EWING
MORRIS
INVESTMENT PARTNERS LTD.

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"It is a common defect in man not to make any provision in the calm against the tempest"
– Niccolo Machiavelli

Dear friends and partners,

Investment Update

Since launching in September 2011, the Ewing Morris Opportunities Fund has returned 47%, or 14.5% annually, net of all fees and expenses. The family of limited partners continues to grow with the addition of five new investors in the second quarter of 2014. We have also had 51 new investors join us in the newly formed Ewing Morris Opportunities Trust Fund, designed specifically for RSP and TFSA accounts, with commitments from almost 100 additional investors.

In May it was announced that one of our portfolio companies, DDS Wireless International, was subject to a take-private bid by the founder & CEO, Vari Ghai, at a price of $2.25 per share. The Ewing Morris Opportunities Fund LP owned 5% of the company at an average cost of $1.85. In our opinion the company is worth more than $2.25 per share but we also recognized the business faced significant long-term threats. We decided it was to our advantage to sell and the Partnership achieved a satisfactory 30% return on this investment. The previously discussed privatization of our investment in NTS, Inc. was also completed during the past quarter.

Commentary

When we analyze a business, the most important question we must answer is, "what could go wrong?" One important risk we consider is customer concentration. Any business is vulnerable when it relies on a single customer for a large portion of its revenue. For example, MoneyGram relies on Wal-mart for about 30% of its sales. So Wal-mart's announcement in April 2014 that it would offer a competing service was problematic for MoneyGram. MoneyGram's stock declined 30% in one day.

Similarly, client concentration is a risk for investment managers. A redemption by a large investor can cause problems not only for the manager but for the other limited partners too. The risk is that the manager could be forced to sell investments at an inopportune time with negative consequences for the remaining limited partners.

In order to guard against this unfortunate fate at Ewing Morris & Co., we have established a number of defenses:

1. *We focus on attracting stable, long-term investors.* This is the most important safeguard we have as well as the most difficult to measure. In the future, the market value of the Partnership's assets will inevitably decline because the prices, rather than quality, of our investments have become cheaper. We need limited partners that will understand the situation and will

consider adding to their investment instead of redeeming. In return, it is our duty to communicate frequently and candidly.

2. *We match our portfolio liquidity with the fund's redemption terms*. We regularly assess how long it would take to sell an investment based on the size of our investment and the stock's recent trading volume. We make sure the Partnership's investments are not over-weighted to stocks that could not be sold quickly in the event of a large redemption.

3. *We closely monitor client concentration.* Our largest outside investor accounts for 12% of the Partnership's assets. Since inception our cash position has averaged 15% therefore maintaining the ability to redeem our largest investor immediately with no impact to other limited partners.

4. *A large portion of the Partnership's assets belong to Ewing Morris & Co. shareholders and teammates*. Currently 20% of the Partnership's assets belong to Ewing Morris & Co. shareholders and teammates. This gives us the ability to hold our less liquid positions with internal capital. While the percentage of internal capital may decrease as the Partnership expands, Ewing Morris & Co. operating partners will continue to keep a very large portion of their net worth invested in the Partnership.

In periods of broad market declines liquidity can evaporate and even the most loyal limited partner could be forced to redeem to fulfill other financial commitments. However, constant vigilance combined with a sound plan to handle unforeseen redemptions should protect both Ewing Morris & Co. and, more importantly, our limited partners from the risks posed by client concentration and the underlying liquidity of our investments.

Miscellaneous

We are excited to announce the addition of Alex Ryzhikov to our team. Alex's primary responsibility is performing in-depth business analysis on prospective investments. You can learn more about Alex and his approach to investing on our blog.

The Limited Partnership and the new Trust remain open to new investors. We continue to believe that joining us in the relatively early stages of our firm's existence is likely to offer the greatest return over time.

As always, if you have any questions at all please let us know.

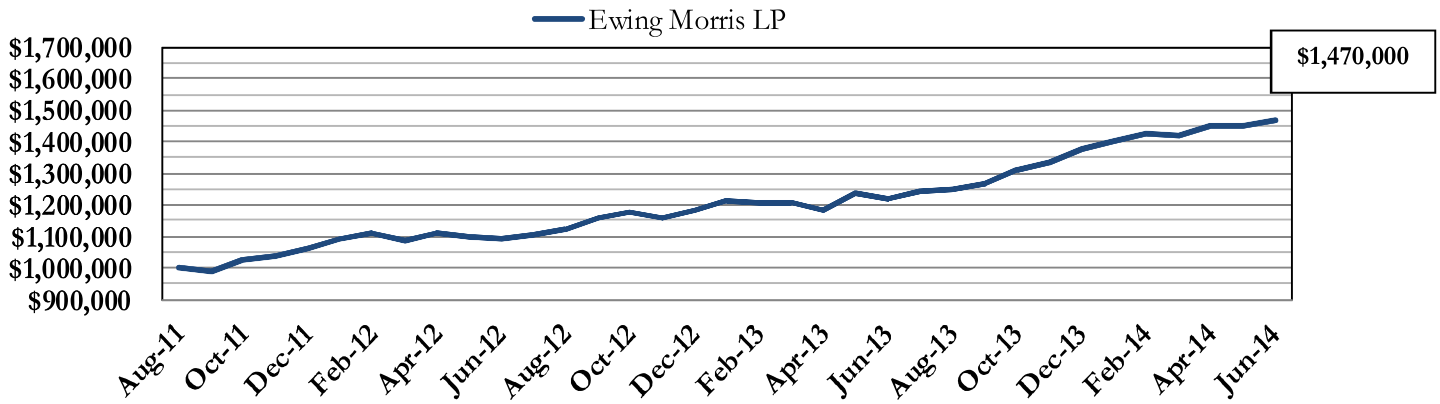
Cordially,

John Ewing | Darcy Morris

John Ewing
Co-Founder

Darcy Morris
Co-Founder

Growth of $1,000,000 invested since inception* of LP as of June 30, 2014



**September 11, 2011, net of fees and expenses*

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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