Q.B. No. 1461 of 2009

CANADA)
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, AS AMENDED (the "*CCAA*")

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

FIFTH REPORT OF THE MONITOR

ERNST & YOUNG INC.

FEBRUARY 9, 2010

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FIFTH REPORT OF THE MONITOR

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INTRODUCTION

1. On November 10, 2009, Big Sky Farms Inc., Drycast Systems Inc. and Big Sky Management Consulting Corp. (collectively, the "**Applicants**" or "**Big Sky**") filed for and obtained protection from their creditors under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended, (the "**CCAA**") pursuant to an order of this Honourable Court dated November 10, 2009 (the "**Initial Order**").

2. Pursuant to the Initial Order, Ernst & Young Inc. was appointed monitor of the Applicants during these CCAA proceedings (the "**Monitor**").

3. Paragraph 15 of the Initial Order established a Stay of Proceedings until December 10, 2009 (the "Stay Period"). The Stay Period was subsequently extended to February 1, 2010 by Order of this Honourable Court dated December 9, 2009; and further extended to February 11, 2010 by an Order of this Honourable Court dated January 5, 2010.

4. On December 7, 2009, the Monitor issued its first report (the "**First Report**"), the purpose of which was to advise this Honourable Court with respect to, *inter alia*: (a) Background information pertaining to each of the Applicants; (b) Background information and the status of US proceedings commenced under Chapter 15 of the US Bankruptcy Code; (c) The request by the Applicants for an Order approving a claims process whereby Big Sky would, *inter alia*: (i) Call for claims of its creditors through the implementation of the Claims Process; (ii) Establish a Claims Bar Date of 5:00 pm (Central Time) on January 15, 2010; and (iii) Establish a dispute resolution process that included the appointment of a Claims Officer; (d) The existence of potential Agricultural Lien Claims of indeterminable priority filed in respect to the pigs located in the State of

Iowa, USA; (e) The cash flow of the Applicants between November 10 and November 29, 2009; (f) The activities of the Applicants and the Monitor since the making of the Initial Order; (g) The basis and requirement for the Applicants request for an extension of the Stay Period; and (h) The recommendations of the Monitor pertaining to the Claims Process, including the Claims Bar Date, and request for the extension of the Stay Period.

5. On December 16, 2009, the Monitor issued its third report (the "**Third Report**") the purpose of which was to, *inter alia*, advise this Honourable Court with respect to the status of the US proceedings pursuant to Chapter 15 of the US Bankruptcy Code and the Applicant's request for an Order: (a) Approving an Insurance Finance Charge in favour of CAFO in the amount of $589,879.68, secured solely by the unearned or returned premiums and other amounts due to the Applicants in the event that the Applicants' insurance policy is cancelled or collapsed; and (b) Requesting the assistance of the US Bankruptcy Court for a determination of the validity and priority of the Agricultural Lien Claims.

6. On December 28, 2009, the Monitor issued its second report (the "**Second Report**") the purpose of which was to, *inter alia*, provide information to this Honourable Court related to the status of the restructuring efforts and the Applicant's request for an Order: (a) Authorizing and directing the filing of the Plan; (b) Authorizing and establishing the procedure for Big Sky to call, hold and conduct the Creditors' Meeting; (c) Approving the form of materials to be distributed to creditors affected by the Plan; and (d) Setting the conditions for approval of the Plan in order for the Plan to be sanctioned by the Court.

7. On December 29, 2009, the Monitor issued its fourth report (the "**Fourth Report**") the purpose of which was to, *inter alia*, provide information to this Honourable Court with

respect to the Applicant's request for an Order approving the sale of Big Sky's idle farrow to finish operation in the District of Treherne, Manitoba to Porcherie Lac du Onze Ltee. ("**Porcherie**") and vesting all of the Applicants' right, title and interest in and to the property into Porcherie, free and clear of all liens and encumbrances, except permitted encumbrances.

8. The purpose of this Fifth Report of the Monitor (the "**Fifth Report**") is to provide this Honourable Court with information relating to:

   (a) Real property divestitures by the Applicants;

   (b) The Claims Process;

   (c) Amendments to the Plan;

   (d) The mailing of the Plan & Meeting Documents;

   (e) The results of the vote at the Creditors' Meeting;

   (f) The conditions that must be satisfied in order for this Honourable Court to sanction the Amended Plan (as defined below);

   (g) The conditions that must be satisfied or waived in order to achieve Plan Implementation;

   (h) The distribution to Affected Creditors pursuant to the terms of the Amended Plan;

   (i) An update with regard to the Applicant's operating cash flow for the period of November 10, 2000 to and inclusive of January 24, 2010 (the "**Reporting Period**"), including the budget to actual variance analysis;

(j) A re-forecast of the cash flow (the "**Re-Forecast**") of Big Sky as prepared by the Applicants for the period of January 24, 2010 to March 27, 2010 (the "**Re-Forecast Period**");

(k) The basis and requirement for the Applicant's request for an extension of the Stay Period; and

(l) The Monitor's recommendations.

9. Capitalized terms not defined in this Fifth Report are as defined in the Initial Order, the Claims Process Order, the Order (Authorizing Filing of the Plan of Arrangement & Creditors Meeting), the Plan, and the First Report to and including the Fourth Report. All references to dollars are in Canadian currency unless otherwise noted. A copy of all motion records and reports are available for creditors on the Monitor's website at www.ey.com/ca/bigskyfarms .

TERMS OF REFERENCE

10. In preparing this Fifth Report, the Monitor has relied upon unaudited financial information, company records, and discussions with management of the Applicants. The Monitor has not performed an audit, review or other verification of such information. An examination of the financial forecast as outlined in the Canadian Institute of Chartered Accountants Handbook has not been performed. Future orientated financial information relied upon in this report is based on management's assumptions regarding future events and actual results achieved may vary from this information and the variations may be material.

BACKGROUND INFORMATION

11. Background information pertaining to the Applicants and the CCAA proceedings is contained in the First Report through to and including the Fourth Report of the Monitor filed with this Honourable Court.

REAL PROPERTY DIVESTITURES

12. Pursuant to paragraph 11(c) of the Initial Order the Applicants are permitted without authorization of this Honourable Court to dispose (by sale or otherwise) of redundant or non-material assets when the value does not exceed $100,000 in any one transaction or $400,000 in the aggregate under a series of connected transactions.

13. By Order of this Honourable Court dated January 5, 2010, the Court approved the sale of Big Sky's idle farrow to finish hog operation in the District of Treherne, Manitoba to Porcherie for a purchase price of $600,000. This Honourable Court further authorized that the sale proceeds be paid to the Bank of Nova Scotia, as administrative agent for the Senior Secured Lenders. All conditions to the closing of this sale were satisfied and on January 22, 2010 the Monitor filed with this Honourable Court its Certificate of Closing pertaining to the transaction. Title in the real property was vested by Order of this Honourable Court in Porcherie and is currently being registered in the Morden Land titles office in the Province of Manitoba.

14. On or after the date of the Initial Order, the Applicants have been marketing for sale numerous redundant or non-material farm land assets to promote liquidity within Big Sky and retire its outstanding indebtedness to the Senior Secured Lenders. Since the date of the Initial Order 17 parcels of land have been sold or are currently being marketed for

sale. Thirteen of the land parcels are currently subject to a pending sale transaction, the status of each is as follows:

(a) Five land parcel sale transactions have been completed. The sale value of each individual transaction was less than $100,000. The proceeds of these sales, in the gross amount of $120,375.19 was paid to the Bank of Nova Scotia, as administrative agent for the Senior Secured Lenders, as directed by paragraph 10(a) of the Initial Order;

(b) Three land parcel sales have received subdivision approval and are in the process of closing. Of these three land parcel sales, one involved the sale of two parcels of land to the same purchaser for a total purchase price, subject to adjustment, of $104,000. A term of the purchase agreement required Big Sky to pay the cost of obtaining subdivision approval; as an adjustment to the purchase price. The cost of obtaining this approval exceeded $16,000. It is the view of the Monitor that this sale is a series of connected transactions and is permitted by paragraph 11(c) of the Initial Order without authorization of this Honourable Court, or in the alternative, that the proceeds with respect to the transaction, net of subdivision approval costs, does not exceed $100,000 and does not require the approval of this Honourable Court. In total, the expected net sale proceeds from these three sale transactions is estimated to be $110,000. The proceeds will be paid to the Bank of Nova Scotia as administrative agent for the Senior Secured Lenders as authorized by this Honourable Court; and

(c) Five parcels of land are subject to a purchase agreement entered into between Big Sky and third parties. These five transactions are all awaiting subdivision approval.

AFFECTED CREDITOR CLAIMS RECEIVED

15. Pursuant to terms of the Claims Process Order of this Honourable Court dated December 9, 2009 a Claims Process was approved for the purpose of calling for the claims of creditors of the Applicants and establishing a Claims Bar Date of 5:00 pm (Central Standard Time) on January 15, 2010.

16. The Claims Process:

    (a) Established a procedure to call for and determine the claims of all creditors of the Applicants as of the Filing Date. The secured claims of the Senior Secured Lenders were excluded from this process;

    (b) Directed that all Known Creditors of the Applicants as of the Filing Date were to be sent a Claims Package that included a copy of the Claims Process Order, Instruction Letter, a Proof of Claim and such other materials as the Applicants or the Monitor considered necessary or appropriate;

    (c) Directed that notice of the Claims Process was to be published in the *Saskatoon StarPhoenix*, *Regina Leader-Post*, *Winnipeg Free Press* and *Des Moines Register* newspapers before December 18, 2009;

    (d) Directed that should the Applicants disagree with the amount or classification of a claim filed by a creditor and failing a negotiated resolution to the claim amount or classification, the Monitor was to issue a Notice of Revision or Disallowance. The Notice of Revision or Disallowance would be final and conclusive unless disputed by the creditor within 14 days of issuance; and

(e) Directed that if a creditor filed a Notice of Dispute, setting out the basis on which the creditor objected to the Notice of Revision or Disallowance issued by the Monitor and failing a negotiated resolution, the claim was to be referred to the Claims Officer for adjudication. The findings and conclusions of the Claims Officer were to be final and conclusive, unless such decision was appealed to this Honourable Court for a final determination.

17. The Monitor advises this Honourable Court that the Claims Process was conducted in accordance with the provisions of the Claims Process Order. The results of the Claims Process are summarized as follows:

	In Number			**In Value**		
	Total	**Admitted**	**Disputed**	**Total**	**Admitted**	**Disputed**
Claims Received	840	834	6	37,974,871	35,180,265	2,794,606

18. The Monitor has issued six Notices of Revision or Disallowance, comprised of the following:

Nature of Revised or Disallowed Claim	Number	Value
Unresolved Disputed Claims (discussed below)	2	2,786,895
Late File Claims (discussed below)	4	7,711
Total	**6**	**2,794,606**

19. As at the date of this report the Monitor issued two Notices of Revision that remain unresolved. The status of each is as follows:

		Notice of Revision or Disallowance		Nature		
Creditor Name	Amount Claimed	Issued	Final	Revised Amount	Comment	Notice of Dispute
Farmer's Co-operative (Hinton) Company	413,099	29-Jan-10	N/A	-	Disallowed pending U.S. Court proceeding	04-Feb-10
M.C. Alberta Contractors Ltd.	2,373,796	20-Jan-10	N/A	-	Records show contractor was paid in full. Deferred to Claims Officer.	21-Jan-10
Total	**2,786,895**					

20. As noted above, the Claims Process directed that claims be filed with the Monitor before the Claims Bar Date of 5:00 pm (Central Standard Time) on January 15, 2010. In addition to accepting for review claims that were received on or before the Claims Bar Date, the Monitor recognized claims for review where the envelope enclosing the Proof of Claim was post-marked on or before the Claims Bar Date.

21. The Monitor received four claims subsequent to the Claims Bar Date (the "**Late Filed Claims**") to which the Monitor has issued a Notice of Revision or Disallowance. The Late Filed claims and the potential distribution to be made on those claims is summarized below:

Creditor	Date Received	Claim Amount	Distribution Amount
CNH Capital Canada	January 18, 2010	287	284
Crapshooter's Professional Coral Cleaning Ltd.	January 19, 2010	399	395
R.M. of Mountain View No. 318	January 19, 2010	1,919	1,900
Saskatchewan Pulse Growers	January 26, 2010	5,106	3,960
Total Late Filed Claims		**7,711**	**6,539**

22. Pursuant to paragraph 6 of the Claims Process Order this Honourable Court maintains the discretion to permit the Late Filed Claims to be admitted for purpose of review by the Applicants as a Proven Distribution Claim. The Monitor requests that this Honourable Court direct that the Late Filed Claims be admitted for the following reasons (whereupon they would be admitted as Proven Distribution Claims):

(a) The value of the Late Filed Claims agrees with the amount shown on the books and records of the Applicants as being due to the creditor;

(b) Accepting and allowing the Late Filed Claims for distribution purposes has been approved the Applicants;

(c) The Senior Secured Lenders are not opposed to the acceptance of the Late Filed Claims for distribution purposes;

(d) Accepting and allowing the Late Filed Claims will not affect the amount payable to other Affected Creditors with Proven Distribution Claims; and

(e) The distribution to the Late Filed Claims pursuant to the terms of the Amended Plan is not material, being an amount approximating $6,500.

PLAN AMENDMENTS

23. On February 8, 2010, Big Sky filed with this Honourable Court an amended and restated plan of compromise and arrangement (the "**Amended Plan**"). Pursuant to article 10.1 of the Plan, the Applicants were permitted to vary, modify or amend the Plan by way of supplementary or restated plan at any time or from time to time prior to the commencement of the Creditors' Meeting, providing the Applicants obtained the prior

approval of the Senior Secured Lenders. In addition, article 10.1 provided that the Affected Creditors in attendance at the Creditors' Meeting be advised of the amendments made to the Plan.

24. The Monitor advises this Honourable Court that:

    (a) The consent of the Senior Secured Lenders to the amended terms as outlined in the Amended Plan was obtained on February 5, 2010; and

    (b) The Affected Creditors at the Creditors' Meeting were provided a clean and blackline version of the Amended Plan and legal counsel to Big Sky explained the purpose and affect of each amendment to the Plan.

25. The Monitor further advises this Honourable Court that the purpose of the amendments were to:

    (a) Extend the filing time for certain steps in the litigation in respect to the Agricultural Lien Claims in the State of Iowa;

    (b) Facilitate a tax efficient transfer of the assets in accordance with the proposed Restructuring Transaction; and

    (c) Promote the principle of "fresh-start" accounting in accordance with the advice of the auditors of Big Sky, Deloitte & Touche LLP.

26. The Monitor advises this Honourable Court that the amendments as outlined in the Amended Plan are non-substantive and do not adversely prejudice the rights or compromise to the Affected Creditors as previously outlined in the Amended Plan.

MAILING OF THE PLAN & MEETING DOCUMENTS

27. In accordance with the Order of this Honourable Court dated January 5, 2010 authorizing the filing of the Plan and the conducting of the Creditors' Meeting (the "**Creditors' Meeting Order**"), the Applicants mailed on January 6, 2010, by ordinary pre-paid mail, with the assistance of the Monitor, the Plan & Meeting Documents to each Affected Creditor who had established a Proven Voting Claim. The Plan & Meeting Documents consisted of the following:

    (a) The Notice of Meeting;

    (b) The Plan;

    (c) The Information Circular;

    (d) The Monitor's Recommendation on the Plan;

    (e) The Proxy and Voting Letter; and

    (f) The Creditor's Meeting Order.

28. On January 6, 2010, the Monitor posted copies of each of the Plan & Meeting Documents on the Monitor's website (www.ey.com/ca/bigskyfarms).

29. On or before January 11, 2010, January 18, 2010, and January 25, 2010, the Applicants with the assistance of the Monitor, sent by ordinary pre-paid mail, the Plan & Meeting Documents to each creditor who had by those dates established a Proven Voting Claim and to whom the Plan & Meeting Documents had not been previously mailed.

30. On January 15, 2010, as required by the Creditors' Meeting Order, the Monitor published the Notice of Meeting of Creditors in each of the *Saskatoon StarPhoenix, Regina Leader-Post, Winnipeg Free Press* and *Des Moines Register* newspapers.

CREDITORS' MEETING

Conduct of the Creditors' Meeting

31. Pursuant to the Creditors' Meeting Order, the Applicants were authorized to call, convene, and conduct the meeting of creditors to consider and vote on the Plan. The Creditors' Meeting was called to order at 10:00 am (Central Standard Time) on February 8, 2010 in the Laurentian Room of the Holiday Inn Express Hotel, 315 Idylwyld Drive North, Saskatoon, Saskatchewan, Canada.

32. Mr. Kevin Brennan, Senior Vice President of Ernst & Young Inc. acted as chair (the "**Chair**") and conducted the Creditors' Meeting. The Chair appointed Mr. Sean MacNeil, Ernst & Young Inc., to act as secretary and Mr. Mike Bell and Mr. Peter Venetsanos, Ernst & Young Inc., to act as Scrutineers at the Meeting. Representatives of the Applicants and the Monitor were available to answer questions.

33. With greater than two Affected Creditors holding a valid Proven Voting Claim present, either personally or by proxy, the Chair declared that the required quorum for the Creditors' Meeting existed and that the Meeting was properly constituted to consider and vote on the Amended Plan and any other matter that might properly come before the meeting.

34. The Chair advised the Affected Creditors that the purpose of the Creditors' Meeting was to :

(a) Consider the conduct and financial affairs of the Applicants leading to and during the tenure of the CCAA proceedings;

(b) Consider the viability of the Applicants having regard to the outcome of the vote on the Plan;

(c) Consider the Amended Plan, having regard to:

i. The Purpose of the Amended Plan;

ii. Proposed amendments to the Plan;

iii. The compromise of Affected Claims pursuant to the terms of the Amended Plan;

iv. The nature of the Restructuring Transaction; and

v. The recommendation of the Monitor.

35. Prior to the Creditors' Meeting, 60 Proxies in respect of Affected Creditors claims that were not otherwise deemed to have voted in favour of the Amended Plan pursuant to its terms were received by the Monitor. These proxies represent $29,345,990 of Proven Voting Claims, and were designated as follows:

			Designation			
	Claims		**For**		**Against**	
Proxy Holder	**Number**	**$ Value**	**Number**	**$ Value**	**Number**	**$ Value**
Kevin Brennan	51	13,737,615	45	13,448,413	6	289,201
Mike Bell	1	14,391	-	-	1	14,391
Casey Smit	1	554,480	1	554,480	-	-
Grant Scharfstein	6	10,418,500	6	10,418,500	-	-
Jim Boyce	1	4,621,004	1	4,621,004	-	-
Total	**60**	**29,345,990**	**53**	**29,042,397**	7	**303,592**

36. At the Creditors' Meeting, 773 creditors with Proven Voting Claims totalling $33,577,641 were in attendance in person or by proxy or were deemed to have voted in favour of the Amended Plan pursuant to its terms.

37. The Chair called for a vote on the acceptance or rejection of the Amended Plan by ballot.

38. One Disputed Claim in the amount of $413,099 was voted at the Creditors' Meeting.

Results of vote

39. The result of the vote on the resolution to accept the Amended Plan was as follows:

Summary of Voting Results				
	By Number		**By Value**	
Votes Cast	**Amount**	**%**	**Amount**	**%**
Accepted:				
In Favour	762	98.6%	33,062,722	98.4%
Against	11	1.4%	540,918	1.6%
Subtotal	**773**	**100%**	**33,577,641**	**100%**
Disputed:				
In Favour	0	0%	0	0%
Against	1	100%	413,099	100%
Subtotal	**1**	**100%**	**413,099**	**100%**
Accepted & Disputed:				
In Favour	762	98.4%	33,036,722	97.2%
Against	12	1.6%	954,018	2.8%
Total	**774**	**100%**	**33,990,740**	**100%**

A detailed schedule of the voting results is attached hereto as Appendix "A".

40. Pursuant to the foregoing, inclusive or exclusive of the consideration of the Disputed Claims, the Required Majority of Creditors was achieved, as: (a) the number of Affirmative Votes exceeded fifty percent (50%) of the Votes Cast; and (b) the value of

the Proven Voting Claims attributable to Affirmative Votes equals or exceeds sixty-six and two-thirds percent (66 2/3%) of the value of the Proven Voting Claims attributable to the Votes Cast.

41. Based on the foregoing, the Monitor declared that the Amended Plan obtained the Required Majority of Creditors and declared the Amended Plan passed.

CONSIDERATIONS PRIOR TO SANCTIONING THE AMENDED PLAN

42. The CCAA provides certain statutory requirements for consideration by the Court prior to the sanctioning of a plan of compromise and arrangement. These statutory compliance considerations (and the Monitor's comments on the applicability of each in this case) include the following:

   (a) Achieving a requisite vote of the creditors on a plan of compromise and arrangement representing a majority of the creditors and two thirds in value of the creditors present and voting either personally or by proxy at the meeting of creditors:

      i. **<u>Monitor's Comment:</u>** The Monitor advises this Honourable Court, that as outlined above, the Required Majority of Creditors, inclusive and exclusive of the consideration of the Disputed Claims, was achieved.

   (b) The plan of compromise or arrangement provides for payment in full to the Crown or a province within six months of sanctioning of the compromise or arrangement of all amounts that were outstanding at the date of the making of the Initial Order and are of a kind that could be subject to: (i) demand under s. 224(1.2) of the *Income Tax Act* (Canada) (the "**ITA**"); (ii) any provision in the *Canada Pension*

Plan (the "**CPP**") or *Employment Insurance Act* (the "**EIA**") that refers to ITA s. 224(1.2) and provides for collection of a contribution under the CPP, an employee's premium or employer's premium under the EIA and related interest and penalties; (iii) any provision in provincial legislation that has a similar purpose to ITA s. 224(1.2) and provided for collection of a sum (including related interest and penalties) and such amount has been withheld or deducted from a payment to a person and is of a nature similar to the income tax imposed under the ITA and/or is in the same nature of a contribution under the CPP (with conditions):

i. **Monitor's Comment:** The Monitor advises this Honourable Court that article 4.6 of the Amended Plan provides for payment within six months of sanctioning of the Plan of the Special Crown Claims (being claims of the Crown as described above); and

ii. In any event, the Monitor further advises this Honourable Court that all amounts that would pertain to Special Crown Claims outstanding prior to the making of the Initial Order by this Honourable Court have been satisfied in the normal course.

(c) If the Initial Order had the effect of staying the Crown, then at the time the Court hears the application for sanction of the plan or compromise and arrangement, the debtor shall not be in default of any remittance that became due to the Crown after the making of the Initial Order:

i. **Monitor's Comment:** The Monitor advises this Honourable Court that paragraphs 15 and 16 of the Initial Order, as pertaining to the stay provisions and rights and remedies available to third parties, including the Crown, provide no specific relief in favour of the Crown that would exempt them from the Stay Period provisions of the Initial Order; and

ii. The Monitor further advises this Honourable Court that Big Sky is not in default of any remittance in favour of the Crown in respect of the period commencing after the making of the Initial Order by this Honourable Court to and inclusive of the date of this Fifth Report.

(d) The plan of compromise and arrangement provides for, and the Court is satisfied that the debtor can make payment to employees and former employees of the debtor immediately after sanctioning of: (i) amounts at least equal to the amounts they would have been qualified to receive under s. 136 of the *Bankruptcy and Insolvency Act* (Canada) (the **"BIA"**) if the debtor had become bankrupt on the day on which the proceeding commenced; and (ii) wages and other compensation earned during the tenure of the CCAA proceeding;

i. **Monitor's Comment:** The Monitor advises this Honourable Court that article 4.7 of the Amended Plan provides for payment immediately upon Plan Implementation of employee and former employee claim amounts as described above; and

ii. In any event, the Monitor further advises this Honourable Court that all amounts in respect of wages and/or other amounts that would be deemed payable pursuant to the above outlined provisions have been paid in the normal course.

(e) The plan of compromise and arrangement provides for, and the Court is satisfied that the debtor can make (with exceptions) payment in respect of pension plans of all amounts deducted from the employees remuneration and: (i) an amount equal to the normal cost payments that were required to be paid by the employer (in the case of a defined benefit pension plan); or (ii) the sum of all amounts that were to be contributed by an employer (in the case of a defined contribution plan):

i. **Monitor's Comment:** The Monitor advises this Honourable Court that article 4.8 of the Amended Plan provides for payment immediately upon Plan Implementation of pension amounts as described above; and

ii. In any event, the Monitor further advises this Honourable Court that all amounts in respect of pension plans that would be deemed payable pursuant to the above outlined provisions have been paid in the normal course.

(f) The plan or compromise and arrangement shall not provide for payment of an equity claim until all claims that are non-equity are paid in full.

i. **Monitor's Comment:** The Monitor advises this Honourable Court that article 4.9 of the Amended Plan specifically prohibits payments on account of equity claims.

CONDITIONS TO ACHIEVE PLAN IMPLEMENTATION

43. The conditions of the Amended Plan as related to Plan Implementation and the anticipated satisfaction date for such conditions include:

CONDITIONS OF PLAN IMPLEMENTATION		
No	**Condition**	**Anticipated Satisfaction Date**[1]
1.	Amended Plan approved by the Required Majority of Creditors	Satisfied – February 8, 2010
2.	Sanction Order granted by this Honourable Court	February 11, 2010
3.	US Bankruptcy Court entered the US Confirmation Order	February 19, 2010
4.	Expiry of appeal period of the US Confirmation Order such that the Order is a final Order	March 1, 2010
5.	Expiry of appeal of the Sanction Order such that the Order is a final Order	March 4, 2010
6.	Applicants, Operating Partnerships (arise as a result of the Restructuring Transaction) and the Secured Lenders entered into the credit agreement	March 4, 2010
7.	Sub-Debt Lenders to have received the Sub-Debt Lenders equity interest in accordance with the Amended Plan	March 10, 2010
8.	Articles of re-organization shall be filed with the Authorized Authority and become effective	March 10, 2010
9.	The Applicants and Operating Partnerships entered into Limited Partnership Agreements	March 10, 2010
10.	The transactions contemplated under the Restructuring Transaction shall have been completed and effected	March 11, 2010

CONDITIONS OF PLAN IMPLEMENTATION		
No	**Condition**	**Anticipated Satisfaction Date**[1]
11.	All approvals, orders and consents required pursuant to Applicable Law shall have been obtained on terms satisfactory to the parties	March 11, 2010
12.	All necessary corporate actions of the Applicants shall have been taken to effect the transactions	March 12, 2010
13.	All agreements, resolutions, documents and other instruments shall have been properly executed and delivered by the appropriate parties	March 12, 2010
14.	Senior Secured Lenders to deliver to the Applicants written consent to the carrying out of the transfers of assets from Big Sky to the Operating Partnerships contemplated in the Restructuring Transactions	March 12, 2010
15.	Applicants shall have made payment to the Monitor of the Distribution Funding Payments	March 17, 2010
16.	Monitor to file the Monitor's Distribution Funding Payments Receipt Certificate	March 18, 2010
17.	Monitor to file the Monitor's Plan Implementation Certificate	March 18, 2010

Note:

1. The anticipated satisfaction dates are based on the status of the Restructuring Transaction as determined by the Monitor, the dates are subject to change without notice to third parties.

44. The Monitor advises this Honourable Court that the Applicants, Senior Secured Lenders, Sub-Debt Lenders and their respective advisors are working diligently to satisfy the conditions precedent to Plan Implementation.

DISTRIBUTION TO CREDITORS PURSUANT TO THE AMENDED PLAN

45. Pursuant to the terms of the Amended Plan:

(a) Each Affected Creditor with a Proven Distribution Claim of less than $4,000 will receive cash in an amount equal to 99% (up to a maximum of $3,960) of the full amount of its Proven Distribution Claim in full and final satisfaction of its Claim.

(b) Each Affected Creditor with a Proven Distribution Claim of more than $4,000 who has filed a Distribution Option Election with the Monitor, on or before the Distribution Option Deadline, and has elected to receive the:

i. Fixed Distribution will receive a cash payment in an amount equal to $3,960 in full and final satisfaction of its Affected Claim; or

ii. Percentage Distribution will receive a cash payment in an amount equal to 10% of the Proven Distribution Claim in full and final satisfaction of its Affected Claim.

(c) If the Affected Creditor failed to file a Distribution Option Election with the Monitor on or before the Distribution Option Deadline, the Affected Creditor will receive a Percentage Distribution.

46. Any Affected Creditor with a Disputed Claim will not be entitled to receive a distribution under the Amended Plan in respect thereof unless and until such Disputed Claim is determined to be a Proven Distribution Claim.

47. Pursuant to the foregoing, the Monitor has prepared a schedule outlining the cash distribution to be made to Affected Creditors in respect of Proven Distribution Claims, and those amounts to be held in respect of the Disputed Claims Reserve, which is summarized below:

	Number of Creditors	Claim Amount	Distribution Amount	Percentage Recovery
Proven Distribution Claims:				
Fixed Distribution	703	3,850,880	1,689,704	43.9%
% Distribution	131	31,329,385	3,132,939	10.0%
Subtotal	**834**	**35,180,265**	**4,822,643**	**13.7%**
Disputed Claims	6	2,794,606	279,461	10.0%
Total	**840**	**37,974,871**	**5,102,104**	**13.4%**

A schedule detailing the proposed cash distribution to the Proven Distribution Claim of each Affected Creditor is attached hereto as Appendix "B".

48. As summarized above, the recovery to Affected Creditors in respect of Proven Distribution Claims will approximate $4,822,643 or 13.7%.

OPERATIONAL UPDATE SINCE THE INITIAL ORDER

49. The table below provides a summary of the budget to actual cash flow of Big Sky for the Reporting Period. A detailed summary of the actual receipts and disbursements (including more detailed variance analysis) for the Reporting Period is attached hereto as Appendix "C".

Big Sky Farms Inc. **Budget to Actual Cash Flow Analysis** **November 8, 2009 – January 24, 2010** **(000's)**			
Receipts	**Budget**	**Actual**	**Difference**
Operating Receipts	23,080	21,589	(1,491)
Other Receipts	1,080	1,052	(28)
Total receipts	24,160	22,641	(1,519)
Disbursements			
Operating disbursements	25,150	24,693	457
Other disbursements	1,868	1,186	682
Total disbursements	27,018	25,879	1,139
Net change in Cash	(2,858)	(3,238)	(380)
DIP Financing	3,496	3,500	4
Opening Cash	(388)	(777)	(389)
Ending Cash	250	(515)	(765)

50. Receipts for the Reporting Period totalled approximately $22.6 million, whereas the cash flow forecast filed with the initial application (the "**Initial Order Projections**") forecast approximately $24.1 million. The negative variance of approximately $1.5 million is due to:

(a) Operating receipts totalled $21.6 million, whereas the Initial Order Projection forecast operating receipts of $23.1 million, the negative variance of $1.5 million can be attributed to the following:

i. Big Sky sold 6,235 fewer market hogs than provided for in its Initial Order Projections, which accounts for approximately $0.8 million of the negative variance. The shortfall of sales of market hogs is attributable to the following:

1. Inclement weather in periods of December and January which closed roads and slaughterhouses in Iowa and the Prairie Provinces preventing the delivery of market hogs to Big Sky's customers; and
2. Slaughterhouse closures in recognition of several statutory holidays in December 2009 and January 2010.

Management expects unit sales to increase in the coming weeks as slaughterhouses work through the backlog resulting from these interruptions;

ii. The average price per Market Hog was approximately $2.34 lower than forecast. The negative variance in pricing contributed approximately $0.4 million to the shortfall; and

iii. Big Sky's Initial Order Projections included the sale of 12,000 feeder hogs at an average price of $29. Big Sky did not sell any feeder hogs over the Reporting Period. Instead management of Big Sky decided to retain the feeder hogs for sale at a later date, where pricing appeared more favourable. Current pricing has increased to approximately $70 per feeder hog. The retention of feeder hogs accounts for approximately $0.3 million of the negative variance;

(b) Other receipts totalled $1.05 million, whereas the Initial Order Projection forecast operating receipts of $1.08 million, the negative variance of $0.03 million can be attributed to the following:

i. Included in Big Sky's Initial Order Projections was $0.3 million in GST return receipts versus actual receipts of $0.1 million, a negative variance of $0.2 million. This negative variance is considered a timing variance as it is anticipated CRA will release the refunds to Big Sky following completion of its audit, being undertaken in conjunction with finalizing its claim pursuant to the Claims Order; and

ii. Other income exceeded forecast creating a positive variance of approximately $0.2 million. The variance is due to receipts from the sale of boar semen, manure, and land rent, which Big Sky did not include in the Initial Order Projection.

51. Disbursements for the Reporting Period totalled approximately $25.9 million, whereas Initial Order Projections forecast approximately $27.0 million. The positive variance of approximately $1.1 million is primarily due to:

(a) Operating disbursements totalled $24.7 million, whereas the Initial Order Projection forecast operating receipts of $25.2 million, the negative variance of $0.5 million can be attributed to the following:

i. The budgeted feed costs per the Initial Order Projections was approximately $16.1 million; however, only $15.0 million was paid as Big Sky was successful in establishing credit terms with a number of its suppliers;

ii. Other operating costs were $6.7 million versus a forecast of $6.0 million in the Initial Order Projections, a negative variance of $0.7 million. The variance is due to:

1. Approximately $0.9 million of extraordinary items, which are discussed in detail in Appendix "C". The extraordinary items will either be returned to Big Sky or credited against future purchases upon Big Sky's emergence from CCAA; and

2. Similar to feed costs, many of Big Sky's trade vendors have agreed to continue to supply goods and services on credit terms;

iii. Payroll costs had a positive variance of $0.1 million due to a timing difference attributable to the remittance of source deductions.

(b) Other disbursements totalled $1.2 million, whereas the Initial Order Projection forecast operating receipts of $1.9 million, the positive variance of $0.7 million can be attributed to deferred professional fees. It is anticipated that deferred professional fees will be incurred in the Re-Forecast Period (as discussed below).

52. Overall, Big Sky's net cash flow fell short of the budgeted cash flow for the Reporting Period by approximately $0.4 million for the reasons outlined above.

53. The outstanding balance due on the DIP credit facility as at January 24, 2010 is $3.5 million, which is consistent with the $3.5 million in the Initial Order Projections as at the same date.

APPLICANT'S CASH FLOW RE-FORECAST

54. The table below provides a summary of the Re-Forecast for the Re-Forecast Period. A detailed summary of the forecast receipts and disbursements (including detailed assumptions) for the Re-Forecast Period is attached hereto as Appendix "D".

Big Sky Farms Inc. **Cash Flow Re-Forecast** **January 24, 2010 – March 27, 2010** **(000's)**			
Receipts	**Reporting Period (11 Weeks)**	**Re-Forecast Period (9 Weeks)**	**Total (20 Weeks)**
Operating Receipts	21,589	24,095	45,684
Other Receipts	1,052	465	1,517
Total receipts	22,641	24,560	47,201
Disbursements			
Operating disbursements	24,693	21,792	46,485
Other disbursements	1,186	1,433	2,619
Total disbursements	25,879	23,225	49,104
Net change in Cash	(3,238)	1,335	(1,903)
DIP Financing	3,500	(820)	2,680
Opening Cash	(777)	(515)	(777)
Ending Cash	(515)	(0)	(0)

55. The Re-Forecast estimates during the Re-Forecast Period total receipts (exclusive of DIP credit facility draws) of approximately $24.5 million primarily attributable to the following:

(a) Operating receipts of approximately $24.1 million comprised of:

i. The Sale of 158,666 market hogs at an average selling price of USD $140.50 and an exchange rate of USD $1 = CDN $1.0622, for receipts totalling approximately $23.8 million. Management further assumes that the 6,235 shortfall of market hogs sold during the Reporting Period will reverse over the Re-Forecast Period as slaughterhouses work through the backlog caused by the extreme winter weather. Pricing estimates are based on CME future settlement prices as at January 29, 2009; and

ii. $0.3 million in feeder hog sales, estimated based on agreements with customers.

(b) Other receipts of approximately $0.5 million comprised of:

i. GST refund returns of $0.45 million for Input Tax Credits encompassing the Reporting and Re-Forecast periods; and

ii. Other income of approximately $0.05 million.

56. The Re-Forecast estimates during the Re-Forecast Period total disbursements (exclusive of cash required to fund the Plan Distribution Fund and Disputed Claim Reserve) of approximately $23.2 million, primarily attributable to:

(a) Operating disbursements of approximately $21.8 million, comprised of:

i. Feed costs of $12.6 million. The estimate is based on weekly costs of $1.4 million, consistent with the Initial Order Projection;

ii. Operating expenses of $5.9 million, based on weekly estimates consistent with the Initial Order Projection;

iii. Payroll costs of $3.0 million, based on the estimated amount of staffing required to continue operations at the existing scale;

iv. A lease buyout payment of $0.2 million to acquire three pieces of leased machinery;

v. DIP loan interest of $0.1 million; and

(b) Other disbursements of $1.4 million primarily consisting of restructuring costs, including a portion for deferred professional fees.

57. The Re-Forecast estimates during the Re-Forecast Period a net DIP credit facility pay-down of $820,000, with an estimated cumulative outstanding indebtedness in respect of the DIP credit facility of $2.7 million as at the end of the Re-Forecast Period.

58. Overall, the estimated positive cash flow for the Re-Forecast period is approximately $1.4 million. This is primarily attributable to Big Sky's estimate of accelerated market hog sales at favourable pricing.

59. Based on the foregoing, nothing has come to the attention of the Monitor to suggest that the Re-Forecast is not, in all material aspects, reasonable having regard to the probable and hypothetical assumptions pursuant to which they were prepared. A representation letter of management of Big Sky pertaining to the Re-Forecast and the Monitor's report on the reasonableness of the Re-Forecast is attached hereto as Appendix "E" and "F" respectively.

APPLICANT'S REQUEST FOR AN EXTENSION TO THE STAY PERIOD

60. Pursuant to the Initial Order, as amended, the Stay Period continues until and including, February 11, 2010. The Applicants are seeking an extension of the Stay Period until and including the earlier of:

(a) March 18, 2010; or

(b) One Business Day after the Plan Implementation Date.

61. An extension of the Stay Period is necessary to allow the Applicants to satisfy the conditions precedent to Plan Implementation.

62. The Monitor is advised that the major stakeholders, including the Senior Secured Lenders and Sub-Debt Lenders, continue to support Big Sky in its restructuring efforts including the requested extension.

63. It is the view of the Monitor that the Applicants have been pursuing the advancement of its restructuring efforts in good faith and with due diligence.

MONITOR'S RECOMMENDATIONS

64. The Monitor recommends that the Applicants application for an Order:

(a) Sanctioning the Amended Plan be approved on the basis that:

i. Notice of the Creditors' Meeting was duly given and properly constituted;

ii. The Amended Plan was approved by the Required Majority of Creditors;

iii. The Amended Plan has the support of the Senior Secured Lenders;

iv. The amendments to the Plan are non-substantive and intended to promote the costs efficiency of Plan Implementation, including the Restructuring Transaction;

v. The Applicants have maintained compliance with the statutory provisions of the CCAA that would permit this Honourable Court to sanction the Amended Plan;

vi. The Amended Plan achieves a return to the Affected Creditors that is superior to that achievable in alternative insolvency proceedings (a receivership or bankruptcy); and

vii. The Amended Plan, including the Restructuring Transaction, promotes Big Sky as a viable going concern enterprise and will preserve the employment of greater than 400 employees in rural Saskatchewan and Manitoba;

(b) Extending the Stay Period in accordance with the request of the Applicants on the basis that:

i. The Applicants have acted in good faith and with due diligence, have complied with all statutory requirements of the CCAA and all previous Orders of this Honourable Court, and have not done or purported to do anything which is not authorized by the CCAA.

All of which is respectfully submitted this 9th day of February, 2010.

ERNST & YOUNG INC.
In its capacity as Court Appointed Monitor
of Big Sky Farms Inc., Drycast Systems Inc.
and Big Sky Management Consulting Corp.

Per:

Kevin Brennan, CA•CIRP, CIRP
Senior Vice-President

APPENDIX "A"

VOTING RESULTS

Appendix "A"

Big Sky Farms
Results of Voting
February 8, 2010

	Admitted Claims		Voted Claims		Total Votes Cast				Percentages of Votes Cast			
					By Number of Claims		By Dollar Value of Claims		By Number of Claims (Required: 50%)		By Dollar Value of Claims (Required: 66.66%)	
Proven Voting Claims	Number of Claims	Dollar Value of Claims	Number of Claims	Dollar Value of Claims	Yes	No	Yes	No	Yes	No	Yes	No
Claims of $4,000 or less[1]			429	610,772	429	-	610,772	-	100.0%	0.0%	100.0%	0.0%
Claims of more than $4,000 who have elected to received a Fixed Distribution[2]			274	3,240,108	274	-	3,240,108	-	100.0%	0.0%	100.0%	0.0%
Claims who have submitted Proxy prior to Creditors' Meeting[3]			60	29,345,990	53	7	29,042,397	303,593	88.3%	11.7%	99.0%	1.0%
Claims who have submitted vote in person at Creditors' Meeting			10	380,771	6	4	143,446	237,325	60.0%	40.0%	37.7%	62.3%
Total Eligible Proven Voting Claims	834	35,180,265	773	33,577,641	762	11	33,036,722	540,918	98.6%	1.4%	98.4%	1.6%
Acceptance of Plan Excluding Disputed Claims[4]									Pass		Pass	
Disputed Claims	6	2,794,606	1	413,099	-	1	-	413,099	0.0%	100.0%	0.0%	100.0%
Total Voting Claims Including Disputed Claims	840	37,974,871	774	33,990,740	762	12	33,036,722	954,018	98.4%	1.6%	97.2%	2.8%
Acceptance of Plan Including Disputed Claims[4]									Pass		Pass	

Notes:

1 - Proven Voting Claims of $4,000 or less are deemed to have voted in favour of the Plan [Section 5.2(b) of the Plan]
2 - Proven Voting Claims of more than $4,000 who have elected to receive a Fixed Distribution are deemed to have voted in favour of the Plan [Section 5.2(d) of the Plan]
3 - Proven Voting Claims who have submitted Proxy prior to the Creditors' Meeting excludes Proven Voting Claims of less than $4,000 and Proven Voting Claims who have elected to receive a Fixed Distribution
4 - Plan is accepted upon majority in number representing more than two thirds in value of the class of creditors voting in favour of Plan (Section 6 of *CCAA*)

APPENDIX "B"

SCHEDULE OF DISTRIBUTION

Appendix "B"

Big Sky Farms
Schedule of Distribution

Creditor	Proven Distribution Claim	Distribution Amount
101008161 SK Ltd	2,468.00	2,443.32
101135512 Sask. Ltd	9,477.25	3,960.00
101143325 Sask. Ltd.	7,687.26	3,960.00
3-W Farms Ltd.	319.27	316.08
5/WEST Car/Truck Wash	21,040.00	2,104.00
625899 Sask. Ltd.	87,331.00	8,733.10
A&M Enge Farms Ltd.	32,013.97	3,201.40
Acklands-Grainger Inc	46,771.61	4,677.16
ADM - US	704,850.70	70,485.07
ADT Security Services Canada Inc.	1,136.74	1,125.37
Agline	72,317.70	7,231.77
Agri Stats, Inc.	6,892.71	3,960.00
Agri-Pine Farms Ltd.	14,391.62	1,439.16
Aiken, Wayne	14,208.67	1,420.87
Air Liquide Canada Inc.	167.47	165.80
A-Line Frame & Alignment Service	346.29	342.83
Allen Enterprises	22,538.03	3,960.00
ALS Canada Ltd.	1,144.26	1,132.82
Al's Portable Welding	927.15	917.88
Amber Ridge Farms	33,047.50	3,304.75
Anderson, Bill	3,282.56	3,249.73
Anderson, Ernest	3,601.86	3,565.84
Anderson, Jay	1,217.43	1,205.26
Anderson, Russ	1,483.38	1,468.55
Andrusko, Mike	3,219.80	3,187.60
Aquifer Distribution Ltd.	9,882.17	3,960.00
Arneson, Bryan	5,172.00	3,960.00
Arneson, Wes	5,302.13	3,960.00
Arnie, Brian	1,965.01	1,945.36
Arnold, Dennis	2,977.93	2,948.15
Astwood Farms	577.50	571.73
Atkin, Ken	2,124.12	2,102.88
Avrio Investments Inc.	909.92	900.82
AWD Hoffus Farms	2,586.09	2,560.23
B & B Swine	10,966.64	3,960.00
B & D Enterprises	2,071.50	2,050.79
B & E Industrial Electronics	279.09	276.30
B&B Hog Management	1,452.99	1,438.46
B. Brodziak Seeds	5,319.73	3,960.00
Babchishin, Gerald	15,582.00	1,558.20
Babchishin, Robert	9,380.04	3,960.00

Appendix "B"

Big Sky Farms
Schedule of Distribution

Creditor	Proven Distribution Claim	Distribution Amount
Babchishin, Tom	5,532.97	3,960.00
Babchishin, Tom & Shirley	25,355.29	3,960.00
Babiarz, David	7,766.85	3,960.00
Back, Reg	22,983.74	3,960.00
Baraniuk, Bill	12,662.86	3,960.00
Bar-San Farms Inc.	5,145.24	3,960.00
Barsby, Wayne	9,380.73	3,960.00
Barzarski, Lenard	3,960.56	3,920.95
Bay Tire and Auto Centre	311.66	308.54
Bearing & Transmission Ltd.	2,002.50	1,982.48
Beatty, James	6,764.20	3,960.00
Beaubien, Robert	3,302.63	3,269.60
Beeland Co-op	548.67	543.18
Beingessner, John	431.56	427.24
Belchamber Farms	563.86	558.22
Bella Vista Inn	348.87	345.38
Benko, Richard & Melita	4,128.41	3,960.00
Benz, Eric	2,520.00	2,494.80
Beres, Trent	7,916.09	3,960.00
Bergerman, Dennis	4,216.13	421.61
Bernard, Beryl	2,545.63	2,520.17
Bernard, Wayne	3,348.83	3,315.34
Bestwater Ltd. Truck & Car Wash	839.50	831.11
Betker Livestock Equip Sales	20,023.08	3,960.00
Better Air Manufacturing Ltd.	20,245.46	3,960.00
Bev's Greenhouse	125.00	123.75
Big Sky Finishers (No. 1) Inc.	554,480.37	55,448.04
Bin Mark Corp.	7,636.64	3,960.00
Bindig, Dale	24,547.86	2,454.79
Bindig, Shane	24,548.50	2,454.85
Biovet	210.00	207.90
Birch Lane Farms	3,549.00	3,513.51
Birrell's Hardware	47.17	46.70
Blue Hills Motor Inn	440.00	435.60
Blue Water Wash Ltd.	629.74	623.44
Bodnarchuk, Paul	6,338.18	3,960.00
Bodnarchuk, William	1,102.85	1,091.82
Boehringer Ingelheim (Canada) Ltd.	12,288.05	3,960.00
Bohay, Ray	1,307.05	1,293.98
Boissevain Plumbing & Heating Ltd.	3,740.67	3,703.26
Bolt Supply House Ltd.	934.04	924.70

Appendix "B"

Big Sky Farms
Schedule of Distribution

Creditor	Proven Distribution Claim	Distribution Amount
Boyes, D & M Farms Ltd	18,617.19	3,960.00
Brandt, Keith	5,062.78	3,960.00
Brendonn Holdings Ltd.	1,159.40	1,147.81
Brezinski, Don	1,692.80	1,675.87
Brezinski, Ed	6,192.24	3,960.00
Brodziak, B&G Farms Ltd.	15,779.16	3,960.00
Brodziak, Larry	5,212.69	3,960.00
Brown, Dwayne	9,101.96	3,960.00
Brown, Ray	1,844.97	1,826.52
Bruno Feeds	480.00	475.20
Buffer Valley Industries	1,090.02	1,079.12
Bulyea Co-operative	286.49	283.63
Burak, Robert	588.35	582.47
Burton's Electric 1998	627.98	621.70
Bush, Yvonne	13,159.13	3,960.00
Busy "B" Construction & Concrete	18,682.12	3,960.00
BWL Enterprises	58,906.08	5,890.61
C & C Feeders	4,100.87	3,960.00
C. Wiesner Welding Ltd.	1,420.12	1,405.92
C.B. Petro Ltd.	871.09	862.38
Cablevey Intraco Inc.	1,813.10	1,794.97
Callin To You	5,121.87	3,960.00
Cammie Issel	1,035.77	1,025.41
Canada Revenue Agency	126,996.10	12,699.61
Canadian Food Inspection Agency	5,072.45	507.25
Canamera Limited Partnership	8,880.78	3,960.00
Canarm Ltd.	5,478.84	3,960.00
Canora Auto Electric Ltd.	527.33	522.06
Canora Courier	146.51	145.04
Canora District Seed Cleaning Cooperative	4,768.58	3,960.00
Canora Equipment Rentals	1,490.50	1,475.60
Cargill	14,669.59	3,960.00
Carlson Farms, B & N	1,257.75	1,245.17
Carlson, Herb	5,730.96	3,960.00
Carlson, Les	7,225.34	3,960.00
Carlson, Rob	45,709.67	4,570.97
Carlson, Walter	545.04	539.59
Carson, Harvey	1,187.52	1,175.64
Cash's Car & Truck Wash 2009	633.00	626.67
CBC Farms	2,692.47	2,665.55
CDL Injection Services	141,523.00	14,152.30

Big Sky Farms
Schedule of Distribution

Creditor	Proven Distribution Claim	Distribution Amount
CDMV	12,829.02	3,960.00
Central Testing Laboratory Ltd.	1,073.10	1,062.37
Chabun, Steve	923.58	914.34
Chelan Hotel	411.25	407.14
Cherewyk's Backhoe Service	2,126.25	2,104.99
Cherkowski, Peter	5,268.31	3,960.00
Chris's Place	8,943.77	3,960.00
CIC Asset Management	4,471,231.00	447,123.10
CIM	396.67	392.70
Cinema Satellite	394.90	390.95
Circle M Furniture Ltd.	470.35	465.65
City of Humboldt	100.80	99.79
City Service	147.00	145.53
Clark, Stewart	12,963.94	3,960.00
Clarke, Glen	26,703.83	3,960.00
Cliff Wiegers	76,877.54	7,687.75
Coates, Monti	11,296.12	3,960.00
Cole Donnie	5,149.33	514.93
Cole, Kerry	53,448.11	5,344.81
Coleman Farms	27,878.54	3,960.00
Cole-Parmer Canada Inc	547.77	542.29
Collins, William	6,053.28	3,960.00
Comairco	4,624.16	462.42
Constantini Ltd.	58,531.00	5,853.10
Construction Fasteners & Tools Ltd.	2,559.71	2,534.11
Cook, Bart	1,561.62	1,546.00
Cooper, Terry	645.71	639.25
Cory's Truck & Trailer	941.92	932.50
Costron, Thomas	4,141.00	3,960.00
Crittenden, Bruce	1,321.00	1,307.79
Crittenden, Russell	3,256.22	3,223.66
Cross, Stanley	12,386.43	3,960.00
Crystal Spring Hog Equipment	46,520.26	4,652.03
Culligan	455.25	450.70
Culligan Water Conditioning	157.50	155.93
Curle Farms Ltd.	59,932.71	5,993.27
Currey, Ken	18,735.90	1,873.59
Currey, Lewis Sr.	4,938.80	493.88
D & P Farms	1,085.28	1,074.43
Dairyland Agro Supply	20,036.01	2,003.60
Danish Oven	66.80	66.13

Appendix "B"

Big Sky Farms
Schedule of Distribution

Creditor	Proven Distribution Claim	Distribution Amount
Danku, Louis	2,094.02	2,073.08
Dataport Computer Centre	116.87	115.70
Davies, Greg	646.59	640.12
Dayspring Water Company	166.00	164.34
DD Denham Farms Ltd.	7,522.33	752.23
Dean, Richard	107.96	106.88
Debruyne, Laverne	621.28	615.07
Debruyne, Leonard	2,389.86	2,365.96
Debusscher, Kevin	5,548.10	3,960.00
Dedio, William	844.94	836.49
Deep South Animal Clinic Ltd.	27,230.54	3,960.00
Deer Creek	9,333.90	3,960.00
Delmar's Pro Hardware	3,139.43	3,108.04
Deloitte & Touche	145,632.13	14,563.21
Delta Co-operative Associaton Limited	150.68	149.17
Denham, Arnold	2,831.82	2,803.50
Dergousoff, Lorne	25,119.46	2,511.95
Destron Fearing	7,713.19	3,960.00
Deutsch, Lyndsey Lee-Ann	8,534.32	3,960.00
Deutscher, Michael	86,000.00	8,600.00
Devries, Abraham	82,559.86	8,255.99
DGH Engineering Ltd.	157.50	155.93
Discovery Ford	7,839.89	3,960.00
Dmytriw Bros.	380.64	376.83
Don Birg Enterprises Inc.	209.19	207.10
Double J Cafe	3,211.67	3,179.55
Drimmie, Ray	1,350.00	1,336.50
DSM Nutritional (formerly Roche)	104,950.00	10,495.00
DT Water Hauling	616.00	609.84
Dubas, Michael	15,378.81	3,960.00
Dubas, Sheldon	5,580.84	3,960.00
Duke, Layne	10,731.03	3,960.00
Duke, Welly	565.23	559.58
Dustar Express, Inc.	21,763.82	2,176.38
Dutchak, Nestor	20,588.60	3,960.00
Dyck, Peter	5,065.54	3,960.00
Dyckewich, Orest	15,352.96	1,535.30
E.G. Penner Building Centres Ltd,	10,065.33	3,960.00
E.R Holdings Heuchert	4,233.62	3,960.00
Eagle Commodities Ltd.	5,347.83	3,960.00
Earis, Lorianne	14,400.00	3,960.00

Big Sky Farms
Schedule of Distribution

Creditor	Proven Distribution Claim	Distribution Amount
East Central Co-Operative Ltd.	2,085.18	2,064.33
Eastern Air Supplies Ltd.	1,016.40	1,006.24
Eastern Transport Ltd.	338.24	334.86
Eden, Garnet	1,963.50	1,943.87
Edge Autobody	2,815.47	2,787.32
Edward J. Heck & Sons Co.	4,154.00	3,960.00
Eecol Electric (Sask) Ltd.	27,883.77	3,960.00
Ehr, Cliff	17,200.00	3,960.00
Elizabeth Nickolayou	3,649.95	3,613.45
Elmdale Farm Ltd	2,767.80	2,740.12
Elmy, Ted	1,023.82	1,013.58
Emco Ltd.	8,780.70	3,960.00
Engage Animal Health Corporation	1,068.90	1,058.21
Engdahl, Ralph	5,097.07	3,960.00
Enge, Justin	4,594.59	3,960.00
Enge, Korwin	3,682.44	3,645.62
Ewen, David	9,541.21	3,960.00
FAC Cooperative - Arcadia	165,533.11	16,553.31
Faroex Ltd.	1,046.74	1,036.27
FCC Ventures	2,529,485.00	252,948.50
Fedak, Ray	6,769.43	676.94
Federal Express Canada Ltd.	452.91	448.38
Federated Co-Op -S'toon	132,983.58	13,298.36
Federiuk, Mark	3,453.60	3,419.06
Feedlogic Corporation	4,877.30	3,960.00
Feed-Rite	148,814.05	14,881.41
Ferguson, Greg	5,801.50	3,960.00
Ferguson, Scott	4,306.81	3,960.00
Fertile Hills Farm Ltd.	983.78	973.94
Fettis Bros.	24,678.88	3,960.00
Fidelack Farms	2,956.82	2,927.25
Fines, Jackie	905.65	896.59
Fish, George	1,617.62	1,601.44
Flaman Sales Ltd.	371.83	368.11
Fletcher, Iean - Farms Ltd.	22,692.01	3,960.00
Floer, Jacob	6,714.54	3,960.00
Florian Possberg	521,217.00	52,121.70
Flowers, Michael	1,016.74	1,006.57
Flying D Ranch	5,030.42	3,960.00
Fogg, Jeff	26,901.15	3,960.00
Fogg, Tom	5,966.27	3,960.00

Appendix "B"

Big Sky Farms
Schedule of Distribution

Creditor	Proven Distribution Claim	Distribution Amount
Fohr, Mary	340.78	337.37
Ford Credit Canada Leasing Company	1,913.40	1,894.27
Fournier, Gerard	2,660.57	2,633.96
Frank Dunham Farms	7,978.15	3,960.00
Frey, Don	8,831.87	883.19
Fritz Ag Ltd.	962.64	953.01
Fritz, Philip	2,394.03	2,370.09
Fritzler, Gordon	912.60	903.47
Fuchs, Dennis	3,649.45	3,612.96
G Carlson Farms	24,280.03	3,960.00
G.F. Farms	12,229.34	1,222.93
G.W. Construction Ltd.	3,871.00	3,832.29
Garrels Management Services	37,118.86	3,960.00
Gateway Co-Operative Ltd.	16,671.15	3,960.00
Gawryliuk Farms Ltd.	1,054.19	1,043.65
Gaylna Lukashenko	2,000.00	1,980.00
Geck Farms Inc	13,870.30	1,387.03
Geck, Sheldon	891.85	882.93
Geddes, Glen	2,103.61	2,082.57
Gehling Matt	7,035.92	3,960.00
GENCOR	12,076.80	3,960.00
General Fasteners Ltd.	192.47	190.55
Genoway, Roger	1,917.02	1,897.85
George Morris Centre	2,500.00	2,475.00
Gingersnips	1,789.92	1,772.02
Glubis, Ron	36,161.88	3,616.19
Gogol, Harold	1,258.78	1,246.19
Gogol, Nathan	1,836.62	1,818.25
Golden Opportunities Fund Incorporated	2,562,311.48	256,231.15
Golden West Trailer & Equip Ltd.	13,169.08	3,960.00
Goodall	2,007.30	1,987.23
Gorniak Farms	41,998.52	4,199.85
Gorniak Holding	16,236.10	1,623.61
Gosling, Donald L.	1,001.96	991.94
Goy, Jason	909.45	900.36
Gradin, Lynn	9,123.93	3,960.00
Graham, Clark	9,328.85	3,960.00
Graham, Kelly	29,587.08	3,960.00
Graham, William	12,969.39	3,960.00
Grand & Toy	3,242.10	3,209.68
Graphic Ad	5,113.90	3,960.00

Appendix "B"

Big Sky Farms
Schedule of Distribution

Creditor	Proven Distribution Claim	Distribution Amount
Graphic Arts Printing Ltd.	3,458.83	3,424.24
Gray, Linda	6,009.93	3,960.00
GREEN Farmline Ltd.	7,760.47	3,960.00
Griffin, Brian	14,400.00	3,960.00
Grisdale, C&R	49,187.27	4,918.73
Grisdale, Doug	1,453.50	1,438.97
Groat's Supply Ltd.	102.92	101.89
Grominsky, Gerald	10,910.48	3,960.00
Grona, Dale	3,763.27	3,725.64
Grywacheski, Michael	18,006.07	3,960.00
Grywacheski, Tim	29,020.20	3,960.00
Gulka, Gerald	4,920.02	3,960.00
Gurskey, Bruce	388.77	384.88
Guy, Clinton	5,690.01	3,960.00
Guy, Hubert	818.05	809.87
GWL Boesch Farm Inc.	2,053.72	2,033.18
Hague Pro Hardware	557.12	551.55
Hanson, Kirk	4,394.94	3,960.00
Hardin, Rick	1,847.25	1,828.78
Harding Swine Vet Service Inc	7,928.88	3,960.00
Hauber, Ron	1,672.89	1,656.16
Hauser's Machinery Ltd.	320.78	317.57
HBI Brennan Business Interiors Inc.	1,206.00	1,193.94
Heidecker, Jeffrey	1,265.00	1,252.35
Hemm, Wade	5,613.46	3,960.00
Hergott Electric	2,042.70	2,022.27
Hergott Farm Equipment	5,348.99	3,960.00
Hertz, Bev	11,710.69	3,960.00
Hertz, Reg	13,675.15	3,960.00
Hill, John	3,653.72	3,617.18
Hingtgen, Barry	2,350.03	2,326.53
Hipkins Farms	8,601.31	3,960.00
Hipkins, Gary	1,080.27	1,069.47
Hi-Tech Welding	3,054.28	3,023.74
Hoffus Custom	954.60	945.05
Holinaty, Ernest	45,567.57	4,556.76
Horizon Fertilizers Ltd.	559.22	553.63
Hovanes Grain Farms	3,787.06	3,749.19
Howard Concave Corp.	66.98	66.31
Hucka Doug	7,362.22	3,960.00
Hull Veterinary Clinic	6,363.59	3,960.00

Appendix "B"

Big Sky Farms
Schedule of Distribution

Creditor	Proven Distribution Claim	Distribution Amount
Humboldt Co-op Association	109,171.87	10,917.19
Humboldt Fire Extinguisher Ser	1,601.40	1,585.39
Humboldt Home Hardware	2,465.52	2,440.86
Humboldt IGA	11,042.18	3,960.00
Humboldt Journal	330.10	326.80
Humboldt Lumber Mart	23,653.25	3,960.00
Humboldt Motors Ltd. #6	648.96	642.47
Humboldt Plumbing & Heating	183.48	181.65
Humboldt Veterinary Services P.C. Ltd.	9,429.41	3,960.00
Husarewich, Eugene	4,034.51	3,960.00
Husarewich, Mike & Loretta	3,943.42	3,903.99
Husarewich, Walter	4,492.58	3,960.00
Husarewich, William	378.32	374.54
Huziek, William	10,371.32	3,960.00
Hyena Enterprises Inc.	1,794.60	1,776.65
Hypor Inc. - formerly Genex	902,574.89	90,257.49
Industrial Truck Service Ltd	967.14	957.47
Insemination Technics Int.	10,615.62	1,061.56
Insight Canada	1,553.86	1,538.32
International Trade Solutions	28,410.09	2,841.01
Intervet Canada Ltd.	19,108.11	3,960.00
Inverarity, Doug	5,644.80	3,960.00
ITT Flygt	1,578.02	1,562.24
J & R Livestock Consultants Ltd.	20,233.87	3,960.00
J & R Pristie Holdings Ltd.	1,932.00	1,912.68
J Pearson Farms	12,801.43	3,960.00
Jacobs Enterprises Ltd	1,155.02	1,143.47
Jacques Whitford Stantec Axys Ltd.	17,010.92	1,701.09
Jamac Publishing Ltd.	125.16	123.91
Janzen, Kent	1,915.53	1,896.37
Janzen, Nathan	44,575.23	4,457.52
Jaques Farm Ltd.	5,853.75	3,960.00
Jaron Bearing & Hydraulic Ltd.	685.74	678.88
Jaworski, Doug	16,869.28	1,686.93
Jaworski, Joe	2,503.40	2,478.37
Jay's Moving and Storage	436.64	432.27
Jaytan Ltd.	504.00	498.96
JL Farms	6,310.31	3,960.00
Johnny's Bistro	5,189.23	3,960.00
Johnson, Doug Farms	2,416.73	2,392.56
Johnson, Mark	9,602.77	3,960.00

Appendix "B"

Big Sky Farms
Schedule of Distribution

Creditor	Proven Distribution Claim	Distribution Amount
Johnson, Richard	43,000.00	4,300.00
Jones, Mike	5,559.55	3,960.00
Jordbraek Farms	5,233.36	3,960.00
JPK Computers Inc.	50.60	50.09
K5 Water Supply	995.00	985.05
Kalmakoff, Jack	5,925.42	3,960.00
Kal-Tire	408.78	404.69
Kane Veterinary Supplies Ltd.	12,104.44	3,960.00
Karcha, Harry	15,144.74	3,960.00
Karkut, Ken	27,315.87	2,731.59
Kastning, Steve	2,752.31	2,724.79
Kelvington Central Equipment	1,234.23	1,221.89
Kelvington Transport Ltd.	330,413.74	33,041.37
Kessler, Darlene	3,404.37	3,370.33
Ketchum Manufacturing Inc.	1,923.90	1,904.66
Kiland, Maurice	812.82	804.69
Kinecor Inc. M2132	57.19	56.62
Kinnish, Mike	930.18	920.88
Kistner, Richard	28,626.21	3,960.00
Klima, David	5,504.57	3,960.00
Klocke Trucking	2,902.82	2,873.79
Knapik, Larry	2,071.34	2,050.63
Knudsen, Don	3,002.33	2,972.31
Koenders Mfg. (1997) Ltd.	201.29	199.28
Kolorwrat, Alfred	4,341.07	3,960.00
Korneychuk, Susan	14,039.53	3,960.00
Korte Farms Ltd., G & S	9,136.83	3,960.00
Korte, Kim	1,240.94	1,228.53
Kotyk, Russell	2,009.19	1,989.10
Kozak, Garry	6,952.11	3,960.00
Krentz, Allen	685.71	678.85
Kresak, Eugene	4,522.44	3,960.00
Kresak, Rudolph	842.80	834.37
Kropf, Bridgette	1,485.00	1,470.15
Kruger, Walter	2,306.88	2,283.81
Kuzek, Tyson	8,802.38	3,960.00
L&D Logan Farms	13,724.78	3,960.00
L.V. Control Manufacturing Ltd.	103.13	102.10
LA Willson Farms	2,630.37	2,604.07
Laberswieler, Bob	17,605.78	3,960.00
Lakeland Inn Motel LTD	31,587.15	3,960.00

Appendix "B"

Big Sky Farms
Schedule of Distribution

Creditor	Proven Distribution Claim	Distribution Amount
Lanning Bros.	292.00	289.08
Last Mountain Times Ltd.	122.85	121.62
Last, Cameron	1,260.00	1,247.40
Leachman, Tony	2,099.34	2,078.35
Lechler, Kevin	5,732.96	3,960.00
Legacy Farms Ltd	8,062.61	3,960.00
Leonard Farms Inc.	583.80	577.96
Leonard, Greg	268.97	266.28
Leonard, Nola	4,668.61	3,960.00
Levitt-Safety	5,408.73	3,960.00
Lextron Animal Health Iowa	16,356.41	1,635.64
Lintlaw Service (2005) Ltd.	165.34	163.69
Little Amego Inn	3,966.75	3,927.08
Lund, Ann	5,219.12	3,960.00
Lutz, Jason & Bruce	18,543.10	3,960.00
Lynott Jerrod	9,807.90	980.79
Lynott Jim & Cindy	13,292.34	3,960.00
Maier, Dave	3,124.80	3,093.55
Maleschuk, Eugene	8,941.41	3,960.00
Manitoba Hydro	33,151.40	3,960.00
Martin, George	3,467.16	3,432.49
Mary Stein	4,447.29	3,960.00
Maryniak, Merv	27,015.79	2,701.58
Masley, Kelly	13,099.16	3,960.00
Matsalla, Evan	32,178.66	3,960.00
Matsalla, Lorne	21,613.12	3,960.00
Matvet Veterinary Equipment	3,113.44	3,082.31
Maxim Chemical International Ltd.	1,665.48	1,648.83
McChesney Farms	3,608.79	3,572.70
McGill Ag Ltd.	380.00	376.20
McKague, Liz	593.24	587.31
McKague, Lonny	821.82	813.60
McKercher LLP	40,711.51	4,071.15
McKerricher, Larry	7,920.89	3,960.00
McNaughton Brett	4,739.87	3,960.00
Mead, Allan	1,802.30	1,784.28
Meberg, Brett	28,054.00	3,960.00
Meberg, Laurie	3,678.18	3,641.40
Melfort Co-Op Food Market	72.90	72.17
Melita Motor Inn	141.96	140.54
Melnyk, Allan	10,690.63	3,960.00

Appendix "B"

Big Sky Farms
Schedule of Distribution

Creditor	Proven Distribution Claim	Distribution Amount
Melsness Farm Ltd.	877.67	868.89
Menzies, Karl	1,874.61	1,855.86
Merial Canada Inc.	21,155.26	3,960.00
Meroniuk, Genevieve	3,160.68	3,129.07
MetaFarms, Inc.	10,645.98	3,960.00
Michaluk, Dennis	36,609.52	3,960.00
Michaluk, Kara	3,498.48	3,463.50
Michaluk, Mike	17,500.78	3,960.00
Michaluk, Steven & Michelle	3,498.48	3,463.50
Michel's Industries Ltd.	1,893.50	1,874.57
Midland Glass Ltd.	30.80	30.49
Millers Tack, Rope, & Feed Supplies	802.56	794.53
Minhinnick, Dale	4,644.05	3,960.00
Minitube Canada	1,828.02	1,809.74
MOBB Medical Ltd.	2,844.33	2,815.89
Mohr, Jeff	8,952.38	3,960.00
Mohr, Ross	11,002.65	1,100.27
Mohr's Water & Ice Supply	207.00	204.93
Moir, Doug	2,920.90	2,891.69
Mollenbeck Industries Ltd.	660.00	653.40
Monitrol Inv	18,713.16	3,960.00
Monoflo International Inc.	1,632.95	1,616.62
Morden Veterinary Clinic, Inc.	5,858.41	3,960.00
Moroz, Ray	1,745.01	1,727.56
Morris Nickolayou	4,935.30	3,960.00
Mountain View Bison	863.12	854.49
MS Schippers Canada Ltd.	397.91	393.93
MTS	1,368.05	1,354.37
Murray, Joe	3,922.24	3,883.02
Musey, Ed & Ben	17,364.54	3,960.00
Mutch, Owen	7,146.75	3,960.00
Myden, Dale	1,641.57	1,625.15
N & R Enterprises Ltd. Formerly:Ituna Country Cafe	176.39	174.63
Nakonechny, Don	2,579.48	2,553.69
National Mine Service of Canada	3,203.74	3,171.70
Neupork Productions Inc.	6,583.04	3,960.00
Neupork Sales	26,498.75	3,960.00
NEW Feeds, LLC. - formerly Glidden Coop	150,352.81	15,035.28
New Solutions LC	14,958.16	3,960.00
Newsham Choice Genetics	30,311.62	3,031.16
Nickolayou, Eugene	5,469.59	3,960.00

Appendix "B"

Big Sky Farms
Schedule of Distribution

Creditor	Proven Distribution Claim	Distribution Amount
Nickolayou, Mark	9,516.11	951.61
Nieckar Concrete Finishers	1,551.00	1,535.49
Nieckar, Mark	23,392.74	2,339.27
Niecker, Randy	43,482.65	4,348.27
Norquay Co-operative Association, Ltd	12,075.02	3,960.00
North River Ranch Ltd.	49,628.57	4,962.86
Novak, Al	620.70	614.49
NSC Minerals	8,821.83	3,960.00
Nu-Trend Industries	8,483.48	3,960.00
Nutrition Partners Inc.	69,374.55	6,937.46
Office Experts	2,115.85	2,094.69
Ogema Co-opeative Ltd.	21,580.46	3,960.00
Ogema Elevator Limited	116.16	115.00
Ogema Farm & Auto	11,046.22	3,960.00
Ogema Motel Ltd.	15,339.50	3,960.00
OK Tire & Auto Service	264.33	261.69
OK Tire Auto Service Watson	985.90	976.04
Oleet Processing	54,671.53	5,467.15
Olynick Trucking	6,890.22	3,960.00
Olynick Water & Sewer	30,283.10	3,960.00
Onyskiw, Allen	10,590.40	3,960.00
Opperman John	13,631.32	3,960.00
Orest's Welding & Machine	9,572.44	3,960.00
P. Quintaine & Son Ltd.	402.50	398.48
Paczay, David	13,643.11	3,960.00
Palchewich, Kevin & Duane	2,793.67	2,765.73
Panther Wash Equipment	7,606.17	3,960.00
Parkland Co-operative Association	14,618.96	3,960.00
Parkland Septic Tank Services	3,769.50	3,731.81
Parrheim Foods	455.00	450.45
Parry Dirt Farm	20,935.59	3,960.00
Pasiechnyk, Joe	72,893.68	7,289.37
Pasloski, Ken	31,704.01	3,960.00
Pasloski, Sherry	12,717.04	1,271.70
Patrick, Ernie	14,400.00	3,960.00
Paul Metke Farms	40,504.85	4,050.49
Payak, Don	22,308.86	3,960.00
Pegg Farms, T&M	2,323.86	2,300.62
Pegg, Brian	984.08	974.24
Pegg, Terry	924.68	915.43
Pelechaty, Brent	2,366.59	2,342.92

Appendix "B"

Big Sky Farms
Schedule of Distribution

Creditor	Proven Distribution Claim	Distribution Amount
Pelly Hotel	765.50	757.85
Penguin Ice Ltd.	130.00	128.70
Penguin Refrigeration Ltd.	375.76	372.00
Peniuk, Gaye	6,067.63	606.76
Peniuk, Tyler	6,067.63	606.76
Penner Farm Services	1,787.98	1,770.10
Percy H. Davis Limited	1,920.12	1,900.92
Perrault Enterprises Ltd.	73.98	73.24
Peterson, Dale	47,788.39	4,778.84
Peterson, Duaine	15,518.22	1,551.82
Petras, Anne	1,664.20	1,647.56
Petrie, Garry	6,843.04	3,960.00
Petryshyn, Gene	5,991.59	599.16
Pfizer Animal Health	60,459.17	6,045.92
Philipowich Farms Inc.	788.85	780.96
PIC Canada Ltd	514,504.05	51,450.41
Pinder, Cliff	1,694.92	1,677.97
Pingert, Leopold	3,816.75	3,778.58
Pinnacle Distribution	88.48	87.60
Pioneer Motor Hotel	8,210.60	3,960.00
Pirie, Vaughn	5,207.89	3,960.00
PJ Acres Inc.	79,156.85	7,915.69
Plendl Feed Service, Inc	5,810.20	3,960.00
Polar Pure Water	111.50	110.39
Porcupine Motel	3,364.90	3,331.25
Porcupine Tire Centre	2,171.80	2,150.08
Possberg, Daryl	8,600.00	3,960.00
Possberg, Dean	17,200.00	3,960.00
Possberg, Florian	257,378.00	25,737.80
Potoreyko, Alex	597.69	591.71
Pozniak, Jason	913.96	904.82
Prairie Co-Op Ltd.	3,135.96	3,104.60
Prairie Diagnostic Services	40,070.03	4,007.00
Prairie Hog Production Limited Partnership	4,197,941.00	419,794.10
Prairie Pride Enterprises	314.48	311.34
Prairie Pure Drinking Water	415.00	410.85
Prairie West Terminal	12,350.92	3,960.00
Prairiemobile Communications	977.90	968.12
Praxair Distribution	169.00	167.31
Preeceville Parts Supply	1,163.27	1,151.64
Preeceville Salvage Inc.	942.48	933.06

Appendix "B"

Big Sky Farms
Schedule of Distribution

Creditor	Proven Distribution Claim	Distribution Amount
Prekaski, James	1,570.35	1,554.65
Pro-Ag Products Ltd.	4,844.34	484.43
Progressive Apparel	5,012.20	3,960.00
Prychak, Eugene	2,073.38	2,052.65
Prychak, Peter	1,194.08	1,182.14
Pryhitka, Brian	27,970.31	2,797.03
Purolator Courier Ltd.	3,495.85	3,460.89
Quality Tire Service Ltd.	6,634.95	3,960.00
R & J Staiert Inc.	11,023.61	3,960.00
R.M. Grass Lake NO. 381	696.75	689.78
R.M. of Arborfield No. 456	698.75	691.76
R.M. of Bjorkdale No. 426	23,315.47	3,960.00
R.M. of Bone Creek No. 108	4,759.25	475.93
R.M. of Hazel Dell No. 335	13,484.59	1,348.46
R.M. of Hazel Dell No. 335	13,484.59	3,960.00
R.M. of Key West #70	24,868.49	3,960.00
R.M. of Porcupine #395	6,002.74	3,960.00
R.M. Of Preeceville No. 334	12,434.25	3,960.00
R.M. of Sasman No. 336	240.00	237.60
R.M. of St. Philips No. 301	6,217.12	3,960.00
R.M. of Stanley #215	6,217.12	3,960.00
R.M. of Wolverine	8,832.60	883.26
Radawetz, Ken	3,197.63	3,165.65
Radawetz, Richard	10,921.00	3,960.00
Rakochy, Ron	73,892.32	7,389.23
Ralph's Diesel Repair Inc.	5,254.74	3,960.00
Rama Co-Operative Assoc. Ltd.	17,550.39	3,960.00
Ranger Electric Ltd	2,912.59	2,883.46
Rathgeber Land & Cattle Ltd	24,692.39	3,960.00
Rathgeber, Kalvin & Gloria	19,120.14	3,960.00
Rathgeber, Kelvin	39,327.59	3,932.76
Rayner, Loren	824.11	815.87
Ray's Truck Wash Ltd.	4,740.03	3,960.00
RBC Transport Ltd	15,200.21	3,960.00
REACT	1,539.77	1,524.37
Red Coat Inn	150.50	149.00
Redhand Ltd.	22,808.12	3,960.00
Reflections by Richard	160.00	158.40
Reliable Scale Corp.	675.68	668.92
Remoue, Terry	3,078.02	3,047.24
Rennie, Lorne	3,330.37	3,297.07

Big Sky Farms
Schedule of Distribution

Creditor	Proven Distribution Claim	Distribution Amount
RI Dean Trucking	8,158.25	3,960.00
Riesberg Wayne	11,849.67	3,960.00
Riou, Bob	1,234.85	1,222.50
Ritter, Dave	15,638.28	3,960.00
Riverlot Farms Inc.	14,954.82	3,960.00
RM of Insinger	7,893.49	3,960.00
RM of Lakeside #338	187.71	185.83
RM of Rosthern #403	3,018.49	2,988.31
RM of Rudy No. 284	6,500.00	650.00
RM of Star City No. 428	1,393.49	1,379.56
RM of Victory No. 226	3,250.00	3,217.50
Roberge Transport Inc.	334,627.00	33,462.70
Robinson Bioproducts	340,137.00	34,013.70
Rock Valley Ag & Oilfield Services	6,315.75	631.58
Rocky Ridge Enterprises	1,961.26	1,941.65
Ron Althouse	1,137.96	1,126.58
Rosa, Donna	405.81	401.75
Rosaasen Farms Ltd.	6,468.30	3,960.00
Roth, Dennis	17,298.42	3,960.00
Rothsay	13,591.83	3,960.00
Rowat, Victor	250.00	247.50
RSC Equipment Rental of Canada Ltd.	8,147.70	814.77
Rupiper Joe	11,393.91	3,960.00
Rustad, Roy	1,056.54	1,045.97
Ryan Transport	85.00	84.15
Ryhorski, David	8,457.55	3,960.00
S.E.C. Repro Inc.	887.93	879.05
Sakundiak, Ivan	21,693.90	3,960.00
Salmond, Neil	19,024.06	3,960.00
Sask Pork	189,258.64	18,925.86
Sask Workers' Comp Board	206,557.63	20,655.76
Saskatchewan Ag & Food-Hog Pro	4,621,003.99	462,100.40
Saskatchewan Transportation Co	7,709.25	3,960.00
Saskatoon Processing Co.	75,413.10	7,541.31
SaskEnergy	192,930.15	19,293.02
SaskPower	784,516.85	78,451.69
SaskTel	80,663.49	8,066.35
Saufert, Fern	3,940.95	3,901.54
Saufert, Michael	1,773.43	1,755.70
Sawchuk, Cameron	40,708.40	4,070.84
Sawchuk, Craig	1,720.40	1,703.20

Appendix "B"

Big Sky Farms
Schedule of Distribution

Creditor	Proven Distribution Claim	Distribution Amount
Sawin, Randy	2,522.40	2,497.18
Scale Solutions Inc.	4,930.24	3,960.00
Scaletech Systems	10,246.03	3,960.00
Schenn's Farm Supply	187.00	185.13
Schrader, Richard	38,570.25	3,960.00
Schulz, Victor	6,567.21	3,960.00
Scott Equipment Co.	962.56	952.93
Scrimbit, James	7,290.79	3,960.00
Seaton Farms Inc.	1,811.29	1,793.18
Semeschuk, Tim	3,250.91	3,218.40
Serdachny, Larry	36,314.33	3,960.00
Serhan Farms	27,733.79	2,773.38
SGI - Auto	234.64	232.29
Shafer Commodities Inc.	1,060,880.71	106,088.07
Shaunavon Coop	80.57	79.76
Shedlowski, Harvey	597.69	591.71
Shewchuk, Daren	1,573.59	1,557.85
Shewchuk, Mike	8,099.65	3,960.00
Shewchuk, Phillip	7,411.03	3,960.00
Shewchuk, Sergey	1,063.44	1,052.81
Shumlanski, Nelson	1,260.51	1,247.90
Sioux-Preme Packing Co.	423.37	419.14
Sliva, Lorne	1,581.87	1,566.05
Slobodian Pharmacy Ltd.	34.44	34.10
Smit, Casey	68,800.00	6,880.00
Smith Steel Inc.	396.99	393.02
Smith, James	3,156.23	3,124.67
Smoky Ridge Farms Ltd	4,339.91	3,960.00
Sorenson, Craig	122.74	121.51
South 20 Dodge Chrysler Ltd.	65.10	64.45
Southern Digital Computers Ltd.	499.95	494.95
Sowa Brothers	12,379.81	1,237.98
Sparks Farms	7,020.51	3,960.00
Sportsman Motel	661.01	654.40
Sprucelane Acres Ltd.	834.42	826.08
Srigley, Frank	12,928.14	3,960.00
Stacheruk, Sid	5,413.55	3,960.00
Staiert Farm Partnership	14,813.07	3,960.00
Standard Construction Ltd.	256.79	254.22
Staples # 151	222.94	220.71
Staples #167	431.55	427.23

Appendix "B"

Big Sky Farms
Schedule of Distribution

Creditor	Proven Distribution Claim	Distribution Amount
Star Phoenix	1,090.89	1,079.98
Statchuk, Karren	767.87	760.19
State Chemical Ltd.	1,470.70	1,455.99
Steel-Craft Door Sales	440.00	435.60
Stefanyshyn, Richard	40,776.00	4,077.60
Stegemann Farms	2,175.62	2,153.86
Steppan, Irene	4,574.09	3,960.00
Steve's Livestock Transport	234,807.80	23,480.78
Stockdale's Electric Motor Cor	39,875.67	3,987.57
Sturgis Chuckwagon Diner	935.93	926.57
Sturgis Service Ltd.	116.00	114.84
Success Office Systems	223.63	221.39
Suknasky, Bert	748.96	741.47
Sunn Industries Ltd.	1,692.50	1,675.58
Sunset Enterprises	367.97	364.29
Super 8 Motel - Saskatoon	512.24	507.12
Superior Propane Inc.	57,089.46	5,708.95
Superior Safety Inc. (Formerly: Mid-North Safety)	5,663.14	566.31
Sutherland Radiator	2,807.70	2,779.62
Sutter Farming	2,828.40	2,800.12
Suwinski, Leonard	7,134.66	3,960.00
Swan Valley Veterinary Clinic	4,828.81	3,960.00
Swan Wood Shavings Inc.	7,008.76	3,960.00
Swetleshnoff, Dale	18,793.69	3,960.00
Swetleshnoff, John	1,304.34	1,291.30
Swiderski, Gerald	40,964.01	4,096.40
Swiderski, Wayne	3,976.22	3,936.46
Swine Robotics, Inc.	4,657.43	465.74
Swine Vet Center, PA	725.18	717.93
T & K Auto Clinic	863.70	855.06
T. Boyes Seeds Inc.	3,639.47	3,603.08
Tamme, Shawn	15,628.44	3,960.00
Teale, Lenard	420.00	415.80
Team Gulka Farms	1,400.35	1,386.35
Temple, Harvey & Ken	1,701.85	1,684.83
Tessmer, Ernie	2,327.27	2,304.00
The Weyburn Review	164.87	163.22
The Whistle Stop	1,197.50	1,185.53
Thompson Travel	2,266.00	2,243.34
Thorpe, Dereck & Troy	6,583.24	3,960.00
Thrifty Market	2,512.85	2,487.72

Appendix "B"

Big Sky Farms
Schedule of Distribution

Creditor	Proven Distribution Claim	Distribution Amount
Tim Vogl Trucking Inc.	4,664.49	3,960.00
Tisdale Disposals	460.74	456.13
Tisdale Farm Parts Ltd.	280.00	277.20
Tisdale Motor Rewinding (1984) Ltd.	1,466.85	1,452.18
Toman Ag Ventures	2,602.55	2,576.52
Tonn Farms Ltd.	3,221.07	3,188.86
Tool Zone Ltd. (Formerly:Mr. Tool Warehouse Ltd.)	357.01	353.44
Toovey, Ronald	4,093.86	3,960.00
Torgerson, Melvin	1,062.87	1,052.24
Town Coffee Services	891.00	882.09
Town of Ogema	3,765.07	3,727.42
Town of Porcupine Plain	245.27	242.82
Town of Preeceville	182.50	180.68
Town of Sturgis	37.83	37.45
Townsend, Gordon	5,574.86	3,960.00
Traders Tec-System Controls	378.00	374.22
Treeline Heavy Duty Truck & Trailer Parts	3,425.72	3,391.46
Trewin Farm Corp.	36,899.22	3,960.00
Triple R Satellite	217.50	215.33
True Value Hardware - Humboldt	498.32	493.34
Tuleta, Frank & Marie	3,663.81	3,627.17
Tvait, Stan	9,039.97	904.00
Twi-Lite Tire & Service Ltd.	15,670.72	3,960.00
u&s	135.31	133.96
Uni-Jet Industrial Pipe Services Ltd.	2,189.60	2,167.70
Union Securities Ltd.	4,502.05	3,960.00
University of Montreal	220.00	217.80
University of Saskatchewan	6,057.17	3,960.00
Valley Sports & Hardware	1,255.69	1,243.13
Van Houtte Coffee Services Inc. (Co.58)	96.00	95.04
Vandaele Seeds Ltd.	3,705.20	3,668.15
Vanin, Jerry	28,338.69	3,960.00
Varifan	4,694.34	3,960.00
Varsteel Ltd.	1,522.50	1,507.28
Verbeurgt, Arnold	833.84	825.50
Veregin, Clarence	346.50	343.04
Veregin, Donald	386.14	382.28
Versa Frame Inc	4,752.00	475.20
Vetoquinol N.A. Inc.	56,555.53	5,655.55
Village of Invermay	609.04	602.95
Viterra (formerly Agricore United)	447,185.66	44,718.57

Appendix "B"

Big Sky Farms
Schedule of Distribution

Creditor	Proven Distribution Claim	Distribution Amount
Vogel, Bernie	3,545.27	3,509.82
Vogel, Jordan	864.21	855.57
Wadena Royal Can. Legion #62	100.28	99.28
Wadena Steel & Supply Ltd.	1,644.78	1,628.33
Wagner's Yard Care	997.50	987.53
Waite, Laurie	5,557.20	3,960.00
Walbern Agri-Systems Sask Ltd.	56,541.59	5,654.16
Walinga Inc.	1,156.37	1,144.81
Walker, Orland	17,549.05	3,960.00
Wallen, Darcy	15,185.55	3,960.00
Walowski, Frank	6,099.38	3,960.00
Ward, Jim	799.91	791.91
Warman Veterinary Services	1,539.38	1,523.99
Water World Industries Inc.	12,385.11	3,960.00
Watermark Consulting Ltd.	8,730.75	3,960.00
Weekes Hotel	1,620.40	1,604.20
Werk Farms Ltd.	7,136.42	3,960.00
West End Garage	4,622.74	3,960.00
Westbank Land and Enterprises	3,455.81	3,421.25
Westburne Electric Supply	1,660.09	1,643.49
Western Commodities Trading Inc.	586,577.32	58,657.73
Western Producer	608.58	602.49
Wheatbelt Sales	3,332.68	3,299.35
Wheelers Transport (2001) Ltd.	2,232.73	2,210.40
Wheelers Wholesale Ltd.	5,378.63	3,960.00
Whiteline Autobody	160.65	159.04
Whyte, Keith Est.	1,431.01	1,416.70
Wiebe, Bruce & Laurie	1,995.84	1,975.88
Wilkins, Craig	1,341.79	1,328.37
Willowgate Farms	4,530.59	3,960.00
Willson, Robert & Linda	3,659.59	3,622.99
Wilson, Graham	15,986.46	3,960.00
Wilson, Richard	15,093.59	3,960.00
Wionzek, Randy	4,003.96	3,960.00
WLT Distributors Inc	243,797.36	24,379.74
Wolseley Mechanical Group	563.13	557.50
Worker's Compensation Board of Manitoba	3,665.73	3,629.07
Worobetz, Austyn	5,620.00	3,960.00
WWR Omelchuk Farms	1,612.91	1,596.78
Wyeth Animal Health	197,973.55	19,797.36
Wynyard Advance	126.00	124.74

Appendix "B"

Big Sky Farms
Schedule of Distribution

Creditor	Proven Distribution Claim	Distribution Amount
Wyonzek, Walter	3,562.47	3,526.85
Xplornet	10,130.32	1,013.03
Yacyshyn, Joe	2,904.04	2,875.00
Yasinski, Ed	141.30	139.89
Yauck, Kevin	12,996.00	1,299.60
Yelland, Brian	3,556.70	3,521.13
Yelland, Steven	21,774.84	3,960.00
Yorkton This Week	145.66	144.20
Yuen's Cellular Centre	142.78	141.35
Yurkiw, Wayne	612.21	606.09
Zavislak, Terry	7,686.42	3,960.00
Zbeetneff, Michael	514.47	509.33
Zeleny, Bill	875.85	867.09
Zubot Farms Ltd.	2,223.96	2,201.72
Total	**35,180,264.69**	**4,822,642.40**

APPENDIX "C"

ACTUAL TO BUDGET CASH FLOW

Big Sky Farms
Budget to Actual Cash Flow Analysis
For the Period of November 9, 2009 to January 24, 2009

	Budget	Actual	Variance	Notes
Period Start	08-Nov-09			
Period End	24-Jan-10			
Market Hogs				
Number of Market Hogs Sold	187,615	181,380	(6,235)	
Average Price per Market Hog	121.37	119.03	(2.34)	
Average Exchange Rate	1.05	1.06	0.01	
SEW and Feeder Hogs				
Number of Feeder Hogs Sold	12,000	-	(12,000)	
Average Price per Feeder Hog	29	-	n/a	
Feed Costs				
Average Feed Cost per Hog	72.00	73.00	(1.00)	
RECEIPTS AND DISBURSEMENTS				
Operating Receipts				
Sales - Market Hogs and Culls	22,767,015	21,589,367	(1,177,648)	1
Sales - SEW and Feeder Hogs	313,200	-	(313,200)	2
Total Operating Receipts	**23,080,215**	**21,589,367**	**(1,490,848)**	
Other Receipts				
GST	330,000	131,275	(198,725)	3
Other Income	750,000	920,400	170,400	4
Total Other Receipts	**1,080,000**	**1,051,674**	**(28,326)**	
Total Receipts	**24,160,215**	**22,641,041**	**(1,519,174)**	
Operating Disbursements				
Feed Costs	16,100,000	14,966,463	1,133,537	5
Operating Expenses	6,000,000	6,706,791	(706,791)	6
Payroll	3,050,000	2,936,005	113,995	7
Capital Expenditures	-	-	-	
Debt Payments - P&I	-	84,174	(84,174)	
Total Operating Disbursements	**25,150,000**	**24,693,433**	**456,567**	
Other Disbursements				
Restructuring Costs - Professional Fees	1,800,000	1,167,003	632,997	8
Restructuring costs - DIP and Other	68,010	18,627	49,383	
Total Other Disbursements	**1,868,010**	**1,185,630**	**682,380**	
Total Disbursements	**27,018,010**	**25,879,063**	**1,138,947**	
Total Net Cash Flow	**(2,857,795)**	**(3,238,022)**	**(380,227)**	
Opening Cash	(388,238)	(777,062)	(388,823)	9
Total Net Cash Flow	(2,857,795)	(3,238,022)	(380,227)	
DIP Loan Advances (Paydown)	3,496,033	3,500,000	3,967	
Closing Cash	**250,000**	**(515,083)**	**(765,083)**	10
Beginning DIP Loan	-	-	-	
Paydown (Advances)	(3,496,033)	(3,500,000)	(3,967)	
Closing DIP Loan	**(3,496,033)**	**(3,500,000)**	**(3,967)**	

Refer to next page for discussion related to notes (1) - (10).

Big Sky Farms

Budget to Actual Cash Flow Analysis

For the Period of November 9, 2009 to January 24, 2009

Notes:

1 Sales of Market Hogs is approximately $1,177,000 below budget due to the following:

   a) Lower than expected sales volume, primarily attributable to inclement weather observed in parts of December and January, which closed roads and slaughterhouses and prevented the delivery of hogs to slaughter. Big Sky sold 6,235 fewer Market Hogs than budget. Management expects unit sales to increase in the coming weeks as slaughterhouses work through the backlog created by these interruptions. The shortfall attributable to selling fewer than expected market hogs is approximately $755,000.

   b) The average price per Market Hog was approximately $2.34 lower than forecast. The negative variance in pricing contributed approximately $425,000 to the shortfall.

2 Big Sky did not sell any feeder hogs over the reporting period, instead Management decided to retain the feeder hogs and intends to raise them to finished market weight, where they expect to realize a higher sales value and margin on the animals.

3 The CRA is withholding, from Big Sky, GST refund returns for November and December, which amount to $305,000. Big Sky expects to recover the full amount of the refunds receivable, in the event the Plan of Arrangement is approved by Big Sky's creditors.

4 The positive variance over forecast represents receipts from the sale of boar semen, manure, and land rent, which Big Sky did not include in its budget.

5 The majority of Big Sky's feed suppliers have continued to supply the Company on credit for post-CCAA purchases. The positive variance from forecast is viewed as a timing difference caused by achieving better than expected credit terms. Feed costs also include $120,000 of pre-payments.

6 Included in Operating Expenses is approximately $931,000 of extraordinary items, as detailed below:

   a) $227,000 paid to one of Big Sky's utility providers for future services;

   b) $200,000 USD (approximately $212,000 CAD) paid to a commodities futures brokerage to initiate a futures program. The liquidation value of Big Sky's futures program as at January 22 was approximately $203,000;

   c) $410,000 cash down payment pursuant to Big Sky's Insurance Premium Finance agreement, which was executed in January;

   d) $50,000 in retainers for purposes of developing a tax-effective structure pertaining to the restructuring transaction;

   e) $28,000 of other items.

   Operating costs, net of deposits, were $5.78 million, ahead of forecast. Similar to feed costs, many of Big Sky's vendors have agreed to continue to supply goods and services on credit terms. The variance is effectively a timing difference as these expenses will be paid in the future.

7 The positive variance is a timing difference related to unremitted source deductions.

8 The positive variance observed with restructuring costs relates to the timing of the receipt of invoices for professional fees.

9 Opening cash at January 8, 2009 was estimated at approximately ($388,000), but was adjusted for transactions originally recorded as post-CCAA transactions which pertain to the pre-CCAA period.

10 The ending cash balance does not include the liquidation value of Big Sky's futures program of approximately $203,000.

APPENDIX "D"

CASH FLOW RE-FORECAST

Big Sky Farms
Cash-flow Budget
(In CDN Dollars)
For the Period of January 24, 2010 - March 27 2010

			Re-Forecast Period										
		Reporting Period	Week 12	Week 13	Week 14	Week 15	Week 16	Week 17	Week 18	Week 19	Week 20	Re-Forecast Period	Total
Period Start		08-Nov-09	24-Jan-10	31-Jan-10	07-Feb-10	14-Feb-10	21-Feb-10	28-Feb-10	07-Mar-10	14-Mar-10	21-Mar-10	24-Jan-10	08-Nov-09
Period End	**Notes**	23-Jan-10	30-Jan-10	06-Feb-10	13-Feb-10	20-Feb-10	27-Feb-10	06-Mar-10	13-Mar-10	20-Mar-10	27-Mar-10	27-Mar-10	27-Mar-10
ACTUAL RESULTS													
Market Hogs													
Number of Market Hogs Sold		181,380	17,736	17,730	17,700	17,700	17,700	17,700	17,700	17,700	17,600	159,266	340,646
Average Price per Market Hog		121.70	133.16	133.16	139.45	139.45	143.85	143.85	143.85	143.85	143.85	140.50	131.10
Average Exchange Rate		1.0500	1.0600	1.0625	1.0625	1.0625	1.0625	1.0625	1.0625	1.0625	1.0625	1.0622	1.0561
SEW and Feeder Hogs													
Number of Feeder Hogs Sold		-	-	-	4,400	560	-	-	-	-	-	4,960	4,960
Average Price per Feeder Hog		-	-	-	62.00	62.00	-	-	-	-	-	62.00	62.00
Feed Costs													
Average Feed Cost per Hog		73.00	73.00	73.00	73.00	73.00	73.00	73.00	73.00	73.00	73.00	73.00	73.00
RECEIPTS AND DISBURSEMENTS													
Operating Receipts													
Sales - Market Hogs and Culls	2	21,589,367	2,503,429	2,508,485	2,622,532	2,622,532	2,705,279	2,705,279	2,705,279	2,705,279	2,689,995	23,768,088	45,357,455
Sales - SEW and Feeder Hogs	3	-	-	-	289,850	36,890	-	-	-	-	-	326,740	326,740
Total Operating Receipts		21,589,367	2,503,429	2,508,485	2,912,382	2,659,422	2,705,279	2,705,279	2,705,279	2,705,279	2,689,995	24,094,828	45,684,195
Other Receipts													
GST	4	131,275	-	-	-	-	-	-	200,000	220,000	-	420,000	551,275
Other Income	5	920,400	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	45,000	965,400
Total Other Receipts		1,051,674	5,000	5,000	5,000	5,000	5,000	5,000	205,000	225,000	5,000	465,000	1,516,674
Total Receipts		22,641,041	2,508,429	2,513,485	2,917,382	2,664,422	2,710,279	2,710,279	2,910,279	2,930,279	2,694,995	24,559,828	47,200,870
Operating Disbursements													
Feed Costs	6	14,966,463	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	12,600,000	27,566,463
Operating Expenses	7	6,706,791	1,250,000	350,000	350,000	350,000	1,250,000	350,000	350,000	350,000	1,250,000	5,850,000	12,556,791
Payroll	8	2,936,005	737,000	200,000	400,000	175,000	400,000	175,000	400,000	175,000	400,000	3,062,000	5,998,005
Capital Expenditures	9	-	-	-	180,000	-	-	-	-	-	-	180,000	180,000
Debt Payments - P&I	10	84,174	-	-	-	50,000	-	-	-	50,000	-	100,000	184,174
Total Operating Disbursements		24,693,433	3,387,000	1,950,000	2,330,000	1,975,000	3,050,000	1,925,000	2,150,000	1,975,000	3,050,000	21,792,000	46,485,433
Other Disbursements													
Restructuring Costs - Professional Fees	11	1,167,003	159,222	159,222	159,222	159,222	159,222	159,222	159,222	159,222	159,222	1,432,997	2,600,000
Restructuring costs - DIP and Other		18,627	-	-	-	-	-	-	-	-	-	-	18,627
Total Other Disbursements		1,185,630	159,222	159,222	159,222	159,222	159,222	159,222	159,222	159,222	159,222	1,432,997	2,618,627
Total Disbursements		25,879,063	3,546,222	2,109,222	2,489,222	2,134,222	3,209,222	2,084,222	2,309,222	2,134,222	3,209,222	23,224,997	49,104,060
Total Net Cash Flow		(3,238,022)	(1,037,793)	404,263	428,160	530,200	(498,943)	626,057	601,057	796,057	(514,227)	1,334,831	(1,903,190)
Opening Cash		(777,062)	(515,083)	-	-	-	-	-	-	-	-	(515,083)	(777,062)
Total Net Cash Flow		(3,238,021)	(1,037,793)	404,263	428,160	530,200	(498,943)	626,057	601,057	796,057	(514,227)	1,334,831	(1,903,190)
DIP Loan Advances (Paydown)		3,500,000	1,552,876	(404,263)	(428,160)	(530,200)	498,943	(626,057)	(601,057)	(796,057)	514,227	(819,748)	2,680,252
Closing Cash		(515,083)	-	-	-	-	-	-	-	-	-	-	-
Beginning DIP Loan		-	3,500,000	5,052,876	4,648,613	4,220,453	3,690,253	4,189,196	3,563,139	2,962,082	2,166,025	3,500,000	-
(Paydown) Advances		3,500,000	1,552,876	(404,263)	(428,160)	(530,200)	498,943	(626,057)	(601,057)	(796,057)	514,227	(819,748)	2,680,252
Closing DIP Loan		3,500,000	5,052,876	4,648,613	4,220,453	3,690,253	4,189,196	3,563,139	2,962,082	2,166,025	2,680,252	2,680,252	2,680,252

Refer to next page for discussion related to notes (1) - (11).

Big Sky Farms
Cash-flow Budget
(In CDN Dollars)
For the Period of January 24, 2010 - March 27 2010

Notes:

1. Management of Big Sky Farms Inc. (BSF) has prepared this Cash-Flow Statement based on the probable and hypothetical assumptions detailed in Notes 2 - 11. Consequently, actual results will likely vary from the financial performance projected and such variations may be material.
2. Hog sales are based on CME future settlement prices as at January 29, 2010 and a fixed exchange. Management has estimated the volume of hog sales based on current supply agreements with customers and BSF's production capacity.
3. Sales of SEW and feeder hogs are based on Management's best estimate of future prices for those types of hogs.
4. The Company has historically been in a GST refund position as GST is not charged on the sale of livestock. However, the CRA is withholding from Big Sky, pending the results of its audit in conjunction with submitting its claim pursuant to the Claims Order, GST refund returns for November and December, which amount to $305,000. Management provides for a recovery of $200,000 of this amount, which it expects the CRA to release in early March. Management expects to receive refunds for January and February shortly there-after. Estimated GST refunds for the forecast period are based on a percentage of the anticipated operating expenses.
5. Other income represents expected receipts from the sale of boar semen, manure, and land rent, based on historical figures.
6. Feed costs are based on the amount of hogs in inventory and projected feed prices.
7. Operating costs are based on historical figures and scale of operations throughout the forecast period.
8. Payroll is based on the amount of estimated staffing required to continue operations at the existing scale.
9. Capital expenditures represent the cost to buy-out of three pieces of leased machinery.
10. Includes DIP lender fees, interest and unused line fees.
11. Includes estimated costs for professional fees including the Monitor, its counsel, BSF's counsel and U.S. counsel.

APPENDIX “E”

MANAGEMENT LETTER ON RE-FORECAST

Big Sky Farms Inc.
P.O. Box 610
Humboldt, Sask.
S0K 2A0
Phone: 306-682-5041
Fax: 306-682-5042

February 5, 2010

Ernst & Young Inc.
Pacific Centre
700 W. Georgia St., P.O. Box 10101
Vancouver, BC V7Y 1C7

Attention: Mr. Kevin Brennan, CA, CIRP

Dear Sirs

Re: Proceedings under the *Companies' Creditors Arrangement Act* ("CCAA")
Responsibilities/Obligations and Disclosure with Respect to Cash Flow Projections

In connection with the proceedings under the CCAA in respect of Big Sky Farms, the management of Big Sky Farms (**"Management"**) has prepared the attached Cash-Flow Statement, for the period of January 24, 2010 to March 27, 2010, and the assumptions on which the Cash-Flow Statement is based.

Big Sky Farms confirms that:

1. the Cash-Flow Statement and the underlying assumptions are the responsibility of Big Sky Farms;

2. all material information relevant to the Cash-Flow Statement and to the underlying assumptions has been made available to Ernst & Young Inc. in its capacity as Monitor; and

3. Management has taken all actions that it considers necessary to ensure:

   a. That the individual assumptions underlying the Cash-Flow Statement are appropriate in the circumstances; and

   b. That the individual assumptions underlying the Cash-Flow Statement, taken as a whole, are appropriate in the circumstances.

Yours Truly,

Canute Tagseth, CA
Chief Financial Officer

APPENDIX "F"

MONITOR'S REPORT ON THE RE-FORECAST

Ernst & Young Inc.
Pacific Centre
700 West Georgia Street
P.O. Box 10101
Vancouver, British Columbia V7Y 1C7
Tel: 604 891 8200
Fax: 604 643 5422
ey.com/ca

February 5, 2010

**IN THE COURT OF QUEEN'S BENCH
JUDICIAL CENTRE OF SASKATOON**

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

AND IN THE MATTER OF A PROPOSED PLAN OF ARRANGEMENT FOR THE CREDITORS OF BIG SKY FARMS INC., DRY CAST SYSTEMS INC. and BIG SKY MANAGEMENT CONSULTING CORP. (collectively the "Applicant")

MONITOR'S REPORT ON DEBTOR'S CASH FLOW STATEMENT

Management has prepared in respect of the Applicants a statement of projected cash-flow (the "Cash-Flow Statement") for the re-forecast period of January 24, 2010 to March 27, 2010 (the "Re-Forecast Period"). The Cash-Flow Statement has been prepared by management based on the Probable and Hypothetical Assumptions. The purpose of this Cash-Flow Statement is to update the Court in regard to the Applicant's Cash Flow Re-Forecast. A copy of the Cash Flow Statement is attached as Appendix "D" to the Monitor's Fifth Report

Our review consisted of inquiries, analytical procedures and discussion related to information supplied to us by certain of the management and employees of the Company. Since Hypothetical Assumptions need not be supported, our procedures with respect to them were limited to evaluating whether they were consistent with the purpose of the Cash-Flow Statement for the Re-Forecast Period. We have also reviewed the support provided by management of the Company for the Probable Assumptions, and the preparation and presentation of the Cash-Flow Statement.

Based on our review, nothing has come to our attention that causes us to believe that, in all material respects:

a) the Hypothetical Assumptions are not consistent with the purpose of the Cash-Flow Statement for the Re-Forecast Period;

b) as at the date of this report, the Probable Assumptions developed by management are not suitably supported and consistent with the plans of the Company or do not provide a reasonable basis for the Cash-Flow Statement, given the Hypothetical Assumptions; or

c) the Cash-Flow Statement does not reflect the Probable and Hypothetical Assumptions.

Since the Cash-Flow Statement is based on Assumptions regarding future events, actual results will vary from the information presented even if the Hypothetical Assumptions occur, and the variations may be material. Accordingly, we express no assurance as to whether the Cash-Flow Statement will be achieved. We express no opinion or other form of assurance with respect to the accuracy of any financial information presented in this report, or relied upon by us in preparing this report.

The Cash-Flow Statement has been prepared solely for the purpose described above, and readers are cautioned that it may not be appropriate for other purposes.

Dated at Saskatoon, this 5th day of February, 2009.

ERNST & YOUNG INC.
In its capacity as
Court appointed Monitor of
Big Sky Farms Inc., Dry Cast Systems Inc., and
Big Sky Management Consulting Corp.

Per:

Kevin Brennan, CA•CIRP, CIRP
Senior Vice President