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BIG SKY FARMS INC.

Frequently Asked Questions and Answers

The Questions and Answers that follow are general in nature, and do not constitute legal advice. You are advised these general answers may not be applicable to you and you should seek legal advice with regard to your own particular situation.

Q: What is CCAA?

A: CCAA is the *Companies' Creditors Arrangement Act*, a federal government act that allows an insolvent company to take a voluntary action taken that needs to reorganize its finances and/or operations – usually because it has too much debt and/or insufficient cash flow to meet its obligations. The CCAA process allows a company to continue normal business operations as it works out a plan of reorganization with its creditors. All claims against the company from before the filing date are frozen until a plan of reorganization is developed and then approved by the bankruptcy court. The CCAA process is different than a bankruptcy process, which is a process that would serve to liquidate the assets of the company.

Q: What has happened to Big Sky Farms Inc?

A: Big Sky Farms Inc., Dry Cast Systems Inc. and Big Sky Management Consulting Corp. (collectively "BSF"), sought and obtained an order (the "Order") pursuant to the provisions of the *Companies' Creditors Arrangement Act* (the "CCAA") effective on November 10, 2009. Creditors of BSF that were owed amounts relating to obligations incurred before November 10, 2009, are generally stayed from collecting or otherwise realizing on those obligations. It is the intention of BSF to continue its business operations on a go-forward basis without interruption.

Supplier Questions

Q: How does this all affect me?

A. Any amounts owed to you for services or goods that you supplied to BSF before November 10, 2009 are subject to a court-ordered stay of proceedings. All collection proceedings, claims and court actions of creditors are stayed and no actions may be commenced against BSF during this process pending leave of the Court. Pursuant to the terms of the Order, creditors are prevented from terminating, amending or accelerating contracts or otherwise interrupting the supply of goods or services to BSF.

Q: Will I be paid for services or goods supplied on or after November 10 2009?

A: Yes, goods and services that you supply to BSF on or after November 10, 2009 are not subject to the stay provisions of the CCAA Order, and BSF will continue to make payments in accordance with normal credit terms.

Q: Will the cheque that I received from BSF be honoured?

A: Any cheques issued by BSF:

- After November 10, 2009 **will** be honoured by the banks.
- Prior to November 10, 2009 **will not** be honoured by the banks.

Q: If the date of my invoice is on or after November 10, 2009 will I get paid?

A: The cut-off for purposes of the determination of post-November 10, 2009 purchases is the date of receipt of the goods and services provided to BSF, not the date of the invoice or receipt of the invoice.

Q: How much of the money owed to me from before November 10, 2009 will I receive?

A: It is too early to say what the payout may be on your claim. The actual amount available to a specific creditor will be determined following the completion of a claims process (which has not been initiated) and the approval of a restructuring plan by the Court (following creditor approval of such plan).

Q: I am a United States Creditor but I received a Proof of Claim package from Canada, what should I do?

A: If you are a creditor of BSF, then you must file a proof of claim in accordance with the claims process.

Q: I am a creditor of BSF how do I file a proof of Claim?

A: At the current time there is no need to file claims with BSF. A claims process as determined by the Court will be commenced as part of the CCAA proceedings in the future and you will receive a copy of a proof of claim to be filed with BSF. We are not able to tell you the date on which these documents will be sent out; however, we would suggest it may be several months following the initiation of these proceedings.

Q: How do I know that if I supply goods or services to BSF during the restructuring that I will be paid?

A: BSF currently forecasts adequate funding for day-to-day operations, capital requirements, and restructuring costs. Specifically, BSF forecasts sufficient funding for payment of goods and services received on or after November 10, 2009. In addition, we have secured from our lenders a debtor-in-possession financing facility in the amount of \$7 million, which was approved by the Court.

Further information, including copies of current and future public notices and Court Orders, and press releases is available on the Monitor's website at www.ev.com/ca/bigskyfarms or by calling our information hotline at 1-877-385-4093