

Biloxi Marsh Lands Corporation

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Biloxi Marsh Lands Corporation Announces Unaudited Results for the Third Quarter and first Nine Months of 2016 and provides update

Metairie, LA., November 7, 2016 (BUSINESS WIRE) – Biloxi Marsh Lands Corporation (PINK SHEETS: BLMC) today announces its unaudited results for the third quarter of 2016 and first nine months of 2016 and provides update. The Company's revenue for the three months ended September 30, 2016 from oil and gas production for its fee lands was \$27,518 compared to revenue of \$49,597 for the third quarter of 2015. For the first nine months of 2016, revenue generated from the Company's fee lands decreased to \$76,477 from \$202,052 for the same period in 2015.

Meanwhile, dividend and interest income for the first nine months of 2016 was \$95,043, compared to \$110,788 for the first nine months of 2015. During the third quarter of 2016, the Company realized a cumulative gain from the sale of investment securities of \$461,035 compared to a cumulative gain in the amount of \$310,813 for the same period in 2015. For the first nine months of 2016, the cumulative gain from the sale of investment securities was \$358,465 compared to a cumulative gain of \$1,044,385 for the first nine months of 2015. During the current quarter, the Company realized a settlement gain in the amount of \$95,111. For the third quarter of 2016, total revenues included a \$464,317 loss from the Company's investment in B&L Exploration, LLC (B&L). This compares to a loss of \$440,169 from B&L for the third quarter of 2015. Correspondingly, total revenue for the nine months ended September 30, 2016 includes a net loss of \$1,312,506 generated by B&L compared to a net loss of \$745,370 from B&L for the first nine months of 2015.

Expenses for the third quarter were \$140,400 compared to \$193,827 for the same period of 2015. Total expenses for the first nine months of 2016 and 2015 were \$542,372 and \$659,981, respectively. The Company had net income of \$57,714 or \$.02 per share for the third quarter of 2016 compared to a net loss of \$122,769 or \$.05 per share in 2015. Meanwhile, for the first nine months of 2016, there was a net loss of \$1,020,804 or \$.40 per share compared to a net loss of \$5,879 or \$.00 per share for the same period of 2015.

As of September 30, 2016, the combined gross daily production rate from 6 wells operated by the Company's mineral lessees was approximately 0.364 million cubic feet of natural gas (Mmcf) and 122 barrels of oil per day (BOPD) with net daily production accruing to the Company of approximately .032 Mmcf and 2 BOPD. Meanwhile, as of September 30, 2016, B&L's gross daily production was approximately 50.85 Mmcf and 248 barrels of oil from 7 wells with approximately 1.90 Mmcf and 42 barrels of oil per day accruing to B&L.

As previously reported, the Company received a settlement payment during 2013 for its wetlands real property claim under the BP Deepwater Horizon Economic and Property Damages Settlement Program. During the third quarter, the Company received an additional

payment of \$95,111 related to its claim. In October 2016, the Company subsequently received additional settlement payments totaling \$140,552. In total, settlement payments of \$236,663 have been received during the current year. The Company is working with its legal counsel to determine whether any further additional limited recovery under the settlement may be expected, but as of this time it is difficult to determine the timing and amount of any additional settlement, if any.

B&L was organized as a limited liability Company (LLC) under the laws of Louisiana in July of 2006. B&L's members are BLMC and Lake Eugenie Land & Development, Inc. (LKEU), which have membership percentages of 75% and 25%, respectively.

William B. Rudolf, President and CEO, commented: "Production from the Company's fee lands continue to decline and has not been helped by lower commodity pricing. Management has taken steps to realize efficiencies in a continued effort to identify and take advantage of opportunities that may arise."

The Company maintains a website, www.biloximarshlandscorp.com, and strongly recommends that all investors and interested parties visit the website to view historical press releases, historical financial statements, and other relevant information.

Biloxi Marsh Lands Corporation owns approximately 90,000 acres of marsh lands located in St. Bernard Parish, Louisiana. As the landowner, it derives revenues from oil and gas exploration and production activities that take place on or near the Company's fee lands and revenues from surface rentals. BLMC also owns a seventy-five percent interest in B&L Exploration, LLC which explores for and develops oil and gas primarily in Louisiana and Texas.

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", "could", "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 "Statements of Revenues and Expenses" have been derived from interim un-audited financial statements which do 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

September 30, 2016 and 2015

Assets	<u>2016</u>	<u>2015</u>
Current assets:		
Cash and cash equivalents	\$ 3,234,045	2,826,249
Accounts receivable	65,163	20,683
Prepaid expenses	59,444	59,831
Accrued interest receivable	27,221	19,346
Deferred tax asset	205,916	39,173
Federal and state income taxes receivable	12,143	21,451
Other assets	3,830	3,830
Total current assets	<u>3,607,762</u>	<u>2,990,563</u>
Other assets:		
Investment in partnership	1,639,523	2,014,506
Marketable debt and equity securities - at cost	5,815,219	7,288,762
Land	234,939	234,939
Geological and geophysical costs - fee lands, net of amortization	16,128	49,482
Levees and office furniture and equipment	315,943	314,943
Accumulated depreciation	<u>(314,471)</u>	<u>(313,867)</u>
Total other assets	<u>7,707,281</u>	<u>9,588,765</u>
 Total assets	 <u>\$ 11,315,043</u>	 <u>12,579,328</u>
Liabilities and Stockholders' Equity		
Current liabilities:		
Accrued expenses	\$ <u>23,477</u>	<u>22,377</u>
Total current liabilities	23,477	22,377
Stockholders' equity:		
Common stock, \$.001 par value. Authorized, 20,000,000 shares; issued, 2,851,196 shares; outstanding, 2,535,028 shares in 2016 and 2015, respectively	47,520	47,520
Retained earnings	14,086,671	15,352,056
Treasury stock - 316,168 shares in 2016 and 2015, respectively, at cost	<u>(2,842,625)</u>	<u>(2,842,625)</u>
Total liabilities and stockholders' equity	<u>\$ 11,315,043</u>	<u>12,579,328</u>

BILOXI MARSH LANDS CORPORATION

Statements of Revenues and Expenses

September 30, 2016 and 2015

	3 Months Ended		9 Months Ended	
	September 30		September 30	
	2016	2015	2016	2015
Revenues:				
Oil and gas royalties	\$ 27,518	49,597	76,477	202,052
Total oil and gas revenues	<u>27,518</u>	<u>49,597</u>	<u>76,477</u>	<u>202,052</u>
Other income (loss):				
Dividends and interest income	29,667	42,218	95,043	110,788
Gain on sale of securities	461,035	310,813	358,465	1,044,385
Gain on settlement	95,111	-	95,111	-
Surface rentals	49,100	34,678	56,210	38,707
Gain (loss) from investment in partnership	<u>(464,317)</u>	<u>(440,169)</u>	<u>(1,312,506)</u>	<u>(745,370)</u>
Total other income (loss)	<u>170,596</u>	<u>(52,460)</u>	<u>(707,677)</u>	<u>448,510</u>
Total revenues and income	<u>198,114</u>	<u>(2,863)</u>	<u>(631,200)</u>	<u>650,562</u>
Expenses:				
Total expenses	<u>140,400</u>	<u>193,827</u>	<u>542,372</u>	<u>659,981</u>
Net income (loss) before income taxes	57,714	(196,690)	(1,173,572)	(9,419)
Income tax (benefit) expense	<u>-</u>	<u>(73,921)</u>	<u>(152,768)</u>	<u>(3,540)</u>
Net income (loss)	<u>\$ 57,714</u>	<u>(122,769)</u>	<u>(1,020,804)</u>	<u>(5,879)</u>
Net income (loss) per share	\$ 0.02	(0.05)	(0.40)	(0.00)