Big Sky Farms Inc.

Financial Report

For the Period Ending
July 25, 2009

THIS IS EXHIBIT " K " referred to in
the Affidavit of Canute Tagseth
SWORN before me at Saskatoon, SK
this 2 day of
November, 2009

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

Big Sky Farms Inc.
Statement of Operations
For the Month Ending July 25, 2009

	July	YTD	Previous YTD
Revenue			
Hog Sales	8,237,821	8,237,821	9,029,627
Hog Inventory Adjustment	1,404,301	1,404,301	3,371,582
Total Hog Revenue	**9,642,122**	**9,642,122**	**12,401,209**
Other Revenue	27,383	27,383	7,207
Total Revenue	**9,669,505**	**9,669,505**	**12,408,415**
Feed Costs	**5,196,905**	**5,196,905**	**6,765,789**
Operating Expenses			
Communications	10,889	10,889	11,060
Power	123,922	123,922	104,840
Heating Fuel	27,901	27,901	36,044
General Insurance	91,503	91,503	88,664
Manure Removal	244,527	244,527	207,032
Repairs & Maintenance	228,537	228,537	231,578
Dead Disposal	16,940	16,940	19,479
Supplies	51,193	51,193	75,740
Property Taxes	1,335	1,335	34,096
Contract Facilities	326,062	326,062	455,123
Wages	846,927	846,927	831,425
Employee Benefits	128,302	128,302	123,781
Travel, Meals & Entertain	7,613	7,613	3,549
Breeding Herd Costs	165,282	165,282	297,329
Veterinary	139,735	139,735	132,527
Herd Health	23,549	23,549	20,637
AI Costs	101,903	101,903	135,997
Herd Health Export Fees	3,448	3,448	16,161
Trucking	550,188	550,188	709,699
Sales Costs	56,231	56,231	90,385
Head Office Services	51,231	51,231	341,227
Total Operating Exp.	**3,197,217**	**3,197,217**	**3,966,371**
Operating Income	**1,275,383**	**1,275,383**	**1,676,254**
Fixed expenses			
Interest	556,199	556,199	465,191
Accretion on Financial Inst	71,008	71,008	8,969
Depreciation/Amortization	772,859	772,859	940,389
Total Fixed Exp.	**1,400,067**	**1,400,067**	**1,414,549**
Net Income Before Taxes	**(124,684)**	**(124,684)**	**261,706**
Income taxes	(16,774)	(16,774)	84,586
Net Income	**(107,910)**	**(107,910)**	**177,120**

Big Sky Farms Inc.
Balance Sheet
July 25, 2009

	07/25/09	06/27/09
Current Assets		
Accounts Receivable	4,948,362	4,848,595
Inventory	31,409,747	29,992,620
Prepaid Insurance	365,568	464,337
	36,723,677	**35,305,552**
Land Building and Equipment		
Cost	148,996,825	149,035,280
less: Accumulated Depreciation	(53,239,009)	(52,684,828)
	95,757,816	**96,350,452**
Breeding Stock	**10,270,554**	**10,183,337**
Other Assets	**56,580**	**56,939**
	142,808,627	**141,896,279**
Current Liabilities		
Bank Overdraft	5,108,069	4,875,617
Line of Credit	22,000,000	22,000,000
Accounts Payable	13,481,762	12,620,275
Other liabilities	1,584,714	1,765,910
Interest Payable	2,405,954	2,201,765
Corporate Tax Payable	(5,819)	(5,819)
Current Portion Senior Debt	38,724,100	38,642,046
Current Portion Subordinated Debt	6,315,524	6,281,049
Current Portion Capital Lease Obligation	1,382,100	1,319,910
	90,996,404	**89,700,752**
Long-Term Debt		
Senior Debt	4,362,196	4,490,496
Subordinated Debt	1,800,000	1,800,000
Capital Lease Obligation	7,747,682	7,809,872
	13,909,878	**14,100,368**
Interest Payable - Long term	352,928	341,395
Asset Retirement Obligation	296,124	295,187
Future Income Taxes	3,073,317	3,090,091
	108,628,651	**107,527,794**
Shareholders Equity		
Common Stock	39,437,362	39,517,962
Equity Portion of Compound Instruments	767,000	767,000
Contributed Surplus	4,970,597	4,970,597
Retained Earnings	(10,887,073)	3,300,202
Current Earnings	(107,910)	(14,187,275)
	34,179,976	**34,368,486**
	142,808,627	**141,896,279**

Big Sky Farms Inc.
Statement of Cash Flows
For the Month Ending July 25, 2009

	Month	YTD	Previous YTD
CASH FLOW FROM (USED IN) OPERATING ACTIVITIES			
Operating Income	(107,910)	(107,910)	177,120
Financial Insts Accretion	71,008	71,008	8,969
Depreciation and Amortization	772,859	772,859	940,389
Future income taxes	(16,774)	(16,774)	84,586
	719,184	719,184	1,211,064
Changes in non-cash working capital			
Accounts Receivable	(96,449)	(96,449)	(1,537,262)
Inventory Asset	(1,417,127)	(1,417,127)	(4,070,585)
Prepaid Insurance	98,769	98,769	89,596
Accounts Payable and Accrued Liabilities	892,694	892,694	(107,416)
CASH FLOW FROM (USED IN) OPERATING ACTIVITIES	**197,071**	**197,071**	**(4,414,604)**
CASH FLOWS USED IN INVESTING ACTIVITIES			
Acquisition of Capital Assets	33,439	33,439	63,143
Breeding Herd	(299,942)	(299,942)	117,119
Deferred and start-up charges	359	359	(900)
CASH FLOWS USED IN INVESTING ACTIVITIES	**(266,144)**	**(266,144)**	**179,362**
CASH FLOWS FROM FINANCING ACTIVITIES			
Change in Operating Line of Credit	0	0	0
Proceeds From Long-Term Debt	59,475	59,475	12,853
Repayment of Long-Term Debt	(71,246)	(71,246)	(101,028)
Common Stock	(80,600)	(80,600)	0
Debt Accretion	(71,008)	(71,008)	(8,969)
CASH FLOWS FROM FINANCING ACTIVITIES	**(163,379)**	**(163,379)**	**(97,145)**
NET INCREASE IN CASH	**(232,452)**	**(232,452)**	**(4,332,386)**
CASH POSITION BEGINNING OF PERIOD	**(4,875,617)**	**(4,875,617)**	**(2,261,673)**
CASH POSITION END OF PERIOD	**(5,108,069)**	**(5,108,069)**	**(6,594,059)**
REPRESENTED BY:			
Cash	(5,108,069)	(5,108,069)	(6,594,059)
	(5,108,069)	**(5,108,069)**	**(6,594,059)**

Big Sky Farms Inc.
Summary All Operations
For the Month Ending July 25, 2009

	Actual July	Actual Per Hog	Actual YTD	Actual Per Hog
Market Hog Sales	**53,948**	**$0.93**	**53,948**	**$0.93**
Price per 100 KG	**130**	**0.00**	**130**	**0.00**
Breeding Stock Sold	**1,862**	**0.03**	**1,862**	**0.03**
Feeder Pigs Sold	**4,973**	**0.09**	**4,973**	**0.09**
Isoweans Sold	**1,945**	**0.03**	**1,945**	**0.03**
Pigs Weaned	**80,366**	**1.38**	**80,366**	**1.38**
Revenue				
Market Hog Sales	7,575,803	130.33	7,575,803	130.33
Hog Sales:Breeding	532,781	9.17	532,781	9.17
Feeder Hog Sales	102,104	1.76	102,104	1.76
Isowean Sales	27,133	0.47	27,133	0.47
Hog Inventory Adjustment	1,404,301	24.16	1,404,301	24.16
Other Revenue	27,383	0.47	27,383	0.47
Total Revenue	**9,669,505**	**166.35**	**9,669,505**	**166.35**
Feed Costs	**5,196,905**	**89.41**	**5,196,905**	**89.41**
Operating Expenses				
Communications	10,889	0.19	10,889	0.19
Power	123,922	2.13	123,922	2.13
Heating Fuel	27,901	0.48	27,901	0.48
General Insurance	91,503	1.57	91,503	1.57
Manure Removal	244,527	4.21	244,527	4.21
Repairs & Maintenance	215,179	3.70	215,179	3.70
Dead Disposal	16,940	0.29	16,940	0.29
Contract Services	13,358	0.23	13,358	0.23
Supplies	51,193	0.88	51,193	0.88
Property Taxes	1,335	0.02	1,335	0.02
Contract Facilities	326,062	5.61	326,062	5.61
Wages	846,927	14.57	846,927	14.57
Employee Benefits	128,302	2.21	128,302	2.21
Travel Meals & Ent	7,613	0.13	7,613	0.13
Breeding Herd Costs	335,921	5.78	335,921	5.78
less sale of cull sows	(170,639)	(2.94)	(170,639)	(2.94)
Veterinary	139,735	2.40	139,735	2.40
Herd Health	23,549	0.41	23,549	0.41
AI Costs	101,903	1.75	101,903	1.75
Herd Health Export Fees	3,448	0.06	3,448	0 06
Trucking	550,188	9.47	550,188	9.47
Sales Costs	56,231	0.97	56,231	0.97
Head Office Services	51,231	0.88	51,231	0.88
Total Operating Exp.	**3,197,217**	**55.00**	**3,197,217**	**55.00**
Operating Income	**1,275,383**	**21.94**	**1,275,383**	**21.94**
Fixed expenses				
Interest	556,199	9 57	556,199	9.57
Debt Instruments Accretion	71,008	1 22	71,008	1 22
Depreciation & Amortization	772,859	13.30	772,859	13.30
Total Fixed Exp.	**1,400,067**	**24.09**	**1,400,067**	**24.09**
Net Income Before Taxes	**(124,684)**	**(2.15)**	**(124,684)**	**(2.15)**
Income Taxes	(16,774)	(0.29)	(16,774)	(0 29)
Net Income	**(107,910)**	**(1.86)**	**(107,910)**	**(1.86)**

Big Sky Farms Inc.
3-Site Operations
For the Month Ending July 25, 2009

	Actual July	Actual Per Hog	Actual YTD	Actual Per Hog
Market Hog Sales	**35,600**	**$0.97**	**35,600**	**$0.97**
Price per 100 KG	**133**	**0.00**	**133**	**0.00**
Breeding Stock Sold	**1,150**	**0.03**	**1,150**	**0.03**
Pigs Weaned	**50,636**	**1.38**	**50,636**	**1.38**
Revenue				
Market Hog Sales	5,131,176	139 62	5,131,176	139.62
Hog Sales:Breeding	320,850	8.73	320,850	8.73
Hog Inventory Adjustment	960,668	26.14	960,668	26.14
Feeder Pig Transfers	15,616	0.42	15,616	0 42
Other Revenue	21,064	0.57	21,064	0.57
Total Revenue	**6,449,374**	**175.49**	**6,449,374**	**175.49**
Feed Costs	**3,543,262**	**96.42**	**3,543,262**	**96.42**
Operating Expenses				
Communications	6,925	0 19	6,925	0.19
Power	63,800	1.74	63,800	1.74
Heating Fuel	10,889	0.30	10,889	0 30
General Insurance	55,254	1.50	55,254	1.50
Manure Removal	160,022	4.35	160,022	4.35
Repairs & Maintenance	153,419	4.17	153,419	4.17
Dead Disposal	13,734	0.37	13,734	0.37
Contract Services	10,850	0.30	10,850	0.30
Supplies	29,624	0.81	29,624	0 81
Property Taxes	727	0.02	727	0.02
Contract Facilities	52,444	1.43	52,444	1.43
Wages	540,131	14.70	540,131	14.70
Employee Benefits	83,601	2.27	83,601	2.27
Travel Meals & Ent	3,875	0.11	3,875	0.11
Breeding Herd Costs	179,206	4 88	179,206	4.88
less sale of cull sows	(86,234)	(2.35)	(86,234)	(2.35)
Veterinary	85,962	2.34	85,962	2.34
Herd Health	16,901	0.46	16,901	0.46
AI Costs	63,567	1.73	63,567	1.73
Herd Health Export Fees	150	0.00	150	0.00
Trucking	373,851	10.17	373,851	10.17
Sales Costs	38,112	1.04	38,112	1.04
Head Office Services	35,989	0 98	35,989	0 98
Total Operating Exp.	**1,892,801**	**51.50**	**1,892,801**	**51.50**
Operating Income	**1,013,312**	**27.57**	**1,013,312**	**27.57**
Fixed expenses				
Interest	392,522	10.68	392,522	10.68
Debt Instruments Accretion	62,512	1.70	62,512	1.70
Depreciation & Amortization	570,863	15.53	570,863	15 53
Total Fixed Exp.	**1,025,897**	**27.92**	**1,025,897**	**27.92**
Net Income Before Taxes	**(12,586)**	**(0.34)**	**(12,586)**	**(0.34)**
Income Taxes	15,602	0.42	15,602	0.42
Net Income	**(28,188)**	**(0.77)**	**(28,188)**	**(0.77)**

Big Sky Farms Inc.
Burr Lintlaw Division
For the Month Ending July 25, 2009

	Actual July	Actual Per Hog	Actual YTD	Actual Per Hog
Market Hog Sales	**1,392**	**$0.55**	**1,392**	**$0.55**
Price per 100 KG	**127**	**0.05**	**127**	**0.05**
Breeding Stock Sold	**1,150**	**0.45**	**1,150**	**0.45**
Pigs Weaned	**5,198**	**2.04**	**5,198**	**2.04**
Revenue				
Market Hog Sales	188,744	74.25	188,744	74.25
Hog Sales:Breeding	320,850	126.22	320,850	126.22
Hog Inventory Adjustment	38,152	15.01	38,152	15.01
Feeder Pig Transfers	69,654	27.40	69,654	27 40
Other Revenue	1,782	0.70	1,782	0.70
Total Revenue	**619,181**	**243.58**	**619,181**	**243.58**
Feed Costs	**353,497**	**139.06**	**353,497**	**139.06**
Operating Expenses				
Communications	1,172	0.46	1,172	0.46
Power	8,844	3.48	8,844	3 48
Heating Fuel	3,631	1.43	3,631	1.43
General Insurance	6,012	2.36	6,012	2.36
Manure Removal	17,846	7.02	17,846	7 02
Repairs & Maintenance	15,151	5.96	15,151	5.96
Dead Disposal	1,332	0.52	1,332	0.52
Contract Services	1,528	0.60	1,528	0.60
Supplies	4,877	1.92	4,877	1.92
Wages	69,337	27.28	69,337	27 28
Employee Benefits	11,221	4 41	11,221	4.41
Travel Meals & Ent	303	0.12	303	0.12
Breeding Herd Costs	25,237	9.93	25,237	9 93
less sale of cull sows	(7,832)	(3.08)	(7,832)	(3 08)
Veterinary	7,881	3 10	7,881	3.10
Herd Health	1,875	0.74	1,875	0.74
AI Costs	6,676	2.63	6,676	2.63
Trucking	34,019	13.38	34,019	13 38
Sales Costs	1,193	0.47	1,193	0.47
Head Office Services	4,159	1.64	4,159	1.64
Total Operating Exp.	**214,460**	**84.37**	**214,460**	**84.37**
Operating Income	**51,225**	**20.15**	**51,225**	**20.15**
Fixed expenses				
Interest	35,017	13.78	35,017	13 78
Debt Instruments Accretion	8,496	3 34	8,496	3.34
Depreciation & Amortization	53,432	21.02	53,432	21.02
Total Fixed Exp.	**96,945**	**38.14**	**96,945**	**38.14**
Net Income Before Taxes	**(45,720)**	**(17.99)**	**(45,720)**	**(17.99)**
Income Taxes	(11,632)	(4 58)	(11,632)	(4.58)
Net Income	**(34,088)**	**(13.41)**	**(34,088)**	**(13.41)**

Big Sky Farms Inc.
Kelvington Goodeve Division
For the Month Ending July 25, 2009

	Actual July	Actual Per Hog	Actual YTD	Actual Per Hog
Market Hog Sales	**373**	**$1.00**	**373**	**$1.00**
Price per 100 KG	**156**	**0.42**	**156**	**0.42**
Pigs Weaned	**5,040**	**13.51**	**5,040**	**13.51**
Revenue				
Market Hog Sales	62,372	167.22	62,372	167.22
Hog Inventory Adjustment	11,557	30.98	11,557	30.98
Feeder Pig Transfers	134,502	360.60	134,502	360.60
Other Revenue	1,336	3 58	1,336	3.58
Total Revenue	**209,768**	**562.38**	**209,768**	**562.38**
Feed Costs	**122,384**	**328.11**	**122,384**	**328.11**
Operating Expenses				
Communications	465	1.25	465	1.25
Power	8,675	23.26	8,675	23.26
Heating Fuel	3,806	10.20	3,806	10.20
General Insurance	3,735	10.01	3,735	10.01
Manure Removal	6,473	17.35	6,473	17.35
Repairs & Maintenance	7,302	19.58	7,302	19.58
Dead Disposal	520	1.39	520	1.39
Contract Services	988	2.65	988	2.65
Supplies	1,230	3.30	1,230	3.30
Wages	47,966	128.60	47,966	128.60
Employee Benefits	8,017	21.49	8,017	21.49
Travel Meals & Ent	477	1.28	477	1.28
Breeding Herd Costs	21,347	57.23	21,347	57.23
less sale of cull sows	(11,127)	(29.83)	(11,127)	(29 83)
Veterinary	10,445	28.00	10,445	28.00
Herd Health	1,406	3.77	1,406	3.77
Trucking	10,456	28.03	10,456	28.03
Sales Costs	391	1 05	391	1.05
Head Office Services	3,462	9.28	3,462	9.28
Total Operating Exp.	**126,033**	**337.89**	**126,033**	**337.89**
Operating Income	**(38,649)**	**(103.62)**	**(38,649)**	**(103.62)**
Fixed expenses				
Interest	26,263	70.41	26,263	70.41
Debt Instruments Accretion	8,496	22.78	8,496	22.78
Depreciation & Amortization	44,514	119 34	44,514	119.34
Total Fixed Exp.	**79,273**	**212.53**	**79,273**	**212.53**
Net Income Before Taxes	**(117,922)**	**(316.14)**	**(117,922)**	**(316.14)**
Income Taxes	(34,195)	(91.68)	(34,195)	(91.68)
Net Income	**(83,726)**	**(224.47)**	**(83,726)**	**(224.47)**

Big Sky Farms Inc.
Preeceville Sturgis Division
For the Month Ending July 25, 2009

	Actual July	Actual Per Hog	Actual YTD	Actual Per Hog
Market Hog Sales	**5,769**	**$1.00**	**5,769**	**$1.00**
Price per 100 KG	**142**	**0.02**	**142**	**0.02**
Pigs Weaned	**5,881**	**1.02**	**5,881**	**1.02**
Revenue				
Market Hog Sales	898,373	155.72	898,373	155.72
Hog Inventory Adjustment	202,611	35.12	202,611	35.12
Feeder Pig Transfers	(63,583)	(11.02)	(63,583)	(11 02)
Other Revenue	2,227	0.39	2,227	0.39
Total Revenue	**1,039,628**	**180.21**	**1,039,628**	**180.21**
Feed Costs	**593,745**	**102.92**	**593,745**	**102.92**
Operating Expenses				
Communications	1,925	0.33	1,925	0.33
Power	2,667	0.46	2,667	0.46
Heating Fuel	401	0.07	401	0.07
General Insurance	8,896	1.54	8,896	1.54
Manure Removal	30,385	5.27	30,385	5.27
Repairs & Maintenance	28,585	4.95	28,585	4.95
Dead Disposal	2,164	0.38	2,164	0.38
Contract Services	2,230	0.39	2,230	0.39
Supplies	15,073	2.61	15,073	2.61
Wages	82,687	14.33	82,687	14.33
Employee Benefits	13,070	2.27	13,070	2 27
Travel Meals & Ent	712	0.12	712	0.12
Breeding Herd Costs	19,902	3.45	19,902	3.45
less sale of cull sows	(13,675)	(2.37)	(13,675)	(2.37)
Veterinary	16,317	2.83	16,317	2.83
Herd Health	2,343	0.41	2,343	0.41
AI Costs	6,266	1.09	6,266	1.09
Herd Health Export Fees	150	0.03	150	0.03
Trucking	64,509	11.18	64,509	11.18
Sales Costs	5,538	0.96	5,538	0.96
Head Office Services	4,856	0.84	4,856	0.84
Total Operating Exp.	**294,999**	**51.14**	**294,999**	**51.14**
Operating Income	**150,883**	**26.15**	**150,883**	**26.15**
Fixed expenses				
Interest	43,771	7 59	43,771	7.59
Debt Instruments Accretion	8,496	1.47	8,496	1.47
Depreciation & Amortization	71,706	12.43	71,706	12.43
Total Fixed Exp.	**123,974**	**21.49**	**123,974**	**21.49**
Net Income Before Taxes	**26,909**	**4.66**	**26,909**	**4.66**
Income Taxes	11,064	1.92	11,064	1.92
Net Income	**15,845**	**2.75**	**15,845**	**2.75**

Big Sky Farms Inc.
Ogema Division
For the Month Ending July 25, 2009

	Actual July	Actual Per Hog	Actual YTD	Actual Per Hog
Market Hog Sales	**6,851**	**$1.00**	**6,851**	**$1.00**
Price per 100 KG	**141**	**0.02**	**141**	**0.02**
Pigs Weaned	**11,703**	**1.71**	**11,703**	**1.71**
Revenue				
Market Hog Sales	1,078,407	157.41	1,078,407	157.41
Hog Inventory Adjustment	287,782	42 01	287,782	42.01
Other Revenue	8,572	1.25	8,572	1.25
Total Revenue	**1,374,761**	**200.67**	**1,374,761**	**200.67**
Feed Costs	**718,588**	**104.89**	**718,588**	**104.89**
Operating Expenses				
Communications	1,053	0.15	1,053	0 15
Power	14,773	2.16	14,773	2.16
General Insurance	10,056	1.47	10,056	1.47
Manure Removal	32,223	4.70	32,223	4.70
Repairs & Maintenance	34,728	5.07	34,728	5.07
Dead Disposal	3,431	0.50	3,431	0.50
Contract Services	1,515	0.22	1,515	0.22
Supplies	1,315	0.19	1,315	0.19
Property Taxes	7	0.00	7	0.00
Wages	93,040	13.58	93,040	13.58
Employee Benefits	14,502	2.12	14,502	2.12
Travel Meals & Ent	1,053	0.15	1,053	0.15
Breeding Herd Costs	33,365	4.87	33,365	4.87
less sale of cull sows	(15,146)	(2.21)	(15,146)	(2.21)
Veterinary	4,631	0 68	4,631	0.68
Herd Health	3,759	0.55	3,759	0.55
AI Costs	16,050	2.34	16,050	2.34
Trucking	40,401	5.90	40,401	5.90
Sales Costs	5,708	0.83	5,708	0.83
Head Office Services	6,917	1.01	6,917	1.01
Total Operating Exp.	**303,380**	**44.28**	**303,380**	**44.28**
Operating Income	**352,793**	**51.50**	**352,793**	**51.50**
Fixed expenses				
Interest	95,381	13.92	95,381	13.92
Debt Instruments Accretion	14,265	2.08	14,265	2.08
Depreciation & Amortization	115,173	16.81	115,173	16.81
Total Fixed Exp.	**224,819**	**32.82**	**224,819**	**32.82**
Net Income Before Taxes	**127,974**	**18.68**	**127,974**	**18.68**
Income Taxes	44,450	6.49	44,450	6.49
Net Income	**83,524**	**12.19**	**83,524**	**12.19**

Big Sky Farms Inc.
Rama Division
For the Month Ending July 25, 2009

	Actual July	Actual Per Hog	Actual YTD	Actual Per Hog
Market Hog Sales	**10,709**	**$1.00**	**10,709**	**$1.00**
Price per 100 KG	**130**	**0.01**	**130**	**0.01**
Pigs Weaned	**11,311**	**1.06**	**11,311**	**1.06**
Revenue				
Market Hog Sales	1,474,661	137.70	1,474,661	137.70
Hog Inventory Adjustment	55,720	5.20	55,720	5.20
Other Revenue	3,572	0.33	3,572	0.33
Total Revenue	**1,533,953**	**143.24**	**1,533,953**	**143.24**
Feed Costs	**766,749**	**71.60**	**766,749**	**71.60**
Operating Expenses				
Communications	1,191	0.11	1,191	0.11
Power	10,139	0.95	10,139	0.95
Heating Fuel	1,008	0.09	1,008	0.09
General Insurance	13,168	1.23	13,168	1.23
Manure Removal	35,808	3.34	35,808	3.34
Repairs & Maintenance	24,827	2.32	24,827	2.32
Dead Disposal	2,871	0.27	2,871	0.27
Contract Services	4,590	0.43	4,590	0.43
Supplies	2,173	0.20	2,173	0 20
Property Taxes	407	0.04	407	0.04
Wages	133,360	12.45	133,360	12.45
Employee Benefits	19,574	1.83	19,574	1.83
Travel Meals & Ent	414	0.04	414	0.04
Breeding Herd Costs	46,616	4 35	46,616	4.35
less sale of cull sows	(16,556)	(1.55)	(16,556)	(1.55)
Veterinary	24,724	2.31	24,724	2.31
Herd Health	3,759	0.35	3,759	0.35
AI Costs	17,298	1 62	17,298	1.62
Trucking	105,391	9.84	105,391	9.84
Sales Costs	13,554	1 27	13,554	1.27
Head Office Services	8,298	0.77	8,298	0.77
Total Operating Exp.	**452,612**	**42.26**	**452,612**	**42.26**
Operating Income	**314,592**	**29.38**	**314,592**	**29.38**
Fixed expenses				
Interest	121,837	11.38	121,837	11.38
Debt Instruments Accretion	14,260	1.33	14,260	1.33
Depreciation & Amortization	143,373	13.39	143,373	13.39
Total Fixed Exp.	**279,471**	**26.10**	**279,471**	**26.10**
Net Income Before Taxes	**35,121**	**3.28**	**35,121**	**3.28**
Income Taxes	15,432	1.44	15,432	1.44
Net Income	**19,689**	**1.84**	**19,689**	**1.84**

Big Sky Farms Inc.
Porcupine Division
For the Month Ending July 25, 2009

	Actual July	Actual Per Hog	Actual YTD	Actual Per Hog
Market Hog Sales	**9,588**	**$1.00**	**9,588**	**$1.00**
Price per 100 KG	**124**	**0.01**	**124**	**0.01**
Pigs Weaned	**11,503**	**1.20**	**11,503**	**1.20**
Revenue				
Market Hog Sales	1,284,376	133.96	1,284,376	133.96
Hog Inventory Adjustment	113,590	11.85	113,590	11.85
Other Revenue	3,575	0.37	3,575	0.37
Total Revenue	**1,401,541**	**146.18**	**1,401,541**	**146.18**
Feed Costs	**855,991**	**89.28**	**855,991**	**89.28**
Operating Expenses				
Communications	1,119	0.12	1,119	0.12
Power	18,702	1.95	18,702	1.95
Heating Fuel	2,044	0.21	2,044	0.21
General Insurance	13,193	1.38	13,193	1.38
Manure Removal	37,289	3.89	37,289	3.89
Repairs & Maintenance	42,827	4.47	42,827	4.47
Dead Disposal	3,416	0.36	3,416	0.36
Supplies	4,955	0.52	4,955	0.52
Property Taxes	313	0.03	313	0.03
Wages	113,742	11.86	113,742	11.86
Employee Benefits	17,219	1.80	17,219	1 80
Travel Meals & Ent	916	0.10	916	0.10
Breeding Herd Costs	32,739	3.41	32,739	3.41
less sale of cull sows	(21,898)	(2.28)	(21,898)	(2.28)
Veterinary	20,607	2.15	20,607	2.15
Herd Health	3,761	0.39	3,761	0.39
AI Costs	17,276	1.80	17,276	1.80
Trucking	111,095	11.59	111,095	11.59
Sales Costs	10,967	1.14	10,967	1.14
Head Office Services	8,298	0 87	8,298	0.87
Total Operating Exp.	**438,579**	**45.74**	**438,579**	**45.74**
Operating Income	**106,971**	**11.16**	**106,971**	**11.16**
Fixed expenses				
Interest	70,253	7 33	70,253	7.33
Debt Instruments Accretion	8,496	0.89	8,496	0.89
Depreciation & Amortization	142,666	14.88	142,666	14.88
Total Fixed Exp.	**221,416**	**23.09**	**221,416**	**23.09**
Net Income Before Taxes	**(114,445)**	**(11.94)**	**(114,445)**	**(11.94)**
Income Taxes	(33,109)	(3.45)	(33,109)	(3.45)
Net Income	**(81,336)**	**(8.48)**	**(81,336)**	**(8.48)**

Big Sky Farms Inc.
Contract Canadian
For the Month Ending July 25, 2009

	Actual July	Actual Per Hog	Actual YTD	Actual Per Hog
Market Hog Sales	**918**	**$1.00**	**918**	**$1.00**
Price per 100 KG	**144**	**0.16**	**144**	**0.16**
Revenue				
Market Hog Sales	144,243	157.13	144,243	157.13
Hog Inventory Adjustment	251,256	273.70	251,256	273.70
Feeder Pig Transfers	(124,957)	(136.12)	(124,957)	(136.12)
Total Revenue	**270,542**	**294.71**	**270,542**	**294.71**
Feed Costs	**132,309**	**144.13**	**132,309**	**144.13**
Operating Expenses				
General Insurance	194	0.21	194	0.21
Contract Facilities	52,444	57.13	52,444	57.13
Veterinary	1,357	1.48	1,357	1.48
Trucking	7,979	8.69	7,979	8.69
Sales Costs	763	0.83	763	0 83
Total Operating Exp.	**62,737**	**68.34**	**62,737**	**68.34**
Operating Income	**75,497**	**82.24**	**75,497**	**82.24**
Fixed expenses				
Net Income Before Taxes	**75,497**	**82.24**	**75,497**	**82.24**
Income Taxes	23,593	25.70	23,593	25.70
Net Income	**51,904**	**56.54**	**51,904**	**56.54**

Big Sky Farms Inc.
Pelly Division
For the Month Ending July 25, 2009

	Actual July	Actual Per Hog	Actual YTD	Actual Per Hog
Market Hog Sales	**10,899**	**$0.82**	**10,899**	**$0.82**
Price per 100 KG	**117**	**0.01**	**117**	**0.01**
Feeder Pigs Sold	**4,973**	**0.38**	**4,973**	**0.38**
Isoweans Sold	**1,945**	**0.15**	**1,945**	**0.15**
Pigs Weaned	**11,956**	**0.90**	**11,956**	**0.90**
Revenue				
Market Hog Sales	1,345,160	101.78	1,345,160	101.78
Feeder Hog Sales	102,104	7.73	102,104	7.73
Isowean Sales	27,133	2.05	27,133	2.05
Hog Inventory Adjustment	326,872	24.73	326,872	24.73
Feeder Pig Transfers	(183,746)	(13.90)	(183,746)	(13.90)
Other Revenue	1,180	0.09	1,180	0.09
Total Revenue	**1,618,702**	**122.47**	**1,618,702**	**122.47**
Feed Costs	**923,150**	**69.85**	**923,150**	**69.85**
Operating Expenses				
Communications	290	0.02	290	0.02
Power	8,636	0.65	8,636	0.65
Heating Fuel	1,001	0.08	1,001	0.08
General Insurance	5,566	0.42	5,566	0.42
Manure Removal	6,492	0.49	6,492	0.49
Repairs & Maintenance	1,417	0.11	1,417	0.11
Dead Disposal	800	0.06	800	0.06
Contract Services	200	0.02	200	0.02
Supplies	5,974	0.45	5,974	0.45
Property Taxes	53	0.00	53	0.00
Contract Facilities	273,618	20.70	273,618	20.70
Wages	57,519	4.35	57,519	4.35
Employee Benefits	8,872	0.67	8,872	0.67
Travel Meals & Ent	355	0.03	355	0.03
Breeding Herd Costs	29,340	2.22	29,340	2.22
less sale of cull sows	(22,774)	(1.72)	(22,774)	(1.72)
Veterinary	12,061	0.91	12,061	0.91
Herd Health	1,241	0.09	1,241	0.09
AI Costs	16,328	1.24	16,328	1.24
Herd Health Export Fees	1,137	0.09	1,137	0.09
Trucking	87,459	6.62	87,459	6.62
Sales Costs	10,172	0.77	10,172	0.77
Head Office Services	4,990	0.38	4,990	0.38
Total Operating Exp.	**510,747**	**38.64**	**510,747**	**38.64**
Operating Income	**184,805**	**13.98**	**184,805**	**13.98**
Fixed expenses				
Interest	62,674	4.74	62,674	4.74
Debt Instruments Accretion	8,496	0.64	8,496	0.64
Depreciation & Amortization	53,843	4.07	53,843	4.07
Total Fixed Exp.	**125,014**	**9.46**	**125,014**	**9.46**
Net Income Before Taxes	**59,792**	**4.52**	**59,792**	**4.52**
Income Taxes	21,340	1.61	21,340	1.61
Net Income	**38,452**	**2.91**	**38,452**	**2.91**

Big Sky Farms Inc.
Beaver Plains Breeder Unit
For the Month Ending July 25, 2009

	Actual July	Actual Per Hog	Actual YTD	Actual Per Hog
Isoweans Sold	**1,945**	**$1.00**	**1,945**	**$1.00**
Pigs Weaned	**11,956**	**6.15**	**11,956**	**6.15**
Revenue				
Isowean Sales	27,133	13.95	27,133	13.95
Hog Inventory Adjustment	1,584	0.81	1,584	0.81
Feeder Pig Transfers	179,874	92.48	179,874	92.48
Other Revenue	1,180	0.61	1,180	0.61
Total Revenue	**209,770**	**107.85**	**209,770**	**107.85**
Feed Costs	**131,789**	**67.76**	**131,789**	**67.76**
Operating Expenses				
Communications	290	0.15	290	0.15
Power	8,636	4.44	8,636	4.44
Heating Fuel	1,001	0.51	1,001	0.51
General Insurance	5,356	2.75	5,356	2.75
Manure Removal	6,492	3.34	6,492	3.34
Repairs & Maintenance	1,417	0.73	1,417	0.73
Dead Disposal	800	0.41	800	0.41
Contract Services	200	0.10	200	0.10
Supplies	5,974	3.07	5,974	3.07
Property Taxes	53	0.03	53	0.03
Wages	57,519	29.57	57,519	29.57
Employee Benefits	8,872	4.56	8,872	4.56
Travel Meals & Ent	355	0.18	355	0.18
Breeding Herd Costs	29,340	15.08	29,340	15.08
less sale of cull sows	(22,774)	(11.71)	(22,774)	(11.71)
Veterinary	11,995	6.17	11,995	6.17
Herd Health	1,241	0.64	1,241	0.64
AI Costs	16,328	8.39	16,328	8.39
Herd Health Export Fees	1,137	0.58	1,137	0.58
Trucking	38,891	20.00	38,891	20.00
Sales Costs	2,553	1.31	2,553	1.31
Head Office Services	2,743	1.41	2,743	1.41
Total Operating Exp.	**178,418**	**91.73**	**178,418**	**91.73**
Operating Income	**(100,437)**	**(51.64)**	**(100,437)**	**(51.64)**
Fixed expenses				
Interest	62,674	32.22	62,674	32.22
Debt Instruments Accretion	8,496	4.37	8,496	4.37
Depreciation & Amortization	53,843	27.68	53,843	27.68
Total Fixed Exp.	**125,014**	**64.27**	**125,014**	**64.27**
Net Income Before Taxes	**(225,450)**	**(115.91)**	**(225,450)**	**(115.91)**
Income Taxes	(67,798)	(34.86)	(67,798)	(34.86)
Net Income	**(157,652)**	**(81.06)**	**(157,652)**	**(81.06)**

Big Sky Farms Inc.
US Contract Units
For the Month Ending July 25, 2009

	Actual July	Actual Per Hog	Actual YTD	Actual Per Hog
Market Hog Sales	**10,899**	**$0.85**	**10,899**	**$0.85**
Price per 100 KG	**117**	**0.01**	**117**	**0.01**
Feeder Pigs Sold	**4,973**	**0.39**	**4,973**	**0.39**
Revenue				
Market Hog Sales	1,345,160	105.18	1,345,160	105.18
Feeder Hog Sales	102,104	7.98	102,104	7.98
Hog Inventory Adjustment	325,288	25.44	325,288	25.44
Feeder Pig Transfers	(363,620)	(28.43)	(363,620)	(28.43)
Total Revenue	**1,408,932**	**110.17**	**1,408,932**	**110.17**
Feed Costs	**791,361**	**61.88**	**791,361**	**61.88**
Operating Expenses				
General Insurance	211	0.02	211	0.02
Contract Facilities	273,618	21.40	273,618	21.40
Veterinary	66	0 01	66	0.01
Trucking	48,569	3.80	48,569	3.80
Sales Costs	7,619	0.60	7,619	0 60
Head Office Services	2,247	0.18	2,247	0 18
Total Operating Exp.	**332,329**	**25.99**	**332,329**	**25.99**
Operating Income	**285,242**	**22.30**	**285,242**	**22.30**
Fixed expenses				
Net Income Before Taxes	**285,242**	**22.30**	**285,242**	**22.30**
Income Taxes	89,138	6.97	89,138	6.97
Net Income	**196,104**	**15.33**	**196,104**	**15.33**

Big Sky Farms Inc.
Farrow to Finish Units
For the Month Ending July 25, 2009

	Actual July	Actual Per Hog	Actual YTD	Actual Per Hog
Market Hog Sales	**7,449**	**$0.91**	**7,449**	**$0.91**
Price per 100 KG	**137**	**0.02**	**137**	**0.02**
Breeding Stock Sold	**712**	**0.09**	**712**	**0.09**
Pigs Weaned	**17,774**	**2.18**	**17,774**	**2.18**
Revenue				
Market Hog Sales	1,099,468	134.72	1,099,468	134.72
Hog Sales:Breeding	211,931	25.97	211,931	25.97
Hog Inventory Adjustment	116,761	14 31	116,761	14.31
Feeder Pig Transfers	168,130	20.60	168,130	20.60
Other Revenue	5,139	0.63	5,139	0.63
Total Revenue	**1,601,429**	**196.23**	**1,601,429**	**196.23**
Feed Costs	**730,493**	**89.51**	**730,493**	**89.51**
Operating Expenses				
Communications	3,674	0.45	3,674	0.45
Power	51,486	6.31	51,486	6.31
Heating Fuel	16,011	1.96	16,011	1.96
General Insurance	30,682	3.76	30,682	3.76
Manure Removal	78,012	9.56	78,012	9.56
Repairs & Maintenance	60,343	7 39	60,343	7.39
Dead Disposal	2,406	0.29	2,406	0.29
Contract Services	2,308	0.28	2,308	0.28
Supplies	15,595	1.91	15,595	1.91
Property Taxes	554	0.07	554	0.07
Wages	249,277	30.54	249,277	30.54
Employee Benefits	35,829	4.39	35,829	4.39
Travel Meals & Ent	3,384	0.41	3,384	0.41
Breeding Herd Costs	127,375	15.61	127,375	15.61
less sale of cull sows	(61,631)	(7.55)	(61,631)	(7.55)
Veterinary	41,713	5.11	41,713	5.11
Herd Health	5,407	0 66	5,407	0.66
AI Costs	22,008	2.70	22,008	2.70
Herd Health Export Fees	2,161	0.26	2,161	0.26
Trucking	88,877	10.89	88,877	10.89
Sales Costs	7,946	0.97	7,946	0.97
Head Office Services	10,252	1.26	10,252	1.26
Total Operating Exp.	**793,669**	**97.25**	**793,669**	**97.25**
Operating Income	**77,266**	**9.47**	**77,266**	**9.47**
Fixed expenses				
Interest	101,003	12.38	101,003	12.38
Depreciation & Amortization	148,153	18.15	148,153	18.15
Total Fixed Exp.	**249,156**	**30.53**	**249,156**	**30.53**
Net Income Before Taxes	**(171,890)**	**(21.06)**	**(171,890)**	**(21.06)**
Income Taxes	(53,716)	(6.58)	(53,716)	(6.58)
Net Income	**(118,174)**	**(14.48)**	**(118,174)**	**(14.48)**

Big Sky Farms Inc.
25-Jul-09

Quick Cash Position

Cash on hand	$	(5,108,069)
Drawn line of Credit		(22,000,000)
Available Line of Credit		26,500,000
Cash Available		(608,069)
Accounts Receivable		4,948,362
Accounts Payable , Other Liabilities and LCT		(15,066,476)
Funds available from long term debt		-
Quick Cash Balance	$	(10,726,183)

Current Ratio (modified)

Current Assets per financial statements	$36,723,677
Breeding Stock	10,270,554
	$46,994,231
Current liabilities per financial statements	$90,996,404
Less reclassifed long term debt	(31,747,500)
Less accrued interest on subordinated debt	(2,405,954)
Less current portion of subordinated debt	(6,315,524)
	$50,527,426

Current Ratio	**Covenant**	**1 to 1**	**0.93**

Senior Debt Ratio

EBITDA	July 25, 2009	1,275,383	
	Aug to Sept 2008	(173,012)	
	Oct to Dec 2008	(2,691,617)	
	Jan to Mar 2009	3,692,075	
	Apr to Jun 2009	(4,549,565)	(2,446,736)
Senior Debt:	Line of Credit		27,108,069
	Current Portion of Senior Debt		6,976,600
	Current Portion of Capital leases		1,382,100
	Long-Term Senior Debt		36,109,696
	Capital Leases		7,747,682
			79,324,147

Senior Debt Ratio	**Covenant**	**not required**	**(32.42)**

Debt Service Ratio (modified)

EBITDA - Last Four Quarters as above			(2,446,736)
Current Portion of Senior Debt			n/a
Interest:	July 25, 2009	556,199	
	Aug to Sept 2008	1,000,693	
	Oct to Dec 2008	1,365,646	
	Jan to Mar 2009	1,508,916	
	Apr to Jun 2009	2,642,594	7,074,048
Capital Lease Payments			
	40019	50,114	
	Oct to Dec 2008	0	
	Jan to Mar 2009	0	
	Apr to Jun 2009	0	50,114
			7,124,162

Debt Service Ratio	**Covenant**	**1:1**	**(0.34)**

Big Sky Farms Inc.
Long-Term Debt
As at July 25, 2009

	Principal Outstanding	Current Portion	Balance	Accrued Interest	Accrued Interest
A2, LOC				316,366	
Syndicated loan - Credit B	$ 31,117,500	$ 5,520,000	$ 25,597,500	397,059	
Syndicated loan - Credit C	7,350,000	1,200,000	$ 6,150,000	93,092	
Sask Government Hog Loan 2008	4,618,796	256,600	4,362,196	-	
Senior debt	**43,086,296**	**6,976,600**	**36,109,696**		
Scotiabank debt reclassified as current		31,747,500	(31,747,500)		
Senior debt reclassified		**38,724,100**	**4,362,196**		
Golden Opportunities Fund Inc.	1,500,000	600,000	900,000	187,503	176,868
Farm Credit Canada Ventures Inc.	1,500,000	600,000	900,000	171,578	176,060
Shareholder Loans	3,374,774	3,374,774	-	836,973	
Shareholder Loans	1,409,250	1,409,250	-	177,847	
Promissory Note - Florian Possberg	331,500	331,500	-	-	
Subordinated debt	**8,115,524**	**6,315,524**	**1,800,000**		
Prairie Hog Production Ltd Partnership - Nurse	6,016,863	995,756	5,021,107		
Prairie Hog Production Ltd Partnership - Finish	3,112,919	386,344	2,726,575		
Capital Lease Obligation	**9,129,782**	**1,382,100**	**7,747,682**	225,536	
	$ 60,331,602	**$ 46,421,724**	**$ 13,909,878**	**2,405,954**	**352,928**