

DUPLICATE
ORIGINAL

Q.B.G. No. 1461 of 2009

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.

ORDER
(Approval of Sale of Treherne Facility)

BEFORE THE HONOURABLE	)	ON TUESDAY,
	)	
MR. JUSTICE N.G. GABRIELSON	)	THE 5th DAY
	)	
IN CHAMBERS	)	OF JANUARY, 2010.

UPON THE APPLICATION of counsel on behalf of the Applicants, Big Sky Farms Inc., Drycast Systems Inc. and Big Sky Management Consulting Corp. (collectively, the "**Applicants**" or "**Big Sky**"), and upon hearing Jeffrey M. Lee, counsel for the Applicants; Michael MacNaughton and M. Kim Anderson, counsel for Bank of Nova Scotia, Bank of Montreal, National Bank of Canada and Farm Credit Canada (such four parties hereinafter collectively described as the "**Senior Lenders**"); Gary Meschishnick, Q.C., counsel for the Monitor, Ernst & Young Inc.; and Grant Scharfstein, Q.C., counsel for Golden Opportunities Fund Inc., CIC Asset Management Inc., FCC Ventures, a Division of Farm Credit Canada, Florian Possberg and Cliff Wiegers (such five parties hereinafter collectively described as the "**Sub-Debt Lenders**"), and upon hearing read the Notice of Motion of the Applicants dated December 30, 2009; the Fourth Report of the Monitor; the Draft Order; 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 by subsequent Orders of the Honourable Mr. Justice N.G.

Gabrielson (the "**Initial Order**"); and the Affidavit of Service of Julie G. Reid sworn on January 4, 2010, all filed:

IT IS HEREBY ORDERED, ADJUDGED AND DECLARED THAT:

1. Words and phrases contained in this Order which begin with capital letters and which are not expressly defined herein shall have the respective meanings ascribed thereto in the Initial Order.

Validation of Service

2. The time for service of the Notice of Motion commencing this application (together with all of the materials filed in support of this application) shall be and is hereby abridged, such that this application is properly returnable on January 5, 2010 and further service thereof on any other person is hereby dispensed with.

Approval of Sale of Treherne Facility

3. 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**"), a copy of which Offer to Purchase is attached as a Schedule to the Fourth Monitor's Report, for an estimated purchase price of Six Hundred Thousand (\$600,000.00) Dollars (the "**Purchase Price**") is hereby authorized, approved, ratified and confirmed by this Honourable Court.
4. Big Sky is hereby authorized and given directions by this Honourable Court to complete the Proposed Sale in accordance with 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) and to execute such documents and perform such acts as may reasonably be required in order to close the Proposed Sale in accordance with the Offer to Purchase.

5. The Monitor shall be and is hereby authorized, upon closing of the Proposed Sale, to effect such discharges or revisions in the Personal Property Registry of Manitoba as may be reasonably required to conclude the Proposed Sale.

Vesting of Title to The Purchased Assets in The Name of The Purchaser

6. Upon the Monitor determining that the Proposed Sale has closed to the satisfaction of the Monitor and on terms substantially as approved by this Honourable Court pursuant to this Order, the Monitor shall file with this Honourable Court and shall serve upon each of Big Sky, the Purchaser, the Senior Lenders, the Sub-Debt Holders and the Deputy Registrar of the Morden Land Titles Office in the Province of Manitoba a certificate to that effect (the “**Monitor’s Confirmation of Closing Certificate**”), whereupon:

- (a) title to all personal property described in the Offer to Purchase shall vest in the Proposed Purchaser free and clear of any and all encumbrances;
- (b) title to the real property described in the Offer to Purchase shall vest in the name of the Purchaser free and clear of any and 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 the Caveat registered in favour of Crown Trust Company on August 30, 1969; and
- (c) the Deputy Registrar of the Morden Land Titles Office in the Province of Manitoba shall be and is hereby directed to cancel the existing title to the real property described as South West Quarter (SW ¼) 33-7-9W, RM of South Norfolk, Manitoba (Title # 2109383) (the “**Real Property**”) and to issue a new title to the Real Property in the name of the Purchaser, save and except for the encumbrances set forth in Schedule “A” to this Order, and such title shall issue to, and vest in, the Purchaser free and clear of any and all encumbrances, taxes and arrears of taxes, claims, interests, security interests, charges, licenses, trusts, deemed trusts (whether contractual, statutory or otherwise), mortgages, instruments, leases,

assignments, judgments, executions, options, claims, levies, or any other rights (whether contractual, statutory, arising by operation of law or created by or pursuant to Orders made in these proceedings), of any persons or entities of any kind whatsoever, including, without limitation, all individuals, firms, corporations, partnerships, joint ventures, trusts, unincorporated organizations, governmental and administrative bodies, agencies, authorities or tribunals and all other natural persons or corporations, whether acting in their capacity as principals or as agents, trustees, executors, administrators or other legal representatives, and Her Majesty in Right of Canada and Her Majesty in Right of the Province of Saskatchewan; and

- (d) Big Sky shall cause the net sale proceeds derived from the Proposed Sale to be paid to The Bank of Nova Scotia, as Administrative Agent for the Senior Lenders.

General

- 7. Any interested Person (including, without limitation, the Applicants, the Purchaser and the Monitor) may apply to this Honourable Court for advice or directions in regard to the execution of this Order or any matter arising out of or necessarily incidental to this Order.
- 8. This Honourable Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States of America, to give effect to this Order and to assist the Applicants, the Monitor, the Purchaser and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested:

- (a) to make such orders and to provide such assistance to the Applicants, the Monitor (as a officer of this Court) and the Purchaser as may be necessary or desirable to give effect to this Order;

- (b) to grant representative status to the Monitor in any foreign proceeding; and

(c) to assist the Applicants, the Monitor, the Purchaser and their respective agents in carrying out the terms of this Order.

ISSUED at Saskatoon, Saskatchewan this 5th day of January, 2010.



(Deputy) Local Registrar

This Order was delivered by:

MacPHERSON LESLIE & TYERMAN LLP
Lawyers
1500, 410 - 22nd Street East
Saskatoon, Saskatchewan S7K 5T6

whose address for service is same as above.
Lawyer in charge of file: Jeffrey M. Lee
Telephone Number: (306) 975-7100
Fax Number: (306) 975-7145

SCHEDULE "A"

Permitted Encumbrances

1. Caveat 1025246 registered on 1999/11/17 in favour of MTS Communications Inc.
2. Caveat 38693C registered on 1969/08/30 in favour of Crown Trust Company.