

January 10, 2014

There is only one result that counts: final victory. Until then, nothing is decided, nothing won, and nothing lost. In this form of war we must always keep in mind that it is the end that crowns the work."

– Carl von Clausewitz

Dear friends and partners,

Investment Update

We have now completed our second full year of investment operations. Since launching in September 2011, the Ewing Morris Opportunities Fund has returned 38%, or 14.7% annually, net of all fees and expenses. The family of limited partners continues to grow with the addition of six new investors in the fourth quarter of 2013. We now have 80 limited partners and every limited partner invested in the Fund has experienced a positive return.

As we begin 2014, we remain focused on protecting capital and growing towards our goal of doubling money within a reasonable period. Although we are pleased with our progress, we are reminded that it is not during up years that great investment track records are made. The real investment challenge is to deliver in difficult times. We are currently invested in twenty-seven (sixteen long, eleven short) understandable and largely unrelated businesses.

Commentary

A new year is a natural time to make predictions and, with rising valuations, a market correction in 2014 is certainly possible. In reality, however, predicting short-term market moves is a low probability exercise and making investment decisions based on those predictions is risky. At Ewing Morris, we don't charge in when we "like the market" and retreat when we don't. Nor do we act complacent after experiencing near-term investment success.

While we would like to think our investments are so good that they would be immune to a market decline, it would be extremely naïve to do so. In response to rising valuations we have reduced the size of our investment in four holdings while a fifth is subject to a pending takeover bid. Consequently, our cash position is rising and represents about 20% of the fund, its highest level since inception. When you combine our cash position (~20%) and our short investments (~25%) our exposure to equity markets is now just 55%. This means that if the broad market declined by 10%, our investments would be expected to decline by only 5.5%, less if we've chosen our investments wisely. We feel confident that we have positioned our portfolio in a manner that allows us to continue our advance yet offers downside protection in a broad market sell-off.

It's important to remember that the stock market is a no-called-strike game where you don't have to swing at every pitch. You can wait patiently, only swinging at pitches when the odds of success are high. The problem is that most investment firms feel obligated to swing at every pitch because evaluation of their performance is measured frequently and relative to a benchmark. In effect their clients are often sitting on the sidelines yelling, "Swing, you bum!" The pressure from clients to be

fully invested at all times and make short-term decisions is often to the detriment of long-term returns.

At Ewing Morris, we are fortunate to have limited partners that measure our success over a multi-year time horizon. This provides a *tremendous* advantage over the majority of people that are thinking short-term. There will be periods in the future when broad markets have declined and high quality businesses have become cheaper. This will be a period where we expect to be deploying rather than accumulating cash and we will rely on our limited partners to be adding, rather than subtracting capital, in the face of short-term pressure. We believe that having an established a limited partner base of knowledgeable and sophisticated families is another structural advantage of the Ewing Morris Opportunities Fund LP.

Miscellaneous

We would like to welcome the newest member of our Advisory Board, Bill Stedman. Bill is the past President and Chief Executive Officer of Pembina Pipeline Corporation and is currently the Chairman and Chief Executive Officer of ENTx Capital Corporation. He is a member of the boards of several companies including Keyera Corp. and OMERS Energy Inc. Bill is based in Calgary, Alberta and has extensive experience investing in the energy industry. We are very pleased to welcome him to the Advisory Board.

We would also like thank Faizal Shaikh for a job well done during the fall term while welcoming Rahul Amarasinghe to our team. Rahul joins us for his co-op semester from Wilfred Laurier University where he is a third-year student in a double degree program of Business Administration and Financial Mathematics.

We expect to launch the Ewing Morris Opportunities Trust Fund by March 1, 2014 in order to accommodate 2013 RRSP and TFSA contributions. If we can be of service in managing your RRSP or TFSA, please let us hear from you.

Limited partners will have received their year-end investment statements earlier this week and PwC has begun their audit. We plan to deliver our audited Annual Report to Limited Partners and release final tax information by the end of March.

As always, please do not hesitate to contact us if there is anything unclear in this letter.

Cordially,

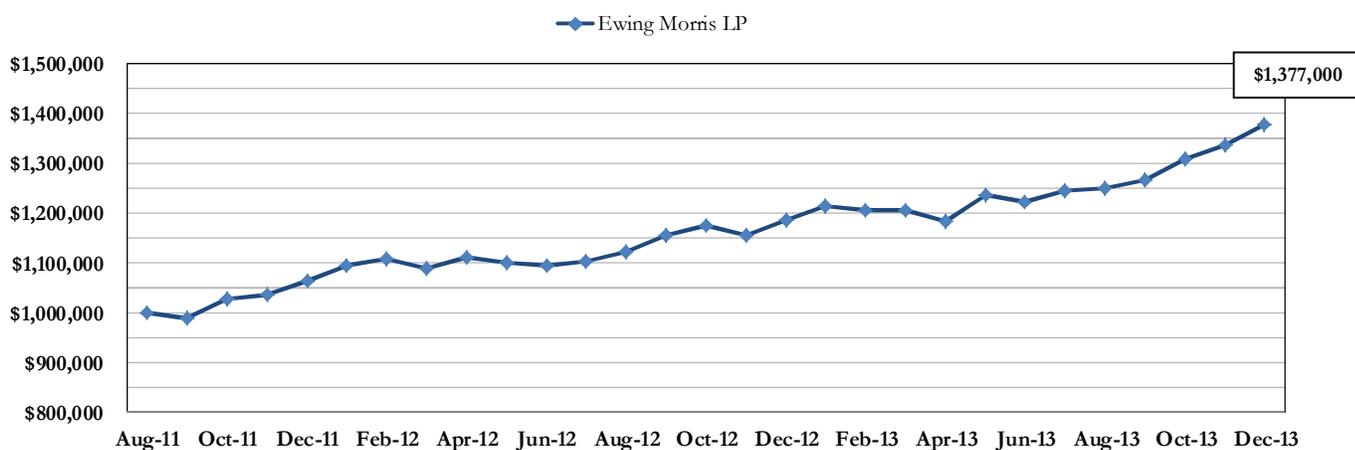


John Ewing
Co-Founder



Darcy Morris
Co-Founder

Growth of \$1 million invested since inception* of LP as of December 31, 2013



*September 11, 2011

About the Ewing Morris Opportunities Fund LP:

The Ewing Morris Opportunities Fund LP was established by John Ewing and Darcy Morris in September 2011 to achieve preservation and growth of capital through superior securities selection. The Partnership invests in securities that are inefficiently priced based on a number of factors. The Partnership is focused on North American-based small-capitalization companies.

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