

March 1, 2013

“There is just as much reason to exercise care and judgment in *being* as in *becoming* a stockholder.”  
– Ben Graham

Dear partners and friends,

### Investment Update

The Ewing Morris Opportunities Fund is currently invested in twenty-six (sixteen long, ten short) understandable and largely unrelated businesses. As of February 28, 2013 the Partnership has returned approximately 20%, net of all fees and expenses, since inception on September 9, 2011.

### Commentary

Stocks are often mispriced for a variety of reasons. Sometimes mispricing occurs because short-term negative issues or headline risks obscure the long-term potential of a business. Other times, the stock market may unduly focus on a company's earnings while ignoring the value of its assets. In each case, an opportunity is created to buy at a discount and wait for the market price to more accurately reflect the underlying value. We refer to the ability to wait patiently for an undervaluation to correct itself as a form of *time arbitrage* and it is most relevant to our [Cheap Asset play](#).

When we buy cheap assets we account for the fact that sometimes the investment will work out very quickly while other times it may take several years. We also recognize that the rate of return improves substantially as the timeline shortens. For instance, if it takes 3 years instead of 5 years for a stock to appreciate 100%, the annual return will be 26% rather than 15%. For this reason we look for opportunities to suggest corporate actions that may help the price/value gap close within a shorter timeframe.

Being *proactive shareholders* means presenting an argument to management on different methods to unlock the underlying asset value. This includes: stock buybacks; balance sheet restructuring; mergers and acquisitions, strategic Board nominees, or taking the company private.

Where we are proactive, our goal is always to be constructive rather than antagonistic shareholders. In our view, CEOs, particularly those running smaller companies, often appreciate our perspective on how investors view their company. They seem willing to trust advice when they see we are committed, long-term shareholders who demonstrate as much interest in the performance of the business as in the performance of the stock.

In all instances the underlying investment analysis is the same and for the majority of our investments we have nothing to add on corporate policy. A proactive approach applies mainly to the “Cheap Assets” component of the Ewing Morris Playbook which currently accounts for about 20% of the Partnership.

Miscellaneous

PwC has almost completed their audit and our administrators at Apex Fund Services are preparing your tax information. We plan to deliver our Audited Annual Report to Unitholders and release the T5013 tax slips by the end of March.

We are very pleased to welcome Deana Chadillon to the team as our Executive Assistant.

Please let us hear from you if you have any questions regarding this letter or your investment in the Partnership. If you are aware of anyone that may be interested in learning more about our firm, we would be pleased to speak with them.

Cordially,

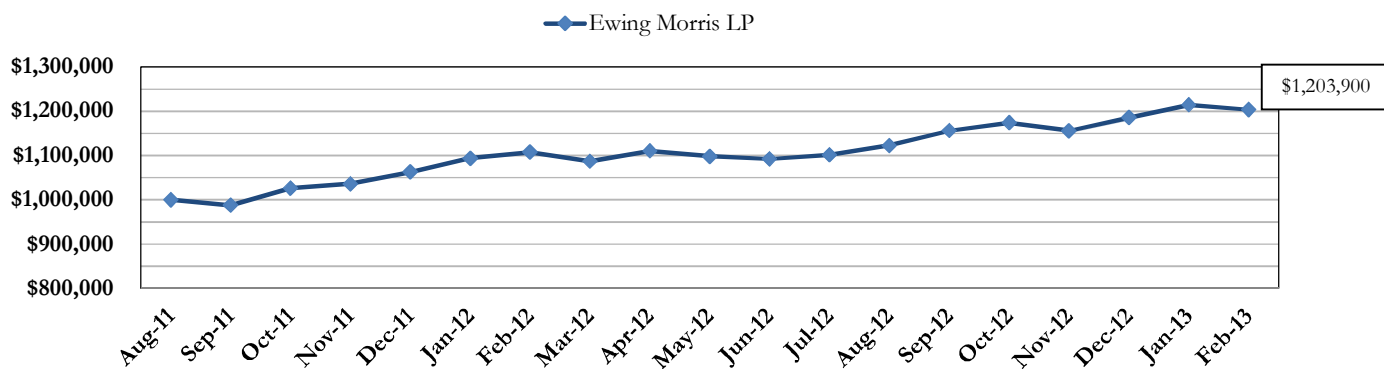


John Ewing  
Co-Founder



Darcy Morris  
Co-Founder

Growth of \$1 million invested since inception\* as of February 28, 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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*This letter does not constitute an offer to sell or the solicitation of an offer to buy any interest in the Ewing Morris Opportunities Fund LP. Such an offer to sell or solicitation of an offer to buy interests may only be made by way of a definitive subscription agreement and are only available to investors who meet legal requirements for investor suitability and sophistication.*