

**IMPORTANT INFORMATION FROM EVERCEL
REGARDING ITS UPCOMING ANNUAL MEETING**

Dear Valued Shareholders:

We are writing in advance of the upcoming Annual Meeting to encourage you to **vote your shares using the official WHITE Evercel proxy card** enclosed. The official WHITE proxy card will allow you to vote for or against the Board’s nominees, Richard Perkins and Patrick McGeehin. Once you complete and return this official WHITE proxy card, no further action is required, and you should ignore additional notifications -- and DISCARD any other proxy cards you receive.

Evercel’s former chairman, Jim Gerson, is running a misleading campaign to pack the Board with additional directors who are loyal to him. **This campaign is Mr. Gerson’s attempt to retaliate against the Company and reassume undue influence over Evercel after he was forced to resign to avoid accountability for his behavior.** Further, Mr. Gerson is running his campaign with the assistance of current director Richard Krantz, who himself has been required to resign from the audit committee. You are under no obligation to speak with Mr. Gerson or any of his telemarketing representatives.

THE FACTS BEHIND MR. GERSON’S CAMPAIGN OF LIES

Sadly, Mr. Gerson is using false and misleading allegations to fuel his campaign. Here are the **FACTS** you need to know:

- **Mr. Gerson’s complaints about TRANSPARENCY are the height of hypocrisy: Mr. Gerson’s own unethical behavior caused a delay to the Company’s 2021 audited financials.** In April 2021, Mr. Gerson made statements to Evercel’s independent auditor that Baker Tilly determined were “were ***inadequate and misleading.***” Baker Tilly’s office of general counsel then took the extraordinary extra step of advising the Board that Baker Tilly would “***no longer be able to rely on any of [Mr. Gerson’s] representations going forward or [to] engage with [Mr. Gerson] on the audit committee.***” Mr. Gerson eventually agreed to resign from the Board as a result. His attempt to blame current leadership for the delay created in part by his own conduct should disqualify him from further involvement in the Company’s governance. In the words of Baker Tilly’s letter to the Board: “***We rely on honesty, transparency, and forthrightness of our clients in conducting our work and believe Mr. Gerson fell below that professional standard.***”
- **Mr. Gerson’s complaints about PERFORMANCE are misguided: Evercel’s performance was at its worst when Mr. Gerson controlled the Board.** Mr. Gerson had complete control of the Board for 11 years before the current CEO joined in 2012, and he and his 40+ year friend Mr. Krantz continued to dominate the Board for the last nine years until his resignation. Here are the **FACTS** about his record:
 - While Mr. Gerson served as Chairman from 2001 to 2012, prior to the current CEO, Evercel’s share price DECREASED 59.7%.

- Before the current CEO was brought in, Mr. Gerson presided over a failed business. Under Mr. Gerson's leadership, Evercel became a delisted former battery company with only approximately \$18 million in assets after multiple failed investments.
 - However, during the current CEO's tenure, Evercel's asset base has grown from approximately \$18 million in cash to more than \$80 million of assets today after fees.
 - Under the current CEO's leadership, the value of Evercel's stock has increased 153%.
 - Since the announcement of Mr. Gerson's resignation, with the current new board of professionals in place, Evercel's share price has increased approximately 46% as of this writing, in less than 60 days.
- **Mr. Gerson's complaints about LIQUIDITY and TRANSPARENCY are disingenuous given his own poor track record on those issues: following his resignation, the Board has taken actions to improve both liquidity and transparency.** The Company has applied for a listing on the OTCQX market as a steppingstone to a potential future listing on a national exchange. The Company also has committed to quarterly reporting and authorized a \$20 million share repurchase program. Mr. Gerson did not push these efforts while on the Board. Mr. Gerson had nearly the past decade when he controlled the Board to make changes on liquidity and transparency. Instead, Mr. Gerson set a clearly stated strategy focused only on growing the underlying assets and ignoring Evercel's stock price. Not once during his control of the Board from 2012 through early 2021 did Mr. Gerson ever propose any changes to increase liquidity or transparency. We believe Mr. Gerson's recent claims are simply an attempt to rewrite his legacy and seize control of the Board once again after being forced to resign. The bottom line is that shareholders would benefit from less of Mr. Gerson's influence, not more.

Mr. Gerson is also propagating other falsehoods about the current CEO's compensation to get shareholder support. The facts are that the current CEO's compensation is primarily based on the performance of Evercel's investments, using an industry-standard arrangement that was negotiated and approved by Mr. Gerson himself and the Board he controlled. Not only is Mr. Gerson exaggerating the size of the current CEO's compensation from Evercel, he is falsely claiming the information is hidden. As Mr. Gerson knows well, he and the Board are familiar with every detail of the CEO's compensation. Further, the CEO's compensation arrangements are contained in the Company's audited financial reports, which are available on the Company's website.

The current Board is dedicated to shareholder interests, not their own. If Mr. Gerson is able to expand and pack the Board with his personal friends, Evercel's plan for value-maximizing progress will be destroyed.

YOU HAVE A CLEAR CHOICE:

MOVE FORWARD ON A PATH OF VALUE CREATION AND SHARE PRICE INCREASES WITH CURRENT LEADERSHIP BY USING THE ENCLOSED OFFICIAL WHITE PROXY CARD TO VOTE FOR THE BOARD'S UNOPPOSED NOMINEES!

SUPPORT CONTINUED PROGRESS AT EVERCEL, NOT ITS DESTRUCTION: Vote by completing and returning the enclosed WHITE official proxy card today so it can be received in advance of the Annual Meeting. You can also use the instructions on your WHITE proxy card to cast your vote online or by

calling the toll-free voting line. If you have any questions about voting, please call Evercel’s proxy firm, Okapi Partners, at (212) 297-0720. They can answer any questions you may have and can provide accurate information about the nominees, management and the existing Board so you can confidently vote your shares. They may also contact you directly as we approach the Annual Meeting, and we encourage you to speak with them.

DISCARD the Gerson BLUE proxy card so Evercel does not revert to the dysfunction and value destruction of the past.

We appreciate you taking the time to vote your shares, and hope you will vote in favor of the Board’s director nominees using the Company’s official WHITE proxy card. The Board, other than Mr. Gerson’s 40+ year friend Mr. Krantz who is assisting Mr. Gerson in his effort, is unanimous in its support of management and the Company’s current direction. We are excited by current leadership’s plan to leave the past behind and help Evercel’s share price better reflect the Company’s true value. We hope you share that excitement and will support moving forwards, not backwards.

Sincerely,

The Evercel Board of Directors¹

¹ Mr. Krantz did not vote on the issuance of this letter.