

C A N A D A)
PROVINCE OF SASKATCHEWAN)

IN THE QUEEN'S BENCH
JUDICIAL CENTRE OF SASKATOON

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C. 1985, c. C-36 (the "CCAA")

AND IN THE MATTER OF A PROPOSED PLAN OF ARRANGEMENT FOR THE
CREDITORS OF BIG SKY FARMS INC., DRYCAST SYSTEMS INC. and
BIG SKY MANAGEMENT CONSULTING CORP.

NOTICE OF MOTION
(Approval of Sale of Treherne Facility)

TAKE NOTICE that an application will be made to the Honourable Mr. Justice N.G. Gabrielson in Chambers at the Court House, 520 Spadina Crescent East, Saskatoon, Saskatchewan, on Tuesday, the 5th day of January, 2010, at two (2:00) o'clock in the afternoon, or so soon thereafter as counsel may be heard on behalf of Big Sky Farms Inc., Drycast Systems Inc. and Big Sky Management Consulting Corp. (collectively, the "Applicants" or "Big Sky") for the following items of relief, pursuant to section 36 of the CCAA, the *Ex Parte* Initial Order of the Honourable Mr. Justice N.G. Gabrielson dated and issued in these proceedings on November 10, 2009, as amended and extended by subsequent Orders of this Honourable Court (the "Initial Order") and the inherent jurisdiction of this Honourable Court, namely:

- A. An Order declaring that the time for service of this Notice of Motion and the materials filed by the Applicants in support of this Notice of Motion shall be abridged and directing that further service of this Notice of Motion and such supporting materials be dispensed with, such that this application is properly returnable on January 5, 2010.
- B. An Order approving the proposed sale (the "Proposed Sale") by Big Sky to Porcherie Lac du Onze Ltee. of Notre Dame de Lourdes, Manitoba (the "Purchaser") of certain land, dwelling and farrow to finish hog barn, including all fixtures, mill, bins, scale and sundry (collectively, the "Purchased Assets") all as more particularly described in, and subject to the terms and

conditions set forth in, an Offer to Purchase addressed to Big Sky by the Purchaser dated December 4, 2009 (the "Offer to Purchase"), for an estimated price of Six Hundred Thousand (\$600,000.00) Dollars (the "Purchase Price").

- C. An Order authorizing Big Sky to complete the Proposed Sale in accordance with the terms and conditions contained in the Offer to Purchase, subject to such amendments as Big Sky and the Purchaser may agree upon, provided that any such amendments do not materially or adversely affect the Purchase Price.
- D. An Order authorizing Big Sky to execute such documents and perform such acts as may reasonably be required in order to close the Proposed Sale in accordance with the terms of the Offer to Purchase.
- E. An Order authorizing the Monitor to effect such discharges or revisions in the Personal Property Security Registry of Manitoba as may be necessarily required to conclude the Proposed Sale.
- F. An Order vesting title to the personal property described in the Offer to Purchase in the Purchaser, free and clear of all encumbrances.
- G. An Order vesting title to the real property described in the Offer to Purchase (the "Subject Real Property") in the name of the Purchaser free and clear of all encumbrances, save and except for those encumbrances identified as permitted encumbrances in the Offer to Purchase and any encumbrances by or against or in respect of the Purchaser, and directing the Deputy Registrar of the Morden Land Titles Office in the Province of Manitoba to cancel the existing titles to the Subject Real Property and to issue new titles to the Subject Real Property in the name of the Purchaser or its nominee, free and clear of all encumbrances, save and except for those encumbrances specified in the Vesting Order and those encumbrances by or against or in respect of the Purchaser, upon closing of the Proposed Sale.
- H. An Order directing that the net sale proceeds derived from the Proposed Sale shall be paid to The Bank of Nova Scotia, as Administrative Agent for the Senior Secured Lenders, as provided for in paragraph 10(a) of the Initial Order.

AND FURTHER TAKE NOTICE that the grounds to be argued in support of this application are as follows, namely:

1. Paragraphs 11(c) and 11(d) of the Initial Order and section 36(1) of the CCAA require that a transaction in the nature of the Proposed Sale be approved by an Order of this Honourable Court before such a transaction can take place.
2. The Purchaser is not a person who is related to the Applicants within the meaning of section 36(5) of the CCAA.
3. The process leading to the Proposed Sale was fair and transparent and reasonable in the circumstances and resulted in the Purchased Assets being fully and fairly exposed to the market.
4. The Monitor has filed with this Honourable Court its Fourth Report stating that, in its professional opinion, the sale of the Purchased Assets on the terms and conditions described in the Offer to Purchase would achieve a result for the creditors of the Applicants that is more beneficial than a sale of the Purchased Assets through a bankruptcy, receivership or similar liquidation exercise.
5. The consideration to be received by the Applicants for the Purchased Assets as a result of the Proposed Sale is reasonable and fair, taking into account the current market value of the Purchased Assets.
6. Section 36(6) of the CCAA provides this Honourable Court with jurisdiction to authorize a sale or disposition of assets free and clear of any security, charge or other restriction, so long as steps are taken to protect any creditor whose security is affected by the sale. It is therefore proposed that the net sale proceeds derived from the Proposed Sale be paid to the Senior Lenders, who hold a registered first mortgage and charge on the Purchased Assets.

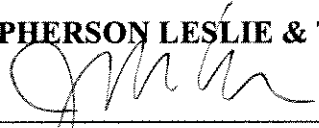
AND FURTHER TAKE NOTICE that the materials to be relied upon in support of this application are as follows:

- (a) This Notice of Motion;

- (b) The Fourth Report of the Monitor;
- (c) A form of Draft Order;
- (d) The Initial Order;
- (e) The pleadings and proceedings had and taken herein; and
- (f) Such further and other materials as counsel may advise and this Honourable Court may allow.

DATED at Saskatoon, Saskatchewan this 30th day of December, 2009.

MacPHERSON LESLIE & TYERMAN LLP

Per: 

Jeffrey M. Lee, Counsel for the Applicants,
Big Sky Farms Inc., Drycast Systems Inc.
and Big Sky Management Consulting Corp.

This Notice of Motion was delivered by:

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To: The Local Registrar
Court of Queen's Bench
Judicial Centre of Saskatoon

And To: Those Parties set out in the Service List attached hereto as Schedule "A"