

UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF IOWA

In re:	)	Case No. 09-03293
	)	Chapter 15
Big Sky Farms Inc., by	)	
Ernst & Young Inc., as its Monitor,	)	MONITOR'S STATUS REPORT
	)	
	)	
Debtor in a Foreign Proceeding.	)	
	)	
	)	

Pursuant to the Court's Order Requiring Filing of Status Report entered on December 21, 2010, Ernst & Young Inc. ("E&Y" or the "Monitor"), as the Monitor of Big Sky Farms Inc. (the "Debtor"), states as follow:

1. On November 10, 2009 (the "Petition Date"), the Debtor filed for and obtained protection in the Court of Queen's Bench for Saskatchewan, Judicial Centre of Saskatoon (the "Canadian Court"), QB No. 1461 of 2009 (the "Canadian Proceeding"), in which the Canadian Court entered an Initial Order appointing the Monitor of Big Sky and providing Big Sky with protection under the Companies' Creditors Arrangement Act ("CCAA").

2. On February 11, 2010, the Canadian Court entered an Order of Sanction of Plan of Arrangement (the "Sanction Order") in which the Canadian Court determined that the CCAA requirements were satisfied with respect to Big Sky's Amended Plan and, in addition, provided as follows:

(a) Paragraph 10 of the Sanction Order provided that the CCAA Initial Order, and the stay of proceedings against Big Sky, was extended and continued to apply from February 11, 2010, to and including the earlier of (i) March 18, 2010; or (ii) one Business Day after the Plan Implementation Date, whereupon the stay will automatically terminate without further order of the Canadian Court;

(b) Paragraph 14 of the Sanction Order preserved the obligations and liens of certain "Excluded Claims";

(c) Paragraph 15 of the Sanction Order provided, effective as of the filing date of the Monitor's Distribution Funding Payments Receipt Certificate, all Affected Claims were discharged and released in accordance with the Amended Plan;

(d) Paragraph 25 (a) of the Sanction Order provided, effective as of the filing date of the Monitor's Discharge Certificate, E&Y, having fulfilled its duties as Monitor of Big Sky pursuant to the terms of the CCAA Initial Order, shall thereupon (without further order of the Court) be discharged from its duties;

(e) Paragraph 34 of the Sanction Order provided that, to the extent the claim of Farmers Cooperative Company of Hinton ("FCC-Hinton") for livestock feed is allegedly secured by a statutory lien upon the Debtor's livestock that consumed the feed, such claim shall be heard and determined and, if applicable, enforced by the U.S. Court and the Lien Claim shall not be extinguished or alternatively enforced until the U.S. Court so orders; and

(f) Paragraph 36 of the Sanction Order constituted the Canadian Court's request for the aid of the U.S. Court to give effect to the Sanction Order and to assist Big Sky, the Monitor and their respective agents in carrying out the terms of the Sanction Order.

3. On March 3, 2010, this Court entered its Order recognizing the Canadian Court Sanction Order as a final order approving the Amended Plan of Big Sky. In its Order, this Court also recognized the request of the Canadian Court seeking the aid and assistance of this Court in hearing and determining the lien issues raised by FCC-Hinton in the pigs located in the United States and accepted the request, taking jurisdiction of the dispute to hear, determine and enforce its orders and judgments in Adversary Proceeding No. 10-9007 commenced by FCC-Hinton against certain Senior Secured Lenders of the Debtor to determine such lien issues. The Order also provided that this Court shall retain jurisdiction with respect to the enforcement of the Order pending a resolution of the Adversary Proceeding.

4. On March 19, 2010, the Monitor filed its Distribution Funding Payments Receipts Certificate in which E&Y certified that Big Sky had made the Distribution Funding Payments required by Section 7.1 of the Second Amended Plan. A copy of the Monitor's Distribution

Funding Payments Receipts Certificate is attached hereto marked as Exhibit A and incorporated herein by this reference.

5. On March 24, 2010, the Monitor filed its Plan Certificate stating that the conditions precedent set out in Section 9.2 of the Second Amended Plan had been satisfied or waived in accordance with the Second Amended Plan and, accordingly, the Plan Implementation Date was March 25, 2010. A copy of the Monitor's Plan Certificate is attached hereto marked as Exhibit B and incorporated herein by this reference.

6. Pursuant to the provisions of the Sanction Order, effective on the Plan Implementation Date, each of the Affected Creditors released all Claims (other than Excluded Claims) against Big Sky (Paragraph 13), all liens in favor of Affected Creditors were discharged and extinguished (Paragraph 16), and the proposed Articles of Reorganization of Big Sky were approved, confirmed and became legally effective (Paragraph 27).

7. On November 3, 2010, the Debtor and FCC-Hinton filed a Joint Motion to Dismiss with Prejudice the Adversary Proceeding, advising the Court that the settlement anticipated in August was performed and implemented by November 1, 2010.

8. On November 4, 2010, the Monitor filed its Discharge Certificate in the Canadian Proceeding stating that it had completed its duties and obligations imposed upon it by the Initial Order, the Chapter 15 Proceeding (including the U.S.C. Confirmation Order), and the CCAA and, accordingly, the Monitor was discharged and the Canadian Proceeding was closed. A copy of the Monitor's Discharge Certificate is attached hereto marked Exhibit C and incorporated herein by this reference.

9. On November 23, 2010, this Court entered an Order granting the Motion and dismissing the Adversary Proceeding with Prejudice.

10. The above-captioned Chapter 15 case has been fully administered.
11. Filed simultaneously with this Status Report, the Monitor has filed its Motion to Discharge Monitor and Close Chapter 15 Case ("Motion").
12. Upon notice of the Motion prescribed by the Court, the Monitor requests that the Court discharge the Monitor and close this Chapter 15 case pursuant to Sections 350(a) and 1517(d) of the Bankruptcy Code, without prejudice to the right of the Monitor or the Debtor to seek an order reopening the case under Section 350(b) of the Bankruptcy Code.

Dated this 4th day of January, 2011.

Respectfully submitted,

/s/ Julie Johnson McLean

Julie Johnson McLean (AT#0005185)

Davis, Brown, Koehn, Shors & Roberts, P.C.

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Des Moines, IA 50309

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Julie.McLean@davisbrownlaw.com

ATTORNEY FOR ERNST & YOUNG INC. AS
MONITOR OF BIG SKY FARMS INC.

Copies mailed to:

John Schmillen
United States Trustee
Law Building Suite 400
225 - 2nd Street SE
Cedar Rapids, IA 52401

Big Sky Farms Inc.
10333 8th Ave.
Humboldt, Saskatchewan
S0K 2A0 Canada

PROOF OF SERVICE

The undersigned certifies that the foregoing instrument was served upon all parties to the above cause (1) to each of the attorneys of record herein based upon the Notice of Electronic Filing received from CM_ECF@ianb.uscourts.gov on January 4, 2011 served electronically upon the parties listed on the Electronic Service List herein; and (2) served by mail on the parties listed on the Mailing Service List herein by depositing a true, accurate and complete copy thereof in a United States Mail receptacle located in Des Moines, Iowa, first class, postage prepaid, on January 4, 2011.

Signature: /s/ Julie Johnson McLean

Julie Johnson McLean

**MONITOR'S DISTRIBUTION FUNDING PAYMENTS RECEIPTS
CERTIFICATE**

Q.B. No. 1461 of 2009

CANADA)
PROVINCE OF SASKATCHEWAN)

IN THE QUEEN'S BENCH
JUDICIAL CENTRE OF SASKATOON

FILED IN THE OFFICE OF THE
LOCAL REGISTRAR, THE 19
CITY OF SASKATOON 2010
LOCAL REGISTRAR

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., DRYCAST SYSTEMS INC. and
BIG SKY MANAGEMENT CONSULTING CORP.

**MONITOR'S DISTRIBUTION FUNDING PAYMENTS RECEIPTS
CERTIFICATE**

RECITALS

- A. Pursuant to the Order of this Honourable Court dated November 10, 2009 (the "CCAA Initial Order"), Big Sky Farms Inc., Drycast Systems Inc. and Big Sky Management Consulting Corp. (collectively "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.
- B. Pursuant to the CCAA Initial Order, Ernst & Young Inc. was appointed the Monitor of Big Sky (the "Monitor") with the powers, duties and obligations set out in the CCAA Initial Order.
- C. Big Sky has filed the Amended and Restated Plan of Compromise and Arrangement under the CCAA dated February 8, 2010 (the "Plan"), which Plan has been approved by the Required Majority and sanctioned by the Court.
- D. The Plan has subsequently amended on March 15, 2010 pursuant to Article 10.2 of the Plan and is now entitled Second Amended and Restated Plan of Compromise and Arrangement ("Second Amended Plan")
- E. Capitalized terms not defined herein have the meanings ascribed to them in the Amended Plan.

THE MONITOR HEREBY CERTIFIES that Big Sky has made the Distribution Funding Payments required by Section 7.1 of the Second Amended Plan.

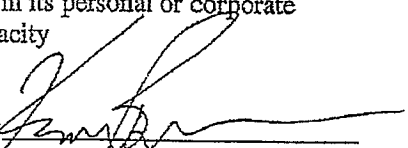
EXHIBIT

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A

DATED at Toronto, Ontario, this 19th day of March, 2010.

ERNST & YOUNG INC. in its
capacity as Monitor of Big Sky and
not in its personal or corporate
capacity

Per: 

Name: Kevin Brennan

Title: Senior Vice President

FILED IN THE OFFICE OF THE
LOCAL REGISTRAR, THE
DAY OF March 24th 2010

B. L. L. L.
DEPUTY LOCAL REGISTRAR

MONITOR'S PLAN CERTIFICATE

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")

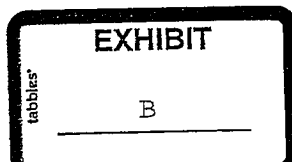
AND IN THE MATTER OF A PROPOSED PLAN OF ARRANGEMENT FOR THE
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BIG SKY MANAGEMENT CONSULTING CORP.

MONITOR'S PLAN CERTIFICATE

RECITALS

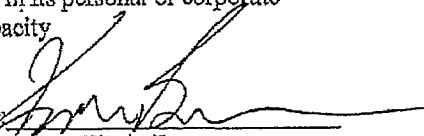
- A. Pursuant to the Order of this Honourable Court dated November 10, 2009 (the "CCAA Initial Order"), Big Sky Farms Inc., Drycast Systems Inc. and Big Sky Management Consulting Corp. (collectively "Big Sky") filed for and obtained protection from their creditors under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended.
- B. Pursuant to the CCAA Initial Order, Ernst & Young Inc. was appointed the Monitor of Big Sky (the "Monitor") with the powers, duties and obligations set out in the CCAA Initial Order.
- C. Big Sky has filed the Amended and Restated Plan of Compromise and Arrangement under the CCAA dated February 8, 2010 (the "Plan"), which Plan has been approved by the Required Majority and sanctioned by the Court.
- D. The Plan was subsequently amended on March 15, 2010, pursuant to Article 10.2 of the Plan and is now entitled Second Amended and Restated Plan of Compromise and Arrangement ("Second Amended Plan")
- E. Capitalized terms not defined herein have the meanings ascribed to them in the Plan.

THE MONITOR HEREBY CERTIFIES that the conditions precedent set out in section 9.2 of the Amended Plan have been satisfied or waived in accordance with the Amended Plan on March 24, 2010 and that accordingly, the Plan Implementation Date is March 25, 2010.



DATED at Calgary, Alberta, this 24th day of March, 2010.

ERNST & YOUNG INC. in its
capacity as Monitor of Big Sky and
not in its personal or corporate
capacity

Per 

Name: Kevin Brennan

Title: Senior Vice President

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")

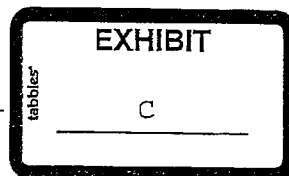
AND IN THE MATTER OF A PROPOSED PLAN OF ARRANGEMENT FOR THE
CREDITORS OF BIG SKY FARMS INC., DRYCAST SYSTEMS INC. and
BIG SKY MANAGEMENT CONSULTING CORP.

MONITOR'S DISCHARGE CERTIFICATE

RECITALS

- A. Pursuant to the Order of this Honourable Court dated November 10, 2009 (the "CCAA Initial Order"), Big Sky Farms Inc., Drycast Systems Inc. and Big Sky Management Consulting Corp. (collectively "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.
- B. Pursuant to the CCAA Initial Order, Ernst & Young Inc. was appointed the Monitor of Big Sky (the "Monitor") with the powers, duties and obligations set out in the CCAA Initial Order.
- C. Big Sky has filed the Amended and Restated Plan of Compromise and Arrangement under the CCAA dated February 8, 2010 (the "Plan"), which Plan has been approved by the Required Majority and sanctioned by the Court.
- D. The Plan was subsequently amended on March 15, 2010, pursuant to Article 10.2 of the Plan and is now entitled Second Amended and Restated Plan of Compromise and Arrangement ("Second Amended Plan")
- E. Capitalized terms not defined herein have the meanings ascribed to them in the Plan.

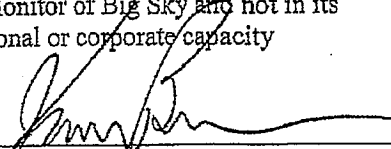
THE MONITOR HEREBY CERTIFIES that, in the sole opinion of the Monitor, the Monitor has completed the duties and obligations imposed upon it by the CCAA Initial Order, the Chapter 15 Proceedings (including the US Confirmation Order) and the CCAA. Accordingly, pursuant to the CCAA Initial Order and the Plan, the Monitor is discharged.



FILED IN THE OFFICE OF THE
LOCAL REGISTRAR, THE 4th
DAY OF NOV 2010
Bulrezah
DEPUTY LOCAL REGISTRAR

DATED at Vancouver, BC, this 3 day of November, 2010.

ERNST & YOUNG INC. in its capacity
as Monitor of Big Sky and not in its
personal or corporate capacity

Per: 

Name: Kevin Brennan

Title: Senior Vice President