HIGH LINER FOODS
INCORPORATED

ANNUAL INFORMATION FORM (AIF)
FOR 2008

(All amounts are in Canadian Dollars unless otherwise expressed)

March 30, 2009

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Unless the context otherwise requires, references in this Annual Information Form to the "Company" or "High Liner Foods" include High Liner Foods Incorporated and its subsidiaries.

1. CORPORATE STRUCTURE

1.1 Name and Incorporation

High Liner Foods Incorporated is a Nova Scotia company, amalgamated under the Companies Act of Nova Scotia. Our 110-year history began in 1899 with the founding of W.C. Smith & Company Limited, a ships' chandlery and salt fish operation located in Lunenburg, Nova Scotia. In 1926, the same group of shareholders diversified into fresh fish and cold storage and formed Lunenburg Sea Products Limited and conceived the "High Liner" brand. In 1938, these two companies merged, and in 1945 the merged companies, along with Maritime National Fish Company Limited of Halifax, and other related companies, were brought together under the ownership of National Sea Products Limited. The present company was formed by amalgamation of the related companies in 1967. On December 31, 1998, we changed our name to High Liner Foods Incorporated. High Liner Foods' registered and principal office is at 100 Battery Point, Lunenburg County, Nova Scotia, B0J 2C0. On December 20, 2007 High Liner Foods acquired the North American Marketing and Manufacturing assets of FPI Limited.

1.2 Intercorporate Relationships

Our business is carried on through a parent company, High Liner Foods Incorporated, and one operating incorporated subsidiary, High Liner Foods (USA,) Incorporated.

High Liner Foods Incorporated
(Incorporated in Nova Scotia)

High Liner Foods (USA), Incorporated
(Incorporated in Delaware)
100%

Our Canadian retail and food service businesses are headquartered in Toronto, Ontario, with regional sales offices in Calgary, Montreal, Vancouver and Halifax.

High Liner Foods (USA), Incorporated, headquartered in Portsmouth, New Hampshire, and with facilities in Danvers, Massachusetts, distributes frozen seafood throughout the United States and Mexico and manufactures most of the seafood it sells.

As a result of the Acquisition (see Section 2.2), High Liner Foods (USA), Incorporated acquired all of the issued and outstanding capital stock of Fishery Products International, Inc. on December 20, 2007. On the same date, Fishery Products International, Inc. was merged into High Liner Foods (USA), Incorporated, although Fishery Products International continues to operate under that business name as the food service division of our U.S. subsidiary.

We operate food-processing plants in Lunenburg, Nova Scotia, Burin, Newfoundland and Labrador, Portsmouth, New Hampshire and Danvers, Massachusetts. Logistics and distribution are managed from Lunenburg, and Danvers.

2. GENERAL DEVELOPMENT OF THE BUSINESS

2.1 Corporate Profile

High Liner Foods Incorporated (HLF-TSX) has been a Canadian publicly traded company since 1967. We process and market superior quality seafood and other food products in North America. Our expertise is frozen seafood. We produce and market products for the retail, food service, and club store channels. The food service channel includes sales of seafood that are usually eaten outside the home and consists of sales through distributors to restaurant and institutional customers. We own strong retail brands, but we are also an important supplier of private labels for many North American food retailers and food service operators. Created in 1926, the *High Liner®* brand is among the most recognized brands in Canada and is currently building recognition in the USA market.

2.2 Three Year History

Seafood Operations

During the past three years we have focussed on our vision to be the North American leader in frozen value added seafood by increasing the sales, profits and market share of our major brands, *High Liner®* and *Fisher Boy®*. Increasing market share for our brands has been a challenge, primarily due to the long-standing dominant position of *High Liner* in Canada, and an increase in market share for private label products in the food industry. However, we have benefited from the growth in private label, particularly in our U.S. subsidiary. High Liner continues to dominate the Canadian retail frozen seafood category. As a result of the Acquisition, we have acquired the FPI® portfolio of brands, which in addition to the flagship FPI® brand, includes the well-known *Sea Cuisine™* and *Mirabel®* brands in FPI's food service and retail businesses as well as Royal Sea®, an important brand in Canadian club stores.

We support our brands by conducting consumer research to determine what food products and formats appeal to shoppers. We then focus product development to deliver on these expectations. A good example of this strategy is the *High Liner Signature™* line of products. Based on research suggesting that Canadian shoppers want taste, convenience, quality, and nutrition in their food choices, we modified our product development and marketing strategies. "*Signature*" products are premium quality, family-sized products that we have now marketed for eight years. They are leading our growth in Canada with increased sales year over year. These products have been so successful that we introduced similar products under the *High Liner* brand to US club stores several years ago. U.S. club store shoppers are generally above-average income earners who prefer high quality, healthful products. Our products meet their expectations. In 2005 we expanded our offering of up-scale products by introducing a line of premium seafood products under the *High Liner* brand to traditional grocery stores in the United States. In 2006 we expanded our *High Liner* product offerings to supercentres (retailers selling both groceries and a wide range of general merchandise) and natural food stores in the United States.

Canadian Retail has also introduced new products into the seafood departments of Canadian grocery stores. These products are not breaded or battered. This increases our brand presence in grocery stores to two departments: the frozen food aisles and the seafood department. The acquisition of the FPI business strengthens the efforts in this area with the Sea Cuisine and Mirabel brands, especially with their focus on shellfish products.

Pasta Operations

In 1998 we purchased the *Gina Italian Village®* and *Floresta®* brands of frozen unsauced stuffed pasta. *Gina Italian Village* was the market-leading brand in New York, the most important market in the USA for this category of product. During the past few years, we narrowed our strategic focus to concentrate on the opportunities we see in the seafood category. Due to poor results of our U.S. operations and the expected time required to increase profitability in the United States operations, a write down of the goodwill, which arose on the purchase of Italian Village, was required in the fourth quarter of 2005. In 2006, we sold our pasta operations for the net book value of the related working capital and equipment. The pasta operations are now disclosed as discontinued operations.

The Acquisition

On December 20, 2007, High Liner completed the acquisition of the Marketing & Manufacturing Group of FPI Limited. At the same time, High Liner completed its agreement with Ocean Choice International Inc. for the purchase of certain assets of an Asian procurement business that Ocean Choice acquired from FPI Limited as part of Ocean Choice's acquisition on the same date of FPI Limited's Primary Group business. The Asian procurement business was previously carried on by FPI's Atlantic seafood trading division in its Primary Group and involves the procurement of all FPI branded products in Asia for sale in North America. As part of the agreement, High Liner also acquired all of the FPI trademarks in North America used in this business. High Liner has filed a Business Acquisition Report in *Form 51-102F4* dated March 4, 2008 that includes all of the information required by Part 8 of *National Instrument 51-102*. The Form can be found at www.sedar.com.

The Acquisition is closely aligned to the acquisition criteria in our growth strategy. While High Liner has long been the leader in value added seafood in the Canadian retail and food service channels, the Acquisition has added the complementary and leading U.S. food service business of FPI, managed from FPI's operations in Danvers, Massachusetts. As well, FPI will contribute expertise and sales opportunities in seafood species that have not historically been strong for High Liner, such as shrimp.

The Acquisition more than doubles the size of High Liner in terms of sales, assets and total capitalization. The purchase price paid for the Acquisition and the allocation of the purchase price is included in note 2 to our fiscal 2008 financial statements.

2.3 Business Strategy

Our vision is to be the leader in value-added frozen seafood in North America. Our mission is to bring value to our retail, food service and club store customers by being committed to the development and delivery of high-quality and innovative seafood products, and by providing them with superior service levels. By partnering with our customers and suppliers, developing our brands, achieving operational excellence, superior procurement expertise, and providing leadership in the seafood category, we expect to increase shareholder value.

Our products must meet our rigorous criteria: good value, high quality, nutritious and convenient for North American consumers. In the retail sector, to appeal to consumers, products must be ready to eat from the freezer to table in less than twenty minutes. An important part of the Company's strategy is to focus on quality. We consistently strive to improve products to maintain and improve our market leadership positions. Quality of customer service, including setting objectives for continuity of supply and on-time delivery, is also a key element in our strategy.

Our private label business is stable, despite a reduction in the breaded seafood category overall, which is evidence of an increase in consumer acceptance and market share of private label seafood products and our strength in this part of the market. After many years of growth we are starting to see signs of private label seafood levelling off or declining in the product categories in which we compete..

2.4 Growth Strategy

High Liner Foods will pursue growth in two areas:

- ***Growth in Core Markets***: We plan to continue to grow our seafood businesses in both Canada and the United States in traditional retail, club and food service channels. New product introductions as well as our strategy to be the supplier of choice for consolidating customers are an integral part of this strategy. Gaining additional sales volume through U.S. grocery stores for our new retail products is also key to achieving growth targets.

- ***Acquisition of Frozen Seafood Businesses***: Although organic growth is our major focus, our strength in the value-added seafood business in North America is an opportunity to acquire other seafood businesses. Our strengths in management, customer relations, marketing, frozen food logistics, new product development, procurement, as well as our state of the art business systems, all provide the necessary infrastructure and skills to market, sell and distribute frozen seafood throughout North America. The Acquisition represents an important milestone in achieving our strategy, as we are now the clear market leader in both the retail and food service channels in Canada, and we are now one of the leading suppliers of frozen seafood in the U.S. food service channel. The Acquisition has also improved our position as a supplier to the U.S. club store channel, and will contribute to improved performance in the U.S. retail business.

3. THE BUSINESS

3.1 Product Marketing

Trademarks and Brand Names:

High Liner Foods is one of North America's largest marketers of prepared and packaged frozen seafood. We sell products, both directly and through distributors, to North American retail stores, club stores, hotels, restaurants and institutions. In Canada, we market the majority of seafood products under the *High Liner®*, *FPI®*, *Mirabel®* and *Royal Sea®* trademarks, and in the United States under the *FPI, High Liner, Mirabel,Sea Cuisine™* and *Fisher Boy®* trademarks. We also sell products to Mexico under the *Fisher Boy* trademark. High Liner Foods produces private label seafood for retailers and food service distributors throughout North America.

High Liner Foods markets a diverse range of frozen products under a variety of trademarks and species, including raw fillets and shellfish, sauced, glazed, breaded and battered seafood, breaded cheese sticks, entrees, and breaded chicken, under the trademarks and product names shown below.

Canada

Captain High Liner®
High Liner®
High Liner Foods®
Healthy Bake® / Cuisson Santé®
Captain's Table®
Healthy Catch®
Captain's Catch® / La Prise du Capitaine®
Captain's Fish 'n Fries® / Croque-Capitaine®
Seafresh®
Captain's Chicken® / Poulet du Capitaine®
Captain Burger® / Burger du Capitaine®
Captain's Grill™ / Grillades Capitaine™
Krunchies®
Fastbreak® / Rapidelice®

High Liner Signature™
It's A Good Night for Fish®
Always a Wise Catch® / Toujour une bonne prise®
OnLiner®
QuickSteam®
Eating Healthy Never Tasted So Good™
Manger sainement n'a jamais eu aussi bon gout!™
40 Fathoms®

Bateau de Crevettes®
Blazin' Buffalo®
Catch o' the Day®
Catch of the Day®
Costa Rica Queen®

United States

Fisher Boy®
Fisher Boy A Great Catch! ®
Booth®
High Liner®
Qwik Stix®
Hi-Flyin' Foods™
Café Appetita®
Fun Bucket®
3 in 1 Seafood Fun Bucket®
3 in 1 Family Fun Bucket®
It's a Good Night for Fish ®

40 Fathoms®
Captain's Cut™
Seafood is Smart Food™
Seafresh®
Solo Selects™
Seafood Selects™
Daily Catch™
Captain's Classics™
Our Recipes, Your Table™
Our Seafood, Your Signature™

Aquarius®
Bake r' Broil®
Battercrisp®
Blazin' Buffalo Shrimp®
Blazin' Redfish®
Boston Batter®

Mexico

Fisher Boy®
RapiBarritas®
PescAritos™
RapiCocinados®

Crevettes des Glaciers®
Des Bouchées Marines®
Fish 'n Chip Cut®
Fishery Products International®
FPI®
FPI & Design®
Homestyle Batterdipt®
Iceberg®
Kentucky Style Tilapia®

Les Tresors de la mer®
Maritimer®
Mirabel Brand®
Mirabel Shrimp Crisps®
Pan Sear Selects™
Petite Sole™
Prise du jour®
Royal Sea®
Salmon Elites®
Sea Cuisine™
Sea Cuisine & Design®
Seafood Elites®
FPI Seafood Starters®
Sea Nuggets®
Sea Treasures®
Sea Wonders®
Shore Grilled®
Shrimp Heart Design®
Sole Elites®
Sole Fingers®
Upper Crust™
Votre partenaire dans la resussite®
We Catch Customers For You®
We're There®
Your Seafood Specialists®

Breaded Naturals™
Captain Longboat®
Caribou®
Coastal Classics™
Country Cornmeal®
Fishery Products International®
FPI®
FPI & Design®
From the Icy Cold Waters of Newfoundland®
Funfish®
Galley on the Go®
Grilled 'n Glazed™
Healthybake®
Mandarin®
Maripac®
Maritimer®
Mirabel®
Ocean Maid®
Ovencrunch®
Pan Sear Selects™
Rack 'o Shrimp™
Royal Sea®
Scribbles®
Sea Cuisine®
Seafood Elites®
Sea Nuggets®
Sea Portions™
Sea Strips®
Sea Wonders®
Shrimp Mates®
Simple Serve®
Simple Serv Cod Fillets®
Tiki Island Shrimp®
Upper Crust™
Upper Crust®
We Catch Customers For You®

Sales revenues from operating segments that accounted for 15% or more of total consolidated sales revenues, excluding discontinued operations, in either of the last two fiscal years were:

	2008	2007
Canada	47%	61%
United States	53%	39%

United States

In the U.S., frozen retail seafood including shellfish is the fifth largest category in the retail frozen food market, and accounted sales US$2.6 billion in 2008,[1] an increase of 3.5% over the previous year. The frozen seafood market can be divided into the breaded and battered segment, the prepared segment and the raw segment. High Liner competes principally in the breaded and battered and more recently, in the prepared segments in the United States.

Our U.S. subsidiary markets a full range of breaded and battered fish sticks and portions under the *Fisher Boy*® brand. It also produces a wide variety of breaded and battered seafood products sold as retail private label brands in United States' supermarkets. In 2008, approximately 30% of our U.S. dollar seafood sales to the retail frozen food market were private label products. Today, most retailers carry a national brand, a store brand (private label), and usually a third brand if it is differentiated from the national brand. Our strategy for *Fisher Boy* differentiates the brand from its competition as the family-friendly, value brand.

As part of our strategy to improve the competitive position of our *Fisher Boy* products, we are gradually transitioning all *Fisher Boy* products to the *High Liner* brand. *Fisher Boy* packaging featuring the *High Liner* logo alongside the current *Fisher Boy* logo was introduced for the Lenten period of 2007 and continued to be modified in 2008 to transition to the Company's core brand. In 2009 we will also be revamping our U.S retail branding strategy to bring the entire premium and prepared segments under the High Liner brand, with Sea Cuisine as the sub brand. This will eliminate the use of a variety of sub brands and bring the acquired Sea Cuisine brand under the High Liner umbrella. This will make our marketing spending more efficient as we focus it on one brand. Better display of our products at retail under one brand will also have an impact on our visibility to consumers.

The introduction of Sea Cuisine, sold mostly in the fresh seafood department's freezer cases of major chains and in Club stores, opens up new possibilities to extend our product lines in US retail markets. Our U.S. subsidiary is also a leading seafood supplier to Mexico, where it markets products under the *Fisher Boy*® brand and co-packs for other distributors.

The Acquisition has added the leading food service business of Fishery Products International, which is one of the top frozen seafood suppliers to the U.S. food service channel. This business delivers a wide range of seafood products to leading food service operators in the multiple restaurant segments, to broad line food service distributors, and to specialty seafood distributors. This business has a particularly strong track record of product innovation, and we intend to leverage this strength across the U.S. operations.

[1] Market share is estimated by ACNielsen®, which tracks all grocery stores, excluding club stores and deep discounters with sales of US$2.0 million or more and is measured in pounds. The category reported here is for all types of frozen seafood including fish and shellfish, whether breaded or unbreaded, but excludes seafood entrees.

Canada

In Canada, frozen seafood including shellfish is the second largest category in the retail frozen food market, and accounted for consumer sales of $631 million in 2008, flat over 2007.[2]

Our Canadian division markets a full range of frozen fish fillets, breaded and battered fish sticks and portions, and premium sauced fillets under the *High Liner*® brand. These products are sold through both retail and food service channels. The food service business supplies products to restaurants and cafeterias, as well as other institutions. The Canadian division also produces a wide variety of seafood products sold as retail private label brands in Canadian supermarkets and to food service distributors.

The FPI acquisition adds strength to our Club store segment in Canada with its Royal Sea® brand and the combination of the two club businesses makes us a leader in this category. The combination of FPI's Canadian food service business with High Liner also makes for an industry leader in all species and product forms. Particularly, FPI's strength in shellfish is an important addition to our line of products.

3.2 Production Facilities

The following chart describes High Liner's major production facilities:

LOCATION	TYPE OF PRODUCTION	ANNUAL CAPACITY (1)	CAPACITY UTILIZATION
Lunenburg, NS	*Prepared Seafood*	31,000,000	72%
Portsmouth, NH	*Prepared Seafood*	60,000,000	71%
Burin, NL	*Prepared Seafood*	25,000,000	38%
Danvers, MA	*Prepared Seafood*	64,000,000	60%

(1) In pounds; based on the production of finished pounds, on two shifts of forty hours each for 5 days per week.

All food processing plants conducting business throughout North America require a combination of State or Provincial and Federal licenses to operate. Requirements to obtain and maintain food-processing licenses principally relate to food safety and quality, transportation of food and labeling. High Liner Foods possesses all necessary licenses and approvals to operate.

The United States requires its seafood processing plants to adopt a quality management plan known as HACCP (Hazard Analysis of Critical Control Points). Our seafood processing plants in the USA are HACCP approved.

[2] Market share is estimated by ACNielsen® which tracks all Canadian channels, which include grocery stores, distributors, mass & general merchandisers and club stores/warehouses, and is measured in pounds. The category reported here is total frozen fish, which excludes all shellfish and entrees.

In Canada all seafood-processing plants are required to adopt a Quality Management Plan (QMP) covering the regulatory and safety aspects of food processing. High Liner's QMP has been approved and in good standing since inception of this requirement. Canada's QMP is an accepted standard under the U.S. HACCP system.

All of the Company's non-North American suppliers are HACCP approved plants. The Company also maintains internal quality specifications that in many respects exceed HACCP or QMP requirements. Suppliers are required to adhere to our internal specifications and we regularly audit for compliance. High Liner has established a representative office in Qingdao, China, and employs procurement and quality control experts to oversee our procurement activities in Asia. High Liner's North American quality personnel also travel to China to supervisor activities overseas.

3.3 Competitive Conditions

Our major competitors in the retail seafood market are national marketers of brand name and generic products, including Nippon Suisan (owning *Gorton's*® brand in the U.S. and *BlueWater*® in Canada), National Fish and Seafood Incorporated (U.S.), Pinnacle Foods Corporation (owning the *Mrs. Paul's*® and *Van de Kamp*® brands in the U.S.), Jane's Family Foods Ltd. (Canada), and Aquastar. Private label products also compete with our brands and account for as much as 45% of the market[3].

Retail competition in North America is very intense. In the retail market, price, convenience, nutrition, value, consumer brand recognition and loyalty are the primary competitive factors. *High Liner*® in Canada enjoys extremely high consumer brand recognition and *Fisher Boy*® has strong regional brand awareness in the U.S.

Our major competitors in the food service market consist of vertically integrated fishing companies, food processing companies and seafood traders. Competitors include Icelandic (USA), Clearwater Fine Foods Inc., Trident Seafoods Corporation, American Seafoods, Nippon Suisan (owning King & Prince and Fish King in the USA), Ocean Beauty, Aqua Star, Red Chamber, Beaver Street Fisheries Inc., Pacific Seafood Group, Toppits Quality Frozen Foods, Export Packers Company Limited, and many smaller trading companies. In the food service market, continuity of supply, customer service, and price are the major aspects of competition.

In the Canadian retail frozen seafood market, products sold under the *High Liner*® trademark enjoy a dominant market share position. According to ACNielsen®, High Liner held 44.2%[4] of the frozen packaged seafood market, for the 52 weeks ended December 20, 2008, up 4% from a year ago. The Company's food service business enjoys a leading

[3] Market share is estimated by ACNielsen®, which tracks all grocery stores, excluding club stores and deep discounters with sales of US$2.0 million or more and is measured in pounds. The category reported here is for all types of frozen seafood including fish and shellfish, whether breaded or unbreaded, but excludes seafood entrees.
[4] Market share is estimated by ACNielsen® which tracks all Canadian channels, which include grocery stores, distributors, mass & general merchandisers and club stores/warehouses, and is measured in pounds. The category reported here is total frozen fish, which excludes all shellfish and entrees.

market position in the processed seafood category in Canada and the Acquisition has ensured that it is now the leading provider of frozen seafood in this channel. We use advertising and related consumer support activities to create, maintain and strengthen brand loyalty. "*Captain High Liner®*" is one of the most recognizable brand icons in Canada.

According to a 2008 frozen food study by ACNielsen®, seafood is the 2nd largest frozen food category in Canada, and High Liner Foods is the largest seafood company and 7th largest frozen food company in Canada.

In the U.S., *Fisher Boy®* brand sales are principally breaded products including fish sticks and for the 52 weeks ended December 27, 2008, *Fisher Boy* held 18.3%[5] of the United States' national consumption for fish sticks, up 1.5 share points from 2007. The Company's market share of the total frozen seafood category in the United States is 2.5%[6] for the same 52-week period, flat over 2007. *Fisher Boy* is the leading brand of fish sticks at the world's largest retailer. *Fisher Boy* is also a leading brand in Mexico City.

In the U.S. High Liner is gaining recognition as the umbrella brand to Fisher Boy, and High Liner and Sea Cuisine account for a 2.4%[7] share of the prepared seafood category. This segment is highly fragmented, with no significant leader.

3.4 Components – Procurement of Raw Materials and Finished Goods

General

High Liner is dependent on its seafood procurement activities. We continue to increase procurement of commodity seafood products, either as raw material or finished goods, and we purchased over $330 million of these products in 2008. We purchase frozen raw material and finished goods from around the world. Of the seafood we procured in 2008, approximately 65% is processed in Southeast Asia, from wild species harvested in the North Atlantic and Pacific Oceans.

We have a stringent supplier selection process, and monitor and test products for quality. As mentioned in section 3.2 above, all of the Company's suppliers are HACCP approved plants, regardless of geographic location. We perform supplier audits to ensure the products they produce meet or exceed requirements set by the Canadian and United States food inspection agencies and our own product specifications. In many cases, our

[5] Market share is estimated by ACNielsen® which tracks all grocery stores, excluding club stores and deep discounters with sales of US$2.0 million or more and is measured in pounds. The category reported here are fish sticks.
[6] Market share is estimated by ACNielsen® which tracks all grocery stores, excluding club stores and deep discounters with sales of US$2.0 million or more and is measured in pounds. The category reported here is for all types of frozen seafood including fish and shellfish, whether breaded or un-breaded, but excludes seafood entrees.
[7] Market share is estimated by ACNielsen® which tracks all grocery stores, excluding club stores and deep discounters with sales of US$2.0 million or more and is measured in pounds. The category reported here is prepared seafood.

own specifications exceed regulatory requirements. When product is received in either Canada or the United States, the respective food inspection agencies may perform independent testing of our products before they are approved for use in production or for sale.

Our foreign representative office in Qingdao, China, employs procurement and quality control staff to oversee our procurement activities in Asia. High Liner's North American quality personnel also travel to China to supervise activities overseas. We increased our staff in this office in 2008 and will do so again in 2009, partly as a result of the FPI Acquisition and the increased procurement activities that we expect will result because of it.

It is not industry practice to have significant long-term contracts to purchase raw seafood. There are no futures markets for seafood where forward purchases can be hedged. Therefore our strategy is to build long-term relationships with seafood suppliers and most of our existing suppliers have worked with us for many years. We enter into agreements of up to one year in duration with these suppliers. These agreements can cover both price and quantity, but often provide for quantities only, with price determined by the market at the time of shipment or on a quarterly basis. Substantially all purchases are in U.S. dollars. From time to time, depending upon market conditions, we take inventory positions to ensure that we have sufficient raw materials at acceptable costs.

Global demand for fish and seafood continues to grow. The catch of wild fish has stabilized at around 90 million tonnes, which represents approximately 70% of the total supply, while aquaculture continues to increase – see Exhibit 1. Exhibit 2 indicates catches of the 10 most important wild groundfish species, as reported by the FAO[8] in 2008, along with estimates of panelists delivered at the 2008 Groundfish Forum, an industry group that meets once a year to discuss the world seafood industry. Sustainability is now an important aspect of fisheries management for most developed countries, and some of the lower catch levels are attributable to increased regulation and industry conservation measures aimed at protecting fish stocks for the long term. It is management's opinion that wild harvests will not increase substantially in the near future.

[8] Food & Agriculture Organization of the United Nations

Exhibit 1
Global Overview: Total Catches

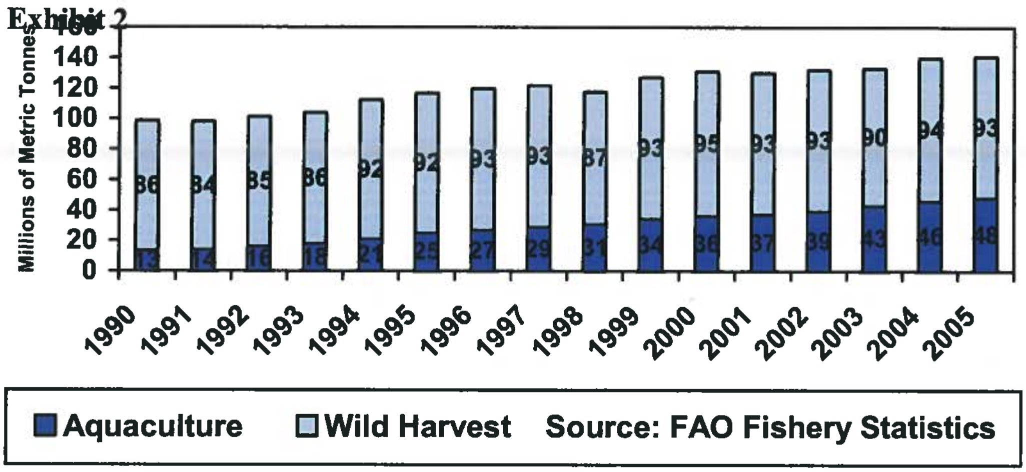
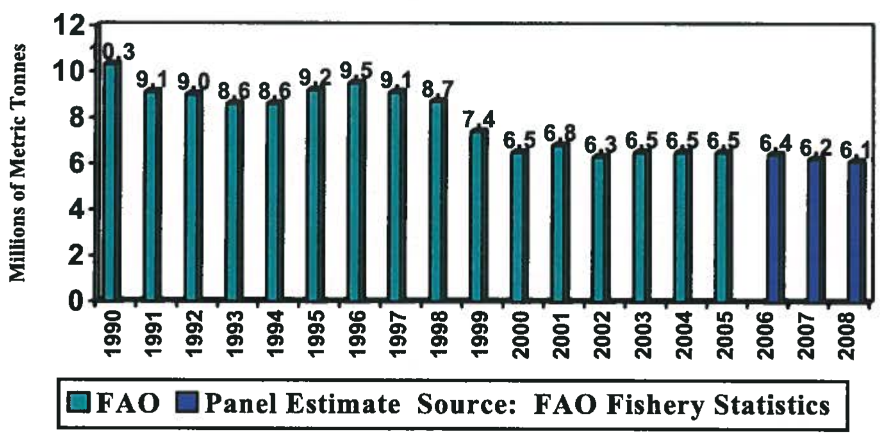


Exhibit 2
Global Groundfish Summary
10 Major Species.



Species included are: Alaskan pollock, Atlantic cod, Pacific cod, haddock, saithe (Atlantic Pollock), redfish (ocean perch), Cape hake, South American hake, North Pacific hake, and hoki

The total supply of seafood continues to increase because of significant increases in aquaculture. Globally, there has been considerable development of the aquaculture industry both in finfish and mollusk species. This trend is expected to continue. We currently procure aquaculture products, including Atlantic salmon, tilapia, basa, mussels, scallops and warm water shrimp. The Company launched tilapia in late 2004 and has expanded sales in the last four years in both retail and club store channels. Tilapia is a relatively new species in North America; however it is already fifth on the list of the top 10 most popular fish species consumed in the United States and is increasing in popularity in Canada. In late 2006 we began selling basa, another farmed specie and one very popular in Europe. Our strategy is to increase the procurement of aquaculture products in the future as we continue to expand shrimp, tilapia and basa sales and investigate the feasibility and profitability of using more aquaculture species. As a result of the Acquisition we have gained additional expertise in the procurement of aquaculture products, especially shrimp.

Despite procuring aquaculture products, the vast majority of our seafood product sales are from fish from the wild, including salmon where more than 90% of our salmon sales are of wild pacific salmon. Aquaculture accounts for 32% of our sales in 2008, up from 19% in 2007 as a result of the Acquisition which increased the amount of seafood sold from aquaculture.

For a detailed description of the risk associated with commodity prices and currency fluctuations in relation to procurement of raw materials, refer to the Management Discussion & Analysis in the Company's 2008 Annual Report.

3.5 Seasonality

High Liner's operating results by quarter fluctuate throughout the year. A detailed discussion as to how seasonality affects the company's operations can be found in the MD&A on page 33of the Company's 2008 Annual Report.

A summary of sales, income from operations, and net income for both total and on a per-share basis, for the eight most recently completed quarters ending January 3, 2009, is provided at page 78 of the Company's 2008 Annual Report.

3.6 Employees

At January 3, 2009, the operations of High Liner Foods involve 1,122 active permanent employees as follows:

	Total
Salary	446
Hourly	676
Total	1,122

High Liner Foods has 223 unionized employees in its Lunenburg facility who are represented by the Canadian Auto Workers union and 140 unionized employees in its Burin facility represented by the Fish and Food Allied Workers union. The expiry date of the current Lunenburg collective agreement is December 31, 2011. The Burin collective agreement expires in December 2010. We believe we have good relations with our unionized employees and anticipate no disruptions in operations in 2009. The hourly workers in Portsmouth and Danvers are not unionized.

3.7 Discontinued Operations

In 2005 we recorded an after-tax write down of the goodwill that was recognized on the acquisition of Italian Village in 1998. The full amount of goodwill of $41.2 million was expensed in the fourth quarter of 2005. This write down of goodwill was necessary as we were not able to return our pasta operations to profitability and, concurrently the distribution of our Fisher Boy products to U.S. grocery stores reduced from 50% to 24%. As a result of this deterioration of the expected future cash flows of the U.S. operations a valuation of the U.S. operations was necessary. This valuation, when completed in early 2006, indicated that other assets, such as the Portsmouth plant and equipment and other intangibles were worth substantially more than their book values. Due to accounting regulations we were not able to record these increased values on the balance sheet they contributed significantly to the amount of the write down of the goodwill.

In 2006 we sold our pasta operations for book value. All the income and expense items related to these transactions have been shown as discontinued operations.

3.8 Effect of Volatility of Canadian Dollar

Over the period 2006 to 2008 the average annual Canada/ USA exchange rate decreased (Canadian dollar strengthened) from 1.1342 to 1.0641 (value of USA dollar in Canadian dollars). In this time period the dollar strengthen to a high of $0.9170. This had a significant impact on the conversion of US dollar income statement items to Canadian dollars. It had the effect of reducing our reported sales, cost of sales and other line items in the income statement. However, it lowered the cost of raw materials for products sold in Canada, as these are purchased in U.S. dollars. In October of 2008 the value of the Canadian dollar declined relative to the U.S. dollar by 30% compared to one year ago, and at year-end stood at 1.2107. This has the effect of increasing our Canadian dollar costs of seafood in the Canadian market. These increases not offset by a reduction in the U.S. dollar purchase price of seafood need to be passed on to customers. The weakening Canadian dollar also increases all line items in the income statement and balance sheet, which will have an offsetting impact on EBITDA and net income. A more complete description of the impact of foreign exchange on the Company is included in the 2008 Management Discussion & Analysis.

The table below shows Company sales assuming a constant exchange rate of par between the Canadian and U.S. dollar, and calculates the growth in sales in domestic currency.

($ 000s)	2008	2007	2006
Sales as reported	**615,993**	**275,391**	**261,725**
Less foreign exchange effect	(20,744)	(7,474)	(12,696)
Sales in domestic currency	**595,249**	**267,917**	**249,029**
Growth excluding FX effects	122.2%	7.6%	7.9%
Average FX rate (US / Cdn)	1.0641	1.0747	1.1342
Average FX rate (Cdn / US)	0.9398	0.9305	0.8817

3.9 Social and Environmental Policies

The Company's food processing plants are subject to Canadian Federal, Provincial and United States Federal and State legislation with respect to safety and environmental matters. In the United States, state labour laws and the federal Occupational Safety & Health Act (OSHA) regulate how work must be conducted in our Portsmouth and Danvers plants. In Canada, provincial legislation and Workers Compensation Boards play an active role in monitoring health and safety in our workplaces. Abroad, we engage external consultants who ensure our suppliers meet local requirements and our standards as well.

With respect to environmental protection, we have an Environmental Management Policy designed to ensure that we meet or exceed the requirements of the federal, provincial, state, municipal and local environmental laws and requirements in both Canada and the United States. A risk of environmental impact is inherent in food processing operations, activities associated with such operations, and the ownership, management or control of real estate. However, our Policy and internal management ensures this risk is managed in accordance with diligent practices.

Our plants contain substantial freezing equipment, all of which utilize ammonia systems. Any release of ammonia in the operation of this equipment would result in environmental hazard and remediation requirements, and therefore maintenance of the freezers is a priority. We have a comprehensive emergency response plan in all facilities, and personnel are well trained and, where required, certified in hazardous materials handling.

Each facility has a preventative maintenance program that is monitored and upgraded as required. Currently, the Lunenburg and Portsmouth plants operate Computerized Maintenance Management System, known in the industry as "MP-2". This PC-enabled program allows our maintenance teams to closely monitor and manage both preventative maintenance and work orders at both facilities. Our Integration Plan for the newly acquired Burin and Danvers facilities will involve a determination of how best to implement our programs and standards at these plants.

As part of our Environmental Management Policy, we have an employee Environmental Steering Committee. The mandate of the Environment & Safety Committee is:

a) to review and report to the Board on the Company's compliance with all environmental and safety regulations and laws in the areas where it carries on business;

b) to assist management in developing action plans to deal with environmental and safety issues; and

c) to monitor management's progress at rectifying any situations identified as potential risks.

The Company's Board of Directors, through the Human Relations and Corporate Governance Committee, receives regular reports on the Company's safety and environmental management, and oversees efforts of the Company to maintain safe and environmentally compliant workplaces.

Our environmental protection requirements are integrated into our overall enterprise-wide risk management programs. In 2009, and in the near future years, we anticipate no material impact of such requirements on capital expenditures, earnings and competitive position.

Due to our reliance on global raw material procurement, we have also implemented compliance standards for our suppliers. All suppliers to High Liner are required to accept and comply with our Supplier Approval and Audit Standards. Approval as a supplier requires compliance with all regulatory requirements applicable to High Liner's food products, including Hazard Analysis of Critical Control Point and Quality Management Plan, and with our own high quality specifications. As well, suppliers must accept our Supplier Code of Conduct, which requires compliance with local laws and ethical business practices. We employ qualified individuals and retain external consultants to audit suppliers for compliance.

4. RISK FACTORS

There is no present risk, trend, commitment, event or uncertainty known to us that we reasonably expect to have a material effect on our business, financial condition or results of operations in 2009 or later years, other than the changes in the value of the Canadian dollar relative to the U.S. dollar, the increase in raw material costs as discussed in the Management Discussion and Analysis accompanying the 2008 Financial Statements, and items below.

There are a number of external factors that might impact operations, either positively or negatively, depending on our execution of our business and growth strategies: (a) industry consolidation, (b) increase in seafood production from Asia, (c) the uncertainty of future global groundfish supply and increased supply of seafood from aquaculture, (d) costs and selling prices for seafood raw materials and finished goods, (e) cost of other commodity inputs and (f) rapid technological change.

(a) Industry Consolidation: Grocery retailers, wholesalers and food processors in North America have consolidated and continue to consolidate. In Canada, 5 major food retailers control in the aggregate more than 70%[9] of the retail food sales market. In the U.S., retailers are also consolidating. Ten retail operators now control approximately 66%[10] of USA retail grocery sales. Grocery retailers typically charge suppliers listing or "slotting" fees for shelf space on a per product basis for new products, and also require money to support product advertising and promotions. Arising out of these consolidations we have experienced demands from strong retailers for increased listing and promotional incentives. However, as a supplier of Canada's leading frozen seafood brand and a leading supplier to the U.S. food service channel, we expect to remain an important supplier to grocery retailers and food service distributors. We are focusing efforts on brand strength, new products, procurement activities, and superior customer service to ensure we outperform competitors. Consolidation makes it more important to achieve and maintain a brand leadership position, as consolidators move towards centralized buying and streamlined procurement. We are in a good position to meet these demands, since we offer quality, popular products under leading brands and have the ability to meet the customer service expectations of the major retailers. Given our brand strategy, customer consolidation is an opportunity for High Liner to grow in step with customer growth.

Consolidation of customers is expected to result in some consolidation of suppliers in the USA seafood industry. The supply of seafood, especially in the food service market, is highly fragmented. Consolidation is needed to reduce costs and increase service levels to keep pace with the expectation of customers. We are always looking for acquisition opportunities to leverage our current strengths.

***(b) Increase in seafood production from Asia*:** Since 1999, various seafood companies, including High Liner, have diverted production of certain primary produced products to Asia, and China in particular. Asian processing plants are able to produce many seafood products at a lower cost than is possible in North America and in other more developed countries. These plants are also able to achieve a better yield on raw material due to the use of more manual processes. Land-based seafood primary processing plants in developed countries, such as Norway, Iceland and Canada, have found it extremely difficult to compete with Asian processors, especially when they compete with them for the raw material on global markets. We anticipated this trend ahead of our competitors. It was part of our rationale for exiting the primary processing and fishing businesses, and the trend allowed us to develop opportunities that are now contributing to our growth strategy. We chose to work closely with selected Asian suppliers to become an important customer. We have made it possible for these suppliers to meet our exacting quality and manufacturing standards and in turn we have access to the variety and volume of seafood products, including a significant amount of wild-caught product from the Atlantic and Pacific oceans that we need to fulfil our brand strategy. The trend has continued in 2007 in the area of processed shrimp and we have taken advantage of this trend and moved a significant portion of our processed shrimp production from U.S. co-packers to Asian

[9] Market share is estimated by ACNielsen®
[10] According to "2009 Marketing Handbook", published by Trade Dimensions International, Inc.

suppliers. Although we have not seen this trend significantly affect products produced in our North American plants we continue to look for ways of reducing cost and investment.

(c) Global seafood supply and aquaculture:

We buy all of seafood product on global commodity markets mostly through long term supply relationships. We can manage the uncertainties of seafood supply and cost to some degree by adjusting product lines, substituting species in certain products, and changing prices to our customers. We have targets set to increase the proportion of our sales that come from aquaculture. Currently 32% of our sales come from an aquaculture source.

Procurement issues and trends are discussed in more detail in Section 3.4 of this document and under the section entitled "Risk Management" in the Management Discussion & Analysis in the Company's 2008 Annual Report.

(d) Costs and selling prices for seafood raw materials and finished goods:
Approximately 68% of our products are derived from wild species. Prices for seafood have increased significantly over the past 36 months. In 2008 increasing input costs not passed on to consumers reduced High Liner's earnings. Aquaculture has a stabilizing effect on historically volatile raw material and commodity prices as supply and demand can better be balanced. At the same time, demographic and environmental trends are increasing the demand for seafood. North American consumers are increasingly more health conscious, and seafood is considered a healthy food choice. Higher disposable incomes in countries like Russia and China have also increased the worldwide demand for seafood. As well, the emergence of BSE (mad cow disease) and Avian flu affects the popularity of other protein food choices, and increases the demand for seafood. The demand increases sales but also increases raw material costs. We have been able to pass on the majority of these seafood cost increases to our customers.

The declining U.S. dollar relative to other currencies also increased the cost of fish in 2008. As the world market for seafood is transacted in U.S. dollars, a declining U.S. dollar meant that other countries currencies were increasing relative to the U.S. and were able to pay more in U.S. dollars for their purchases. On the other hand suppliers, others than those in the USA, needed more U.S. dollars to maintain their profit at historic levels. Of course, a strengthening U.S. dollar has the opposite effect.

The relative value of the currencies of seafood-consuming countries to the U.S. dollar also has an effect on the global seafood market. The strength of the Pound Sterling and the Euro especially has an impact on seafood costs. As these currencies gain or loose strength against the U.S. dollar their ability to pay more for seafood changes. This market dynamic impacts the U.S. dollar cost of seafood due to the demand and supply characteristics of the market. With a strong currency, Europeans can pay more for seafood, and with a weak currency they can afford less.

Procurement issues and trends are discussed in more detail in Section 3.4 of this document and under the section entitled "Risk Management" in the Management Discussion & Analysis in the Company's 2008 Annual Report. As well, foreign exchange is discussed in our Management Discussion & Analysis in the Company's 2008 Annual Report.

(e) Costs of commodity products, other than seafood: High Liner has significant exposure to other commodity prices including paper, flour, cooking oil and diesel fuel. In terms of paper, we procure boxboard and corrugated material for packaging. We procure flour-based breaders and batters for our value-added coated seafood products. We also use cooking oil in some of our products. Diesel fuel surcharges can significantly affect our transportation costs, through surcharges of freight rates. To minimize the risk of commodity cost changes for these items, we, where we can, negotiate fixed price contracts with our suppliers. Going into 2009, we have fixed price contracts with our flour, paper products and cooking oil suppliers for part of 2009.

(f) Rapid technological change: In terms of rapid technological change, our leading edge enterprise-wide computer software systems (principally Oracle ® (J.D. Edwards) and Lotus Notes®), and our investment in Internet-enabling connectivity, means that we are able to control our business processes and are prepared and able to communicate with customers as the customer chooses. As customers grow, they are centralizing and reducing costs to achieve merger synergies. We are well positioned to be a supplier of choice due to our ability to meet customer requirements. We transitioned the acquired FPI businesses to our J.E. Edwards platform in 2008.

5. DIVIDEND POLICY

The Company's share structure changed in both 2007 and 2008. See note 9 to the 2008 Annual Financial Statements for a full explanation of these changes. The only shares currently outstanding are the Common and Non-Voting Equity shares.

Beginning in the last quarter of 2003, we instituted a quarterly dividend to holders of High Liner's Common Shares. The implementation of this policy reflects our confidence in the future as we focus on growing our business. A dividend of $0.05 per common share was paid in the fourth quarter of 2003 and in each quarter up to the second quarter of 2008. In the third quarter of 2008 the dividend was increased to $0.055 per share and it was increased again in the fourth quarter of 2008 to $0.0625 per share. On February 25, 2009, the Directors approved a quarterly dividend of $0.0625 per share on the Company's common shares payable on March 15, 2009 to holders of record on March 1, 2009. On the same date, the Directors also approved a quarterly dividend of $0.0625 per share on the Company's Non-Voting Equity Shares.

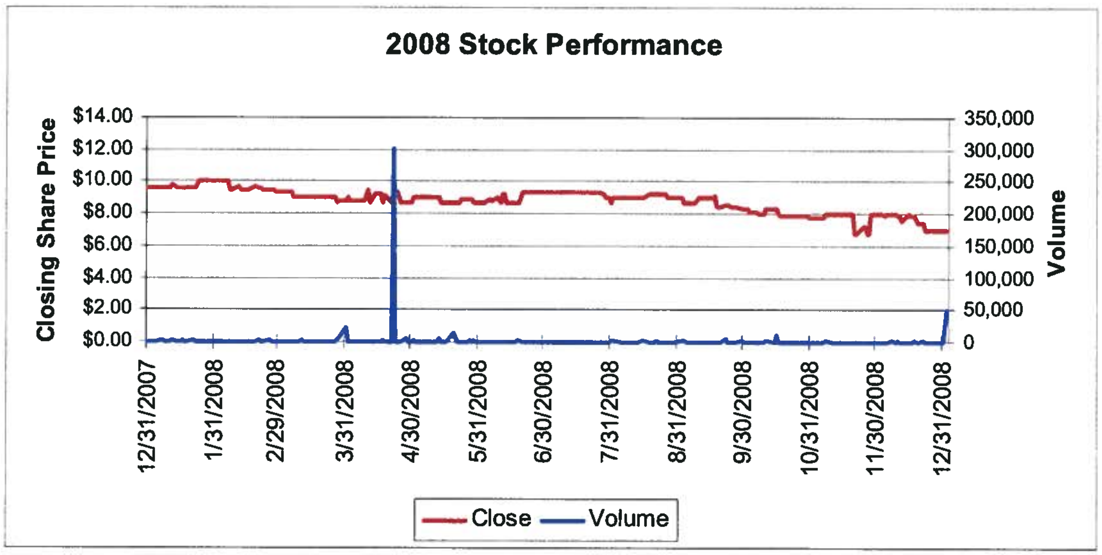
In determining the level of dividends paid, the Directors consider the relative yield on High Liner's stock compared to its industry peers as well as the percent of expected annual net income being distributed by way of a dividend. Financial covenants on debt may also affect the Board's policy.

6. CAPITAL STRUCTURE

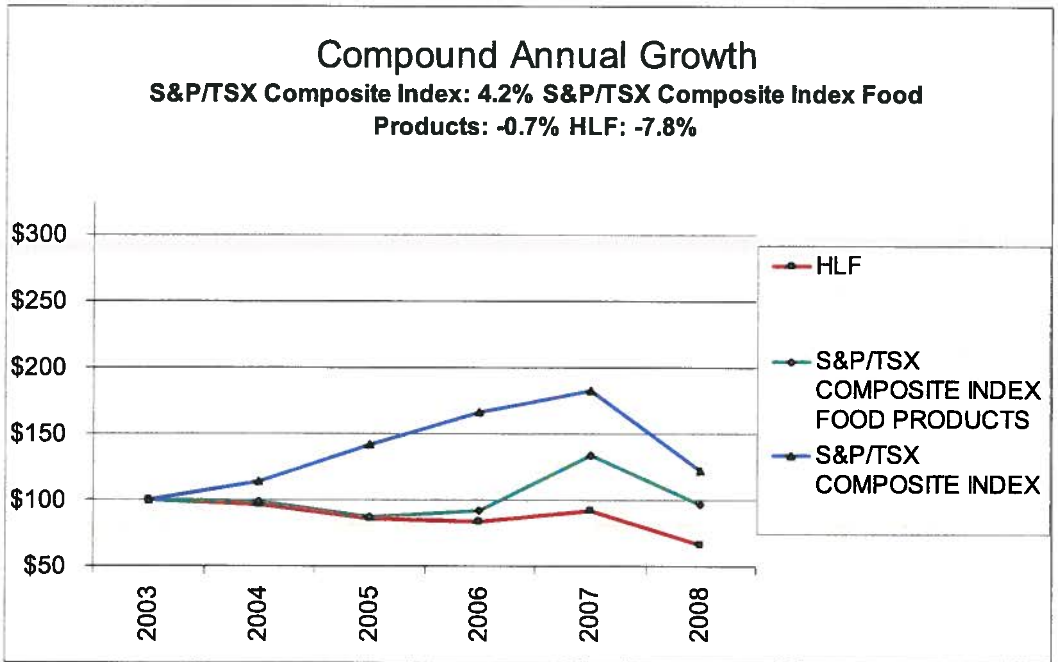
High Liner's capital structure, including a description of each class of authorized security and associated characteristics of each security, including voting rights, provisions for conversion, dividend rights, etc., is fully disclosed in note 9 to the Financial Statements, beginning at page 59 of the Company's 2008 Annual Report.

7. MARKET FOR SECURITIES

High Liner's Common Shares are listed for trading on The Toronto Stock Exchange under the symbols "HLF" and "HLF.A". During 2008, the Common (HLF) shares traded between \$6.05 and \$10.00. On January 2, 2009, they closed at \$7.00. The chart below identifies the price ranges and volumes by month for our last fiscal year.



The following graph compares the yearly percentage change in the Company's cumulative total shareholder return on its common shares with the cumulative total return of the S&P/TSX Composite Index Food Products and the S&P/TSX Composite Index over the last six financial years, assuming a \$100 investment and dividends are reinvested. Due to the discontinuance of the TSX Food Index in 2004, we have used the S&P/TSX Composite Index Food Products and have adjusted historical information to reflect this.



8. DIRECTORS AND OFFICERS

8.1 Directors

The names, residence, occupations, and shareholdings of the directors of High Liner are set out on pages 2 to 7 of the Management Information Circular dated March 30, 2009 and prepared for the Annual Meeting of Shareholders to be held on May 13, 2009. This information also identifies members of each committee of the Board of Directors. All of the directors proposed for nomination in 2009 were directors at the Company's fiscal year end on January 3, 2009.

Pursuant to High Liner's by-laws, directors are elected to serve until the next Annual General Meeting of Shareholders or until a successor is elected. The terms of all incumbents therefore expire on May 13, 2009, and all incumbents have been nominated for re-election. The current non-executive directors own in the aggregate 302,391 common shares of High Liner (as of March 30, 2009), representing 2.25% of the total issued and outstanding shares.

8.2 Executive Officers

Except where noted, the executive officers of High Liner have served in their current roles for more than five years. The names, residences, and offices held by the executive officers of High Liner are:

- Henry E. Demone, President & Chief Executive Officer, Lunenburg, Nova Scotia.
- Kelly L. Nelson, Vice President Corporate Services & Chief Financial Officer, Mader's Cove, Nova Scotia.
- Mario Marino, President and Chief Operating Officer Canadian Operations, Toronto, Ontario. Prior to 2008, Mr. Marino was Vice President and Chief Operating Officer Canadian Operations.
- Keith Decker, President and Chief Operating Officer, High Liner Foods (USA), Incorporated, Exeter, New Hampshire. Prior to joining High Liner in 2007 as part of the Acquisition, Mr. Decker was President and Chief Operating Officer of Fishery Products International, Inc.
- Paul Snow, Vice President Procurement, Pleasantville, Nova Scotia.
- Mark Leslie, Vice President Supply Chain and Operations, High Liner Foods (USA), Incorporated, Danvers, Massachusetts. Mr. Leslie joined Fishery Products International in 1992, bringing over 20 years of experience in the seafood business.
- Joanne Brown, Vice President Human Resources, Lunenburg, Nova Scotia. Prior to joining High Liner in 2007, Ms. Brown was Vice President of Farmers Cooperative Dairy Limited.

The executive officers as a group own 269,244 common shares of High Liner, representing 2.0% of the issued and outstanding shares.

9. AUDIT COMMITTEE INFORMATION

9.1 Audit Committee Charter

High Liner's Audit Committee Charter is attached as an appendix to this Annual Information Form.

9.2 Composition of the Audit Committee

The Audit Committee of High Liner has seven members: R.P. Dexter, Q.C. (Chairman), F.J. Dickson, Q.C., R.L. Pace, R.E. Shea, J.R. Winters, Q.C., C.R. Bell and S.W.L. Spavold.

Each member of the Audit Committee is both independent and financially literate[11]. For full biographies of these directors, please see pages 2 to 7 of the 2008 Management Information Circular for the Annual General Meeting of Shareholders. The Human Resources & Corporate Governance Committee of the Board determines whether each director is independent. See the full discussion on independence beginning at page 7 of the 2008 Management Information Circular.

[11] "Financially literate" means the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

9.3 Relevant Education and Experience of Audit Committee Members

In addition to each member's general business experience, the education and experience of each Audit Committee member that is relevant to the performance of his or her responsibilities as an Audit Committee member is as follows:

Mr. Robert P. Dexter, Q.C., Chairman of the Audit Committee is the Chairman and Chief Executive Officer of one of Canada's 50 Best Managed Companies, Maritime Travel Inc., (selected ten consecutive years by the National Post newspaper), which operates 79 travel stores across Canada. Maritime Travel Inc. was also named as one of the 20 Top Best Small and Medium Employers in Canada for 2007, according to a study commissioned by the Report on Business Magazine of the Globe and Mail newspaper. Mr. Dexter is also a director of other major Canadian companies, including Empire Company Limited, Bell Aliant Regional Communications Income Fund, and Wajax Income Fund. Mr. Dexter was appointed Chairman of Empire Company Limited in 2004 and Sobeys Inc. in 2007. He is a member of the Audit and Governance, Management Resources and Compensation Committees of Bell Aliant Regional Communications Income Fund.

Hon. Fred J. Dickson, Q.C. Mr. Dickson is of counsel to McInnes Cooper of Halifax, Nova Scotia and has practiced business law for more than twenty-five years. He was appointed to the Senate of Canada in January 2009 by Prime Minister Stephen Harper. Recently, Mr. Dickson has participated in KPMG LLP's Audit Committee Institute Roundtables.

Mr. Robert Pace, in addition to building several successful private companies, has served on the Board of Directors of Canadian National Railway since 1994 and chairs its Human Resources and Compensation Committee. Canadian National Railway is listed on the Toronto and New York Stock Exchanges. He also serves as the Chairman of Overland Realty Limited. He holds both a Bachelor of Laws and a Masters in Business Administration degree from Dalhousie University, and has more than twenty years of business experience.

Mr. Robert Shea is a successful entrepreneur in the insurance industry and financial services industries. He is Chairman and President of Shea Financial Group Inc., engaged in the design and funding of executive compensation plans, and is a director of Plaintree Systems Inc., Overland Realty Limited, and SolutionInc Technologies Limited.

Mr. Robert Winters, Q.C. is of counsel to Burchell MacDougall, a law firm of Truro, Nova Scotia. Apart from his law practice, Mr. Winters has been a successful owner and chief executive officer of a number of companies in the hospitality and food service industries including a processed food manufacturing company. In recent years, Mr. Winters has chaired a number of organizations in the fields of health care, economic development and education, and at various times he has served on audit committees for such organizations. He is past chair of the Board of Regents of Mount Allison University and he chaired that institution's audit committee for three years. He is Chairman of the Halifax International Airport Authority.

Mr. C. Randolph Bell is Chairman of the Bell Group of Companies, of St. John's, Newfoundland, which includes a distribution company, a 25-store retail furniture chain, real estate holdings, offshore oil and gas services, and investment management. Mr. Bell is also a director of K & D Pratt Limited, Campanelle Limited, Cohen's Home Furnishings Ltd., and is a director and franchisee of Ashley Homes Stores. He has an undergraduate education in commerce, and has been a successful entrepreneur for 42 years.

Mr. S. Spavold is executive vice president of Clearwater Fine Foods Incorporated, a private holding company with significant investments in Clearwater Seafoods Income Trust, a publicly trading shellfish harvester and processor, and Columbus Communications, a telecommunications company serving the Caribbean. Mr Spavold is also the Chair of Ocean Nutrition Canada Limited and serves on the board of FP Resources Limited (the vendor of the Acquisition). Mr Spavold has been a Chartered Accountant for over 25 years serving in public practice and formerly as Vice President Finance of McCain Foods Limited.

9.4 Audit Fees

Ernst & Young LLP is the Company's auditing firm. Fees payable for the years ended January 3, 2009 and December 29, 2007 to Ernst & Young LLP are $791,695 and $734,831. Fees payable to Ernst & Young LLP and its affiliates in 2008 and 2007 are detailed below.

	2008	2007
Audit fees	**$ 379,000**	$ 353,754
Audit-related fees	**165,855**	12,914
Tax fees	**246,840**	63,623
All other fees	**-**	304,540
	$ 791,695	$ 734,831

The nature of each category of fees is described below.

Audit fees

Audit fees were paid for professional services rendered by the auditors for the audit of the annual financial statements or review of quarterly financial statements of High Liner and its subsidiary or services provided in connection with statutory and regulatory filings or engagements.

Audit-related fees

Audit-related fees were paid for assurance and related services that are reasonably related to the performance of the audit or review of the annual financial statements and are not reported under the audit fees item above. These services consisted of:

• accounting consultations in connection with various issues; and
• the audit of the financial statements of the U.S. 401(k) plan, and
• assistance provided in the assessment of work to be completed by the Company on the adoption of International Financial Reporting Standards.

Tax fees

Tax fees were paid for tax compliance services including the review of original and amended tax returns and assistance with questions regarding tax audits and dealing with various tax authorities.

All other fees

Fees disclosed in the table above under the item "All other fees" were paid for services other than the audit fees, audit-related fees and tax fees described above. These services in 2007 consisted of accounting and tax consultations regarding possible acquisitions and capital restructuring.

The Audit Committee approves all non-audit service fees for services provided by the company's auditors. During 2007 an accounting firm other than Ernst & Young was engaged to assist the Company with due diligence integration support services and purchase price allocation issues in connection with the Acquisition.

10. TRANSFER AGENTS

CIBC Mellon Trust Company is High Liner's transfer agent and registrar with respect to Common Shares of the Company. The register of the transfers for Common Shares is kept at Halifax, Nova Scotia. CIBC Mellon's address is:

1660 Hollis Street, Centennial Building, 4th Floor
Halifax, Nova Scotia B3J 1V7
902-420-3222
www.cibcmellon.com
E-mail inquiries: inquiries@cibcmellon.com

11. MATERIAL CONTRACTS

All of the following agreements are filed as material documents under High Liner's profile on SEDAR at www.sedar.com.

a. Agreement of Purchase and Sale dated August 24, 2007 amongst High Liner Foods Incorporated, FPI Limited and Fishery Products International Limited for the purchase by High Liner of the Manufacturing and Marketing Business of Fishery Products International Limited. The acquisition contemplated by this Agreement closed on December 20, 2007 and is described in Section 2.2. of this AIF. Full details of the transaction are also included in a Business Acquisition Report dated March 4, 2008 and filed on SEDAR at www.sedar.com by High Liner Foods Incorporated. The acquisition is also discussed in detail in High Liner's 2007 Annual Report, particularly in the Management Discussion & Analysis accompanying High Liner's 2007 Consolidated Annual Financial Statements included in the Annual Report. The Annual Report was filed on SEDAR at www.sedar.com on March 28, 2008.

b. Asian Procurement Business Arrangements and Trademark Co-operation Agreement dated August 24, 2007 between High Liner Foods Incorporated and Ocean Choice International LP. This transaction formed part of the acquisition described in subsection a. above and was also completed on December 20, 2007, whereby High Liner purchased a portion of the assets of an Asian procurement business that Ocean Choice acquired from FPI Limited as part of Ocean Choice's acquisition on the same date of FPI Limited's Primary Group business. The Asian procurement business was previously carried on by FPI's Atlantic seafood trading division in its Primary Group and involves the procurement of all FPI branded products in Asia for sale in North America. As part of the agreement, High Liner also acquired all of the FPI trademarks in North America used in this business.

c. Voting and Standstill Agreement dated December 20, 2007. The shares issued by High Liner in the acquisition referred to in subsection a. above are subject to a Voting and Standstill Agreement among High Liner, FPI Limited, Fishery Products International Limited, John Risley, Graham Roome, Clearwater Fine Foods Incorporated, Clearwater Seafoods Income Fund, Glitnir banki hf, Icelandic Group Plc. and Sanford Limited. Under this agreement the parties have agreed with High Liner that they and their controlled affiliates will for five years be restricted from taking certain actions in respect of High Liner shares. Such restrictions include: acquiring additional shares other than in limited circumstances; disposing of shares where the transferee would hold in excess of 10% of the total voting securities of High Liner, except with the approval of the High Liner Board of Directors or the execution by such transferee of the Voting and Standstill Agreement; participating in a partnership, limited partnership, syndicate or other group or a voting trust with respect to the High Liner shares; soliciting proxies or seeking to advise or influence any person with respect to acquisition, disposition or holding of High Liner shares or the voting of any High Liner shares, other than to recommend that persons vote in favour of any matter recommended by the High Liner Board; commencing or announcing an intention to commence a takeover bid or making, announcing any intention or desire to make, or facilitate the making of, any proposal or bid with respect to the acquisition of any substantial portion of the assets of High Liner or of the assets or stock of any of its subsidiaries or of all or any portion of the outstanding High Liner shares, or any merger, consolidation, other business combination, restructuring, recapitalization or liquidation involving High Liner or any of its subsidiaries. Should High Liner raise capital by the issuance of securities during the term of the Voting and Standstill Agreement, each party shall have a pre-emptive right to subscribe for its proportionate share of such newly issued securities in order to avoid dilution of its existing percentage interest of the equity shares of High Liner.

d. Shareholder Rights Plan Agreement dated December 20, 2007 between High Liner Foods Incorporated and CIBC Mellon Trust Company. The Board of Directors of

High Liner Foods approved the adoption of a shareholder rights plan agreement dated December 19, 2007 between the Company and CIBC Mellon Trust Company (the "Rights Plan"). The Rights Plan is subject to approval by the shareholders of the Company at the Annual Special and General Meetings scheduled to take place on May 9, 2008. A summary of the Rights Plan text is provided at Appendix A to the Management Information Circular prepared for these meetings, dated March 28, 2008, and which has been filed on SEDAR at www.sedar.com.

e. To finance the acquisition transactions referred to in subsections a. and b. above, High Liner entered into the following new financing arrangements on December 20, 2007:

(i) A 3-year $120,000,000 working capital facility was entered into with Royal Bank of Canada as Administrative Agent and CIT as Collateral Agent, expiring December, 2010. This facility replaced all existing working capital debt facilities. The facility is asset based and is secured by High Liner's inventory and accounts receivable and other personal property in Canada and the USA, subject to a first charge on brands and tradenames and related intangibles under the term debt facilities. Borrowings can be by way of Prime loans, Base Rate loans, LIBOR, or Canadian BAs at interest rates and spreads that depend on leverage, defined as Funded Debt to EBITDA. The Company must maintain excess availability under the line of at least $10,000,000 at all times. They must also maintain fixed charge coverage of 1.1 to 1. Fixed charges include interest debt repayments, capital lease payments and capital distributions, such as dividends or repurchase of shares under normal course issuer bids. This new facility allows the Company to borrow Canadian dollar Prime Rate loans and U.S. Base Rate loans in US dollars at Prime or Base Rate plus 0.00% to 0.125%; Bankers' Acceptances (BA) loans at BA rates plus 1.00% to 1.375%; and LIBOR advances at LIBOR plus 1.00% to 1.375%. Standby fees are also required to be paid on the un-utilized line. The rate of interest charged on borrowings depends on a financial leverage ratio. The agreement has a three year extension, subject to approval of the lenders and the payment of additional fees. Other terms and conditions are typical to an asset-based financing structure.

(ii) High Liner entered into 5-year term debt facilities with Integrated Private Debt Corp. as Agent on December 19, 2007. Borrowings consist of CAD$17,250,000 at a fixed rate of 6.31%, and USD $31,058,113 at a fixed rate of 6.012%, and USD$4,949,500 at 30 day LIBOR + 2%. The Canadian loan was immediately swapped to USD$17,232,767 at an interest rate of 6.26%. Principal payments commence after 25 months. The Loan shall then be paid in thirty-six (36) equal monthly installments based upon a twelve (12) year amortization. The loan is fully repayable 5 years plus 1day from the advance on December 19, 2007 with all outstanding amounts to be repaid on the maturity date. The USD$4,949,500 loan may be repaid on the sale of real estate in the USA. The loan is secured by real estate and equipment located in Burin, Newfoundland and Labrador, Lunenburg, Nova Scotia, Portsmouth, New Hampshire and Danvers, Massachusetts as well as intellectual properties, including tradenames and brands. The loan is subject to financial covenants including maintaining Funded Debt to EBITDA of (i) no more than 4.0:1, to be first measured as at December 31, 2007, (ii) 4.00:1 as of December 31, 2008, (iii) 3.75:1 as of December 31, 2009, and (iv) 2.75:1 as of December 31, 2010 and for the duration of the Loan., maintaining a Debt Service Coverage Ratio of 3 to 1, and maintaining long term debt as a percent of capitalization below 35%.

12. ADDITIONAL INFORMATION

Further information, including additional copies of this Annual Information Form, the 2008 Annual Report containing the comparative consolidated financial statements and accompanying report of the auditor, the most recent interim financial statements and the Management Information Circular for the Company's Annual General and Special Meeting to be held on May 13, 2009, may be obtained on SEDAR at www.sedar.com or upon request from the Corporate Secretary of the Company at investor@highlinerfoods.com, or on the Company's website at www.highlinerfoods.com, or by writing to the Corporate Secretary at High Liner Foods Incorporated, PO Box 910, Lunenburg, Nova Scotia B0J 2C0. Additional information, including directors' and officers' remuneration and indebtedness, principal holders of the Company's securities, and options to purchase securities, is contained in the Company's 2008 Management Information Circular, and additional financial information is provided in the Company's consolidated financial statements and Management Discussion & Analysis for 2008, contained in the Company's 2008 Annual Report. All additional information referred to in this AIF may also be found on SEDAR at www.sedar.com.

Appendix – Audit Committee Charter

Composition

1. The Committee shall consist of at least four outside directors, all of whom are independent and financially literate. (1) The Human Resources & Corporate Governance Committee will appoint Committee members and the Committee Chair.

2. The members' terms of appointment should coincide with the terms of appointment of other board committees and provide for continuity of membership, while at the same time allowing fresh perspectives to be added by periodic changes in the membership of the Committees.

3. The Chairman of the Board, the President and Chief Executive Officer, Vice President Corporate Services and Chief Financial Officer, and Corporate Controller shall attend meetings of the Committee by invitation of the Chair.

Purpose

4. The Committee shall assist the Board of Directors in fulfilling its oversight responsibilities for:
   (a) The integrity of the Company's financial statements
   (b) The Company's compliance with legal and regulatory requirements
   (c) The Company's risk management structure and performance
   (d) The external auditor's qualifications and independence, and
   (e) The performance of the Company's internal audit function and external auditors.

Authority

5. The Committee has authority to conduct or authorize investigations into any matters within its scope of responsibility. It is empowered to:
   (a) Appoint, compensate, and oversee the work of the external auditing firm employed by the Company to conduct the annual audit. The external auditors shall report directly to the Committee and attend every meeting.
   (b) Resolve any disagreements between management and the external auditor regarding financial reporting.
   (c) Pre-approve all auditing and permitted non-audit services performed by the external auditor, as set out below.
   (d) Retain independent counsel, accountants or others to advise the Committee or assist in the conduct of an investigation.
   (e) Seek any information it requires from employees – all of whom are directed to cooperate with the Committee's requests – or external parties.
   (f) Meet with Company officers, external auditors, or outside counsel, as necessary.

Meetings

6. The Committee shall meet on a regular basis but at least four times a year. Special meetings shall be called at the request of the Chair, the external or internal auditors. The external auditors and the Manager of Internal Audit shall have the right to attend all meetings of the Committee.

7. All Committee members are expected to attend each meeting, in person or via teleconference.

8. The Committee shall meet privately with the external auditors at every meeting and with the Director of Corporate Compliance and the Manager of Internal Audit at least twice per fiscal year. The Committee will invite members of management to attend meetings and provide pertinent information as necessary, and will meet separately, at least quarterly, with management. It will also meet periodically in camera.

9. Meeting agendas will be prepared by the Corporate Secretary and provided in advance to members, along with appropriate materials. Minutes will be prepared.

Responsibilities

The Committee will carry out the following responsibilities:

Financial Statements:

10. Review with management and the external auditors, and recommend for approval, all published financial information that requires approval by the Board of Directors. These would include interim statements, year-end audited statements, Management Discussion & Analysis, Annual Information Form, Annual Report, statements in prospectuses and other offering memoranda, as well as all news releases relating to financial or material information about the Company.

11. Review significant accounting and reporting issues and understand their impact on the financial statements. These issues include complex or unusual transactions and highly judgmental areas, major issues regarding accounting principles and financial statement presentations, including any significant changes in the Company's selection or application of accounting principles, and the effect of regulatory or accounting initiatives on the financial statements of the Company.

12. Review with management and the external auditors the results of the external audits, including any difficulties encountered, restrictions on the auditor's work, the co-operation received in performance of the audit, and the audit findings. In addition, the Committee shall review any accruals, provisions or estimates that have a significant effect upon the financial statements as well as other sensitive matters such as disclosure of related party transactions.

13. Review with management, the external auditors and, if necessary, legal counsel, any litigation, claim or other contingency, including tax assessments, or any other matters, that could have a material effect upon the financial position or operating results of the Company, and the manner in which these matters have been disclosed in the financial statements.

14. Review the certification of the Chief Executive Officer and Chief Financial Officer that: 1) the interim and annual financial statements, MD&A and AIF of the Company do not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements, in light of the circumstances under which they are made, not misleading; 2) the financial statements, together with other financial information in the MD&A and AIF, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer; 3) the internal controls of the issuer have been designed by or under the supervision of the Chief Executive Officer and Chief Financial Officer to provide reasonable assurances that the Company's financial statements are fairly presented in accordance with GAAP; 4) the disclosure controls or procedures of the Company have been designed by or under the supervision of the Chief Executive Officer and Chief Financial Officer to provide reasonable assurances that material information is made known to him or her or to others within the Company.

15. Review all subsidiary company or special purpose audit reports, including those of pension funds, if any, as well as the minutes of all audit committee meetings of subsidiaries and any significant issues and auditor recommendations.

16. Consider any other matter that in its judgement shall be taken into account in reaching its recommendation to the Board of Directors concerning the approval of the financial information intended for publication.

External Auditing

17. The external auditors shall report directly to the Committee and shall attend every regular meeting of the Committee.

The Committee will carry out the following responsibilities:

18. Review and approve the engagement letter with the external auditors.

19. Review the audit plans of the external auditors, including the co-ordination of audit effort with internal auditing. The Committee shall enquire as to the extent the planned audit scope can be relied upon to detect weaknesses in internal control or fraud or other illegal acts. Any significant recommendations made by the auditors for the strengthening of internal controls shall be reviewed and shall be discussed with management, if necessary.

20. Review the performance of the external auditors, and consider whether the external auditors shall be reappointed after obtaining management's view of the competency of the incumbent auditors and recommend accordingly to the Board of Directors.

21. Review and approve the Company's hiring policies regarding employees or former employees of the external auditor (or former auditors).

22. If the Committee considers a change in external auditors appropriate, articulate the reasons for the change, including the response of the incumbent auditors in its recommendation to the Board, and shall oversee the search for and appointment of newly proposed auditors before making a recommendation to the Board of Directors. The Committee shall review all issues related to a change in auditors under National Instrument 51-102.

23. Review and approve the basis and amount of the external auditors' fees in light of the number and nature of reports issued by the auditors, the quality of the internal controls, the size, complexity and financial condition of the Company and the extent of the internal audit and other support provided by the Company to the external auditors.

24. Review the nature of any non-audit services proposed to be performed for the Company by the audit firm, and consider whether the nature or extent of such services could detract from the audit firm's independence in carrying out the audit function. The Committee shall pre-approve all non-audit service fees. In between meetings of the Committee, and provided the Committee is not in session, the Chairman of the Audit Committee may perform this function, provided any approvals of the Chairman shall be referred to the next meeting of the Audit Committee for ratification.

Internal Auditing and Control

25. The Manager of Internal Audit reports directly to the Director of Corporate Compliance but shall report to the Audit Committee on a dotted line basis.

The Committee will carry out the following responsibilities:

26. Review with management and with the Manager of Internal Audit the plans, activities, staffing, and organizational structure of the internal audit function.

27. Ensure there are no unjustified restrictions or limitations, and shall review and concur in the appointment, replacement, or dismissal of the Manager of Internal Audit.

28. Review the effectiveness of the internal audit function, and shall on a regular basis and at least semi-annually, meet regularly with the Director of Corporate Compliance and the Manager of Internal Audit to discuss any matters that the Committee or internal auditing believes should be discussed privately.

29. Consider the effectiveness of the Company's internal control system, including information technology security and control.

30. Understand the scope of internal review of internal control over financial reporting, and obtain reports on significant findings and recommendations, together with management's responses. The Committee will enquire as to and investigate if necessary any significant deficiencies in the design or operation of internal controls.

Compliance

31. Review the effectiveness of the system for monitoring compliance with laws and regulations and the results of management's investigation and follow-up (including disciplinary action) of any instances of non-compliance.

32. Request internal and external auditors to report to it any matters of which they are aware, that might be considered unethical or "on the fringe".

33. Establish and maintain procedures for the (a) receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters; and (b) the confidential, anonymous submission of information by employee "whistle-blowers" regarding questionable accounting or auditing matters.

34. Review the findings of any examinations by regulatory authorities, and any auditor observations.

35. Review and approve the Company's Code of Conduct and shall review the process for communicating the Code of Conduct to company personnel and for monitoring compliance with the Code.

36. Review the Corporate Disclosure Policy and ensure that there is a process in place to provide timely disclosure of material corporate events that would be of interest to investors and to prevent unauthorized disclosures of confidential information.

37. Obtain regular updates from management and company legal counsel regarding compliance matters.

Risk Management

38. Review annually and discuss with management the Company's Business Risk Management Policies, particularly the Price Risk Management Policy

39. Review annually and discuss with management the Company's Risk Factors as disclosed in Management Discussion & Analysis and in the Annual Information Form.

40. Review compliance with the Company's Financing and Credit Risk Policies and review its credit risk profile annually.

41. Review the Company's insurance program for adequacy.

42. Review and approve the Company's disaster recovery plans and monitor management's implementation of such plans; annually assess the Company's disaster recovery readiness.

Other Responsibilities

43. Consider and, if appropriate, approve requests from individual Directors to retain independent advisors.

44. Review and approve the President's travel and professional expenses.

45. Institute and oversee special investigations as needed.

46. Review and assess the adequacy of this Charter annually, requesting board approval for proposed changes, and ensure appropriate disclosure as may be required by law.

47. Confirm annually that all responsibilities outlined in this charter have been carried out.

Reporting

48. The full Board of Directors shall be kept informed of the Committee's activities by a report delivered by the Chair following each Committee meeting.

49. The Committee shall provide an open avenue of communication between internal audit, the external auditors, and the board of directors.

50. The Committee shall review any other reports the Company issues that relate to Committee responsibilities, including the required Audit Committee disclosure in the Annual Information Form, and the disclosure of Committee activities included in the Management Information Circular.

(1) "financially literate" means the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.