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Dear Fellow Wilshire Enterprises Stockholder:

When we last wrote to you back in June 2007 to urge a prompt sale of Wilshire, its stock was trading at $5.75 per stock. You may recall that we were concerned that CEO Sherry Wilzig Izak had not delivered on her promise made on May 5, 2006 "to pursue . . . an aggressive exploration of opportunities to sell or merge our business . . . over the next few months." Just a few days after our letter, Ms. Wilzig Izak happily announced:

> We are pleased to inform you that preliminary bids to acquire Wilshire Enterprises, Inc. have been received and that your Board is actively pursuing a transaction which will maximize stockholder value for all of our investors. . . . Your current board is asking for your support so that we can finish what we started: a prompt, orderly sales process with the goal of obtaining the highest possible price for all of our stockholders.

We were skeptical but her assurance in the midst of a proxy contest of an imminent profit maximizing transaction apparently eased the doubts of enough other stockholders of her sincerity to win the election. Unfortunately, our skepticism proved to be correct. The "prompt" sales process dragged out for another year and the "highest possible price" turned out to be $3.88, more than 30% below the market price on the day Ms. Wilzig Izak announced: "Initial Bids Are In!" Adding insult to injury, Ms. Wilzig Izak negotiated this "fire sale" price without even insisting on a "no financing" condition or a meaningful breakup fee if the buyer failed to close the deal.

Stockholders that gave Ms. Wilzig Izak the benefit of the doubt have learned a painful lesson about her credibility. As we now know, the buyer failed to obtain financing and the stock price has collapsed to $1 per stock. In short, she completely botched the sales process. As a result, Wilshire's stock price is down more than 80% from mid-2007.

Ms. Wilzig Izak has not acknowledged any responsibility for this massive destruction of stockholder value. She would like shareholders to forget about her past mistakes and now wants us to support her plan to "[move] Wilshire in a new direction" with the goal of "transforming Wilshire into a significant industry player."

We think the buck stops with Ms. Wilzig Izak. Stockholders will finally have a chance to hold her accountable for Wilshire's poor performance at the annual meeting on March 24th. If they do not take advantage of this opportunity, we believe the stock price could eventually go to zero.

That is because Ms. Wilzig Izak's recently announced plan to transform Wilshire from a tiny real estate company struggling to survive into a major player in the industry is completely unrealistic. Her "Hail Mary" plan is to have Wilshire make leveraged bets on risky real estate assets in a desperate attempt to recoup a portion of the enormous losses that stockholders have suffered on her watch over the past two years. Given her track record, we believe this strategy will fail. If so, there is a good chance that Wilshire will go into bankruptcy and its stock will become worthless.

Ms. Wilzig Izak appears to be either irrational or in denial. As we see it, she would rather destroy the Company than lose control of it. The reality is that Wilshire is so small that it is unlikely to ever achieve profitability as a stand alone public company. The cost of regulatory compliance alone is a major financial drag on the Company. On top of that, Wilshire's inflated compensation structure is like an albatross around its neck. In 2009 alone just paying the two top executives (including Ms. Wilzig Izak) and the directors could eat up 10% of Wilshire's $8 million market value!

In addition, Ms. Wilzig Izak has a history of spending exorbitant amounts of stockholder money on personal vendettas that provide no conceivable benefit to Wilshire. A few years ago Wilshire spent more than $500,000 to investigate a relatively trivial impropriety. Recently, she hired a major law firm to sue a long term stockholder who became disenchanted with her and sold his stock to us. When we complained about the cost of this wasteful litigation, she assured us that it would quickly be settled. Instead, the very next day she added us as a defendant and wants the sale rescinded. We believe her lawsuit has no chance to succeed. It is absurd to think she can convince a judge to rescind a stock trade between a willing seller and a willing buyer. But even if she could, why should stockholders pay a white-shoe law firm a six figure fee to pursue such a quixotic quest? Finally, Ms. Wilzig Izak spent $200,000 on the 2007 proxy contest (or about 10 times what we spent) and has said she might spend well over $150,000 on this one. In our opinion, the prospect of ongoing "Wilzig Waste" is a major cause of Wilshire's depressed stock price.

The Market Reacts Negatively to Management's Proposed Business Strategy

Another source of investor concern is Ms. Wilzig Izak's business judgment. On December 8, 2008, she announced that Kevin Swill had been hired as Wilshire's President and Chief Operating Officer at a salary of $250,000 per year plus benefits and 125,000 shares of restricted stock.

Investors quickly gave Mr. Swill a vote of no confidence as they drove Wilshire stock price down by over 60% ten days later. That is understandable because Mr. Swill has what might be considered to be a checkered past. In December 2006, at the peak of the commercial real estate bubble, Mr. Swill arranged the financing for the purchase of 666 Fifth Avenue for $1.8 billion by a company controlled by the well known real estate developer, Charles Kushner. It was the highest price ever paid for an individual building in Manhattan.

That investment is almost certainly under water today and has apparently led to a falling out between Mr. Swill and Mr. Kushner. Mr. Swill was eventually terminated for cause by Mr. Kushner. Yet, just one week before Ms. Wilzig Izak hired him Mr. Swill sued Mr. Kushner for millions of dollars he claims he is owed for his work on the purchase of 666 Fifth Avenue. Mr. Kushner says Mr. Swill is "a disgruntled employee." We don't know what the real story is but it is simply irresponsible to hire someone to manage Wilshire who could be distracted by a highly publicized and bitter legal dispute with his former employer.

Moreover, Mr. Swill's involvement with the extravagant acquisition of 666 Fifth Avenue seems to have imbued him with delusions of grandeur. Even though Wilshire has a market capitalization of only $8 million, he wants to leverage its tiny asset base to purchase "a number of properties" for up to $20 million and to buy distressed real estate loans "at a discount" and sell them "when and if the underlying properties recover their value or the borrowers improve their creditworthiness, while receiving payments from the debtor in the interim." Obviously, the only way to implement such an ambitions growth strategy is to borrow lots of money. The problem is that the "when and if" part of his scheme may never happen if real estate prices continue to decline or the borrowers default on the distressed loans he acquires. In that case, Wilshire would suffer massive losses and be driven into bankruptcy. Apparently, Mr. Swill did not learn his lesson from his mistimed purchase of 666 Fifth Avenue and he wants to risk Wilshire's meager assets on his grandiose growth plan.

<u>Our Alternative to Management's Proposed Business Strategy</u>

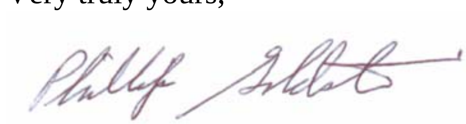
Our goal is much more modest yet much more likely to succeed. We want to stabilize, preserve and enhance the intrinsic value of Wilshire's assets and then to commence an orderly process to realize that value through a sale, merger or liquidation of the Company. Despite the decline in real estate prices, we believe Wilshire's intrinsic value is far in excess of its current stock price and that a liquidity event in the near future is likely to result in a profit of more than 100% above Wilshire's current stock price. Of course, that assumes the financial bleeding stops and that Ms. Wilzig Izak and Mr. Swill abandon their reckless growth agenda.

WE ARE WILLING TO PUT OUR MONEY WHERE OUR MOUTH IS BY PUTTING A FLOOR ON WILSHIRE'S VALUE. IF THE BOARD AGREES TO WAIVE THE POISON PILL WE (AND OUR AFFILIATES) ARE WILLING TO CONDUCT A TENDER OFFER FOR ALL SHARES OF WILSHIRE AT $2 PER SHARE, WHICH IS APPROXIMATELY 100% ABOVE ITS RECENT MARKET PRICE. THE ONLY OTHER CONDITION IS THAT THERE IS NO MATERIAL DETERIORATION IN WILSHIRE'S FINANCIAL CONDITION PRIOR TO THE CLOSING OF THE TENDER OFFER. WE HAVE ASKED MS. WILZIG IZAK TO AGREE TO THESE CONDITIONS BUT SHE HAS NOT DONE SO. ONE REASON FOR THAT COULD BE THAT SHE HERSELF HAS BEEN BUYING SHARES IN THE OPEN MARKET AT ABOUT $1 PER SHARE AND SHE WOULD NO LONGER BE ABLE TO BUY AT THAT PRICE LEVEL IF SHAREHOLDERS WERE ABLE TO SELL THEIR SHARES TO US $2 PER SHARE. THUS, SHE APPEARS TO PUTTING HER OWN INTERESTS ABOVE THOSE OF SHAREHOLDERS THAT WOULD LIKE TO SELL AT A MUCH HIGHER PRICE THAN SHE IS WILLING TO PAY.

People that have had dealings with Ms. Wilzig Izak have told us she is quirky, erratic and incompetent. Her business failures, bouts of wasteful litigation, poor judgment and broken promises affirm that assessment. After presiding over a death spiral in Wilshire's stock price, stockholders should think long and hard about whether they are willing to roll the dice one more time with her. Do you want to give her another chance to turn things around? If so, then unlike Bernie Madoff's victims, you can not say you weren't warned if Wilshire's stock price falls to zero.

On the other hand, if you are tired of losing money with Ms. Wilzig Izak please vote your proxy online (if your stocks are held in street name) at WWW.PROXYVOTE.COM or by telephone at 1-800-454-8683. Alternatively, you can mail the GREEN proxy card in the enclosed envelope. But please do it today. Let's send a message to Ms. Wilzig Izak that Wilshire's stockholders intend to hold her accountable for the incredible destruction of shareholder value she caused and that the financial bloodbath must stop immediately.

Very truly yours,



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