Saskatchewan

Ministry of Agriculture

Financial Programs

Short-Term Hog Loan Program
#329 3085 Albert Street
Regina SK S4S 0B1
Phone: (306) 787-5149
Fax: (306) 798-3042

June 9, 2008

BIG SKY FARMS INC.
BOX 610
HUMBOLDT SK S0K 2A0

JUN 1 2 2008

To Whom It May Concern:

Re: Repayment Hog Loans 2008

Thank you for your application under the Short Term Hog Loan Program 2008. As stated in *The Short Term Hog Loan Regulations, 2008*, section 7(1) during the period commencing on May 3, 2008 and ending on April 29, 2009, when the Saskatchewan market price exceeds $140 per 100 kilograms, every participant who received a loan for mature hogs pursuant to these regulations shall begin repaying the participant's loan amount with interest from each sale of mature hogs at the rate of one-third of the difference between:

(a) the Saskatchewan market price; and
(b) $140 per 100 kilograms.

Beginning the week of May 4, 2008, the SPI Pool price has exceeded $140, therefore while the price is over $140 it is a requirement that payment be made to the Minister on your advance. For hogs marketed through SPI, the required payment is automatically deducted and applied to the producers Short Term Hog Loan advance. For hogs marketed outside of SPI, the producer is responsible to provide sales data and a payment to reduce their advance accordingly.

Enclosed is a Mature Hog Sales Calculation Report to use to calculate your payment requirement based on your weekly sales and the payment amount per hog. Please complete and forward this report along with your payment by June 30, 2008. It is also a requirement to send in your sales that are not marketed through SPI on a monthly basis. Enclosed is a Mature Hog Sales Report to fill out (even if the price does not exceed $140) and return to us on a monthly basis.

If you have any questions in regards to filling out the forms, please call Sheila At (306) 787-5149.

Sincerely,

Tom Schwartz, Director
Financial Programs Branch

Enclosure

THIS IS EXHIBIT " 29 " referred to in the Affidavit of Canute Tagseth
SWORN before me at Saskatoon
this 29th day of October, 20 09

A COMMISSIONER FOR OATHS in and for the Province of Saskatchewan
Being a Solicitor – OR –
My Commission expires ________

Minister of Agriculture

SASKATCHEWAN

Legislative Building
Regina, Saskatchewan S4S 0B3

November 24, 2008

BIG SKY FARMS INC.
BOX 610
HUMBOLDT SK S0K 2A0

Dear Producer:

I am pleased to inform you I recently announced an optional one-year deferral of the principal payments owing on the Short-term Cattle and Hog Loan Programs.

As a result of this announcement, you may defer the principal portion of your first payment from May 2009, to May 2010.

If you choose the principal payment deferral option, you will still be required to pay any interest that has accrued on your loan.

We have also removed the requirement for accelerated repayment when the weekly pooled price exceeds $140 per ckg.

Further program details will be mailed to you in the near future. In the meantime, please feel free to call 1-866-947-9113 for more information.

Sincerely,

Bob Bjornerud

Bob Bjornerud

Saskatchewan

Ministry of Agriculture

Short Term Hog Loan Program

Walter Scott Building
3085 Albert Street
Regina, Canada
S4S 0B1

December 4, 2008

Big Sky Farms Inc.
Box 610
Humboldt Saskatchewan S0K 2A0

Dear Producer:

Re: Short-term Hog Loan Program, 2008

On November 21, 2008 the Minister of Agriculture announced an option for you to defer your 2009 principal payment under the 2008 Short-term Hog Loan Program. This option has been developed in consultation with industry representatives in response to the downturn in market prices and high feed costs.

A loan of $5,000,000.00 was advanced to you and the first installment on the loan is due May 31, 2009. Your loan was to be repaid in full by no later than April 30, 2012. The interest rate on your loan at the date of this letter is at the 30 day government cost of borrowing rate which is currently 1.70 per cent.

Effective immediately, two options are available for repayment of your loan. A letter will be sent to you approximately one month before your first installment is due along with an Amended Loan Agreement Letter (ALA) that will accompany your regular billing. The letter will outline the payment due under each option.

Option 1
You can elect to continue with the original repayment terms of your loan. If you choose not to defer your principal payment for a year and continue with your original agreement you need to pay the amount billed and you are not required to return the ALA letter.

Option 2
You can opt to defer the principal payment for one year and extend the expiry date for one year. If you choose to defer your principal payment for one year, you need to sign and date the ALA and return it to the address listed above along with a cheque for the interest owing. We will be unable to process the amendment without the signed letter. If we do not receive the ALA letter that is sent to you by April 15, 2009 you will be

. . . 2

deemed to have chosen to repay your loan as per the original agreement.

If you require additional information please contact our program office at (306) 787-5149 in Regina or the program manager, Jim Boyce, in Saskatoon at (306) 933-6885.

Sincerely,

Tom Schwartz
Director
Financial Programs Branch

Saskatchewan
Ministry of
Agriculture

Saskatchewan Cattle and Hog Support Program
HOG APPLICATION FORM

APPLICATION DEADLINE – JUNE 15, 2009

All applications must be received or postmarked on or before this date.

Eligibility:

- LIVESTOCK: 1. Market Hogs farrowed in Saskatchewan, raised in Canada, and sold directly to a processing plant for slaughter from July 1, 2008, through to and including January 31, 2009.
  2. Weanlings (including iso-weanlings and feeder hogs) farrowed in Saskatchewan and:
     a) sold for further feeding; or
     b) fed outside Canada
  from July 1, 2008 through to and including January 31, 2009. Sows and Boars are not eligible for payment.
- OWNERSHIP: Applicant must have owned the eligible livestock for which payment is being claimed.
- PAYMENT: $20 per head for Market Hogs. $10 per head for iso-weanlings, weanlings, and feeders. Maximum payment is $2 million per operation. Minimum payment is $50.
- APPLICANT: Saskatchewan Residents at least 18 years of age; an Indian Band whose reserve land is in Saskatchewan; or a Partnership, Corporation, Co-operative, or Communal Organization that has its Head Office in Saskatchewan and carries on business principally in Saskatchewan.

Part 1 - APPLICANT INFORMATION

Applicant Type (must select only ONE):

☐ Individual ☑ Corporation ☐ Co-operative ☐ Partnership ☐ Indian Band ☐ Communal Organization

Applicant Name – PAYMENT WILL BE ISSUED IN THIS NAME *(INDIVIDUAL applicants list LAST NAME, then FIRST NAME)*

BIG SKY FARMS INC.

Contact Name *(Last Name, First Name – if different from the Applicant's Name)*	Date of Birth *(INDIVIDUAL applicants only)*
TAGSETH, CANUTE	Day / Month / Year

Social Insurance Number * *(INDIVIDUAL applicants only)*	Business Number (GST Number) *	Saskatchewan Corporate Registry Entity Number
	89890 1673	(6 or 9 digits)

*Applicants will be issued an AGR-1 Tax Slip; a Social Insurance Number (SIN) or Business Number (BN) is required.

Address	City/Town	Province	Postal Code
10333 8th AVE	HUMBOLDT	SK	S0K 2A0

Home Phone Number	Work Phone Number	Cell Phone Number	Fax Number
( )	(306) 682-7264	( )	(306) 682-5042

E-Mail Address	Are you also participating in the BEEF CATTLE portion of the Saskatchewan Cattle and Hog Support Program?
ctagseth@bigsky.sk.ca	☐ Yes ☑ No

Home Quarter – Legal Land Description	Are you an AgriStability participant?
RM / Quarter / Section / Township / Range / Meridian	☑ Yes ☐ No
	If yes, enter PIN number (maximum 9 digits): 23774029

For more information: visit our website, call toll free, or contact us by email.
Website: www.agriculture.gov.sk.ca Toll free: 1-866-947-9113 Email: CHSPInquiry@gov.sk.ca

Form H1.0 02/26/09

Saskatchewan
Ministry of
Agriculture

Saskatchewan Cattle and Hog Support Program
HOG APPLICATION FORM

Part 2 - LIVESTOCK DECLARATION

I/We (the "Applicant") hereby apply to the *Saskatchewan Cattle and Hog Support Program* (the "Program") administered by the Saskatchewan Ministry of Agriculture (the "Ministry") for payment under *The Saskatchewan Cattle and Hog Support Program Regulations* (the "Regulations") made pursuant to *The Farm Financial Stability Act*

SECTION A: Record SALES INVOICE information for:

- Market Hogs farrowed in Saskatchewan, raised in Canada, and SOLD directly to a processing plant for slaughter from July 1, 2008 through to and including January 31, 2009.
- Weanlings (including iso-weanlings and feeder hogs) farrowed in Saskatchewan and SOLD for further feeding from July 1, 2008 through to and including January 31, 2009.

Sales Invoice #	Invoice Date (DD/MM/YYYY)	# of Market Hogs SOLD	# of Weanlings SOLD
	TOTAL # ANIMALS		

☑ I have included information from additional SALES INVOICES on a separate page and in the totals above.
☐ I authorize the Ministry to obtain information on my Market Hog sales directly from Saskatchewan Pork International (SPI). My SPI # is ____________

SECTION B: Record HOG MANIFEST information for:

- Weanlings (including iso-weanlings and feeder hogs) farrowed in Saskatchewan and FED OUTSIDE CANADA from July 1, 2008 through to and including January 31, 2009.

Hog Manifest #	Hog Manifest Shipping Date (DD/MM/YYYY)	# of Weanlings FED OUTSIDE CANADA
	TOTAL # ANIMALS	

☑ I have included information from additional HOG MANIFESTS on a separate page and in the total above.

SECTION C: Calculation - enter eligible # of animals calculated in Section A and Section B in form below:

100637 # of Market Hogs Sold X $20/Hog = $ 2012740.00

________ # of Weanlings Sold X $10/Weanling = $____________

________ # of Weanlings Fed Outside Canada X $10/Weanling = $____________

TOTAL $____________

Saskatchewan
Ministry of
Agriculture

Saskatchewan Cattle and Hog Support Program
HOG APPLICATION FORM

Part 3 - DOCUMENTATION

In order to verify your eligible livestock, please include copies of SALES INVOICES and/or HOG MANIFESTS with your complete application. SPI sales invoices are not required where authorization has been given in Part 2, Section A to obtain the information directly from SPI.

A photocopy of the sales invoices and/or hog manifests must accompany the application. Original sales invoices or hog manifests that are submitted will not be returned to the Applicant.

Part 4 - DECLARATION

For the purpose of this application, the Applicant hereby declares that I/We:

- are the eligible Applicant for the animals claimed in this application, or have duly authorized powers of attorney to sign on behalf of the owners of the animals, with a copy of the related powers of attorney being attached;
- held the title on the eligible animals prior to sale;
- am a resident of Saskatchewan at least 18 years of age; an Indian Band whose reserve land is in Saskatchewan; or a Partnership, Co-operative, Corporation, or Communal Organization that has its Head Office in Saskatchewan and carries on business principally in Saskatchewan;
- understand and agree to the conditions of the Program;
- authorize the release of any information to the Program administrators relating to my/our farming or business operations from any government ministry, agency, or third party, for the purpose of verifying information under this application;
- authorize the Ministry to request information from any federal or provincial government ministry or agency, or from any third party, and to disclose any information contained in this application or pertaining to payment, to such ministry, agency, or third party, for the purpose of administering the Program;
- authorize any ministry, agency, or third party mentioned above, who is requested to verify or provide information, to disclose that information to the Ministry;
- authorize the Ministry to disclose information relating to my application or payment to any review committee that may be established for the purposes of this Program, in the event that a review is requested;
- authorize the Ministry, or its designated representatives, to enter the premises identified on the application or any other premises where eligible livestock are located;
- understand that the Ministry assumes no liability whatsoever from my participation in the Program;
- certify that no other application has been made or will be made by me/us under this Program or any similar program in another province, with respect to the same eligible livestock declared on this application;
- have not knowingly submitted any false or misleading information; and that the information given on this application is true and correct in every respect;
- understand that this payment will be considered as eligible income in the AgriStability Program;
- understand that the Ministry has the right to offset all or any portion of a Saskatchewan Cattle and Hog Support Program payment against any debt the applicant has owing to the Government of Saskatchewan.

Signed this 27 day of FEBRUARY, 2009.

Affix Corporate Seal (if applicable)

BIG SKY FARMS INC.
Corporate Seal

Applicant's Signature

Witness' Signature (To be witnessed by R.M. Administrator)

Please submit your completed application form and supporting documentation on or before June 15, 2009 to:

MINISTRY OF AGRICULTURE - FINANCIAL PROGRAMS BRANCH
Room 329, 3085 Albert Street
REGINA, SK S4S 0B1

For more information: visit our website, call toll free, or contact us by email.
Website: www.agriculture.gov.sk.ca Toll free: 1-866-947-9113 Email: CHSPinquiry@gov.sk.ca

Big Sky Farms Inc.

Big Sky Farms Inc.
P.O. Box 610,
10333 8th Ave.
Humboldt, SK S0K 2A0
Tel: (306) 682-5041
Fax: (306) 682-5042

Fax Transmittal

To: JIM BOYCE, MANAGER **Date:** MARCH 24, 2009

Company: MINISTRY OF AGRICULTURE, FINANCIAL PROGRAMS **Fax #:** (306) 933-7330

From: CANUTE TAGSETH **Pages inc. cover:** 7

Re: AUTHORITY + DIRECTION TO PAY DOCUMENTS SASKATCHEWAN CATTLE + HOG SUPPORT PROGRAM.

Executed documents attached.
Original's to follow via mail.

Thanks.

Canute. Tagseth

Confidential

SASKATCHEWAN CATTLE AND HOG SUPPORT PROGRAM
AUTHORITY AND DIRECTION TO PAY

TO: Her Majesty the Queen in Right of Saskatchewan as represented by the Minister of Agriculture (the "Minister")

RE: PAYMENT UNDER THE 2009 CATTLE AND HOG SUPPORT PROGRAM

The Minister is hereby irrevocably authorized and directed to pay out the proceeds of the undersigned's application the following:

1. To the Minister, the amount of $615,964.02 PLUS INTEREST AS OF FEBRUARY 28, 2009 to be directed to the undersigned's loan under the Short-Term Hog Loan Program, 2002 as of the date on which the payment is disbursed.
2. To the Minister, the amount of $298,046.40 PLUS INTEREST AS OF FEBRUARY 28, 2009 to be directed to the undersigned's loan under the 2008 Short-Term Hog Loan Program as of the date on which the payment is disbursed.
3. To the undersigned, the balance of the loan proceeds.

AND FOR YOUR making such payments, this shall be your full and sufficient warrant, authority and discharge.

DATED at HUMBOLDT, Saskatchewan, this 24th day of MARCH, 2009.

BIG SKY FARMS INC.

Witness

(Signature(s))

(Signature(s))

D. John LaCleve
CEO Big Sky Farms Ltd.

CANUTE TAGSETH, CFO BIG SKY FARMS INC.
(Print Name)

10333 8th AVE.
(Address)

HUMBOLDT, SK S0K 2A0
(Town/City)

BIG SKY FARMS INC.
Corporate Seal

Saskatchewan

Ministry of
Agriculture

Short Term Hog Loan Program
Room 329 – 3085 Albert Street
Regina, Saskatchewan
S4S 0B1 Phone: 787-5149

ACCOUNT ACTIVITY
2008 SHORT TERM HOG LOAN -- MATURE HOGS
February, 2009

Big Sky Farms Inc.
Box 610
Humboldt, Saskatchewan S0K 2A0

ACTIVITY FOR PERIOD

DATE	DESCRIPTION	DEBIT	CREDIT	BALANCE OUTSTANDING	
				$4,902,392.74	OPENING BALANCE
01/31/2009	Interest Calc. On All Outstanding Advances	$6,118.53	$0.00	$4,908,511.27	
				$4,908,511.27	CLOSING BALANCE

RECAP OF REPORTED SALES DURING PREVIOUS MONTH

DATE	AVERAGE SPI WEEKLY PRICE / ckg.	REPAYMENT TARGET PRICE PER ckg.	PRICE DIFFERENCE PER ckg.	REPAY AMOUNT 1/3 DIFF.	AMOUNT PER HOG	NUMBER OF HOGS SOLD	CALCULATED AMOUNT	SPI SALE?
		$150.01/ckg		x 1/3				☐

Calculated Amount For This Period $0.00 A.

OR 1/36TH OF THE BALANCE OUTSTANDING AS AT FINAL CONSOLIDATION DATE PLUS INTEREST

CURRENT PRINCIPAL	CURRENT INTEREST	CALCULATED AMOUNT
$0.00	$0.00	$0.00 B.

BREAKDOWN OF YOUR MATURE PAYMENT DUE FEBRUARY 28, 2009

GREATER OF A OR B		SPI DEDUCTIONS		ADJUSTMENTS	PERIOD OUTSTANDING
$0.00	MINUS	$0.00	PLUS	$0.00	$0.00

MINUS: SPI Payments Received This Month For Previous Month's Sales $0.00

$0.00

PLUS: Previous Outstanding $298,046.40

PAYMENT DUE
$298,046.40

Saskatchewan

Ministry of
Agriculture

Short Term Hog Loan Program
Room 329 – 3085 Albert Street
Regina, Saskatchewan
S4S 0B1 Phone: 787-5149

ACCOUNT ACTIVITY
2002 SHORT TERM HOG LOAN -- MATURE HOGS
February, 2009

Big Sky Farms Inc.
Box 610
Humboldt, Saskatchewan S0K 2A0

ACTIVITY FOR PERIOD

DATE	DESCRIPTION	DEBIT	CREDIT	BALANCE OUTSTANDING	
				$614,909.86	OPENING BALANCE
01/22/2009	Interest Calc. On All Outstanding Advances	$1,271.69	$0.00	$616,181.55	
	Decebmer Interest	$0.00	$2,074.86	$614,106.69	
01/31/2009	Interest Calc. On All Outstanding Advances	$451.78	$0.00	$614,558.47	
	Credit Delinquent Adjustment	$0.00	$1,815.50	$612,742.97	
	Debit Delinquent Adjustment	$1,815.50	$0.00	$614,558.47	
				$614,558.47	CLOSING BALANCE

RECAP OF REPORTED SALES DURING PREVIOUS MONTH

DATE	AVERAGE SPI WEEKLY PRICE / ckg.	REPAYMENT TARGET PRICE PER ckg.	PRICE DIFFERENCE PER ckg.	REPAY AMOUNT 1/3 DIFF.	AMOUNT PER HOG	NUMBER OF HOGS SOLD	CALCULATED AMOUNT	SPI SALE?
		$150.01/ckg		x 1/3				☐
				Calculated Amount For This Period			$0.00	A.

OR 1/36TH OF THE BALANCE OUTSTANDING AS AT FINAL CONSOLIDATION DATE PLUS INTEREST

CURRENT PRINCIPAL	CURRENT INTEREST	CALCULATED AMOUNT	
$0.00	$1,405.55	$1,405.55	B.

BREAKDOWN OF YOUR MATURE PAYMENT DUE FEBRUARY 28, 2009

GREATER OF A OR B		SPI DEDUCTIONS		ADJUSTMENTS	PERIOD OUTSTANDING
$1,405.55	MINUS	$0.00	PLUS	$0.00	$1,405.55

MINUS: SPI Payments Received This Month For Previous Month's Sales $0.00

$1,405.55

PLUS: Previous Outstanding $614,558.47

PAYMENT DUE
$615,964.02

SASKATCHEWAN CATTLE AND HOG SUPPORT PROGRAM
AUTHORITY AND DIRECTION TO PAY

TO: Her Majesty the Queen in Right of Saskatchewan as represented by the Minister of Agriculture (the "Minister")

RE: PAYMENT UNDER THE 2009 CATTLE AND HOG SUPPORT PROGRAM

The Minister is hereby irrevocably authorized and directed to pay out the proceeds of the undersigned's application the following:

1. To the Minister, the amount of $615,964.02 PLUS INTEREST AS OF FEBRUARY 28, 2009 to be directed to the undersigned's loan under the Short-Term Hog Loan Program, 2002 as of the date on which the payment is disbursed.
2. To the Minister, the amount of $298,046.40 PLUS INTEREST AS OF FEBRUARY 28, 2009 to be directed to the undersigned's loan under the 2008 Short-Term Hog Loan Program as of the date on which the payment is disbursed.
3. To the undersigned, the balance of the loan proceeds.

AND FOR YOUR making such payments, this shall be your full and sufficient warrant, authority and discharge.

DATED at HUMBOLDT, Saskatchewan, this 24TH day of MARCH, 2009.

BIG SKY FARMS INC.

Witness

BIG SKY FARMS INC. Corporate Seal

(Signature(s))

(Signature(s))
D. John LaClare CEO Big Sky Farms Ltd

CANUTE TAGSETH, CFO BIG SKY FARMS INC.
(Print Name)

10333 8TH AVE.
(Address)

HUMBOLDT, SK S0K 2A0
(Town/City)

Saskatchewan

Ministry of
Agriculture

Short Term Hog Loan Program
Room 329 – 3085 Albert Street
Regina, Saskatchewan
S4S 0B1 Phone: 787-5149

ACCOUNT ACTIVITY
2008 SHORT TERM HOG LOAN -- MATURE HOGS
February, 2009

Big Sky Farms Inc.
Box 610
Humboldt, Saskatchewan S0K 2A0

ACTIVITY FOR PERIOD

DATE	DESCRIPTION	DEBIT	CREDIT	BALANCE OUTSTANDING	
				$4,902,392.74	OPENING BALANCE
01/31/2009	Interest Calc. On All Outstanding Advances	$6,118.53	$0.00	$4,908,511.27	
				$4,908,511.27	CLOSING BALANCE

RECAP OF REPORTED SALES DURING PREVIOUS MONTH

DATE	AVERAGE SPI WEEKLY PRICE / ckg.	REPAYMENT TARGET PRICE PER ckg.	PRICE DIFFERENCE PER ckg.	REPAY AMOUNT 1/3 DIFF.	AMOUNT PER HOG	NUMBER OF HOGS SOLD	CALCULATED AMOUNT	SPI SALE?
		$150.01/ckg		x 1/3				☐
				Calculated Amount For This Period			$0.00	A.

OR 1/36TH OF THE BALANCE OUTSTANDING AS AT FINAL CONSOLIDATION DATE PLUS INTEREST

CURRENT PRINCIPAL	CURRENT INTEREST	CALCULATED AMOUNT	
$0.00	$0.00	$0.00	B.

BREAKDOWN OF YOUR MATURE PAYMENT DUE FEBRUARY 28, 2009

GREATER OF A OR B		SPI DEDUCTIONS		ADJUSTMENTS	PERIOD OUTSTANDING
$0.00	MINUS	$0.00	PLUS	$0.00	$0.00

MINUS: SPI Payments Received This Month For Previous Month's Sales $0.00

$0.00

PLUS: Previous Outstanding $298,046.40

PAYMENT DUE
$298,046.40

Saskatchewan

Ministry of Agriculture

Short Term Hog Loan Program
Room 329 – 3085 Albert Street
Regina, Saskatchewan
S4S 0B1 Phone: 787-5149

ACCOUNT ACTIVITY
2002 SHORT TERM HOG LOAN -- MATURE HOGS
February, 2009

Big Sky Farms Inc.
Box 610
Humboldt, Saskatchewan S0K 2A0

ACTIVITY FOR PERIOD

DATE	DESCRIPTION	DEBIT	CREDIT	BALANCE OUTSTANDING	
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01/22/2009	Interest Calc. On All Outstanding Advances	$1,271.69	$0.00	$616,181.55	
	Decebmer Interest	$0.00	$2,074.86	$614,106.69	
01/31/2009	Interest Calc. On All Outstanding Advances	$451.78	$0.00	$614,558.47	
	Credit Delinquent Adjustment	$0.00	$1,815.50	$612,742.97	
	Debit Delinquent Adjustment	$1,815.50	$0.00	$614,558.47	
				$614,558.47	CLOSING BALANCE

RECAP OF REPORTED SALES DURING PREVIOUS MONTH

DATE	AVERAGE SPI WEEKLY PRICE / ckg.	REPAYMENT TARGET PRICE PER ckg.	PRICE DIFFERENCE PER ckg.	REPAY AMOUNT 1/3 DIFF.	AMOUNT PER HOG	NUMBER OF HOGS SOLD	CALCULATED AMOUNT	SPI SALE?
		$150.01/ckg		x 1/3				☐

Calculated Amount For This Period $0.00 A.

OR 1/36TH OF THE BALANCE OUTSTANDING AS AT FINAL CONSOLIDATION DATE PLUS INTEREST

CURRENT PRINCIPAL	CURRENT INTEREST	CALCULATED AMOUNT
$0.00	$1,405.55	$1,405.55 B.

BREAKDOWN OF YOUR MATURE PAYMENT DUE FEBRUARY 28, 2009

GREATER OF A OR B		SPI DEDUCTIONS		ADJUSTMENTS	PERIOD OUTSTANDING
$1,405.55	MINUS	$0.00	PLUS	$0.00	$1,405.55

MINUS: SPI Payments Received This Month For Previous Month's Sales $0.00

$1,405.55

PLUS: Previous Outstanding $614,558.47

PAYMENT DUE $615,964.02

Saskatchewan

Ministry of Agriculture

Short Term Hog Loan Program

Walter Scott Building
3085 Albert Street
Regina, Canada
S4S 0B1

April 1, 2009

BIG SKY FARMS INC.
BOX 610
HUMBOLDT SK S0K 2A0

Dear Producer:

Re: **Short-term Hog Loan Program (STHLP) 2008**

A letter dated December 4, 2008 outlined an option that was available to you regarding repayment of your STHLP loan. This option was developed in consultation with industry representatives in response to the downturn in market prices and high feed costs.

Under the original terms of your loan the principal amount plus accrued interest was to have been consolidated as at April 30, 2009 and your first installment payment was to have been due on May 31, 2009. Your loan was to have been repaid in full by no later than April 30, 2012.

Effective immediately two options are available for repayment of your loan. In Option #1, your principal payments will be postponed for one year. In Option #2, your principal payments will be not be postponed and will commence on May 31, 2009.

Your two options are as follows:

Option #1

- You will pay the accrued interest of $47,317.22 owing as of March 31, 2009. Thereafter on April 30, 2009 the loan will be consolidated into one amount.
- From May 31, 2009 to April 30, 2010 you will pay the monthly accrued interest.
- From May 31, 2010 to April 30, 2013 you will pay monthly payments in an amount equal to 1/36 of the consolidated loan amount plus accrued interest.

Option #2

- The principal amount plus accrued interest on your loan will be consolidated into one amount on April 30, 2009.
- From May 31, 2009 to April 30, 2012 you will pay monthly payments in an amount equal to 1/36 of the consolidated loan amount plus accrued interest.

. . . 2

You may choose which repayment options you wish to use for your loan by indicating your choice at the end of this letter. Please select your option and then sign and date the letter. Then, return the signed letter, together with a cheque for the accrued interest if you have selected Option #1, to our program office at the address listed at the head of this letter. *Please note that the accrued interest you must pay us is set out under Option #1 on the first page of this letter.*

If you have selected Option #1, we must receive your letter and cheque for the accrued interest by no later than April 24, 2009. If we do not receive your letter and cheque by that date, you will be deemed to have chosen Option #2 and you must repay your loan accordingly.

For your information, the balance outstanding on your loan as at March 31, 2009 is $4,636,633.96. Other than the change in repayment terms outlined in this letter, all other terms and conditions in your loan agreement remain the same.

Yours truly,

Jim Boyce
Program Manager

BIG SKY FARMS INC.

The undersigned hereby selects:

OPTION #1 ✓

OPTION #2 ________

Dated this 6th day of April 2009.

____
Signature

CANUTE TAGSETH, CFO
Title (if signing on behalf of a corporation)