MAPLE LEAF FOODS INC.

ANNUAL INFORMATION FORM

March 21, 2016

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Unless otherwise indicated, the information in this Annual Information Form is given as of December 31, 2015 and all amounts are in Canadian dollars. Unless the context otherwise requires, references herein to "Maple Leaf Foods" or the "Company" are to Maple Leaf Foods Inc. and its consolidated subsidiaries.

SPECIAL NOTE REGARDING FORWARD-LOOKING INFORMATION

This document contains, and the Company's oral and written public communications often contain, "forward-looking information" within the meaning of applicable securities law. These statements are based on current expectations, estimates, forecasts and projections about the industries in which the Company operates as well as beliefs and assumptions made by the management of the Company. Such statements include, but are not limited to, statements with respect to objectives and goals, in addition to statements with respect to beliefs, plans, objectives, expectations, anticipations, estimates and intentions.

Specific forward-looking information in this document includes, but is not limited to, statements with respect to: the anticipated benefits, timing, actions, costs and investments associated with the Value Creation Plan; expectations regarding improving efficiencies; the expected use of cash balances; source of funds for ongoing business requirements; capital investments and expectations regarding capital expenditures; expectations regarding Adjusted EBITDA targets; expectations regarding the implementation of environmental sustainability initiatives; expectations regarding outcomes of legal actions; and, expectations regarding dividends. Words such as "expect", "anticipate", "intend", "may", "will", "plan", "believe", "seek", "estimate" and variations of such words and similar expressions are intended to identify such forward-looking information. These statements are not guarantees of future performance and involve assumptions, risks and uncertainties that are difficult to predict.

In addition, these statements and expectations concerning the performance of the Company's business in general are based on a number of factors and assumptions including, but not limited to: the condition of the Canadian, U.S., and Japanese economies; the rate of exchange of the Canadian dollar to the U.S. dollar and the Japanese yen; the availability and prices of raw materials, energy and supplies; product pricing; the availability of insurance; the competitive environment and related market conditions; improvement of operating efficiencies whether as a result of the Value Creation Plan or otherwise; continued access to capital; the cost of compliance with environmental and health standards; no adverse results from ongoing litigation; no unexpected actions of domestic and foreign governments; and the general assumption that none of the risks identified below or elsewhere in this document will materialize. All of these assumptions have been derived from information currently available to the Company including information obtained by the Company from third-party sources. These assumptions may prove to be incorrect in whole or in part. In addition, actual results may differ materially from those expressed, implied or forecasted in such forward-looking information, which reflect the Company's expectations only as of the date hereof.

Factors that could cause actual results or outcomes to differ materially from the results expressed, implied or forecasted by forward-looking information include, among other things:

- the risks associated with the Company focusing solely on the protein business;
- the risks related to the Company's decisions regarding any potential return of capital to shareholders;
- the risks associated with completing the Company's Value Creation Plan and the risk associated with the concentration of production in fewer facilities;

- the risks associated with the availability of capital;
- the risks associated with changes in the Company's information systems and processes;
- the risks posed by food contamination, consumer liability and product recalls;
- the risks associated with acquisitions, divestitures and capital expansion projects;
- the impact on pension expense and funding requirements of fluctuations in the market prices of fixed income and equity securities and changes in interest rates;
- the cyclical nature of the cost and supply of hogs and the competitive nature of the pork market generally;
- the risks related to the health status of livestock;
- the risks associated with the impact of a pandemic on the Company's operations;
- the Company's exposure to currency exchange risks;
- the ability of the Company to hedge against the effect of commodity price changes through the use of commodity futures and options;
- the impact of changes in the market value of the biological assets and hedging instruments;
- the impact of international events on commodity prices and the free flow of goods;
- the risks posed by compliance with extensive government regulation;
- the risks posed by litigation;
- the impact of changes in consumer tastes and buying patterns;
- the impact of extensive environmental regulation and potential environmental liabilities;
- the risks associated with a consolidating retail environment;
- the risks posed by competition;
- the risks associated with complying with differing employment laws and practices, the potential for work stoppages due to non-renewal of collective agreements, and recruiting and retaining qualified personnel;
- the risks associated with pricing the Company's products;
- the risks associated with managing the Company's supply chain; and
- the risks associated with failing to identify and manage the strategic risks facing the Company.

The Company cautions the reader that the foregoing list of factors is not exhaustive. These factors are referred to in more detail under the heading "Risk Factors" on page 15 of this document. The reader should review such section and the other documents it references in detail. The Company does not intend to and the Company disclaims any obligation to update any forward-looking information, whether written or oral, or whether as a result of new information, future events or otherwise except as required by law.

Additional information concerning the Company, including the Company's Management's Discussion and Analysis, is available on SEDAR at www.sedar.com or at www.mapleleaffoods.com.

OVERVIEW OF THE BUSINESS

Maple Leaf Foods is a leading Canadian consumer protein company, with revenues from continuing operations of approximately $3.3 billion in fiscal 2015. The Company's ongoing business is divided into two operating and reportable segments: the Meat Products Group and the Agribusiness Group. During 2014, the Company divested its interest in a third reportable segment, the Bakery Products Group.

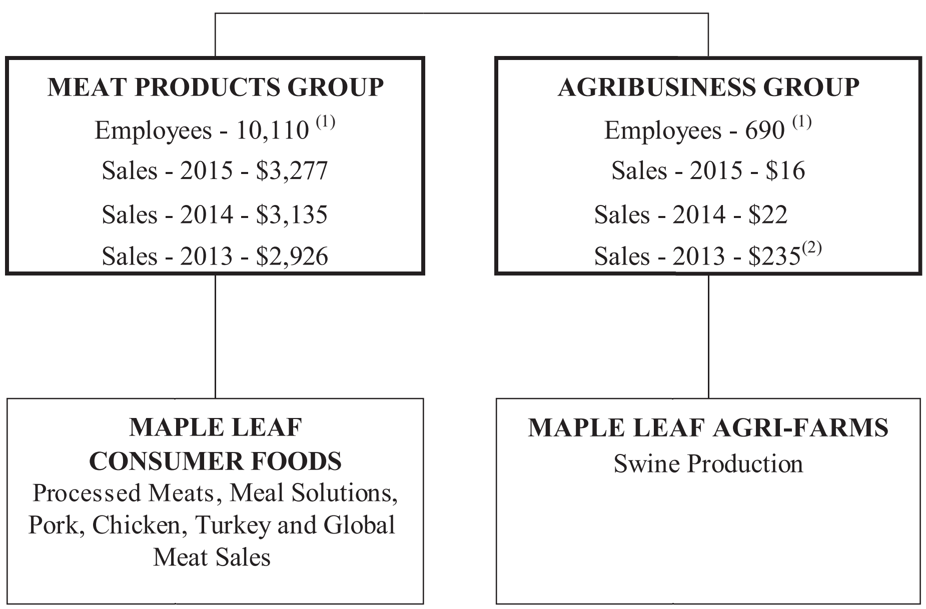
The Meat Products Group includes value-added prepared meats, lunch kits snacks, and fresh pork and poultry products sold under leading Canadian brands such as Maple Leaf ®, Schneiders® and many leading regional brands.

The Agribusiness Group includes Canadian hog production operations that primarily supply the Meat Products Group with livestock as well as sell animal feed on a tolling basis.

Prior to its disposal in 2014, the Bakery Products Group was comprised of Maple Leaf Foods' 90% ownership in Canada Bread Company, Limited ("Canada Bread"). On May 23, 2014, Grupo Bimbo, S.A.B. de C.V. of Mexico ("Grupo Bimbo") acquired all the issued and outstanding shares of Canada Bread owned by the Company by way of a statutory plan of arrangement under the *Business Corporations Act* (Ontario) (the "Arrangement"). The Company received gross proceeds of approximately $1,657.0 million (which includes its share of the dividend paid upon closing of the Arrangement) for its interest in Canada Bread, resulting in a pre-tax gain of $997.0 million for the year ended December 31, 2014.

Organizational Structure

The following chart summarizes the Company's current organizational structure by operating segment as at December 31, 2015 (sales figures are in millions):



(1) In addition, there are approximately 665 corporate office employees of the Company who are not employed by any particular operating segment.
(2) The Agribusiness Group sales for 2013 include revenues from operations of the Rothsay by-product recycling and biodiesel operation ("Rothsay") to the date of its sale by the Company in October 2013.

GENERAL DEVELOPMENT OF THE BUSINESS

Three-Year History

General

For the three years ended December 31, 2015, the Company has been affected by a number of factors, changes and initiatives including:

1. Effective completion of a comprehensive value creation plan commenced in 2010 designed to increase shareholder value through a number of short- and longer-term initiatives to capitalize on the scale of the Company in the domestic Canadian marketplace, including:

   (a) simplification in product formulations and manufacturing;

   (b) facility rationalization and plant consolidations;

   (c) distribution improvements; and

   (d) strategic capital investments in new manufacturing and distribution facilities and technology;
2. The Company's sale of its 90% interest in Canada Bread to Grupo Bimbo in May 2014;
3. The Company's sale of its Rothsay, Olivieri pasta, turkey processing and potato products operations in 2013; and
4. The impact of changes in the price of key inputs including pork, corn and fuel costs, the impact of currency changes and the ability of the Company to adjust prices in response to these changes.

Value Creation Plan

In the fall of 2010, the board of directors of the Company approved a comprehensive value creation plan ("Value Creation Plan") designed to significantly increase profitability and competitiveness through cost reduction and productivity enhancement. Details of this plan were announced on October 5, 2010. The Value Creation Plan includes specific and executable steps that were developed through a comprehensive assessment of the Company's operational strengths and competitive gaps. The Company determined that a productivity gap existed between Maple Leaf Foods and larger U.S. consumer packaged goods companies. Furthermore, the productivity gap was primarily due to the number of sub-scale plants within the prepared meats network that lacked the efficiency and improved technology that can be employed in larger facilities. Management concluded that there was significant opportunity to capitalize on the scale of the Company in the Canadian market place by producing its volume in a smaller number of larger facilities, allowing the Company to earn margins consistent with larger U.S. processors. These changes are also designed to protect the Company from a long-term erosion of competitiveness as U.S. competitors seek to enter the Canadian market.

The main components of the Value Creation Plan include:

1. Complexity Reduction – Standardization of sizes and formulations and elimination of lower volume and value products. These changes enable the transfer to large scale facilities.
2. Optimizing Pricing and Promotions – Margin support through effective pricing, promotions and category management strategies.
3. A Simpler, Scale Prepared Meats Supply Network – Redesign of the prepared meats supply chain to achieve savings from enhanced throughput and productivity from larger scale and new technologies; improved product yield, reduced waste and better packaging; lower total overhead and reduced labour; and, reduced shipping costs. These savings are expected to be achieved from:

   - Rationalizing Prepared Meats Network – By the end of 2014, the Company closed six smaller facilities and closed the Courtland (Kitchener, Ontario) and the Bartor Road (Toronto, Ontario) plants during 2015. The Company has also commissioned the 400,000 square foot prepared meats facility in Hamilton, Ontario and expanded three manufacturing plants in Winnipeg, Manitoba; Saskatoon, Saskatchewan; and, Brampton, Ontario.

- Increasing Productivity and Distribution Efficiencies – Consolidation of five Company-owned and numerous third-party distribution centres into two large distribution centres in Saskatchewan and Ontario was completed by the end of 2014 and both are operational.

The Company has executed the Value Creation Plan over the last five years by reducing product complexity, closing less efficient manufacturing and distribution operations and consolidating production and distribution into a smaller number of efficient scale facilities. The Value Creation Plan is substantially complete but work still remains to optimize the operations and eliminate ramp-up inefficiencies.

The Company has standardized product formulations, sizes and specifications and eliminated lower volume, lower value product lines in its prepared meats business. It has largely converted its enterprise resource planning software to SAP, replacing a number of legacy systems into one platform that provides increased controls and capabilities.

The Company has begun to realize savings from multiple sources across the organization, including:

- Enhanced throughput and productivity from larger scale and new technologies,
- Lower total overhead and reduced direct labour,
- Improved product yield, reduced waste and better packaging, and
- Reduced distribution costs.

It is anticipated that the elimination of the ramp-up inefficiencies in 2016 will enable the Company to achieve its target of a run-rate Adjusted EBITDA[1] margin of 10.0% sometime in the course of 2016.

During 2014, estimates of capital investments in the Value Creation Plan were revised to be approximately $710.0 million in aggregate between 2010 and 2015. This estimate included $620.0 million supporting the Company's prepared meats network and $90.0 million to implement SAP, both of which were substantially complete as of December 31, 2015 and in line with estimates.

Divestiture of Rothsay and Other Operations

During the fourth quarter of 2013, the Company sold its Rothsay operation for net proceeds of $628.5 million. The Rothsay operation was previously reported in the Agribusiness Group. Concurrent with the sale of the Rothsay operation, the Company entered into an agreement with the buyer for continued rendering services for its meat plants in Manitoba, Ontario and Quebec for a period of seven years on market terms. In 2013, the Company also sold its Olivieri pasta operation, its turkey processing operations in Ontario and its potato products operation.

Divestiture of Canada Bread

On May 23, 2014, Grupo Bimbo acquired the 90% of the issued and outstanding shares of Canada Bread owned by the Company by way of the Arrangement. The Company received gross proceeds of approximately $1.66 billion (which includes its share of the dividend paid upon closing of the Arrangement) for its 90% interest in Canada Bread.

In 2014 a special committee that included all of the independent directors of Maple Leaf Foods was established to oversee the strategic review process and recommend the optimal use of proceeds arising from the completion of the Arrangement to benefit both Maple Leaf Foods and its shareholders, which would include some combination of debt repayment, supporting growth in its prepared meats business, and return to shareholders. At the time of the sale, the Company announced that following consideration of the alternatives, the board of directors of Maple Leaf Foods intended that the return to Maple Leaf Foods shareholders of any available proceeds from the sale of Canada

[1] Adjusted EBITDA is defined in Management's Discussion and Analysis for the 2015 financial year.

Bread within three years of the closing date of the Arrangement would be made pursuant to one or more issuer bids. The timing, structure, price, and other terms of each issuer bid will be determined by the independent directors. In addition, and in order to protect the interests of minority shareholders, any such issuer bid will comply with the terms of Multilateral Instrument 61-101, will be conducted pursuant to a "Dutch Auction" and will be subject to a minimum deposit condition that more than 50% of the Maple Leaf Foods shareholders other than McCain Capital Inc. accept the issuer bid.

If it is determined that any one or more issuer bids could result in material adverse consequences to Maple Leaf Foods and/or its shareholders, the board of directors would consider alternative means of returning proceeds to shareholders that would be intended to have the same effect. See "Description of Capital Structure – Potential Returns of Capital to Shareholders".

This manner of returning proceeds from the Canada Bread sale to shareholders reflected the intention of the board of directors of Maple Leaf Foods at the time of the Canada Bread sale. There can be no assurance that any remaining proceeds from the Canada Bread sale will be returned to shareholders in the manner specified above or at all. The board of directors may determine to return any remaining proceeds from the Canada Bread sale in a different manner than what is specified above or may determine to retain the proceeds for other uses.

The proceeds from the sale of Canada Bread were used to repay substantially all of the Company's debt, with the balance of the funds invested in short term liquid investments or deposited with financial institutions to cash collateralize certain of its letters of credit.

With the sale of Canada Bread, Maple Leaf Foods became a focused protein company. Following the sale of Canada Bread, the Company changed its management structure and administration to fit the more narrow and focused structure of business. The Company started implementing the changes commencing on closing of the Canada Bread sale transaction. The Company has agreed to continue to provide certain information system and other services to Canada Bread's business units on a transitional basis after the closing of the sale for a period of up to two years following the sale, on a cost recovery basis. When the transitional services being provided to Canada Bread come to an end, the Company will complete the reconfiguration of its information services operations.

Normal Course Issuer Bid

On March 23, 2015, the Toronto Stock Exchange ("TSX") accepted the Company's notice of intention to commence a new Normal Course Issuer Bid ("NCIB"), which allowed the Company to repurchase, at its discretion, up to approximately 8.65 million common shares in the open market or as otherwise permitted by the TSX, subject to the normal terms and limitations of such bids. Common shares purchased by the Company are canceled. The program commenced on March 25, 2015 and was terminated subsequent to year end, on January 22, 2016, as the Company completed its purchase and cancellation of 8.65 million common shares for $194.5 million at a volume weighted average price paid of $22.48 per common share.

Changes in the Prices of Key Inputs and Changes in Currency Exchange Rates

In 2015, U.S. hog supplies rebounded from the impacts of the Porcine Epidemic Diarrhea ("PED") virus, resulting in an increase in hog production and a significant decline in hog market prices, which was offset by a weakening Canadian dollar. This is in contrast to 2014 which had record high hog prices due to low levels of production as a result of the PED virus, resulting in higher than normal input prices in the prepared meats business.

Feed grain prices declined slightly in 2015 compared to 2014; however, the weakening Canadian dollar increased prices within Canada. Feed grain prices moderated in 2014 from previous levels due to a record large crop in the year following a large corn crop in 2013. Soy meal prices were at record highs in the third quarter of 2014, as U.S. soybean stocks declined to all-time low levels requiring imports from South America to maintain adequate supplies. Overall, the negative impacts of decreased hog market prices and increased feed costs on earnings in the hog production business in 2015 were largely offset by commodity hedging programs. In 2014, reduced feed costs had a positive impact on earnings in the hog production business, although this benefit was partially offset by unfavourable impacts of commodity hedging programs.

In 2015, industry primary pork processing margins, the spread between pork cutout and hog market prices, in North America improved significantly over 2014, exceeding the five-year average margin of $5.80 USD per cwt. This is in contrast to 2014 when industry primary pork processing margins in North America improved significantly over 2013 but remained below the five-year average margin of $5.80 USD per cwt. The increase in 2015 was largely attributable to a material spike in pork belly costs during the second half of 2015. The benefit experienced in 2015 in fresh pork was mostly offset by increased input costs in prepared meats. Additionally, earnings in the prepared meats business were compressed due to increases in raw material costs, particularly bellies, hams, and trims, which outpaced pricing in the first half of the year.

The 2012 record drought in the U.S. Midwest had a significant impact on commodity prices in 2013. Higher feed costs, lower contribution from hedging programs and more hogs under management resulted in larger losses in the Company's hog production business. Although corn prices declined significantly in the second half of 2013, the natural hog growing cycle results in a delay before lower feed costs are recognized in the Company's income. During 2013, primary pork processing margins in North America also continued to remain at levels similar to 2012, which are significantly below the long-term average.

The Canadian dollar weakened relative to the U.S. dollar by 16.4% in 2015 and 6.8% in 2014, which did not have a material impact on earnings. In the short-term, a weaker Canadian dollar expands export margins in the Company's primary pork processing and hog production operations. Conversely, a weaker Canadian dollar increases the cost of raw materials and ingredients in the domestic prepared meats business. The prepared meats business is able to react to changes in input costs through pricing, cost reduction or investment in value-added products. Over the longer term, a weaker Canadian dollar increases the relative competitiveness of the domestic Canadian packaged goods operation, as imports of competing products from the United States become less competitive. Similarly, the Company also has a greater ability to export into the U.S. market.

During 2015, the Japanese yen increased in value relative to the Canadian dollar by 1.0% versus 2014 when the Japanese yen declined in value relative to the Canadian dollar by 1.0%. Neither had a material impact on earnings. In general, an increase in the Japanese yen strengthens export margins to Japan in the Company's fresh pork business while a decline in the Japanese yen compresses export margins to Japan in the Company's primary pork processing business. The Company ultimately seeks to manage pricing to offset the impact of currency fluctuations. During 2013, the Japanese yen declined in value relative to the Canadian dollar, driven by monetary policy changes implemented by the central Bank of Japan. Price increases to offset the impact of currency fluctuation were difficult in 2013 as the Japanese marketplace became more competitive due to lower global exports to other major international markets, in particular Russia and China.

Sustainability

In 2015, the Company launched a comprehensive sustainability strategy focused on advancement in four areas: nutrition and health, people and communities, animal care and environmental sustainability. The Company's goal is to deeply embed sustainability in how it operates and create business value through addressing social and environmental issues. As people increasingly focus on what is in their food and how it is produced, there is significant opportunity in building leadership in sustainable meat by producing more natural, nutritious foods; lending our voice and resources to address the critical issue of food insecurity; implementing a strong animal care program; and reducing our environmental footprint. The Company reports on its progress against its sustainability goals using the Global

Reporting Initiative (GRI) Standards for Sustainability Reporting and posts an annual report to its sustainability website (www.mapleleafsustainability.ca). This website is also regularly updated with other developments.

Maple Leaf Food's Sustainability Priorities

The Company has defined four sustainability priorities and areas of focus:

Advance Nutrition and Health

There is significant commercial and social benefit to advancing the nutrition and health benefits of the Company's products. Maple Leaf Foods continues to advance the use of simpler, natural ingredients, reducing or eliminating antibiotic use in animal production, and reducing sodium levels to comply with Health Canada guidelines. A comprehensive analysis of artificial ingredients, sodium, protein levels, minerals and other ingredients is underway in order to develop a comprehensive plan to advance nutrition and simplify ingredients across the portfolio.

Value its People and Communities

The Company values a strong culture that keeps people safe, rewards excellence and empowers employees to learn and contribute their best. This includes a robust workplace safety program, which has driven continuous material reductions in workplace accidents. The Company is committed to being a destination for top talent, supported by leadership and career development, training and developing a formalized diversity and inclusion strategy. The Company is also increasing its engagement in responding to the critical national and global issue of hunger, through a comprehensive community involvement program that will advance sustainable food security.

Treat Animals Well

In 2015, the Company launched a formal Animal Care Commitment that articulates the principles, goals and actions it will take to become a leader in animal care. This includes advancing a culture of animal care through communications, education and training; robust policies and procedures; regular reporting of performance and conducting frequent, rigorous internal and independent audits; advancing best practices and technologies based on sound science; and providing clear, fact-based communication of goals, performance and progress.

Eliminate Waste

The Company is committed to reducing its environmental footprint by 50% by 2025, encompassing the three areas where the Company has the largest environmental impact: climate change, water usage and waste reduction. Utility, water and waste audits were initiated in 2015 and will be completed in 2016. The Company has begun to identify opportunities to advance environmental goals in these three areas. The Company will be implementing environmental sustainability action plans commencing in 2016.

Acquisitions, Dispositions and Capital Expansions

The specific acquisitions, dispositions, capital expansions and conditions that have influenced the general development of the business in each of the operating segments over the last three fiscal years are discussed below.

Meat Products Group

In connection with the Value Creation Plan described above, the Company implemented short- and long-term initiatives aimed at building significant and sustainable shareholder value. The longer term initiatives include plant consolidations and strategic capital investments in new manufacturing capacity and technology.

During 2014, estimates of capital investments in the Value Creation Plan were revised to be approximately $710.0 million in aggregate between 2010 and 2015. This estimate included $620.0 million supporting the Company's prepared meats network and $90.0 million to implement SAP, both of which were substantially complete as of December 31, 2015 and in line with estimates.

Included in this investment is the new 400,000 square foot scale plant in Hamilton, Ontario, that is focused on production of wieners and deli meats and is now fully operational. The transfer of production and closure of legacy plants is now complete. In 2016, the Company expects to continue to work on the elimination of ramp-up inefficiencies. Also included in this investment are expansions and upgrades of three other existing facilities in Saskatoon, Saskatchewan; Winnipeg, Manitoba; and, Brampton, Ontario. The Saskatoon facility specializes in production of cooked smoked sausages and meat snacks; the Winnipeg plant consolidates value-added ham and bacon processing; and the Brampton location focuses on the production of boxed meats and fresh and frozen sausages. The Company's plant in Kitchener, Ontario closed in February 2015 and the last remaining legacy plant in Toronto, Ontario closed in April 2015. The Company's legacy plants in Hamilton, Ontario, Toronto, Ontario and Moncton, New Brunswick and a small facility in Winnipeg, Manitoba were closed by the end of 2014 and the plant in North Battleford, Saskatchewan was closed in early 2013 as production was consolidated into the three expanded plants and the new facility in Hamilton, Ontario. These changes have increased the Company's operating efficiencies and lowered costs.

The Company also simplified its distribution network by consolidating five Company-owned and numerous third-party distribution centres into two facilities. The facility in Guelph, Ontario to service eastern Canada was commissioned in mid-June 2013 and was fully functional by the end of 2014. The Burlington, Ontario and Kitchener, Ontario distribution centres were closed in 2013; and, the Moncton, New Brunswick distribution centre closed at the end of February, 2014. An existing facility in Saskatoon, Saskatchewan now serves as the western Canadian distribution hub.

The Company's strategy for pork production is to supply pork for the Company's prepared meats operations. In 2015, the Brandon, Manitoba and Lethbridge, Alberta plants processed an aggregate of approximately 73,300 hogs per week, down from the 74,500 hogs per week processed in 2014 and the 80,400 hogs per week processed in 2013.

The redundant Ayr, Ontario poultry processing facility closed in May 2012 was sold in May 2013 for $2.0 million.

In early January 2013, the Company closed a transaction selling the Lethbridge, Alberta potato processing facility to Cavendish Farms, an affiliate of J.D. Irving Ltd., from which the Company realized proceeds of approximately $58.1 million, which were used to pay down debt.

In the first quarter of 2013, the Saskatoon, Saskatchewan cooked sausage plant expansion was completed. The Winnipeg, Manitoba bacon plant expansion was also completed and commissioning was completed in 2014. The Saskatchewan bacon facility was closed in the second quarter of 2013. Consolidation of the fresh and frozen sausage facilities in Brampton, Ontario was completed in 2013. The new Hamilton, Ontario prepared meats facility was commissioned and operational in the second half of 2014.

Rationalization of the Company's products continued with approximately 2,100 stock keeping units ("SKUs") changed, rationalized or eliminated by the end of 2013. The SKU rationalization was undertaken to assist in realizing the benefits of scale facilities, technology and the distribution strategy, and should result in more efficient production scheduling, few changeovers on manufacturing lines, increased capacity and less waste.

In July 2013, the assets of the Thamesford turkey breeding and hatchery operation were sold to Cuddy Farms Limited 2008 and the Thamesford turkey growing and sale, composting and gravel pit operations were sold to Ernald Enterprises Limited for net proceeds of $46.3 million resulting in a pretax gain of $9.7 million. The terms of the latter transaction include a supply agreement respecting the long-term supply of live turkeys to Maple Leaf Foods from Ernald Enterprises Limited, ensuring a continuing supply to the Company's primary processing facility in Thamesford, Ontario.

During the third quarter of 2013, the Company sold the remaining assets of a poultry farm and related production quota in Brooks, Alberta, originally purchased on February 1, 2012, and immediately classified it in the financial statements as assets held for sale. The Company purchased the operations and production quotas for a cash purchase price of $31.1 million. The acquisition was accounted for as a business combination. In 2012, the Company sold $8.0 million of the production quotas. In the second quarter of 2013, the Company sold assets for proceeds of $8.3 million. In the third quarter of 2013, the Company sold the remaining assets for proceeds of $12.9 million.

Also during the third quarter of 2013, the Company sold an investment property located in Aurora, Ontario, for gross proceeds of $1.8 million.

During 2015, the Company sold redundant properties in Hamilton, Ontario; Burlington, Ontario; and two properties in Winnipeg, Manitoba. The Hamilton location was leased back for a period of one year.

Pricing

The Company's profitability is dependent, in large part, on the Company's ability to make pricing decisions regarding its products that on one hand encourage consumers to buy, yet on the other hand recoup development and other costs associated with those products. Products that are priced too highly will not sell and products priced too low will not generate an adequate return. Accordingly, any failure by the Company to properly price its products could have a material adverse effect on the Company's financial condition and results of operations.

Agribusiness Group

In 2014 and 2015, the Company continued to streamline its operations to reduce costs.

The number of finished hogs produced by the Company was approximately 1.47 million in 2015. This compares with 1.41 million hogs in 2014 and 1.35 million hogs in 2013. The Company effectively owned 39% of the hogs that it processed in its facilities in 2015. In 2014 and 2013, the Company effectively owned 38% and 35.5% respectively of the hogs that it processed in its facilities.

The sale of the Rothsay by-product recycling and biodiesel business to Darling International Inc. closed in October 2013. The net proceeds of the sale, approximately $628.5 million, were initially used to pay down debt.

DESCRIPTION OF THE BUSINESS

General

Maple Leaf Foods believes that its portfolio of brands, product lines and selling channels provides the Company with a diversified revenue stream. The Meat Products Group and the Agribusiness Group are complementary. While the primary processing operations in the Meat Products Group are somewhat cyclical, the consumer foods operations of the Meat Products Group are not. As a result, the results of the non-cyclical operations provide an offset to the results of the cyclical operations. The Value Creation Plan described in "General Development of the Business – Three Year History" above is intended to simplify the Company's operations by reducing complexity and costs and by leveraging scale and technology.

The Company's customers are located in approximately 25 countries worldwide. While domestic sales in Canada represent the majority of the Company's revenues, a significant portion of the Company's sales are derived from international markets such as the United States and Japan. Maple Leaf Foods' customers include retail and food service outlets, and other food processors.

For the year ended December 31, 2015, the Company reported sales to one customer representing approximately 14.0% of total sales. These revenues were reported in the Meat Products Group. No other sales were made to any one customer that represented in excess of 10% of total sales. The Company reported sales to two customers representing 15.5% and 11.1% of total sales from continuing operations for the year ended December 31, 2014. No other sales were made to any one customer that represented in excess of 10% of total sales for the year ended December 31, 2014. Maple Leaf Foods' largest customers typically purchase many different food products from the Company.

MEAT PRODUCTS GROUP

General

The Meat Products Group includes value-added prepared meats, lunch kits and snacks, and fresh pork and poultry products sold under leading Canadian brands such as Maple Leaf®, Schneiders® and many leading regional brands. Meat products are sold to consumers through retailers, food service and industrial channels. The Company also operates an international export business through a network of four offices located in Canada, Korea, Japan and Hong Kong that is focused on the sale of chilled and frozen pork and value-added meats and meals and on serving the needs of the Company's strategic international customers.

The Company has processing plants and distribution centres across Canada with a sales organization across both Canada and the United States.

The Company routinely introduces new products for consumers and its foodservice customers under its established brands – *Maple Leaf*®, *Maple Leaf Prime*® and *Schneiders*® – and under established and new sub-brands such as *Pepperettes*®, *Hot Rod*®, *Maple Leaf Natural Selections*®, *PROTINIS*™, *Country Naturals*®, *Mina*™ and *Greenfield Natural Meat Co.*™. The new products are derived from chicken, pork and turkey and include fresh and frozen meat offerings, ready-to-heat refrigerated entrees, family-size deli offerings, ethnic offerings, frozen pizza snacks, lunch kits and fresh protein snacks. The Company sold its *Collection Artisan*® trademarks in 2012 but continues to exclusively produce the products for the purchaser for an indefinite period.

Principal Products and Markets

The Company's products include bacon, hams, wieners, meat snacks, a wide variety of delicatessen products, processed chicken products such as fully cooked chicken breasts and wings, processed turkey products such as fully cooked turkey breast roasts, specialty sausage and deli products, a complete line of cooked meats, sliced meats, cooked sausage products, lunch kits, lard and canned meats. The Company produces and markets a broad line of value-added meats and meals under a variety of national brand names such as *Maple Leaf®*, *Schneiders®*, *Mina™*, *Greenfield Natural Meat Co.™*, *Shopsy's®*, *Hygrade®* and other leading regional brands, as well as supplying private label brands. The Company markets its products to major grocery store chains, independent grocery outlets, and retail and wholesale buying groups. Products are sold primarily in Canada and the United States. In addition, prepared meats, pork and poultry products are sold to food service distributors for subsequent sale to restaurants, institutions and other food service establishments.

The Company's products also include fresh primal and value-added pork cuts, fresh cut-up and whole chicken and turkey products and frozen whole birds and turkey parts. Pork is sold under the *Maple Leaf*, *Lethbridge Heritage Pork™* and *Greenfield Natural Meat Co.™* brands. Chickens are sold under the *Maple Leaf Prime®*, *Maple Leaf Prime Naturally®* and *Mina™* brands as a value-added branded line of fresh poultry products. Turkey is sold under the *Maple Leaf Prime®* and *Cold Springs Farm®* brands. Most of the chicken produced is sold in fresh form while turkey is sold in both fresh and frozen formats. Primary customers are retail grocery store chains, the food service industry, institutional buyers and other food processors. There are significant sales of pork products outside of Canada, principally in Japan and the United States. The Company also prepares turkey meat into cooked and uncooked value-added turkey products. The prepared value-added turkey products are sold to retailers, distributors and food service companies. The Company offers a growing selection of protein sources from animals raised without the use of antibiotics ("RWA" in Canada, commonly referred to as Antibiotic-Free or "ABF" in the United States).

Raw Materials

The majority of the hogs procured by the Company are sourced through direct contracts with producers with terms from one to five years with varying pricing mechanisms and premiums for livestock with specific quality characteristics. The availability of hogs is limited by the size of the herds in the general location of the plants. As described in more detail below under *Description of the Business – Agribusiness Group*, in 2015 the Company effectively owned 39% of the hogs that it processed in its hog slaughter facilities. Under the contracts, producers gain access to risk management tools.

Poultry processing operations in Canada function within a highly regulated environment where live supply is controlled by marketing boards and other government agencies. All of the Company's live chicken and turkey supply for its processing operation is purchased through supply marketing boards that regulate both the supply and the cost of the Company's primary raw material. The Company's raw material requirements (other than the significant amount of fresh pork and poultry produced in its own plants) are purchased as commodities on the open market, either directly from suppliers or through brokers in Canada or the United States, with prices fluctuating based on demand and available supply.

Most of the Company's raw materials for further processing are sourced internally for pork and poultry with the balance of supplies required to meet demand purchased externally at market prices. A number of finished products are purchased through co-packing agreements with outside suppliers. Subject to the comments above regarding live hog and poultry supply, the raw materials necessary for the operation of the Company's Meat Products Group are readily available.

Markets and Competition – Meat Products Group

The Meat Products Group currently holds the number one or number two national market share position in almost all of its core product segments. While the number of competitors and the degree of competition varies by product and region, the meat industry in Canada is highly competitive and includes competition from foreign manufacturers. Major competitors include several multinational food companies, and national and regional manufacturers. The markets for fresh pork are international, and the Company competes with large pork processors located in the United States and throughout the world. The Company is a significant purchaser of live hogs in Canada and competes with both Canadian and United States processors for hog supply. In the fresh pork and poultry operations, the Company's financial results are influenced by market prices for live hogs and chickens.

The Company is continuing in its efforts to minimize the influence of underlying commodity prices by focusing on value-added products, and by increasing operating efficiencies in order to improve its competitive position. The Company also attempts to minimize the overall impact of these commodity prices through its balanced portfolio of production and processing operations, as its hog production operations benefit from high hog prices and profits are usually countercyclical to the fresh pork operations.

Consumer demand for meat products is seasonal, with demand increasing during the summer months for barbecue products and during the winter months for fully cooked ready-to-serve products. Strong demand for grilled meat products affects the fresh and processed meats operations in the summer, while back-to-school promotions support increased sales of sliced meats and lunch items in the fall. The market for turkey and ham products is seasonal with a higher level of sales in the festive seasons (September to December and to a lesser extent, in March and April).

AGRIBUSINESS GROUP

The Agribusiness Group manages and produces live hogs, including providing its own hog feed. The Agribusiness Group conducts its business under the operating division Maple Leaf Agri-Farms. The Rothsay operation, which previously formed the largest part of the Agribusiness Group, was sold in October 2013.

Maple Leaf Agri-Farms

General

Maple Leaf Agri-Farms is a hog production operation with approximately 200 production locations in Manitoba and Saskatchewan, with approximately 65,500 sows under management at the end of 2015. The Company owns all of the sows in the barns which it manages and owns a number of nursery barns where weanlings are converted to feeder pigs. The Company grows additional weanlings in nursery barns leased by Maple Leaf Agri-Farms. Most of the feeder pigs are converted to market hogs in third-party owned and operated finishing barns under contracts of up to five years. The Company also owns five feed mills in Manitoba which produce in excess of 635,000 tonnes of animal feed annually, primarily used to feed the Company's hogs.

In 2015, the Company produced approximately 1.47 million hogs compared to 1.42 million hogs in 2014 and 1.35 million in 2013. The Company effectively owns approximately 39% of the hogs that it processed in its hog slaughter facilities.

Principal Products and Markets

Maple Leaf Agri-Farms' market hogs are sold to the Company's pork processing plant in Brandon, Manitoba.

Raw Materials

Maple Leaf Agri-Farms purchases breeding stock, feeds and medication, each of which is readily available at competitive prices. The Company owns five feed mills in Manitoba which are used primarily to service the internal animal feed requirements of the Maple Leaf Agri-Farms hog operations. The mills purchase grains and pre-mixes to manufacture finished feed rations, both of which are readily available.

Rothsay Rendering

General

Maple Leaf Foods' Rothsay rendering operation was sold to Darling International Inc. in October 2013. The sale included the six rendering plants which process inedible products, and a biodiesel plant which processes animal fat and used cooking oils into a diesel fuel substitute.

Markets and Competition – Agribusiness Group

The hogs produced by Maple Leaf Agri-Farms are sold to the Company's pork plants for processing. Maple Leaf Agri-Farms faces competition from other hog production systems for nursery and finishing barn spaces.

FOREIGN OPERATIONS

In 2015 the Company derived approximately 80% of its revenue from sales in Canada, approximately 9% from sales in Japan and approximately 6% from sales in the United States, and the balance from sales in other global markets.

The Company operates an international export business through a network of offices located in Canada, Korea, Japan and Hong Kong that is focused on the sale of chilled and frozen pork and value-added prepared meats and meals and on serving the needs of the Company's strategic international customers. The Company markets a number of products outside of Canada including value-added prepared meats, pork and poultry products. There are significant sales of pork products in Japan, the United States, Mexico and Korea. The Company's performance is affected by global market demand, prices, foreign exchange fluctuations as well as trade barriers.

INTANGIBLE PROPERTY – TRADEMARKS AND PATENTS

As a food products company, Maple Leaf Foods relies heavily on brand recognition and loyalty, and places a great deal of emphasis on its established range of trademarks. The Company believes its brands are recognized by consumers for quality and reliability.

The Company's key trademarks in its Meat Products Group are presented below.

Maple Leaf®
Maple Leaf Prime®
Maple Leaf Prime Naturally®
Maple Leaf Natural Selections®
Maple Leaf Simply Savour®
Schneiders®
Schneiders Country Naturals™
Greenfield Natural Meat Co.™
Mina™
LunchMate®
Top Dogs®
Shopsy's®
Mitchell's Gourmet Foods®

Hygrade®
Larsen®
Cappola™
Holiday®
Ready Crisp®
Klik®
"Kam"®
Burns®
Olympic®
Parma®
Sunrise®
Pepperettes®
Hot Rods®

Other than the trademark *Maple Leaf®*, the Company does not have any key trademarks in its Agribusiness Group.

Patents and other forms of intellectual property such as industrial designs and copyright are of less importance to the business activities of the Company.

ENVIRONMENTAL MATTERS

Maple Leaf Foods operates within the framework of an environmental policy entitled "Our Environmental Commitment" that is approved by the Environment, Health and Safety Committee of the board of directors. In particular, the policy requires the Company to include environmental matters in its strategic planning, monitor environmental performance, educate its employees on environmental protection principles, seek ways to continually improve discharges to land, water and air, reduce waste and conserve resources, meet or exceed environmental laws and regulations, and work with communities in which we operate to ensure that management and employees are sensitive and responsive to local environmental concerns. The Company's environmental program is monitored on a regular basis by the Committee, and involves the monitoring of compliance by the Company with regulatory requirements, and the use of internal environmental specialists and independent, external environmental experts. The Company continues to invest in environmental infrastructure related to water, waste and air emissions to ensure that environmental standards continue to be met or exceeded, while implementing procedures to reduce the impact of its operations on the environment. In 2015, the Company closed a number of facilities as part of its Value Creation Plan. In each case, environmental assessments were done to ensure that environmental matters were appropriately addressed during decommissioning activities. As a large food company, there are health, environmental, and social issues that go beyond short term profitability that management believes must shape its business if the Company is to realize a sustainable future. Increasingly, sound environmental and sustainability practices are becoming a key component of maintaining a competitive advantage. The Company approved a set of metrics for measuring progress on sustainability for key focus areas such as climate change, water consumption reduction and waste reduction. These metrics are supported by an aggressive target to reduce the Company's environmental footprint by 50% by 2025 (20% by 2020). As part of its environmental sustainability initiatives, the Company commissioned comprehensive utility (energy, gas, water) audits at 12 of its largest facilities. 29 solid waste audits were also performed across the country, and audit results will lead to environmental sustainability action plans at each site to deliver on the 50% by 2025 goals. Expenditures related to current environmental requirements are not expected to have a material adverse effect on the financial position or earnings of the Company. There can be no assurance, however, that certain events will not occur that will cause expenditures related to the environment to be significant and have a material adverse effect on the Company's financial condition or results of operations. Such events could include, but not be limited to additional environmental regulation or the occurrence of an adverse event at one of the Company's locations.

EMPLOYEE RELATIONS

As of December 31, 2015, the Company employed approximately 11,500 people, of which about 7,740 were covered by some 20 collective agreements. These agreements are normally negotiated for varying terms, and in any given year, a number of these agreements expire and are renegotiated; most renew without significant issue. However, if a collective agreement covering a significant number of employees or involving certain key employees were to expire leading to a work stoppage, there can be no assurance that such work stoppage would not have a material adverse effect on the Company's financial condition and results of operations.

Key collective agreements to be negotiated in 2016 include the manufacturing plants located at Port Perry and Walker Road, Ontario, and the power plant (engineers) servicing the poultry facility at Thamesford, Ontario.

RISK FACTORS

The Company operates in the food processing and agricultural business, and is therefore subject to risks and uncertainties related to these businesses that may have adverse effects on the Company's results of operations and financial condition.

These risks and uncertainties are described under the heading "Risk Factors" in the Company's Management's Discussion and Analysis ("MD&A") for the fiscal year ended December 31, 2015 and incorporated by reference herein. The Company has filed the MD&A with the Canadian securities regulators and it is available on SEDAR at www.sedar.com.

CORPORATE STRUCTURE

Name, Address and Incorporation

Maple Leaf Foods Inc./Les Aliments Maple Leaf Inc. is incorporated under the *Canada Business Corporations Act*. It was incorporated on August 13, 1927, although portions of the business originated before 1900. The Company's registered and principal office is located at 6985 Financial Drive, Mississauga, Ontario L5N 0A1.

Intercorporate Relationships

As at December 31, 2015, no operating subsidiary of the Company had total assets that constituted more than 10% of the consolidated assets of the Company, or total consolidated sales and operating revenues that exceeded 10% of the consolidated sales and operating revenues of the Company.

DESCRIPTION OF CAPITAL STRUCTURE

The authorized share capital of the Company currently consists of an unlimited number of common shares, an unlimited number of non-voting common shares (the "non-voting securities") and an unlimited number of preferred shares issuable in series. As of March 21, 2016, the issued capital of the Company consisted of 134,571,289 common shares. There are no non-voting common shares and no preferred shares issued and outstanding.

Holders of common shares are entitled to one vote at all meetings of shareholders. In addition, holders of common shares are entitled to dividends if, as and when declared by the board of directors of the Company and, in the event of the liquidation, dissolution or winding-up of its affairs, to a pro rata share of the assets of the Company after payment of all liabilities and obligations of the Company. There are no pre-emptive, conversion or redemption rights attaching to the common shares.

On July 28, 2011, the board of directors of the Company approved and adopted a shareholder rights plan agreement. The shareholder rights plan agreement was subsequently amended and restated on December 5, 2011 (as amended and restated, the "rights plan"). The rights plan is designed to allow the board of directors of the Company and its shareholders sufficient time to consider fully any transaction involving the acquisition or proposed acquisition of 20% or more of the outstanding common shares of the Company. In particular, the rights plan allows the board of directors of the Company time to consider all alternatives to such a transaction and to ensure the fair treatment of shareholders should any such transaction be initiated. The rights plan was not adopted in response to any actual or anticipated transaction. One right has been issued with respect to each common share of Maple Leaf Foods issued and outstanding as of the close of business on July 27, 2011. Should an acquisition or proposed acquisition of 20% or more of the outstanding common shares of the Company occur or be announced, under certain circumstances each right would, upon exercise, entitle a rights holder, other than the acquiring person and related persons, to purchase common shares of Maple Leaf Foods at a 50% discount to the market price at the time. The rights plan was approved by the shareholders of the Company at a special meeting held on December 14, 2011 and accepted by the TSX on December 21, 2011. The rights plan was reapproved by shareholders at the 2014 annual meeting and therefore remains in effect. As required, the rights plan must next be submitted to the 2017 annual meeting of shareholders for reconfirmation. The text of the rights plan is available on SEDAR at www.sedar.com.

The non-voting securities carry rights identical to those of the common shares except as hereinafter described. Except as required by law, the holders of the non-voting securities as a class are not entitled as such to vote at any meeting of the shareholders of the Company. Further, the holders of the non-voting securities are not entitled to vote separately as a class, and are not entitled to dissent, upon a proposal to amend the articles to (a) increase or decrease any maximum number of authorized non-voting securities resulting from a subdivision or consolidation respectively; (b) increase any maximum number of authorized shares of a class or series of a class having rights or privileges equal or superior to the non-voting securities; (c) effect an exchange, reclassification or cancellation of the non-voting securities; or (d) create a new class or series of a class of shares equal or superior to the non-voting securities, unless the holders of non-voting securities are being affected by such amendment in a manner differently from the holders of common shares. The non-voting securities may be converted at any time by the holder or holders thereof into fully-paid common shares on the basis of one common share for one non-voting security. In addition, if, at any time, a current holder of non-voting securities transfers all or a portion of the non-voting securities held by such holder to another person, the shares being transferred shall be automatically converted upon such transfer into fully-paid common shares of the Company on the basis of one common share for each non-voting security. The conversion will occur simultaneously upon the completion of such transfer, without any further action by the Company or any other person, so that the transferee will be a holder of common shares equal in number to the non-voting securities transferred by the transferor. **The holders of the non-voting**

securities have no express right to participate in a take-over bid made for the common shares of the Company. Such holders, however, may convert their non-voting securities into common shares and participate in a take-over bid in that manner. These non-voting securities may be considered "restricted securities" under National Instrument 51-102 – Continuous Disclosure Obligations, as the common shares of the Company which are publicly traded carry a greater vote per security relative to the non-voting securities (described above).

The preferred shares are issuable in one or more series. As of the date hereof, no series of preferred shares has been created and no preferred shares have been issued. Each series of preferred shares is to rank equally with any other series of preferred shares in respect of redemption, the payment of dividends, the return of capital and the distribution of assets in the event of the liquidation, dissolution or winding up of the Company, whether voluntary or involuntary. Each series of preferred shares shall have priority over the common shares, the non-voting securities and any other class of shares of the Company ranking junior to the preferred shares with respect to redemption, the payment of dividends, the return of capital and the distribution of assets in the event of the liquidation, dissolution or winding up of the Company. The preferred shares of any series may also be given such preferences, not inconsistent with the general provisions of the class, over the common shares, the non-voting securities and over any other class of shares of the Company ranking junior to the preferred shares, as may be determined by the board of directors of the Company. The holders of each series of preferred shares shall be entitled to receive cumulative dividends as and when declared by the board of directors of the Company at a rate per share per annum as determined by the board of directors of the Company, acting in good faith, provided such rate per annum does not exceed by more than 2.0% the yield to maturity of an unsecured bond with a comparable credit rating issued by a "comparable issuer" on the date the rights, privileges, restrictions and conditions attaching to the shares of such series of preferred shares are determined or such other date as close as practicable to such date, such bond having the same or as close as possible term to maturity as is equal to the period until the series of preferred shares are first redeemable in whole or in part. A "comparable issuer" refers to an issuer selected by the board of directors of the Company as being comparable to the Company in terms of industry focus and whose outstanding unsecured long-term debt securities have a comparable credit rating (being a credit rating that is the same or that is the closest as possible to the credit rating of the outstanding long-term debt securities of the Company). No series of preferred shares shall be convertible into any other class of shares of the Company. Each series of preferred shares shall be redeemable by the Company on such terms as determined by the board of directors of the Company. Holders of preferred shares shall not be entitled to receive notice of, to attend or to vote at any shareholders' meeting of the Company except as provided by law, or upon an event of default by the Company where the board of directors of the Company has not declared the whole dividend on the particular series of preferred shares in any period and in that event, such holders shall be entitled to receive notice of, to attend and to vote at the shareholders' meetings (with one vote for each share held), which voting rights shall cease upon payment by the Company of the dividend to which holders are entitled. Whenever a share of any series of preferred shares is to be issued, the total number of such series of preferred shares to be issued shall be limited such that the aggregate value of all preferred shares of all series issued and outstanding, including the value of the preferred shares of such series to be issued (based on the issuance price per share of each preferred share) shall not exceed 25% of the market capitalization of the common shares (the aggregate value of the common shares and non-voting securities issued and outstanding calculated based on the volume weighted average trading price of the common shares on the TSX for the five (5) trading days immediately preceding 5:00 p.m. on the date on which the board of directors determines the issuance price per share of the series of preferred shares to be issued). **The holders of preferred shares may not have an express right to participate in a take-over bid made for the common shares of the Company.**

The Company has a committed unsecured revolving debt facility with a principal amount of $200.0 million. During 2015, the Company amended this credit facility by extending its maturity date to June 30, 2016. This facility can be drawn in Canadian dollars and U.S. dollars and bears interest based on bankers' acceptance rates for Canadian dollar loans and U.S. prime rate and LIBOR for U.S. dollar loans. As at December 31, 2015, $60.3 million of the revolving debt facility had been utilized in the form of letters of credit. In addition, the Company has an uncommitted credit facility for issuing up to a maximum of $120.0 million letters of credit. As at December 31, 2015, $79.4 million of letters of credit had been issued thereunder. These letters of credit have been collateralized with a similar amount of cash.

The Company and its subsidiaries have various government loans on specific projects with interest rates ranging from non-interest bearing to 2.9% per annum. These facilities are repayable over various terms from 2022 to 2025. As at December 31, 2015, the total amount outstanding pursuant to these facilities was $10.7 million.

Potential Return of Capital to Shareholders

In connection with the sale of Canada Bread, the board of directors of Maple Leaf Foods determined that the return to Maple Leaf Foods shareholders of any available proceeds from the sale of Canada Bread (not used for debt repayment and not used or retained for investment in the Company's business) within three years of the closing date of the transaction would be in accordance with the following principles:

1. The return of capital would be by way of one or more issuer bids.
2. The timing, structure, price and other terms of each issuer bid would be determined by independent directors.
3. In order to protect the interests of minority shareholders, any such issuer bid would:
   a. comply with the terms of Multilateral Instrument 61-101, which among other things requires disclosure of the impact the bid may have on the voting interest of certain other shareholders, in particular, control persons such as McCain Capital Inc. and in certain circumstances may require a formal valuation;

   b. be conducted pursuant to a "Dutch Auction";

   A "Dutch Auction" tender process allows shareholders to individually select the price, within a range specified by the Company, at which they would be willing to sell all or a portion of their shares to the Company. The purchase price per share ("Purchase Price") selected by the Company would be the lowest tendered price within the range of prices that allows the Company to purchase the maximum number of shares having an aggregate Purchase Price not exceeding the amount of money to be returned to shareholders. All shares tendered at or below the selected price level (or a prorated number) would be bought at the Purchase Price. None of the shares tendered at prices higher than the Purchase Price would be purchased.

   In the event that the number of shares tendered exceeds the aggregate Purchase Price, then the Company will purchase the shares on a pro-rata basis from all shareholders who tendered at or below the Purchase Price; and,

   c. be subject to a minimum deposit condition that more than 50% of the Maple Leaf Foods shareholders other than McCain Capital Inc. accept the issuer bid. If less than 50% of the shares outstanding at the time (other than shares held by McCain Capital Inc.) are tendered to the bid, the issuer bid will would be abandoned.
4. If it is determined that any one or more issuer bids could result in material adverse consequences to Maple Leaf Foods and/or its shareholders, the board of directors of the Company would consider alternative means of returning proceeds to shareholders that would be intended to have the same effect.

The board of directors of the Company has determined that this manner of returning available capital to shareholders allows individual shareholders to choose, based on their own circumstances and investment objectives, whether to participate in the return of capital or, for shareholders who do not tender to the issuer bid, have their equity and voting interest proportionately increased. In addition to the other requirements, the requirement for the 50% deposit condition ensures that the Purchase Price for the shares is one which is satisfactory to holders of a majority of shares outstanding other than the shares held by Michael H. McCain and McCain Capital Inc.

Note that the summary above is indicative of the intention of the board of directors of the Company at the time of the Canada Bread transaction and based on how similar Dutch Auctions have been conducted in the past. As noted above, the timing, structure, price and other terms of each issuer bid would be determined by independent directors at the time of each such issuer bid.

This manner of returning proceeds from the Canada Bread sale to shareholders reflected the intention of the board of directors of Maple Leaf Foods at the time of the Canada Bread sale. There can be no assurance that any remaining proceeds from the Canada Bread sale will be returned to shareholders in the manner specified above or at all. The board of directors may determine to return any remaining proceeds from the Canada Bread sale in a different manner than what is specified above or may determine to retain the proceeds for other uses.

Normal Course Issuer Bid

On March 23, 2015, the TSX accepted the Company's notice of intention to commence a new NCIB, which allowed the Company to repurchase, at its discretion, up to approximately 8.65 million common shares in the open market or as otherwise permitted by the TSX, subject to the normal terms and limitations of such bids. Common shares purchased by the Company are canceled. The program commenced on March 25, 2015 and was terminated subsequent to year end, on January 22, 2016, as the Company completed its purchase and cancellation of 8.65 million common shares for $194.5 million at a volume weighted average price paid of $22.48 per common share. During the year ended December 31, 2015, 8.14 million shares were purchased for cancellation for $182.5 million at a volume weighted average price paid of $22.44 per common share.

The NCIB was adopted in order to counteract the effect of dilution to shareholders from the exercise of employee share options and other equity compensation and not as a means of returning capital to shareholders.

DIVIDENDS

The declaration and payment of dividends is at the discretion of the board of directors of the Company. The board of directors of the Company intends to maintain a stable dividend and, where appropriate, change the dividend on the basis of the stability of the Company's earnings and stock price appreciation. During each of the fiscal years ended December 31, 2013, and 2014, the Company declared an aggregate yearly dividend of $0.16 per common share payable quarterly. During the fiscal year ended December 31, 2015, the Company declared an aggregate dividend of $0.32 per common share payable quarterly. On February 29, 2016, the board of directors increased the quarterly dividend to $0.09 per share ($0.36 per annum) commencing with the dividend payable on March 31, 2016. It is anticipated that the increased quarterly dividend payment will continue through 2016. It is also currently anticipated that the full amount of the dividends to be paid in 2016 will be considered eligible dividends for the purposes of the "Enhanced Dividend Tax Credit System".

MARKET FOR SECURITIES

The Company's common shares are listed on the TSX under the stock market symbol "MFI" and also trade on alternative Canadian marketplaces. The greatest trading volume is on the TSX. The following table outlines the price range and trading volume of the common shares for each month of the last fiscal year on the TSX.

Month (2015)	High	Low	Volume Traded
December	$24.20	$21.42	4,564,549
November	$22.50	$19.51	3,937,906
October	$22.80	$20.60	5,287,708
September	$23.09	$21.38	5,200,958
August	$23.56	$19.03	5,200,373
July	$24.24	$22.56	5,532,038
June	$24.20	$23.12	4,781,076
May	$24.05	$22.37	4,304,834
April	$24.07	$22.19	4,000,533
March	$23.75	$21.31	4,681,548
February	$23.04	$20.58	5,137,299
January	$20.67	$18.89	4,791,439

DIRECTORS AND OFFICERS

The following table sets forth each director's name and municipality of residence, the year in which he or she became a director, and his or her principal occupation. Directors are elected to hold office until the next annual meeting of the shareholders or until a successor is elected or appointed. The information is given as at March 21, 2016 as follows:

Name and Municipality of Residence	Director Since	Principal Occupation
William E. Aziz (1) (4) Oakville, Ontario, Canada	2014	President and Chief Executive Officer BlueTree Advisors II Inc. *(private management advisory firm)*
W. Geoffrey Beattie (2) (3) Toronto, Ontario, Canada	2008	Chief Executive Officer Generation Capital *(investment management firm)*
Gregory A. Boland (2) (4) Toronto, Ontario, Canada	2011	President & Chief Executive Officer West Face Capital Inc. *(investment manager)*
John L. Bragg (1) (3) Collingwood, Cumberland County, Nova Scotia, Canada	2008	Chairman, President and Co-Chief Executive Officer Oxford Frozen Foods Limited *(food manufacturing company)*
Ronald G. Close (1) (2) Toronto, Ontario, Canada	2015	Corporate Director
David L. Emerson (2) (3) Vancouver, British Columbia, Canada	2012	Corporate Director
Jean M. Fraser (2) (4) Toronto, Ontario, Canada	2014	Retired Partner Osler, Hoskin & Harcourt, LLP *(law firm)*
Claude R. Lamoureux (1) (4) Toronto, Ontario, Canada	2008	Corporate Director
Michael H. McCain Toronto, Ontario, Canada	1995	President and Chief Executive Officer Maple Leaf Foods
James P. Olson (1) (3) Winston-Salem, North Carolina, U.S.A.	2011	Corporate Director

Notes:
(1) Member of Audit Committee. Mr. Aziz is the Committee Chairman.
(2) Member of Corporate Governance Committee. Mr. Beattie is the Committee Chairman.
(3) Member of Environment, Health and Safety Committee. Mr. Olson is the Committee Chairman.
(4) Member of Human Resources and Compensation Committee. Ms. Fraser is the Committee Chair.

During the last five years, all of the previously listed directors have been engaged in their present principal occupation, except for:

- Mr. W.G. Beattie was President and Chief Executive Officer of The Woodbridge Company Limited (privately held investment company) (until 2012);
- Mr. Emerson was Chairman, Emerson Services Ltd. (privately held professional services corporation) (until 2015); and,
- Ms. Fraser was a partner in Osler Hoskin & Harcourt until her retirement in 2015.

Committees of the Board

The committees' current membership and Chair and the year the member was first appointed (as a member or Chair) are as follows:

Audit Committee	
W.E. Aziz (Chairman since 2015)	2014
J.L. Bragg	2009
R.G. Close	2015
C.R. Lamoureux	2009
J.P. Olson	2011

Environment, Health and Safety Committee	
J.P. Olson (Chairman since 2015)	2015
W.G. Beattie	2014
J.L. Bragg	2009
D.L. Emerson	2012

Corporate Governance Committee	
W.G. Beattie (Chairman since 2014)	2009
G.A. Boland	2012
R.G. Close	2015
D.L. Emerson	2012
J.M. Fraser	2015

Human Resources and Compensation Committee	
J.M. Fraser (Chairman since 2015)	2015
W.E. Aziz	2014
G.A. Boland	2011
C.R. Lamoureux	2009

The names, municipalities of residence and principal occupations of the Company's executive officers and executive officers of principal subsidiaries as at March 21, 2016 are as follows:

Name and Municipality of Residence	Position Held with the Company
Michael H. McCain Toronto, Ontario, Canada	President and Chief Executive Officer
J. Nicholas Boland Toronto, Ontario, Canada	Vice President, Investor Relations
Bentley A. Brooks Oakville, Ontario, Canada	Senior Vice President and General Manager, Poultry
Rocco Cappuccitti Richmond Hill, Ontario, Canada	Senior Vice President and Corporate Secretary
Christopher P. Compton Oakville, Ontario, Canada	Senior Vice President, Foodservice Sales and Marketing
Stephen L. Elmer Newmarket, Ontario, Canada	Vice President and Corporate Controller
Curtis E. Frank Carlisle, Ontario, Canada	Senior Vice President, Retail Sales
Glen L. Gratton Grande Pointe, Manitoba, Canada	Vice President, Maple Leaf Agri-Farms
Adam J. Grogan Toronto, Ontario, Canada	Senior Vice President, Marketing and Innovation
Ian V. Henry Mississauga, Ontario, Canada	Senior Vice President, People
Randall D. Huffman Toronto, Ontario, Canada	Chief Food Safety Officer and Senior Vice President, Operations

Name and Municipality of Residence	Position Held with the Company
Lynda J. Kuhn Acton, Ontario, Canada	Senior Vice President, Sustainability and Public Affairs
Andreas Liris Toronto, Ontario, Canada	Chief Information Officer
Gary Maksymetz Carlisle, Ontario, Canada	Chief Operating Officer
Rory A. McAlpine Oakville, Ontario, Canada	Senior Vice President, Government & Industry Relations
Michael R. Rawle Toronto, Ontario, Canada	Vice President, Finance and Treasurer
Deborah K. Simpson Toronto, Ontario, Canada	Chief Financial Officer
Iain W. Stewart Toronto, Ontario, Canada	Senior Vice President and General Manager, Fresh Pork
Richard Young Mississauga, Ontario, Canada	Senior Vice President, Supply Chain and Purchasing

The principal occupations within the last five years of the executive officers of the Company who have not held their present office for more than five years are as follows:

Mr. J.N. Boland was Vice President, Finance Projects (2007 to 2011);

Mr. B.A. Brooks was Senior Vice President and General Manager, Fresh Poultry (May 2014 to April 2015), Senior Vice President, Fresh Poultry (January 2014 to May 2014) and Vice President, Complexity Management (March 2011 to December 2013);

Mr. C.P. Compton was Senior Vice President, Foodservice (2005 to May 2014);

Mr. C.E. Frank was Vice President and General Manager, Customer Business Development (February 2012 to May 2014) and Senior Director, Customer Business Development (September 2010 to February 2012);

Mr. I.V. Henry was Chief Human Resources Officer and Senior Vice President (2011 to 2013), Vice President Labour Relations and Corporate Human Resources (2011 to 2013) and Vice President Labour Relations (2002 to 2011);

Ms. L.J. Kuhn was Senior Vice President, Communications (2010 to 2014);

Mr. A. Liris was Vice President Information Solutions (2010 to 2014);

Mr. G. Maksymetz was President, Maple Leaf Consumer Foods (2010 to 2014);

Mr. M. R. Rawle was Vice-President, Treasurer, Uranium One Inc. (July 2013 to June 2015) and Managing Director, African Barrick (Barbados) Corp. (May 2010 to July 2013);

Ms. D.K. Simpson was President Maple Leaf Business Services (2013 to 2014) and Senior Vice President, Finance (2011 to 2013); and

Mr. R. Young was Senior Vice President, Transformation (May 2014 to February 2015) and Executive Vice President, Transformation, Maple Leaf Consumer Foods (February 2010 to May 2014).

Ownership of Voting Securities by Directors and Executive Officers

As at March 21, 2016, the directors and executive officers of the Company, as a group, beneficially own, directly or indirectly, or exercise control or direction over, directly or indirectly, an aggregate of 903,779 common shares, representing approximately 0.67% of the issued and outstanding common shares of the Company. The figure does not include the 46,788,658 common shares (34.8%) of all issued common shares) of the Company reported to be held by McCain Capital Inc., which the Company understands is beneficially owned and controlled by Mr. M.H. McCain.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Within ten years preceding the date of this Annual Information Form:

Mr. William E. Aziz was appointed the Chief Financial Officer of Hollinger Inc. and its subsidiaries from March 2007 to May 2008 and Chief Restructuring Officer of Hollinger Inc. and certain of its subsidiaries since May 2008, which corporation and certain subsidiaries were granted an initial order under the CCAA on August 1, 2007.

When Mr. W.E. Aziz was appointed the Chief Financial Officer of Hollinger Inc. on March 8, 2007, and, as a result of that appointment, he became subject to a management cease trade order ("MCTO") in respect of Hollinger Inc., which was originally issued on June 1, 2004 by the Ontario Securities Commission and which order remained in place until April 10, 2007, when the MCTO was revoked by the Ontario Securities Commission as a result of Hollinger Inc. filing all documents it was required to file pursuant to Ontario securities laws. Mr. W.E. Aziz was subsequently appointed Chief Restructuring Officer of Hollinger Inc. in May 2008. In 2008 and 2009, respectively, the Ontario and Alberta Securities Commissions issued permanent cease trade orders against Hollinger Inc., with the consent of the company and approved by the Ontario Superior Court of Justice. The orders were imposed due to the failure of Hollinger Inc. to file certain continuous disclosure documents with the Ontario and Alberta Securities Commissions as a result of Hollinger Inc.'s restructuring under the CCAA. The orders remain in effect.

Mr. W.E. Aziz was appointed Chief Restructuring Officer of The Cash Store Financial Services Inc. ("Cash Store") by Order of the Ontario Superior Court of Justice effective April 14, 2014. On May 30, 2014, the Alberta Securities Commission issued a cease trade order against Cash Store. On May 23, 2014, the TSX delisted the securities of Cash Store for failure to meet the continued listing requirements of the TSX. Cash Store voluntarily withdrew its securities from listing and registration on the New York Stock Exchange effective March 10, 2014.

AUDIT COMMITTEE

Composition of the Audit Committee

The Audit Committee of Maple Leaf Foods consists of the following directors, each of whom has been a member of the committee since the year set out below.

W.E. Aziz (Chair since 2015)	2014
J.L. Bragg	2009
R.G. Close	2015
C.R. Lamoureux	2009
J.P. Olson	2011

Each member of the Audit Committee is independent within the meaning of applicable securities legislation and none receives, directly or indirectly, any compensation from the Company other than for service as a member of the board of directors and its committees. Each member of the Audit Committee is financially literate as defined under National Instrument 52-110 – *Audit Committees*. In considering the criteria for determining financial literacy, the board of directors of the Company looks at the ability of a director to read and understand a balance sheet, an income statement and a cash flow statement of a company of a complexity comparable to that of the Company.

A copy of the charter of the Audit Committee is attached as Appendix A hereto.

Relevant Education and Experience of Audit Committee Members

W.E. Aziz, C.P.A., C.A.

Through BlueTree Advisors II Inc., Mr. Aziz is currently providing his services as Chief Restructuring Officer to U. S. Steel Canada Inc., Walter Energy Canada Holdings, Inc. and Hollinger Inc. during their restructurings. He is a director of OMERS (where he is Chair of its Investment Committee and a member of its Human Resources Committee). Mr. Aziz was the Chair of the Audit Committee for Canada Bread and has been a member of the Audit Committees of both Tecumseh Products in the United States and Doman Industries in Canada. Mr. Aziz is a graduate of the Ivey School of Business at Western University in Honors Business Administration and is a Chartered Professional Accountant. He has also completed the Institute of Corporate Directors Governance College at the Rotman School of Business, University of Toronto, and is a member of the Insolvency Institute of Canada.

J.L. Bragg

Mr. Bragg has combined Bachelor of Commerce and Bachelor of Education degrees from Mount Allison University, and founded Oxford Frozen Foods in 1968 and Bragg Communications in 1970. Mr. Bragg is the President, Chairman and Co-Chief Executive Officer of Oxford Frozen Foods, has served on the boards of numerous public companies and in addition to sitting on the board of directors of the Company he also serves as a director of The Toronto-Dominion Bank and Moosehead Breweries Limited. Mr. Bragg serves as a member of the audit committee of The Toronto-Dominion Bank and served as a member of the audit committee of Canada Bread.

R.G. Close

During his service as an executive of Pelmorex Media, Inc., NXA Inc. (formerly Nextair Inc.), Netcom Canada and AT&T Canada, Mr. Close was closely involved in the preparation and analysis of the financial statements of those corporations. He holds an Honors Business Administration degree from the Ivey School of Business at Western University.

C.R. Lamoureux

Mr. Lamoureux is an actuary by profession and a Fellow of the Canadian Institute of Actuaries. He served as Chief Executive Officer of the Ontario Teachers' Pension Plan ("Teachers'"), a public sector pension fund, until his retirement in 2007. Mr. Lamoureux joined Teachers' from Metropolitan Life, where he worked in their New York and Ottawa offices. He serves on the board of directors of Orbite Aluminae Inc. and Industrial Alliance Insurance and Financial Services Inc., and served on the board of directors of Atrium Innovations Inc. and the board of directors and audit committee of Xstrata plc. Mr. Lamoureux also served on the Consultative Advisory Group of the International Auditing and Assurance Standards Board.

J.P. Olson

Mr. Olson has 35 years' experience in the food and beverage industry including 17 years in senior executive roles for major global food and beverage manufacturers. He is the retired Senior Vice President, Operations of PepsiCo International ("PepsiCo"), a global food and beverage manufacturer. From 2002 to 2006, he held this position for PepsiCo's Europe, Middle East and Africa division and was responsible for all manufacturing, distribution, purchasing and engineering of this division. From 1999 to 2002, he served as Vice President, Operations of Ernest & Julio Gallo Winery, the largest global wine production company, where he was responsible for all vineyards, procurement, production, bottling and distribution operations. Additionally, from 1990 to 1992, Mr. Olson served as Vice President of Operations for Frito-Lay Canada.

Fees paid to Auditors – KPMG LLP

The fees paid by the Company for the services performed by KPMG LLP for the years ended December 31, 2015 and 2014 are set out in the table below. Annually, the Audit Committee reviews a summary of the services provided by the auditors to the Company and its subsidiaries. In 2004, the Audit Committee established a policy requiring pre-approval of all non-audit services to be rendered by the external auditors. Any engagement of KPMG LLP by the Company for any non-audit services must be approved in advance by the Audit Committee. Between meetings of the Audit Committee, authority for approval is delegated to the Audit Committee Chairman. Approvals under the delegated authority are presented to the full Audit Committee at their next meeting. The policy also prohibits the engagement of KPMG LLP in a number of services that the Audit Committee believes may have the potential to impact KPMG LLP's independence.

In the last two years, KPMG LLP has not provided any of the following services to the Company: (i) bookkeeping services and other services related to accounting records or financial statements; (ii) financial information systems design and implementation; (iii) appraisal or valuation services, fairness opinions or contribution-in-kind reports; (iv) actuarial services; (v) internal audit outsourcing services; (vi) management functions; (vii) human resources; (viii) broker-dealer, investment advisor or investment banking services; and (ix) legal services and expert services unrelated to the audit.

Description	2015 $	2014 $
Audit fees (1)	$ 968,900	$1,420,665
Audit-related fees (2)	332,834	429,900
Tax fees (3)	130,316	98,721
All other fees (4)	—	728,000
Total fees	$1,432,050	$2,677,286

Notes:

(1) The audit of annual and review of the quarterly financial statements of Maple Leaf Foods. The 2014 figure includes $133,000 for audit procedures relating to Canada Bread Company, Limited, the quarterly review of the interim financial statements of Canada Bread for the quarter ended March 31, 2014, additional costs for work performed during the 2014 year-end audit due to the sale of Canada Bread, changes to the Company's debt and hedging portfolio, modifications to share-based payments, and additional audit procedures performed with respect to the calculation of safe income on the sale of Canada Bread.

(2) Audit-related services consisting primarily of audit procedures for compliance and business purposes including audits of pension plan financial statements, translation services and specified procedures report on turkey, chicken and veal quota and import permits.

(3) For Canadian and international tax advisory and compliance services, and transfer pricing services.

(4) For products and services other than the fees reported in (1) to (3), being advisory services relating to divestitures.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

The Company is a defendant to certain claims arising in the normal conduct of its business. Management believes that the final resolution of these claims will not have a material adverse effect on the Company's earnings or financial position. The Company is not subject to any material legal or regulatory actions other than as set out herein.

CONFLICTS OF INTEREST

To the best of the knowledge of the Company, no director or executive officer of Maple Leaf Foods has an existing or potential conflict of interest with the Company or any of its subsidiaries.

INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

To the best of the knowledge of the Company, except as described in this Annual Information Form, and other than the West Face Agreement and the Governance Agreement described under "Material Contracts" below, no director or executive officer of the Company, nor any person or company that is the direct or indirect beneficial owner of, or who exercises control or direction over, more than 10% of any class of securities of the Company, nor any associate or affiliate of the foregoing persons or companies, has any material interest, direct or indirect, in any transaction within the three most recently completed financial years or during the current financial year that has materially affected or is reasonably expected to materially affect the Company or any of its subsidiaries. Certain executive officers of the Company (excluding Mr. Michael H. McCain) participated in an incentive plan of the Company pursuant to which such officers (solely in their capacity as officers of Maple Leaf Foods) received compensation based on the successful completion of and the sale value of Canada Bread, which compensation was paid by Maple Leaf Foods. Particulars of such compensation paid to Named Executive Officers are described in the Management Proxy Circular for the May 4, 2016 annual and special meeting of shareholders of Maple Leaf Foods.

TRANSFER AGENT AND REGISTRARS

The Company's transfer agent is Computershare Investor Services Inc., with transfer points for the common shares of the Company in Vancouver, British Columbia; Calgary, Alberta; Toronto, Ontario; and, Montreal, Quebec.

INTERESTS OF EXPERTS

The Company's independent auditors, KPMG LLP, have delivered an audit report to the Company concerning the consolidated balance sheets of the Company as at December 31, 2015 and 2014, and the consolidated statements of net earnings, other comprehensive income (loss), changes in total equity and cash flow for the years ended December 31, 2015 and 2014. KPMG LLP is an independent auditor with respect to the Company within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada.

MATERIAL CONTRACTS

The following are the only material contracts of the Company, other than those contracts entered into in the ordinary course of business, entered into in the last fiscal year or entered into before the last fiscal year but on or after January 1, 2003 and that remain in effect:

(a) a settlement agreement between the Company, West Face Capital Inc. and various affiliated entities of West Face Capital Inc. (collectively, "West Face") dated February 2, 2011 (the "West Face Agreement"). Among other provisions, the West Face Agreement provides that:

  (i) Mr. Gregory A. Boland, the Chief Executive Officer of West Face, be appointed to the board of directors of the Company at the 2011 and 2012 annual meetings, the Human Resources and Compensation Committee and the Corporate Governance Committee (which appointments were effective February 23, 2011, the date of the Board of Directors' first meeting following the signing of the West Face Agreement); and,

  (ii) West Face agreed to withdraw its requisition for a shareholders meeting and cease solicitation activities.

(b) a governance agreement between McCain Capital Corporation ("MCC"), which at that time held approximately 31.3% of the Company's issued and outstanding shares, and Mr. Michael H. McCain, the Company's President and Chief Executive Officer, dated July 28, 2011 (the "Governance Agreement"), precipitated by a proposed reorganization transaction involving MCC's interest in the Company that was concluded on December 2, 2011 (the "Reorganization Transaction"). The Governance Agreement provided:

  (i) That upon completion of the Reorganization Transaction, MCC and Mr. Michael H. McCain will have the right to nominate that number of directors of the Company that is proportionate to its or his ownership interest in the Company; and,

(ii) Except in certain circumstances, all other directors on the Board other than those nominated pursuant to (i) above and one nominee of West Face, will be directors independent of management, Mr. Michael H. McCain, MCC and West Face

The Governance Agreement also provides that:

(iii) the Company would take no steps to hinder the transfer of the shares held by MCC to Mr. Michael H. McCain; and,

(iv) Upon completion of the Reorganization Transaction, MCC and Mr. Michael H. McCain would vote all of their shares in favour of the adoption, renewal or extension of a shareholder rights plan.

(c) a shareholder rights plan agreement between the Company and Computershare Investor Services Inc. as rights agent, dated as of July 28, 2011 which was amended and restated on December 5, 2011.

(d) an acquisition agreement between the Company and Darling International Inc. dated August 23, 2013 respecting the purchase by Darling of the rendering business operating under the "Rothsay Rendering" name, which closed on October 28, 2013.

Copies of these documents are available on SEDAR at www.sedar.com.

ADDITIONAL INFORMATION

Additional information including directors' and officers' remuneration and indebtedness, principal holders of the Company's common shares, securities authorized for issuance under equity compensation plans and interest of insiders in material transactions, if applicable, will be contained in the Notice of Annual and Special Meeting of Shareholders and Management Proxy Circular to be issued in connection with the Annual and Special Meeting of Shareholders to be held on May 4, 2016. Additional financial information is also provided in the Company's Management's Discussion & Analysis and consolidated financial statements for the fiscal year ended December 31, 2015. Copies of the foregoing documents may be obtained free of charge, upon request, from the Corporate Secretary of Maple Leaf Foods Inc., at 6985 Financial Drive, Mississauga, Ontario L5N 0A1.

The above information and additional information relating to Maple Leaf Foods is available on SEDAR at www.sedar.com.

APPENDIX "A"

CHARTER OF THE AUDIT COMMITTEE

(THE "COMMITTEE") OF THE BOARD OF DIRECTORS OF MAPLE LEAF FOODS INC. (THE "CORPORATION")

Nature and Scope of the Committee

The Committee is a standing committee appointed by the Board of Directors, established to fulfill applicable public company obligations respecting audit committees and to assist the Board of Directors (the "Board") in fulfilling its oversight responsibilities in the following areas: (i) accounting policies and practices, (ii) the integrity of the Corporation's financial statements, (iii) compliance with legal and regulatory requirements, (iv) the qualifications, independence, and performance of the external auditors, and (v) the performance of the internal audit function.

The Committee Chair and members are members of the Board, appointed to the Committee to provide broad oversight of the financial reporting, risk and control related activities of the Corporation, and are specifically not accountable or responsible for the day-to-day operation or performance of such activities.

Management is responsible for the preparation, presentation and integrity of the financial statements and for maintaining appropriate accounting and financial reporting principles and policies, systems of risk assessment and internal controls and procedures designed to provide reasonable assurance that assets are safeguarded and transactions are properly authorized, recorded and reported and to assure the effectiveness and efficiency of operations, the reliability of financial reporting and compliance with accounting standards and applicable laws and regulations.

The internal auditor is responsible for monitoring and reporting on the adequacy and effectiveness of the system of internal controls.

The external auditors are responsible for planning and carrying out an audit of the annual consolidated financial statements in accordance with generally accepted auditing standards to provide reasonable assurance that, among other things, such financial statements are in accordance with generally accepted accounting principles. The external auditors are accountable to the Committee and the Board as the representatives of the shareholders of the Corporation and the Committee shall so instruct the external auditors and the external auditors shall report directly to the Committee.

Except as set out below, the Committee does not have decision-making authority but rather conveys its findings and recommendations to the Board for consideration and decision by the Board.

Procedures, Powers and Duties

In addition to the procedures and powers set out in the policy entitled "Composition, Appointment & Practices of Each Committee of the Board of Directors of Maple Leaf Foods Inc.", as amended, or in any resolution of the Board relating to the Committee, the Committee shall have the following procedures, powers and duties:

1. *Composition* – The Committee shall be comprised of a minimum of three members. Each member of the Committee shall be both an "unrelated" director and "independent" director as such terms are defined from time to time under the requirements or guidelines for Audit Committee service under applicable securities laws and the rules of any stock exchange on which the Corporation's securities are listed for trading.

   All members of the Committee must be "financially literate" subject to any available exemption in applicable securities laws as that term is defined from time to time under the requirements or guidelines for Audit Committee service under securities laws and the rules of any stock exchange on which the Corporation's securities are listed for trading or if it is not so defined as that term is interpreted by the Board in its business judgment.

2. *In Camera Meetings* – At least annually, the Committee shall hold *in camera* meetings with each of the head of the internal audit function and the external auditors to discuss any matters that the Committee or each of these groups believes should be discussed privately and such persons shall have unrestricted access to the Committee to bring forward matters requiring its attention.

3. *Professional Assistance* – The Committee may require the external auditors and internal auditors to perform such supplemental reviews or audits as the Committee may deem desirable. In addition, the Committee may retain such special legal, accounting, financial or other consultants and determine their compensation as the Committee may determine to be necessary to carry out the Committee's duties at the Corporation's expense and will inform the Chair of the Corporate Governance Committee of any such retainer.

4. *Reliance* – Absent actual knowledge or belief to the contrary which shall be promptly reported to the Board, each member of the Committee shall be entitled to rely on (i) the integrity of those persons or organizations within and outside the Corporation from which it receives information, (ii) the accuracy of the financial and other information provided to the Committee by such persons or organizations and (iii) representations made by management and the external auditors as to any non-audit services provided by the external auditors to the Corporation and its subsidiaries.

5. *Reporting to the Board* – The Committee will report through the Committee Chair to the Board following meetings of the Committee on matters considered by the Committee, its activities and compliance with this Charter.

The Committee will:

1. *Internal controls* – Review and discuss with management, the external auditors and the internal auditors as it deems necessary and exercise oversight with respect to:

   (a) The adequacy and effectiveness of the system of internal accounting and financial controls and the recommendations of management, the external auditors and the internal auditors for the improvement of accounting practices and internal controls;

   (b) Any material weaknesses in the internal control environment, including with respect to computerized information system controls and security; and

   (c) Management's compliance with the Corporation's processes, procedures and internal controls.

2. *Regulatory agency reviews* – Review the findings of any examination by regulatory agencies concerning financial matters of the Corporation and make recommendations to the Board related thereto.

3. *Appointment of external auditors* – With respect to the appointment and oversight of the external auditors:

   (a) Make recommendations to the Board on the external auditors for the purpose of preparing or issuing an audit report or performing other audit, review or attest services of the Corporation to be nominated in the Corporation's proxy circular for appointment or reappointment by shareholders;

   (b) Make a recommendation to the Board for the approval of compensation for the external auditors; and

   (c) Review, evaluate and approve the terms of engagement, performance, audit scope and approach to the conduct of the external auditors with respect to the annual audit.

4. *Independence of external auditors* – Review the independence of the external auditors and make recommendations to the Board on actions the Committee deems necessary to protect and enhance the independence of the external auditors. In connection with such review, the Committee:

   (a) Shall actively engage in a dialogue with the external auditors about all relationships or services that may impact the objectivity and independence of the external auditors;

   (b) Shall require that the external auditors submit to it on a periodic basis, and at least annually, a formal written statement delineating all relationships between the Corporation including its subsidiaries, and the external auditors including their affiliates;

   (c) Shall review and approve clear policies for hiring by the Corporation of employees or former employees of the current or former external auditors;

   (d) May approve policies and procedures for the pre-approval by a Committee member of any non-audit services to be rendered by the external auditors which the external auditors are not otherwise prohibited from providing and which policies and procedures shall include reasonable detail with respect to the services covered, provided that the pre-approval of non-audit services by a Committee member with delegated authority must be presented to the full Committee at its next scheduled meeting. For greater certainty, all non-audit services to be provided to the Corporation or any of its affiliates by the external auditors or any of their affiliates which are not covered by pre-approval policies and procedures approved by the Committee shall be subject to pre-approval by the Committee; and

   (e) Shall review and approve the disclosure in the annual information form and management proxy circular of the fees paid in the financial year to the external auditors by category.

5. *Internal auditors* – Review the organizational structure, independence and qualifications of the internal audit department and its resources, the internal audit plans and their implementation.

6. *Internal audit function* – Oversee and monitor the internal audit function including:

   (a) Meeting periodically with the internal auditors to discuss the progress of their activities and any significant findings stemming from internal audits and any difficulties or disputes that arise with management and the adequacy of management's responses in correcting audit-related deficiencies; and

   (b) Reviewing summaries of reports to management prepared by the internal auditors and have available the full reports, communicate with the internal auditors with respect to their reports and recommendations as necessary with respect to the extent to which prior recommendations have been implemented, management's responses to such reports and any other matters that the internal auditor brings to the attention of the Committee.

7. *External audits* – Oversee and monitor external audits, including:

   (a) Reviewing with the external auditors, the internal auditors and management the audit function generally, the objectives, staffing, locations, co-ordination, reliance upon management and internal audit and general audit approach and scope of proposed audits of the financial statements, the overall audit plans, the responsibilities of management, the internal auditors and the external auditors, the audit procedures to be used and the timing and estimated budgets of the audits;

   (b) Discussing with the external auditors any difficulties or disputes that arose with management or the internal auditors during the course of the audit and the adequacy of management's responses in correcting audit-related deficiencies and resolve any outstanding disputes;

(c) Taking such other reasonable steps as the Committee may deem necessary to satisfy itself that the audit was conducted in a manner consistent with all applicable legal requirements and auditing standards of applicable professional or regulatory bodies; and

(d) Reviewing and resolve any disagreements between management and the external auditors regarding financial reporting or the application of any accounting principles or practice.

8. *Accounting principles and policies* – Oversee, review and discuss, as the Committee deems necessary, with management, the external auditors and the internal auditors, the Corporation's accounting principles and policies, including:

   (a) *Selection* – the appropriateness and acceptability of the Corporation's accounting principles and practices used in its financial reporting, changes in the Corporation's accounting principles or practices and the application of particular accounting principles and disclosure practices by management to new transactions or events;

   (b) *Significant financial reporting issues* – all significant financial reporting issues and judgments made in connection with the preparation of the financial statements and any "second opinions" sought by management from an independent auditor with respect to the accounting treatment of a particular item;

   (c) *Disagreements* – disagreements between management and the external auditors or the internal auditors regarding the application of any accounting principles or practices;

   (d) *Material change or proposed change* – any material change or proposed change to the Corporation's accounting principles and practices;

   (e) *Changes in regulatory and accounting requirements* – the effect of changes in regulatory and accounting requirements;

   (f) *Legal matters, claims and contingencies* – any legal matter, claim or contingency that could have a significant impact on the financial statements, the Corporation's compliance policies and any material reports, inquiries or other correspondence received from regulators or governmental agencies and the manner in which any such legal matter, claim or contingency has been disclosed in the financial statements;

   (g) *Pro forma or adjusted information* – the use of any "pro forma" or "adjusted" information not in accordance with generally accepted accounting principles; and

   (h) *Goodwill impairment* – management's determination of goodwill impairment, if any, as required by applicable accounting standards.

9. *Interim financial results* – Prior to the release of any summary of interim financial results, including any associated press release, or the filing of such reports with the applicable regulators, review with the external auditors and management the interim consolidated financial statements and related MD&A and associated press release and approve for release.

10. *Annual audited consolidated financial statements* – Review with the external auditors and management the annual audited consolidated financial statements and related MD&A and associated press release, and report on the results of such review to the full Board prior to the approval and release to shareholders of such results by the Board.

11. *Prospectuses and information circulars* – Review with the external auditors and management, financial information contained in any prospectus or information circular of the Corporation, and make recommendations regarding approval to the Board. The Committee shall also periodically assess the adequacy of the procedures in place for the review of the Corporation's public disclosure of financial information extracted or derived from financial statements and MD&A.

12. *Communications between management, the internal and external auditors* – Provide an open avenue of communication between management, the internal auditors, the external auditors and the Board.
13. *Independent investigations* – Conduct independent investigations into any matters which come under its scope of responsibilities.
14. *Pension plans* – With respect to pension plans:
    (a) *Investment objectives, policies and asset investment mix* – Receive the recommendation of the Pension Investment Advisory Committee (of management) investment objectives, policies and asset investment mix and make recommendations to the Board.
    (b) *Engage investment managers* – Receive the recommendation of the Pension Investment Advisory Committee and approve the engagement and termination of investment management suppliers.
    (c) *Pension plan performance* – Receive reports from the Pension Investment Advisory Committee on pension fund performance and make reports to the Board.
    (d) *SIP&P* – Receive the recommendation of the Pension Investment Advisory Committee and approve the filing of the SIP&P.
    (e) *Pension Investment Advisory Committee* – Oversee the activities of the Pension Investment Advisory Committee.
15. *Other reports of the external auditors* – Review and discuss all reports which the external auditors are required to provide to the Committee or the Board under rules, policies or practices of professional or regulatory bodies applicable to the external auditors and any other reports which the Committee may require with the external auditors.
16. *Complaints regarding accounting, controls or audit matters* – Establish and monitor procedures for the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or audit matters and the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters and review periodically with management and the internal auditors these procedures and any significant complaints received.
17. *Financial risk exposures* – Meet periodically with management to review and discuss the Corporation's major financial risk exposures and the policy steps management has taken to monitor and control such exposures, including the use of financial derivatives and hedging activities.
18. *Audit committees of material subsidiaries* – Receive and review the minutes of meetings of the audit committees of material subsidiaries of the Corporation.
19. *Other delegated matters* – Review and/or approve any other matter specifically delegated to the Committee by the Board and undertake on behalf of the Board such other activities as may be necessary or desirable to assist the Board in fulfilling its oversight responsibilities with respect to financial matters.

The Charter

20. *Charter review* – The Committee shall review and reassess the adequacy of this Charter at least annually and otherwise as it deems appropriate and recommend changes to the Corporate Governance Committee.
21. *Committee performance* – Annually, the Committee shall evaluate its performance with reference to this Charter and the results of its evaluation shall be submitted to the Corporate Governance Committee.
22. *Disclosure of Charter* – The Committee shall ensure that this Charter is disclosed on the Corporation's website and that this Charter is disclosed in the annual information form of the Corporation in accordance with all applicable securities laws or regulatory requirements.