

Biloxi Marsh Lands Corporation

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Biloxi Marsh Lands Corporation Announces Results for the Fourth Quarter of 2007, 12 Months ending December 31, 2007

Metairie, LA., March 7, 2008 (BUSINESS WIRE) – Biloxi Marsh Lands Corporation (PINK SHEETS:BLMC) announces audited results for the fourth quarter of 2007, year ending December 31, 2007 and provides update. Total revenue for the three months ending December 31, 2007 was \$1,618,161 compared to \$1,582,417 for the fourth quarter of 2006. Meanwhile for the year, total revenue was \$4,639,317 compared to total revenue of \$9,578,519 in 2006. For 2007 total revenue includes a \$974,359 loss emanating from partnership income which represents the Company's interest in B&L Exploration, LLC compared to income of \$169,659 in the same category for the prior year. The annual revenue breakdown is as follows: 2007 revenue from oil and gas activity was \$4,861,263 compared to revenue of \$8,662,416 in 2006. Dividend and interest income for 2007 was \$521,942 compared to \$790,481 for 2006. In 2007 we incurred a cumulative gain from the sale of investment securities in the amount of \$208,600 as compared to a cumulative loss from the sale of investment securities of \$59,088 in 2006. Meanwhile for the year, total expenses were \$1,432,138 compared to \$1,640,095 for the prior year. For the fourth quarter of 2007 net earnings were \$691,915 or \$.25 per share compared to \$720,542 or \$.26 per share for the same period of 2006. Meanwhile, net earnings for the year were \$2,340,175 or \$.85 per share compared to \$5,551,599 or \$2.02 per share in 2006. Due to the Company's earnings exceeding the revenue threshold tests under the income tax regulations, the Company was required to file its income tax returns using the accrual basis of tax accounting. Effective January 1, 2007, in order to achieve consistency in reporting the Company changed its method of financial reporting from the cash receipts and disbursements method of reporting to the accrual method of reporting. For comparative purposes we have adjusted our *Statement of Revenues and Expenses and Retained Earnings* for 2006 to reflect the accrual method of reporting. The change in our reporting method has no material effect on our cash flows.

We reported at the end of 2005 that the Company had approximately 82,000 acres open and available for exploration and development. This clearly indicated the need for management to take steps to jumpstart drilling activity. In December of 2006 we announced the formation of B & L Exploration, LLC (BLX) of which the Company owns 75%. BLX subsequently placed drilling packages with the Manti Group and a group led by Kaiser-Francis Gulf Coast, Ltd and Gulf Production Company. As the result of the placement of these drilling packages BLX participated in the drilling of five wells during 2007 with three wells being successfully completed and two wells being abandoned as dry-holes. During the fourth quarter of 2007 two of these wells were placed on production and were producing natural gas at a combined daily rate of approximately 8.5 mmcf as of December 31, 2007 with net daily production accruing to BLX of approximately 1.6 mmcf. The third well is awaiting the construction of a pipeline. We anticipate that the pipeline should be completed and this well placed on production by the end of the second quarter of 2008. All three of these wells are located off of Company property in state waters and represents the first time that the Company has had royalty revenues from sources outside the boundaries of our property. BLX is scheduled to participate with the group led by Kaiser-Francis and Gulf Production in the drilling of two additional wells during the first half of 2008 and is working independently on the development and placement of additional shallow and deep prospects.

On January 31, 2008 we announced our participation in the NAPE Expo in Houston, Texas (please see www.napeonline.com). With the assistance of BLX's technical consultants we presented acreage under the control of BLX showing two Tuscaloosa prospects (Alpha and Beta) developed over the past 12 to 18 months using existing geological well control and 3D seismic data (see the Company's website www.biloximarshlandscorp.com for additional information). While we are encouraged by the interest expressed in these prospects during the NAPE Expo and subsequent follow up, these deeper Tuscaloosa prospects are much more difficult to place than the shallower drilling packages previously placed by BLX.

As of December 31, 2007 the combined gross daily production rate from 9 wells operated by the Company's mineral Lessees was approximately 14.6 million cubic feet (mmcf) with net daily production accruing to the Company of approximately 1.5 mmcf. Combining this daily natural gas production with the Company's proportional share of the daily production from the two new BLX wells makes the total net daily production accruing to the Company as of December 31, 2007 approximately 3.1 mmcf, an increase over the 2.4 mmcf cumulative daily production accruing to the Company at the end of 2006.

The year end reserve study commissioned by the Company and completed by an independent reservoir engineer estimates that as of December 31, 2007 the Company's "Developed Producing" (PDP) reserves were .914 billion cubic feet (bcf) of natural gas and estimates that the "Developed Non-Producing" (PDNP) reserves were .622 bcf, with the "Proved Un-Developed" (PUD) reserves being 1.012 bcf, totaling 2.549 bcf of estimated proved natural gas reserves. While for the years ending 2006 and 2007 the total amount of proved reserves remained constant at approximately 2.5 bcf, the "Proved Developed Producing" (PDP) reserves decreased year over year from approximately 1.5 bcf to .91 bcf, a decrease of .59 bcf in PDP reserves. Additionally, this reserve study estimates that slightly more than 26% of the PDP and PDNP reserves will deplete by the end of 2008. In addition to the foregoing estimated proved reserves, another proved reserve study completed by the same independent reservoir engineer estimates that BLX's proved reserves as of December 31, 2007 were 1.0263 billion cubic feet (bcf) of natural gas. Based upon the Company's seventy-five percent ownership of BLX the portion of these estimated reserves allocated to the Company was .77 bcf of natural gas. Combining the Company's portion of the proved reserves in both studies increases the estimated proved reserves accruing to the Company to 3.3 bcf of natural gas. The proved reserve studies referenced above include explanatory notes that are an integral part of each study. A copy of the 2008 *President's Report to Shareholders* that includes these notes will be available on the Company's website after March 17, 2008. We recommend that all interested parties refer to our website to view these notes and other relevant information: www.biloximarshlandscorp.com .

Prior to 2004 the Company paid one dividend each year. During 2007 the Company returned to this custom of paying one dividend per calendar year, paying \$1.00 per share of outstanding common stock or \$2,754,428 in December of 2007. It is anticipated that the custom of paying one dividend per calendar year will be followed in 2008. It should be noted that the Company paid a dividend equating to slightly more than its net earnings during 2007 and since 2002 the Company has paid close to \$36,000,000 in total dividends.

William B. Rudolf, President and CEO, commented: "We are pleased with the initial success of BLX, the corresponding increase in daily production rates and addition of proved reserves. We plan to continue to focus on our key asset which is Company's property while using all the assets at our disposal to find opportunities that we believe will increase shareholder value."

We remind our shareholders and interested parties that St. Bernard Parish, Louisiana, the Parish where our property is located, was indescribably devastated by Hurricane Katrina. To assist in the Parish's rebuilding the Company has established and funded the Biloxi Marsh Disaster Relief Fund Corporation. Detailed information about the fund is available on its website www.selarelieff.com . During 2006 the fund applied for and received IRS 501 (c) (3) tax exempt status making all contributions to the fund tax deductible. Those living outside the hurricane affected zone and all interested parties are asked to remember the people of St. Bernard Parish, Louisiana by donating to the Biloxi Marsh Disaster Relief

Fund Corporation. You may send a check to the fund at the company's address or contribute using a credit card on the Fund's website: www.selarelief.com .

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. During January 2008 we moved our office to One Galleria Blvd., Suite #902. 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. 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 audited financial statements, but do not include the information and footnotes that are an integral part of the complete financial statements. A complete copy of the *Financial Statements and Schedule, Years Ended December 31, 2007 and 2006* along with the 2008 *President's Report to Shareholders* and the Company's *Proxy Statement* will be available after March 17, 2008 on our website www.biloximarshlandscorp.com or through requesting a copy in writing; from the Company - Attention: Investor Relations, Biloxi Marsh Lands Corporation, One Galleria Blvd., Suite #902, Metairie, LA 70001.

BILOXI MARSH LANDS CORPORATION

Statements of Assets, Liabilities, and Stockholders' Equity-Income Tax Basis

December 31, 2007 and 2006

Assets	<u>2007</u>	<u>2006</u>
Current assets:		
Cash and cash equivalents	\$ 2,197,864	\$ 1,232,846
Marketable debt and equity securities - at cost	4,685,887	4,732,349
Accounts receivable	419,572	581,311
Accrued interest receivable	64,071	57,606
Prepaid federal income taxes	—	96,392
Prepaid expenses	40,488	58,586
Prepaid state income taxes	18,744	40,783
Total current assets	<u>7,426,626</u>	<u>6,799,873</u>
Investments:		
Other investments	1,551,636	1,775,995
Marketable debt and equity securities - at cost	5,713,702	7,183,413
Land - at cost	234,939	234,939
	<u>7,500,277</u>	<u>9,194,347</u>
Total assets	<u>\$ 14,926,903</u>	<u>\$ 15,994,220</u>
Liabilities and Stockholders' Equity		
Current Liabilities		
Federal income taxes payable	\$ 36,420	\$ —
Deferred tax liability	612,715	1,232,000
Accrued expenses	50,065	117,054
Payroll taxes payable	27,956	33,326
Other current liabilities	2,160	—
Total current liabilities	<u>729,316</u>	<u>1,382,380</u>
Stockholders' equity:		
Common stock, par value \$.001 - 20,000,000 shares authorized, 2,851,196 shares issued, 2,754,428 shares outstanding	47,520	47,520
Retained earnings	14,224,882	14,639,135
	14,272,402	14,686,655
Less cost of treasury stock - 96,768 shares	<u>(74,815)</u>	<u>(74,815)</u>
	<u>14,197,587</u>	<u>14,611,840</u>
Total liabilities and stockholders' equity	<u>\$ 14,926,903</u>	<u>\$ 15,994,220</u>

BILOXI MARSH LANDS CORPORATION
 Statements of Revenues and Expenses and Retained Earnings
 Years ended December 31, 2007 and 2006

	3 Months Ended December 31		12 Months Ended December 31	
	2007	2006	2007	2006
Revenues:				
Oil and gas				
Lease bonuses and delayed rentals	\$ 320,650	\$ 124,000	\$ 340,900	\$ 339,121
Royalties (net of production taxes)	1,179,476	1,157,211	4,520,363	8,323,295
Total oil and gas	1,500,126	1,281,211	4,861,263	8,662,416
Other:				
Partnership income (loss)	84,994	169,659	(974,359)	169,659
Dividends and interest	133,092	122,006	521,942	790,481
Gain(loss) on sale of securities	(113,902)	-	208,600	(59,088)
Surface rentals	13,851	9,541	21,871	15,051
Total other revenues	118,035	301,206	(221,946)	916,103
Total revenue	1,618,161	1,582,417	4,639,317	9,578,519
Expenses				
Total expenses	663,180	621,201	1,432,138	1,640,095
Net Income before provision for income taxes	954,981	961,216	3,207,179	7,938,424
Income taxes				
Provision for income taxes	263,066	240,674	867,004	2,386,825
Net Income	691,915	720,542	2,340,175	5,551,599
Retained earnings-beginning of period	16,287,395	19,427,449	14,639,135	20,105,248
	16,979,310	20,147,991	16,979,310	25,656,847
Dividends	2,754,428	5,508,856	2,754,428	11,017,712
Retained earnings-end of period	\$ 14,224,882	\$ 14,639,135	\$ 14,224,882	\$ 14,639,135
Net Income Per Share	\$ 0.25	\$ 0.26	\$ 0.85	\$ 2.02