$74,197 retention bonus in January 2023 and, for the year ended December 31, 2023, earned a \$198,390 performance bonus that was paid in 2024, the amounts of which have been converted to Canadian dollars for this summary compensation table at a rate of US\$1 - \$1.3226, equal to the Bank of Canada US dollar daily exchange rate on December 31, 2023.
- (22) Mr. Sparks was appointed as Quarterhill's Executive Vice President, Strategy effective December 11, 2023. Except with respect to "share-based awards" and "option-based awards", Mr. Sparks' compensation is generally denominated in US dollars, the amounts of which have been converted to Canadian dollars for this summary compensation table at a rate of US\$1 - \$1.4389, equal to the Bank of Canada US dollar daily exchange rate on December 31, 2024 and US\$1 - \$1.3226, equal to the Bank of Canada US dollar daily exchange rate on December 31, 2023.
- (23) Represents 75,000 RSUs valued at \$117,750, granted to Mr. Sparks on March 18, 2025, vesting in six equal installments, every six months over a period of three years. On the date of grant, these RSUs had a value of \$1.57 each, equal to the TSX closing price of the Common Shares on March 17, 2025. The actual value received on the vesting of RSUs, if any, will differ from their grant date valuations.
- (24) Represents 250,000 RSUs, valued at \$445,000, granted to Mr. Sparks on December 11, 2023 vesting in six equal installments, every six months over a period of three years. On the date of grant, these RSUs had a value of \$1.78 each, equal to the TSX closing price of the Common Shares on December 10, 2023. The actual value received on the vesting of RSUs, if any, will differ from their grant date valuations.
- (25) Mr. Demkey was appointed as Quarterhill's Vice President Operations (Safety & Enforcement) effective April 22, 2024, prior to which he was IRD's Director of Finance. Mr. Demkey was also appointed as Quarterhill Interim Chief Financial Officer effective January 31, 2025.
- (26) Includes 120,000 RSUs, valued at \$188,400, granted to Mr. Demkey on March 18, 2025 vesting in six equal installments, every six months over a period of three years. On the date of grant, these RSUs had a value of \$1.57 each, equal to the TSX closing price of the Common Shares on March 17, 2025. The actual value received on the vesting of RSUs, if any, will differ from their grant date valuations.
- (27) Includes 100,000 RSUs valued at \$186,000, granted to Mr. Demkey on June 17, 2024, vesting in six equal installments, every six months over a period of three years. On the date of grant, these RSUs had a value of \$1.86 each, equal to the TSX closing price of the Common Shares on June 14, 2024. The actual value received on the vesting of RSUs, if any, will differ from their grant date valuations.
- (28) Mr. Demkey was paid a performance bonus of \$38,658 in February 2024 for the year ended December 31, 2023.

## Incentive Plan Awards

General information on Quarterhill's incentive plans is provided under the heading "Security Based Compensation Arrangements" below.

### Outstanding Share-Based Awards and Option Based Awards

The following table sets out all of the Options and RSUs that had been granted and were outstanding to any of the Named Executive Officers as at December 31, 2024.

Name	Option-Based Awards				Share-Based Awards	
	Number of Securities Underlying Unexercised Options	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised In-the-Money Options (\$) <sup>(1)</sup>	Number of Shares or Units of Shares that Have Not Vested (#) <sup>(2)</sup>	Market or Pay-out Value of Share-Based Awards that Have Not Vested (\$) <sup>(3)</sup>
<b>Chuck Myers</b>	--	N/A	N/A	N/A	334,115	\$547,949
Kyle Christ	--	N/A	N/A	N/A	95,938	\$157,338
<b>Kevin Holbert</b>	125,000	\$2.14	May 13, 2028	\$0	--	--
	225,000	\$2.70	September 1, 2027	\$0	--	--
<b>David Sparks</b>	--	N/A	N/A	N/A	124,999	\$204,998
<b>Morgan Demkey</b>	20,000	\$2.01	June 1, 2026	\$0	66,666	\$109,332

(1) Represents the difference between the market value of the Common Shares on December 31, 2024, based on the TSX closing price of the Common Shares of \$1.64 on December 31, 2024, and the exercise price of the relevant Options.

(2) Represents unvested RSUs held at December 31, 2024.

(3) Represents the market value of Common Shares that may be issued upon the vesting of RSUs outstanding on December 31, 2024 all based on the TSX closing price of the Common Shares of \$1.64 on December 31, 2024. Actual values of Common Share issued on the vesting of RSUs will differ from the values indicated.

### Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth, for each Named Executive Officer, the value vested for all outstanding Option-based and share-based awards and the value earned for all non-equity incentive plan compensation during our financial year ended December 31, 2024.

Name	Option-Based Awards – Value Vested During the Year (\$) <sup>(1)</sup>	Share-Based Awards – Value Vested During the Year (\$) <sup>(2)</sup>	Non-Equity Incentive Plan Compensation – Value Earned During the Year (\$) <sup>(3)</sup>
<b>Chuck Myers</b>	--	\$353,158	\$582,755 <sup>(3)</sup>
Kyle Christ	--	\$59,821	\$0
<b>Kevin Holbert</b>	\$0	--	\$28,778 <sup>(4)</sup>
<b>David Sparks</b>	--	\$145,418	\$64,751 <sup>(5)</sup>
<b>Morgan Demkey</b>	--	\$57,834	\$172,668 <sup>(6)</sup>

(1) The value of option-based awards was calculated using the applicable TSX closing price on the vesting date. The amounts reflect the value of the vested Options assuming they were exercised on the vesting date and not realized values.

(2) The value of share-based awards was calculated using the applicable TSX closing price on the vesting date.

(3) Mr. Myers received a discretionary bonus for his performance during 2024.

(4) Mr. Holbert received a discretionary bonus for his performance during 2024.

(5) Mr. Sparks received a discretionary bonus for his performance during 2024.

(6) Mr. Demkey received a discretionary bonus for his performance during 2024 and for assuming multiple leadership roles, following the layoffs/reduction in force.

## Termination and Change of Control Benefits

Quarterhill (and/or its subsidiary) has entered into employment agreements with each of the below-listed NEOs that provide for annual base salary, vacation entitlement and benefits, as well as entitlements on termination and/or change of control. The below table summarizes, as of the date of this Circular, entitlements pursuant to such agreements at, following, or in connection with termination, resignation, retirement, a change of control of Quarterhill or a change in an NEO's responsibilities. Mr. David Sparks has not entered into an employment agreement with Quarterhill that provides for entitlements beyond those applicable under common or civil law.

NEO	Termination Event	Payment
<b>Chuck Myers</b> , Chief Executive Officer <sup>(1)</sup>	Termination for "cause"	Salary, bonuses (if earned and unpaid), benefits, and unused vacation accrued and earned through the effective date of termination
	Termination without "cause" or by Mr. Myers for "good reason"	(i) Payment of accrued salary, benefits and unused vacation accrued and earned through the effective date of termination; (ii) payment of pro-rata portion of STIP (cash-bonus) that would have been paid if Quarterhill achieved its "at target" metrics during the year of termination; (iii) payment

NEO	Termination Event	Payment
		of severance compensation equal to 24 months of salary and benefits within 10 days of Mr. Myers' execution of a release; and (iv) all options, RSUs that would ordinarily vest within 12 months of termination will vest immediately and any PSUs will vest pro rata, to the extent same are exercisable, shall remain exercisable for a 24 month period after the effective date of termination.
	Termination by his death or due to "substantial disability"	(i) Payment of all accrued salary, bonuses and benefits up to the relevant date; (ii) all stock options and RSUs that would ordinarily vest within 12 months following the relevant date will vest immediately and, to the extent same are exercisable, shall remain exercisable for their normal period; and (iii) payment of 24 months of salary in a lump sum within 30 days of the termination date
	Termination for convenience without "cause" or by Mr. Myers for "good reason" within 12 months of a "change in control"	(i) Consideration in the same form and amount had the stock options, RSUs and PSUs held at the time of the change in control been fully vested, if the degree of achievement (as applicable) can be determined or reasonably forecasted at the date of termination, such determination or forecasts will be used, or otherwise vesting will be determined with reference to the targets set out therein; and (ii) the payments under "Termination without cause" or by Mr. Myers for "good reason" above.
<b>Morgan Demkey</b> Vice President, Operations, Safety and Enforcement	Termination for just cause	In which event all payments of salary and benefits to Employee shall cease effective with the date of termination, except only for any reimbursement of expenses or outstanding vacation pay
	Termination without cause	Upon giving Employee the minimum notice of termination or payment in lieu of notice as may be required by <i>The Labour Standards Act</i> (Saskatchewan) or similar legislation that is in force in the Province of Saskatchewan from time to time.
<b>Kevin Holbert,</b> Executive Vice President, Business Development Tolling	Termination for "cause" or by Mr. Holbert without "good reason"	(i) Base salary up to the termination date, (ii) payment of any accrued but unused vacation as of the termination date, and (iii) reimbursement of any unreimbursed expenses incurred prior to termination.
	Termination without "cause" or by Mr. Holbert for "good reason"	(i) Payment of all of the entitlements he would receive if his employment was terminated for "cause" or by Mr. Holbert without "good reason" plus, (ii) subject to his provision of a "Release": (A) a portion of that year's target cash incentive pro-rated for the portion of the year up to the termination date, (B) 12 months of his then current base salary, and (C) immediate vesting of all unvested Options held by Mr. Holbert as of the termination (such Options to remain exercisable for their normal exercise period).
	Termination by his death or due to "disability"	(i) Payment of all of the entitlements he would otherwise receive if his employment was terminated for "cause" or by Mr. Holbert without "good reason" plus, (ii) subject to his provision of a Release in case of his "disability", 6 months of his then current base salary to be paid bi-weekly over 6 months following termination.

(1) Mr. Myers' employment agreement was amended on March 20, 2025. The treatment on termination reflected in the above table is contained in Mr. Myers' amended employment agreement.

Unless otherwise provided for in an employment agreement, all other awards under the Equity Plan held at any termination will be treated as required under the terms of the Equity Plan and any award agreements. Pursuant to the Equity Plan (but subject to the full terms and conditions of the Equity Plan), upon termination: (1) in the event of retirement, death or frustration, (A) unvested Options shall expire and be cancelled, and vested Options may be exercised until the earlier of: (i) 12 months after the termination date, and (ii) the date on which the original exercise period expires; and (B) a pro-rated portion of the next instalment of any RSUs due to vest shall immediately vest; (2) in the event of resignation, (A) unvested Options shall expire and be cancelled, and vested Options shall be exercisable until the earlier of: (i) 90 days after termination, and (ii) the date on which the original exercise period expires; and (B) any other awards not yet exercisable or vested shall expire and be cancelled; (3) in the event of termination for any reason, other than as described above or for cause, (A) unvested Options shall expire and be cancelled, and vested Options shall be exercisable until the earlier of: (i) 90 days after termination, and (ii) the date on which the original exercise period expires; (B) a pro-rated portion of the next instalment of any RSUs due to vest shall immediately vest; and (C) any other awards not yet exercisable or vested shall expire and be cancelled; and (4) in the event of termination for cause, any Options and awards under the Equity Plan shall immediately expire and be cancelled upon termination.

In addition to certain other covenants made by Mr. Demkey, Mr. Holbert and Mr. Myers, upon any termination of employment, each individual has also agreed to: (i) protect Quarterhill's confidential information, (ii) not to, directly or indirectly solicit business from, interfere with, or induce to curtail or cancel any business or contracts with Quarterhill, or attempt to solicit business with, interfere with, or induce to curtail or cancel any business or contracts with Quarterhill, and (iii) not, directly or indirectly, to induce any employee of Quarterhill and its affiliates to leave the employ of Quarterhill for a period of one to two years, depending on the circumstances of termination. Mr. Myers' employment agreement also contains a non-compete for a period of one to two years, depending on the circumstances of termination, that extends to businesses competing with any aspect of Quarterhill's businesses in the jurisdictions in

which Quarterhill has conducted business during his employment.

### Payments on Termination

The following provides details regarding the estimated incremental payments from Quarterhill to each Named Executive Officer (who remains an employee as of the date hereof) assuming termination on December 31, 2024.

Name	Event	Salary Based Entitlements	Other Cash Based Entitlements	Other Incentive Plan Based Entitlements
<b>Chuck Myers</b> <sup>(1)(3)</sup>	Termination without "cause"	\$791,395	\$181,860	\$547,949 <sup>(2)</sup>
<b>Kevin Holbert</b> <sup>(1)</sup>	Termination without "cause"	\$474,837	\$0	\$0
<b>David Sparks</b> <sup>(1)(4)</sup>	Termination without "cause"	\$0	\$0	\$0
<b>Morgan Demkey</b>	Termination without "cause"	\$153,180	\$56,134	\$2,102 <sup>(5)</sup>

(1) Amounts for Messrs. Myers, Holbert and Sparks are converted from US dollars to Canadian dollars at a rate of US\$1 = \$1.4389 equal to the Bank of Canada US dollar daily exchange rate on December 31, 2024.

(2) Represents vesting of 334,115 RSUs which were outstanding at December 31, 2024 and based on the TSX closing price of the Common Shares of \$1.64 on December 31, 2024, the last trading day of 2024.

(3) Payment amounts in the table above reflect termination as at December 31, 2024. Mr. Myers' employment agreement was subsequently amended on March 20, 2025, and payments assuming his termination as of March 31, 2025, would be estimated as: \$1,914,285 (Salary based entitlements), \$239,285 (Other cash based entitlements) and \$1,866,305 (Other incentive plan based entitlements, representing accelerated RSU and PSU vesting).

(4) Mr. Sparks has not entered into an employment agreement with Quarterhill and, as such, he has no entitlement to payment on termination without "cause".

(5) Represents vesting of 1,282 RSUs which were outstanding at December 31, 2024 and based on the TSX closing price of the Common Shares of \$1.64 on December 31, 2024, the last trading day of 2024.

### Former Executive Officers

Mr. Christ ceased to be an employee of Quarterhill as of January 31, 2025. Effective upon Mr. Christ's resignation, 54,272 RSUs vested and 41,666 RSUs were forfeited. Mr. Childress ceased to be an employee of Quarterhill as of September 30, 2024. Effective upon Mr. Childress' departure, 236,095 RSUs vested.

### Director Compensation

The following table provides information regarding compensation paid to non-executive members of the Board during our financial year ended December 31, 2024. For compensation paid to Mr. Myers, including in respect of his services as a director, see "Summary Compensation Table" above.

Name	Fees Earned (\$)	Share-Based Awards (\$) <sup>(1)</sup>	Option-Based Awards (\$) <sup>(2)</sup>	Non-Equity Incentive Plan Compensation (\$)	All Other Compensation (\$)	Total (\$)
Roxanne Anderson <sup>(3)</sup>	--	\$138,000	--	--	--	\$138,000
Rusty Lewis	--	\$179,000	--	--	--	\$179,000
Bill Morris <sup>(3)</sup>	--	\$137,000	--	--	--	\$137,000
Pamela Steer <sup>(3)</sup>	--	\$123,000	--	--	--	\$123,000
Anna Tosto <sup>(3)</sup>	--	\$137,000	--	--	--	\$137,000
Pat T. Deon <sup>(4)</sup>	--	\$28,250	--	--	--	\$28,250

(1) The value of share-based awards was calculated using the applicable TSX closing price on the grant date.

(2) The valuation of option-based awards is based on the Black-Scholes option valuation model at the time of grant which determined the fair market value of each option.

(3) Ms. Anderson, Mr. Morris, Ms. Steer and Ms. Tosto are not standing for re-election at the Meeting.

(4) Mr. Deon was appointed to the Board on December 31, 2024.

Currently, and during our financial year ending December 31, 2024, each non-executive member of the Board is paid an annual base fee of \$63,000 and the Chair of the Board is paid an additional annual fee of \$56,000. The chairs of each of the Audit Committee, Compensation Committee and, ESG and Nominating Committee are each paid additional annual fees of \$25,000, \$19,000, and \$19,000 respectively. Each member of each Board committee, other than their respective chairs, are each paid additional annual fees of \$5,000. In addition, non-executive Board members are annually granted DSUs having value of \$50,000, pro-rated for directors appointed subsequent to the annual general meeting.

Directors may elect to receive any fees in the form of DSUs in lieu of cash. For the year ended December 31, 2024, an aggregate of \$742,250 (representing 100%) of the directors' fees payable were paid through the issuance of DSUs. Directors were also reimbursed for their out-of-pocket expenses incurred in carrying out their duties as directors.

### Minimum Equity Ownership Requirement

The Board established a demanding and rigorous minimum Common Share ownership requirement for non-executive directors which requires each such director to hold Common Shares having a value equal to 3 times the director's annual base fee (i.e., 3 times \$63,000 per director in 2024 = \$189,000) based on the higher of: (a) the price actually paid or deemed to have been paid for Common Shares; and (b) the closing price of the Common Shares on the TSX on the final trading day of the immediately preceding year. This minimum threshold must be satisfied within five years of joining the Board. The non-executive members of the Board who remained as Board members as of December 31, 2024 held the following Common Shares with the following values:

Name of Board Member	Common Shares Held on December 31, 2024	Aggregate Value of Common Shares (December 31, 2024 Market Price <sup>(1)</sup> / Price Actually Paid <sup>(2)</sup> )
Roxanne Anderson <sup>(3)</sup>	98,891	\$162,181 / \$148,264
Rusty Lewis	2,007,043	\$3,291,551 / \$3,531,216
Bill Morris <sup>(3)</sup>	97,900	\$160,556 / \$159,590
Pamela Steer <sup>(3)</sup>	86,000	\$141,040 / \$146,580
Anna Tosto <sup>(3)</sup>	37,500	\$61,500 / \$70,104
Pat T. Deon <sup>(4)</sup>	--	-- / --

- (1) Represents the value of Common Shares held on December 31, 2024 based on the TSX closing price of the Common Shares of \$1.64 on December 31, 2024, the last trading day of 2024.
- (2) Represents the value of Common Shares at the prices actually paid by the specific member of the Board when such Common Shares were originally purchased based on information provided to us by that Board member.
- (3) Ms. Anderson, Mr. Morris, Ms. Steer and Ms. Tosto are not standing for re-election at the Meeting.
- (4) Mr. Deon joined the board on December 31, 2024 and has until 2029 to achieve his minimum equity ownership goals.

### Directors' Outstanding Share-Based Awards and Option Based Awards

The following table sets out the Options and DSUs that had been granted and were outstanding to any of the members of the Board as at December 31, 2024. During the year ended December 31, 2024 there were no new options granted to Directors.

Name	Option-Based Awards				Share-Based Awards	
	Number of Securities Underlying Unexercised Options	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised In-the-Money Options (\$) <sup>(1)</sup>	Number of Shares or Units of Shares that Have Not Vested (#)	Market or Payout Value of Share-Based Awards that Have Not Vested (\$) <sup>(2)</sup>
Roxanne Anderson	46,728	\$2.14	May 13, 2028	\$0	185,810	\$304,728
	41,841	\$2.39	May 10, 2027	\$0	--	--
	50,251	\$1.99	May 25, 2026	\$0	--	--
	56,818	\$1.76	August 12, 2025	\$0	--	--
Rusty Lewis	46,728	\$2.14	May 13, 2028	\$0	248,214	\$407,071
Bill Morris	--	--	N/A	--	135,122	\$221,600
Pamela Steer	46,728	\$2.14	May 13, 2028	\$0	161,613	\$265,045
Anna Tosto	46,728	\$2.14	May 13, 2028	\$0	184,463	\$302,519
	41,841	\$2.39	May 10, 2027	\$0	--	--
Pat T. Deon <sup>(3)</sup>	--	--	N/A	--	--	--

- (1) Represents the difference between the TSX closing price of the Common Shares of \$1.64 on December 31, 2024, the last trading day of 2024, and the exercise price of the relevant Options.
- (2) The value of share-based awards was calculated based on the TSX closing price of the Common Shares of \$1.64 on December 31, 2024, the last trading day of 2024.
- (3) Mr. Deon was appointed to the Board on December 31, 2024.

### Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth, for each member of the Board, the value vested for all outstanding Option-based and share-based awards and the value earned for all non-equity incentive plan compensation during our financial year ended December 31, 2024.

Name	Option-Based Awards – Value Vested During the Year (\$) <sup>(1)</sup>	Share-Based Awards – Value Vested During the Year (\$) <sup>(2)</sup>	Non-Equity Incentive Plan Compensation – Value Earned During the Year (\$)
Roxanne Anderson	\$0	--	--
Rusty Lewis	\$0	--	--
Bill Morris	--	--	--
Pamela Steer	\$0	--	--
Anna Tosto	\$0	--	--
Pat T. Deon <sup>(3)</sup>	--	--	--

- (1) Value of option-based awards was calculated using the applicable TSX closing price on the vesting date. The amounts reflect the value of the vested options assuming they were exercised on the vesting date and not realized values.
- (2) Value of share-based awards was calculated using the applicable TSX closing price on the vesting date in Canadian dollars.

## Security Based Compensation Arrangements

### *Equity Plan*

At the Meeting, the shareholders are being asked to approve an amendment to the Equity Plan, as described below. A copy of the Equity Plan, including the Pool Amendment (as defined below), is included as **Schedule 1 to Exhibit C** to this circular. For shareholder reference, a copy of the US addendum was included as an Exhibit to Quarterhill's management proxy circular for its April 21, 2022 shareholders' meeting, which is available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

On April 1, 2025, the Board approved an amendment to the Equity Plan, subject to approval and ratification by Quarterhill's shareholders at the Meeting, to increase the maximum number of Common Shares that may be issued for all purposes pursuant to the Equity Plan and all other "security based compensation arrangements" (as defined by the TSX) from 10% to 12% of the total number of Common Shares issued and outstanding from time to time (calculated on a non-diluted basis) (the "**Pool Amendment**"). In addition, on April 1, 2025, the Board approved a housekeeping amendment to update the definition of "insider" in the Equity Plan to align with the definition of "insider" contained in Part I of the TSX Company Manual, as amended from time to time, which housekeeping amendment was permitted under Section 12.8(a)(vii) of the Equity Plan and did not require approval and ratification by shareholders under the terms of the Equity Plan.

The Equity Plan advances Quarterhill's interests by encouraging our employees, non-executive directors and consultants to receive equity-based compensation and incentives: to (1) increase the ownership interests of these persons in Quarterhill, (2) align the interests of these persons with the interests of our shareholders generally, (3) encourage these persons to remain associated with Quarterhill, and (4) furnish these persons with additional incentive in their efforts on behalf of Quarterhill. The Board also contemplates that through the Equity Plan, we and our direct or indirect, wholly-owned subsidiaries ("**Subsidiaries**") will be better able to compete for and retain the services of the individuals needed for Quarterhill's continued growth and success.

Subject to adjustment pursuant to the terms of the Equity Plan, the maximum aggregate number of Common Shares that may be subject to issuance at any given time in connection with awards granted under the Equity Plan may not exceed 10% of the total number of issued and outstanding Common Shares (calculated on a non-diluted basis) at the time of any award grant less any Common Shares issuable under any other Quarterhill "security based compensation arrangements" (as defined by the TSX) which includes the ESPP adopted and approved by Quarterhill's shareholders at the 2024 Meeting. Assuming the adoption of the Equity Plan Resolution at the Meeting, the foregoing limit will be increased from 10% to 12%. In the event that the Equity Plan Resolution is not approved by Quarterhill's shareholders at the Meeting, then the Pool Amendment will not come into force, and Quarterhill will be able to continue granting awards under the Equity Plan, unamended by the Pool Amendment, until May 13, 2027, when approval of unallocated entitlements under the Equity Plan will expire.

At December 31, 2024, 115,786,320 Common Shares were issued and outstanding, 10% of which would be 11,578,632. At December 31, 2024, Options to purchase up to 4,171,040 Common Shares (representing approximately 3.60% of the total number of issued and outstanding Common Shares (calculated on a non-diluted basis)), RSUs convertible into up to 1,096,068 Common Shares (representing approximately 0.95% of the total number of issued and outstanding Common Shares (calculated on a non-diluted basis)) and DSUs convertible into up to 1,031,731 Common Shares (representing approximately 0.89% of the total number of issued and outstanding Common Shares (calculated on a non-diluted basis)) were outstanding under the Equity Plan and no other awards were outstanding under the Equity Plan. As such, at December 31, 2024, there were 5,279,793 Common Shares available for grant in respect of future awards under the Equity Plan (assuming a maximum of 10%), representing approximately 4.56% of the aggregate number of Common Shares issued and outstanding at December 31, 2024. The Equity Plan is an "evergreen" plan and, as such, subject to certain limits, Common Shares issued pursuant to awards under the Equity Plan will be available for re-grant under the Equity Plan. Common Shares subject to granted Awards that have expired, are forfeited, surrendered, cancelled or otherwise terminated prior to exercise or settlement of those Awards in Common Shares will be added back to the Common Shares available for grant under the Equity Plan. Common Shares will not be deemed to have been issued under the Equity Plan with respect to any portion of an Award that is settled in cash.

Under the Equity Plan, the Board may, at any time, appoint a committee of the Board to, among other things, interpret, administer and implement the Equity Plan on behalf of the Board in accordance with such terms and conditions as the Board may prescribe, consistent with the Equity Plan. The Board and/or the Compensation Committee may also, at any time, appoint one or more senior Quarterhill officers to, among other things, interpret, administer and implement the Equity Plan on behalf of the Board and/or the Compensation Committee in accordance with such terms and conditions as the Board and/or the Compensation Committee may prescribe, consistent with the Equity Plan. The Board, Compensation Committee or any such senior officer(s) conducting such actions is referred to in the Equity Plan as the "**Granting Authority**".

Eligible participants to be granted Awards under the Equity Plan are any employee or officer of Quarterhill or its Subsidiaries (an "**Employee**"), any member of the Board who is not an Employee (a "**Director**") and any person who is not an Employee or Director but who is engaged to provide services to Quarterhill or any Subsidiary for at least 12 continuous months (other than relating to a distribution of securities) under a written contract and who spends or will spend a significant amount of time and attention on Quarterhill's or its Subsidiaries' business (a "**Consultant**" and, together with Employees and Directors, "**Eligible Participants**").

As prescribed by the Equity Plan: (1) the maximum number of Common Shares issuable at any time under the Equity Plan to Quarterhill insiders under all "security based compensation arrangements" may not exceed 10% of the then issued and outstanding Common Shares, (2) the maximum number of Common Shares issued to insiders under all "security based compensation arrangements" within any one-year period may not exceed 10% of the then issued and outstanding Common Shares, and (3) the aggregate Fair Market Value (defined below) of all Common Shares reserved for issuance pursuant to all Awards granted to any one Director in any one calendar year may not exceed \$150,000, of which value not more than \$100,000 may be comprised of Options, excluding where fees are received in the form of DSUs. Also under the Equity Plan, the maximum number of Common Shares which may be issued to any one insider within any one-year period may not exceed 5% of the then issued and outstanding Common Shares.

The "**Fair Market Value**" of the Common Shares is the closing trading price per Common Share on the TSX (or if the Common Shares are not then listed on the TSX, then on the stock exchange on which the Common Shares are then traded) on the last trading day before the applicable date on which there was a closing price or, if the Common Shares are not listed on any stock exchange, then a price determined by the Board and/or the Compensation Committee.

The Equity Plan includes provision for the grant of Options, DSUs, RSUs, PSUs and Other Share-Based Awards. Settlement of vested DSUs, RSUs, PSUs and Other Share-Based Awards may be made by delivering Common Shares acquired in the open market and/or issued from treasury, or by making a cash payment equal to the number of DSUs, RSUs, PSUs and Other Share-Based Awards multiplied by the Fair Market Value of the Common Shares on the date immediately preceding the settlement date, or by a combination of these methods. The manner of settlement for DSUs, RSUs, PSUs and Other Share-Based Awards will be determined by the Board in its sole discretion. All awards granted pursuant to the Equity Plan will be subject to all statutory tax withholdings under applicable tax laws.

DSUs are notional units that each have the same value as one Common Share and may be used by Quarterhill as a way to pay directors' fees or otherwise compensate directors. Under the Equity Plan, Directors may choose, subject to restrictions and procedures imposed by the Equity Plan and applicable law, to take all or part of their fees in DSUs. Upon exercise, DSUs may be paid out to Directors as Common Shares or in cash, at the discretion of the Board and/or the Compensation Committee, when they retire from the Board. We believe the use of DSUs can have the advantage of encouraging higher levels of share ownership by Directors, thereby aligning their interests more closely with those of our shareholders while also preserving our cash.

RSUs are share units which are granted to Eligible Participants and vest over time. RSUs are paid out to the holder at some later date but no later than 3 years from the year in which the RSUs were granted.

Generally, PSUs are performance-based share units which may be granted to Eligible Participants and conditioned on individual and/or corporate performance criteria established upon the grant of any PSUs against which actual performance can be compared. PSUs are paid out to the holder at a later date.

"**Other Share-Based Awards**" are rights that may be granted by the Granting Authority that are not Options, RSUs or PSUs and that are denominated in, or with reference to, Common Shares and/or payable in, or with reference to, Common Shares. Other Share-Based Awards provide us with flexibility in structuring appropriate compensation plans while staying within the Board and shareholder approved provisions of the Equity Plan. For greater certainty, any Common Shares to be issued pursuant to the ESPP are not governed by the Equity Plan and are not considered Other Share-Based Awards.

The exercise price per Common Share for Options is fixed by the Granting Authority but under no circumstances can the exercise price at the time of the grant be less than the Fair Market Value of the Common Shares on that date.

The term of Options granted will be determined by the Granting Authority and specified in the agreement under which that Option is granted, but will generally be 6 years, provided that no Option may have a term that exceeds 10 years from its date of grant and provided further that any Option that would otherwise expire during any period during which Quarterhill imposes trading restrictions on its Employees, Directors and/or insiders, will have its term extended by 10 business days following the expiration of that period. The Granting Authority may determine the vesting schedule of any RSU or PSU at the time of grant. PSUs generally vest based on performance criteria as determined by the Granting Authority.

Issuances to Eligible Participants for their vested RSUs or PSUs will be as soon as reasonably possible

following the date on which the RSUs or PSUs become vested.

Awards granted under the Equity Plan are non-transferable and non-assignable to anyone other than the estate of an Eligible Participant in the event of death in accordance with the terms of the Equity Plan.

If an Eligible Participant dies or terminates employment due to retirement from active employment with Quarterhill or a Subsidiary (as determined in accordance with Quarterhill's policies or as otherwise specified by the Board and/or Compensation Committee) ("**Retirement**") or has their employment with Quarterhill or a Subsidiary become frustrated due to the happening of one or more supervening events or occurrences amounting to a radical transformation in such employment that is not the fault of such Eligible Participant, Quarterhill and/or such Subsidiary ("**Frustration**"), then: (a) they, their executor or administrator of their estate may exercise their Options that were vested at the date of such death, Retirement or Frustration prior to the earlier of the date that is 12 months following the date of such death, Retirement or Frustration and the date on which such Option expires; (b) a pro-rated portion of any unvested RSUs will immediately vest based on the number that would have vested on the next expected vesting date; (c) all other Awards will be forfeited; and (d) their eligibility to receive further Awards will terminate.

If an Eligible Participant resigns from Quarterhill: (a) they may exercise their Options that were vested at the date of such resignation prior to the earlier of the date that is 90 days following such resignation and the date on which such Options expire; (b) all other Awards will be forfeited to Quarterhill; and (c) their eligibility to receive further Awards will terminate.

If an Eligible Participant's employment is terminated and that Eligible Participant is entitled to the minimum applicable statutory period of notice of termination pursuant to applicable law, then: (a) they may exercise their Options that were vested at the date of such termination prior to the earlier of the date that is 90 days following such termination and the date on which such Options expire; (b) a pro-rated portion of any unvested RSUs will immediately vest based on the number that would have vested on the next expected vesting date; (c) all other Awards will be forfeited; and (d) their eligibility to receive further Awards will terminate. If an Eligible Participant's employment is terminated and that Eligible Participant is not entitled to the minimum applicable statutory period of notice of termination pursuant to applicable law (or a Director is terminated for breach of fiduciary duty), any Awards held by them will immediately expire and terminate.

Under the Equity Plan, a "**Change of Control**" means the happening of any of the following events:

- (i) any transaction at any time and by whatever means pursuant to which: (A) Quarterhill goes out of existence by any means, except any corporate transaction or reorganization in which the proportionate voting power among holders of securities of the entity resulting from the transaction or reorganization is substantially the same as the proportionate voting power of such holders of Quarterhill voting securities immediately prior to the transaction or reorganization, or (B) any person or any group of 2 or more persons acting jointly or in concert (other than Quarterhill, a Subsidiary, an employee benefit plan of Quarterhill or of any of its Subsidiaries, including the trustee of any such plan acting as trustee) acquires the direct or indirect "beneficial ownership" (as defined in the CBCA) of, or acquires the right to exercise control or direction over, Quarterhill securities representing more than 50% of the then issued and outstanding Common Shares in any manner whatsoever, including as a result of a take-over bid, an exchange of securities, an amalgamation of Quarterhill with any other entity, an arrangement, a capital reorganization or any other business combination or reorganization;
- (ii) the sale, assignment or other transfer of all or substantially all of the assets of Quarterhill to a person other than a Subsidiary;
- (iii) the dissolution or liquidation of Quarterhill except in connection with the distribution of assets of Quarterhill to one or more persons which were Subsidiaries immediately prior to such event;
- (iv) the occurrence of a transaction requiring approval of Quarterhill's shareholders whereby Quarterhill is acquired through consolidation, merger, exchange of securities, purchase of assets, amalgamation, arrangement or otherwise by any other person (other than a short form amalgamation or exchange of securities with a Subsidiary); or
- (v) the Board passes a resolution to the effect that, for the purposes of some or all granted Awards, an event described in any of (i) to (iv) above has occurred.

Under the Equity Plan, "**Change of Control Price**" means the highest price per Common Share paid in any transaction reported on a stock exchange or paid or offered in any *bona fide* transaction related to a potential or actual Change of Control at any time during the 5 trading days (or if the Common Shares are not listed on any stock exchange, during the 3-month period) preceding a Change of Control, as determined by the Board in its discretion.

Unless otherwise determined by the Granting Authority at or after their grant: (1) any Options outstanding immediately prior to the occurrence of a Change of Control, but which are not then exercisable, will become fully exercisable upon the occurrence of a Change of Control; and (2) all outstanding vested Options will be cashed out at the Change of Control Price, less the applicable exercise price for such Options, as of the date such Change of Control is determined to have occurred, or as of such other date as the Board and/or the Compensation Committee may determine prior to the Change of Control. Outstanding Options may only be so cashed out if the Change of Control Price is higher than the exercise price for such outstanding Options. If the Change of Control Price is equal to or lower than the exercise price for such outstanding Options, the Board and/or the Compensation Committee may terminate such outstanding Options. Further, the Board and/or the Compensation Committee may provide for the conversion or exchange of any outstanding Options into or for options, rights or other securities in any entity participating in or resulting from the Change of Control. In addition, the Board and/or the Compensation Committee may determine, in their discretion, that Options outstanding, but which are not then exercisable, shall not become exercisable and shall be cancelled in the event of a Change of Control.

Unless otherwise determined by the Granting Authority at or after their grant: (1) any RSUs, DSUs, PSUs or Other Share-Based Awards outstanding immediately prior to the occurrence of a Change of Control shall become fully vested upon the occurrence of a Change of Control; and (2) any RSU, DSU, PSU or Other Share-Based Award outstanding immediately prior to the occurrence of a Change of Control shall be cashed out at the Change of Control Price as of the date such Change of Control is deemed to have occurred, or as of such other date as the Board and/or the Compensation Committee may determine prior to the Change of Control. Further, the Board and/or the Compensation Committee may provide for the conversion or exchange of any RSU, DSU, PSU or Other Share-Based Award into or for rights or other securities in any entity participating in or resulting from the Change of Control. In addition, the Board and/or the Compensation Committee may determine, in their discretion, that outstanding RSUs, DSUs, PSUs or Other Share-Based Awards shall not become vested and shall be cancelled and forfeited to Quarterhill upon a Change of Control.

Subject to the rules and policies of any stock exchange on which the Common Shares are listed and applicable law, the Board and/or the Compensation Committee may, without notice or shareholder approval, amend the Equity Plan and/or granted Awards to make amendments:

- (i) to the general vesting provisions of any Award;
- (ii) to the general term of each Option **provided** that no Option held by an insider may be extended beyond its original expiry date and no Option may be exercised after the 10th anniversary of its date of grant;
- (iii) to the termination of employment provisions of the Equity Plan;
- (iv) to add covenants of Quarterhill for the protection of Eligible Participants, **provided** that the Board and/or the Compensation Committee is of the good faith opinion that such additions will not be prejudicial to the rights or interests of such Eligible Participants;
- (v) not inconsistent with the Equity Plan as may be necessary or desirable with respect to matters or questions which, in the good faith opinion of the Board and/or the Compensation Committee, having in mind the best interests of Eligible Participants, it may be expedient to make, including amendments that are desirable as a result of changes in law in any jurisdiction where an Eligible Participant resides, **provided** that the Board and/or the Compensation Committee is of the opinion that such amendments and modifications will not be prejudicial to the interests of Eligible Participants;
- (vi) which, on the advice of counsel to Quarterhill, are required for the purpose of curing or correcting any ambiguity or defect or inconsistent provision or clerical omission or mistake or manifest error, **provided** that the Board and/or the Compensation Committee is of the opinion that such changes or corrections will not be prejudicial to the rights and interests of Eligible Participants; or
- (vii) that do not specifically require Quarterhill shareholder approval under the Equity Plan or the rules of the TSX.

Generally pursuant to the Equity Plan, the Board and/or the Compensation Committee may alter, change or impair any rights or increase any obligations with respect to any previously granted Award with the consent of the Eligible Participant holding that Award.

None of the following amendments may be made to the Equity Plan without approval of the TSX (if Quarterhill has any securities listed on the TSX at that time) and the approval of Quarterhill's shareholders:

- (i) amendments to the Equity Plan which would increase the number of issuable Common Shares, otherwise than in accordance with the terms of the Equity Plan;
- (ii) amendments to the Equity Plan which would increase the number of Common Shares issuable to insiders, otherwise than in accordance with the terms of the Equity Plan;

- (iii) amendments to the Equity Plan which would increase the number of Common Shares issuable to Directors, otherwise than in accordance with the terms of the Equity Plan;
- (iv) amendments that would extend the exercise period of any Options beyond the original expiry;
- (v) amendments that would increase: (1) the maximum number of Common Shares reserved for issuance to Directors, or (2) the maximum aggregate value of the Fair Market Value of all Common Shares reserved for issuance pursuant to all Awards granted to any one Director in any one calendar year;
- (vi) amendments that would permit the transfer or assignment of any Award for any reason other than an Eligible Participant's estate planning;
- (vii) amendments that would reduce the exercise price of any Options, otherwise than in accordance with the terms of the Equity Plan;
- (viii) amendments that would result in the cancellation of any Options held by any Eligible Participant and the related reissue of Options or other entitlements to that person;
- (ix) amendments to other provisions of the Equity Plan listed above that require TSX and shareholder approval for amendments; and
- (x) the addition of any form of financial assistance to an Employee or Director not otherwise provided for in the Equity Plan.

Except as contemplated by Section 11.4(b)(ii) of the Equity Plan, Quarterhill provides no financial assistance to participants to facilitate the purchase of securities under the Equity Plan.

The annual "burn rate" of all awards granted under the Equity Plan for the years ended December 31, 2024, 2023 and 2022 is set out below as calculated in accordance with TSX requirements.

	Year Ended December 31, 2024	Year Ended December 31, 2023	Year Ended December 31, 2022
Burn Rate <sup>(1)</sup>	1.54%	1.76%	2.06%

- (1) The burn rate is equal to the number of awards granted under the Equity Plan during the applicable financial year divided by the weighted average number of Common Shares outstanding during the applicable financial year. For the financial year ended December 31, 2024, we granted no Options, RSUs that could convert into up to 1,368,046 Common Shares, DSUs that could convert into up to 408,272 Common Shares and, had a weighted average of 115,369,947 Common Shares outstanding. For the financial year ended December 31, 2023, we granted Options to purchase up to 250,000 Common Shares, RSUs that could convert into up to 1,000,715 Common Shares, DSUs that could convert into up to 767,248 Common Shares and, had a weighted average of 114,776,086 Common Shares outstanding. For the financial year ended December 31, 2022, we granted Options to purchase up to 1,963,824 Common Shares and RSUs that could convert into up to 390,264 Common Shares and, had a weighted average of 114,389,608 Common Shares outstanding.

#### *Employee Share Purchase Plan*

The ESPP gives eligible full-time and part-time employees of Quarterhill and its subsidiaries and affiliates, including executives, a convenient way to become Quarterhill shareholders and build their equity ownership. It is also an effective way for us to attract, retain and motivate employees. The ESPP includes a 423 Component and a Non-423 Component. The 423 Component of the Plan is intended to provide for the grant purchase rights under an "Employee Share Purchase Plan" as that term is defined in Section 423(b) of the U.S. Internal Revenue Code.

All employees of Quarterhill who are scheduled to work at least twenty (20) hours per week are generally eligible to participate in the ESPP. However, no employee may be granted a Purchase Right (as defined below) in the 423 Component of the ESPP if the employee would immediately thereafter own, directly or indirectly, five percent (5%) or more of the combined voting power or value of all classes of shares of Quarterhill or a subsidiary. In addition, with respect to the 423 Component of the ESPP, Quarterhill reserves the right to exclude from participation individuals whose customary employment is not more than five months per calendar year and individuals who have been employed for a period of less than two (2) years, or such other eligibility criteria as Quarterhill may determine consistent with the requirements of Section 423 of the Code.

The right to purchase Common Shares granted pursuant to the ESPP (the "Purchase Right") may only occur during a purchase right period (the "Purchase Right Period") determined from time to time by the Compensation Committee of the Board (or such other person as designated by the Board from time to time) (the "Committee"). The Compensation Committee may establish additional or alternative concurrent, sequential or overlapping Purchase Right Periods, a different duration for one or more Purchase Right Periods or different commencing or ending dates for such Purchase Right Periods; provided, however, that no Purchase Right Period may have a duration exceeding twenty-seven (27) months.

Employees can contribute 1% to 10% of their eligible earnings in a Purchase Right Period toward the purchase of Common Shares. The minimum contribution is 1% of an employee's eligible earnings. Quarterhill may also allow eligible employees to provide for separate cash payments outside of payroll to be used toward the purchase of shares under the ESPP.

No eligible employee participating in the 423 Component of the ESPP may be granted purchase rights under the ESPP for Common Shares which accrue at a rate which, when aggregated, exceeds U.S. \$25,000 of fair market value of the Common Shares (determined at the time such rights are granted, and which, with respect to the ESPP, will be determined as of the first date of the applicable Purchase Right Period for each calendar year in which such rights are outstanding at any time.

Each employee's contribution toward the purchase price of Common shares acquired on the open market shall represent not less than the lower of 85% of the fair market value of the Common Shares on the first day of the Purchase Right Period or 85% of the fair market value the last day of the Purchase Right Period, and Quarterhill shall contribute the remaining purchase price. For shares issued from treasury, each employee's contribution toward the purchase price shall represent not less than the lower of: (i) 85% of the fair market value of the Common Shares on the first day of the Purchase Right Period, or (ii) 85% of the fair market value on the last day of the Purchase Right Period. Common Shares to satisfy the requirements of the ESPP are either issued from treasury or acquired in the open market on the TSX by the ESPP administrative agent, at the option of Quarterhill.

In all cases the "fair market value" of the Common Shares for any applicable date shall be the last reported sale price on that day, or, if no such reported sale takes place on that day, the average of the last reported bid and ask prices on that day, in either case on the TSX. If the TSX is closed on such date, the "fair market value" shall be determined as of the last preceding day on which the Common Shares traded or for which bid and ask prices are available.

Participation is optional and is open to eligible employees in Canada and the U.S. as well as employees in other countries where such employees are allowed by law to participate, subject to Quarterhill's approval. ESPP benefits cannot be assigned. Common Shares purchased under the ESPP are not subject to vesting.

The Committee will approve an Offering Document which sets forth the applicable duration of one or more Purchase Right Periods, applicable purchase dates, dollar limits, share limits, and other terms and conditions of participation in Purchase Right Periods, as approved by the Committee in its discretion and consistent with the terms of the ESPP.

The maximum number of shares issuable under the ESPP is 1,000,000 Common Shares, provided that the number of Common Shares issuable from treasury pursuant to the ESPP, together with all other security-based compensation arrangements of Quarterhill (including the Equity Plan), shall not exceed 10% of the issued and outstanding Common Shares from time to time. For the avoidance of doubt, up to the maximum number of Common Shares reserved under the ESPP may be used to satisfy purchases of Common Shares under the 423 Component of the ESPP and any remaining portion of such maximum number of shares may be used to satisfy purchases of Common Shares under the Non-423 Component of the ESPP. At December 31, 2024, 115,786,320 Common Shares were issued and outstanding, 10% of which would be 11,578,632. At December 31, 2024, 1,000,000 Common Shares were issuable under the ESPP. As such, at December 31, 2024, there were 1,000,000 Common Shares available for grant in respect of future awards under the ESPP.

If the outstanding Common Shares are increased, decreased, or exchanged for different securities through reorganization, merger, consolidation, recapitalization, reclassification, share split, reverse share dividend, or other similar transaction, a proportionate adjustment shall be made by the Committee to the number, price and kind of shares subject to outstanding Purchase Rights and maximum number and kind of shares that are available for purchase under the Plan.

The Committee may, in its discretion and prior to the beginning of a Purchase Right Period: (i) change the method of determining the number of Common Shares subject to Purchase Rights to be granted with respect to such Purchase Right Period, or (ii) specify a maximum aggregate number of Common Shares that may be purchased by all Participants during a Purchase Right Period or on any purchase date within a Purchase Right Period.

The maximum number of Common Shares that may be issuable to Insiders under the Plan, together with any other security based compensation plans (including the Equity Plan), may not exceed 10% of the Company's total issued and outstanding shares. The maximum number of Common Shares that may be issued to Insiders under the Plan, together with any other security based compensation plans, within a 12-month period, may not exceed 10% of the Company's total issued and outstanding shares.

A Participant (as defined in the ESPP) may withdraw from the ESPP at any time prior to the last day of the Purchase Right Period by submitting a notice of withdrawal to Quarterhill. Furthermore, a Purchase Right shall

terminate automatically if the Participant holding the Purchase Right ceases to be employed by Quarterhill for any reason (including death, disability, or retirement) prior to the last day of the Purchase Right Period. Upon the termination of a Purchase Right, all amounts held in the Participant's account shall be refunded to the Participant, without interest.

The Purchase Right Period in which a Termination Event occurs shall terminate and all Purchase Rights shall be automatically exercised on a date selected by the Committee within ten (10) business days preceding the Termination Event. A **"Termination Event"** is deemed to occur as a result of (i) a transaction in which Quarterhill will cease to be an independent publicly-owned corporation, (ii) a sale or other disposition of all or substantially all of the assets of Quarterhill, or (iii) termination of the ESPP, as approved by the Committee, in its sole discretion.

If an outstanding Purchase Right is terminated for any reason prior to its exercise and the purchase of Common Shares, the Common Shares allocable to the Purchase Right will again become available for purchase pursuant to the ESPP.

The Board may at any time and from time to time amend, suspend or terminate the ESPP in whole or in part as approved by resolution of the Board, provided that no such amendment, suspension or termination shall deprive any Participant of any benefits that have accrued on or prior to the date thereof without the consent of the affected Participant. The shareholders of Quarterhill must approve any amendment to the ESPP that relates to:

- (a) the class of individuals eligible or a change in the definition of the corporations whose employees may be designated as eligible to participate in ESPP;
- (b) any amendment to remove or to exceed the Insider participation limits;
- (c) the aggregate number of Common Shares for which Purchase Rights may be granted under the ESPP;
- (d) amending the allowable purchase price discount under the ESPP, if applicable;
- (e) amendment to the employer matching contribution amount; or
- (f) an amendment to the amending provisions.

The annual **"burn rate"** of all awards granted under the ESPP for the years ended December 31, 2024, 2023 and 2022 is set out below as calculated in accordance with TSX requirements.

	Year Ended December 31, 2024	Year Ended December 31, 2023 <sup>(1)</sup>	Year Ended December 31, 2022 <sup>(1)</sup>
Burn Rate <sup>(2)</sup>	0%	--	--

- (1) The ESPP was approved by the Board on March 29, 2024 and approved, ratified and adopted by Quarterhill's shareholders at the 2024 Meeting.
- (2) The burn rate is equal to the number of awards granted under the ESPP during the applicable financial year divided by the weighted average number of Common Shares outstanding during the applicable financial year. For the financial year ended December 31, 2024, no Common Shares were issued under the ESPP, and we had a weighted average of 115,369,947 Common Shares outstanding.

#### SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table summarizes the number of Common Shares authorized for issuance from treasury under Quarterhill's equity compensation plans as at December 31, 2024.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders	6,298,839 <sup>(1)</sup>	\$2.02	5,279,793 <sup>(2)</sup>
Equity compensation plans not approved by security holders	0	N/A	0
<b>Total</b>	<b>6,298,839<sup>(3)</sup></b>	<b>\$2.02</b>	<b>5,279,793<sup>(4)</sup></b>

- (1) Represents Common Shares issuable pursuant to the exercise of 4,171,040 Options and vesting of 1,096,068 RSUs and 1,031,731 DSUs issued and outstanding under the Equity Plan at December 31, 2024. The outstanding Options have a weighted average remaining term of 2.05 years.
- (2) Quarterhill's only current equity compensation plans, the Equity Plan and the ESPP, collectively provide for the issuance of up to 10% of the issued and outstanding Common Shares at any given time, being 11,578,632 Common Shares at December 31, 2024 (i.e., 10% of 115,786,320 issued and outstanding Common Shares at that date).
- (3) Represents approximately 5.44% of the 115,786,320 issued and outstanding Common Shares at December 31, 2024.

(4) Represents approximately 4.56% of the 115,786,320 issued and outstanding Common Shares at December 31, 2024.

### INDEBTEDNESS OF DIRECTORS AND SENIOR OFFICERS

Management is not aware of any indebtedness outstanding (or that has at any time since January 1, 2024 been outstanding) to Quarterhill by any of our current or former directors, executive officers or other Quarterhill employees, any nominees for director or any of their respective associates or affiliates, or any guarantees, support agreements, letters of credit or similar arrangements or understanding provided by Quarterhill or our subsidiaries to any such persons, at any time since the commencement of our last completed financial year.

### INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

There are no interests, direct or indirect, of any informed person of Quarterhill, any proposed director of Quarterhill or any associate or affiliate of any informed person or proposed director, in any transactions of Quarterhill since the commencement of Quarterhill's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect Quarterhill or any of our subsidiaries.

### MANAGEMENT CONTRACTS

During the financial year ended December 31, 2024, no management functions of Quarterhill or any of its subsidiaries were to any substantial degree performed by a person or company other than the directors or executive officers (or private companies controlled by them, either directly or indirectly) of Quarterhill or the relevant subsidiary.

### DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

Quarterhill provides insurance for the benefit of its directors and officers against liability incurred by them in these capacities. The current aggregate policy limit for this insurance policy is \$60,000,000. To the extent Quarterhill is required to indemnify the directors or officers pursuant to its by-laws, the insurance policy provides that Quarterhill must pay a deductible amount of \$250,000 for each loss claimed. The aggregate annual premium for this insurance policy in the financial year ended December 31, 2024 was \$418,465 (plus applicable taxes) paid by Quarterhill.

### STATEMENT OF CORPORATE GOVERNANCE PRACTICES

National Instrument 58-101 – *Disclosure of Corporate Governance Practices* ("**NI 58-101**") requires issuers to disclose the corporate governance practices that they have adopted. National Policy 58-201 – *Corporate Governance Guidelines* ("**NP 58-201**") provides guidance on governance practices. Quarterhill is also subject to NI 52-110, which prescribes certain requirements in relation to audit committees including Quarterhill's Audit Committee.

In addition, the CBCA requires prescribed corporations, including Quarterhill, to disclose certain prescribed information (the "**CBCA Diversity Requirements**") respecting diversity among their boards of directors and their senior management (i.e., for Quarterhill, the Chair of the Board, our President & Chief Executive Officer and Chief Financial Officer, each vice-president in charge of one of our principal business units, divisions or functions and each individual who performs a policy-making function for Quarterhill (collectively, "**Senior Management**")).

The disclosure on corporate governance practices required by each of NI 58-101 and the CBCA Diversity Requirements is provided at **Exhibit A** to this Circular and the disclosure on audit committees required by NI 52-110 is provided in Quarterhill's current Annual Information Form dated March 17, 2025 and filed on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

### PARTICULARS OF OTHER MATTERS

Management knows of no other matters to come before the Meeting other than the matters referred to in the Notice of Meeting, however, if any other matters which are not now known to management should properly come before the Meeting, the Proxy will be voted upon such matters in accordance with the best judgment of the person voting the Proxy.

### SHAREHOLDER PROPOSALS

Any person entitled to vote at the 2026 annual meeting of Quarterhill's shareholders, who desires to raise a matter at such meeting, must comply with the applicable provisions of the CBCA and may submit a proposal to Quarterhill during the 60-day period that begins on the 150<sup>th</sup> day before the anniversary of the Meeting (i.e., between December 13, 2025 and February 11, 2026) outlining the matter as specified in section 137 of the CBCA.

## **ADDITIONAL INFORMATION**

Additional information concerning Quarterhill may be found on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). Financial information is provided in Quarterhill's Financial Statements and MD&A for our most recently completed financial year. Quarterhill's Financial Statements for the year ended December 31, 2024 and related MD&A have been posted on SEDAR+ and have been provided by mail to shareholders who advised us or Computershare that they wished to receive them in accordance with applicable laws including pursuant to the Notice Package.

Information (including copies of the Financial Statements and MD&A) can be obtained free of charge by making a request of Quarterhill's Investor Relations Department at [ir@quarterhill.com](mailto:ir@quarterhill.com).

## **BOARD APPROVAL**

The contents and the sending of this Circular have been approved by the Board.

**Exhibit A**  
**Statement of Corporate Governance Practices**

**1. Board of Directors.**

**(a) Disclose the identity of directors who are independent.**

During the year ended December 31, 2024, Roxanne Anderson, Rusty Lewis, Bill Morris, Pamela Steer, Anna Tosto and Pat T. Deon (from December 31, 2024) were "independent" directors (as that term is defined in National Instrument 58-101 – *Corporate Governance Disclosure* and National Instrument 52-110 – *Audit Committees*).

Robin Saunders joined the Board effective February 19, 2025 as an "independent" director as that term is defined in National Instrument 58-101 – *Corporate Governance Disclosure* and National Instrument 52-110 – *Audit Committees*).

Assuming their election at the Meeting, each of Asha Daniere and Stephen A. Smith would also be "independent" directors as defined in National Instrument 58-101 – *Corporate Governance Disclosure* and National Instrument 52-110 – *Audit Committees*.

**(b) Disclose the identity of directors who are not independent, and describe the basis for that determination.**

Chuck Myers is not currently an "independent" director because he has been Quarterhill's Chief Executive Officer since September 5, 2023.

**(c) Disclose whether or not a majority of directors are independent.**

The Board is currently comprised of 8 members, 7 of whom are "independent" directors. If each person nominated for election to the Board at the Meeting is elected, then the Board will be comprised of 6 members, 5 of whom will be "independent".

**(d) If a director is presently a director of any other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction, identify both the director and the other issuer.**

Mr. Morris is currently a director and Chair of the Corporate Governance and Compensation Committee at Pivotree Inc. (TSX-V:PVT), however, Mr. Morris is not standing for re-election at the Meeting. Assuming her election at the Meeting, Ms. Daniere is currently a director and member of the Governance and Compensation Committee and Audit Committee at MEGA Uranium Inc. (TSX: MGA), and also a director and member of the Audit Committee at Thunderbird Entertainment Group Inc. (TSX-V: TBRD). Assuming his election at the Meeting, Mr. Smith is currently a director of Organigram Holdings (TSX:OGI; NASDAQ:OGI), Flow Beverage Corp. (TSX:FLOW) and CanPR Technology Limited (TSX-V:WPR).

**(e) Disclose whether or not the independent directors hold regularly scheduled meetings at which non-independent directors and members of management are not in attendance. If the independent directors hold such meetings, disclose the number of meetings held since the beginning of the issuer's most recently completed financial year.**

"Independent" directors hold regularly scheduled meetings as part of quarterly Board meetings at which non-independent directors and members of management are not in attendance and may also call such meetings at any time in their discretion. The members of the Board have held six such meetings since January 1, 2024.

The Audit Committee also has discussions with the auditors without management present. "Independent" directors have unfettered access to information regarding Quarterhill's activities and have the ability to engage outside advisors and the power to meet independently of management.

**(f) Disclose whether or not the chair of the board is an independent director. If the board has a chair or lead director who is an independent director, disclose the identity of the independent chair or lead director, and describe their role and responsibilities.**

Mr. Lewis was appointed Chairperson of the Board effective April 3, 2023. He is an "independent" member of the Board. The Board Chair is responsible for encouraging open and candid discussion among the independent directors as well as facilitating Board meetings. The Chair's duties include: (i) setting the agenda of Board meetings; (ii) chair any in-camera sessions of the independent directors; (iii) chair Board meetings; and (iv) to promote good governance and ethics in the decision making process of the Board.

**(g) Disclose the attendance record of each director for all board meetings held since the beginning of the issuer's most recently completed financial year.**

Please refer to the attendance record for each proposed member of the Board disclosed in their respective personal information contained at pages 9 to 14 of Quarterhill's accompanying Management Information Circular (the "**Circular**"). Ms. Tosto, Mr. Morris, Ms. Steer and Ms. Anderson attended 100% of all Board and committee meetings held during 2024. Mr. Deon and Ms. Saunders did not attend any meetings of the Board held in 2024, as they were only appointed to the Board on December 31, 2024 and February 19, 2025. Further, Mr. Smith and Ms. Daniere, as proposed Board nominees, did not attend any meetings of the Board.

**2. Board Mandate – Disclose the text of the board's written mandate. If the board does not have a written mandate, describe how the board delineates its role and responsibilities.**

The text of the Board's written mandate is set out in **Exhibit B** to the accompanying Circular.

**3. Position Descriptions.**

**(a) Disclose whether or not the board has developed written position descriptions for the chair and the chair of each board committee.**

The Board has developed written position descriptions for the Chairperson of the Board and for the chairs of each Committee.

**(b) Disclose whether or not the board and CEO have developed a written position description for the CEO.**

The Board has developed a written position description for the Chief Executive Officer.

**4. Orientation and Continuing Education.**

**(a) Briefly describe what measures the board takes to orient new directors regarding (i) the role of the board, its committees and its directors, and (ii) the nature and operation of the issuer's business.**

Quarterhill has an onboarding process for new Board members to address orientation matters. Following the election of any new director, Quarterhill provides that director with copies of its charter documents, its most recent public disclosures, internal policies and hosts the new director at its next quarterly business update meeting to learn the fundamentals of our business. In addition, all members of the Board are encouraged to meet members of Quarterhill's and its subsidiaries' senior management teams and to attend quarterly business update meetings to remain up-to-date on Quarterhill's business.

**(b) Briefly describe what measures, if any, the board takes to provide continuing education for its directors. If the board does not provide continuing education, describe how the board ensures that its directors maintain the skill and knowledge necessary to meet their obligations as directors.**

Most regularly scheduled Board meetings include educational components relating to the fundamentals of our business taught by Quarterhill executives and our Corporate Secretary provides regular updates to the Board on corporate governance developments. Information on seminars and conferences is also passed along to directors but attendance at such events is not mandatory. The cost of attendance at seminars and conferences is paid by Quarterhill.

## 5. Ethical Business Conduct.

- (a) **Disclose whether or not the board has adopted a written code for the directors, officers and employees. If the board has adopted a written code.**

The Board has adopted a written Code of Business Conduct and Ethics (the "Code").

- (i) **Disclose how a person or company may obtain a copy of the code.**

A copy of the Code is available on our website at [www.quarterhill.com](http://www.quarterhill.com).

- (ii) **Describe how the board monitors compliance with its code, or if the board does not monitor compliance, explain whether and how the board satisfies itself regarding compliance with its code.**

The Code provides for a reporting mechanism to the Board.

- (iii) **Provide a cross-reference to any material change report filed since the beginning of the issuer's most recently completed financial year that pertains to any conduct of a director or executive officer that constitutes a departure from the code.**

There has been no material change report filed that pertains to any conduct of a director or an executive officer that constitutes a departure from the Code.

- (b) **Describe any steps the board takes to ensure directors exercise independent judgement in considering transactions and agreements in respect of which a director or executive officer has a material interest.**

The Code requires that directors be free of conflicting interests when they represent Quarterhill in business dealings or are making recommendations which could influence our subsequent actions. Directors and officers must also bring any potential or actual conflict of interest situation to the attention of the Chairperson of the Board for discussion, review and written approval if required.

- (c) **Describe any other steps the board takes to encourage and promote a culture of ethical business conduct.**

The Board believes that the Code together with Quarterhill's Corporate Disclosure and Confidentiality Policy, Insider Trading Policy and Whistleblower Protection Policy on Financial Matters are sufficient to encourage and promote a culture of ethical business conduct within Quarterhill.

## 6. Nomination of Directors.

- (a) **Describe the process by which the board identifies new candidates for board nomination.**

The ESG and Nominating Committee, in consultation with the Chairperson and the Chief Executive Officer, is responsible for identifying qualified director candidates pursuant to the Environmental, Social & Governance and Nominating Committee Charter, a copy of which can be accessed at [www.quarterhill.com](http://www.quarterhill.com).

- (b) **Disclose whether or not the board has a nominating committee composed entirely of independent directors.**

The ESG and Nominating Committee is currently composed of Ms. Tosto (Chair), Mr. Lewis, Ms. Steer, Mr. Deon and Ms. Saunders, each of whom is an "independent" director.

- (c) **If the board has a nominating committee, describe the responsibilities, powers and operation of the nominating committee.**

The ESG and Nominating Committee Charter sets out the responsibilities, powers and operation of the ESG and Nominating Committee, which includes, shaping environmental, social and governance matters for the company, as well as identifying candidates qualified to serve on the

Board, to determine and recommend Board and committee composition, as well as to develop and oversee the assessment processes.

**7. Compensation.**

**(a) Describe the process by which the board determines the compensation for the issuer's directors and officers.**

Please refer to the "Compensation Discussion and Analysis" and "Statement of Executive Compensation" sections in the accompanying Circular.

**(b) Disclose whether or not the board has a compensation committee composed entirely of independent directors.**

The Compensation Committee is currently composed of Mr. Morris (Chair), Mr. Lewis, Ms. Tosto, Mr. Deon and Ms. Saunders, each of whom is an "independent" director.

**(c) If the board has a compensation committee, describe the responsibilities, powers and operation of the compensation committee.**

The Charter of the Compensation Committee can be accessed at [www.quarterhill.com](http://www.quarterhill.com) and sets out the responsibilities, powers and operation of the Compensation Committee, which includes assisting the Board in discharging the Board's oversight responsibilities relating to the compensation, development, succession and retention of Quarterhill's CEO and key employees, and the establishment of fair and competitive compensation and performance incentive plans.

**8. Other Board Committees – If the board has standing committees other than the audit, compensation and nominating committees identify the committees and describe their function.**

The only other standing committee of the Board is the ESG and Nominating Committee whose functions are summarized at page 17 of the accompanying Circular and in this Exhibit.

**9. Assessments – Disclose whether or not the board, its committees and individual directors are regularly assessed with respect to their effectiveness and contribution. If assessments are regularly conducted, describe the process used for the assessments. If assessments are not regularly conducted, describe how the board satisfies itself that the board, its committees, and its individual directors are performing effectively.**

The ESG and Nominating Committee has the ongoing responsibility of assessing the effectiveness of the Board as a whole, the committees of the Board and the contribution of individual directors. Evaluation criteria include such factors as the attendance record of individual Board members and the effectiveness of their participation at Board meetings.

In respect of the year ended December 31, 2024, the ESG and Nominating Committee engaged Hugessen to conduct the Board assessment and effectiveness survey and provide a comprehensive governance report. Based on the findings from this exercise, the Board implemented certain updates to the operations of both the Board and its committees, aiming to enhance performance and effectiveness.

**10. Director Term Limits - Disclose whether or not the issuer has adopted term limits for the directors on its board or other mechanisms of board renewal and, if so, include a description of those director term limits or other mechanisms of board renewal. If the issuer has not adopted director term limits or other mechanisms of board renewal, disclose why it has not done so.**

Quarterhill has adopted the Tenure Policy more fully discussed at page 7 of the accompanying Circular. In addition, on at least an annual basis, the Board and the ESG and Nominating Committee each considers the participation and value of each Board member and makes recommendations to adjust Board membership when appropriate.

**11. Policies Regarding the Representation of Designated Groups on the Board.**

**(a) Disclose whether the issuer has adopted a written policy relating to the identification and nomination of women, Aboriginal peoples, persons with disabilities, members of visible minorities (collectively, the "Designated Groups") as directors. If the issuer has not adopted such a policy, disclose why it has not done so.**

At Quarterhill, we aim to promote diversity and inclusion throughout our organization, including at the Board level. We strive to minimize systemic barriers and biases in our policies, procedures, and practices. We believe that supporting a diverse workplace can help attract and retain talented individuals.

The Board has adopted a written policy (the "**Board Diversity Policy**") relating to the identification and nomination of members of Designated Groups.

- (b) If an issuer has adopted a policy referred to in (a), disclose the following in respect of the policy: (i) a short summary of its objectives and key provisions; (ii) the measures taken to ensure that the policy has been effectively implemented; (iii) annual and cumulative progress by the issuer in achieving the objectives of the policy; and (iv) whether and, if so, how the board or its nominating committee measures the effectiveness of the policy.**

The Board Diversity Policy: (1) recognizes that Quarterhill is committed to a merit-based system for Board composition within a diverse and inclusive culture which is free of conscious and unconscious bias and discrimination; (2) requires, in considering potential new candidates for the Board, with an intent to increasing Board diversity, the Nominating Committee to consider candidates respective merits based on a balance of background, skills, experience and knowledge and also to take into account considerations such as gender, age, aboriginal status, disabilities, visible minority status and other important personal aspects; (3) requires any search firm engaged to identify new candidates for the Board, to be specifically directed to include diverse candidates; and (4) requires the Nominating Committee, in its annual review of the size and composition of the Board, to identify imbalances or gaps, as well as opportunities that may be associated with further diversification and to work towards endorsing a balanced representation in terms of director tenure and age, and fostering of diversity in terms of positions of leadership and nomination of new Board members.

The ESG and Nominating Committee undertakes an annual review of the Board Diversity Policy, its implementation and its effectiveness, together with its annual review of the Board and reports its conclusions to the Board as a whole. As positions open on the Board, Quarterhill strives to fill those positions in accordance with the provisions of the Board Diversity Policy.

- 12. Consideration of the Representation of Designated Groups in the Director Identification and Selection Process - Disclose whether and, if so, how the board or nominating committee considers the level of representation of Designated Groups on the board in identifying and nominating candidates for election or re-election to the Board. If the issuer does not consider the level of representation of Designated Groups on the board in identifying and nominating candidates for election or re-election to the board, disclose the issuer's reasons for not doing so.**

Pursuant to the Board Diversity Policy, the ESG and Nominating Committee, in its annual review of the size and composition of the Board, is tasked with identifying imbalances or gaps, as well as opportunities that may be associated with further diversification and to work towards endorsing a balanced representation in terms of director tenure and age, and fostering of diversity in terms of positions of leadership and nomination of new Board members.

- 13. Consideration Given to the Representation of Designated Groups in Executive Officer / Senior Management Appointments - Disclose whether and, if so, how the issuer considers the level of representation of Designated Groups in executive officer / senior management positions when making executive officer / senior management appointments. If the issuer does not consider the level of representation of Designated Groups in executive officer / senior management positions when making executive officer / senior management appointments, disclose the issuer's reason for not doing so.**

Quarterhill is dedicated to fostering a diverse and inclusive environment at every level of our organization. We believe that embracing diversity is essential for attracting and retaining the most talented individuals. Our goal is to uphold and support the values of diversity and inclusivity in all aspects of our workplace, including recruitment, hiring, promotion, compensation, employee development (such as training), and all other terms and conditions of employment, and this is taken into consideration when making employment decisions, including at the executive officer and senior management levels.

- 14. Issuer's Targets Regarding the Representation of Designated Groups on the Board and in Executive Officer / Senior Management Positions.**

- (a) For the purposes of this Item, a "target" means a number or a percentage, or a range of numbers or percentages, adopted by the issuer of Designated Groups on the issuer's board or in executive officer / senior management positions of the issuer by a specific date.**

- (b) Disclose whether the issuer has adopted a target regarding each group that is part of the definition of Designated Groups on the issuer's board. If the issuer has not adopted a target, disclose why it has not done so.**

The Board has set a target going forward that at least 30.0% of the members of the Board will be women. Otherwise, Quarterhill has not generally adopted a target regarding each group that is part of the definition of Designated Groups on the Board due to the small size of the Board and the need to consider a balance of relevant criteria in each individual appointment. The Board has, however, implemented the Board Diversity Policy, and expects future Board vacancies to be filled based on the terms of that policy.

- (c) Disclose whether the issuer has adopted a target regarding each group that is part of the definition of Designated Groups in executive officer / senior management positions of the issuer. If the issuer has not adopted a target, disclose why it has not done so.**

Quarterhill has not adopted a target regarding each group that is part of the definition of Designated Groups in executive officer / Senior Management positions due to the small size of that group of persons (currently 11 such persons) and the need to consider a balance of relevant criteria in each individual appointment.

- (d) If the issuer has adopted a target referred to in either (b) or (c), disclose (i) the target and (ii) the annual and cumulative progress of the issuer in achieving the target.**

The Board has set a target going forward that at least 30.0% of the members of the Board will be women; if all of the current nominees are elected to the Board at the Meeting, then approximately 33% of the Board members will be women.

**15. Number of Members of Designated Groups on the Board and in Executive Officer / Senior Management Positions.**

- (a) Disclose the number and proportion (in percentage terms) of directors on the issuer's board who are members of each group that is part of the definition of Designated Groups.**

Of the 6 nominees for election to the Board at the Meeting, 2 nominees are women; if those nominees are elected to the Board at the Meeting, then approximately 33% of the Board members will be women. No other group that is part of the definition of Designated Groups is currently represented on the Board.

- (b) Disclose the number and proportion (in percentage terms) of executive officers / senior management of the issuer, including all major subsidiaries of the issuer, who are members of each group that is part of the definition of Designated Groups.**

Of Quarterhill's and its major subsidiaries' 11 executive officers / Senior Management as at April 1, 2025: (i) 3 such persons (representing approximately 27% of all such executive officers / Senior Management) is a woman; and (ii) 1 such persons (representing approximately 9% of all such executive officers / Senior Management) are persons who are members of visible minorities. No other group that is part of the definition of Designated Groups is currently represented in Quarterhill's and its major subsidiaries' executive officers / Senior Management.

**Exhibit B**  
**Mandate of the Board of Directors of Quarterhill Inc.**

QUARTERHILL INC.  
BOARD OF DIRECTORS MANDATE

The board of directors (the "**Board**") of Quarterhill Inc. ("**Quarterhill**" or the "**Corporation**") is responsible for supervising the management of the business and affairs of the Corporation. Authority and obligation to protect and enhance the assets of the Corporation, and the principal mandate of the Board is to oversee the management of the business and affairs of the Corporation and monitor the performance of management.

In keeping with generally accepted corporate governance practices and the recommendations contained in National Policy 58-201 *Corporate Governance Guidelines* adopted by the Canadian Securities Administrators, the Board assumes responsibility for the stewardship of the Corporation and, as part of the overall stewardship responsibility, explicitly assumes responsibility for the following:

1. Board Composition and Independence

The Board is responsible for managing its own affairs, including planning its composition, selecting its Chair and/or Lead Director, appointing Board committees and determining directors' compensation. While it is appropriate to confer with the management on the selection of candidates to be nominated as members of the Board, the ultimate selection should be determined by the existing independent members of the Board. The Chair of the board should be an independent director, and if not independent, an independent director should be appointed to act as Lead Director.

The composition of the Board shall comply with the applicable requirements of the Canada Business Corporations Act, the Toronto Stock Exchange and applicable securities laws. If required by applicable law, at least 25% of the directors must be "resident Canadian" as defined by the Canada Business Corporations Act and at least a majority of members of the Board should qualify as "independent", as such term is defined in applicable securities laws.

Certain tasks suited to independent judgments will be delegated to specialized committees of the Board that are comprised exclusively of independent directors. In addition, the Board may delegate specific responsibilities to standing committees of the Board in order to effectively manage the affairs of the Corporation.

The Board will periodically evaluate its own performance in a continuing effort to improve. For this purpose, the Board may establish criteria for Board and Board member performance and pursue a self- evaluation process for evaluating both overall Board performance and contributions of individual directors.

2. Accountability and Mandate

The Board's relationship with Quarterhill is guided by a fiduciary principle that requires each director to act honestly and in good faith with a view to Quarterhill's best interests. In exercising their powers and discharging their duties, every director must exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

The Board's primary role is one of stewardship. The Board oversees the operations of Quarterhill and supervises its management, which is responsible for the day-to-day conduct of its business. The Board establishes Quarterhill's policies, monitors its strategic direction and evaluates, on an ongoing basis, whether resources are being managed in a manner consistent with the enhancement of shareholder value, ethical considerations and corporate social responsibility.

In fulfilling all its roles, the Board and its individual members conduct themselves in compliance with Quarterhill's Code of Business Conduct and Ethics (the "**Code**") and Quarterhill's Corporate Disclosure and Confidentiality Policy (the "**Disclosure Policy**") including, without limitation, the confidentiality provisions of each of the Code and the Disclosure Policy, and Board members may not use any information received from Quarterhill for any personal or otherwise inappropriate purposes.

The Board also discharges its responsibilities through standing committees which currently include the following three committees: Audit; Compensation; Environmental, Social Governance and Nominating. The charter of each standing committee prescribes its duties and responsibilities and is reviewed periodically by the Board.

In carrying out its responsibilities, the Board focuses on the following specific matters:

- (a) *Integrity* - setting Quarterhill's moral and ethical norms and satisfying itself, to the extent feasible, as to the integrity of Quarterhill's Chief Executive Officer (the "**CEO**") and other executive officers and that the CEO and other executive officers create a culture of integrity throughout Quarterhill;
- (b) *Corporate Policies* – periodically reviewing, assessing the adequacy of, and amending, as deemed advisable, Quarterhill's corporate policies, including Committee Charters, this Mandate, the Insider Trading Policy, the Corporate Disclosure and Confidentiality Policy, the Code of Business Conduct and other relevant policies associated with ensuring an effective system of corporate governance, and monitoring compliance with such policies;
- (c) Receiving reports from legal counsel evidencing any material violation of applicable laws by Quarterhill or any breaches of fiduciary duties;
- (d) *Board Meetings* - establishing procedures for effective Board meetings and otherwise ensuring that processes, procedures and structures are in place to ensure that the Board functions independently of Quarterhill management and without conflicts of interest;
- (e) *Committee Chair and Members* – appointing members of each of the Board's standing committees including the chairperson of each such standing committee;
- (f) *Director Compensation* – approving compensation for individual directors, with input from the Compensation Committee;
- (g) *Strategic Review* - adopting a strategic planning process and approving, on an annual basis, a strategic plan which takes into account, among other things, the opportunities and risks of Quarterhill's business;
- (h) *Risk Management* - identifying the principal risks of Quarterhill's business, ensuring the implementation of appropriate systems to monitor and manage those risks, and monitoring and reviewing Quarterhill's risk exposures and the steps management has taken to monitor and control such exposures;
- (i) *Succession Planning* - succession planning for Quarterhill and the Board, including annually reviewing Quarterhill's management's development and succession plans, recruitment, training and evaluation;
- (j) *Compensation* - approving the compensation of the CEO and such other senior executives as deemed appropriate, with input from the Compensation Committee;
- (k) *Corporate Disclosure and Confidentiality Policy* - approving a corporate disclosure and confidentiality policy to ensure effective and timely communication and disclosure to the shareholders of the Corporation, other stakeholders and the public in general. This policy must effectively and fairly present the operations of Quarterhill to shareholders;
- (l) *Periodic Reporting* - approving annual and interim financial results, MD&A, management information circulars and their publication pursuant to the recommendations of the Audit Committee and in compliance with applicable laws. The Board has the responsibility for ensuring that procedures are in place to effect the timely reporting of any material information, including developments that have a significant and material impact on the value of Quarterhill's securities;
- (m) *Internal Controls* - overseeing internal control and management information systems;

### 3. Individual Directors

Individual directors are also expected to:

- (a) *Commitment and Attendance* - all members of the Board should make every effort to prepare for and attend all meetings of the Board and meetings of committees of which they are members, if any.
- (b) *Participation in Meetings* - each member of the Board should be sufficiently familiar with the business of Quarterhill, including its financial statements and capital structure, and the risks

and competition it faces, to facilitate active and effective participation in the deliberations of the Board and of each committee on which he or she serves. Each member should participate fully and frankly in Board deliberations and discussions and demonstrate a willingness to listen and consider other opinions.

- (c) *Financial Knowledge* - one of the most important roles of the Board is to monitor financial performance. Each member of the Board should know how to read financial statements.
- (d) *Continuing Education* - each member of the Board should be willing to participate in director orientation and development programs.
- (e) *Contact with Management* - all members of the Board are invited to contact the CEO at any time to discuss any aspect of Quarterhill's business. While respecting organizational relationships and lines of communication, members of the Board have complete access to other members of management. There should be afforded frequent opportunities for members of the Board to meet with the CEO, CFO and other members of management in Board and committee meetings and in other formal or informal settings.
- (f) *Confidentiality* - the proceedings and deliberations of the Board and its committees are confidential. Each member of the Board shall maintain the confidentiality of information received in connection with his or her services.

**Exhibit C**  
**Equity Plan Resolution**

**WHEREAS** the Board of Directors (the "**Board**") of Quarterhill Inc. (the "**Corporation**") adopted the Quarterhill Inc. 2018 Equity Incentive Plan on March 12, 2018, which was approved by the Corporation's shareholders on April 18, 2018, with subsequent amendments last approved by the Corporation's Shareholders on May 13, 2024 and as most recently amended by the Board on April 1, 2025 (as so amended, the "**Equity Plan**") and all unallocated options, rights or other entitlements under the Equity Plan were most recently approved by the Corporation's shareholders at the annual and general special meeting of shareholders on May 13, 2024;

**AND WHEREAS** capitalized terms used but not otherwise defined herein shall have the meaning given to them in the Equity Plan;

**AND WHEREAS** on April 1, 2025, the Board approved an amendment to the Equity Plan, a copy of the amended Equity Plan is attached as Schedule 1 to these resolutions, such amendment being to increase the maximum number of Common Shares (subject to adjustment in accordance with the Equity Plan) that may be issued for all purposes pursuant to the Equity Plan (together with all other "security based compensation arrangements" (as defined by the TSX)) from 10% to 12% of the total number of Common Shares issued and outstanding from time to time (calculated on a non-diluted basis) (the "**Equity Plan Amendment**") as further described in the management information circular of the Corporation dated April 1, 2025, and such amendment being subject to approval of the Corporation's shareholders at the annual and general special meeting of shareholders to be held on May 12, 2025;

**NOW, THEREFORE, BE IT RESOLVED THAT:**

1. the Equity Plan Amendment, as described in the management information circular of the Corporation dated April 1, 2025, and in the form set out in **Schedule 1** to **Exhibit C** thereto, be and is hereby approved, ratified and confirmed by the Corporation's shareholders; and
2. any officer or director of the Corporation be and is hereby authorized for and on behalf of the Corporation (whether under its corporate seal or otherwise) to execute and deliver all such documents and instruments and to take all such other actions as such officer or director may deem necessary or desirable to implement these resolutions and the matters authorized hereby, such determination to be conclusively evidenced by the execution and delivery of such documents and other instruments or the taking of any of such actions.

**Schedule 1 to Exhibit C**  
**Equity Plan**

QUARTERHILL INC. 2018 EQUITY INCENTIVE PLAN

ARTICLE I  
PURPOSE

1.1 Purpose. The purpose of this 2018 Equity Incentive Plan (this "**Plan**") is to assist Quarterhill Inc. ("**Quarterhill**") and its operating subsidiaries in attracting, retaining and motivating key employees, directors, officers and consultants through performance related incentives, thereby advancing Quarterhill's interests and those of its shareholders.

ARTICLE II  
INTERPRETATION

2.1 Definitions. When used in this Plan, unless the context requires otherwise, the following terms shall have the following meanings, respectively:

- (a) "**Affiliate**" has the meaning set forth in the Securities Act;
- (b) "**Associate**" has the meaning set forth in the Securities Act;
- (c) "**Award**" means any Option, RSU, DSU, PSU or Other Share-Based Award;
- (d) "**Award Agreement**" means a signed, written agreement between an Employee or a Director and Quarterhill, substantially in the form approved by the Board and/or the Committee subject to any amendments or additions thereto as may, in the discretion of the Granting Authority, be necessary or advisable, evidencing the terms and conditions on which an Award has been granted;
- (e) "**Black Out Period**" means any period during which Quarterhill has imposed trading restrictions on any of its Employees, Directors and/or Insiders;
- (f) "**Board**" means Quarterhill's board of directors;
- (g) "**Business Day**" means a day, other than a Saturday or Sunday, on which the principal commercial banks in the City of Toronto are open for commercial business during normal banking hours;
- (h) "**CBCA**" means the Canada Business Corporations Act and the regulations promulgated thereunder, both as amended from time to time;
- (i) "**Change of Control**" means the happening of any of the following events:
  - (i) any transaction at any time and by whatever means pursuant to which
    - (A) Quarterhill goes out of existence by any means, except for any corporate transaction or reorganization in which the proportionate voting power among holders of securities of the entity resulting from such corporate transaction or reorganization is substantially the same as the proportionate voting power of such holders of Quarterhill voting securities immediately prior to such corporate transaction or reorganization or
    - (B) any Person or any group of 2 or more Persons acting jointly or in concert (other than Quarterhill, a wholly-owned Subsidiary, an employee benefit plan of Quarterhill or of any of its wholly-owned Subsidiaries, including the trustee of any such plan acting as trustee) hereafter acquires the direct or indirect "beneficial ownership" (as defined in the CBCA) of, or acquires the right to exercise control or direction over, Quarterhill securities representing more than 50% of the then issued and outstanding Common Shares in any manner whatsoever, including as a result of a take-over bid, an exchange of securities,

an amalgamation of Quarterhill with any other entity, an arrangement, a capital reorganization or any other business combination or reorganization;

- (ii) the sale, assignment or other transfer of all or substantially all of the assets of Quarterhill to a Person other than a wholly-owned Subsidiary;
  - (iii) the dissolution or liquidation of Quarterhill except in connection with the distribution of assets of Quarterhill to one or more Persons which were wholly-owned Subsidiaries immediately prior to such event;
  - (iv) the occurrence of a transaction requiring approval of Quarterhill's shareholders whereby Quarterhill is acquired through consolidation, merger, exchange of securities, purchase of assets, amalgamation, arrangement or otherwise by any other Person (other than a short form amalgamation or exchange of securities with a wholly-owned Subsidiary); or
  - (v) the Board passes a resolution to the effect that, for the purposes of some or all of the Award Agreements, an event set forth in any of **Sections 2.1(i)(i), 2.1(i)(ii), 2.1(i)(iii) or 2.1(i)(iv)** above has occurred;
- (j) **"Change of Control Price"** means the highest price per Common Share paid in any transaction reported on a stock exchange or paid or offered in any bona fide transaction related to a potential or actual Change of Control at any time during the 5 trading days (or if the Common Shares are not listed on any stock exchange, during the 3-month period) preceding the Change of Control, as determined by the Board in its discretion;
- (k) **"Code"** means the United States Internal Revenue Code of 1986, as amended from time to time, and the regulations promulgated under it;
- (l) **"Committee"** has the meaning ascribed to that term in **Section 3.2** below;
- (m) **"Common Shares"** means the common shares in the capital of Quarterhill and any other securities of Quarterhill or any successor to Quarterhill that may be so designated by the Board and/or the Committee;
- (n) **"Consultant"** means an individual or a consultant company, other than an Employee or a Director, that:
- (i) is engaged to provide services to Quarterhill or a Subsidiary for a period of at least 12 continuous months other than services provided in relation to a distribution of securities of Quarterhill or a Subsidiary;
  - (ii) provides the services under a written contract with Quarterhill or a Subsidiary; and
  - (iii) spends or will spend a significant amount of time and attention on the affairs and business of Quarterhill or a Subsidiary,
- and includes a Consultant's Permitted Assigns, **provided** that, for the purposes of this definition, "consultant company" means, with respect to an individual consultant, either (1) a company of which the individual consultant is an employee or shareholder or (2) a partnership of which the individual consultant is an employee or partner;
- (o) **"Covered Employee"** shall have the meaning set forth in Section 162(m) of the Code;
- (p) **"DSU"** means a deferred stock unit equivalent in value to a Common Share, credited by means of a bookkeeping entry in Quarterhill's books in accordance with **Article V** below;
- (q) **"Director"** means a member of the Board who is not an employee of Quarterhill or a Subsidiary, and includes a Director's Permitted Assigns;
- (r) **"Distribution Date"** means:

- (i) in the case of a Director, the date on which such Director ceases to be a member of the Board;
- (ii) in the case of an Employee, such Employee's Termination Date; or
- (iii) such later date as elected by the Participant or Director **provided** that:
  - (A) in no event shall a Participant or Director be permitted to elect a date which is later than the last Business Day of the calendar year following the calendar year in which such Person's Termination Date occurs;
  - (B) any election for a Distribution Date described in **Section 2.1(r)(iii)** above will only be valid if it is delivered to Quarterhill's Corporate Secretary prior to such Person's Termination Date; and
  - (C) no such election may be made by an Employee or Director who is a U.S. Taxpayer;
- (s) **"Effective Date"** means April 18, 2018;
- (t) **"Employee"** means an employee or officer of Quarterhill or a Subsidiary (other than a Director or a Consultant), and includes an Employee's Permitted Assigns;
- (u) **"Employment Statute"** means, with respect to any given Employee, the statute governing that Participant's employment relationship with Quarterhill or the Subsidiary with which such Employee is employed, as the case may be, as such statute may be amended from time to time; provided that, for the purposes of any Employee resident and working in the Province of Ontario, such statute shall be deemed to be the *Employment Standards Act, 2000* (Ontario) as amended from time to time;
- (v) **"Exchange Act"** means the United States Securities Exchange Act of 1934, as amended from time to time;
- (w) **"Exercise Notice"** means a notice in writing, substantially in the form determined by Quarterhill, signed by an Employee or a Director holding an Option and stating the
- (x) Participant's or Director's intention to exercise any portion or all of any particular Option;
- (y) **"Exercise Price"** means the price at which a Common Share may be purchased pursuant to the exercise of an Option;
- (z) **"Exercise Period"** means the period of time during which an Option may be exercised provided, however, that the Exercise Period may not exceed 10 years from the relevant Grant Date;
- (aa) **"Fair Market Value"** means the closing trading price per Common Share on the TSX (or if the Common Shares are not then listed on the TSX, then on such stock exchange as the Common Shares are then traded) on the last trading day preceding the date of grant on which there was a closing price or, if the Common Shares are not listed on any stock exchange, a price determined by the Board and/or the Committee;
- (bb) **"Frustrated"** and **"Frustration"** means the happening of a supervening event or occurrence, or series of supervening events and/or occurrences, which are the fault of no party to any relevant agreement or relationship but which amount(s) to a radical transformation in the circumstances governing the performance of that agreement or relationship by any one or more such parties;
- (cc) **"Grant Date"** means, for any Award, the date specified by the Granting Authority at the time it grants the Award or if no such date is specified, the date upon which the Award was granted;
- (dd) **"Granting Authority"** means the Board, the Committee and/or any Officer, as applicable, determined pursuant to **Sections 3.1, 3.2** and/or **3.3** below;

- (ee) **"Insider"** has the meaning ascribed thereto in Part I of the Company Manual of the TSX, as amended from time to time;
- (ff) **"NI 45-106"** means National Instrument 45-106 – Prospectus Exemptions of the Canadian Securities Administrators, as amended or supplanted from time to time;
- (gg) **"Nasdaq"** means the Nasdaq Global Select Market;
- (hh) **"Officer"** means such senior officer or officers of Quarterhill designated, from time to time, by the Board and/or the Committee;
- (ii) **"Option"** means a right to purchase Common Shares granted pursuant to Section 4.1 below;
- (jj) **"Other Share-Based Award"** means any right granted under Section 8.1 below;
- (kk) **"Participant"** means an Employee or a Consultant, but not a Director;
- (ll) **"Performance Goal"** means a performance goal established by the Granting Authority prior to the grant of an Award that is based on the attainment of goals relating to one or more of the following business criteria measured on an absolute basis or in terms of growth or reduction:
  - (i) return on assets employed;
  - (ii) earnings per share;
  - (iii) total shareholder return;
  - (iv) net income (pre-tax or after-tax and with adjustments as stipulated);
  - (v) return on equity;
  - (vi) return on capital employed;
  - (vii) return on assets;
  - (viii) return on tangible book value;
  - (ix) operating income;
  - (x) earnings before depreciation, interest, taxes and amortization;
  - (xi) loss ratio;
  - (xii) expense ratio;
  - (xiii) share price;
  - (xiv) economic value added;
  - (xv) operating cash flow; and/or
  - (xvi) such other subjective or objective performance goals, including individual goals, that the Granting Authority deems appropriate;
- (mm) **"PSU"** means any performance stock unit granted pursuant to **Section 7.1** below;
- (nn) **"Permitted Assign"** has the meaning assigned to that term in NI 45-106;

- (oo) **"Person"** includes an individual, sole proprietorship, partnership, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, and a natural person in their capacity as trustee, executor, administrator or other legal representative;
- (pp) **"Retirement"** means retirement from active employment with Quarterhill or a Subsidiary in accordance with Quarterhill's policies in place from time to time or, with the consent for purposes of this Plan of such officer of Quarterhill as may be designated by the Board and/or the Committee, at or after such earlier age and upon the completion of such years of service as the Board and/or the Committee may specify;
- (qq) **"RSU"** means a restricted stock unit granted pursuant to **Section 6.1** below;
- (rr) **"RSU Vesting Date"** means the date on which any RSUs held by an Employee or Director vest in accordance with **Section 3.4** below and the terms of any Award Agreement pursuant to which such RSUs were originally granted;
- (ss) **"Securities Act"** means the *Securities Act* (Ontario), as amended from time to time;
- (tt) **"Security Based Compensation Arrangement"** has the meaning given to that term in the TSX Rules;
- (uu) **"Subsidiary"** means any Person that is a, direct or indirect, wholly-owned subsidiary of Quarterhill;
- (vv) **"Termination Date"** means, in the case of an Employee or Director whose employment or term of office or engagement with Quarterhill or a Subsidiary terminates:
  - (i) by reason of such Employee's or such Director's death, the date of death;
  - (ii) for any reason whatsoever other than death, the later of:
    - (A) in the case of an Employee, the last day of the minimum statutory notice period, if any, to which such Employee is entitled upon such termination pursuant to applicable employment; and
    - (B) the date designated by Quarterhill or such Subsidiary, as the case may be, as the last day of such Employee's or such Director's employment or term of office or engagement with Quarterhill or such Subsidiary, as the case may be;

**provided** that in the case of termination by reason of voluntary resignation by such Employee or such Director, such date shall not be earlier than the date that notice of resignation was received from such Employee or such Director,

and **"Termination Date"** in any such case specifically does not mean or include the date on which any period of contractual notice or reasonable notice that Quarterhill or such Subsidiary, as the case may be, may be required at law to provide to an Employee would expire;
- (ww) **"TSX"** means the Toronto Stock Exchange;
- (xx) **"TSX Rules"** means Part VI of the TSX Company Manual as amended from time to time;
- (yy) **"U.S. Taxpayer"** shall mean an Employee or Director who is a United States citizen, United States permanent resident or United States tax resident for purpose of the Code;
- (zz) **"Vested RSU Canadian Price"** means, with respect to each vested RSU on the relevant RSU Vesting Date for the purposes of any holder thereof who is not ordinarily resident in the United States, the closing price per Common Share on the RSU Vesting Date on the TSX or, if there is no such closing price on such RSU Vesting Date, then the last preceding closing price per Common Share on the TSX; **provided**, however, that if the Common Shares are not listed on the TSX on such RSU Vesting Date, then the Vested RSU Canadian Price shall be determined by the Board and/or the Committee in their discretion;

(aaa)

(bbb) "**Vested RSU U.S. Price**" means, with respect to each vested RSU on the relevant RSU Vesting Date for the purposes of any holder thereof who is ordinarily resident in the United States, the closing price per Common Share on the RSU Vesting Date on the Nasdaq or, if there is no such closing price on such RSU Vesting Date, then the last preceding closing price per Common Share on the Nasdaq; **provided**, however, that if the Common Shares are not listed on the Nasdaq on such RSU Vesting Date, then the Vested RSU U.S. Price for that RSU Vesting Date shall be the Vested RSU Canadian Price.

2.2 Interpretation. Whenever the Board or, where applicable, any other Person is to exercise discretion in the administration of this Plan, the term "**discretion**" means the sole and absolute discretion of that Person. As used herein, the terms "**Article**" and "**Section**" mean and refer to the specified Article or Section of this Plan, respectively. Words importing the singular include the plural and vice versa and words importing any gender include any other gender. As used in this Plan, the words "includes" and "including" mean "includes without limitation" and "including without limitation" respectively. Whenever any payment is to be made or action is to be taken on a day which is not a Business Day, such payment shall be made, or such action shall be taken, on the next following Business Day. Unless otherwise specified, all references to money amounts are to Canadian currency.

### ARTICLE III ADMINISTRATION

3.1 Administration. Subject to **Sections 3.2** and **3.3** below, this Plan will be administered by the Board and the Board has sole and complete authority, in its discretion, to:

- (a) determine the individuals to whom grants under this Plan may be made;
- (b) make grants of Awards relating to the issuance of Common Shares (including any combination of Options, DSUs, RSUs, PSUs or Other Share-Based Awards) in such amounts, to such Persons and, subject to the provisions of this Plan, on such terms and conditions as it determines including:
  - (i) the time or times at which Awards may be granted;
  - (ii) the conditions under which:
    - (A) Awards may be granted to Participants or Directors; or
    - (B) other Awards may be forfeited to Quarterhill,including any conditions relating to the attainment of specified Performance Goals;
  - (iii) the Exercise Price, and/or price to be paid by a Participant or Director in connection with the granting, vesting and/or exercise of Awards;
  - (iv) the time or times when each Option becomes exercisable and, subject to **Section 4.3** below, the duration of the Exercise Period;
  - (v) whether restrictions or limitations are to be imposed on the Common Shares issuable pursuant to grants of Awards, and the nature of such restrictions or limitations, if any; and
  - (vi) any acceleration of exercisability or vesting, or waiver of termination regarding any Award, based on such factors as the Board may determine;
- (c) interpret this Plan and adopt, amend and rescind administrative guidelines and other rules and regulations relating to this Plan; and
- (d) make all other determinations and take all other actions necessary or advisable for the implementation and administration of this Plan.

The Board's determinations and actions within its authority under this Plan are final and conclusive and binding on Quarterhill and all other Persons. The day-to-day administration of this Plan may be delegated to such officers and employees of Quarterhill as the Board determines.

3.2 Delegation to Committee. If permitted by applicable law, the Board may, from time to time, delegate to a committee (the "**Committee**") of the Board all or any of the powers conferred on the Board under this Plan. In connection with such delegation, the Committee will exercise the powers delegated to it by the Board in the manner and on the terms authorized by the Board. Any decision made, or action taken, by the Committee arising out of or in connection with the administration or interpretation of this Plan in this context is final and conclusive and binding on Quarterhill and all other Persons. Notwithstanding any such delegation or any reference to the Committee in this Plan, the Board may also take any action and exercise any powers that the Committee is authorized to take or has power to exercise under this Plan. If applicable in respect of certain Awards granted to an Employee who is a Covered Employee, such Committee shall be composed of not less than 2 directors of Quarterhill, neither of whom shall be employees of Quarterhill or its Affiliates and each of whom shall otherwise be "outside directors" for the purposes of Section 162(m) of the Code. If Quarterhill is no longer a "foreign private issuer" as defined in Exchange Act Rule 3b-4 and wishes to have a "Qualified Plan" as defined in Rule 16b3(b)(4), such Committee shall be composed of not less than 2 directors of Quarterhill, each of whom are "non-employee directors" for purposes of Section 16 of the Exchange Act and Rule 16b-3 thereunder.

3.3 Delegation to Officer(s). If permitted by applicable law, the Board and/or the Committee may, from time to time, delegate to any Officer all or any of the powers conferred on the Board and/or the Committee under this Plan. In connection with such delegation, each such Officer will exercise the powers delegated to it by the Board and/or the Committee in the manner and on the terms authorized by the Board and/or the Committee. Any decision made, or action taken, by any such Officer arising out of or in connection with the administration or interpretation of this Plan in this context is final and conclusive and binding on Quarterhill and all other Persons. Notwithstanding any such delegation or any reference to any Officer in this Plan, the Board and/or the Committee may also take any action and exercise any powers that such Officer is authorized to take or has power to exercise under this Plan.

3.4 Eligibility. All Participants and Directors are eligible to participate in this Plan, subject to **Sections 9.1(e)** and **9.2(g)** below. Eligibility to participate does not confer upon any Participant or Director any right to receive any grant of an Award. The extent to which any Participant or Director is entitled to receive a grant of an Award will be determined in the discretion of the Granting Authority, provided, however, that the following restrictions shall also apply to this Plan, together with all of Quarterhill's other Security Based Compensation Arrangements:

- (a) the maximum number of Common Shares issuable to Insiders at any time under all of Quarterhill's Security Based Compensation Arrangements shall not exceed 10% of the issued and outstanding Common Shares;
- (b) the maximum number of Common Shares issued to Insiders within any 1-year period under all of Quarterhill's Security Based Compensation Arrangements shall not exceed
- (c) 10% of the issued and outstanding Common Shares;
- (d) the maximum number of Common Shares which may be issued to any one Insider and that Insider's Associates within a 1-year period may not exceed 5% of the issued and outstanding Common Shares; and
- (e) the aggregate value of the Fair Market Value of all Common Shares reserved for issuance pursuant to all Awards granted to any one Director in any one calendar year shall not exceed \$150,000 per calendar year, of which value not more than \$100,000 in value may be comprised of Options, in each case excluding any Awards granted pursuant to Section 5.3 below.

If Quarterhill repurchases Common Shares for cancellation resulting in the tests in Sections 3.4(a) or 3.4(b) above not being met following any such cancellation(s), then such cancellation(s) shall not result in non-compliance under this Plan for any Awards then outstanding.

3.5 Total Common Shares Available.

- (a) The aggregate number of Common Shares that may be issued for all purposes pursuant to this Plan and all other Security Based Compensation Arrangements must not exceed 12% of the total number of Common Shares issued and outstanding from time to time. No grant may be made under this Plan if such grant would result in the issuance of Common Shares in excess of such limit. If Quarterhill repurchases Common Shares for cancellation resulting in the 12% limit being exceeded following any such

cancellation(s), then such cancellation(s) shall not result in non-compliance under this Plan for any Awards then outstanding.

- (b) For purposes of computing the total number of Common Shares available for grant under this Plan, Common Shares subject to any Award (or any portion thereof) that has expired or is forfeited, surrendered, cancelled or otherwise terminated prior to the issuance or transfer of such Common Shares and Common Shares subject to an Award (or portion thereof) that is settled in cash in lieu of settlement in Common Shares shall again be available for grant under this Plan.

3.6 Award Agreements. All grants of Awards will be evidenced by Award Agreements. Award Agreements will be subject to the applicable provisions of this Plan. Any one officer of Quarterhill is authorized and empowered to execute and deliver, for and on behalf of Quarterhill, an Award Agreement to each Participant or Director granted an Award.

3.7 Conditions of Grant. Each Participant or Director will, when requested by Quarterhill, sign and deliver all such documents relating to the granting of Awards or exercise of Options which Quarterhill deems necessary or desirable.

3.8 Non-Transferability of Awards. Subject to Section 9.1 below, Awards may only be exercised during the lifetime of any Participant or Director by such Participant or Director personally. No assignment or transfer of Awards, whether voluntary, involuntary, by operation of law or otherwise, vests any interest or right in such Awards whatsoever in any assignee or transferee (except that a Participant or Director may transfer Awards to Permitted Assigns) and immediately upon any assignment or transfer, or any attempt to make the same, such Awards will terminate and be of no further force or effect. If any Participant or Director has transferred Awards to a Permitted Assign that is a corporation pursuant to this Section 3.8, such Awards will terminate and be of no further force or effect if at any time the transferor should cease to own, directly or indirectly, at least a majority of the voting power of such corporation.

#### ARTICLE IV STOCK OPTIONS

4.1 Grant of Options. The Granting Authority may, from time to time, subject to the provisions of this Plan and such other terms and conditions as the Granting Authority may prescribe, grant Options to any Participant or any Director.

4.2 Exercise Price. The Exercise Price of any Option will be as determined by the Granting Authority but shall not be less than the Fair Market Value on the Grant Date of that Option.

4.3 Term of Options. Subject to any accelerated termination as permitted by the Granting Authority or as otherwise set forth in this Plan, each Option, unless otherwise specified by the Granting Authority, expires on the 6th anniversary of the Grant Date of that Option (**provided** that if such expiry would otherwise be during or immediately after that specific Black Out Period, then the expiry of that Option shall be extended until 10 Business Days following the expiration of the Black Out Period); **provided** that in no event will the Exercise Period of an Option exceed 10 years from its Grant Date. The Granting Authority shall have the authority to condition the grant or vesting of Options upon the attainment of such factors (which may vary as between Options) as the Granting Authority may determine in their discretion.

4.4 Exercise of Options. Unless otherwise specified by the Granting Authority at the time of granting an Option and except as otherwise provided in this Plan or in any Award Agreement pursuant to which any particular Option is granted, each Option will vest and be exercisable as set out in the Award Agreement pursuant to which it is granted. Once an installment vests and becomes exercisable, it remains exercisable until expiration or termination of the Option, unless otherwise specified by the Granting Authority in connection with the grant of such Option or otherwise as specified herein. Each Option may be exercised at any time or from time to time, in whole or in part, for up to the total number of Common Shares with respect to which it is then exercisable. Subject to Section 12.7 below, the Board and/or the Committee have the right to accelerate the date upon which any installment of any Option becomes exercisable. Subject to the provisions of this Plan and any Award Agreement, Options shall be exercised by means of a fully completed Exercise Notice delivered to Quarterhill.

4.5 Payment of Exercise Price. The Exercise Notice must be accompanied by payment in full of the Exercise Price in respect of the Common Shares to be purchased. The Exercise Price must be fully paid by cash, certified cheque, bank draft or money order payable to Quarterhill. No Common Shares will be issued or transferred until full payment therefor has been received by Quarterhill. As soon as practicable after receipt of any Exercise Notice and full payment of the Exercise Price for the Options indicated therein, Quarterhill will deliver to the Participant or Director or their designated account, as the case may be, a certificate or certificates representing the acquired Common Shares for which such Options have been so exercised as indicated in such Exercise Notice. The entirety of this **Section 4.5** is subject to **Section 12.3** below.

4.6 Special Rule Applicable to U.S. Taxpayers. With respect to Options granted to Participants or Directors who are U.S. Taxpayers, Common Shares shall constitute "stock of the service recipient" within the meaning of Section 409A of the Code if such Participant or Director performs services for any Affiliate of Quarterhill that is at least 50% owned by Quarterhill.

4.7 Previous Option Plan. Notwithstanding anything to the contrary in this Plan, each stock option granted by Quarterhill pursuant to Quarterhill's 2001 share option plan (as amended to the Effective Date) and outstanding on the Effective Date shall be deemed to be an Option hereunder and subject to the provisions of this Plan and the terms of any agreement pursuant to which such stock option was originally granted; **provided**, however, that if any provision of this Plan conflicts with any provision of the agreement pursuant to which any such stock option was originally granted, then the provisions of that agreement shall govern. Upon approval of this Plan by Quarterhill's shareholders, Quarterhill's 2001 share option plan (as amended to the Effective Date) shall terminate in its entirety.

## ARTICLE V DEFERRED STOCK UNITS

5.1 Number of DSUs. The Granting Authority may, from time to time, subject to the provisions of this Plan and such other terms and conditions as the Granting Authority may prescribe, grant DSUs to any Employee or Director. All DSUs received by an Employee or Director shall be credited to an account maintained for such Employee or such Director on the books of Quarterhill as of the Grant Date. Each award of DSUs to an Employee or Director shall be evidenced by an Award Agreement.

5.2 Distribution of DSUs. An Employee or Director shall receive, on such Person's Distribution Date, a lump sum payment in cash equal to the number of DSUs recorded in such Person's account on such Distribution Date multiplied by the Fair Market Value on such Distribution Date. At the option of the Board and/or the Committee, Quarterhill may settle any DSUs held by any holder thereof in Common Shares having a value on the applicable Distribution Date equal to the amount of the value of the DSUs to be settled on that Distribution Date divided by the Fair Market Value on that Distribution Date. Upon payment in full of the value of any DSUs, whether in cash or in Common Shares, those DSUs shall be cancelled.

5.3 Board Fees. Any Director may, on an annual basis, elect to receive DSUs in lieu of such Director's Annual Fees or in lieu of a portion of such Director's Annual Fees by giving written notice of such election to the Committee and Quarterhill's Corporate Secretary within the last 90 days of the year preceding the year in which such Annual Fees are earned.

5.4 Death of Participant Prior to Distribution. Upon the death of an Employee or Director prior to the distribution of the DSUs credited to the account of such Person, a cash payment shall be made to the estate of such Person on or about the 30th day after Quarterhill is notified of the death of such Person or on a later date elected by such Person's estate delivered to Quarterhill's Corporate Secretary no later than 20 days after Quarterhill is notified of the death of such Person, **provided** that such date is no later than the last business day of the calendar year following the calendar year in which such Person dies. Any such cash payment shall be equivalent to the amount which would have been paid to such Person pursuant to and subject to **Section 5.2** above, calculated on the basis that the day on which such Person died, or the date elected by such Person's estate, as applicable, shall be that Person's Distribution Date. Upon payment in full of the value of any DSUs that become payable under this **Section 5.4**, those DSUs shall be cancelled.

ARTICLE VI  
RESTRICTED STOCK UNITS

6.1 Grants of RSUs. The Granting Authority may, from time to time, subject to the provisions of this Plan and such other terms and conditions as the Granting Authority may prescribe, grant RSUs to any Employee or any Director.

6.2 Terms of RSUs. The Granting Authority shall have the authority to condition the grant of RSUs upon the attainment of specified factors (which may vary as between awards of RSUs) as the Granting Authority may determine in their discretion. The Granting Authority shall have the authority to determine at the time of grant, in their discretion, the duration of the vesting period and other vesting terms (including the Vesting Dates and the proportions of any specific RSUs to vest on any such Vesting Date) applicable to the grant of any specific RSUs, **provided** that no RSU granted shall vest and be payable after December 31 of the third calendar year following the year of service for which the RSU was granted.

6.3 Vesting of RSUs. An Employee or Director shall receive, on or as soon as reasonably possible following the Vesting Date of any of such Person's RSUs, a lump sum payment in cash equal to the number of RSUs vesting on such Vesting Date multiplied by the Vested RSU Canadian Price or the Vested RSU U.S. Price, as may be applicable, on such Vesting Date. At the option of the Board and/or the Committee, Quarterhill may settle any RSUs held by any holder thereof in Common Shares having a value on the applicable Vesting Date equal to the amount of the value of the RSUs to be settled on that Vesting Date divided by the Vested RSU Canadian Price or the Vested RSU U.S. Price, as may be applicable, on that Vesting Date. Upon payment in full of the value of any RSUs, whether in cash or in Common Shares, those RSUs shall be cancelled.

ARTICLE VII  
PERFORMANCE STOCK UNITS

7.1 Grant of PSUs. The Granting Authority may, from time to time, subject to the provisions of this Plan and such other terms and conditions as the Granting Authority may prescribe, grant PSUs to any Employee. Each PSU will consist of a right, (a) denominated or payable in cash, Common Shares, other securities or other property and (b) which will confer on the holder thereof rights valued as determined by the Granting Authority and payable to, or exercisable by, the holder of the PSU, in whole or in part, upon the achievement of such performance goals during such performance periods as the Granting Authority may establish.

7.2 Value of PSUs. The initial value of a PSU will be established by the Granting Authority at the Grant Date and, if related to Common Shares, other securities or other property will initially be equal to 100% of the Fair Market Value of a Common Share or the fair market value (as determined by the Board and/or the Committee) of such other security or such other property on the Grant Date of such PSU.

7.3 Terms of PSUs. Subject to the terms of this Plan and any applicable Award Agreement, the Performance Goals of any PSU to be achieved during any period, the amount of any PSU granted, the termination of an Employee's employment and the amount of any payment or transfer to be made pursuant to any PSU and by the other terms and conditions of any PSU will be determined by the Granting Authority and detailed in the Award Agreement pursuant to which such PSU is granted.

7.4 Performance Goals. The Granting Authority will issue Performance Goals relating to each PSU prior to the commencement of the period to which such Performance Goals pertain. The Granting Authority may modify Performance Goals relating to any PSU as necessary to align them with Quarterhill's corporate objectives if there is a subsequent material change in Quarterhill's business, operations or capital or corporate structure.

ARTICLE VIII  
OTHER SHARE-BASED AWARDS

8.1 Other Share-Based Awards. The Granting Authority may, from time to time, subject to the provisions of this Plan and such other terms and conditions as the Granting Authority may prescribe, grant Other Share-Based Awards to any Employee. Each Other Share-Based Award will consist of a right (a) which is other than an Award or right described in **Articles IV, V, VI or VII** above and (b) which is denominated or payable in, valued in whole or in part by reference to, or otherwise based on or related to, Common Shares (including securities convertible into Common Shares) as are deemed by the Granting Authority to be consistent with the purposes of this Plan;

**provided**, however, that the nature and terms of such rights shall be subject to the prior approval of the TSX, if required, and shall comply with applicable law. Subject to the terms of this Plan and any applicable Award Agreement, the Granting Authority will determine the terms and conditions of Other Share-Based Awards. Common Shares or other securities delivered pursuant to a purchase right granted under this **Section 8.1** will be purchased for such consideration, which may be paid by such method or methods and in such form or forms, including cash, Common Shares, other securities, other Awards, other property, or any combination thereof, as the Granting Authority may determine. For greater certainty, if any Other Share-Based Award is governed by a separate plan approved by the Board, any such award shall not be subject to the provisions of this Plan. Subject to compliance with applicable law, the Board may waive any portion of this **Section 8.1** at any time and in its sole discretion.

#### ARTICLE IX TERMINATION OF EMPLOYMENT

9.1 Retirement, Death or Frustration. Subject to **Section 5.4** above, if a Participant or Director dies or their employment or engagement with Quarterhill or any Subsidiary becomes Frustrated while an employee, officer or director of or consultant to Quarterhill or a Subsidiary or if the employment or term of office or engagement of a Participant with Quarterhill or a Subsidiary terminates due to Retirement, then:

- (a) the executor or administrator of the Participant's or Director's estate or the Participant or Director, as the case may be, may exercise such Participant's or Director's Options, **provided** that the number of Options exercisable shall equal the number of Options that were exercisable at the Termination Date and any Options held by such Participant or Director that are not yet exercisable at the Termination Date shall immediately expire and be cancelled on the Termination Date;
- (b) the right to exercise such exercisable Options shall terminate on the earlier of: (i) the date that is 12 months after the Termination Date; and (ii) the date on which the Exercise Period of the particular Option expires;
- (c) a portion of the next installment of any RSUs due to vest shall immediately vest, such portion to be equal to the number of RSUs next due to vest multiplied by a fraction the numerator of which is the number of days elapsed since the date of vesting of the last installment of the RSUs (or if none have vested, the Grant Date) to the Termination Date and the denominator of which is the number of days between the date of vesting of the last installment of the RSUs (or if none have vested, the Grant Date) and the date of vesting of the next installment of the RSUs;
- (d) subject to **Section 9.3** below, any other Awards held by the Participant or Director that are not yet vested at the Termination Date are immediately forfeited to Quarterhill on the Termination Date; and
- (e) such Participant's or Director's eligibility to receive further grants of Awards ceases as of the Termination Date.

9.2 Termination of Employment or Services.

- (a) Where a Participant's or Director's employment or term of office or engagement with Quarterhill or a Subsidiary terminates by reason of the Participant's death, Frustration or Retirement or, in the case of a Director, the Director's death or Frustration of the Director's engagement with Quarterhill or any Subsidiary, then the provisions of **Section 9.1** above will apply.
- (b) Where an Employee's employment or term of office or engagement terminates by reason of such Employee's resignation, then any Options held by such Employee that are exercisable at the Termination Date continue to be exercisable by such Employee until the earlier of: (i) the date that is 90 days after the Termination Date; and (ii) the date on which the Exercise Period of the particular Option expires. Any Options and any other Awards held by such Employee that are not yet exercisable or vested at the Termination Date shall immediately expire and be cancelled on the Termination Date.
- (c) Where an Employee's employment or term of office or engagement terminates by reason of termination by Quarterhill or a Subsidiary, and such Employee is entitled to the minimum applicable statutory period of notice of termination pursuant to the applicable Employment Statute, whether or not such Employee is also entitled to additional amounts pursuant to any applicable agreement, then:

- (i) any Options held by such Employee that are exercisable at the Termination Date shall continue to be exercisable by such Employee until the earlier of: (i) the date that is 90 days after the Termination Date; and (ii) the date on which the Exercise Period of the particular Option expires;
  - (ii) a portion of the next installment of any other RSUs due to vest shall immediately vest, such portion to be equal to the number of RSUs next due to vest multiplied by a fraction the numerator of which is the number of days elapsed since the date of vesting of the last installment of the RSUs (or if none have vested, the Grant Date) to the Termination Date and the denominator of which is the number of days between the date of vesting of the last installment of the RSUs (or if none have vested, the Grant Date) and the date of vesting of the next installment of the RSUs; and
  - (iii) any other Options or other Awards held by such Employee that are not yet exercisable or vested at the Termination Date shall immediately expire and be cancelled on the Termination Date.
- (d) Where an Employee's employment or term of office or engagement terminates by reason of termination by Quarterhill or a Subsidiary, and such Employee is not entitled to the minimum applicable statutory period of notice of termination pursuant to the applicable Employment Statute, or, in the case of a Consultant, for breach of contract, then any Options and any other Awards held by such Participant at the Termination Date (whether or not exercisable) shall immediately expire and be cancelled on the Termination Date.
- (e) Where a Director's term of office is terminated by Quarterhill for breach by the Director of their fiduciary duty to Quarterhill, then any Options and any other Awards held by such Participant at the Termination Date (whether or not exercisable) shall immediately expire and be cancelled on the Termination Date.
- (f) Where a Director's term of office terminates for any reason other than death of such Director, Frustration of such Director's engagement with Quarterhill or any Subsidiary or a breach by such Director of their fiduciary duty to Quarterhill, the Board may, in its discretion, at any time prior to or following the Termination Date: (i) permit the exercise of any or all Options held by such Director, whether or not exercisable at the Termination Date, in the manner and on the terms authorized by the Board, provided that the Board shall not, in any case, authorize the exercise of an Option pursuant to this **Section 9.2(f)** beyond the date on which the Exercise Period of the particular Option expires; and (ii) provide for the vesting of any or all other Awards held by such Director on the Termination Date.
- (g) The eligibility of a Participant or Director to receive further grants of Awards ceases as of the date that Quarterhill or a Subsidiary, as the case may be, provides such Participant or Director with written notification that such Participant's employment or term of office, or such Director's term of office, as the case may be, is terminated, notwithstanding that such date may be prior to the Termination Date.
- (h) Unless the Board and/or the Committee, in their discretion, otherwise determines, at any time and from time to time, Awards held by a Participant shall not be affected by a change of employment arrangement within or among Quarterhill or a Subsidiary for so long as such Participant continues to be an employee of Quarterhill or a Subsidiary, including a change in the employment arrangement of a Participant whereby such Participant becomes a Director.

9.3 Discretion to Permit Exercise. Notwithstanding the provisions of **Sections 9.1** and **9.2** above, the Board and/or the Committee may, in their discretion, at any time prior to or following the events contemplated in **Sections 9.1** and **9.2** above, permit the exercise of any or all Options held by a Participant or Director or permit the acceleration of vesting of any other Awards, all in the manner and on the terms as may be authorized by the Board and/or the Committee, provided that neither the Board nor the Committee will, in any event, authorize the exercise of an Option pursuant to this **Section 9.3** beyond the expiration of the Exercise Period of the particular Option.

ARTICLE X  
CHANGE OF CONTROL

10.1 Change of Control.

- (a) Unless otherwise determined by the Granting Authority at or after the Grant Date, any Options outstanding immediately prior to the occurrence of a Change of Control, but which are not then exercisable, shall become fully exercisable upon the occurrence of a Change of Control. Unless otherwise determined by the Granting Authority at or after the Grant Date, all outstanding vested Options shall be cashed out at the Change of Control Price, less the applicable Exercise Price for such Options, as of the date such Change of Control is determined to have occurred, or as of such other date as the Board and/or the Committee may determine prior to the Change of Control. Outstanding Options may only be cashed out, as described above, if the Change of Control Price is higher than the Exercise Price for such outstanding Options. If the Change of Control Price is equal to or lower than the Exercise Price for such outstanding Options, the Board and/or the Committee may terminate such outstanding Options and such outstanding Options shall be of no further force or effect. Further, the Board and/or the Committee shall have the right to provide for the conversion or exchange of any outstanding Options into or for options, rights or other securities in any entity participating in or resulting from the Change of Control. In addition, and notwithstanding Section 12.7(b) below, the Board and/or the Committee shall have the right to determine, in their discretion, that Options outstanding, but which are not then exercisable, shall not become exercisable and shall be cancelled in the event of a Change of Control.
- (b) Unless otherwise determined by the Granting Authority at or after the Grant Date, any RSUs, DSUs, PSUs or Other Share-Based Awards outstanding immediately prior to the occurrence of a Change of Control shall become fully vested upon the occurrence of a Change of Control. Unless otherwise determined by the Granting Authority at or after the Grant Date, any RSU, DSU, PSU or Other Share-Based Award outstanding immediately prior to the occurrence of a Change of Control shall be cashed out at the Change of Control Price as of the date such Change of Control is deemed to have occurred, or as of such other date as the Board and/or the Committee may determine prior to the Change of Control. Further, the Board and/or the Committee shall have the right to provide for the conversion or exchange of any RSU, DSU, PSU or Other Share-Based Award into or for rights or other securities in any entity participating in or resulting from the Change of Control. In addition, and notwithstanding Section 12.7(b) below, the Board and/or the Committee shall have the right to determine, in their discretion, that RSUs, DSUs, PSUs or Other Share-Based Awards outstanding shall not become vested and shall be cancelled and forfeited to Quarterhill in the event of a Change of Control.

10.2 Parachute Payments. If an Employee or Director that is a U.S. Taxpayer is entitled to receive payments that would qualify as excess "parachute payments" under Section 280G of the Code, those payments shall be reduced by the necessary amount so that such Person is not subject to excise tax under Section 4999 of the Code if such reduction would result in such Person receiving a greater after-tax payment.

ARTICLE XI  
SHARE CAPITAL ADJUSTMENTS

11.1 General. The existence of any Award does not affect in any way the right or power of Quarterhill or its shareholders to make, authorize or determine any adjustment, recapitalization, reorganization or any other change in Quarterhill's capital structure or its business, or any amalgamation, combination, arrangement, merger or consolidation involving Quarterhill, to create or issue any bonds, debentures, Common Shares or other securities of Quarterhill or to determine the rights and conditions attaching thereto, to effect the dissolution or liquidation of Quarterhill or any sale or transfer of all or any part of its assets or business, or to effect any other corporate act or proceeding, whether of a similar character or otherwise, whether or not any such action referred to in this **Section 11.1** would have an adverse effect on this Plan or on any Award granted hereunder.

11.2 Reorganization of Capital. If Quarterhill effects a subdivision or consolidation of Common Shares or any similar capital reorganization or a payment of a stock dividend (other than a stock dividend that is in lieu of a cash dividend), or if any other change is made in the capitalization of Quarterhill that does not constitute a Change of Control and that would warrant the amendment or replacement of any existing Awards in order to adjust: (a) the number of Common Shares that may be acquired on the vesting of outstanding Awards or the exercise of any outstanding Options; (b) the Exercise Price of any outstanding Options; and/or (c) the terms of any other Award in order to preserve proportionately the rights and obligations of the Participants or Directors holding such Awards;

then, in each such instance, the Board will authorize such steps to be taken as it may consider to be equitable and appropriate to reflect that proportionality.

11.3 Other Events Affecting Quarterhill. In the event of an amalgamation, combination, arrangement, merger or other transaction or reorganization involving Quarterhill and occurring by exchange of Common Shares, by sale or lease of assets or otherwise, that does not constitute a Change of Control and that warrants the amendment or replacement of any existing Awards in order to adjust: (a) the number of Common Shares that may be acquired on the vesting of outstanding Awards or the exercise of any outstanding Options; (b) the Exercise Price of any outstanding Options; and/or (c) the terms of any other Award in order to preserve proportionately the rights and obligations of the Participants or Directors holding such Awards; then, in each such instance, the Board will authorize such steps to be taken as it may consider to be equitable and appropriate to reflect that proportionality.

11.4 Immediate Exercise of Awards. If the Board determines that the steps provided in Sections 11.2 and 11.3 above would not preserve proportionately the rights, value and obligations of the Participants or Directors holding such Awards in the circumstances or otherwise determines that it is appropriate, then:

- (a) the Board may permit the immediate exercise of any outstanding Options that are not otherwise exercisable, and the immediate vesting of any unvested Awards; and
- (b) if the Board takes the step contemplated in **Section 11.4(a)** above, then the Board may also authorize Quarterhill, if permitted under applicable laws, to:
  - (i) purchase any Options from any Employee or Director for a price equal to the difference between the Fair Market Value of the underlying Common Shares and the Exercise Price of the Options; or
  - (ii) loan to Participants an amount equal to the aggregate Exercise Price for those Options of the Participant which have an Exercise Price which is less than the Fair Market Value of the underlying Common Shares at a rate of interest equal to the current prime rate plus 1.0% provided that the Participant irrevocably:
    - (A) agrees to exercise all such Options of the Participant; and
    - (B) authorizes Quarterhill to sell, dispose of or deposit in acceptance of an outstanding take-over bid the Common Shares issuable upon the exercise of such Options, to deduct from the proceeds of sale of such Common Shares an amount equal to the outstanding balance of the loan plus accrued interest in payment of such loan, to mail a cheque payable to the Participant for the balance of the proceeds of sale and to execute and deliver on behalf of the Participant all transfers, consents or other documents necessary to give effect to the foregoing.

11.5 Issue by Company of Additional Shares. Except as expressly provided in this **Article XI**, neither the issue by Quarterhill of shares of any class or securities convertible into or exchangeable for shares of any class, nor the conversion or exchange of such shares or securities, affects, and no adjustment by reason thereof is to be made with respect to, (a) the number of Common Shares that may be acquired as a result of a grant of Awards or upon the exercise of any outstanding Options or (b) the Exercise Price of any outstanding Options.

11.6 Fractions. No fractional Common Shares will be issued on the exercise of an Option or the grant of an Award. Accordingly, if, as a result of any adjustment under **Sections 11.2** or **11.3** above, an Employee or Director would become entitled to a fractional Common Share, the Participant or Director has the right to acquire only the adjusted number of full Common Shares and no payment or other adjustment will be made with respect to the fractional Common Shares which shall be disregarded.

## ARTICLE XII MISCELLANEOUS PROVISIONS

12.1 Legal Requirement. Quarterhill is not obligated to grant any Awards, issue any Common Shares or other securities, make any payments or take any other action if, in the opinion of the Board, in its discretion, such action would constitute a violation by a Participant, Director or Quarterhill of any provision of any applicable statutory or

regulatory enactment of any government or government agency or the requirements of any stock exchange upon which the Common Shares may then be listed.

12.2 Entitlements. Except as otherwise provided in this Plan and subject to the discretion of the Board, which discretion may be delegated to the Committee, Options (whether or not exercisable) and other Awards previously granted under this Plan shall not be affected by any change in the relationship between, or ownership of, Quarterhill and any Subsidiary.

12.3 Issuance of Common Shares. If Quarterhill issues Common Shares in settlement of any Award, such Common Shares may be issued from treasury or purchased by Quarterhill on the open market on behalf of the Participant or Director with respect to whom such Award relates and, in any such event:

- (a) if Quarterhill issues such Common Shares from treasury, then the number of whole Common Shares to be so issued will be based on the applicable provision of this Plan less any deduction for withholding pursuant to **Section 12.4** below and such Common Shares will be issued in consideration for the past services of such Person to Quarterhill and the related entitlement of such Person shall be satisfied in full by such issuance of Common Shares; or
- (b) if Quarterhill purchases such Common Shares from the open market, then the number of whole Common Shares to be so purchased will be based on the applicable provision of this Plan less any deduction for withholding pursuant to **Section 12.4** below and such Common Shares will be purchased through an independent broker chosen by Quarterhill and the related entitlement of such Person shall be satisfied in full by such purchase of Common Shares.

12.4 Withholding Taxes. The granting or vesting of each Award and exercise of each Option granted under this Plan is subject to the condition that if, at any time, the Board and/or the Committee determines, in their discretion, that the satisfaction of withholding tax or other withholding liabilities is necessary or desirable in respect of such grant, vesting or exercise, then such grant, vesting or exercise shall not be effective unless such withholding has been effected to the satisfaction of the Board and/or the Committee. In such circumstances, Quarterhill may require that a Participant or Director pay to Quarterhill, in addition to and in the same manner as the Exercise Price, or as Quarterhill may determine, such amount as Quarterhill or any Subsidiary is obliged to remit to the relevant taxing authority in respect of the granting or vesting of the Award or exercise of the Option. Any such additional payment shall be due no later than the date on which any amount with respect to the Award or exercised Option is required to be remitted to the relevant tax authority by Quarterhill or any Subsidiary, as the case may be.

12.5 Rights of Participant. No Participant or Director has any claim or right to be granted an Award (including an Option granted in substitution for any Option that has expired pursuant to the terms of this Plan) and the granting of any Award is not to be construed as giving a Participant or Director a right to remain as an employee, consultant or director of Quarterhill or any Subsidiary. No Participant or Director has any rights as a shareholder of Quarterhill in respect of Common Shares issuable on the exercise of any Option or issuable pursuant to any other Award (including any right to receive dividends or other distributions on any such Options or other Awards) until and upon the allotment and issuance to such Participant or Director of certificates representing such Common Shares.

12.6 Other Incentive Awards. The Board and/or the Committee shall have the right to grant other incentive awards based upon Common Shares under this Plan to Participants or Directors in accordance with applicable laws and regulations and subject to regulatory approval, including the approval of the TSX, having such terms and conditions as the Board and/or the Committee may determine, including the grant of Common Shares based upon certain conditions and the grant of securities convertible into Common Shares.

12.7 Termination. Unless renewed for such further period and upon such terms and conditions as the Board and/or the Committee may determine, this Plan will terminate on the earlier of: (a) the 10th anniversary of the Effective Date; and (b) the acceleration of the vesting of all Options and other Awards pursuant to Section 10.1 above upon the occurrence of a Change of Control.

12.8 Amendment.

- (a) Subject to the rules and policies of any stock exchange on which the Common Shares are listed and applicable law, the Board and/or the Committee may, without notice or Quarterhill shareholder approval,

at any time or from time to time, amend this Plan and/or any Awards granted hereunder for the purposes of:

- (i) making any amendments to the general vesting provisions of any Award;
  - (ii) making any amendments to the general term of each Option provided that no Option held by an Insider may be extended beyond its original expiry date and no Option may be exercised after the 10th anniversary of its Grant Date;
  - (iii) making any amendments to the provisions set out in **Article IX** above;
  - (iv) making any amendments to add covenants of Quarterhill for the protection of Participants or Directors, as the case may be, **provided** that the Board and/or the Committee shall be of the good faith opinion that such additions will not be prejudicial to the rights or interests of the Participants or Directors, as the case may be;
  - (v) making any amendments not inconsistent with this Plan as may be necessary or desirable with respect to matters or questions which, in the good faith opinion of the Board and/or the Committee, having in mind the best interests of the Participants and Directors, it may be expedient to make, including amendments that are desirable as a result of changes in law in any jurisdiction where a Participant or Director resides, **provided** that the Board and/or the Committee shall be of the opinion that such amendments and modifications will not be prejudicial to the interests of the Participants and Directors;
  - (vi) making such changes or corrections which, on the advice of counsel to Quarterhill, are required for the purpose of curing or correcting any ambiguity or defect or inconsistent provision or clerical omission or mistake or manifest error, **provided** that the Board and/or the Committee shall be of the opinion that such changes or corrections will not be prejudicial to the rights and interests of the Participants or Directors; or
  - (vii) making any other amendment(s) that do not require Quarterhill shareholder approval pursuant to **Section 12.8(c)** below or the rules of the TSX.
- (b) Subject to **Section 10.1** above, the Board and/or the Committee may alter, change or impair any rights or increase any obligations with respect to any Award previously granted under this Plan with the consent of the Participant or Director holding that Award; **provided**, however, that neither the Board nor the Committee may alter, change or impair any rights or increase any obligations with respect to any Award previously granted under this Plan without the consent of the Participant or Director holding that Award.
- (c) Notwithstanding any other provision of this Plan or any outstanding Awards granted hereunder, none of the following amendments shall be made to this Plan without approval of the TSX (if Quarterhill has any securities listed on the TSX at that time) and the approval of Quarterhill's shareholders:
- (i) amendments to this Plan which would increase the number of Common Shares issuable under this Plan, otherwise than in accordance with the terms of this Plan;
  - (ii) amendments to this Plan which would increase the number of Common Shares issuable to Insiders, otherwise than in accordance with the terms of this Plan;
  - (iii) amendments to this Plan which would increase the number of Common Shares issuable to Directors under this Plan, otherwise than in accordance with the terms of this Plan;
  - (iv) amendments that would extend the Exercise Period of any Options beyond the original expiry;
  - (v) amendments that would increase the maximum aggregate value of the Fair Market Value of all Common Shares reserved for issuance pursuant to all Awards granted to any one Director in any one calendar year permitted by **Section 3.4(d)** above;

- (vi) amendments that would permit the transfer or assignment of any Award for any reason other than a Participant's or a Director's estate planning;
- (vii) amendments that would reduce the Exercise Price of any Options, otherwise than in accordance with the terms of this Plan;
- (viii) amendments that would result in the cancellation of any Options held by any Participant or Director and the related reissue of Options or other entitlements to that Person;
- (ix) amendments to **Sections 12.8(c)(i) to 12.8(c)(viii)** above; and
- (x) the addition of any form of financial assistance to an Employee or Director not otherwise provided for herein.

Any amendment that would cause an Award held by a U.S. Taxpayer to fail to comply with Section 409A of the Code shall be null and void ab initio.

12.9 Section 409A of the Code. This Plan will be construed and interpreted to comply with Section 409A of the Code if required to preserve the intended tax consequences of this Plan. Quarterhill reserves the right to amend this Plan if it reasonably determines it is necessary to preserve the intended tax consequences of this Plan in light of Section 409A of the Code and any regulations or guidance under that section. In no event will Quarterhill be responsible if Awards result in adverse tax consequences to a U.S. Taxpayer under Section 409A of the Code. Notwithstanding any provisions of this Plan to the contrary, in the case of any "specified employee" within the meaning of Section 409A of the Code who is a U.S. Taxpayer, distributions of defined compensation under Section 409A of the Code made in connection with a "separation from service" within the meaning set forth in Section 409A of the Code may not be made prior to the date which is 6 months after the date of separation from service (or, if earlier, the date of death of the U.S. Taxpayer). Any amounts subject to a delay in payment pursuant to the preceding sentence shall be paid as soon practicable following such 6-month anniversary of such separation from service.

12.10 Requirement of Notification Under Section 83(b) of the Code. If a Participant or Director, in connection with the acquisition of Common Shares under this Plan, is permitted under the terms of the Award Agreement to make the election permitted under Section 83(b) of the Code (i.e. an election to include in gross income in the year of transfer the amounts specified in Section 83(b) of the Code notwithstanding the continuing transfer restrictions) and the Participant or Director makes such an election, then the Participant or Director shall notify Quarterhill of such election within 10 days of filing notice of the election with the Internal Revenue Service, in addition to any filing and notification required pursuant to regulations issued under Section 83(b) of the Code.

12.11 Participation in this Plan. The participation of any Employee or Director in this Plan is entirely voluntary and not obligatory and shall not be interpreted as conferring upon such Participant or Director any rights or privileges other than those rights and privileges expressly provided in this Plan. In particular, participation in this Plan does not constitute a condition of employment or engagement nor a commitment on the part of Quarterhill to ensure the continued employment or engagement of such Participant or Director. This Plan does not provide any guarantee against any loss which may result from fluctuations in the market value of the Common Shares. Quarterhill does not assume responsibility for the income or other tax consequences for the Participants and Directors and they are advised to consult with their own tax advisors.

12.12 International Participants. With respect to Participants or Directors who reside or work outside Canada and the United States, the Board and/or the Committee may, in their discretion, but shall not be required to, amend or otherwise modify, without Quarterhill shareholder approval, the terms of this Plan or Awards with respect to such Participants or Directors in order to conform such terms with the provisions of local law, and the Board and/or the Committee may, where appropriate, establish one or more sub-plans to reflect such amended or otherwise modified provisions.

12.13 Effective Date. This Plan becomes effective on the date on which it is approved by Quarterhill's shareholders at a meeting called, among other reasons, to approve this Plan.

12.14 Governing Law. This Plan is created under and is to be governed, construed and administered in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

APPROVED by the Board of Directors of Quarterhill Inc. on March 12, 2018 and the shareholders of Quarterhill Inc. on April 18, 2018, and amended by the Board of Directors of Quarterhill Inc. on March 10, 2021, March 29, 2024 and April 1, 2025, and the shareholders of Quarterhill on [•], 2025.

QUARTERHILL INC.

Signed: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_