

Biloxi Marsh Lands Corporation

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Biloxi Marsh Lands Corporation Announces Unaudited Results for the Second Quarter and First Six Months of 2010 and provides update

Metairie, LA., July 30, 2010 (BUSINESS WIRE) – Biloxi Marsh Lands Corporation (PINK SHEETS: BLMC) today announces its unaudited results for the second quarter and first six months of 2010 and provides update. Total revenue for the second quarter of 2010 was \$414,029 compared to total revenue of \$263,537 for the same period of 2009. For the first six months of 2010 revenue was \$859,715 compared to \$1,258,659 for the same period of 2009. For the second quarter total revenue includes a gain of \$29,182 emanating from partnership income which represents the Company's investment in B&L Exploration, LLC (B&L). This compares to net loss \$42,057 in the same category during the second quarter of 2009. The gain emanating from the Company's investment in B&L is directly related to wells being placed on production during the first half of this year that were successfully drilled during Q3 and Q4 of 2009. Meanwhile, for the first six months of 2010 partnership income was \$26,565 compared to income of \$367,514 in the same category for the first six months of 2009. This reduction in partnership income for the first six months of 2010 was mainly due to expenses related to completing and building infrastructure for the wells successfully drilled during Q3 and Q4 of 2009. During the second quarter of 2010, oil and gas revenues were \$333,036 compared to \$238,373 for the same period of 2009. For the second quarter of 2010, we incurred a loss on the sale of investment securities of \$39,737 compared to a loss of \$13,595 during the second quarter of 2009. Meanwhile, operating expenses for the second quarter of 2010 were \$268,201 compared to operating expenses of \$464,458 for the same period of 2009. The lower expenses were due to reduced legal fees and expenses leading to our quarterly net gain of \$102,080 or \$.04 per share for the second quarter of 2010 compared to a loss of \$76,485 or \$.03 per share for the second quarter of 2009. Meanwhile, our net earnings for the first half of 2010 were \$236,576 or \$.09 per share compared to \$417,795 or \$.15 per share for the same period of 2009.

We reported in the past that there are multiple disputes raised in the pending litigation in State Court in St. Bernard Parish with the State of Louisiana regarding the State's claims to certain waterbottoms owned by the Company. There is approximately \$15mm deposited in the various concursus accounts established to hold the funds relating to these disputes between the Company and the State of Louisiana.

We are pleased to announce, that preliminary approval for settlement of all cases involving disputed waterbottoms between the Company and the State of Louisiana was granted by the Mineral and Energy Board of the State of Louisiana during its meeting held on July 14, 2010. The settlement will involve sharing the funds with the State of Louisiana deposited in the various concursus accounts on a proportional basis which has been negotiated between representatives of the State and the Company. While we have an agreement in principle, full

and final settlement is pending negotiation, drafting and approval of written settlement agreements by the State of Louisiana's Mineral and Energy Board and the Board of Directors of the Company. When settlement becomes final and binding upon all of the interested parties an appropriate press release will be issued by the Company. The Company hopes to have this matter fully settled and funds distributed prior to the end of 2010. For more information on the disputes between the Company and the State of Louisiana, please refer to our website www.biloximarshlandscorp.com.

We are also pleased to announce that The Meridian Resource Corporation (TMR) has successfully reentered and redrilled the TMR- Biloxi Marsh Lands 1-2 well. This well was placed on production during the middle part of July 2010 and is currently flowing at a rate of approximately 7.5 million cubic feet (mmcf) of natural gas per day.

As of July 27, 2010 the combined gross daily production rate from 6 wells operated by the Company's mineral Lessees was approximately 14.0 million mmcf of natural gas with net daily production accruing to the Company of approximately 2.0 mmcf. This represents a significant increase in production emanating from our fee based lands. Combining this daily production with the Company's proportional share of the daily production from the B&L Exploration, LLC (B&L) wells makes the total net daily production accruing to the Company as of July 27, 2010 approximately 4.54 mmcfe (natural gas equivalents) per day.

Through B&L, management continues its strategy to attempt to increase the Company's daily oil and gas production and proved reserves. We previously announced that B&L participated in the drilling and completion of the Delacroix # 41 ST and the SL 1212 #1 in Plaquemines Parish, Louisiana. BOPCO, L.P. is the Operator of these wells located within the Pointe A La Hache Field. B&L's Class B membership has a 25% working interest in each of these wells. Both the Delacroix # 41 ST and the SL 1212 #1 well have been placed on production. During the Q2-2010, B&L participated in the drilling of the Miami Corp 34-1 well in Cameron Parish, Louisiana. Walter Oil & Gas Corporation operated the well and BTA Oil Producers, L.L.C was the other working interest partner. Unfortunately, while this well encountered oil and gas pay sands in the targeted intervals, the thickness of the pay sands encountered did not justify completing of the well, thus it has been plugged and abandoned. We have been able to fully expense all the costs related to this well. Additionally, the Lake Eugenie Land & Development, No. 1 well is being placed on compression to increase its flow rate. While the compressor barge is on location, Gulf Production Company, the Operator of this well, is experiencing delays in completing the hookup. It is anticipated that higher flow rates will be achieved once the compressor barge is fully hooked up and operational. This should be completed in the near term. As of July 27, 2010 the total net daily natural gas production accruing to B&L was approximately 2.8 mmcf of natural gas and 23 barrels of oil.

B&L was organized as a limited liability Company (LLC) under the laws of Louisiana in July of 2006. B&L's Class A members are BLMC and Lake Eugenie Land & Development, Inc. (LKEU), which have membership percentages of 75% and 25% respectively. The Operating Agreement was amended on November 16, 2009 to create a Class B membership to allow for certain future projects at the discretion of the board of managers to be participated by either Class A or Class B members or a combination of the respective Classes. B&L's Class B members are BLMC and LKEU, which have membership percentages of 90% and 10% respectfully.

In regards to the Deep Water Horizon drilling rig explosion and resulting BP oil spill.

While certain limited geographic areas of the Company's property recently have been contaminated by oil, property damage varies depending on the specific area, combined with the density and volume of oil in each contaminated area. We are working closely with BP, and government officials to minimize the long term impact and property damage, and we have personnel and independent experts in the field evaluating each impacted area. Considering the magnitude of the spill and the proximity of the Deep Water Horizon rig to our property as of this time overall impact to our entire property appears to be minimal.

William B. Rudolf, President and CEO, commented: "While we are very pleased with the significant increase in our production both from the new producing well on our fee lands and from our investment in B&L, we are also pleased with the apparent settlement agreement reached with the State of Louisiana. All these events should add significantly to this year's earnings. We are disappointed with the results of the Miami 34-1 well, but are working to put together additional prospects to drill during Q3 and Q4. Meanwhile, the BP oil spill has represented a challenge for us and our property has been impacted. While the impacted areas are limited, costs of restoration could be significant. With this said, considering our property's proximity to the Deep Water Horizon drilling rig, the overall impact from the spill appears to be limited."

The Company maintains a website; www.biloximarshlandscorp.com and we strongly recommend that all investors and interested parties visit the website to view historical press releases, historical financial statements including *President's Report to Shareholders*, and general information about the Company. Complete and updated contact information is available on the Company's website: www.biloximarshlandscorp.com.

Biloxi Marsh Lands Corporation owns approximately 90,000 acres of marsh lands located in St. Bernard Parish, Louisiana. As the landowner, it derives the vast majority of its revenue from oil and gas exploration and production activities that take place on or near the Company's land as well as its proportional share of revenue generated by B&L Exploration, LLC. The Company also derives minimal revenues from surface rentals.

This news release contains forward-looking statements regarding oil and gas discoveries, oil and gas exploration, development and production activities and reserves. Accuracy of the forward-looking statements depends on assumptions about events that change over time and is thus susceptible to periodic change based on actual experience and new developments. The Company cautions readers that it assumes no obligation to update or publicly release any revisions to the forward-looking statements in this report. Important factors that might cause future results to differ from these forward-looking statements include: variations in the market prices of oil and natural gas; drilling results; unanticipated fluctuations in flow rates of producing wells; oil and natural gas reserves expectations; the ability to satisfy future cash obligations and environmental costs; and general exploration and development risks and hazards. Readers are cautioned not to place undue reliance on forward-looking statements made by or on behalf of the Company. Each such statement speaks only as of the day it was made. The factors described above cannot be controlled by the Company. When used in this report, the words "believes", "estimates", "plans", "expects", "should", "outlook", and "anticipates" and similar expressions as they relate to the Company or its management are intended to identify forward-looking statements.

The following "Statements of Assets, Liabilities and Stockholders' Equity" and "Statement of Revenues and Expenses and Retained Earnings" have been derived from an interim un-audited financial statement which does not include the information and footnotes that are an integral part of a complete financial statement.

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BILOXI MARSH LANDS CORPORATION

Statements of Assets, Liabilities, and Stockholders' Equity

June 30, 2010 and 2009

Assets	2010	2009
Current assets:		
Cash and cash equivalents	\$ 6,161,600	3,388,576
Accounts receivable	119,329	117,323
Federal income taxes receivable	143,528	255,754
State income taxes receivable	79,163	69,240
Prepaid expenses	4,625	46,299
Accrued interest receivable	63,158	68,946
Other assets	3,830	8,761
Total current assets	<u>6,575,233</u>	<u>3,954,899</u>
Investment in partnership	2,849,483	1,306,135
Marketable debt and equity securities - at cost	8,545,492	7,458,776
Land - at cost	234,939	234,939
Levees and office furniture and equipment	255,430	188,352
Accumulated depreciation	<u>(255,430)</u>	<u>(188,352)</u>
	<u>11,629,914</u>	<u>8,999,850</u>
Total assets	<u>\$ 18,205,147</u>	<u>12,954,749</u>
Liabilities and Stockholders' Equity		
Current liabilities:		
Accrued expenses	\$ 54,545	122,709
Other current liabilities	<u>3,960</u>	<u>2,520</u>
Total current liabilities	<u>58,505</u>	<u>125,229</u>
Stockholders' equity:		
Common stock, par value \$.001 - 20,000,000 shares authorized, 2,851,196 shares issued, outstanding 2,741,428 shares in 2010 and 2,741,428 in 2009	47,520	47,520
Retained earnings	18,282,187	12,965,065
Less cost of treasury stock - 109,768 and 109,768 shares in 2010 and 2009, respectively	<u>(183,065)</u>	<u>(183,065)</u>
Total liabilities and stockholders' equity	<u>\$ 18,205,147</u>	<u>12,954,749</u>

BILOXI MARSH LANDS CORPORATION
 Statements of Revenues and Expenses and Retained Earnings
 June 30, 2010 and Comparable Period

	3 Months Ended June 30		6 Months Ended June 30	
	2010	2009	2010	2009
Revenues:				
Oil and gas				
Royalties	\$ 323,302	\$ 252,893	\$ 656,631	\$ 669,306
Severance taxes	(20,266)	(14,520)	(40,695)	(46,648)
Oil and gas royalties, net	<u>303,036</u>	<u>238,373</u>	<u>615,936</u>	<u>622,658</u>
Delay rentals	30,000	-	30,000	-
Total oil and gas revenues	<u>333,036</u>	<u>238,373</u>	<u>645,936</u>	<u>622,658</u>
Other:				
Gain (loss) from investment in partnership	29,182	(42,057)	26,565	367,514
Dividends and interest	83,916	80,816	161,969	146,026
Gain (loss) on sale of securities	(39,737)	(13,595)	17,613	122,461
Surface rentals and other	7,632	-	7,632	-
Total other income	<u>80,993</u>	<u>25,164</u>	<u>213,779</u>	<u>636,001</u>
Total revenues and income	<u>414,029</u>	<u>263,537</u>	<u>859,715</u>	<u>1,258,659</u>
Expenses				
Total expenses	<u>268,201</u>	<u>464,458</u>	<u>521,750</u>	<u>774,040</u>
Net income before provision for income taxes	<u>145,828</u>	<u>(200,921)</u>	<u>337,965</u>	<u>484,619</u>
Income taxes				
Provision for income taxes	<u>43,748</u>	<u>(124,436)</u>	<u>101,389</u>	<u>66,824</u>
Net income	\$ 102,080	\$ (76,485)	\$ 236,576	\$ 417,795
Net income per share	<u>\$ 0.04</u>	<u>\$ (0.03)</u>	<u>\$ 0.09</u>	<u>\$ 0.15</u>