EWING
MORRIS
INVESTMENT PARTNERS LTD.

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June 3, 2013

"If the job has been correctly done when a common stock is purchased, the time to sell is – almost never."
– Phil Fisher[1]

Dear partners and friends,

Investment Update

The Ewing Morris Opportunities Fund is currently invested in twenty-seven (fifteen long, twelve short) understandable and largely unrelated businesses. As of May 31, 2013 the Partnership has returned approximately 22% net of all fees and expenses, since inception on September 9, 2011.

Our net exposure is currently 74% and our largest single stock holding is approximately 15% of the Partnership assets. The Partnership's top 10 positions constitute 89% of total assets. We continue to believe that a concentrated portfolio of smaller-cap companies managed by people with directly aligned incentives should lead to superior investment results.

Commentary

When to sell is an important but often overlooked part of the investment process. We apply several rules to selling:

1. ***Sell if the initial thesis is proven wrong.*** Often investors will buy something for Reason A, later discover that Reason A is false, but convince themselves to retain the investment for Reason B. This is called thesis creep. The human mind dislikes both losses and inconsistency. The natural tendency when a decision doesn't work is to distort reality to avoid recognizing a mistake. We counteract this tendency with process. We justify each investment in writing and regularly refer back to our original thinking. If our justification is proven wrong, we sell automatically.

2. ***Sell if we find something much better than what we already own.*** When considering a new investment we will compare it to another we already own. We will switch only if the new investment offers similar return potential with substantially less *risk* or if the new investment offers substantially better return potential with similar risk.

3. ***Be a reluctant seller of Great Businesses and Great Capital Allocators.*** Companies with the ability to compound at high rates for a long time are scarce and difficult to replace. When we began in September 2011 we owned two Great Businesses and four Great Capital Allocators. We have subsequently invested in two more Great Businesses. We remain invested in all eight today.

4. ***Be an aggressive seller of Cheap Assets and Broken Businesses.*** These investments usually have finite return potential. For example, if we pay $5 per share for a company we think is worth

[1] http://en.wikipedia.org/wiki/Philip_Arthur_Fisher

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$10, our return potential is 100%. If the stock price climbs to $8 our remaining return potential falls to 25%. At this point it is easy to convince yourself that the $10 appraisal was conservative and that the stock is actually worth $15. This thinking is dangerous. It is far too common for the stock price to revert while waiting to squeeze the last nickel out of an investment. We much prefer to sell and switch into a more heavily discounted investment. In September 2011, we had investments in five Cheap Assets and three Broken Businesses. We have since sold all but one of these investments.

At Ewing Morris & Co. we believe that decision making is systematically improved by minimizing the impact of emotions. Similar to when we purchase securities, we employ a game plan that allows us to make dispassionate sell decisions.

Miscellaneous

We are pleased to welcome four new investors this month. We now have 73 limited partners, residing in Ontario, Alberta and British Columbia. The Partnership remains open to new limited partners.

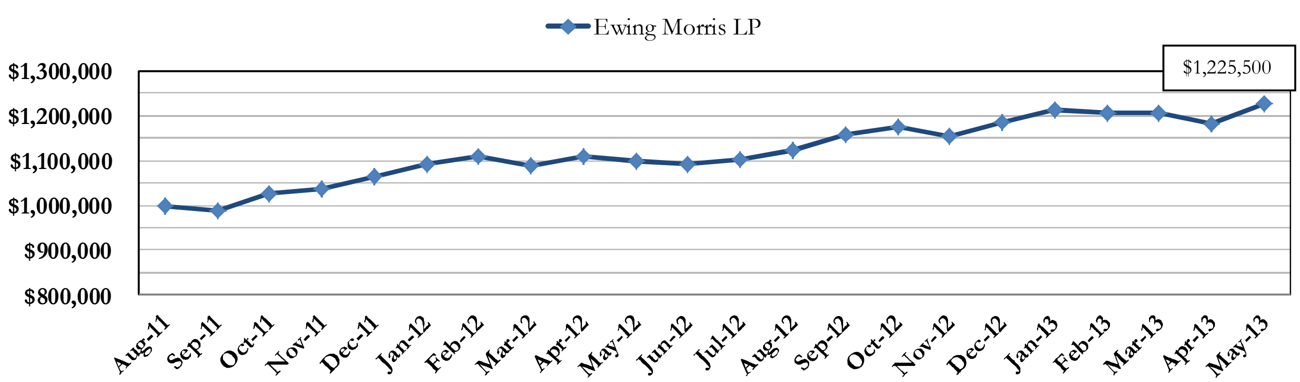
Please let us hear from you if you have any questions.

Cordially,

John Ewing
Co-Founder

Darcy Morris
Co-Founder

Growth of $1 million invested since inception* as of May 31, 2013



**September 11, 2011*

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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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