

This document is important and requires your immediate attention. If you are in doubt as to how to respond to the Wi-LAN Offer (as defined herein), you should consult with your investment dealer, stockbroker, lawyer or other professional advisor. Enquiries concerning information in this document should be directed to Georgeson Shareholder Communications Canada Inc. at 1-888-605-7632 or askus@georgeson.com.



DIRECTORS' CIRCULAR

RECOMMENDING

REJECTION

OF THE UNSOLICITED OFFER BY

Wi-LAN INC.

TO PURCHASE ALL OF THE ISSUED AND OUTSTANDING COMMON SHARES
(TOGETHER WITH ASSOCIATED RIGHTS UNDER THE RIGHTS PLAN)

OF

MOSAID TECHNOLOGIES INCORPORATED

RECOMMENDATION TO SHAREHOLDERS

The Board of Directors unanimously recommends that Shareholders

REJECT the Wi-LAN Offer and NOT TENDER their Shares.

**Any Shareholder who has tendered his or her Shares under the
Wi-LAN Offer should WITHDRAW those Shares**

September 6, 2011

QUESTIONS AND ANSWERS ABOUT THE UNSOLICITED WI-LAN OFFER

Capitalized terms used but not defined herein have the meanings ascribed thereto in this Directors' Circular.

1. Should I accept or reject the Unsolicited Wi-LAN Offer?

The MOSAID Board of Directors, on the recommendation of the Special Committee, **UNANIMOUSLY** recommends that Shareholders **REJECT** the Wi-LAN Offer and **NOT TENDER** their Shares.

MOSAID's largest single shareholder, Mawer Investment Management Ltd., and the directors and officers of MOSAID, which collectively own or exercise control over an aggregate of 2,074,927 Shares (assuming the exercise of all Options held by directors and officers) representing 16.39% of the currently issued and outstanding Shares of MOSAID (assuming the exercise of all outstanding Options), do **NOT** intend to tender their Shares to the Wi-LAN Offer, which the Board of Directors views as offering inadequate consideration to Shareholders.

Directors and officers of MOSAID also hold substantial investments in MOSAID through their 252,878 DSUs and RSUs. The Wi-LAN Offer, if successful, would constitute a "Change in Control" under the plans governing the DSUs and RSUs and could result in these investments being paid out for an aggregate cash payment of approximately \$10.4 million, calculated as at the date of this Directors' Circular. By choosing to reject the Wi-LAN Offer, the directors and officers are foregoing the receipt of this value at this time.

2. How do I reject the Unsolicited Wi-LAN Offer?

You do not need to do anything. **DO NOT** tender your Shares.

3. Can I withdraw my Shares if I have already tendered?

YES. As described in this Directors' Circular, you can withdraw your Shares:

- (a) at any time before your Shares have been taken up by Wi-LAN;
- (b) if your Shares have not been paid for by Wi-LAN within three business days after having been taken up by Wi-LAN; and
- (c) in certain other circumstances described under "How to Withdraw your Deposited Shares" in this Directors' Circular.

4. How do I withdraw my Shares?

For information on how to withdraw your Shares, MOSAID recommends you contact your broker or Georgeson Shareholder Communications Canada Inc., the information agent retained by MOSAID, at 1-888-605-7632 or askus@georgeson.com.

If you have already tendered your Shares to the Wi-LAN Offer and you decide to withdraw these Shares from the Wi-LAN Offer, you must allow sufficient time to complete the withdrawal process prior to the expiry of the Wi-LAN Offer.

5. Why does the Board of Directors believe that the Wi-LAN Offer should be rejected?

The Board of Directors, on the recommendation of the Special Committee, unanimously believes that the Wi-LAN Offer is inadequate and **NOT** in the best interests of MOSAID and its Shareholders. The Board believes that the Wi-LAN Offer is opportunistic and fails to recognize both the current value of MOSAID and its significant near and longer-term growth potential. The Board of Directors took into account numerous factors including, but not limited to, the following reasons in reaching its **UNANIMOUS** recommendation that Shareholders **REJECT** the Wi-LAN Offer and **NOT TENDER** their Shares to the Wi-LAN Offer:

**THE BOARD OF DIRECTORS RECOMMENDS THAT SHAREHOLDERS REJECT THE WI-LAN OFFER
AND NOT TENDER ANY SHARES.**

If you have any questions, please contact Georgeson Shareholder Communications Canada Inc. at 1-888-605-7632 or askus@georgeson.com

- The Wi-LAN Offer fails to adequately compensate MOSAID shareholders for MOSAID's prospects for significant growth and shareholder value creation;
- Significantly more value can be created for Shareholders through continued execution of MOSAID's business plan as a standalone company or by seeking alternatives to the Wi-LAN Offer;
- The Wi-LAN Offer has been rejected by MOSAID's largest Shareholder and all of MOSAID's directors and officers who, in the aggregate, hold 16.39% of the outstanding Shares (assuming the exercise of all outstanding Options);
- The Wi-LAN Offer of \$38.00 per Share represents an inadequate premium for control and a discount of 8.28% to the closing price of the Shares on September 2, 2011, the last trading day prior to the date of this Directors' Circular;
- Barclays Capital and GMP Securities have each delivered a written opinion that the consideration under the Wi-LAN Offer is inadequate from a financial point of view to Shareholders;
- The timing and terms of the Wi-LAN Offer are highly opportunistic and disadvantageous to MOSAID Shareholders;
- The Wi-LAN Offer is not a firm offer due to the unreasonable and discretionary nature of its conditions that provide Wi-LAN the option, in its sole discretion, not to proceed; and
- The Wi-LAN Offer is at a material discount to analysts' net asset value estimates.

Shareholders are strongly encouraged to carefully review the full explanation of the reasons for the Board of Directors' recommendation set out on pages 3 to 10 of this Directors' Circular, including the written Inadequacy Opinions, dated September 5, 2011, from Barclays Capital and GMP Securities.

6. What are the implications of the Wi-LAN Offer to MOSAID's recent Core Wireless Acquisition?

In the event of a change of control of MOSAID, the Royalty Participants have the right, at their discretion, to require MOSAID to transfer the Core Wireless Patents to a third party for nominal consideration, prior to the consummation of any such change of control. The commencement of the Wi-LAN Offer constitutes a change of control for these purposes. As a result, if the Royalty Participants do not approve of Wi-LAN taking control of MOSAID, Wi-LAN would not acquire, and investors in neither MOSAID nor Wi-LAN would realize the benefits of, the Core Wireless Patents.

7. My broker advised me to tender my Shares. Should I?

The MOSAID Board of Directors has **UNANIMOUSLY** recommended that Shareholders **REJECT** the Wi-LAN Offer and **NOT TENDER** their Shares to the Wi-LAN Offer. Ultimately, however, the investment decision is between you and your investment advisor.

8. Do I have to decide now?

NO. You do not have to take any action at this time. The Wi-LAN Offer is scheduled to expire at 5:00 p.m. (Eastern time) on September 28, 2011, and is subject to a number of conditions that have yet to be satisfied. The Board of Directors recommends that you **DO NOT TAKE ANY ACTION** until closer to the expiry date of the Wi-LAN Offer to ensure that you are able to consider all of the options available to you and do not preclude the possibility of a financially superior alternative transaction emerging.

If you have already tendered your Shares to the Wi-LAN Offer and you decide to withdraw these Shares from the Wi-LAN Offer, you must allow sufficient time to complete the withdrawal process prior to the expiry of the Wi-LAN Offer. For more information on how to withdraw your Shares, you should contact your broker or Georgeson Shareholder Communications Canada Inc., the information agent retained by MOSAID, at 1-888-605-7632 or askus@georgeson.com.

**THE BOARD OF DIRECTORS RECOMMENDS THAT SHAREHOLDERS REJECT THE WI-LAN OFFER
AND NOT TENDER ANY SHARES.**

If you have any questions, please contact Georgeson Shareholder Communications Canada Inc. at 1-888-605-7632 or askus@georgeson.com

9. Does the Rights Plan apply to the Wi-LAN Offer?

YES. The Rights Plan applies to the Wi-LAN Offer and would be triggered if Wi-LAN takes up Shares under the Wi-LAN Offer unless the Rights Plan is waived by the Board. Shareholders have been asked to re-approve the Rights Plan at MOSAID's annual and special meeting of Shareholders scheduled for September 22, 2011, six days prior to the Expiry Date of the Wi-LAN Offer. By re-approving the Rights Plan while the Wi-LAN Offer is outstanding, Shareholders will be confirming that they are not prepared to have the Rights Plan waived in respect of the Wi-LAN Offer.

10. Whom do I ask if I have more questions?

The Board of Directors recommends that you read the information contained in this Directors' Circular carefully. You should contact Georgeson Shareholder Communications Canada Inc., the information agent retained by MOSAID, with any questions or requests for assistance that you might have.



North American Toll Free Number: 1-888-605-7632

Email: askus@georgeson.com

**THE BOARD OF DIRECTORS RECOMMENDS THAT SHAREHOLDERS REJECT THE WI-LAN OFFER
AND NOT TENDER ANY SHARES.**

If you have any questions, please contact Georgeson Shareholder Communications Canada Inc. at 1-888-605-7632 or askus@georgeson.com

TABLE OF CONTENTS

	<u>PAGE</u>
NOTICE TO NON CANADIAN RESIDENTS.....	vii
FORWARD-LOOKING STATEMENTS.....	vii
CURRENCY	viii
ENQUIRIES.....	viii
SUMMARY	1
DIRECTORS' CIRCULAR	3
UNANIMOUS RECOMMENDATION OF THE BOARD OF DIRECTORS	3
REASONS FOR UNANIMOUS REJECTION	3
HOW TO WITHDRAW YOUR DEPOSITED SHARES	11
BACKGROUND AND MOSAID'S RESPONSE TO THE WI-LAN OFFER	11
INADEQUACY OPINION OF EACH OF BARCLAYS CAPITAL AND GMP SECURITIES	19
MOSAID TECHNOLOGIES INCORPORATED	20
PRINCIPAL SHAREHOLDERS	21
DIRECTORS AND OFFICERS OF MOSAID AND OWNERSHIP OF SECURITIES	21
INTENTION OF DIRECTORS, OFFICERS AND INSIDERS OF MOSAID WITH RESPECT TO THE WI-LAN OFFER	23
TRADING IN SECURITIES OF MOSAID	23
ISSUANCES OF SECURITIES BY MOSAID	24
OWNERSHIP OF SECURITIES OF WI-LAN OR ITS AFFILIATES.....	28
ARRANGEMENTS BETWEEN WI-LAN AND THE DIRECTORS AND OFFICERS OF MOSAID	29
AGREEMENTS BETWEEN MOSAID AND ITS DIRECTORS AND OFFICERS.....	29
INTERESTS OF DIRECTORS AND OFFICERS OF MOSAID IN MATERIAL TRANSACTIONS WITH WI-LAN	32
OTHER TRANSACTIONS	32
RIGHTS PLAN.....	32
MATERIAL CHANGES IN THE AFFAIRS OF MOSAID	32
OTHER INFORMATION.....	32
AVAILABILITY OF DISCLOSURE DOCUMENTS	33
STATUTORY RIGHTS.....	33
APPROVAL OF DIRECTORS' CIRCULAR	33
CONSENT OF BARCLAYS CAPITAL CANADA INC.....	34
CONSENT OF GMP SECURITIES L.P.....	34
CERTIFICATE	35

**THE BOARD OF DIRECTORS RECOMMENDS THAT SHAREHOLDERS REJECT THE WI-LAN OFFER
AND NOT TENDER ANY SHARES.**

If you have any questions, please contact Georgeson Shareholder Communications Canada Inc. at 1-888-605-7632 or askus@georgeson.com

APPENDIX “A” – GLOSSARY OF TERMS A-1
APPENDIX “B” – INADEQUACY OPINIONSB-1

**THE BOARD OF DIRECTORS RECOMMENDS THAT SHAREHOLDERS REJECT THE WI-LAN OFFER
AND NOT TENDER ANY SHARES.**
If you have any questions, please contact Georgeson Shareholder Communications Canada Inc. at 1-888-605-7632 or askus@georgeson.com

NOTICE TO NON-CANADIAN RESIDENTS

The Wi-LAN Offer is made for the securities of MOSAID, a Canadian issuer, and while the offer is subject to disclosure requirements of Canada, investors should be aware that these requirements are different from those of the United States and other non-Canadian jurisdictions. The enforcement by non-Canadian investors of civil liabilities under the United States federal securities laws, or under other non-Canadian laws, may be adversely affected by the fact that MOSAID is a Canadian corporation and that a majority of its officers and directors are resident in countries other than the United States.

FORWARD-LOOKING STATEMENTS

This document contains forward-looking statements to the extent they relate to MOSAID or its management, including those identified by the expressions “anticipate,” “believe,” “could,” “estimate,” “expect,” “intend,” “may,” “plan,” “will,” “would” and similar expressions. Similarly, statements in this document that describe MOSAID’s business strategy, outlook, objectives, plans, intentions or goals are also forward-looking statements. These forward-looking statements are not historical facts, but rather reflect MOSAID’s current expectations regarding future events. These forward-looking statements are subject to a number of risks and uncertainties that could cause actual results, performance or achievements to differ materially from those in such forward-looking statements. Assumptions made in preparing forward-looking statements and financial guidance include, but are not limited to, the following: MOSAID’s continued expansion of its patent portfolio and of its opportunities for future patent licensing revenue as a result of MOSAID’s acquisition of patents from third parties and from development of new inventions; manufacturers and product vendors continuing to infringe MOSAID’s patents; the timing and amount of MOSAID’s litigation expenses; MOSAID’s ability to sign new patent licensees; current assumptions as to the identification of products that are unlicensed to MOSAID’s wireless patents; and the timing and amount of MOSAID’s Research & Development expenses.

Factors that could cause actual results to differ materially from expected results include, but are not limited to, MOSAID’s ability to negotiate settlements with licensees; legal rulings and/or regulatory investigations or complaints having an adverse impact on the validity, enforceability, potential royalty rates, and strength or breadth of coverage of MOSAID’s essential and/or nonessential patents (including, but not limited to, adverse results from litigation or proceedings in patent offices and government regulatory agencies in various countries around the world); a change in control or failure to meet a minimum royalty milestone (in each case, pursuant to the terms of the Royalty Participant Agreement) that requires MOSAID to assign the Core Wireless Patents to a third party; judicial, legislative or regulatory changes that impair the ability of patent holders to earn licensing revenues; worldwide economic conditions and demand for technology products; economic, social, and political conditions both globally and in the countries in which MOSAID or patent licensees operate, including conflict, war and, other security risks, health conditions, possible disruptions in transportation networks and fluctuations in foreign currency exchange rates; non-payment or delays in payment by, or insolvency of, licensees or other debtors; variability in patent licensees’ sales of licensed products; failure to maintain and enforce MOSAID’s existing patent portfolio, or failure to obtain valuable patents as a result of R&D activities, or failure to acquire valuable patents from third parties; MOSAID’s ability to recruit and retain skilled personnel; change in MOSAID’s financial position; consolidation of MOSAID’s licensees; natural events, such as severe weather and earthquakes in the locations in which MOSAID or patent licensees operate; and changes in the tax rate applicable to MOSAID as the result of changes in the tax law in the jurisdictions in which profits are determined to be earned and taxed, the outcome of tax audits and the ability to realize deferred tax assets. Additional information concerning these and other factors can be found beginning on page 30 of MOSAID’s Management’s Discussion and Analysis for the fiscal year ended April 30, 2011 under the heading “Risks and Uncertainties” and also on page 10 of MOSAID’s annual information form for the year ended April 30, 2011, each of which is available on SEDAR at www.sedar.com.

MOSAID disclaims any intention or obligation (except as required by applicable law) to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, or to comment on any analyses, expectations or statements of third parties concerning any forward looking statements. Investors are cautioned not to place undue reliance on forward-looking statements. No forward-looking statement is a guarantee of future results.

**THE BOARD OF DIRECTORS RECOMMENDS THAT SHAREHOLDERS REJECT THE WI-LAN OFFER
AND NOT TENDER ANY SHARES.**

If you have any questions, please contact Georgeson Shareholder Communications Canada Inc. at 1-888-605-7632 or askus@georgeson.com

CURRENCY

Unless otherwise indicated, all amounts in this Directors' Circular are expressed in Canadian dollars. On September 6, 2011, the noon rate of exchange as reported by the Bank of Canada was C\$1 = US\$1.0091, and US\$1 = C\$0.9910.

ENQUIRIES

This document is important and requires your immediate attention. If you are in doubt as to how to respond to the Wi-LAN Offer (as defined herein), you should consult with your investment dealer, stockbroker, lawyer or other professional advisor. **Enquiries concerning information in this document should be directed to MOSAID's information agent, Georgeson Shareholder Communications Canada Inc., at 1-888-605-7632 or askus@georgeson.com**

**THE BOARD OF DIRECTORS RECOMMENDS THAT SHAREHOLDERS REJECT THE WI-LAN OFFER
AND NOT TENDER ANY SHARES.**

If you have any questions, please contact Georgeson Shareholder Communications Canada Inc. at 1-888-605-7632 or askus@georgeson.com

SUMMARY

The information set out below is intended as a summary only and is qualified in its entirety by the more detailed information appearing elsewhere in this Directors' Circular. This Directors' Circular should be read carefully and in its entirety as it provides important information regarding MOSAID and the Wi-LAN Offer. All capitalized terms used in this Directors' Circular but not otherwise defined herein have the meanings set forth under "Glossary of Terms" which is attached as Appendix "A" to this Directors' Circular.

**Unanimous
Recommendation of the
Board of
Directors:**

REJECT THE WI-LAN OFFER AND DO NOT TENDER YOUR SHARES.

The Board has carefully considered all aspects of the Wi-LAN Offer, the unanimous recommendation of the Special Committee, the Inadequacy Opinions of Barclays Capital Canada Inc. and GMP Securities L.P. and a number of factors, including those referred to under "Reasons for Unanimous Rejection", and unanimously recommends that Shareholders **REJECT** the Wi-LAN Offer and **NOT TENDER** their Shares.

The Wi-LAN Offer:

Wi-LAN has made an unsolicited offer by way of a take-over bid to purchase all of the issued and outstanding Shares of MOSAID for \$38.00 per Share in cash, upon the terms and subject to the conditions set forth in the offer to purchase accompanying the Wi-LAN Circular.

As the Wi-LAN offer is open until 5:00 p.m. (Eastern time) on September 28, 2011, there is no need for Shareholders to take any action at this time.

**Reasons for Rejection of the
Wi-LAN Offer:**

In unanimously concluding that the Wi-LAN Offer is inadequate and not in the best interests of MOSAID or its Shareholders (other than Wi-LAN and its affiliates), the Board of Directors identified a number of factors as being most relevant, including the following:

- The Wi-LAN Offer fails to adequately compensate MOSAID shareholders for MOSAID's prospects for significant growth and shareholder value creation;
- Significantly more value can be created for Shareholders through continued execution of MOSAID's business plan as a standalone company or by seeking alternatives to the Wi-LAN Offer;
- The Wi-LAN Offer has been rejected by MOSAID's largest Shareholder and all of MOSAID's directors and officers who, in the aggregate, hold 16.39% of the outstanding Shares (assuming the exercise of all outstanding Options);
- The Wi-LAN Offer of \$38.00 per Share represents an inadequate premium for control and a discount of 8.28% to the closing price of the Shares on September 2, 2011, the last trading day prior to the date of this Directors' Circular;
- Barclays Capital and GMP Securities have each delivered a written opinion that the consideration under the Wi-LAN Offer is inadequate from a financial point of view to Shareholders;
- The timing and terms of the Wi-LAN Offer are highly opportunistic and disadvantageous to MOSAID Shareholders;
- The Wi-LAN Offer is not a firm offer due to the unreasonable and discretionary nature of its conditions that provide Wi-LAN the option, in its sole discretion, not to proceed; and

**THE BOARD OF DIRECTORS RECOMMENDS THAT SHAREHOLDERS REJECT THE WI-LAN OFFER
AND NOT TENDER ANY SHARES.**

If you have any questions, please contact Georgeson Shareholder Communications Canada Inc. at 1-888-605-7632 or askus@georgeson.com

- The Wi-LAN Offer is at a material discount to analysts' net asset value estimates.

Right to Withdraw Shares: If you have tendered your Shares to the Wi-LAN Offer, you can withdraw them until they are taken up under the Wi-LAN Offer and in certain other circumstances. See “How to Withdraw Your Deposited Shares” on page 11 of this Directors’ Circular.

The Board of Directors recommends that you **WITHDRAW** any tendered Shares immediately. For information on how to withdraw your Shares, MOSAID recommends that you contact your broker or Georgeson Shareholder Communications Canada Inc., the information agent retained by MOSAID. An e-mail address and phone number at which you may contact Georgeson Shareholder Communications Canada Inc. is on the back page of this Directors’ Circular.

IF YOU HAVE NOT YET TENDERED YOUR SHARES TO THE WI-LAN OFFER YOU DO NOT NEED TO DO ANYTHING TO REJECT THE WI-LAN OFFER

IF YOU HAVE TENDERED YOUR SHARES TO THE WI-LAN OFFER, YOU CAN WITHDRAW THEM UNTIL THEY ARE TAKEN UP UNDER THE WI-LAN OFFER AND IN CERTAIN OTHER CIRCUMSTANCES. SEE “HOW TO WITHDRAW YOUR DEPOSITED SHARES” ON PAGE 11 OF THIS DIRECTORS’ CIRCULAR.

THE BOARD OF DIRECTORS RECOMMENDS THAT SHAREHOLDERS REJECT THE WI-LAN OFFER AND NOT TENDER ANY SHARES.

If you have any questions, please contact Georgeson Shareholder Communications Canada Inc. at 1-888-605-7632 or askus@georgeson.com

DIRECTORS' CIRCULAR

This Directors' Circular is issued by the Board of Directors in connection with the unsolicited offer made on August 23, 2011 by Wi-LAN to purchase all of the issued and outstanding Shares in the capital of MOSAID, together with the associated rights issued and outstanding under the Rights Plan, at a price in cash of \$38.00 per Share.

All capitalized terms used in this Directors' Circular but not otherwise defined have the meanings set forth under "Glossary of Terms" which is attached as Appendix "A" to this Directors' Circular. Information contained in this Directors' Circular is given as of September 6, 2011 unless otherwise specifically stated.

All information provided herein relating to Wi-LAN and the Wi-LAN Offer is based on information that is contained in the Wi-LAN Circular or that has otherwise been made publicly available by Wi-LAN. MOSAID assumes no responsibility for the accuracy or completeness of that information. The terms and conditions of the Wi-LAN Offer, the method of acceptance of the Wi-LAN Offer and other information relating to the Wi-LAN Offer are set out in the Wi-LAN Offer, the Wi-LAN Circular that accompanies and forms part of the Wi-LAN Offer, and the letter of transmittal and the notice of guaranteed delivery that accompany the Wi-LAN Offer.

Enquiries concerning the information in this Directors' Circular should be directed to MOSAID's information agent, Georgeson Shareholder Communications Canada Inc., at 1-888-605-7632 or askus@georgeson.com.

UNANIMOUS RECOMMENDATION OF THE BOARD OF DIRECTORS

The Board of Directors has determined that the Wi-LAN Offer is clearly inadequate and that the Wi-LAN Offer is not in the best interest of MOSAID or its Shareholders (other than Wi-LAN and its affiliates).

The Board of Directors unanimously recommends that Shareholders REJECT the Wi-LAN Offer and NOT TENDER their Shares to the Wi-LAN Offer.

In making such determinations and recommendations, the Board has carefully considered all aspects of the Wi-LAN Offer, the unanimous recommendation of the Special Committee, the Inadequacy Opinions of Barclays Capital Canada Inc. and GMP Securities L.P. and a number of factors, including those referred to under "Reasons for Unanimous Rejection" below.

REASONS FOR UNANIMOUS REJECTION

The Board of Directors unanimously recommends to Shareholders that they REJECT the Wi-LAN Offer and NOT TENDER their Shares to the Wi-LAN Offer. In making this recommendation, the Board has carefully considered all aspects of the Wi-LAN Offer and the unanimous recommendation of the Special Committee, which determined, based on the considerations below and after receiving advice from its financial and legal advisors, that the Wi-LAN Offer is not in the best interests of MOSAID or its Shareholders (other than Wi-LAN and its affiliates). In unanimously reaching its conclusion, the Board considered, among other things, the following significant factors:

- 1. The Wi-LAN Offer fails to adequately compensate MOSAID shareholders for MOSAID's prospects for significant growth and shareholder value creation.**

The Board believes that:

- the Wi-LAN Offer substantially undervalues MOSAID's outstanding portfolio of patents, its attractive pipeline of patent monetization opportunities and its current and future strategic initiatives;

THE BOARD OF DIRECTORS RECOMMENDS THAT SHAREHOLDERS REJECT THE WI-LAN OFFER AND NOT TENDER ANY SHARES.

If you have any questions, please contact Georgeson Shareholder Communications Canada Inc. at 1-888-605-7632 or askus@georgeson.com

- the Wi-LAN Offer fails to reflect the full value of MOSAID's licensing programs and litigation initiatives existing at the time the Wi-LAN Offer was made;
- the Wi-LAN Offer does not account for the significant, additional potential for value creation in the recently acquired Core Wireless Patents as MOSAID acquired these patents, and first announced their acquisition, after the Wi-LAN Offer was made; and
- the Offer of \$38 per Share does not reflect the intrinsic value of MOSAID or increasing market awareness of the significant value of patents and their licensing.

(a) The Offer fails to reflect the full value of MOSAID's existing licensing programs and litigation initiatives.

The market price of the Shares has not been reflective of the full value of MOSAID. In addition to licensing programs that are well established, such as Dynamic Random Access Memory (“DRAM”) and Wi-Fi, MOSAID is in the early stage of an earnings cycle with respect to certain of its other initiatives, including its microprocessor and Power-over-Ethernet licensing programs, as well as in enforcement campaigns related to cloud computing, the E-911 cellular standards, and MPEG. Because of this the Board believes that the market price of the Shares does not yet reflect the full value of the investments towards future earnings already made by MOSAID in these programs, resulting in MOSAID trading at a discount to peers that are at a later point in their respective earnings cycles. Generally speaking, the share price of a patent licensing company is often significantly discounted at this early stage of an earnings cycle, as the market focuses on the adverse effects of the associated costs on earnings and gives little credit for future earnings that the investments may produce. Patent licensing companies often see a significant increase in their share price only upon announcement of a critical mass of licensing or settlement arrangements resulting from their earlier investments. Typically, MOSAID, like most licensing companies, begins to earn revenue within 18 to 24 months of initiating a licensing program, with peak revenues coming some time later.

Lack of understanding of the scope of MOSAID's patent portfolio and licensing programs. Until the Core Wireless Acquisition last week, a number of analysts and other market participants continued to operate under a misunderstanding with regard to the scope and coverage of MOSAID's patent portfolio and licensing programs and enforcement campaigns. The misunderstanding is that MOSAID's patent portfolio, licensing program and enforcement campaigns are focused principally on the DRAM market. This misunderstanding had lingered despite MOSAID's efforts to clarify the strength and diversity of its portfolio of patents and patent monetization opportunities in the wireless, Power-over-Ethernet and microprocessor markets. This misunderstanding has been perpetuated in public statements made by Mr. Skippen, Wi-LAN's Chairman and Chief Executive Officer, since his departure from MOSAID. When Mr. Skippen left MOSAID in 2006 there was only a single licensing program at MOSAID. Between late 2006 and the date of the Wi-LAN Offer, MOSAID had grown its patent portfolio from less than 700 patents and applications relating almost exclusively to DRAM to a portfolio consisting of approximately 3,400 patents and applications across four key platforms (memory, wireless, Power-over-Ethernet and microprocessors) and three enforcement campaigns (cloud computing, the E-911 cellular standards and MPEG).

New initiatives not reflected in the Offer. The Wi-LAN Offer does not reflect the significant licensing programs and enforcement campaigns announced by MOSAID after the Wi-LAN Offer commenced in respect of Flash memory and semiconductor manufacturing patents, as well as MPEG related technologies. Each of these initiatives addresses large, growing markets, and each has the potential to drive significant revenue and profit growth over the next 5 to 10 years.

(b) The Offer does not reflect the significant potential for value creation in the recently acquired Core Wireless Patents.

On September 1, 2011, MOSAID announced that it had acquired approximately 2,000 wireless patents and patent applications originally filed by Nokia in 49 different countries, 1,215 of which had been declared to be essential to 2G, 3G, and 4G standards (the “Core Wireless Patents”). The average remaining life of the Core Wireless Patents is just over 10 years. In MOSAID's view, these acquired patents constitute one of the strongest standards-essential wireless portfolios available on the market and will drive significant revenue growth and significant value for Shareholders over the next decade. This acquisition firmly positions MOSAID to be a world leader in wireless patent licensing. And this acquisition is made at a time when there is an increasing

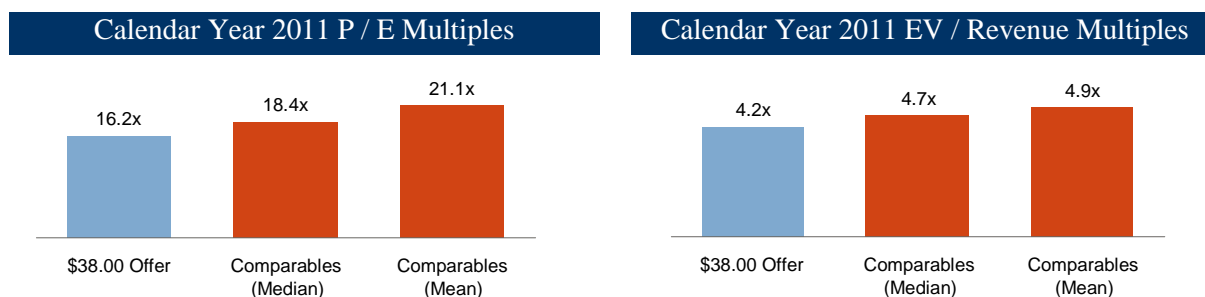
**THE BOARD OF DIRECTORS RECOMMENDS THAT SHAREHOLDERS REJECT THE WI-LAN OFFER
AND NOT TENDER ANY SHARES.**

If you have any questions, please contact Georgeson Shareholder Communications Canada Inc. at 1-888-605-7632 or askus@georgeson.com

market awareness of the significant value of patents and their licensing. Based on its extensive experience in the industry, MOSAID conservatively estimates that revenues from licensing, enforcing and monetizing this wireless portfolio will surpass MOSAID's total revenues of approximately \$1 billion since its formation in 1975. MOSAID bases this revenue estimate in part on the anticipated worldwide sales by unlicensed wireless device manufacturers of US\$500 billion of mobile handsets and smartphones over the next five years, and an extrapolation of sales of such devices for the remainder of the lives of the patents. Based on quantity alone, MOSAID acquired in this portfolio more than twice as many wireless patents declared to be standards-essential than were contained in the Nortel patent portfolio in June 2011, when Nortel's portfolio of 6,000 patents and patent applications was sold for US\$4.5 billion. For further details as to the potential impact of the Core Wireless Acquisition, see "Background to the Wi-LAN Offer and MOSAID's Response – Recent Developments at MOSAID."

(c) The trading multiple implied by the Wi-LAN Offer values MOSAID below the trading multiples of its peers.

The chart below illustrates, among other things, that the Wi-LAN Offer of \$38 per Share and the implied "total enterprise value" for MOSAID respectively represent a multiple of forecasted earnings and revenue, as applicable, for the calendar year ending December 31, 2011, that is significantly lower than the equivalent multiples of comparable patent licensing companies. These comparable companies have recently traded at an average multiple of 21.1x calendar year 2011 earnings and 4.9x calendar year 2011 revenue. This is substantially above the implied offer multiples of 16.2x calendar year 2011 earnings and 4.2x calendar year 2011 revenue. Furthermore, the comparable trading multiples do not reflect any form of control premium, thus making the implied offer multiples even less compelling.



Note: The group of comparable patent licensing companies referred to in the chart above is comprised of Acacia Research Corp., Dolby Laboratories, Inc., InterDigital, Inc., QUALCOMM Incorporated, Rambus Inc., Rovi Corp, RPX Corp, Tessera Technologies, Inc. and Wi-LAN Inc. Forecasted earnings and revenues for the comparable companies reflect consensus forecasts for the year ending December 31, 2011 as provided by equity research analysts and as summarized as of September 2, 2011 in FactSet. For MOSAID, the multiples are based on an average of equity analyst forecasts for the fiscal years ending April 30, 2011 and April 30, 2012 converted to a December 31, 2011 calendar year end using four and eight months of fiscal year ending April 30, 2011 and fiscal year ending April 30, 2012, respectively.

THE WI-LAN OFFER FAILS TO ADEQUATELY COMPENSATE MOSAID SHAREHOLDERS FOR MOSAID'S PROSPECTS FOR SIGNIFICANT GROWTH AND SHAREHOLDER VALUE CREATION

2. Significantly more value can be created for Shareholders through continued execution of MOSAID's business plan as a standalone company or by seeking alternatives to the Wi-LAN Offer.

For the reasons noted above, among others, the Special Committee and the Board believe that Shareholders can realize substantial value, well in excess of Wi-LAN's clearly inadequate and highly opportunistic Offer, by retaining their investment in MOSAID and benefiting from the realization of MOSAID's potential. The Board and management team of MOSAID are confident that,

THE BOARD OF DIRECTORS RECOMMENDS THAT SHAREHOLDERS REJECT THE WI-LAN OFFER AND NOT TENDER ANY SHARES.

If you have any questions, please contact Georgeson Shareholder Communications Canada Inc. at 1-888-605-7632 or askus@georgeson.com

through the Core Wireless Acquisition and MOSAID's other recent initiatives and investments and its attractive pipeline of future growth opportunities, MOSAID can significantly expand on its strong track record of success and deliver substantially more value to Shareholders than the clearly inadequate Wi-LAN Offer. By tendering to the Wi-LAN Offer, a Shareholder will lose the opportunity to benefit from the opportunities afforded by the Core Wireless Acquisition and MOSAID's other recent initiatives and investments and to participate in the substantial future upside value of MOSAID's outstanding portfolio of patents and attractive pipeline of patent monetization opportunities.

Further, in connection with the Special Committee's consideration of the Wi-LAN Offer and MOSAID's response to it, the Special Committee is considering, with the assistance of its financial and legal advisors, a range of prospective alternatives to the Wi-LAN Offer. In this regard, the Special Committee and MOSAID have undertaken preparations in order to be in a position to move forward with such alternatives, including the organization of material data which would be of relevance to parties considering a transaction with MOSAID and the identification of alternative transactions, such as potential merger or sale transactions or restructurings of MOSAID. Given the significance of the Core Wireless Acquisition, the Special Committee believes it would have been premature to pursue any such alternatives until MOSAID's Shareholders and the broader market have had a full opportunity to assess the impact of the Core Wireless Acquisition. Once Shareholders and the broader market have had sufficient opportunity to assess the Core Wireless Acquisition and to communicate their views to MOSAID, the Special Committee will pursue the option that it determines best enhances Shareholder value, which may include an alternative transaction.

Tendering Shares into the Wi-LAN Offer before the market has had a full opportunity to assess the recent developments in MOSAID's business and the Special Committee has had the opportunity to fully explore any alternative transactions may preclude the possibility of enhanced shareholder value emerging.

MOSAID CAN CREATE SIGNIFICANTLY MORE VALUE FOR SHAREHOLDERS AS A STANDALONE COMPANY OR BY SEEKING ALTERNATIVES TO THE WI-LAN OFFER

3. **The Wi-LAN Offer has been rejected by MOSAID's largest Shareholder and all of MOSAID's directors and officers who, in the aggregate, hold 16.39% of the outstanding Shares assuming the exercise of all outstanding Options.**

MOSAID's largest single shareholder, Mawer Investment Management Ltd., has advised MOSAID that it does not intend to accept the Wi-LAN Offer. In addition, the Board has been informed that each of MOSAID's directors and officers will reject the Wi-LAN Offer. Together, Mawer Investment Management Ltd. and the directors and officers of MOSAID collectively own or exercise control over an aggregate of 2,074,927 Shares (assuming the exercise of all Options held by such the directors and officers) representing 16.39% of all of the issued and outstanding Shares (assuming the exercise of all outstanding Options) as of the date hereof.

Directors and officers of MOSAID also hold substantial investments in MOSAID through their 252,878 DSUs and RSUs. The Wi-LAN Offer, if successful, would constitute a "Change in Control" under the plans governing the DSUs and RSUs and could result in these investments being paid out for an aggregate cash payment of approximately \$10.4 million, calculated as at the date of this Directors' Circular. By choosing to reject the Wi-LAN Offer, the directors and officers are foregoing the receipt of this value at this time.

THE WI-LAN OFFER HAS BEEN REJECTED BY MOSAID'S LARGEST SHAREHOLDER AND ALL OF MOSAID'S DIRECTORS AND OFFICERS WHO, IN THE AGGREGATE, HOLD 16.39% OF THE OUTSTANDING SHARES ASSUMING THE EXERCISE OF ALL OUTSTANDING OPTIONS

THE BOARD OF DIRECTORS RECOMMENDS THAT SHAREHOLDERS REJECT THE WI-LAN OFFER AND NOT TENDER ANY SHARES.

If you have any questions, please contact Georgeson Shareholder Communications Canada Inc. at 1-888-605-7632 or askus@georgeson.com

4. The Wi-LAN Offer of \$38.00 per Share represents an inadequate premium for control and a discount of 8.28% to the closing price of the Shares on the last trading day prior to the date of this Directors' Circular.

The Wi-LAN Offer represents a premium of only 20.1% to the closing price of the Shares on the TSX on August 17, 2011, the trading day on which Wi-LAN announced (after market close) its intention to make the Offer. The Board believes this premium is inadequate. The premium represented by the Wi-LAN Offer is even more inadequate in light of the fact the Board believes the Shares were already undervalued at the time the Wi-LAN Offer was announced. As noted above, the Board believes that the market price of the Shares has not been reflective of the full value of MOSAID. The inadequacy of the premium is further exacerbated by the recent Core Wireless Acquisition which MOSAID believes will drive significant revenue growth and value for Shareholders over the next decade.

Since Wi-LAN's announcement of its intention to make the Wi-LAN Offer, the closing price of the Shares on the TSX has consistently exceeded the Wi-LAN Offer of \$38.00 per Share. In the twelve trading days from August 18, 2011, the first trading day following Wi-LAN's announcement of its intention to make the Offer, to September 2, 2011, inclusive, approximately 3,270,746 Shares have traded on the TSX and other alternative Canadian trading exchanges (representing 27.44% of the outstanding Shares) at a volume weighted average trading price ("VWAP") of \$39.87 per Share and as high as \$42.05. The Wi-LAN Offer represents a discount of 8.28% to the closing price of the Shares on the TSX on September 2, 2011, the last trading day prior to the date of this Directors' Circular, and a discount of 4.68% to the VWAP of the Shares for the period from August 18, 2011 to September 2, 2011.

The Board believes that the performance of the Shares during the period following the Wi-LAN Offer is a strong indicator that the market believes that the Wi-LAN Offer undervalues the Shares.

THE WI-LAN OFFER OF \$38.00 PER SHARE REPRESENTS AN INADEQUATE PREMIUM FOR CONTROL AND A DISCOUNT OF 8.28% TO THE CLOSING PRICE OF THE SHARES ON THE LAST TRADING DAY PRIOR TO THE DATE OF THIS DIRECTORS' CIRCULAR

5. Barclays Capital and GMP Securities have each delivered a written opinion that the consideration under the Wi-LAN Offer is inadequate from a financial point of view to Shareholders.

The engagement of the Special Committee's financial advisors, Barclays Capital and GMP Securities, includes their assessment of the Wi-LAN Offer and the provision of their advice to the Special Committee as to the adequacy of the consideration under the Wi-LAN Offer, from a financial point of view, to Shareholders. The Special Committee and the Board received Inadequacy Opinions dated September 5, 2011 from each of Barclays Capital and GMP Securities to the effect that, as of such date and based upon and subject to the assumptions, limitations and qualifications set out therein, the consideration offered to Shareholders pursuant to the Wi-LAN Offer is inadequate from a financial point of view to Shareholders (other than Wi-LAN and its affiliates).

A copy of each of the Inadequacy Opinions is attached to this Directors' Circular as Appendix "B." The Board recommends that you read the Inadequacy Opinions carefully and in their entirety for a description of the procedures followed, matters considered and limitations on the review undertaken. Neither the Inadequacy Opinions nor their description constitutes a recommendation to the Shareholders as to whether they should tender their Shares to the Wi-LAN Offer.

BARCLAYS CAPITAL AND GMP SECURITIES HAVE EACH DELIVERED A WRITTEN OPINION THAT THE CONSIDERATION UNDER THE WI-LAN OFFER IS INADEQUATE FROM A FINANCIAL POINT OF VIEW TO SHAREHOLDERS

THE BOARD OF DIRECTORS RECOMMENDS THAT SHAREHOLDERS REJECT THE WI-LAN OFFER AND NOT TENDER ANY SHARES.

If you have any questions, please contact Georgeson Shareholder Communications Canada Inc. at 1-888-605-7632 or askus@georgeson.com

6. The timing and terms of the Wi-LAN Offer are highly opportunistic and disadvantageous to MOSAID Shareholders.

Current market volatility. The Wi-LAN Offer is being made during a recent period of extreme volatility in the financial markets during which share prices generally have declined as a result of current global economic conditions. The Board believes that the Wi-LAN Offer is opportunistically timed to take advantage of Shareholders who have suffered significant losses from their other investments and may be attracted to a cash offer, regardless of its inadequacy, as a source of liquidity or to otherwise mitigate their losses on other investments. The Board believes that the Wi-LAN Offer is also timed to take advantage of Shareholders who, due to the current turbulence of the capital markets, may be more likely to opt for the safe haven of cash and disregard the inadequacy of the Wi-LAN Offer.

Growing market awareness of the significant value of patents not reflected in the value of the Shares. At the time that Wi-LAN announced its intention to make the Offer, a new and widespread market awareness of the significant value of patents and their licensing potential had just begun. This new awareness is due in part to the patent auction by Nortel Networks in June, US-based intellectual property concern InterDigital, Inc.'s announcement in July that it was up for sale, Eastman Kodak's announcement in August that it plans to sell 1,100 patents and Google's agreement to purchase Motorola Mobility, which was announced just two days prior to the announcement of the Wi-LAN Offer, all of which were fuelled, in no small part, by the so called "smartphone wars." See "Background and MOSAID's Response to the Wi-LAN Offer – Recent Developments at MOSAID." The Board believes that the Wi-LAN Offer has been timed so as to minimize the positive effects on MOSAID's Share price from these recent developments. As discussed in further detail below, the timing of the Wi-LAN Offer and compressed timeframe in which it is being made may not permit the market to fully reflect in the Share price the value of these and other recent developments.

Insufficient time to consider and respond to the Offer. The Wi-LAN Offer is only open for 36 days, being one partial day longer than the minimum 35 day period required by law. The commencement of the offer during late August, a period during which many Shareholders and other market participants are on vacation, was designed to further compress the time frame in which MOSAID, its Shareholders and other interested parties might consider the Offer and its alternatives. In addition, the Board believes that the timing of the Wi-LAN Offer was designed to overlap with MOSAID's quarterly reporting and its annual and special meeting of Shareholders, further limiting the time and resources that the Board would have to effectively consider and respond to the Wi-LAN Offer.

No sharing of upside and benefits from combination. Wi-LAN's CEO has publicly stated that the acquisition of MOSAID, as contemplated, is strategic and highly accretive to Wi-LAN. Given the considerable value not currently reflected in the Shares, and the benefits available to Wi-LAN should a transaction be consummated, the Board believes that the all-cash Wi-LAN Offer at a modest premium fails to adequately compensate MOSAID shareholders.

Wi-LAN may use MOSAID's cash to finance the Wi-LAN Offer. The Board believes that the Wi-LAN Offer is also opportunistic in that Wi-LAN may use MOSAID's own cash to finance approximately \$100 million of the Wi-LAN Offer. According to the Wi-LAN Circular, the availability of the acquisition facility it will use to partially fund the Offer is conditional upon, among other things, MOSAID having minimum cash on hand of \$100 million after completion of the Wi-LAN Offer and Wi-LAN first utilizing \$380 million of cash on hand to satisfy its acquisition of the Shares under the Wi-LAN Offer. If Wi-LAN were successful in acquiring all the Shares, Wi-LAN would be required to repay the acquisition facility within 5 business days of that acquisition in an amount equal to 100% of MOSAID's cash on hand at that time.

**THE TIMING AND TERMS OF THE WI-LAN OFFER ARE HIGHLY OPPORTUNISTIC AND
DISADVANTAGEOUS TO MOSAID SHAREHOLDERS**

**THE BOARD OF DIRECTORS RECOMMENDS THAT SHAREHOLDERS REJECT THE WI-LAN OFFER
AND NOT TENDER ANY SHARES.**

If you have any questions, please contact Georgeson Shareholder Communications Canada Inc. at 1-888-605-7632 or askus@georgeson.com

7. The Wi-LAN Offer is not a firm offer due to the unreasonable and discretionary nature of its conditions that provide Wi-LAN the option, in its sole discretion, not to proceed.

The Wi-LAN Offer is not a firm offer. The extensive and unusually broad conditions to the Wi-LAN Offer provide Wi-LAN with the right, in its sole discretion, not to proceed with the Wi-LAN Offer, resulting in substantial uncertainty for Shareholders as to whether Wi-LAN will acquire any Shares under the Wi-LAN Offer.

In total, there are 19 conditions and one of these 19 conditions is a condition that none of an additional 16 enumerated "Restricted Events" occurs. Each of these conditions must be satisfied or waived before Wi-LAN will be obliged to take up any Shares deposited under the Wi-LAN Offer. Several of the conditions provide Wi-LAN with broad discretion to determine whether the conditions have been satisfied. A number of other conditions are not subject to customary materiality thresholds or other objective criteria, but rather provide Wi-LAN with a broad range of grounds upon which they may decline to proceed with the Wi-LAN Offer. For example, Wi-LAN can decide not to proceed with the Wi-LAN Offer if any event occurs which "could reasonably be expected to reduce the anticipated economic value to Wi-LAN" of the acquisition of MOSAID Shares.

Even more objectionable are the conditions to the Wi-LAN Offer with which MOSAID simply cannot comply as they would preclude MOSAID from running its business in the ordinary course and implementing its business plan. For example, the Wi-LAN Offer provides that MOSAID cannot take any action (or even announce an intention to take any action) with respect to any agreement, proposal, offer or understanding relating to any sale, license or other disposition or other dealing with any of its assets. This condition does not provide an exception for any such action taken in the ordinary course. In order to satisfy this condition, MOSAID would have had to cease doing business from the commencement of the Wi-LAN Offer through to its expiry. Clearly, it has not. As a result, this condition of the Wi-LAN Offer cannot be, and has not been, met.

As a result of the unreasonable and discretionary nature of the conditions to the Wi-LAN Offer, any tender of Shares to the Wi-LAN Offer will constitute granting Wi-LAN a mere option to acquire Shares, in its sole discretion, at a price that is clearly inadequate and does not reflect the value and potential of MOSAID.

**THE WI-LAN OFFER IS NOT A FIRM OFFER DUE TO THE UNREASONABLE AND
DISCRETIONARY NATURE OF ITS CONDITIONS THAT PROVIDE WI-LAN THE OPTION, IN ITS
SOLE DISCRETION, NOT TO PROCEED**

8. The Wi-LAN Offer is at a material discount to analysts' net asset value estimates.

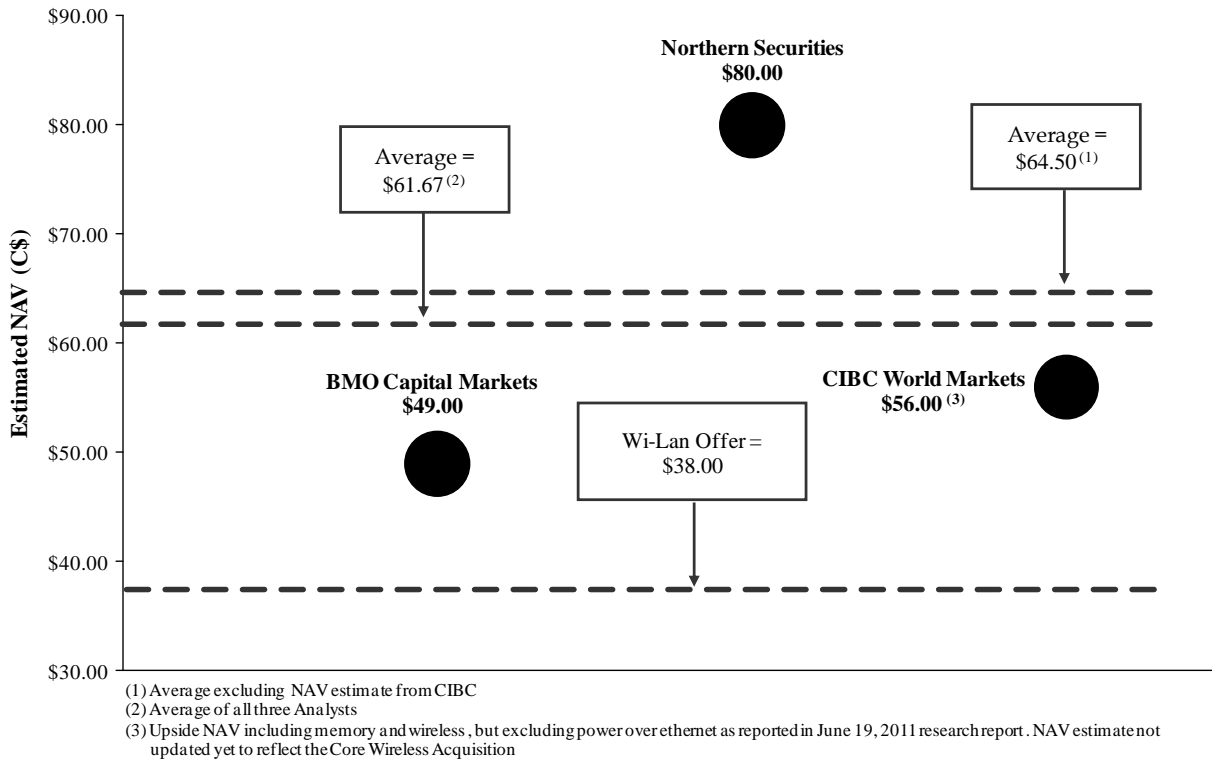
The \$38.00 price per Share of the Wi-LAN Offer values the Shares at a 41.1% discount to the average of the most recent estimates of the per Share net asset value ("NAV") of MOSAID by BMO Capital Markets and Northern Securities and at a 38.4% discount when the NAV estimate of CIBC World Markets' analyst is included in the average.

Following the Core Wireless Acquisition on September 1, 2011, analysts from both BMO Capital Markets and Northern Securities increased their estimates as to the NAV of MOSAID providing updated, preliminary per Share NAV estimates of \$49 and \$80, respectively. These increases were to reflect these analysts' estimates of the value added by the Core Wireless Acquisition, which estimates were based on, among other things, their assumed royalty rates of 0.2% and 1.0%, respectively, in licensing the Core Wireless Patents. The research analyst at CIBC World Markets has yet to update his estimate to account for the Core Wireless Acquisition. Despite this, in his June 19, 2011 report, the CIBC analyst estimated MOSAID's upside NAV to be \$56 per Share.

**THE BOARD OF DIRECTORS RECOMMENDS THAT SHAREHOLDERS REJECT THE WI-LAN OFFER
AND NOT TENDER ANY SHARES.**

If you have any questions, please contact Georgeson Shareholder Communications Canada Inc. at 1-888-605-7632 or askus@georgeson.com

MOSAID Analysts' Estimated Net Asset Value (NAV)



In addition, the Wi-LAN Offer is at a discount to the average per Share price target of \$44 of the four analysts that cover MOSAID. Two of these four analysts, CIBC World Markets and Paradigm Capital, have yet to update their price targets to account for the Core Wireless Acquisition. The per Share price target of the analysts at BMO Capital Markets and Northern Securities, the two analysts that have updated their price targets to account for the Core Wireless Acquisition, are \$49 and \$45, respectively.

THE WI-LAN OFFER IS AT A MATERIAL DISCOUNT TO ANALYSTS' NET ASSET VALUE ESTIMATES

The foregoing summary of the information and factors considered by the Board of Directors is not intended to be exhaustive of the factors considered by the Board in reaching its conclusion and making its recommendation, but includes the material information, factors and analysis considered by the Board. The members of the Board evaluated the various factors summarized above in light of their own knowledge of the business, financial condition and prospects of MOSAID, and based upon the advice of financial and legal advisors and the recommendation of the Special Committee. In view of the numerous factors considered in connection with their evaluation of the Wi-LAN Offer, the Board did not find it practicable to, and did not, quantify or otherwise attempt to assign relative weight to specific factors in reaching its conclusion and recommendation. In addition, individual members of the Board may have given different weight to different factors. The conclusion and unanimous recommendation of the Board was made after considering all of the information and factors involved.

THE BOARD OF DIRECTORS RECOMMENDS THAT SHAREHOLDERS REJECT THE WI-LAN OFFER AND NOT TENDER ANY SHARES.
 If you have any questions, please contact Georgeson Shareholder Communications Canada Inc. at 1-888-605-7632 or askus@georgeson.com

HOW TO WITHDRAW YOUR DEPOSITED SHARES

Shareholders who have tendered their Shares to the Wi-LAN Offer can withdraw them at any time: (a) before their Shares have been taken up by Wi-LAN pursuant to the Wi-LAN Offer; (b) if their Shares have not been paid for by Wi-LAN within three business days after having been taken up by Wi-LAN; and (c) before the expiration of 10 days from the day Wi-LAN mails a notice announcing that it has changed or varied the Wi-LAN Offer unless, among other things, prior to the filing of such notice Wi-LAN has taken up their Shares, the variation in the Wi-LAN Offer consists solely of an increase in the consideration offered and the Wi-LAN Offer is not extended for more than ten days or the variation in the terms of the Wi-LAN Offer consists solely of the waiver of one or more of the conditions of the Wi-LAN Offer.

Shareholders who hold Shares through a brokerage firm should contact their broker to withdraw Shares on their behalf. If the Shares have been deposited pursuant to the procedures for book-entry transfer, as set out in Section 3 of the Wi-LAN Offer, "Manner of Acceptance", any notice of withdrawal must specify the name and number of the account at CDS or the Depository Trust Company, as applicable, to be credited with the withdrawn Shares and otherwise comply with the procedures of CDS or the Depository Trust Company, as applicable.

For assistance in withdrawing your Shares, you should contact your broker or Georgeson Shareholder Communications Canada Inc., the Information Agent retained by MOSAID, at 1-888-605-7632 or askus@georgeson.com. You may also refer to the instructions for withdrawing your Shares set forth on page 12 of the Wi-LAN Circular.

BACKGROUND AND MOSAID'S RESPONSE TO THE WI-LAN OFFER

Recent Developments at MOSAID

Wi-LAN has implied that it has a deep understanding of MOSAID's business due to the fact that Wi-LAN's current CEO, Jim Skippen (who is neither a patent attorney nor an engineer), was formerly employed by MOSAID. It is noteworthy that MOSAID is a very different company today than it was when Mr. Skippen left in 2006. None of MOSAID's revenue today comes from patent license agreements that were in place in 2006. More than 70% of MOSAID's current employees were not at the company in 2006. As discussed below, the patent portfolio has grown from less than 700 patents and applications in 2006 to approximately 5,400 today. In 2006, there was only a single licensing program, whereas there are four active licensing programs today, with two additional programs recently announced. Wi-LAN should not be in possession of specific knowledge relating to the content of MOSAID's existing confidential patent license agreements or MOSAID's confidential patent acquisition pipeline, so MOSAID's Board does not believe that it is accurate that Wi-LAN has a particularly deep understanding of MOSAID's current business.

MOSAID's strategy since 2007: monetization of intellectual property

MOSAID's success is based on a core strategy of driving shareholder value through monetization of intellectual property, primarily in the vast markets of semiconductors and communications technology. MOSAID became a patent licensing business in 2007, after selling off other, non-core businesses.

MOSAID has built its patent portfolio through acquisitions, partnerships and innovations based on the principles of quality, technology diversification and geographic market coverage. In fact, innovation remains a significant part of the MOSAID story, reflected by the fact that in 2010, MOSAID was amongst the top 300 recipients of granted U.S. patents, according to the Intellectual Property Owners Association. On September 1, 2011 MOSAID increased the size of its portfolio to approximately 5,400 patents and applications, up 60% from approximately 3,400 patents and applications previously, through the acquisition of the Core Wireless Patents (approximately 2,000 wireless patents and patent applications originally filed by Nokia, the world's leading mobile phone supplier). In MOSAID's view, these acquired patents constitute one of the strongest standards-essential wireless portfolios available on the market.

When MOSAID embarked on its current patent licensing strategy in the second quarter of 2007, it had one licensing program (DRAM) and a portfolio of less than 700 patents and applications. With the Core Wireless Acquisition, MOSAID's portfolio has

**THE BOARD OF DIRECTORS RECOMMENDS THAT SHAREHOLDERS REJECT THE WI-LAN OFFER
AND NOT TENDER ANY SHARES.**

If you have any questions, please contact Georgeson Shareholder Communications Canada Inc. at 1-888-605-7632 or askus@georgeson.com

grown by nearly 700% in under five years. MOSAID's strengths include the quality and quantity of its patents, its portfolio diversification, its track record of successfully monetizing those patents, and its reputation for integrity and excellence.

With the newly acquired Core Wireless Patents, MOSAID now has a total of approximately 2,100 wireless patents and patent applications, of which 1,215 have been declared "standards essential" to 2G, 3G and emerging 4G LTE mobile communications networks. In addition to wireless, MOSAID's patent portfolio has strengths in semiconductor memory, semiconductor manufacturing processes, semiconductor microcomponents, and Power over Ethernet. MOSAID also has key patents in areas of emerging opportunities like cloud computing, the E911 emergency standard for cellular devices, MPEG, silicon photonics, and switching, classification, and encryption technologies.

MOSAID monetizes its world-class patent portfolio with superior patent prosecution, infringement assessment and monitoring, fair and reasonable licensing practices and commitment to litigation when necessary. As of MOSAID's fiscal quarter ended July 31, 2011, MOSAID had a cash position of more than \$120 million to support the expense of litigation and other patent monetization efforts and to fund additional patent acquisitions to provide future revenue and profit growth.

In its fiscal year ended April 30, 2011, MOSAID reported revenue of \$80.5 million, up 13% from the prior year. MOSAID expects that its rate of revenue growth will be even larger over time, reflecting its investment in patent monetization activities. MOSAID's goal is to deliver compound annual revenue growth above 20%. MOSAID's 5 year compounded annual growth rate for revenues, for the period from fiscal year 2007 to fiscal year 2011, was 16%. MOSAID has been profitable on both a GAAP basis and an adjusted net income basis for seven consecutive years and has paid an uninterrupted consistent or increased quarterly dividend for six years, including during the so called "credit crunch" period of late 2008 and early 2009, when many companies were reducing or eliminating their dividend.

Potential impact of the Core Wireless Acquisition

MOSAID conservatively estimates that revenues from licensing, enforcing and monetizing the Core Wireless Patents will surpass MOSAID's total revenue of approximately \$1 billion since its formation in 1975. First revenue will likely take 18 to 24 months, although earlier license revenue and/or settlement agreements are possible. The average remaining life on the Core Wireless Patents is just over 10 years.

MOSAID bases this revenue estimate in part on the anticipated worldwide sales by unlicensed wireless device manufacturers of US\$500 billion of mobile handsets and smartphones over the next five years, and an extrapolation of sales of such devices for the remainder of the lives of the patents. MOSAID believes that by 2014 four of the top five global vendors will not be licensed to the Core Wireless Patents unless they reach agreements with MOSAID.

MOSAID believes the licensing opportunities are very strong in part because 1,215 of the Core Wireless Patents and applications have been declared to be "standards-essential" to 2G, 3G and emerging 4G LTE mobile communications networks. By way of explanation, companies that develop patented intellectual property and participate in developing standards must declare any patents they own that may be essential to a certain standard. The declaration means the owner of the patent believes that devices that comply with the standard are using their patented intellectual property and that the patents cannot be designed around. When declaring patents essential to a particular standard, such as ETSI standards, companies also accept a commitment to license such essential patents on fair, reasonable and non-discriminatory terms. ETSI's definition of an essential patent is available in more detail at www.etsi.org.

While not necessarily directly indicative of the value of the Core Wireless Patents, in comparison, Nortel had declared 498 of its patents as standards-essential for wireless networks in June 2011, when Nortel's broader portfolio of 6,000 patents and patent applications was sold for US\$4.5 billion. MOSAID believes the Core Wireless Patents to constitute one of the strongest, most extensive wireless portfolios owned by a patent licensing company, where a cross license to potential licensee's patents will not be needed.

The table below provides further detail as to the number of wireless patents and applications that were declared standards-essential to each of 2G, 3G and 4G wireless standards when sold by Nortel in June 2011 in comparison with the number of Core Wireless

**THE BOARD OF DIRECTORS RECOMMENDS THAT SHAREHOLDERS REJECT THE WI-LAN OFFER
AND NOT TENDER ANY SHARES.**

If you have any questions, please contact Georgeson Shareholder Communications Canada Inc. at 1-888-605-7632 or askus@georgeson.com

Patents declared standards-essential. Certain of the patents in the table below have been declared standards-essential to more than one wireless standard.

Wireless Standard	Nortel's Wireless Patents	Core Wireless Patents
2G	15	517
3G	11	925
4G	277	169

MOSAID believes the 2G and 3G patents are especially valuable because this technology is applicable to current mobile devices, whereas 4G networks are just beginning to be deployed and are primarily in the trial stages. MOSAID believes that devices designed to operate on next-generation 4G networks will also have to be compatible with 3G networks and will therefore require a license to Core Wireless' 3G patents and applications, as well as Core Wireless' 4G patents and applications.

MOSAID believes that the strength of the wireless expertise of its employees, which includes skilled engineers, including three individuals with PhDs and three with masters degrees, who are inventors on approximately 50 patents, and who have served on wireless standards organizations, with solid technical expertise in multiple wireless systems and methods, as well as other communications and networking technologies, played an important role in MOSAID's successful acquisition of the Core Wireless Patents.

Background and Certain Terms of the Core Wireless Acquisition

MOSAID acquired the Core Wireless Patents through the acquisition of Core Wireless Licensing S.a.r.l., a Luxembourg company, pursuant to the Share Purchase Agreement. Core Wireless now operates as a wholly-owned subsidiary of MOSAID. The Core Wireless Patents consists of approximately 2,000 wireless patents and patent applications originally filed by Nokia. The acquisition was completed on September 1, 2011 following extensive discussions with the Royalty Participants that began in March 2011. MOSAID made only a nominal upfront payment to acquire Core Wireless.

Under the terms of the governing agreements, MOSAID will fund its acquisition of the Core Wireless Patents through royalties from future licensing agreements and will record all future royalties received from monetizing the patents in the portfolio as revenue. Core Wireless will retain approximately one-third of gross royalties and will bear all of the costs associated with the administration, licensing, enforcement and monetization of the Core Wireless Patents. The remaining gross royalties will be divided between Nokia and Microsoft Corp. (collectively, the "Royalty Participants"). The Core Wireless Patents are generally not transferable by Core Wireless.

In recognition of the fact that the Royalty Participants receive a royalty based on the future conduct and success of Core Wireless, they required that MOSAID and Core Wireless enter into the Royalty Participant Agreement in order to protect each Royalty Participant's economic interest in the operation and success of Core Wireless. The Royalty Participant Agreement provides, among other things, that the ongoing ownership of the portfolio by Core Wireless is subject to minimum future royalty milestones which have not been disclosed due to commercial sensitivity. MOSAID is very comfortable that these milestones can be achieved. In addition, in the event of a "change of control" (as defined in the Royalty Participant Agreement), the Royalty Participants have the right, at their discretion, to require MOSAID to transfer the patents to a third party for nominal consideration, prior to the consummation of any such change of control. For further clarity, the Royalty Participant Agreement does not require that the Royalty Participants consent to any such change of control in respect of MOSAID. The consent of the Royalty Participants would, however, be required in order to permit MOSAID to keep the Core Wireless Patents in the event of any such change of control. This clause prevents a potential licensee from acquiring MOSAID rather than licensing the Core Wireless Patents where the cost of the license would exceed the cost of acquiring MOSAID. It also allows the Royalty Participants to ensure that the Core Wireless Patents are being licensed and monetized by negotiators in whom they have confidence.

The commencement of the Wi-LAN Offer constitutes a Change of Control under the Royalty Participant Agreement. As a result, if the Royalty Participants do not approve of Wi-LAN taking control of MOSAID, Wi-LAN would not acquire, and investors in neither MOSAID nor Wi-LAN would realize the benefits of, the Core Wireless Patents.

**THE BOARD OF DIRECTORS RECOMMENDS THAT SHAREHOLDERS REJECT THE WI-LAN OFFER
AND NOT TENDER ANY SHARES.**

If you have any questions, please contact Georgeson Shareholder Communications Canada Inc. at 1-888-605-7632 or askus@georgeson.com

Further information with regard to the terms of the Core Wireless Acquisition is included in the Share Purchase Agreement and the Royalty Participant Agreement. Redacted copies of these agreements are available on SEDAR at www.sedar.com.

MOSAID's business prior to the Core Wireless Acquisition

MOSAID had a strong wireless patent program even prior to the Core Wireless Acquisition. MOSAID also has three other key programs: Power-over-Ethernet, Microprocessors and Memory, which includes DRAM, Flash and other memory technologies. Beyond that, MOSAID recently announced the initiation of two emerging programs, three enforcement campaigns, and is exploring several other areas of promise.

MOSAID is currently engaged in eight patent infringement lawsuits, six of which were initiated by MOSAID and two of which were declaratory judgment actions brought against MOSAID by other companies. In a declaratory judgment action, the plaintiff does not typically seek monetary damages from the defendant, but rather, asks the court to rule on the validity, infringement, and enforceability of the patents in suit. Based on past experience, MOSAID estimates that, should it be successful, these current actions could result in many hundreds of millions of dollars of revenue to MOSAID over time.

Beyond its patent portfolio and monetization activities, MOSAID has invested heavily in human resources and capabilities as it has diversified and grown its business. MOSAID has a research and development team, a patent administration and prosecution department that essentially operates as an in-house law firm, an expanding presence in Texas, an extremely low employee turnover rate and a corporate culture based on integrity, teamwork and excellence.

Based on MOSAID's licensing success, third parties are increasingly interested in entering into patent sales or exclusive licensing agreements with MOSAID. In these arrangements, MOSAID licenses third party intellectual property either separately or together with its own portfolio, and shares the royalty revenues with the third party. Through this model, which MOSAID has been pursuing since 2007, MOSAID gains cost-effective access to a wider variety of patents, thereby strengthening, diversifying and customizing its patent portfolio according to those technologies that are most relevant to its licensing programs.

MOSAID believes that its licensing track record makes it a partner of choice for organizations that wish to benefit from MOSAID's licensing expertise and ensure that, through patent licensing, they are generating a return on their research and development investments.

MOSAID's wireless patent licensing program prior to the Core Wireless Acquisition

MOSAID acquired an initial portfolio of standards-essential Wi-Fi patents and applications from Agere Systems, Inc. in a competitive bidding situation in early 2007. This was MOSAID's first major patent acquisition where the purpose of the acquisition was to diversify MOSAID's portfolio and was a major step in the transformation of MOSAID into a patent licensing company with significant growth prospects. This is despite having had a patent acquisition function since 2005, which reported for a year to MOSAID's then Senior Vice President, Patent Licensing and General Counsel, Jim Skippen. Since then, MOSAID has signed 16 Wi-Fi patent licensing agreements that will deliver approximately \$150 million in fixed contract amounts and estimated running royalties, all of which were closed without litigation, representing a multiple of the price paid by MOSAID for such patent portfolio, and the portfolio is expected to continue to generate significant additional revenues. This includes MOSAID's most lucrative running royalty agreement, with one wireless licensee who provides greater than 10% of MOSAID's total revenues. Notwithstanding significant renewals in the semiconductor memory licensing program, in fiscal 2011, MOSAID derived 34% of its revenues, up from 20% the prior year, from the licensing of patents in its Wi-Fi portfolio. Wi-Fi is being incorporated into more and more products – from cameras to tablets – and MOSAID believes it can create significantly more value from these patents in the future, as a significant portion of the market remains unlicensed. MOSAID's Board noted with interest Wi-LAN's claim that it believes it would be able to quickly settle MOSAID's pending litigation on these patents. To the best of the knowledge of MOSAID's Board, Wi-LAN's total Wi-Fi related cash revenues prior to litigation amounted to a small fraction of the \$150 million MOSAID was able to contract prior to filing its current Wi-Fi litigation on March 17 of this year, and the vast majority of Wi-LAN's current revenues are the result of litigation settlements that only occurred after amassing considerable expense over many years and settling on the eve of trial.

**THE BOARD OF DIRECTORS RECOMMENDS THAT SHAREHOLDERS REJECT THE WI-LAN OFFER
AND NOT TENDER ANY SHARES.**

If you have any questions, please contact Georgeson Shareholder Communications Canada Inc. at 1-888-605-7632 or askus@georgeson.com

MOSAID's microcomponents patent licensing program

Also in early 2007, MOSAID acquired the exclusive sub-licensing rights to more than 50 microcomponents patents from Agere Systems, Inc., now LSI Corporation, forming the basis of MOSAID's microcomponents licensing program. Since the beginning of calendar year 2011, MOSAID has signed microcomponents patent license agreements with LG Electronics Inc., MediaTek Inc. and, during the first quarter of fiscal year 2012, with Analog Devices Inc. MOSAID anticipates announcing additional licensees to this program in the coming months, and is currently in suit against Freescale Semiconductor, Interphase, and NVidia Corporation, two of which are significant players in the microcomponents market.

MOSAID's Power-over-Ethernet patent licensing program

In early 2009, MOSAID acquired 300 patents that formed the basis of a major licensing program for Power-over-Ethernet technology contained in routers and switches, as well as in wireless access points, cable modems, and network security cameras. MOSAID has signed two licenses under this program and expects that this program will deliver significant revenue over time, and is currently in suit against Cisco Systems, Inc., by far the largest worldwide vendor of Power-over-Ethernet routers and switches.

MOSAID's DRAM patent licensing program

DRAM represented MOSAID's initial patent licensing program, and was in fact the only patent licensing program MOSAID had until 2007, when MOSAID's current leadership commenced expanding its portfolio as detailed above. When the DRAM program began in the late 1990s, MOSAID contracted out the negotiations of the patent licenses to the Consortium For Technology Licensing, Ltd. ("CTL"), given MOSAID's lack of internal licensing expertise at that time, and CTL was responsible for negotiating and closing MOSAID's first five license agreements and assisting with others through to at least 2002. In addition to the several hundred DRAM patents and applications it owned in 2007, MOSAID has succeeded in acquiring over 1,300 memory patents and applications in a series of transactions over the last four years. From Micron Technology, MOSAID acquired over 400 DRAM, Flash and semiconductor process patents and applications. From Samsung, MOSAID acquired over 250 memory patents and applications. From ISSI, MOSAID acquired an undisclosed number of DRAM, SRAM and Flash patents. And this year, from Hynix, MOSAID acquired approximately 500 semiconductor process and memory patents and applications.

These memory patent acquisitions, coupled with MOSAID's own patent generating R&D activities, have allowed MOSAID to successfully renew all five memory patent license agreements that have come up for renewal since 2007 on substantially similar or better terms, and to license other memory licensees to MOSAID's patents for the first time, such as Micron and IBM. By continuing the strategy of portfolio renewal, MOSAID believes that it can continue as a force in memory licensing and maintain a healthy revenue stream.

Two emerging patent licensing programs

In semiconductor device manufacturing, MOSAID has acquired a sizeable portfolio of patents and believes that it can soon begin licensing into the semiconductor manufacturing industry, and that these activities could come to form the basis for another significant licensing program.

In Flash memory, MOSAID is close to establishing a standalone licensing program, based on intellectual property invented and acquired by MOSAID. Over the last five years, MOSAID has invested \$12.0 million in Flash memory research and development. As of July 31, 2011, MOSAID engineers had filed 517 Flash patent applications, with 63 now issued as U.S. patents. This investment was a key factor in MOSAID's ability to secure license agreements with a number of leading memory vendors, including Micron.

During the three months ended July 31, 2011, MOSAID continued to demonstrate the robustness of our HLNAND Flash memory technology by unveiling a production-ready 256Gb HLNAND semiconductor chip. This HLNAND device, optimized for mass storage applications, is one of the fastest, highest-density, best performing Flash memory devices available. By sampling a production-ready 256Gb HLNAND chip, MOSAID has demonstrated that HLNAND can be manufactured cost-effectively and at

**THE BOARD OF DIRECTORS RECOMMENDS THAT SHAREHOLDERS REJECT THE WI-LAN OFFER
AND NOT TENDER ANY SHARES.**

If you have any questions, please contact Georgeson Shareholder Communications Canada Inc. at 1-888-605-7632 or askus@georgeson.com

high yields. MOSAID's objective in investing in HLNAND hardware prototypes is not to become a product company, but rather to encourage the market use and acceptance of MOSAID's patented Flash technology.

For over two years, through reverse engineering studies and product reviews, MOSAID has been documenting the growing use of its patented HLNAND technology. Based on that work, MOSAID is now entering a new phase in this program. MOSAID estimates that it can launch a new standalone licensing program based on its Flash inventions within 12 months. Based to a large extent on a \$12 million investment, MOSAID believes that royalty revenues from a MOSAID Flash memory licensing program could also generate several hundred million dollars in royalty revenues over time.

Other areas of promise

MOSAID holds patents in several areas of potentially significant emerging opportunities, including:

- a portfolio widely practiced in distributed computing systems and networks, including cloud computing, content delivery networks, web caching, grid computing networks and storage area networks, and which is relevant to multiple industry standards, including HTTP 1.1, ICPv2 and SNIA, and upon which MOSAID filed suit against several companies, including Adobe and Alcatel, on August 9, 2011;
- an MPEG portfolio which has relevance to the ISO Base Medial File Format standard, which forms the basis for other media file formats in standards like MPEG, 3GPP and 3GPP2, and has applicability to devices and products that have media playing capabilities including mobile phones, tablets, media player software and video conversion tools; and
- a portfolio of wireless patents that relate to the E-911 emergency standard. In July, 2011, MOSAID sued HTC America and Sony Ericsson Mobile Communications for infringing four U.S. patents that are essential to all cellular telephones that implement that standard.

Recent developments are causing a revaluation of the patent industry

Since June 2011, investors have been revaluing patents as an asset class leading to an increased market awareness of the significant value of patents and their licensing. The revaluation, which validates MOSAID's business strategy, results from four significant industry events involving many of the world's largest technology companies.

The first of the significant events was the Nortel patent auction in June, which resulted in a higher-than-expected US\$4.5 billion bid. The buyers, by way of a joint bid, consisted of six of the world's top technology companies: Apple, Microsoft, RIM, EMC, Ericsson and Sony. Of the 6,000 patents and patent applications sold, Nortel had declared 498 of its patents as standards-essential for wireless networks. By way of comparison, the Core Wireless Patents includes 1,215 patents that were declared to be standards-essential for wireless networks.

The second event was the 50% increase in the stock price of the US-based intellectual property concern InterDigital, Inc. in the days following its announcement that it was up for sale. That increase in price has been sustained in the month and a half between InterDigital, Inc.'s announcement and the date of this Directors' Circular. According to public reports, the first round of bidding is anticipated this month.

Two significant events then occurred in August. First, Eastman Kodak announced its plan to sell 1,100 patents, or 10 percent of its portfolio, and later announced that it was in discussions with a number of bidders for the portfolio. The second event in August was Google's purchase of Motorola Mobility for US\$12.5 billion, a 63% premium to the prior close, reportedly based principally on the value of Motorola Mobility's portfolio of 17,000 patents.

MOSAID believes that the Core Wireless Acquisition has further reshaped the patent licensing landscape, given that these fundamental patents are not owned by an operating company with products that may be exposed to another company's patents. MOSAID, a patent licensing company, has no need to obtain a cross-license to any patents held by potential licensees, and thus can extract full cash value for these assets through its licensing efforts.

**THE BOARD OF DIRECTORS RECOMMENDS THAT SHAREHOLDERS REJECT THE WI-LAN OFFER
AND NOT TENDER ANY SHARES.**

If you have any questions, please contact Georgeson Shareholder Communications Canada Inc. at 1-888-605-7632 or askus@georgeson.com

Background to the Wi-LAN Offer

In early 2007, as part of a strategic alternatives review, which had commenced in the fall of 2006 and involved a special committee of the Board and discussions with a number of entities interested in potentially acquiring MOSAID, MOSAID and Wi-LAN, through MOSAID's bankers at the time, Morgan Stanley, entered into discussions with respect to a possible combination of the two companies. Wi-LAN expressed interest in a combination and made a preliminary offer in which over two thirds of the consideration offered was in the form of Wi-LAN shares.

On careful consideration, MOSAID's Board of Directors determined the offer made by Wi-LAN at that time did not represent fair value for MOSAID Shareholders. Along with other factors considered, Wi-LAN's shares had recently experienced a surge in price and MOSAID's Board was concerned that the market price of the Wi-LAN shares offered as consideration was not supported by Wi-LAN's business fundamentals. The Board's concern was subsequently substantiated when the price of Wi-LAN shares dropped from a high of \$7.97 in February 2007 by more than 64% to \$2.80 within 6 months and by over 85% to \$1.13 by late the following year.

Additionally, Wi-LAN's offer was received at a time when MOSAID was pursuing the purchase of a portfolio of Wi-Fi patents and applications from Agere Systems, Inc., now LSI Corporation. As discussed above, the eventual acquisition of this portfolio laid the foundation for MOSAID's first wireless licensing program. MOSAID's Board of Directors believed that there was better value to be gained for MOSAID and its Shareholders by continuing to pursue that acquisition transaction and MOSAID's business plan than in the Wi-LAN offer that was presented at that time or the expressions of interest received from other companies at that time. Wi-LAN declined to make another offer, and talks between the parties ended.

In late February and March of 2009, MOSAID and Wi-LAN again had discussions about a possible combination of the two companies. A special committee of MOSAID's Board of Directors led the discussions. The special committee received a non-binding offer from Wi-LAN that, again, included as consideration a combination of cash and Wi-LAN shares, with Wi-LAN shares representing approximately 30% of the consideration offered based on the market price of the Wi-LAN shares on the date of the offer. The special committee carefully considered the Wi-LAN offer and requested that the parties enter into a standard non-disclosure agreement including customary standstill covenants so that the parties could enter into a period of mutual due diligence. MOSAID's Board of Directors had concerns about the value of Wi-LAN's offer and believed that a due diligence process was necessary for it to understand the true value of the Wi-LAN shares being offered as consideration for the transaction. Wi-LAN refused to enter into any such agreement. MOSAID's Board indicated that it was not prepared to have further discussions with respect to the transaction as structured unless a non-disclosure agreement was in place and the parties were able to conduct due diligence. However, MOSAID's Board also indicated that MOSAID was open to any other proposal that Wi-LAN might make, including any proposal that might involve a different form of consideration, perhaps negating the need for MOSAID to conduct due diligence into Wi-LAN. Wi-LAN declined to proceed with further discussions.

On August 10, 2011, while at the 2011 Canaccord Genuity Growth Conference in Boston, John Lindgren, MOSAID's President and Chief Executive Officer, was approached by an intermediary on behalf of Jim Skippen, Wi-LAN's Chairman and Chief Executive Officer, to suggest that Messrs. Lindgren and Skippen meet to discuss the possibility of combining MOSAID and Wi-LAN. Mr. Lindgren's attendance at the conference was for the purpose of meeting with MOSAID shareholders, and so, rather than accepting a meeting with Mr. Skippen at that time, Mr. Lindgren suggested that if Wi-LAN had a formal offer it should present it for MOSAID's consideration. Wi-LAN did not make any such offer to the MOSAID Board of Directors. Instead, on the afternoon of August 17, 2011, only minutes before Wi-LAN issued a press release announcing that it intended to make an unsolicited offer for the Shares of MOSAID, Mr. Skippen contacted Carl P. Schlachte Sr., Chairman of the MOSAID Board of Directors, and advised him that Wi-LAN would be momentarily issuing such press release. To be clear, since 2009, other than the Wi-LAN Offer, no one from Wi-LAN has communicated to MOSAID's Board or management any offer to acquire MOSAID.

MOSAID's 5 year compound annual growth rate for revenues, for the period from fiscal year 2007 to fiscal 2011, was 16%; it has been profitable on both a GAAP basis and an adjusted net income basis for that period. For the period April 5, 2007, the last trading day before the announcement that John Lindgren was appointed President and Chief Executive Officer of MOSAID, to August 17, 2011, the day the Wi-LAN Offer was announced, the total Shareholder return, which includes both share price

**THE BOARD OF DIRECTORS RECOMMENDS THAT SHAREHOLDERS REJECT THE WI-LAN OFFER
AND NOT TENDER ANY SHARES.**

If you have any questions, please contact Georgeson Shareholder Communications Canada Inc. at 1-888-605-7632 or askus@georgeson.com

appreciation and dividends paid, was 48%. For the period April 5, 2007 to September 2, 2011, total Shareholder return for MOSAID was 88%.

The Wi-LAN Offer and Deliberations of the Special Committee and the Board of Directors

On August 17, 2011, Wi-LAN announced that it intended to make a formal all-cash offer to acquire all of the outstanding Shares of MOSAID. Wi-LAN concurrently announced that it had entered into an agreement to sell, on a bought deal basis to a syndicate of investors affiliated with its financial advisors, \$200 million aggregate principal amount of extendible convertible subordinated debentures that was intended to fund in part its offer.

On August 18, 2011, the Board of Directors met with its legal advisors and appointed the Special Committee, comprised of Messrs. Carl Schlachte, Ian Giffen and Barry Reiter, to review and consider the Wi-LAN proposal and any formal offer that Wi-LAN might make and to make recommendations to the Board with regard to the Wi-LAN Offer and MOSAID's response to it. Each member of the Special Committee is entirely independent of Wi-LAN and of MOSAID's management. That evening, the Special Committee held its initial meeting and named Carl Schlachte as Chair of the Special Committee and appointed Davies Ward Phillips & Vineberg LLP ("**Davies**") as its legal advisor. At this meeting, the Special Committee discussed, together with its legal advisors, various matters arising from Wi-LAN's announcement of its intention to make the Wi-LAN Offer.

On August 21, 2011, the Special Committee, together with members of management and Davies, received presentations and proposals from several prospective financial advisors to the Special Committee. On August 22, 2011, the Special Committee again met, together with its legal advisors, to discuss various further matters arising from Wi-LAN's intention to make the Wi-LAN Offer and to assess the merits of the various proposals from the prospective financial advisors. Representatives of management attended a portion of the meeting in order to update the Special Committee on matters relevant to the Special Committee's review.

On August 23, 2011, Wi-LAN formally launched the Wi-LAN Offer by way of a newspaper advertisement, which was followed later that day by the filing of a take-over bid circular. Later on August 23, 2011, the Special Committee met with its financial and legal advisors and representatives of management to discuss and consider the Wi-LAN Offer, and early on August 24, 2011, formally engaged Barclays Capital and GMP Securities as its financial advisors. On August 24, 2011, MOSAID issued a press release to announce the engagement of its financial and legal advisors.

On August 25, 2011 the Special Committee met to discuss its preliminary views with respect to the Wi-LAN Offer. Following a report by its financial advisors as to the initial work they had performed to date in their review of, and their preliminary views as to, the Wi-LAN Offer, and reports from its legal advisors and representatives of MOSAID's management, the Special Committee came to the preliminary view that the timing and approach of the Wi-LAN Offer are highly opportunistic and that the Wi-LAN Offer clearly undervalues MOSAID. MOSAID subsequently issued a press release containing the Special Committee's preliminary view. MOSAID also issued its first quarter earnings release.

On August 30, 2011 the Special Committee met again and received updates from management and the Special Committee's financial advisors. At this meeting the Special Committee considered the proposed Core Wireless Acquisition and received the views of its financial and legal advisors as to the implications of the proposed Core Wireless Acquisition for the Wi-LAN Offer and MOSAID's response to it. On the same date, the Board also passed a written resolution deferring the Separation Time under the Rights Plan until such further time as the Board determines.

On August 31, 2011 the Board of Directors met to, among other things, receive an update from the Special Committee as to its review of the Wi-LAN Offer and the potential implications of the proposed Core Wireless Acquisition for the Wi-LAN Offer and MOSAID's response to it. The Special Committee recommended that the Board approve the Core Wireless Acquisition on the basis that, while the full implications of the Core Wireless Acquisition for MOSAID and the Wi-LAN Offer could not then be assessed with certainty, the Core Wireless Acquisition was highly positive for, and in the best interests of, MOSAID and did not have a detrimental effect on MOSAID's prospects or, if accepted by Shareholders, the ability of Wi-LAN to consummate the Wi-LAN Offer. At that meeting, the Board approved the Core Wireless Acquisition.

**THE BOARD OF DIRECTORS RECOMMENDS THAT SHAREHOLDERS REJECT THE WI-LAN OFFER
AND NOT TENDER ANY SHARES.**

If you have any questions, please contact Georgeson Shareholder Communications Canada Inc. at 1-888-605-7632 or askus@georgeson.com

On September 2, 2011, the Special Committee met again, together with its legal and financial advisors, to discuss and consider the Wi-LAN Offer. At this meeting, the Special Committee received further updates from management and the Special Committee's financial advisors as to, among other things, the feedback they had received from Shareholders and broader market sentiment in respect of the Wi-LAN Offer and the Core Wireless Acquisition which was entered into and announced on September 1, 2011.

Response to the Wi-LAN Offer

On September 5, 2011, the Special Committee met with its financial and legal advisors. At that meeting, the Special Committee received detailed presentations from the advisors as to their assessments of the Wi-LAN Offer and the next steps to be taken by it and by the Board in responding to the Wi-LAN Offer. In addition to its presentation, the Special Committee also received formal written opinions from each of Barclays Capital and GMP Securities to the effect that, as of such date and based upon and subject to the assumptions, limitations and qualifications set out therein, the consideration offered to Shareholders pursuant to the Wi-LAN Offer is inadequate from a financial point of view to Shareholders (other than Wi-LAN and its affiliates).

In the 20 days from and including the date of its formation and the date of this Directors' Circular, the Special Committee met formally on eight occasions, and met informally on numerous other occasions. The Special Committee also met regularly with its legal and financial advisors to receive advice regarding the evaluation of the terms of the Wi-LAN Offer, the impact of the Core Wireless Acquisition on the Wi-LAN Offer, the ongoing legal and financial analysis and, ultimately, the Inadequacy Opinions. After having given extensive consideration to the Wi-LAN Offer and to numerous factors including the Inadequacy Opinions, and the other factors listed above under "Reasons for Unanimous Rejection," the Special Committee members unanimously determined, at the September 5, 2011 meeting, to recommend that the Board recommend to Shareholders that they reject the Wi-LAN Offer and not tender their Shares to the Wi-LAN Offer.

On September 6, 2011, the Board reviewed the Wi-LAN Offer and considered the Inadequacy Opinions of the financial advisors in respect of the Wi-LAN Offer, the recommendation of the Special Committee described above, and the reasons outlined under "Reasons for Unanimous Rejection" and, after receiving financial and legal advice, unanimously resolved to recommend that Shareholders **REJECT** the Wi-LAN Offer and **NOT TENDER** their Shares to the Wi-LAN Offer. The Board also approved this Directors' Circular and its mailing to Shareholders.

In connection with the Special Committee's consideration of the Wi-LAN Offer and MOSAID's response to it, the Special Committee is considering, with the assistance of its financial and legal advisors, a range of prospective alternatives to the Wi-LAN Offer. In this regard, the Special Committee and MOSAID have undertaken preparations in order to be in a position to move forward with such alternatives, including the organization of material data which would be of relevance to parties considering a transaction with MOSAID and the identification of alternative transactions, such as potential merger or sale transactions or restructurings of MOSAID. Given the significance of the Core Wireless Acquisition, the Special Committee believes it would have been premature to pursue any such alternatives until MOSAID's Shareholders and the broader market have had a full opportunity to assess the impact of the Core Wireless Acquisition. Once Shareholders and the broader market have had sufficient opportunity to assess the Core Wireless Acquisition and to communicate their views to MOSAID, the Special Committee will pursue the option that it determines best enhances Shareholder value, which may include an alternative transaction. Tendering Shares into the Wi-LAN Offer before the market has had a full opportunity to assess the recent developments in MOSAID's business and the Special Committee has had the opportunity to fully explore any alternative transactions may preclude the possibility of enhanced shareholder value emerging.

INADEQUACY OPINION OF EACH OF BARCLAYS CAPITAL AND GMP SECURITIES

The Special Committee has retained Barclays Capital and GMP Securities, to assess, among other things, the Wi-LAN Offer and to provide advice to the Special Committee as to the adequacy of the consideration under the Wi-LAN Offer, from a financial point of view, to Shareholders other than Wi-LAN and its affiliates. The Special Committee received the Inadequacy Opinions dated September 5, 2011 from each of Barclays Capital and GMP Securities to the effect that, as of such date and based upon and subject to the assumptions, limitations and qualifications set out therein, the consideration offered to Shareholders pursuant to the Wi-LAN Offer is inadequate from a financial point of view to Shareholders other than Wi-LAN and its affiliates.

**THE BOARD OF DIRECTORS RECOMMENDS THAT SHAREHOLDERS REJECT THE WI-LAN OFFER
AND NOT TENDER ANY SHARES.**

If you have any questions, please contact Georgeson Shareholder Communications Canada Inc. at 1-888-605-7632 or askus@georgeson.com

A copy of each of the Inadequacy Opinions is attached to this Directors' Circular as Appendix "B". The Board recommends that you read the Inadequacy Opinions carefully and in their entirety.

The opinion expressed by Barclays Capital and GMP Securities in the Inadequacy Opinions was one of a number of factors taken into consideration by the Special Committee and the Board in making their unanimous determination that the Wi-LAN Offer is inadequate to Shareholders (other than Wi-LAN and its affiliates) and is not in the best interests of MOSAID or its Shareholders (other than Wi-LAN and its affiliates), and in recommending that Shareholders reject the Wi-LAN Offer. Neither the Inadequacy Opinions nor their description constitute a recommendation to the Shareholders as to whether they should tender their Shares to the Wi-LAN Offer.

Each of Barclays Capital and GMP Securities has advised MOSAID that it is not an insider, associate or affiliate (as those terms are defined in the *Securities Act* (Ontario)) of MOSAID, Wi-LAN or any of their respective associates or affiliates. Other than an engagement letter dated August 24, 2011, there are no understandings, agreements or commitments between either Barclays Capital and GMP Securities, on the one hand, and MOSAID, on the other, or any of their respective associates or affiliates with respect to any future business dealings. Either of Barclays Capital or GMP Securities may in the future, in the ordinary course of business, perform financial advisory or investment banking services for MOSAID or any of its associates or affiliates for which services it would expect to receive compensation. In the ordinary course of business, Barclays Capital and GMP Securities and their respective affiliates may actively trade or hold securities of MOSAID for their own account or for the accounts of customers and, accordingly, may at any time hold a long or short position in such securities.

Pursuant to the terms of the engagement letter between Barclays Capital, GMP Securities and MOSAID, each of Barclays Capital and GMP Securities is to be paid a fixed fee upon rendering an opinion as to either the fairness or inadequacy of the Wi-LAN Offer and advisory fees that will be payable whether or not the Wi-LAN Offer is consummated, which advisory fees are variable depending on the outcome of the Wi-LAN Offer and the ultimate consideration, if any, at which a transaction is consummated. In addition, each of Barclays Capital and GMP Securities will be reimbursed for its reasonable out-of-pocket expenses. MOSAID has also agreed to indemnify Barclays Capital and GMP Securities against certain liabilities.

MOSAID TECHNOLOGIES INCORPORATED

MOSAID's core business is the monetization, primarily via licensing, of intellectual property, primarily in the vast markets of semiconductors and communications technology, complemented by the development of innovative memory and other technologies. MOSAID has built its patent portfolio through acquisitions, partnerships and innovations based on the principles of quality, technology diversification and geographic market coverage. In fact, innovation remains a significant part of the MOSAID story, reflected by the fact that in 2010, MOSAID was amongst the top 300 recipients of granted U.S. patents. On September 1, 2011 MOSAID increased the size of its portfolio to approximately 5,400 patents and applications, up 60% from approximately 3,400 patents and applications previously, through the acquisition of the Core Wireless Patents (approximately 2,000 wireless patents and patent applications originally filed by Nokia, the world's leading mobile phone supplier). In MOSAID's view, these acquired patents constitute one of the strongest standards-essential wireless portfolios available on the market.

With the newly acquired Core Wireless Patents, MOSAID now has a total of approximately 2,100 wireless patents and patent applications, of which 1,215 have been declared "standards essential" to 2G, 3G and emerging 4G LTE mobile communications networks. In addition to wireless, MOSAID's patent portfolio has strengths in semiconductor memory, semiconductor manufacturing processes, semiconductor microcomponents, and Power over Ethernet. MOSAID also has key patents in areas of emerging opportunities like cloud computing, the E911 emergency standard for cellular devices, MPEG, silicon photonics, and switching, classification, and encryption technologies.

From time-to-time, MOSAID may be involved in litigation in order to protect its intellectual property. MOSAID continues to review its patent portfolio for patents that may be in use, as well as patents that may become infringed. MOSAID regularly considers selling portions of its patent portfolio that may be of greater value to organizations with a different product or licensing focus. During fiscal 2010, MOSAID sold less than \$1 million worth of its patent assets and none during fiscal 2011. MOSAID

**THE BOARD OF DIRECTORS RECOMMENDS THAT SHAREHOLDERS REJECT THE WI-LAN OFFER
AND NOT TENDER ANY SHARES.**

If you have any questions, please contact Georgeson Shareholder Communications Canada Inc. at 1-888-605-7632 or askus@georgeson.com

has increased its focus in this area and expects to see increased activity in the current and future years. MOSAID operates in one segment as a developer and licensor of semiconductor and communications technologies.

Recent Developments

On September 1, 2011, MOSAID acquired the Core Wireless Patents through the acquisition of Core Wireless pursuant to the Share Purchase Agreement. Core Wireless now operates as a wholly-owned subsidiary of MOSAID. The Core Wireless Patents consists of approximately 2,000 wireless patents and patent applications originally filed by Nokia. The acquisition was completed on September 1, 2011 following extensive discussions with the Royalty Participants that began in March 2011. For further details of the Core Wireless Acquisition, see "Background and MOSAID's Response to the Wi-LAN Offer – Recent Developments at MOSAID."

Share Capital

The authorized capital of MOSAID consists of an unlimited number of common shares. Each Share entitles the holder thereof to one vote at all meetings of the Shareholders of MOSAID and to receive any dividends declared by the Board and the remaining property of MOSAID upon dissolution. The Shares carry no preemptive rights, conversion rights, redemption provisions, or sinking fund provisions.

As of the date of this Directors' Circular there are 11,919,854 Shares issued and outstanding.

PRINCIPAL SHAREHOLDERS

As of the date of this Directors' Circular, to the knowledge of the directors and officers of MOSAID, no person or company beneficially owns, directly or indirectly, or exercises control or direction over, more than 10% of the Shares with the exception of Mawer Investment Management Ltd., which has informed MOSAID that it owns 1,445,262 Shares, representing approximately 12.12% of the issued and outstanding Shares.

DIRECTORS AND OFFICERS OF MOSAID AND OWNERSHIP OF SECURITIES

The following table sets out the names and positions with MOSAID of each of its directors and officers and the number and percentage of outstanding securities of MOSAID beneficially owned, directly or indirectly, or over which control or direction is exercised by each such person, and, where known after reasonable enquiry, by their respective associates:

<u>Name and Position</u>	<u>Common Shares / % of Outstanding Common Shares</u>	<u>Options / % of Outstanding Options</u>	<u>DSUs / % of Outstanding DSUs</u>	<u>RSUs / % of Outstanding RSUs</u>
Carl P. Schlachte, Sr. Chairman of Board and Director	Nil	Nil	18,950 / 11.53%	Nil
John C. Lindgren President, Chief Executive Officer and Director	55,183 / 0.46%	247,002 / 33.38%	27,746 / 16.88%	46,061 / 36.37%
J. Ian Giffen Director	Nil	Nil	65 / 0.04%	Nil

**THE BOARD OF DIRECTORS RECOMMENDS THAT SHAREHOLDERS REJECT THE WI-LAN OFFER
AND NOT TENDER ANY SHARES.**

If you have any questions, please contact Georgeson Shareholder Communications Canada Inc. at 1-888-605-7632 or askus@georgeson.com

Name and Position	Common Shares / % of Outstanding Common Shares	Options / % of Outstanding Options	DSUs / % of Outstanding DSUs	RSUs / % of Outstanding RSUs
Jerry W. Mills Director	Nil	Nil	569 / 0.35%	Nil
Normand Y. Paquette Director	Nil	Nil	7,581 / 4.61%	Nil
Barry J. Reiter Director	8,067 / 0.07%	7,000 / 0.95%	12,993 / 7.90%	Nil
John P. Veschi Director	Nil	Nil	332 / 0.20%	Nil
Joseph R. Brown Vice President, Chief Financial Officer	11,560 / 0.10%	59,892 / 8.09%	16,010 / 9.74%	11,171 / 8.82%
Nima Ahmadvand Vice President, Telecommunications Technologies	3,291 / 0.03%	25,000 / 3.38%	10,603 / 6.45%	6,196 / 4.89%
Peter B. Gillingham Vice President and Chief Technology Officer	11,011 / 0.09%	37,000 / 5.00%	11,626 / 7.07%	6,740 / 5.32%
Jin-Ki Kim Vice President, Research and Development	486 / 0.00%	7,500 / 1.01%	17,167 / 10.44%	4,421 / 3.49%
Phillip S. Shaer Vice President, General Counsel and Corporate Secretary	4,616 / 0.04%	48,347 / 6.53%	15,881 / 9.66%	11,183 / 8.83%
Michael B. Vladescu Vice President, Licensing and Intellectual Property	9,309 / 0.08%	94,401 / 12.76%	16,387 / 9.96%	11,196 / 8.84%

In total, the directors and officers of MOSAID, and their respective associates, beneficially own, directly or indirectly, or exercise control or direction over, 103,523 outstanding Shares representing 0.87% of the issued and outstanding shares, have the ability to exercise Options to purchase up to 526,142 Shares. Directors and officers of MOSAID also hold substantial investments in MOSAID through their 252,878 DSUs and RSUs. The Wi-LAN Offer, if successful, would constitute a “Change in Control” under the plans governing the DSUs and RSUs and could result in these investments being paid out for an aggregate cash payment of approximately \$10.4 million, calculated as at the date of this Directors’ Circular as described below under “Agreements between MOSAID and its Directors and Officers – Deferred Share Unit Plan” and “Agreements between MOSAID and its Directors and Officers – Restricted Share Unit Plan”, respectively.

To the knowledge of the directors and officers of MOSAID after reasonable enquiry, no associate or affiliate of MOSAID, no insider of MOSAID, nor any of such insider’s associates or affiliates or any person or company acting jointly or in concert with

**THE BOARD OF DIRECTORS RECOMMENDS THAT SHAREHOLDERS REJECT THE WI-LAN OFFER
AND NOT TENDER ANY SHARES.**

If you have any questions, please contact Georgeson Shareholder Communications Canada Inc. at 1-888-605-7632 or askus@georgeson.com

MOSAID, beneficially owns or exercises control or direction over, directly or indirectly, any Shares of MOSAID except as otherwise disclosed in this Directors' Circular.

INTENTION OF DIRECTORS, OFFICERS AND INSIDERS OF MOSAID WITH RESPECT TO THE WI-LAN OFFER

The Board has made reasonable enquiries of each director, officer and insider of MOSAID and their respective associates and affiliates, each associate and affiliate of MOSAID and each person or company acting jointly or in concert with MOSAID and each has indicated his, her or its intention to reject the Wi-LAN Offer and not tender any of his, her or its Shares (including Shares underlying Options held immediately prior to the expiry time of the Wi-LAN Offer) to the Wi-LAN Offer.

TRADING IN SECURITIES OF MOSAID

During the six-month period preceding the date of this Directors' Circular, none of MOSAID, the directors and officers of MOSAID, any other insider of MOSAID nor, to the knowledge of the directors and officers of MOSAID after reasonable enquiry, any of their respective associates or affiliates, or any person acting jointly or in concert with MOSAID, has traded any securities or rights to acquire securities of MOSAID except as set out below:

Name	Date	Nature of Transaction	Number of Shares	Price Per Share
Mawer Investment Management Ltd.	2011-03-07	Acquisition	13,500	\$30.35
Beneficially owns, directly or indirectly, or exercises control or direction over, more than 10% of the Shares	2011-03-09	Acquisition	65	\$30.71
	2011-03-10	Acquisition	13,400	\$30.35
	2011-03-11	Acquisition	28,740	\$30.35
		Acquisition	7,700	\$30.15
		Acquisition	59	\$30.20
		Acquisition	58	\$30.18
	2011-03-14	Acquisition	74,385	\$30.20
	2011-03-15	Acquisition	135	\$28.84
		Acquisition	164	\$29.66
	2011-03-16	Acquisition	1100	\$28.45
	2011-03-17	Acquisition	300	\$29.25
	2011-04-18	Acquisition	150	\$30.37
	2011-04-19	Disposition	200	\$29.91
	2011-04-20	Disposition	1	\$30.46
		Acquisition	103	\$30.46
	2011-04-28	Acquisition	6,626	\$30.46
	2011-04-29	Acquisition	1,262	\$30.46
	2011-05-01	Acquisition	1,364	\$30.48
	2011-05-02	Disposition	6,000	\$29.90
		Acquisition	201	\$30.48
	Acquisition	201	\$30.57	
	Acquisition	633	\$30.49	
	Acquisition	6,000	\$29.90	
2011-05-04	Acquisition	8,114	\$29.25	
	Acquisition	1,232	\$29.02	
	Acquisition	33	\$29.81	
2011-05-05	Acquisition	6,100	\$28.83	
2011-05-06	Acquisition	18,800	\$28.84	
2011-05-09	Acquisition	3,055	\$28.86	

THE BOARD OF DIRECTORS RECOMMENDS THAT SHAREHOLDERS REJECT THE WI-LAN OFFER AND NOT TENDER ANY SHARES.

If you have any questions, please contact Georgeson Shareholder Communications Canada Inc. at 1-888-605-7632 or askus@georgeson.com

<u>Name</u>	<u>Date</u>	<u>Nature of Transaction</u>	<u>Number of Shares</u>	<u>Price Per Share</u>
	2011-05-12	Acquisition	800	\$30.18
	2011-05-17	Acquisition	895	\$30.36
	2011-05-18	Disposition	2,200	\$30.90
		Acquisition	2,200	\$30.90
	2011-06-02	Disposition	305	\$32.41
	2011-06-06	Disposition	90	\$31.94
	2011-06-17	Acquisition	6,100	\$29.46
	2011-06-21	Disposition	400	\$26.63
		Acquisition	400	\$26.63
	2011-06-27	Disposition	200	\$27.98
		Acquisition	200	\$27.98
	2011-06-28	Acquisition	6,100	\$28.20
	2011-06-29	Acquisition	13,300	\$28.05
	2011-07-05	Acquisition	900	\$29.40
	2011-07-28	Disposition	2	\$30.95
		Acquisition	654	\$30.97
		Acquisition	8,269	\$30.96
		Acquisition	207	\$30.99
		Acquisition	206	\$31.06
	2011-07-29	Acquisition	1,454	\$30.96
	2011-08-02	Disposition	300	\$33.48
	2011-08-08	Disposition	600	\$28.75
		Acquisition	600	\$28.75
Jin-Ki Kim	2011-03-08	Disposition	500	\$30.37
Vice President, Research and Development		Disposition	100	\$30.38
		Disposition	100	\$30.39
		Disposition	300	\$30.40

Due to the fact that MOSAID is almost continually working on strategic initiatives in its continuing attempt to increase value to Shareholders, in recent years the MOSAID Board and management have often been in “blackout”, meaning that they were prevented by company policy from trading in securities of MOSAID. The most recent extended blackout period related to the negotiation of the Core Wireless Acquisition which commenced in March of 2011 and has not ended as of the date of this Directors’ Circular as a result of the overlap of the Core Wireless Acquisition process with MOSAID’s receipt of the Wi-LAN Offer.

See “Issuances of Securities by MOSAID” for additional trading activity involving directors and officers of MOSAID which is not included in the table above.

ISSUANCES OF SECURITIES BY MOSAID

During the two years preceding the date of this Directors’ Circular, no securities of MOSAID have been issued to the directors, officers or other insiders of MOSAID except as set out below:

**THE BOARD OF DIRECTORS RECOMMENDS THAT SHAREHOLDERS REJECT THE WI-LAN OFFER
AND NOT TENDER ANY SHARES.**

If you have any questions, please contact Georgeson Shareholder Communications Canada Inc. at 1-888-605-7632 or askus@georgeson.com

Name and Position	Nature of Issue	Date of Issue	Number of Securities	Issue/Exercise Price Per Common Share
Carl P. Schlachte, Sr. Chairman of Board and Director	DSUs issued on Dividend	2009-10-08	48	N/A
	Grant of DSUs	2009-12-01	3,757	N/A
	DSUs issued on Dividend	2010-01-21	59	N/A
	DSUs issued on Dividend	2010-04-19	55	N/A
	DSUs issued on Dividend	2010-07-22	56	N/A
	Grant of DSUs	2010-10-06	2,837	N/A
	DSUs issued on Dividend	2010-10-08	68	N/A
	DSUs issued on Dividend	2011-01-20	74	N/A
	DSUs issued on Dividend	2011-04-20	70	N/A
	DSUs issued on Dividend	2011-07-21	77	N/A
John C. Lindgren President, Chief Executive Officer and Director	DSUs issued on Dividend	2009-10-08	190	N/A
	Grant of RSUs	2009-12-01	37,682	N/A
	Grant of Options	2009-12-01	45,000	\$18.88
	Investment under Purchase Plan	2009-12-30	1,205	\$12.84
	DSUs issued on Dividend	2010-01-21	210	N/A
	DSUs issued on Dividend	2010-04-19	198	N/A
	Investment under Purchase Plan	2010-06-01	772	N/A
	DSUs issued on Dividend	2010-07-22	233	N/A
	Grant of RSUs	2010-10-06	12,606	N/A
	Grant of Options	2010-10-06	83,000	\$26.49
	DSUs issued on Dividend	2010-10-08	214	N/A
	Investment under Purchase Plan	2010-12-15	973	\$17.70
	DSUs issued on Dividend	2011-01-20	202	N/A
	DSUs issued on Dividend	2011-04-20	191	N/A
	Dividend Reinvestment	2011-04-20	180	\$30.46
Investment under Purchase Plan	2011-06-01	603	\$24.49	
	DSUs issued on Dividend	2011-07-21	235	N/A
J. Ian Giffen Director	Grant of DSUs	2011-06-30	64	N/A
	DSUs issued on Dividend	2011-07-21	1	N/A
Jerry W. Mills Director	Grant of DSUs	2011-03-31	134	N/A
	DSUs issued on Dividend	2011-04-20	1	N/A
	Grant of DSUs	2011-06-30	429	N/A
	DSUs issued on Dividend	2011-07-21	5	N/A
Normand Y. Paquette Director	DSUs issued on Dividend	2009-10-08	19	N/A
	Grant of DSUs	2009-12-01	1,503	N/A
	DSUs issued on Dividend	2010-01-21	24	N/A
	DSUs issued on Dividend	2010-04-19	22	N/A
	DSUs issued on Dividend	2010-07-22	22	N/A
	Grant of DSUs	2010-10-06	1,135	N/A
	DSUs issued on Dividend	2010-10-08	27	N/A
	DSUs issued on Dividend	2011-01-20	30	N/A
	DSUs issued on Dividend	2011-04-20	28	N/A
	DSUs issued on Dividend	2011-07-21	31	N/A
Barry J. Reiter Director	Grant of DSUs	2009-09-30	348	N/A
	Dividend Reinvestment	2009-10-08	52	\$17.66

**THE BOARD OF DIRECTORS RECOMMENDS THAT SHAREHOLDERS REJECT THE WI-LAN OFFER
AND NOT TENDER ANY SHARES.**

If you have any questions, please contact Georgeson Shareholder Communications Canada Inc. at 1-888-605-7632 or askus@georgeson.com

<u>Name and Position</u>	<u>Nature of Issue</u>	<u>Date of Issue</u>	<u>Number of Securities</u>	<u>Issue/Exercise Price Per Common Share</u>
	DSUs issued on Dividend	2009-10-08	75	N/A
	Grant of Options	2009-12-01	7,000	\$18.88
	Grant of DSUs	2009-12-31	328	N/A
	Dividend Reinvestment	2010-01-21	46	\$20.33
	DSUs issued on Dividend	2010-01-21	82	N/A
	Grant of DSUs	2010-03-31	268	N/A
	Dividend Reinvestment	2010-04-19	43	\$21.85
	DSUs issued on Dividend	2010-04-19	80	N/A
	Investment under Purchase Plan	2010-06-01	1,605	\$15.76
	Grant of DSUs	2010-06-30	307	N/A
	DSUs issued on Dividend	2010-07-22	84	N/A
	Dividend Reinvestment	2010-07-22	43	\$21.95
	Grant of DSUs	2010-09-30	260	N/A
	Grant of DSUs	2010-10-06	1,135	N/A
	DSUs issued on Dividend	2010-10-08	84	N/A
	Dividend Reinvestment	2010-10-08	37	\$26.50
	Investment under Purchase Plan	2010-12-15	1,429	\$17.70
	Grant of DSUs	2010-12-31	208	N/A
	DSUs issued on Dividend	2011-01-20	77	N/A
	Grant of DSUs	2011-03-31	207	N/A
	DSUs issued on Dividend	2011-04-20	74	N/A
	Investment under Purchase Plan	2011-06-01	1,033	\$24.49
	Grant of DSUs	2011-06-30	536	N/A
	DSUs issued on Dividend	2011-07-21	86	N/A
John P. Veschi Director	Grant of DSUs	2011-06-30	329	N/A
	DSUs issued on Dividend	2011-07-21	3	N/A
Joseph R. Brown Vice President, Chief Financial Officer	DSUs issued on Dividend	2009-10-08	70	N/A
	Grant of RSUs	2009-12-01	9,090	N/A
	Grant of Options	2009-12-01	20,000	\$18.88
	Exercise of Options	2009-12-04	7,500	\$10.25
	Investment under Purchase Plan	2009-12-30	545	\$12.84
	DSUs issued on Dividend	2010-01-21	80	N/A
	DSUs issued on Dividend	2010-04-19	75	N/A
	Investment under Purchase Plan	2010-06-01	349	\$15.76
	DSUs issued on Dividend	2010-07-22	103	N/A
	Grant of Options	2010-10-06	24,000	\$26.49
	Grant of RSUs	2010-10-06	3,444	N/A
	DSUs issued on Dividend	2010-10-08	94	N/A
	Investment under Purchase Plan	2010-12-15	449	\$17.70
	DSUs issued on Dividend	2011-01-20	88	N/A
	DSUs issued on Dividend	2011-04-20	84	N/A
	Dividend Reinvestment	2011-04-20	91	\$30.46
	Investment under Purchase Plan	2011-06-01	278	\$24.49
	DSUs issued on Dividend	2011-07-21	112	N/A
	Dividend Reinvestment	2011-07-21	92	\$30.96
Nima Ahmadvand	Grant of RSUs	2009-12-01	3,096	N/A

**THE BOARD OF DIRECTORS RECOMMENDS THAT SHAREHOLDERS REJECT THE WI-LAN OFFER
AND NOT TENDER ANY SHARES.**

If you have any questions, please contact Georgeson Shareholder Communications Canada Inc. at 1-888-605-7632 or askus@georgeson.com

<u>Name and Position</u>	<u>Nature of Issue</u>	<u>Date of Issue</u>	<u>Number of Securities</u>	<u>Issue/Exercise Price Per Common Share</u>
Vice President, Telecommunications Technologies	Grant of DSUs	2009-12-01	5,368	N/A
	Grant of DSUs	2010-10-06	5,202	N/A
	Grant of RSUs	2010-10-06	2,798	N/A
	DSUs issued on Dividend	2011-01-20	11	N/A
	DSUs issued on Dividend	2011-04-20	11	N/A
	DSUs issued on Dividend	2011-07-21	12	N/A
Peter B. Gillingham Vice President and Chief Technology Officer	DSUs issued on Dividend	2009-10-08	97	N/A
	Grant of RSUs	2009-12-01	4,169	N/A
	Grant of Options	2009-12-01	10,000	\$18.88
	Exercise of Options	2009-12-11	6,000	\$10.25
	Investment under Purchase Plan	2009-12-30	490	\$12.84
	DSUs issued on Dividend	2010-01-21	100	N/A
	DSUs issued on Dividend	2010-04-19	94	N/A
	Investment under Purchase Plan	2010-06-01	314	\$15.76
	DSUs issued on Dividend	2010-07-22	95	N/A
	Grant of RSUs	2010-10-06	2,626	N/A
	Grant of Options	2010-10-06	12,000	\$26.49
	DSUs issued on Dividend	2010-10-08	102	N/A
	Investment under Purchase Plan	2010-12-15	374	\$17.70
	DSUs issued on Dividend	2011-01-20	83	N/A
	DSUs issued on Dividend	2011-04-20	79	N/A
Purchase Plan	2011-06-01	231	\$24.49	
DSUs issued on Dividend	2011-07-21	86	N/A	
Jin-Ki Kim Vice President, Research and Development	Exercise of Options	2009-09-29	1,000	\$10.25
	Exercise of Options	2009-09-29	1,000	\$10.25
	DSUs issued on Dividend	2009-10-08	42	N/A
	Grant of Options	2009-12-01	7,500	\$18.88
	Grant of RSUs	2009-12-01	3,096	N/A
	Grant of DSUs	2009-12-01	1,610	N/A
	DSUs issued on Dividend	2010-01-21	50	N/A
	DSUs issued on Dividend	2010-04-19	47	N/A
	DSUs issued on Dividend	2010-07-22	48	N/A
	Grant of DSUs	2010-10-06	4,977	N/A
	Grant of RSUs	2010-10-06	1,023	N/A
	DSUs issued on Dividend	2010-10-08	59	N/A
	Exercise of Options	2010-10-12	5,000	\$18.88
	DSUs issued on Dividend	2011-01-20	60	N/A
	DSUs issued on Dividend	2011-04-20	57	N/A
DSUs issued on Dividend	2011-07-21	63	N/A	
Phillip S. Shaer Vice President, General Counsel and Corporate Secretary	DSUs issued on Dividend	2009-10-08	56	N/A
	Grant of RSUs	2009-12-01	8,864	N/A
	Grant of Options	2009-12-01	20,000	\$18.88
	Investment under Purchase Plan	2009-12-30	337	\$12.84
	DSUs issued on Dividend	2010-01-21	73	N/A
	DSUs issued on Dividend	2010-04-19	69	N/A
	Investment under Purchase Plan	2010-06-01	216	\$15.76

**THE BOARD OF DIRECTORS RECOMMENDS THAT SHAREHOLDERS REJECT THE WI-LAN OFFER
AND NOT TENDER ANY SHARES.**

If you have any questions, please contact Georgeson Shareholder Communications Canada Inc. at 1-888-605-7632 or askus@georgeson.com

<u>Name and Position</u>	<u>Nature of Issue</u>	<u>Date of Issue</u>	<u>Number of Securities</u>	<u>Issue/Exercise Price Per Common Share</u>
	DSUs issued on Dividend	2010-07-22	91	N/A
	Exercise of Options	2010-10-06	4,375	\$16.14
	Exercise of Options	2010-10-06	2,000	\$21.61
	Grant of Options	2010-10-06	24,000	\$26.49
	Grant of RSUs	2010-10-06	3,273	N/A
	DSUs issued on Dividend	2010-10-08	84	N/A
	Investment under Purchase Plan	2010-12-15	448	\$17.70
	DSUs issued on Dividend	2011-01-20	84	N/A
	DSUs issued on Dividend	2011-04-20	79	N/A
	Dividend Reinvestment	2011-04-20	56	\$30.46
	Investment under Purchase Plan	2011-06-01	278	\$24.49
	Dividend Reinvestment	2011-07-21	34	\$30.96
	DSUs issued on Dividend	2011-07-21	103	N/A
Michael B. Vladescu Vice President, Licensing and Intellectual Property	DSUs issued on Dividend	2009-10-08	111	N/A
	Grant of RSUs	2009-12-01	8,638	N/A
	Grant of Options	2009-12-01	20,000	\$18.88
	Option Exercise	2009-12-02	7,500	\$10.25
	Investment under Purchase Plan	2009-12-30	54	\$12.84
	DSUs issued on Dividend	2010-01-21	99	N/A
	DSUs issued on Dividend	2010-04-19	94	N/A
	Investment under Purchase Plan	2010-06-01	35	\$15.76
	DSUs issued on Dividend	2010-07-22	137	N/A
	Grant of RSUs	2010-10-06	3,103	N/A
	Grant of Options	2010-10-06	24,000	\$26.49
	DSUs issued on Dividend	2010-10-08	126	N/A
	Investment under Purchase Plan	2010-12-15	40	\$17.70
	DSUs issued on Dividend	2011-01-20	103	N/A
	DSUs issued on Dividend	2011-04-20	97	N/A
	Investment under Purchase Plan	2011-06-01	24	\$24.49
	DSUs issued on Dividend	2011-07-21	139	N/A

Non-employee directors of MOSAID have the right to elect to receive DSUs in lieu of some or all of their annual cash director retainer, an election which many of MOSAID's directors have exercised, thereby reinvesting their cash retainer into MOSAID, a fact reflected in the above table.

OWNERSHIP OF SECURITIES OF WI-LAN OR ITS AFFILIATES

Except as described below, none of MOSAID, the directors and officers of MOSAID nor, to the knowledge of the directors and officers of MOSAID after reasonable enquiry, any of the insiders of MOSAID other than directors and officers or their respective associates or affiliates or any person or company acting jointly or in concert with MOSAID, beneficially owns or exercises control or direction over any securities of Wi-LAN or any of its affiliates.

Michael B. Vladescu, the Vice President, Licensing and Intellectual Property of MOSAID, owns 1,000 common shares of Wi-LAN which, according to publicly available information about the share capital of Wi-LAN, represents less than 0.001% of the issued and outstanding shares of Wi-LAN.

**THE BOARD OF DIRECTORS RECOMMENDS THAT SHAREHOLDERS REJECT THE WI-LAN OFFER
AND NOT TENDER ANY SHARES.**

If you have any questions, please contact Georgeson Shareholder Communications Canada Inc. at 1-888-605-7632 or askus@georgeson.com

To the knowledge of the directors and officers of MOSAID, there are no arrangements, commitments or understandings made or proposed to be made between Wi-LAN and any Shareholders of MOSAID relating to the Wi-LAN Offer.

ARRANGEMENTS BETWEEN WI-LAN AND THE DIRECTORS AND OFFICERS OF MOSAID

To the knowledge of MOSAID, after reasonable enquiry, there are no agreements, commitments or understandings made or proposed to be made between Wi-LAN and any of MOSAID's directors or officers, including any payment or other benefit proposed to be made or given by way of compensation for loss of office or their remaining in or retiring from office if the Wi-LAN Offer is successful.

No directors or officers of MOSAID are also directors or officers of Wi-LAN or any subsidiary of Wi-LAN.

AGREEMENTS BETWEEN MOSAID AND ITS DIRECTORS AND OFFICERS

Except as set forth below, no agreement, commitment or understanding has been made or is proposed to be made between MOSAID and any of its directors or officers pursuant to which a payment or other benefit is to be made or given by way of compensation for loss of office or as to their remaining in or retiring from office if the Wi-LAN Offer is successful. Each of the agreements, commitments or understandings referred to below existed prior to the receipt of the Wi-LAN Offer.

Employment Contracts

The following table provides details regarding the estimated incremental cash payments from MOSAID to any of MOSAID's directors and officers assuming termination without cause as of the date of this Directors' Circular. Note that upon a change in control, in addition to the amounts detailed below, any unvested equity awards held by such directors and officers would become fully vested.

Name	Payments Related to Annual Base Salary	Estimated Payments Related to Bonus (based on 2010 awards)	Value of benefits
John C. Lindgren	\$743,048	\$550,000	\$30,748
Joseph R. Brown	\$460,000	\$130,000	\$31,409
Nima Ahmadvand	\$430,000	\$100,000	\$30,667
Phillip S. Shaer	\$450,000	\$140,000	\$31,373
Michael B. Vladescu	\$470,000	\$160,000	\$31,400
Peter Gillingham	\$392,400	\$100,000	\$31,305
Jin-Ki Kim	\$384,400	\$60,000	\$31,247

Deferred Share Unit Plan

On September 30, 2005, MOSAID implemented a Deferred Share Unit Plan (the "DSU Plan"). Under the DSU Plan, executive officers and directors are entitled to elect to receive Option grants to which they may be entitled, if any, during the following calendar year in the form of Deferred Share Units ("DSUs") rather than Options. Non-employee directors of MOSAID also have

THE BOARD OF DIRECTORS RECOMMENDS THAT SHAREHOLDERS REJECT THE WI-LAN OFFER AND NOT TENDER ANY SHARES.

If you have any questions, please contact Georgeson Shareholder Communications Canada Inc. at 1-888-605-7632 or askus@georgeson.com

the right to elect to receive DSUs in lieu of some or all of their annual cash director retainer, an election which many of MOSAID's directors have exercised, thereby reinvesting their retainer into MOSAID.

The total number of DSUs which can be granted to an individual officer is capped at the DSU Ownership Threshold (as defined in the DSU Plan) applicable to the specific individual. The Board has established the following DSU Ownership Threshold for officers: 25,000 for President and Chief Executive Officer; 20,000 for Executive Vice Presidents/Senior Vice Presidents; and 15,000 for Vice-Presidents. DSUs granted in lieu of Options currently vest over a four year period, 25% on the first, second, third and fourth anniversaries of the grant date. Vested DSUs are credited with dividend equivalents in the form of additional DSUs. DSUs do not have an exercise price. A DSU's value is based on the weighted average trading price of the Shares on the TSX on the five (5) trading days immediately preceding the Distribution Date (as defined in the DSU Plan) and can only be settled using cash consideration, no earlier than 90 days following the date the participant has retired from, or ceased to hold, all positions with MOSAID and no later than the last business day of the calendar year following the calendar year in which the participant has retired from, or ceased to hold, all positions with MOSAID.

The table above under the heading "Directors and Officers of MOSAID and Ownership of Securities" describes the number of DSUs held by each director and officer of MOSAID.

The Wi-LAN Offer, if successful, would constitute a "Change in Control" as defined in the DSU Plan. Unless otherwise determined by the Board, any DSUs outstanding immediately prior to the occurrence of a Change in Control, but which are not then vested, shall become fully vested upon the occurrence of a Change in Control. In the event that a Change in Control results in the Shares no longer being publicly traded on the TSX, which will be the case if the Wi-LAN Offer is successful, then prior to the occurrence of the Change in Control the Board, acting in good faith, shall determine the formulae that shall be used to determine any Distribution Value and/or the Award Market Value and/or the Dividend Market Value (as such terms are defined in the DSU Plan) after the occurrence of the Change in Control.

If the Board terminates the DSU Plan, previously credited (and subsequently vesting) DSUs shall be paid out in accordance with the terms and conditions of the DSU Plan existing at the time of termination.

If the Wi-LAN Offer is successful and assuming the DSU Plan is terminated or the executive officers and directors of MOSAID have ceased to act in such a capacity, the executive officers and directors of MOSAID would collectively be entitled to receive cash compensation of approximately \$6,354,892, assuming a distribution amount per DSU based a price of \$40.76 per Share, being the weighted average trading price of the Shares on the TSX on the five (5) trading days immediately preceding the date of this Directors' Circular.

Restricted Share Unit Plan

On April 18, 2008, MOSAID implemented a Restricted Share Unit Plan (the "**RSU Plan**"). Under the RSU Plan, any director, officer or employee (each an "**Eligible Person**") of MOSAID may be granted Restricted Share Units ("**RSUs**"). RSUs vest over a three year period, 33.33% on the first, second and third anniversaries of the grant date. RSUs do not have an exercise price. MOSAID has engaged a trustee to purchase Shares on the public market in connection with the granting of RSUs to Eligible Persons, which Shares are held by the trustee until such Eligible Person's RSUs vest, at which point, the Eligible Person may then obtain the Shares. Future RSU grants are contingent on an Eligible Person holding at least 50% of the Shares obtained in connection with all previous RSU grants.

The table above under the heading "Directors and Officers of MOSAID and Ownership of Securities" describes the number of RSUs held by each director and officer of MOSAID.

The Wi-LAN Offer, if successful, would constitute a "Change of Control" as defined in the RSU Plan. Unless otherwise determined by the Board, upon the occurrence of a Change of Control, all outstanding RSUs at that time shall automatically and irrevocably vest in full and all such outstanding RSUs shall be paid out at the highest price per Share paid in any transaction reported on a securities exchange or paid or offered in any bona fide transaction related to a potential or actual Change of Control

**THE BOARD OF DIRECTORS RECOMMENDS THAT SHAREHOLDERS REJECT THE WI-LAN OFFER
AND NOT TENDER ANY SHARES.**

If you have any questions, please contact Georgeson Shareholder Communications Canada Inc. at 1-888-605-7632 or askus@georgeson.com

of MOSAID at any time during the five (5) trading days preceding the Change of Control as of the date such Change of Control is determined to have occurred or as of such other date as the Board may determine prior to the Change of Control.

If the Wi-LAN Offer is successful, the officers and directors of MOSAID would collectively be entitled to receive cash compensation of approximately \$4,077,504, assuming the the highest price per Share paid in any of the aforementioned transactions was \$42.05, the highest trading price for the Shares during the last five (5) trading days prior to the date of this Directors' Circular.

Employee and Director Stock Option Plan

In July 1993, MOSAID established an Employee and Director Stock Option Plan (“**ESOP**”). Since that time, the ESOP has been subject to several amendments, most recently on October 8, 2009, with shareholder approval. Under the ESOP, eligible employees, consultants and directors (“**Participants**”) are entitled to receive Options to purchase Shares in such numbers and on such terms, including vesting, as determined by the Human Resources Committee and approved by the Board. Option grants have a maximum term of ten years from the date of grant, although the Board’s practice is to grant Options with a six year life.

The table above under the heading “Directors and Officers of MOSAID and Ownership of Securities” describes the number of Options under the ESOP held by each director and officer of MOSAID.

The Wi-LAN Offer, if successful, would constitute a “Change in Control” as defined in the ESOP. Unless otherwise determined by the Board, any Options outstanding immediately prior to the occurrence of a Change in Control, but which are not then exercisable, shall become fully exercisable upon the occurrence of a Change in Control and all such outstanding Options shall be cashed out at the highest price per Share paid in any transaction reported on a securities exchange or paid or offered in any bona fide transaction related to a potential or actual Change in Control of MOSAID at any time during the five (5) trading days preceding the Change in Control (the “**Change in Control Price**”), less the applicable exercise price for such Options, as of the date such Change in Control is determined to have occurred. Outstanding Options may only be cashed out, as described above, if the Change in Control Price is higher than the exercise price for such outstanding Options. If the Change in Control Price is equal to or lower than the exercise price for such outstanding Options, the Board may terminate such outstanding Options and such outstanding Options shall be of no further force or effect.

As of September 6, 2011, the officers and directors of MOSAID held, in the aggregate, 562,142 Options. These outstanding Options had exercise prices ranging from \$10.25 to \$26.49 and an aggregate weighted average price of \$19.99 per Share. If the Wi-LAN Offer is successful, and assuming full vesting of any unvested Options, the officers and directors of MOSAID would collectively be entitled to receive cash compensation of approximately \$6,997,057, assuming the highest price per Share paid in any of the aforementioned transactions was \$42.05, the highest trading price for the Shares during the last five (5) trading days prior to the date of this Directors' Circular.

Employee and Director Stock Purchase Plan

In September 1998, MOSAID established an Employee and Director Stock Purchase Plan (“**Purchase Plan**”). The Purchase Plan is intended to assist MOSAID in attracting and retaining employees and to continue to provide competitive compensation to all employees. By participating in the Purchase Plan, the interests of employees and non-employee directors also become better aligned with those of MOSAID’s shareholders. Under the Purchase Plan, active employees regularly employed by MOSAID or any of its subsidiaries and who have been employed for at least three months, may contribute a percentage of their total salary to purchase Shares. All non-employee directors may also participate.

The Wi-LAN Offer, if successful, would constitute a “Change in Control” as defined in the Purchase Plan. In the event of a proposed or actual Change in Control, the Purchase Plan provides that MOSAID shall require that each outstanding right thereunder be assumed or an equivalent right be substituted by the successor or purchaser corporation, unless the Purchase Plan is terminated. The Board may terminate the Purchase Plan as of any date, and the date of termination shall be deemed a Purchase Date (as defined in the Purchase Plan). If on such Purchase Date, participants in the Purchase Plan in the aggregate have options to purchase more Shares than are available for purchase under the Purchase Plan, each such participant shall be eligible to purchase a

**THE BOARD OF DIRECTORS RECOMMENDS THAT SHAREHOLDERS REJECT THE WI-LAN OFFER
AND NOT TENDER ANY SHARES.**

If you have any questions, please contact Georgeson Shareholder Communications Canada Inc. at 1-888-605-7632 or askus@georgeson.com

reduced number of Shares on a pro rata basis, and any excess Payroll Deductions or Lump Sum Payments (as such terms are used in the Purchase Plan), as the case may be, shall be returned to participants.

INTERESTS OF DIRECTORS AND OFFICERS OF MOSAID IN MATERIAL TRANSACTIONS WITH WI-LAN

None of the directors and officers of MOSAID and their associates nor, to the knowledge of the directors and officers of MOSAID after reasonable enquiry, any person or company who owns more than 10% of any class of equity securities of MOSAID for the time being outstanding has any interest in any material transaction to which Wi-LAN is a party.

OTHER TRANSACTIONS

There is no transaction, directors' resolution, agreement in principle or signed contract of MOSAID in response to the Wi-LAN Offer or any negotiations underway in response to the Wi-LAN Offer which relates to or would result in (a) an extraordinary transaction such as a merger or reorganization involving MOSAID or a subsidiary, (b) the purchase, sale or transfer of a material amount of assets by MOSAID or any of its subsidiaries, (c) a competing take-over bid, (d) a bid by MOSAID for its own securities or for those of another issuer, or (e) any material change in the present capitalization or dividend policy of MOSAID. Notwithstanding the foregoing, the Board may engage in negotiations in response to the Wi-LAN Offer that could have one or more effects specified in this paragraph and MOSAID management may enter into discussions from time to time regarding one or more strategic initiatives.

RIGHTS PLAN

MOSAID has in place a Rights Plan which was approved by more than 97% of the votes cast at the 2008 meeting by shareholders present or voting by proxy. Shareholders have been asked to re-approve the Rights Plan at MOSAID's annual and special meeting of Shareholders scheduled for September 22, 2011, six days prior to the Expiry Date of the Wi-LAN Offer. The Rights Plan must be reconfirmed by more than 50% of the votes cast at the meeting.

Pursuant to the Rights Plan, MOSAID has issued rights to its shareholders entitling them to acquire additional Shares at a deeply discounted price if a bidder purchases more than a 20% interest in MOSAID. The rights under the plan are not exercisable by the bidder, with the consequence that the bidder's shares would be significantly diluted if the Rights Plan is triggered. The take-up of Shares under the Wi-LAN Offer would trigger the Rights Plan unless the Rights Plan is waived by the Board. By re-approving the Rights Plan while the Wi-LAN Offer is outstanding, Shareholders will be confirming that they are not prepared to have the Rights Plan waived in respect of the Wi-LAN Offer. A summary of the Rights Plan can be found in MOSAID's management information circular dated August 3, 2011 which is available on SEDAR at www.sedar.com.

MATERIAL CHANGES IN THE AFFAIRS OF MOSAID

Except for the Wi-LAN Offer, information publicly disclosed by MOSAID or as otherwise described or referred to in this Directors' Circular, the directors or officers of MOSAID are not aware of any information that indicates any material change in the affairs of MOSAID since July 31, 2011, the date of the last published unaudited interim consolidated financial statements of MOSAID.

OTHER INFORMATION

Except as disclosed in this Directors' Circular, the directors or officers of MOSAID are not aware of any information that would reasonably be expected to affect the decision of the Shareholders to accept or reject the Wi-LAN Offer.

**THE BOARD OF DIRECTORS RECOMMENDS THAT SHAREHOLDERS REJECT THE WI-LAN OFFER
AND NOT TENDER ANY SHARES.**

If you have any questions, please contact Georgeson Shareholder Communications Canada Inc. at 1-888-605-7632 or askus@georgeson.com

The Board recommends that Shareholders contact Georgeson Shareholder Communications Canada Inc., the information agent retained by MOSAID, with any questions or requests for assistance that they might have with respect to the Wi-LAN Offer or this Directors' Circular at 1-888-605-7632 or askus@georgeson.com.

AVAILABILITY OF DISCLOSURE DOCUMENTS

MOSAID is a reporting issuer in each of the Provinces of Canada and files its continuous disclosure documents and other documents with provincial securities authorities in those provinces. Continuous disclosure documents are available on SEDAR at www.sedar.com.

STATUTORY RIGHTS

Securities legislation in the provinces and territories of Canada provides security holders of MOSAID with, in addition to any other rights that they may have at law, one or more rights of rescission, price revisions or to damages, if there is a misrepresentation in a circular or a notice that is required to be delivered to such security holders. However, such rights must be exercised within prescribed time limits. Security holders should refer to the applicable provisions of the securities legislation of their province or territory for particulars of those rights or consult with a lawyer.

APPROVAL OF DIRECTORS' CIRCULAR

The contents of this Directors' Circular have been approved and the delivery hereof has been authorized by the Board of Directors.

**THE BOARD OF DIRECTORS RECOMMENDS THAT SHAREHOLDERS REJECT THE WI-LAN OFFER
AND NOT TENDER ANY SHARES.**

If you have any questions, please contact Georgeson Shareholder Communications Canada Inc. at 1-888-605-7632 or askus@georgeson.com

CONSENT OF BARCLAYS CAPITAL CANADA INC.

**TO: The Board of Directors of MOSAID Technologies Incorporated and
The Special Committee of the Board of Directors of MOSAID Technologies Incorporated**

We refer to the offer of Wi-LAN Inc. to acquire common shares of MOSAID Technologies Incorporated (“**MOSAID**”) dated August 23, 2011 (the “**Wi-LAN Offer**”).

We hereby consent to the inclusion of our opinion letter dated September 5, 2011 in the Directors’ Circular of MOSAID dated September 6, 2011 in response to the Wi-LAN Offer and to the references to such opinion in such Directors’ Circular.

Toronto, Ontario
September 6, 2011

(Signed)
Barclays Capital Canada Inc.

CONSENT OF GMP SECURITIES L.P.

**TO: The Board of Directors of MOSAID Technologies Incorporated and
The Special Committee of the Board of Directors of MOSAID Technologies Incorporated**

We refer to the offer of Wi-LAN Inc. to acquire common shares of MOSAID Technologies Incorporated (“**MOSAID**”) dated August 23, 2011 (the “**Wi-LAN Offer**”).

We hereby consent to the inclusion of our opinion letter dated September 5, 2011 in the Directors’ Circular of MOSAID dated September 6, 2011 in response to the Wi-LAN Offer and to the references to such opinion in such Directors’ Circular.

Toronto, Ontario
September 6, 2011

(Signed)
GMP Securities L.P.

CERTIFICATE

DATED: September 6, 2011.

The foregoing contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made.

On behalf of the Board of Directors

(Signed)
Carl Schlachte
Chairman of the Board

(Signed)
Barry Reiter
Director

APPENDIX “A”

GLOSSARY OF TERMS

In this Directors’ Circular, unless the context otherwise requires:

“**affiliate**” has the meaning ascribed to that term in the *Securities Act* (Ontario);

“**associate**” has the meaning ascribed to that term in the *Securities Act* (Ontario);

“**Barclays Capital**” means Barclays Capital Canada Inc., financial advisor to the Special Committee;

“**Board**” or the “**Board of Directors**” means the Board of Directors of MOSAID;

“**Change in Control Price**” means the highest price per Share paid in any transaction reported on a securities exchange or paid or offered in any bona fide transaction related to a potential or actual Change in Control of MOSAID at any time during the five (5) trading days preceding the Change in Control as defined in the ESOP;

“**Core Wireless**” means Core Wireless Licensing S.a.r.l., a Luxembourg company and wholly owned subsidiary of MOSAID;

“**Core Wireless Patents**” means the portfolio of patents and patent applications held by Core Wireless;

“**Core Wireless Acquisition**” means the transaction in which MOSAID acquired Core Wireless pursuant to the Share Purchase Agreement;

“**CTL**” means the Consortium For Technology Licensing, Ltd.;

“**Davies**” means Davies Ward Phillips & Vineberg LLP, legal advisor to the Special Committee;

“**Directors’ Circular**” means this directors’ circular dated September 6, 2011;

“**DRAM**” means Dynamic Random Access Memory;

“**DSU Plan**” means Deferred Share Unit Plan implemented by MOSAID as of September 30, 2005;

“**DSUs**” means a Deferred Share Unit issued pursuant to the DSU Plan;

“**EBITDA**” means earnings before interest, taxes, depreciation and amortization;

“**Eligible Person**” means a director, officer or employee eligible for a grant of RSUs under the RSU Plan;

“**ESOP**” means the Employee and Director Stock Option Plan originally established by MOSAID in July 1993, as amended to date;

“**GMP Securities**” means GMP Securities L.P., financial advisor to the Special Committee;

“**Inadequacy Opinions**” means the written opinions from each of Barclays Capital and GMP Securities, dated September 5, 2011, to the effect that, as of such date and based upon and subject to the assumptions, limitations and qualifications set out therein, the consideration offered to Shareholders pursuant to the Wi-LAN Offer is inadequate from a financial point of view to Shareholders other than Wi-LAN and its affiliates.

“**Information Agent**” means Georgeson Shareholder Communications Canada Inc.;

“**insider**” has the meaning ascribed to that term in the *Securities Act* (Ontario);

“**MOSAID**” means MOSAID Technologies Incorporated and, where applicable, its subsidiaries;

“NAV” means net asset value;

“Options” means options to subscribe for Shares issued under MOSAID’s ESOP;

“Participants” means employees, consultants and directors eligible to be granted Options under the ESOP;

“Purchase Plan” means the Employee and Director Stock Purchase Plan established by MOSAID in September 1998;

“Rights Plan” means the Shareholder Rights Plan agreement dated as of July 8, 2005 between MOSAID and CIBC Mellon Trust Company, as rights agent as amended from time to time;

“Royalty Participant Agreement” means the Confidential Royalty Participant Agreement entered into as of September 1, 2011, by and among MOSAID, Core Wireless, Microsoft Corporation and Nokia Corporation, in connection with the Core Wireless Acquisition.

“Royalty Participants” means Microsoft Corporation and Nokia Corporation, as participants under the Royalty Participant Agreement.

“RSU Plan” means the Restricted Share Unit Plan implemented by MOSAID on April 18, 2008;

“RSUs” means Restricted Share Units issued pursuant to the RSU Plan;

“SEDAR” means the Canadian Securities Administrators’ System for Electronic Document Analysis and Retrieval, which is accessible online at www.sedar.com;

“Shareholders” means the holders of the Shares;

“Share Purchase Agreement” means the Confidential Share Purchase Agreement, dated as of September 1, 2011, by and between Intellectual Property Asset Trust, a Delaware statutory trust, and MOSAID;

“Shares” means the common shares of MOSAID, together with the associated rights issued and outstanding under the Rights Plan;

“Special Committee” means the special committee of independent directors of the Board of Directors, which is comprised of Carl Schlachte, Ian Giffen, and Barry Reiter, and empowered to, among other things, consider the Wi-LAN Offer and, with the assistance of financial and legal advisors, to make recommendations to the Board of Directors with respect to the Wi-LAN Offer and to develop alternatives to the Wi-LAN Offer;

“TSX” means the Toronto Stock Exchange;

“VWAP” means the volume-weighted average price of a security;

“Wi-LAN” means Wi-LAN Inc., a corporation incorporated under the laws of Canada;

“Wi-LAN Circular” means the take-over bid circular dated August 23, 2011 and forming part of the Wi-LAN Offer; and

“Wi-LAN Offer” or “Offer” means the offer made by Wi-LAN on August 23, 2011 by way of a take-over bid to purchase, for \$38.00 per Share in cash, all of the issued and outstanding Shares (together with associated rights issued and outstanding under the Rights Plan), other than any Shares owned, directly or indirectly, by Wi-LAN and its affiliates and including Shares that may become issued or outstanding after the date of such offer but before the expiry time of such offer upon the exercise of options issued under the ESOP or other rights to acquire Shares (other than rights issued under the Rights Plan), upon the terms and subject to the conditions set forth in the offer to purchase accompanying the Wi-LAN Circular.

APPENDIX "B"
INADEQUACY OPINIONS

September 5, 2011

The Special Committee and Board of Directors of
MOSAID Technologies Incorporated
11 Hines Road
Suite 203
Ottawa, Ontario
K2K 2X1 Canada

Members of the Special Committee and Board of Directors:

We understand that Wi-LAN Inc. (the “Offeror”) has made an offer (the “Offer”) to purchase all of the issued and outstanding common shares of MOSAID Technologies Incorporated (the “Company”) for CAD\$38.00 per share (the “Consideration”). The terms and conditions of the Offer are set forth in more detail in the Offeror’s offer and takeover bid circular dated August 23, 2011 (the “Takeover Bid Circular”).

The special committee formed by the Board of Directors of the Company initially contacted us regarding a potential advisory assignment on August 19, 2011 and we were formally retained by the Company pursuant to an engagement letter dated August 24, 2011. We have been requested by the Special Committee and Board of Directors of the Company to render our opinion with respect to the adequacy, from a financial point of view, to the shareholders of the Company (other than the Offeror and its affiliates) of the Consideration offered to such shareholders in the Offer.

Barclays Capital, together with its affiliates, is an internationally recognized investment banking firm and is regularly engaged in the valuation of businesses and securities in connection with mergers and acquisitions, leveraged buyouts, negotiated underwritings, competitive biddings, distributions of listed and unlisted securities, private placements and valuations for corporate and other purposes.

In arriving at our opinion, we reviewed and analyzed:

- i) the Takeover Bid Circular;
- ii) a draft dated September 4, 2011 of the Directors’ Circular of the Company relating to the Offer;
- iii) the royalty participant agreement dated as of September 1, 2011 between the Company, Nokia Corporation and Microsoft Corporation relating to the acquisition by the Company of Core Wireless Licensing S.a.r.l.;
- iv) the share purchase agreement dated as of September 1, 2011 between the Company and 2011 Intellectual Property Asset Trust relating to the acquisition by the Company of Core Wireless Licensing S.a.r.l.;
- v) the annual reports, including the comparative audited financial statements and management’s discussion and analysis, of the Company for each of the five years ended April 30, 2007, 2008, 2009, 2010 and 2011;
- vi) the interim report, including the comparative unaudited financial statements and management’s discussion and analysis, of the Company for the three months ended July 31, 2011;
- vii) the annual information form of the Company dated July 6, 2011;

- viii) the management information circular of the Company dated August 3, 2011 relating to the annual meeting of shareholders to be held on September 22, 2011;
- ix) certain internal financial, operational, corporate and other information prepared or provided by the management and approved for our use by the Company, including internal operating and financial budgets and projections;
- x) selected public market trading statistics and relevant financial information of the Company and other public entities;
- xi) selected relevant reports published by equity research analysts and industry sources regarding the Company and other comparable public entities;
- xii) a certificate addressed to us, dated as of the date hereof, from two senior officers of the Company as to the completeness and accuracy of certain information; and
- xiii) such other information, analyses, investigations, and discussions as we considered necessary or appropriate in the circumstances.

Barclays Capital has also participated in discussions regarding the Offer and related matters with Davies Ward Phillips & Vineberg LLP, legal counsel to the Special Committee to the Board of Directors of the Company in connection with responding to the Offer.

In addition, we have had discussions with the management of the Company concerning its business, operations, assets, liabilities, financial condition and prospects and have undertaken such other studies, analyses and investigations as we deemed appropriate.

The assessment of adequacy, from a financial point of view, must be determined in the context of the particular transaction. In our assessment, we used several techniques and a blended approach to arrive at our opinion on the adequacy, from a financial point of view, to the shareholders of the Company (other than the Offeror and its affiliates) of the Consideration offered to such shareholders in the Offer. We based our opinion on a number of qualitative and quantitative factors including, but not limited to the:

- i) amount of consideration offered to the shareholders of the Company (other than the Offeror and its affiliates) under the Offer;
- ii) premiums paid on precedent acquisitions in Canada and globally;
- iii) trading and operating metrics of selected publicly-traded comparable companies;
- iv) stock trading history of the Company and other selected publicly-traded comparable companies;
- v) net present value of the future cash flows implied by the financial projections provided by the Company;
- vi) quantitative and qualitative assessments represented by equity research analysts in publicly available research reports; and
- vii) sensitivity of the results considered in our analysis to key variables and factors.

In arriving at our opinion, we have assumed and relied upon the accuracy, completeness and fair presentation of the financial and other information used by us without any independent verification of such information and our opinion is conditional upon such accuracy, completeness and fair presentation. We have not met

separately with the independent auditors of the Company in connection with preparing this opinion and with your permission, we have assumed the accuracy and fair presentation of, and relied upon, the Company's audited financial statements and the reports of the auditors thereon. With respect to the financial projections, forecasts and other future oriented financial information of the Company, upon the advice of the Company, we have assumed that such projections, forecasts and other future oriented financial information have been reasonably prepared on a basis reflecting the best currently available estimates and judgments of the management of the Company as to the future financial performance of the Company, except to the extent updated by more current information provided to us by the Company. We assume no responsibility for and we express no view as to any such projections, forecasts and other future oriented financial information or the assumptions on which they are based. In arriving at our opinion, we have not conducted a physical inspection of the properties and facilities of the Company. We have not conducted, and we have assumed no obligation to conduct, any intellectual property due diligence of the patents of the Company. In addition, you have not authorized us to solicit, and we have not solicited, any indications of interest from any third party with respect to the purchase of all or a part of the Company's business. Our opinion is effective as of the date hereof. Our opinion necessarily is based upon market, economic and other conditions as they exist on, and can be evaluated as of, the date of this letter. We assume no responsibility for updating or revising our opinion based on events or circumstances that may occur after the date of this letter. We do not express any opinion as to any tax or other consequences in connection with the Offer, nor does our opinion address any legal, tax, regulatory or accounting matters, as to which we understand that the Company has obtained such advice as it deemed necessary from qualified professionals. We express no opinion on, and our opinion does not in any manner address, the adequacy of the amount or the nature of any compensation to any officers, directors or employees of any parties to the proposed transaction, or any class of such persons, relative to the Consideration offered to the shareholders of the Company in the Offer.

In arriving at our opinion, we have not made or prepared any valuation or appraisal of the securities, assets or liabilities of the Company and our opinion should not be construed as any such valuation or appraisal.

The Company has represented to us, in a certificate of the Chief Executive Officer and the Chief Financial Officer of the Company dated the date hereof, among other things, that the information, data and other material (financial or otherwise) provided to us by or on behalf of the Company, including the written information and discussions concerning the Company referred to above (collectively, the "Information"), excluding any projections, forecasts and other future oriented financial information, were at the date the Information was filed (in the case of Information filed on the System for Electronic Document Analysis and Retrieval ("SEDAR")) or, at the date such Information was provided to us (in the case of Information not filed on SEDAR), complete, true and correct in all material respects and did not contain any untrue statement of material fact in respect of the Company or the Offer and did not omit to state a material fact in relation to the Company and its affiliates or the Offer necessary to make the Information not misleading in light of the circumstances under which the information was presented and that, since the date the Information was filed or provided, there has been no material change, financial or otherwise, in the financial condition, assets, liabilities (contingent or otherwise), business, operations or prospects of the Company and its affiliates and no material change has occurred in the Information or any part thereof which would have or which would reasonably be expected to render the Information untrue or misleading in any material respect in the circumstances in which it was presented or have a material effect on our opinion, except for changes that have been updated by more current information provided to us by the Company.

We have acted as financial advisor to the Special Committee of the Board of Directors of the Company in connection with the Offer and will receive a fixed fee for our services upon rendering this opinion. We will also receive advisory fees that will be payable whether or not the Offer is consummated which advisory fee is variable depending on the outcome of the Offer and the ultimate consideration, if any, at which a transaction is consummated. In addition, the Company has agreed to reimburse our expenses and indemnify us for certain liabilities that may arise out of our engagement. We have performed limited investment banking and financial services for the Company and the Offeror in the past. We may perform such services in the future and, in such case, expect to receive customary fees for such services. Barclays Capital Canada Inc. and its affiliates engage in a wide range of businesses from investment and commercial banking, lending, asset management and other financial and

non-financial services. In the ordinary course of our business, we and our affiliates may actively trade and effect transactions in the equity, debt and/or other securities (and any derivatives thereof) and financial instruments (including loans and other obligations) of the Company and the Offeror for our own account and for the accounts of our customers and, accordingly, may at any time hold long or short positions and investments in such securities and financial instruments.

This opinion, the issuance of which has been approved by our Fairness Opinion Committee, is for the use and benefit of the Board of Directors of the Company and is rendered to the Board of Directors in connection with its consideration of the Offer. This opinion is not intended to be and does not constitute a recommendation to any shareholder of the Company as to whether to accept the Offer.

Based upon and subject to the foregoing, we are of the opinion as of the date hereof that, from a financial point of view, the Consideration offered by the Offeror pursuant to Offer is inadequate to shareholders of the Company (other than the Offeror and its affiliates).

Very truly yours,

Barclays Capital Canada Inc.
BARCLAYS CAPITAL CANADA INC..

September 5, 2011

The Special Committee and Board of Directors of
MOSAID Technologies Incorporated
11 Hines Road
Suite 203
Ottawa, Ontario
K2K 2X1

To the Special Committee and Board of Directors of MOSAID Technologies Inc.:

GMP Securities L.P. (“GMP”) understands that Wi-LAN Inc. (“WI-LAN” or the “Offeror”) has made an all-cash takeover offer (the “Offer”) for MOSAID Technologies Inc. (“MOSAID” or the “Corporation”) to acquire all the outstanding common shares of MOSAID (the “Share”) (the “Transaction”) for consideration of C\$38.00 per Share (the “Consideration”).

We also understand that MOSAID’s Board of Directors (the “Board”) and the Special Committee of MOSAID (the “Special Committee”) are considering the Offer and their response thereto.

You have requested GMP’s opinion (the “Opinion”) with respect to the adequacy of the Consideration offered by the Offeror pursuant to the Offer, from a financial point of view, to the shareholders of MOSAID (the “MOSAID Shareholders”), other than the Offeror and its affiliates. This opinion is provided pursuant to a letter agreement with the Corporation dated August 24, 2011 (the “Engagement Agreement”).

GMP ENGAGEMENT AND BACKGROUND

The Special Committee initially contacted GMP regarding a potential advisory assignment on August 18, 2011 and GMP was formally retained by MOSAID on August 24, 2011 pursuant to the Engagement Agreement.

Under the terms of the Engagement Agreement, GMP agreed to provide the Corporation with financial advisory services in connection with the Transaction including, among other things, the provision of the Opinion to the Board.

GMP is acting as financial advisor to the Special Committee and will receive a fee from the Corporation for its services, including the delivery of the Opinion. In addition, GMP is to be reimbursed for its reasonable out-of-pocket expenses and is to be indemnified by the Corporation as described in the indemnity that forms part of the Engagement Agreement. The fees payable to GMP by MOSAID in respect of the delivery of the Opinion are not contingent upon the conclusions reached by GMP herein or the successful conclusion of the Transaction.

INDEPENDENCE OF GMP

GMP is not an insider, associate, or affiliate (as such terms are defined in the Securities Act (Ontario)) (the “Act”) of MOSAID or Wi-LAN or any of their respective subsidiaries, associates or affiliates and is not an advisor to any person or company other than to MOSAID with respect to the Offer.

Except for the financial advisory services provided pursuant to the Engagement Agreement, GMP has neither provided financial advisory services nor participated in any financings involving MOSAID, Wi-LAN or any of their affiliates or associates within the past twenty-four (24) months.

GMP has not entered into any other agreements or arrangements with MOSAID or Wi-LAN or any of their affiliates with respect to any future dealings. GMP may however, in the ordinary course of its business, provide financial advisory or investment banking services to MOSAID, Wi-LAN or any of their respective affiliates from time to time. In addition, in the ordinary course of its business, GMP may actively trade common shares and other securities of the Corporation, as well as securities of Wi-LAN for its own account and for the accounts of GMP clients and, accordingly, may at any time hold a long or short position in such securities. As an investment dealer, GMP conducts research on securities and may, in the ordinary course of its business, provide research reports and investment advice to its clients on investment matters, including with respect to MOSAID or Wi-LAN or their respective associates or affiliates, or with respect to the Transaction.

CREDENTIALS OF GMP SECURITIES L.P.

GMP is a wholly-owned subsidiary of GMP Capital Inc., a publicly listed company on the Toronto Stock Exchange. GMP has offices in Toronto, Calgary, Montreal, London in UK, Perth and Sydney in Australia, which provide research, sales and trading and investment banking services. GMP regularly engages in the valuation of securities in connection with mergers and acquisitions, public offerings and private placements of listed and unlisted securities and regularly engages in market making, underwriting and secondary trading of securities in connection with a variety of transactions. GMP is not in the business of providing auditing services and is not controlled by a financial institution.

The Opinion expressed herein represents the opinion of GMP and the form and content herein have been approved for release by the executive committee of GMP, the members of which have extensive experience in merger, acquisition, divestiture, valuation, fairness opinion and capital markets matters.

SCOPE OF REVIEW

In connection with the Opinion, GMP has reviewed and relied upon, among other things, the following:

1. the offer and take-over bid circular dated August 23, 2011 filed by Wi-LAN with the System for Electronic Document Analysis and Retrieval (“SEDAR”) of the Canadian Securities Administrators;
2. a draft dated September 4, 2011 of the directors’ circular of MOSAID relating to the Offer;
3. the royalty participant agreement dated September 1, 2011 among MOSAID, Nokia Corporation and Microsoft Corporation;
4. the share purchase agreement dated September 1, 2011 between MOSAID and 2011 Intellectual Property Asset Trust;

5. all public filings submitted by MOSAID to securities commissions or similar regulatory authorities in Canada for the last five years, including annual reports, management information circulars, annual information forms, annual financial statements and interim financial statements;
6. certain public information relating to the business, operations and financial performance and stock trading history of MOSAID and other selected publicly traded companies considered by us to be relevant;
7. certain internal operational, strategic, financial and other information prepared or provided by management and approved for use by GMP, including internal operating and financial budgets and projections;
8. selected research reports prepared by equity research analysts on MOSAID and other comparable public entities;
9. a certificate of the Chief Executive Officer and the Chief Financial Officer of MOSAID dated the date hereof (the “Certificate”); and
10. such other corporate, industry and financial market information, investigations and analyses as GMP considered necessary or appropriate in the circumstances.

In addition, GMP has had discussions regarding the business, financial condition and prospects for MOSAID with certain members of senior management of MOSAID, the Board and the Special Committee, its advisors and outside counsel.

GMP has not, to the best of its knowledge, been denied access by MOSAID to any information requested. GMP did not meet with the auditors of MOSAID and has assumed the accuracy and fair presentation of the audited and unaudited consolidated financial statements of MOSAID and, as applicable, the reports of the auditors thereon.

ASSUMPTIONS AND LIMITATIONS

With the approval of the Special Committee and as is provided for in the Engagement Agreement, GMP has relied upon the completeness, accuracy and fair presentation of all of the financial and other information, data, advice, opinions and representations obtained by it from public sources, senior management of MOSAID and its officers, directors, employees, independent auditors and other consultants and advisors (collectively, the “Information”). The Opinion is conditional upon the completeness, accuracy and fair presentation of such Information. Subject to the exercise of professional judgment and except as expressly described herein, we have not attempted to verify independently the completeness, accuracy or fair presentation of any of the Information or investigated whether any changes have occurred to the facts set out or referred to in the Information subsequent to the date thereof. With respect to the financial projections, forecasts and other future oriented financial information of MOSAID, upon the advice of MOSAID, we have assumed that such projections, forecasts and other future oriented financial information have been reasonably prepared on a basis reflecting the best currently available estimates and judgments of the management of MOSAID as to the future financial performance of MOSAID, except to the extent updated by more current information provided to us by MOSAID. We express no independent view as to the reasonableness of such financial projections, forecasts and other future oriented financial information of MOSAID or the assumptions on which they are based.

The Chief Executive Officer and Chief Financial Officer of MOSAID have represented to GMP in a certificate delivered as of the date of this Opinion, among other things, that (i) the Information filed by MOSAID on SEDAR, obtained from senior management of MOSAID or provided orally by senior management of MOSAID to GMP relating to the Transaction for the purpose of preparing the Opinion was, at the date the Information was filed (in the case of Information filed on SEDAR) or, in the case of other Information (with the exception of any projections, forecasts and other future oriented financial information), at the date the Information was provided to GMP, complete, true and correct in all material respects, and did not contain any untrue statement of a material fact (as such term is defined in the Act) in respect of MOSAID or any of its subsidiaries or the Transaction or omit to state a material fact necessary to make the Information not misleading in light of the circumstances under which the Information was made or provided; and (ii) since the dates on which the Information was disclosed or provided to GMP, except as subsequently disclosed to GMP, there has been no material change, financial or otherwise, in the financial condition, assets, liabilities (contingent or otherwise), business, operations or prospects of MOSAID and no material change has occurred in the Information or any part thereof which would reasonably be expected to render the Information untrue or misleading in any material respect in the circumstances in which it was presented or have a material effect on the Opinion.

In arriving at our opinion, we have not made or prepared any valuation or appraisal of the securities, assets or liabilities of MOSAID, nor have we been furnished with any such valuations or appraisals, and our opinion should not be construed as any such valuation or appraisal. Moreover, the advice and opinions provided are not intended to constitute an opinion as to the “fair value” of the Corporation or any of the securities or assets thereof.

The Opinion is rendered on the basis of securities markets, economic, financial and general business conditions prevailing as at the date hereof and the condition and prospects, financial and otherwise, of MOSAID and its respective subsidiaries and affiliates, as they were reflected in the Information and as they have been represented to GMP in discussions with management of MOSAID. We are expressing no opinion herein as to the price at which the common shares of MOSAID will trade at any future time. We did not, in considering the adequacy of the Offer from a financial point of view, assess any income tax consequences of accepting the Offer. We have not conducted, and we have assumed no obligation to conduct, any intellectual property due diligence of the patents of MOSAID. The Opinion is limited to the adequacy, from a financial point of view, of the Consideration to be received under the Offer by the MOSAID Shareholders, and we express no opinion as to the underlying decision which MOSAID may make to recommend the Offer.

In its analyses and in preparing the Opinion, GMP has made numerous assumptions with respect to industry trend and performance, general business and economic conditions and other regulatory matters, many of which are beyond the control of GMP or any party involved in the Transaction and, while reasonable under current circumstances, may prove to be incorrect. GMP believes that its analysis must be considered as a whole and that selecting portions of the analysis or the factors considered by it, without considering all factors and analysis together, could create a misleading view of the process underlying the Opinion. The preparation of an opinion of this nature is a complex process and is not necessarily susceptible to partial analysis or summary description. Any attempt to do so could lead to undue emphasis on any particular factor or analysis.

The Opinion has been provided for the use of the Special Committee and the Board for making recommendations for purposes of considering the Offer. The Opinion may not be used by any person or relied upon by any other person other than Special Committee or the Board of Directors and may not be used or relied upon by the Special Committee or the Board of Directors for any purpose other than the purpose hereinbefore stated, without the express prior written consent of GMP. This Opinion does not constitute a recommendation to any of the MOSAID Shareholders as to whether such persons

should tender their common shares to the Offer or any other matter. Under the terms of its engagement, GMP has consented to the inclusion of the text and description of the Opinion in any take-over bid circular, directors' circular, management proxy circular or other disclosure document (each a "Disclosure Document") to be mailed to the MOSAID Shareholders in connection with the Offer, provided that such Disclosure Document is provided to GMP and the disclosure therein relating to GMP and the Opinion is approved by us.

The Opinion is given as of the date hereof, and GMP disclaims any undertaking or obligation to advise any person of any change in any fact or matter affecting the Opinion which may come or be brought to GMP's attention after the date hereof. Without limiting the foregoing, in the event that there is any material change in any fact or matter affecting the Opinion after the date hereof, GMP reserves the right to change, modify or withdraw the Opinion.

APPROACH TO ADEQUACY

In connection with this Opinion, GMP has performed a variety of financial and comparative analyses. In arriving at this Opinion, GMP has not attributed any particular weight to any specific analysis or factor, but rather has made qualitative judgments based on our experience in rendering such opinions and on the circumstances and information as a whole.

CONCLUSION

Based on and subject to the foregoing and such other factors as GMP considered relevant, GMP is of the opinion that, as of the date hereof, the Consideration offered by the Offeror pursuant to the Offer is inadequate, from a financial point of view, to the MOSAID Shareholders, other than the Offeror and its affiliates.

Yours very truly,

A handwritten signature in blue ink that reads "GMP Securities L.P." in a cursive script.

**The MOSAID Board of Directors unanimously recommends that
Shareholders**

REJECT the Wi-LAN Offer and NOT TENDER their Shares.

**Any Shareholder who has tendered his or her Shares under the
Wi-LAN Offer should WITHDRAW those Shares.**

Questions and Further Assistance

If you have any questions regarding the W-LAN Offer or the recommendation of MOSAID's Board of Directors, please contact our information agent at:



North American Toll Free Number: 1-888-605-7632

Email: askus@georgeson.com