

# SECURITIES AND EXCHANGE COMMISSION

## FORM DFAN14A

Definitive additional proxy soliciting materials filed by non-management including Rule 14(a)(12) material

Filing Date: **1999-07-27**  
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### SUBJECT COMPANY

#### EXCAL ENTERPRISES INC

CIK: **832813** | IRS No.: **592855398** | State of Incorpor.: **DE** | Fiscal Year End: **0331**  
Type: **DFAN14A** | Act: **34** | File No.: **000-17069** | Film No.: **99671245**  
SIC: **3559** Special industry machinery, nec

Mailing Address	Business Address
100 NORTH TAMPA ST SUITE 3575	100 N TAMPA ST STE 3575
100 NORTH TAMPA ST SUITE 3575 TAMPA FL 33602	TAMPA FL 33602 8132240228

### FILED BY

#### EP OPPORTUNITY FUND LLC

CIK: **1053146**  
Type: **DFAN14A**

Business Address  
33 WEST MONROE ST.  
CHICAGO IL 60603

SCHEDULE 14A INFORMATION  
Proxy Statement Pursuant to Section 14(a) of the  
Securities Exchange Act of 1934  
(Amendment No. \_\_\_\_\_)

Filed by the Registrant [ ]  
Filed by a Party other than the Registrant [X]

Check the appropriate box:

- [ ] Preliminary Proxy Statement  
[ ] Confidential, for Use of the Commission Only  
[ ] Definitive Proxy Statement  
[X] Definitive Additional Materials  
[ ] Soliciting Material Pursuant to 240.14a-11(c) or 240.14a-12

Excal Enterprises, Inc.

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(Name of Registrant as Specified in its Charter)

EP Opportunity Fund, L.L.C.

-----  
(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- [X] No fee required.
- [ ] Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.
- 1) Title of each class of securities to which transaction applies:
  - 2) Aggregate number of securities to which transaction applies:
  - 3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (Set forth the amount on which the filing fee is calculated and state how it was determined):
  - 4) Proposed maximum aggregate value of transaction:
  - 5) Total fee paid:
- [ ] Fee paid previously with preliminary materials.
- [ ] Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the

date of its filing.

- 1) Amount Previously Paid:
- 2) Form, Schedule or Registration Statement No.:
- 3) Filing Party:
- 4) Date Filed:

FOR IMMEDIATE RELEASE

Contacts:	Edward McCarthy	Jeffrey Eisenberg
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EP OPPORTUNITY FUND, L.L.C. TO SEEK  
BOARD SEAT ON EXCAL ENTERPRISES BOARD

CHICAGO, IL, July 27, 1999 -- EP Opportunity Fund, L.L.C. (the "Fund") today announced that it has commenced a solicitation of proxies to elect Jeffrey Eisenberg to the board of directors of Excal Enterprises, Inc. (NASDAQ: EXCL - news) and to amend the Company's Bylaws. The Fund today mailed proxy material including a blue proxy card to all stockholders of Excal Enterprises, Inc. (the "Company").

Until its recent acquisition of a sports licensing business, the Company's principal line of business has been owning and operating certain real estate located in Jacksonville, Florida known as the "Imeson Center." The Imeson Center was originally received as part of a settlement with Sears Roebuck & Co. for certain claims by the Company in connection with the termination by Sears of an agreement between Sears and the Company. This settlement and the circumstances surrounding it is the subject of a widely reported class action lawsuit against Sears. The Company has publicly stated that it plans to use the proceeds from leveraging the Imeson Center to acquire additional new core businesses that will be used as a springboard to future growth.

Mr. Eisenberg, the manager of Eisenberg Partners, L.L.C., the manager of the Fund, which controls a 14.1% stake in the Company as of the record date, stated that, "The Fund believes that the Company's current expansion plan is misguided." Furthermore, "The Fund believes that stockholders of the Company would realize significantly greater value from receiving the cash proceeds from a sale or liquidation of the Company than

if the Company were to invest its assets in new lines of business. The significant losses of the Company's newly acquired sports licensing segment is indicative of the risks inherent in acquiring new businesses and evidence that the Company's expansion plan is improper."

The Fund is also extremely concerned about the current lawsuit against the Company by the Securities and Exchange Commission alleging, among other things, that the Company has filed false periodic reports under the Securities Exchange Act of 1934, as amended, and falsified its books and records. In connection with this and other litigation, the Company has spent over \$1,000,000 on legal fees during the last two years in defending itself. The Fund believes, "that these matters should be quickly settled, the persons responsible for the violations of law should bear the responsibility for their actions and that the Company should be run for the benefit of its stockholders, not its lawyers."

According to the Fund, if Mr. Eisenberg is elected and takes office as a director, he intends, consistent with his fiduciary duties and

as one of three directors, to take action to solicit, and cause the Company's Board of Directors to review and negotiate, offers to merge or acquire the Company on terms that are fair and in the best interests of all stockholders of the Company and urge the Company's Board of Directors to otherwise take measures to enhance the value of the Company's common stock.

The Fund has retained Beacon Hill Partners, Inc. to assist in the solicitation of proxies. For further information, contact Edward McCarthy of Beacon Hill Partners at 800-755-5001.

EP Opportunity Fund was established, and is managed, by Eisenberg Partners, L.L.C., of which Jeffrey Eisenberg serves as the manager. The Fund primarily invests in publicly traded companies which appear to offer significant appreciation.

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