

Tim's "I am here" sheet

as at December 31, 2001

To my Partners:

As usual for the December quarter, this is just a brief update. The Annual Report (including audited statements for both the Trust and the LP) will be mailed in a month or so and will provide further details.

The McElvaine Investment Trust:

The preliminary 31Dec01 price for the Trust is \$15.76. This represents a gain for 2001, net of all fees and expenses, of +28%. By comparison, the TSE Total Return index fell by 12.6% for the year.

KPMG has reviewed the tax situation of the Trust and concluded no distribution (neither income nor capital gains) was required. As such, no T3s will be issued.

The McElvaine Investment Limited Partnership:

The preliminary 31Dec01 price for the LP is \$27,705. This represents a gain for 2001, net of all fees and expenses, of +13.9%. By comparison, the Morgan Stanley World Index (in Canadian dollars) fell by 11.5% for the year.

As indicated in the preliminary tax schedule, the LP has an income loss and capital gains. Final figures from KPMG will follow once the audit is complete.

I have help:

Believe it or not, I actually have help. Kim Nazaroff, against her better judgment, has joined me at McElvaine Investment Management as Operations Manager. Her job is to do everything that is not investment related! More to the point, if you have any admin-related questions about your investment with us, call Kim. She is very good and I am delighted she has chosen to join me.

Conclusion:

I like what I do, I like what we own in the portfolios, and I appreciate your support.

Take care,

Tim McElvaine
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