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FOR THE NINE MONTHS ENDED

March 31, 2014

Beaumont Select Corporations Inc.

Beaumont Select Corporations Inc.

REPORT TO SHAREHOLDERS

The Investment Division saw an 86.3% growth in its equity in its first nine months, as stock markets continued to advance. The Investment Division earned $19.15 million, comprised mainly of unrealized gains of $11.9 million and realized gains of $6.7 million. The third quarter was also successful; with unrealized gains of $3 million and realized gains of $2.15 million.

Subsequent to the end of the quarter, the Corporation finalized its sale of Naleway Foods Ltd. As sales declined and margins were squeezed, the Corporation considered selling or closing this subsidiary, but a search for a sale to a larger competitor proved unfruitful. In the end, a management group came forth with an offer.

The negotiations concluded with the Corporation continuing to own 20% of Naleway Foods Ltd, as well as $1.3 million of preferred shares. The 80% of shares will be sold for nominal value, and the Corporation was released from all liabilities and guarantees from Naleway Foods Ltd.

The transaction was effective February 28, 2014, so the Corporation included sales and expenses of this division up to the effective date. Therefore the Corporation has included only eight months of sales and expenses for this division, compared to the prior year with nine months sales.

Going forward the Corporation will cease to have a food division, and is now working to expand its real estate holdings from its current Winnipeg building with an external lease all of which real estate activity will be contained in a real estate division. Assets such as the Winnipeg building and its corresponding mortgage will come under this division.

The Corporation's interim financial statements for the third quarter ended March 31, 2014 were not audited or reviewed by the Corporation's auditors. This quarterly Management's Discussion and Analysis (MD&A) was made as of May 28, 2014.

FINANCIAL HIGHLIGHTS

The Corporation's financial results for the three and nine months ended March 31, 2014 compared to the same period in the previous fiscal year included the following:

- Markets moved up as the US Federal Reserve continued its bond buying program, continuing to add cash to the market. The Investment Division produced a 7.3% increase in the equity of the portfolio during the third quarter, and a 86.3% increase during the first nine months of the year

millions	**Mar 31, 2014**	Dec 31, 2013	Jun 30, 2013	3 mon. Change	9 mon. Change
Portfolio value	**$60.148**	$59.320	$ 34.590	1.4%	73.9%
Margin Loan	**26.274**	27.758	16.412	(5.3%)	60.1%
Equity in Portfolio	**$33.874**	$31.562	$18.178	7.3%	86.3%

- Net income for the quarter was 23 cents per share, up from 12 cents per share in the third quarter of the prior year.

CORPORATE PROFILE

Beaumont Select Corporations Inc. is a management corporation, which directs investments in the food processing and real estate industries, as well as a portfolio of equity securities.

The Food Division concentrates on providing high quality private label and branded products of a specialty nature in the food sector. These products are distributed to food wholesalers and retailers in North America including most major retail chains. The products are produced by a wholly owned subsidiary, Naleway Foods Ltd., located in Winnipeg, Manitoba in a Canadian Food Inspection Agency (CFIA) certified plant owned by the Corporation. Effective April 23, the food division will be discontinued, and the building will be transferred to a real estate division.

The Corporation manages a portfolio of equity securities held for investment purposes. The corporate Investment Division operates within defined parameters as established by the Board of Directors and reports to the Investment Committee of the Board.

	Three Months Ended		Nine Months Ended	
	March 2014	March 2013	**March 2014**	March 2013
Net Sales	**$2,582,079**	4,128,771	**$9,984,807**	$11,236,646
Operating Income (Loss)	**(13,906)**	(142,425)	**(151,394)**	(1,063,112)
Net Income (Loss)	**3,778,650**	1,868,758	**$15,416,189**	1,699,169
Net Income (Loss) per share -basic	**0.23**	0.12	**0.95**	0.10
Net Income (Loss) per share -diluted	**0.23**	0.11	**0.95**	0.10
Funds from (required by) Operations	**(299,716)**	23,495	**(481,898)**	44,300
EBITDA	**4,562,206**	2,285,647	**18,355,739**	2,805,434
EBITDA per share – basic	**0.28**	0.14	**1.14**	0.17

	As at	
	March 2014	June 2013
Total Assets	**$74,791,877**	$48,575,677
Shareholder's Equity	**39,993,000**	24,576,811
Shares outstanding	**16,166,097**	16,166,097

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following Management's discussion and analysis (MD&A) of the results for the three months (referred to as the third quarter or Q3), and nine months (referred to as the first nine months) in the fiscal year ending June 30, 2014 (referred to as 2013-14) should be read in conjunction with the Corporation's audited consolidated financial statements for the year ended June 30, 2013 and the accompanying notes as well as the Corporation's unaudited consolidated financial statements and notes for the three and nine months ended March 31, 2014. All financial information is reported in accordance with International Financial Reporting Standards (IFRS) unless noted otherwise.

The financial measure of earnings before interest, taxes, depreciation and amortization (EBITDA) or funds from operations referred in this MD&A do not have a standardized definition prescribed by IFRS and are therefore not readily comparable to similar measures presented by other corporations even in the same industry. The Corporation's method of calculating EBITDA and funds from operations may not be comparable to similarly titled amounts reported by other issuers. The Corporation believes these earnings measures are useful supplemental measures of performance, as they provide investors with an indication of the amount of funds available for reinvestment or distribution to shareholders. Investors should be cautioned, however, that EBITDA and funds from operations should not be construed as alternatives to using net income as a measure of profitability or the statement of cash flows as a measure of liquidity and cash positions.

CONSOLIDATED FINANCIAL ANALYSIS

Revenues

Subsequent to the end of the quarter, the Corporation finalized its sale of 80% of Naleway Foods Ltd. which transaction was effective February 28, 2014. Therefore the Corporation has only included eight months of sales and expenses for this division.

Overall revenues for the first nine months of fiscal 2013-14 decreased 11% (or $1.252 million) from the first nine months of 2012-13 to $9.985 million (37% during the third quarter). Comparing just the first eight months of the current fiscal year to the same period, revenues are only down 2% (down 16.3% for the first two months of the third quarter alone) as promotional sales were a key focus in the second and third quarter of the prior year in trying to catch up after the shutdown.

Financing Expenses

Interest on term debt, lines of credit and bank charges totalled $24 thousand for the third quarter ($80 thousand for the first nine months), down from $41 thousand during the third quarter of 2012-13 ($117 thousand for the first nine months). In the prior year the Corporation was awaiting its insurance claim, which has since been settled.

Interest on margin loans for investments in equity securities increased to $259 thousand for the third quarter of 2013-14 compared to $112 thousand in the same quarter of the prior year. For the nine month period margin interest totalled $684 thousand, up from $299 thousand. During the first nine months the average margin loan was $22.329 million, up from $9.828 million for the first nine months of 2012-13, while for the third quarter the average margin loan was $25.204 million, up from $11.22 million in the third quarter of the prior year. The effective margin interest rate was 4.1%, the same as in the previous third quarter.

The quarter's average margin loan represented 46.7% of the portfolio value (46.7% for the first nine months), a minor decrease from 46.8% in the same period in the prior year. The use of leverage is dependent on the opportunities in the equity markets, and the Corporation continued to find investments that met its investment criteria.

Other Income

The Investment Division's contribution to other income included realized gains of $2.149 million for the third quarter and $6.706 million for the first nine months. The third quarter and first nine months gains were in the retail and diversified commercial sectors. Unrealized gains were $3.002 million for the third quarter and $11.904 million for the first nine months of the year. The retail and services sectors contributed to most of the unrealized gains for the three and nine month periods.

In addition, the portfolio generated dividends of $277 thousand for the third quarter, and $1.224 million for the first nine months. Dividends were up 55% over the previous third quarter due to a much larger portfolio. The percentage of dividend paying stocks decreased to 85.6% by the end of the third quarter, from 91% at the beginning of the year.

The remaining investment income of five thousand dollars in the third quarter represented interest accrued on debentures held by the Corporation, compared to eleven thousand dollars in the prior year third quarter.

Net Income

Net Income from continuing operations before income taxes was $4.152 million for the third quarter compared to $1.949 million for the same period in the previous year. For the first nine months, profit moved to $17.098 million compared to a prior gain of $1.838 million. The gain was created by the Investment Division due to the realized and unrealized gains on equity investments.

Cash Flow from Operating Activities, EBITDA

Cash flows from operating activities for the latest three months fell to negative $189 thousand from a positive $246 thousand in the same period of 2012-13. For the nine month period cash from operating activities was $700 thousand, an improvement from negative $221 thousand in the previous nine month period. Cash flow was unusual in the prior year due to the need to restock all raw materials, as well as waiting for an insurance claim to be processed.

EBITDA for the third quarter of 2013-14 increased to $4.56 million ($0.28 per basic share) from $2.286 million ($0.14 per basic share) in the third quarter of the prior year. The increase was due to increased earnings from the Investment Division.

Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) is a non-IFRS measure commonly used by financial analysts and investors to show the cash generation potential of the Corporation, unaffected by its method of capitalization. The material difference between EBITDA and cash flow from operating activities is the inclusion of realized and unrealized gains in EBITDA, and the exclusion of working capital changes.

EBITDA

	3 months		9 months	
	Mar 14	Mar 13	**Mar 14**	Mar 13
Comprehensive Income	**$3,778,650**	$1,868,758	**$15,416,189**	$1,699,169
Add back:				
Margin Interest	**259,231**	112,087	**683,952**	299,329
Loan Interest	**23,777**	41,477	**80,282**	117,315
Current Taxes	**(33,964)**	303	**646**	63,454
Deferred Taxes	**406,864**	79,546	**1,681,663**	75,738
Depreciation	**127,648**	183,476	**493,007**	550,429
EBITDA	**$4,562,206**	$2,285,647	**$18,355,739**	$2,805,434

Deferred Tax Assets and Liabilities

The Corporation's balance sheet includes a total of $4.077 million of deferred tax assets and $4.707 million of deferred tax liabilities. The Corporation's ability to realize the value of the deferred tax assets is dependent upon the Corporation generating taxable income within the time frame for those tax losses that have an expiry or taxable capital gains for those tax losses that are of a capital nature. The Corporation currently believes those conditions can be met. In the event such an assessment no longer seems reasonable, an impairment to that asset will have occurred and a corresponding impairment charge will be required at that time. The appropriateness of the deferred tax liability (and also deferred tax assets) carried on the Corporation's balance sheet is in turn monitored and tested through the regular annual income tax filing process.

Related Party Transactions

The following related party transactions occurred during the third quarter of 2013-14:

Management fees were charged by companies associated with the Chairman, CEO for management services which are included in corporate and administrative expenses aggregating $70,514 during the quarter.

Fees were paid to directors of the Corporation for professional, management and other services rendered during the quarter in the ordinary course of business. The aggregate $59,800 of such expenses was included in corporate and administrative expenses during the nine months, and $22,200 for the latest quarter.

Rent of $20,550 was paid to Somerset Properties Ltd, a corporation 80.7% controlled by the Chairman.

FINANCING ACTIVITIES & LOANS

During the third quarter of 2013-14 the Corporation repaid $37 thousand on its credit lines, including payments made on its term loans. For the first nine months the bank loans have been paid down by $1.159 million.

During the third quarter the margin loan balance decreased $1.484 million to $26.274 million, and grew $9.862 million compared to the beginning of the fiscal year. The outstanding margin loan balance at March 31, 2014 represented 43.7% of the portfolio's market value, a decrease compared to 47% of the portfolio's market value as of June 30, 2013. The average margin loan for the third quarter was $25.204 million, and $22.329 million for the first nine months. As the portfolio grew in value, additional investments were purchased, but management was careful not to increase the leverage ratio.

LIQUIDITY AND CAPITAL RESOURCES

At March 31, 2014, the Corporation had total operating credit facilities of $2.263 million with various institutions of which $2.263 million was available at the end of the third quarter, all within Naleway Foods Ltd. The operating facilities may be drawn down or repaid at any time, and there are no scheduled repayment terms. The Corporation believes that available cash flow from operations, working capital surplus and its borrowing facilities will be sufficient to fund its required limited capital expenditures and debt repayment obligations. Any material capital expenditure will likely require new credit facilities as a supplement to existing cash reserves. The Corporation and its affiliates were in compliance with all banking ratios during the third quarter.

Dividends and income trust distributions from the Investment Division of $277 thousand exceeded margin interest expense of $259 thousand for the third quarter and continue to be cash flow positive net of margin interest charges.

The Corporation understands that income trust distributions and dividends are not guaranteed, can be reduced or eliminated at any time, and can be made up of returns of capital. In order to ensure positive cash flow from the equity portfolio, individual investments may be sold and / or replaced from time to time in order to rebalance the portfolio.

Most large investment holdings are in liquid stocks, and provide an available cash source to fund any new or existing investments. The margin usage and the investment in dividend paying stocks has the distributions exceeding margin interest for the latest quarter. The Corporation has occasionally realized portions of its equity securities portfolio as and when capital resources were required for operations.

Quarterly results are unaudited.
$ Thousands (except per share data)

	2014			**2013**				**2012**	
	Q3	Q2	Q-1	Q-4	Q-3	Q-2	Q-1	Q-4	Q-3
Revenue	$2,582	$3,761	$3,642	$3,398	$4,129	$4,536	$2,572	$4,506	$4,315
Op Margin	(14)	(20)	(118)	(1,371)	(142)	(96)	(825)	121	(39)
Income (Loss) after tax	3,779	6,659	4,979	1,407	1,869	(1,302)	1,132	(192)	1,193
EBITDA	4,562	7,976	5,819	1,825	2,285	(1,030)	1,550	(196)	1,890
EBITDA Per share-basic and diluted	0.28	0.49	0.36	0.11	0.14	(0.06)	0.10	(0.01)	0.12

REPURCHASE OF COMMON SHARES

In June 2013, the Corporation received approval from The TSX Venture Exchange to acquire an additional 808,304 shares, representing approximately 5% of the issued and outstanding class "A" shares, through a renewed Normal Course Issuer Bid. During the first nine months of 2013-14, the Corporation repurchased no shares from the market, compared to 5,500 shares purchased in the first nine months of 2012-2013.

Subsequent to the end of the quarter, the Corporation has purchased no shares under its Normal Course Issuer bid. The number of shares outstanding as of May 28, 2014 is 16,166,097.

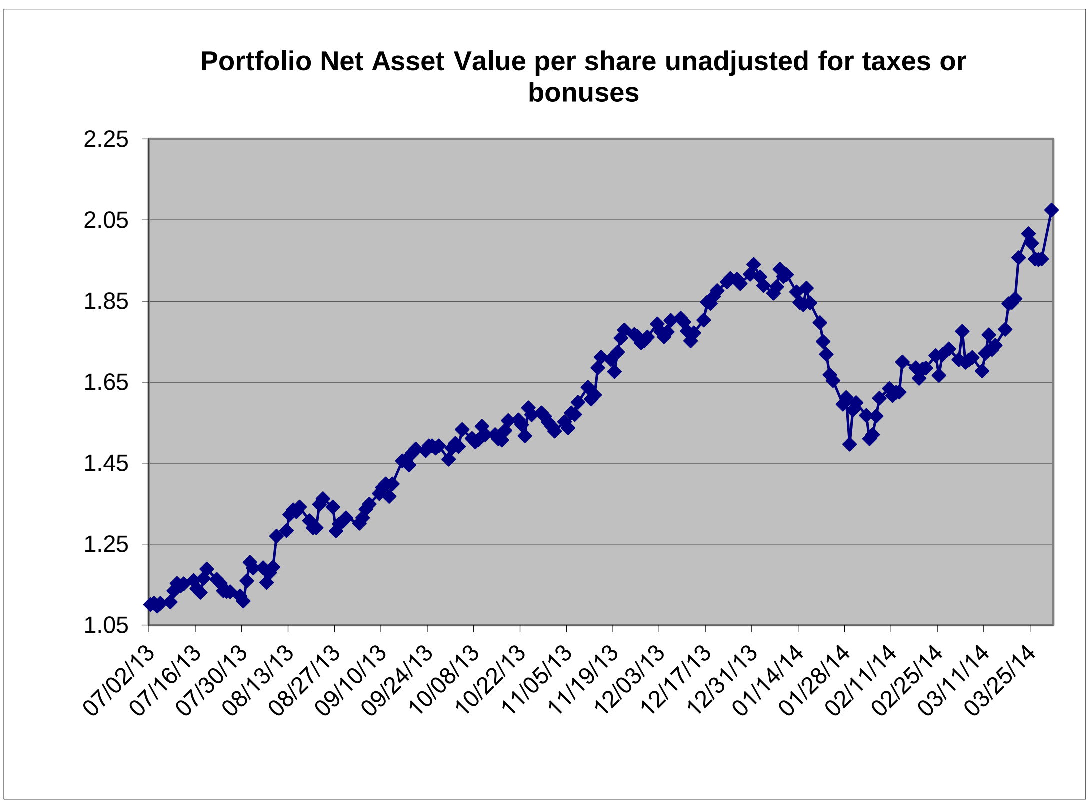
DIVISIONAL REPORTING

INVESTMENT DIVISION

During the third quarter of 2013-14 the portfolio of equity investments rose as quantitative easing continued to add to the US money supply and economic data showed improvements in the US and Europe. The equity in the investment portfolio (portfolio value less corresponding margin loan) grew 7.3%, compared to the S&P TSX Composite index growth of 5.2% during the quarter. For the first nine months, the portfolio grew 86.3% compared to 18.2% for the S&P TSX Composite index.

For the third quarter, the portfolio of investments recorded an investment profit of $5.169 million ($19.151 million for the first nine months). The investment change was made up of the following:

	3 months ending		9 months ending	
	Mar 2014	Mar 2013	**Mar 2014**	Mar 2013
Portfolio dividends and distributions	**$498,660**	$322,409	**$1,445,542**	$947,284
Return of Capital	**(221,258)**	(81,460)	**(221,258)**	(81,460)
Interest expense	**(259,231)**	(112,087)	**(683,952)**	(299,329)
Realized gains	**2,148,907**	776,312	**6,706,394**	22,009
Unrealized gains (losses)	**3,002,090**	1,331,973	**11,904,482**	2,259,027
Total investment gain	**$5,169,168**	$2,237,147	**$19,151,208**	$2,847,531



Net Asset Value (NAV) is a non-IFRS term describing the total value of the equity portfolio less margin loans divided by the total number of shares outstanding as at a specific date. There is no comparable Canadian GAAP or IFRS measure. The Corporation presents NAV to assist shareholders in their evaluation of the Company's value. The NAV presented consists only of the Corporation's equity portfolio, and excludes all other assets and liabilities. It also excludes any taxes payable on current, future gains or losses and bonuses.

During the first nine months there were realized gains in the retail, diversified commercial and financial sectors, while the greatest realized losses occurred in the oil exploration and investment sectors. For the third quarter, the greatest realized gains were in the retail and diversified commercial sectors, while realized losses were seen in the investment sectors.

As at March 31, 2014, 39.1% of investments (by market value) were in the retail sector, followed by oil and gas (21.7%), diversified commercial (11.2%), transportation (9.4%), energy services (4.9%) and financial (3.4%) sectors.

At the end of the third quarter, the ten largest investments comprised approximately 82.4% of the total portfolio's cost base, and 89.5% of the total market value. The top investments are (ranked by total market value):

- AutoCanada Inc
- Altus Group
- Student Transportation Inc
- Long Run Exploration Ltd.
- Canelson Drilling Inc
- Bellatrix Exploration Ltd.
- BGC Partners Class A
- Eagle Energy Trust
- Element Financial Corp
- Pine Cliff Energy Ltd.

The remainder of the portfolio is spread out over 43 other stocks. Overall the portfolio is weighted 85.6% by market value into dividend paying stocks. The Corporation continues to monitor the market as a whole, along with a wide variety of stocks, and will change its market weight from time to time.

FOOD DIVISION

Due to the pending sale of Naleway Foods Ltd. and the planned effective date, the revenues and expenses of the Food division are only included to February 28, 2014, so only two months sales and costs are presented within the third quarter.

During the third quarter, the Food Division continued its focus on cost reduction and cash generation with a lower volume of sales. Gross margin for the first eight months improved from to -1.5% compared to -9% in the same period last fiscal year (to -0.5% in the third quarter from -3.4% in the same period in the last fiscal year).

As a result of the new ownership structure, the Corporation will no longer control Naleway Foods Ltd., and therefore no longer consolidate Naleways' sales and expenses, but rather show its investment on the balance sheet only.

OUTLOOK

Since the end of the third quarter the Canadian and US stock markets rose on improving corporate profit, increasing 2.3% between March 31th, 2013 and May 27th, 2014. However, events in Ukraine continue to concern the markets.

As of May 27, 2014 the total market value of the portfolio of investments has increased to $65.167 million, and the margin loans have increased to $25.069 million, resulting in an 18.4% increase in the equity portion of the portfolio to $40.098 million since the end of Q3 2013-14. The Corporation has been and will continue to preserve its capital. Margin levels have fallen to 38.5% of the total portfolio value. The top ten now consists of:

- AutoCanada Inc
- Long Run Exploration Ltd.
- Altus Group
- Student Transport of America Ltd
- Element Financial Corp
- BGC Partners Class A
- Eagle Energy Trust
- Pine Cliff Energy Ltd.
- Gibson Energy Inc.
- Macro Enterprises Inc.

The portfolio net asset value stands at $2.48 per share as of May 27, 2014 before taxes and bonuses payable.

Subsequent Events

During April 2014 the Corporation completed the sale of 80% of the common shares of Naleway Foods Ltd. (which managed the remaining food business of the Corporation) as part of a restructuring of that business. The sale was to a long-time manager of that business with a view to creating greater local effectiveness in management. In addition to the remaining 20% of the common shares of Naleway Foods Ltd., following the transaction the Corporation retained preferred shares with a redemption value of $1.3 million, $100,000 of shareholder loans and a royalty over Naleway Foods' sales, but otherwise the sale of the 80% common shares was completed for nominal value. In addition the Corporation was released from its guarantee provided to Naleway Foods Ltd.'s secured lender. The Corporation still retains ownership of and would continue to lease to Naleway Foods Ltd. the commercial building in Winnipeg where Naleway Foods Ltd. will continue its operations.

As a result of this sale, the Corporation will no longer have a Food Division, and instead have a Real Estate division, to handle the rental of the Winnipeg building, as well as to search for additional real estate investments. The Corporation initiated acquisitions on additional properties in Western Canada, but these purchases have not been finalized.

Forward-Looking Statements

This quarterly report, and principally in the Outlook section, contains forward-looking statements including statements regarding the business and anticipated financial performance of the Corporation. Words such as “anticipate”, “expect”, “believe”, “could”, “estimate”, “goal”, “intend”, “plan”, “seek”, “strive”, “will”, “may” and “should” and similar expressions, as they relate to the Corporation and its management, are intended to identify forward-looking statements. These forward-looking statements are not historical facts but reflect the Corporation’s current expectations concerning future results and events.

These forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results and performance of the Corporation to be materially different from the future results and performance expressed or implied by such forward-looking statements. A number of factors could affect the actual results, including but not limited to, input costs, competition, general stock market sentiment and access to capital markets. Readers are cautioned not to place undue reliance on these forward-looking statements, which reflect the Corporation’s expectations only as of the date of this report and not as a representation by the Corporation that the objectives and plans of the Corporation will be achieved. The Corporation undertakes no obligation to update publicly or otherwise revise any forward looking statements, whether as a result of new information or future events or otherwise, except as may be required under applicable laws.

Risk Management

The Corporation’s activities expose it to a variety of risks, including both financial and operating risks. These include, but are not limited to, the following:

Focus on Key Products, Customers
The Food Division offers a limited number of products. Its reliance on key product lines and key customers creates a risk both on the individual product as well as the dependence on the whole line in terms of sales revenue.

Operational downtime
The Food Division maintains a regular maintenance program and adequate insurance on its facilities and equipment with the objective of limiting production downtime. An extended period of unfilled orders could adversely affect future sales.

Exchange Rates
While the percentage of sales to the United States is small, any change in exchange rates can affect the Corporation both in terms of revenue and cost of goods sold, as some of the ingredients are either sourced from the United States and / or priced in US dollars. In addition, the Corporation holds US denominated cash, loans and securities. Overall, a decrease in the Canadian Dollar versus the US Dollar is beneficial to the Corporation.

Interest Rates
As both an investor and a borrower of funds, changes in interest rates can affect the Corporation’s returns as well as costs. The Corporation regularly monitors costs and returns and seeks to make adjustments quickly to mitigate risks.

Credit Risk
As both a long term and short term borrower, the Corporation is dependent on others to lend money to finance raw and finished goods inventories, and provide guarantees to customers and suppliers.

Investment Risk
The value of the investments we manage can be affected by a multiplicity of things. Below is a list, but by no means a complete list, of some of the things that could affect the value of the investments negatively:

- negative macro-economic data from major economic countries;
- negative political problems in major economic powers or areas;
- major financial problems in countries that could cause a systemic meltdown;
- lack of proper or adequate response to economic problems in major economic powers;
- things that could affect revenues and earnings in corporations that we invest in such as:
  - weather, management problems, breakdown of equipment, labour problems, competitive activity, change in government policies, changes in currency values, fall in commodity prices, inability of getting oil and natural gas out of western Canada, fraud, short selling activity, rise in interest rates etc.
- We use margin loans to increase the capital we have available. When a stock rises in price it enhances our gains but when the stock falls in price, our losses are greater than when we do not use margin loans. We generally try to keep our margin loans below 50% of the value of the portfolio but the percentage we use will depend on market conditions.
- “Black Swan” events such as terrorist acts, bank failures, assassinations, accidents, war could affect the value of our investments negatively.

Contingencies
The Corporation or its subsidiaries are involved from time to time in other litigation or claims in the ordinary course of business from time to time. The amounts at stake in these disputes are not material individually nor in the aggregate. Therefore, no amount associated with these claims has been accrued as assets or liabilities, or recorded as income or charged as expenses on these consolidated financial statements. In the event that the Corporation is successful in a claim or is found to be liable for a claim, the resulting settlement will be appropriately recorded to the income statement in the period as incurred.

Additional Information
For additional information on the Corporation, readers should also refer to the Corporation’s annual report and other additional information filed on www.sedar.com.

Winston Ho Fatt
Chairman and Chief Executive Officer
May 28, 2014