INFORMATION CIRCULAR

with respect to a

PLAN OF ARRANGEMENT INVOLVING

BIG SKY FARMS INC., DRYCAST SYSTEMS INC. AND BIG SKY MANAGEMENT CONSULTING CORP.

under the

Companies' Creditors Arrangement Act

December 29, 2009

NOTICE OF MEETING OF CREDITORS

NOTICE IS HEREBY GIVEN that a meeting (the "**Creditors' Meeting**") of the Affected Creditors of Big Sky Farms Inc., Drycast Systems Inc., and Big Sky Management Consulting Corp. (collectively, "**Big Sky**") will be held in the Laurentian Room of the Holiday Inn Express Hotel, 315 Idylwyld Drive North, Saskatoon, Saskatchewan on Monday, February 8, 2010 at 10:00 a.m. (Central Standard Time) for the following purposes:

1. to consider, pursuant to an order of the Court of Queen's Bench for Saskatchewan dated January 5, 2010 (the "**Creditor's Meeting Order**"), and if deemed advisable, to approve an arrangement (the "**Plan of Arrangement**") under the *Companies' Creditors Arrangement Act* (Canada) and certain related matters. The full text of the Plan of Arrangement is set out in Schedule "A" to the accompanying information memorandum of Big Sky dated December 29, 2009 (the "**Information Circular**"); and

2. to transact such further and other business as may properly be brought before the Creditors' Meeting or any adjournment thereof.

Pursuant to the Creditor's Meeting Order, only Affected Creditors with Proven Voting Claims are entitled to vote with respect to the Plan of Arrangement.

Creditors who are unable to attend the Creditors' Meeting are requested to date, sign and return the accompanying form of proxy in the envelope provided for that purpose. To be used at the Creditors' Meeting, a proxy must be delivered to the attention of Mike Bell at Ernst & Young Inc., P.O. Box 10101, Vancouver, BC, V7Y 1C7, fax: (604) 643-5422, e-mail: Mike.Bell@ca.ey.com by 5:00 p.m. (Central Standard Time) on February 5, 2010; or, if the Creditors' Meeting is adjourned, on the business day (which is a day that is not a Saturday, Sunday, or a statutory holiday) before the adjourned Creditors' Meeting, or delivered to the Monitor at the Creditors' Meeting prior to the commencement of the Creditors' Meeting or any adjournment thereof.

Capitalized terms not defined herein have the meanings ascribed to them in the Plan of Arrangement.

Dated this 29th day of December, 2009.

INFORMATION CIRCULAR OF BIG SKY FARMS INC., DRYCAST SYSTEMS INC. AND BIG SKY MANAGEMENT CONSULTING CORP. DATED DECEMBER 16, 2009

INTRODUCTION

This Information Circular is being furnished with respect to a meeting of Affected Creditors of Big Sky Farms Inc. ("Big Sky Farms"), Drycast Systems Inc. ("Drycast"), and Big Sky Management Consulting Corp. ("BSMCC") with Proven Voting Claims to be held in the Laurentian Room of the Holiday Inn Express Hotel, 315 Idylwyld Drive North, Saskatoon, Saskatchewan on Monday, February 8, 2010 at 10:00 a.m. (Central Standard Time). The meeting is being held pursuant to an Order of the Court of Queen's Bench of Saskatchewan granted under the *Companies' Creditors Arrangement Act* (Canada) (the "CCAA") on January 5, 2010. The information concerning Big Sky contained in this Information Circular has been provided by Big Sky Farms Inc.

All summaries of, and references to, the plan of arrangement (the "**Plan**") of Big Sky Farms, Drycast and BSMCC dated December 29, 2009 in this Information Circular are qualified in their entirety by reference to the complete text of the Plan, a copy of which is attached as Schedule "A" to this Information Circular. In the event of conflict or dispute in interpretation or application between this document and the Plan, the Plan shall be determinative in all matters of dispute. **You are urged to carefully read the full text of the Plan.**

All capitalized terms used, but not otherwise defined, in this Information Circular have the meanings given to them in the Plan. Big Sky Farms, Drycast and BSMCC are hereinafter collectively referred to as "**Big Sky**" or the "**Company**".

Unless otherwise indicated, reference in this Information Circular to "$" or "dollars" are to Canadian dollars.

Information contained in this Information Circular is given as of December 16, 2009 unless otherwise specifically stated.

BACKGROUND

Big Sky is a Saskatchewan corporation which maintains its head office in Humboldt, Saskatchewan and has its registered office in Saskatoon, Saskatchewan. Big Sky carries on business as a hog producer in 24 communities in rural Saskatchewan and Manitoba, and sells its hogs to pork processing companies located in Western Canada and the United States.

Big Sky has issued a total aggregate amount of 10,698,808 Class "A" common voting shares as set out in the table below:

Shareholder	**Shares**
CIC Asset Management Inc.	6,725,000
Saskatchewan Government Growth Fund III Ltd.	1,263,360
B&F Holdings Ltd.	645,718
Saskatchewan Indian Equity Foundation	443,703

FCC Ventures	411,765
Golden Opportunities Fund Inc.	411,765
Big Sky Employees' Fund Inc.	345,880
Other Minority Shareholders	451,617

Big Sky is one of the largest hog producers in the Province of Saskatchewan and one of the three largest hog producers in Canada. Big Sky maintains a sow herd of approximately 42,000 breeding sows and sells approximately 850,000 market weight hogs per year. In addition, Big Sky has typically sold approximately 80,000 feeder pigs and 145,000 early wean pigs per year, primarily to finishers located in the United States of America. Big Sky employs approximately 430 employees.

Drycast is a Saskatchewan corporation which is a wholly owned subsidiary of Big Sky Farms. Drycast was incorporated to manufacture concrete flooring and penning to be used in the construction of hog barns by Big Sky Farms. At present, Drycast no longer manufactures flooring and only manufactures a limited amount of penning.

BSMCC is a Saskatchewan corporation which is a wholly owned subsidiary of Big Sky Farms. BSMCC was incorporated as a vehicle to facilitate management of third party hog production operations, but is currently inactive.

Drycast and BSMCC are guarantors of the principal secured obligations owed by Big Sky Farms to the Senior Secured Lenders and, as a result, are included within the CCAA Proceedings.

Reasons for the CCAA Proceedings

The Company sought CCAA protection to facilitate a restructuring needed to return the Company's hog production operations to economic viability. The Company had net losses for each of the fiscal years ending June 28, 2008 and June 27, 2009 of $19,600,000.00 and $13,300,000.00, respectively. The Company could not continue to finance its losses. In November of 2009, the Company faced a liquidity crisis and required court protection in order to continue operations and to restructure its financial affairs.

A number of factors have caused or contributed to the adverse financial circumstances presently faced by Big Sky. Most of these factors are not unique to the Company. Rather, they are industry-wide factors that are shared by other commercial hog production companies across North America.

The North American hog industry, and the Canadian hog industry in particular, experienced a severe downturn in 2008 and 2009, owing to a number of extraordinary market forces, including:

(a) the very negative impact upon prices obtained by Canadian hog producers from U.S. pork packers for Canadian pigs as the result of United States legislation requiring "Mandatory Country of Origin Labeling" ("**MCOOL**");

(b) the very negative impact upon prices for pigs obtained by North American hog producers resulting from the international H1N1 flu virus which was unfortunately characterized as "swine flu", the impact of which characterization has been an abatement in consumer demand for pork, thereby depressing the price of pigs;

(c) unusually high feed prices (in large part due to U.S. Government policy mandating minimum ethanol production amounts and the impact of that policy on corn prices); and

(d) the strengthening of the Canadian dollar against the U.S. dollar.

As a result of the factors described above, Big Sky experienced negative hog margins during each of the 24 months prior to November of 2009. In order to address the very serious financial difficulties faced by it, Big Sky implemented a number of cost reduction initiatives, including:

(a) closing certain underperforming operations;
(b) reducing its breeding herd by over 18%;
(c) consolidating its genetic lines;
(d) selling certain non-core assets; and
(e) reducing administrative costs.

In 2009, due in large part to the negative publicity associated with the H1N1 virus, the hog industry did not experience the anticipated strong hog prices that generally occur in the spring and summer months. As a result, Big Sky experienced high cash operating losses during 2009. The problem has been so severe in the industry that the Government of Canada announced a program to provide assistance to the Canadian Hog industry known as the Hog Industry Loan Loss Reserve Program ("**HILLRP**").

Subsequent to the announcement of HILLRP, Big Sky's senior secured lenders provided Big Sky with temporary bridge financing to cover operating losses while it prepared an application to the Government of Canada for financial assistance. However, the program was delayed, with the result that Big Sky exhausted its bridge financing and was unable to secure further financing to continue operations.

Big Sky Debt Obligations

Initial Order

On November 10, 2009, Big Sky initiated the CCAA Proceedings and obtained the CCAA Initial Order from the Court. The CCAA Initial Order provided Big Sky with a stay of proceedings against it by its creditors and the authority to borrow up to $6,300,000 pursuant to the Debtor-in-Possession credit facility (the "**DIP Credit Facility**") made available by the Senior Lenders.

It is a condition of the DIP Credit Facility that Big Sky develop this Plan.

As at November 10th, 2009 Big Sky had the following liabilities and debts outstanding (all amounts approximate):

Senior Lenders	\$ 71,294,000
Sub-Debt Lenders	\$ 10,124,663
Sask. Hog Loan:	\$ 4,620,688
Prairie Hog PLP Leases:	\$ 9,227,356
Trade Payables & Other:	\$ 16,000,000
TOTAL:	\$111,266,707

THE PLAN

This description of the Plan is a summary only and is provided for the assistance of the Creditors. The governing document is the Plan which is attached as Schedule A to this Circular.

Purpose of the Plan

The Plan will effect a compromise and arrangement of the Affected Claims of Affected Creditors against Big Sky and to complete a reorganization of the business and affairs of the Applicants by implementing the Restructuring Transactions.

The Plan seeks to provide Affected Creditors of Big Sky an immediate return on their Affected Claims that would exceed the amounts available to the Affected Creditors in the event that the Plan failed and Big Sky became bankrupt or insolvent.

As part of the Plan, Big Sky will implement the Restructuring Transactions in order to modify its corporate structure and equity holdings and to create an efficient, viable and stable business and operating structure.

The plan is designed to maximize the prospects for the business of Big Sky to continue, in the expectation that a greater benefit will be derived from the continued operation of Big Sky for its Affected Creditors and for the rural communities in Saskatchewan, Manitoba and Iowa in which Big Sky operates than would be derived from a bankruptcy or receivership of Big Sky.

Affected Creditors

For the purpose of voting and receiving distributions pursuant to the Plan, there shall only be one class of creditors, which shall be comprised solely of Affected Creditors. Each Affected Creditor shall be entitled to vote on the Plan at the Creditors' Meeting as part of the class of Affected Creditors, to the extent of the amount of its Proven Voting Claim.

Description of the Plan

The following description of the Plan is qualified in its entirety by reference to the full text of the Plan, a copy of which is attached to Schedule "A" to this Information Circular. Affected Creditors should carefully read the Plan in its entirety.

Treatment of Proven Distribution Claims

On the Distribution Date, each Affected Claim will be compromised, and the Monitor shall distribute to each Affected Creditor with a Proven Distribution Claim, in full and satisfaction of such Affected Creditor's Affected Claim, at the option of each Affected Creditor a cash distribution equal to either:

(i) the lesser of ninety nine per cent (99%) of the Proven Distribution Claim of the Affected Creditor and a Fixed Distribution of $3,960; or

(ii) a Percentage Distribution equal to ten per cent (10%) of the Proven Distribution Claim of the Affected Creditor.

(b) Each Affected Creditor with a Proven Distribution Claim of $4,000 or less shall be deemed to have elected to receive a Fixed Distribution (that is, a cash distribution equal to 99% of the Proven Distribution Claim of such Affected Creditor) and to have cast its Proven Voting Claim as an Affirmative Vote (that is, in favour of the Plan).

(c) Each Affected Creditor with a Proven Distribution Claim of more than $4,000 shall elect whether to receive a Fixed Distribution or a Percentage Distribution by delivering to the Monitor before the Distribution Option Deadline (being 5:00 pm (Central Standard Time) on Thursday, February 4, 2010), a properly completed and duly executed Distribution Option Election. In the event that an Affected Creditor with a Proven Distribution Claim of more than $4,000 fails to deliver a Distribution Option Election prior to the Distribution Option deadline, that Affected Creditor shall be deemed to have elected to receive a Percentage Distribution.

(d) An Affected Creditor with a Proven Distribution Claim of more than $4,000 that elects to receive a Fixed Distribution shall be deemed to have cast its Proven Voting Claim as an Affirmative Vote (that is, in favour of the Plan).

(e) An Affected Creditor with a Disputed Claim shall not be entitled to receive a distribution under this Plan in respect thereof unless and until such Disputed Claim becomes a Proven Distribution Claim.

The Applicants estimate the recovery to Affected Creditors under the Plan (assuming that all Affected Creditors substantiate a Proven Distribution Claim and optimize their recovery through the filing with the Monitor of a Distribution Option Election) will approximate $4,763,000, calculated as follows:

Affected Creditors	Estimated Claim	Estimated Payout	% Recovery
Less than $4,000	$645,804	$639,346	99%
More than $4,000, less than $40,000	$4,450,262	$1,386,000	31%
Over $40,000	$27,374,555	$2,737,455	10%
Total	**$32,470,620**	**$4,762,801**	**15%**

1.2 ***Treatment Of Sub-Debt Claims***

(a) The Sub-Debt Holders have agreed to the treatment of the Sub-Debt Claims as Affected Claims in accordance with the Plan and the Sub-Debt Claims shall be so treated under the Plan.

(b) Sub-Debt Holders have elected to and shall receive a Percentage Distribution and have agreed to and shall contribute the Sub-Debt Holders' entire Percentage Distribution to the Applicants in return for 90% of the common shares of the reorganized Applicants effective as of the Plan Implementation Date.

Implementation of the Plan

Funding of Distributions

On the Plan Implementation Date, Big Sky will pay to the Monitor an amount sufficient to fund the Plan Distribution Fund, the Disputed Claims Reserve (if any) and the distributions contemplated above, as estimated by Big Sky and the Monitor.

Restructuring Transactions

On the Plan Implementation Date, Big Sky, the Senior Secured Lenders, the Sub-Debt Holders and the Existing Common Shareholders will take the steps necessary to complete the Restructuring Transactions as follows (and as more particularly described in the Plan).

(a) Big Sky and BSMCC will create separate limited partnerships (the "**Operating Partnerships**"). Big Sky will transfer all of its operating assets, accounts payable and other debt to the Operating Partnerships in exchange for units in each of the Operating Partnerships. Big Sky will transfer 95% of the units in the Operating Partnerships to BSMCC in exchange for additional Shares in BSMCC. Big Sky will be the general partner of each of the Operating Partnerships.

(b) The Articles of Reorganization and all related and other documents shall have been filed and become effective, subject only to the occurrence of the Plan Implementation Date. The Articles of Reorganization shall provide as follows:

(i) **Sub-Debt Holders -** The Sub-Debt Holders shall contribute the dividend payable to them as Affected Creditors under the Plan in exchange for Common Shares, representing ninety per cent (90%) of the common equity of Big Sky Farms on a partially diluted basis (assuming exercise in full of all outstanding options and conversion privileges other than the Senior Options (as defined below)).

(ii) **Existing Common Shareholders** - The Existing Common Shareholders will own 5% of the common equity of Big Sky Farms Inc. on a partially diluted basis (assuming exercise in full of all outstanding options and conversion privileges other than the Senior Options).

(iii) **Senior Secured Lenders** - The Senior Secured Lenders shall surrender their pre-existing options and warrant rights in exchange for Common Shares representing 5% of the common equity of Big Sky Farms on a partially diluted basis (assuming exercise in full of all outstanding options and conversion privileges other than the Senior Options).

(iv) **Senior Options** - Big Sky will be obligated to make certain Top-Up Amount Payments on the dates that are 6, 12, 18 and 24 months after the Plan Implementation Date. In the event of a failure by Big Sky to pay a Top-Up Amount on a Top-Up Amount Payment Date, the Senior Secured Lenders shall have the right to subscribe for that number of Common Shares that is equal to 51% of the Common Shares on a fully diluted basis (the "**Senior Options**"). Upon each subsequent failure by Big Sky Farms to pay a Top-Up Amount on a Top-up Amount Payment Date, the Senior Secured Lenders shall have the right to subscribe for that number of the Common Shares that is equal to an additional 16.33% of the Common Shares on a fully diluted basis. The exercise price for the right to acquire shares upon the failure to pay a Top-Up Amount shall be $1.

(v) **Senior Loan Facilities** – The Exit Loan Facility which will provide for an operating credit facility and all related and other documents shall have become effective, subject only to the occurrence of the Plan Implementation Date and the conditions precedent therein being satisfied and fulfilled. All existing senior debt facilities will be renewed by both parties.

The actions to effect the Restructuring Transactions shall include the Articles of Reorganization and other such instruments, certificates and agreements as may be required to effect the Restructuring Transactions.

Effect of the Plan

The payment, compromise or satisfaction of any Affected Claims under the Plan, if sanctioned and approved by the CCAA Court, shall be binding upon each Affected Creditor, his, her or its heirs, executors, administrators, legal personal representatives, successors and assigns, as the case may be, for all purposes and the Plan will constitute: (a) full, final and absolute settlement of all rights of any Affected Creditor against Big Sky in respect of the Affected Claims; and (b) an absolute release and discharge of all indebtedness, liabilities and obligations of or in respect of the Affected Claims against Big Sky and all Liens granted by Big Sky in respect thereof, including any interest or costs accruing thereon whether before or after the Filing Date.

Conditions for Implementation of the Plan

Implementation of the Plan is subject to the following conditions (among others) which must be fulfilled or waived at or before the Plan Implementation Date:

i. the Plan shall have been approved by the Required Majority of Creditors;

ii. the Sanction Order shall have been granted by the CCAA Court and shall be in full force including a final determination shall have been made by the applicable appellate court, if applicable;

iii. the US Bankruptcy Court shall have entered the US Confirmation Order and the US Confirmation Order shall be in full force including a final determination shall have been made by the applicable appellate court, if applicable;

iv. the transactions contemplated under the Restructuring Transactions shall have been completed and effectuated, subject only to the completion of the transactions contemplated under the Plan;

v. all approvals, orders, determinations or consents required pursuant to Applicable Law, if applicable, shall have been obtained and shall remain in full force and effect at he Effective Time;

vi. all necessary corporate action and proceedings of Big Sky shall have been taken to approve the Plan and to enable each Applicant to the Plan, including their funding obligations; and

vii. all agreements, resolutions, documents and other instruments, which are necessary to be executed and delivered by Big Sky, or any director or officer of any Applicant in order to implement the Plan and perform its obligations under the Plan shall have been executed and delivered.

Procedure for the Plan Becoming Effective

Procedural Steps

The Plan is proposed to be carried out pursuant to the CCAA. Pursuant to the Plan, the following procedural steps must be taken for the Plan to become effective:

(a) the Plan must be approved by the Required Majority of the Affected Creditors of Big Sky in the manner set forth in the Creditor's Meeting Order and the Plan;

(b) the Plan must be approved by the Court pursuant to the Sanction Order, thereby becoming effective and binding upon all of the Affected Creditors with Affected Claims, in accordance with the terms of the Plan; and

(c) the conditions precedent for approval of the Plan must be satisfied or waived on or prior to the Plan Implementation Deadline.

Eligible Voting Affected Creditor Approval

The Creditor's Meeting Order provides that, in order for the Plan to be implemented, the Plan must be approved by the Required Majority of the Affected Creditors. For purposes of the Plan, a Required Majority of Affected Creditors will be achieved if the votes of the Affected Creditors Class with Proven Voting Claims exceeds fifty per cent (50%) of the Votes Cast and the value of the Proving Voting Claims attributable to the 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.

Proxies

Pursuant to the Plan, each Affected Creditor with a Proven Voting Claim has the right to appoint any other person or a representative of the Monitor as proxyholder to attend and act on the Affected Creditor's behalf, and may do so by inserting such person's name in the space provided on an instrument of proxy enclosed with this Information Circular, or if appointing a representative of the Monitor by leaving the space blank, and sending or delivering the completed instrument of proxy to the attention of Mike Bell at

Ernst & Young Inc.
P.O. Box 10101,
Vancouver, BC
V7Y 1C7
Fax: (604) 643-5422
E-mail: Mike.Bell@ca.ey.com

In order for a proxy holder to be able to vote on behalf of an Affected Creditor at the Creditors' Meeting, an instrument of proxy must be either:

(a) received by the Monitor prior to the time set for the Creditors' Meeting, or any adjournment thereof; or

(b) delivered to the Monitor at the Creditors' Meeting prior to the commencement of that Creditors' Meeting or any adjournment thereof.

An Affected Creditor who has given an instrument of proxy may revoke it (as to any matter on which a vote has not already been cast pursuant to its authority) by an instrument in writing executed by such Affected Creditor or by its representative duly authorized in writing, and deposited at the office of the Monitor on or before the last Business Day preceding the date of the Creditors' Meeting or any adjournment thereof, or with the Monitor at the Creditors' Meeting prior to the commencement of the Creditors' Meeting, or any adjournment thereof.

Court Approvals

The Plan requires Court approval under the CCAA.

On January 5, 2010, the Court granted the Creditor's Meeting Order pursuant to the CCAA directing, among other things, that Big Sky hold the Creditors' Meeting and providing for certain procedural matters.

If the Plan is approved by the Required Majority of Creditors at the Creditors' Meeting, Big Sky intends to commence and prosecute an application to the Court for the Sanction Order, such application to be heard by the Honourable Mr. Justice N.G. Gabrielson of the Court of Queen's Bench For Saskatchewan at the Court House, 520 Spadina Crescent East, Saskatoon, Saskatchewan at 9:00 a.m. (Central Standard Time) on Thursday, February 11, 2010.

The Sanction Order will, among other things, approve the Plan and effect the payments and distributions provided for in the Plan.