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Biloxi Marsh Lands Corporation Announces Unaudited Results for the Third Quarter and first Nine Months of 2019

Metairie, LA., October 30, 2019 (BUSINESS WIRE) – Biloxi Marsh Lands Corporation (PINK SHEETS: BLMC) today announces its unaudited results for the third quarter of 2019 and first nine months of 2019. The Company's revenue for the three months ended September 30, 2019 from oil and gas production for its fee lands was \$7,165 compared to revenue of \$6,923 for the third quarter of 2018. Meanwhile, dividend and interest income for the third quarter of 2019 was \$22,596, compared to \$26,644 for the third quarter of 2018. The Company realized a cumulative gain from the sale of investment securities of \$64,736 compared to a cumulative gain of \$74,192 for the same period of 2018. Fee land income was \$88,786 for the third quarter of 2019 compared to \$61,955 for 2018. The flow-through loss from B&L Exploration, LLC (B&L) reduced the Company's quarterly revenue by \$488,652 compared to an increase of \$129,198 during the third quarter of 2018. The flow-through loss of \$488,652 includes \$212,358 of the amortization of intangible drilling costs capitalized in prior years. Expenses for the third quarter were \$178,577 compared to \$183,966 for the same period of 2018. The Company had a net loss of \$483,946 or \$0.19 per share for the third quarter of 2019 compared to net income of \$114,946 or \$0.05 per share in 2018. For the first nine months of 2019, there was a net loss of \$1,836,698 or \$0.73 per share compared to a net loss of \$327,984 or \$0.13 per share for the same period of 2018.

Please note that quarterly unaudited financial results are issued and posted to the Company's website on the dates set forth on its website, www.biloximarshlandscorp.com. The Company strongly recommends that investors and all interested parties visit its website to view historical press releases, historical financial statements, and other relevant information.

On October 7, 2019, Biloxi Marsh Lands Corporation released its report, *New Information Supporting the Stabilization and Restoration of the Biloxi Marsh Complex: A Unique and Distinct Ecosystem*. The study verifies that the Biloxi Marsh Complex (BMC) mainly suffers from peripheral and internal erosion, not subsidence. Remarkably, the BMC is built upon a relatively stable geological platform, thus will be sustainable well beyond the timeline originally set forth by the state of Louisiana's Coastal Protection and Restoration Authority ("CPRA") in its draft Coastal Master Plan ("CMP") 2017. Based upon observations, data, and analysis contained in the report, our team of scientists formulated an opinion that the BMC is a unique and distinct ecosystem which differs in many ways from other marshes of coastal Louisiana. The full report can be found on the Company's website, www.biloximarshlandscorp.com. The purpose of this report is to present new localized scientific data to CPRA in an effort to have the BMC included in the CMP 2023, thus causing the Company's property to be eligible for future restoration funding.

As of September 2019, the Highlander well continued to produce from mineral leases within the boundaries of the EOC-TUSC BL UDS SUA production unit. Information reported by the Highlander well's operator to the Louisiana Department of Natural Resources (LDNR) is available on LDNR's Strategic Online Natural Resources Information System (SONRIS – www.sonris.com). B&L continues its operations with producing wells in South Texas.

As previously reported, on June 15, 2012, the Company filed a claim (Biloxi Marsh Lands Corp., et al. v. United States; Case No. 12-382L) in the U.S. Court of Federal Claims against the US Army Corps of Engineers (The Biloxi Case) seeking monetary damages for property damages and losses caused by the Mississippi River Gulf Outlet (MR-GO). On July 29, 2019, the case was transferred to Judge Ryan T. Holte. At this time, the Company cannot predict the timing of resolution or the outcome of this litigation process.

During 2017, the Company filed suit in Louisiana State District Court (34th Judicial District Court, Division D in St. Bernard Parish, LA) against Alta Mesa Holdings, LP, et al, (Case No. 17-1104). While we have three judgments against the defendants on liability, the trial on the costs associated with repairing the property damage caused by installation, maintenance and operation of a pipeline is now scheduled for January 27, 2020. On September 11, 2019, one of the parties, Alta Mesa Holdings, LP, filed for bankruptcy protection under Chapter 11 of the U.S. Bankruptcy Code. As of this time, the Company is unable to forecast the amount of monetary damages that will be awarded, if any, nor the collectability of any damages awarded.

Biloxi Marsh Lands Corporation is a Delaware corporation whose principal assets are surface and mineral rights to approximately 90,000 acres of marsh land in St. Bernard Parish, Louisiana, which from time to time generates revenues from mineral activities including lease bonuses, delay rentals, royalties on oil and natural gas production, and fee land income unrelated to oil and gas activities.

The Company owns a seventy-five percent interest in B&L Exploration L.L.C. which is engaged principally in the exploration for and development of oil and natural gas resources through various ownership interests in oil and natural gas properties located in Louisiana and Texas.

This news release contains forward-looking statements regarding all of the Company's business activities including without limitation 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, 2019 and 2018

Assets	<u>2019</u>	<u>2018</u>
Current assets:		
Cash and cash equivalents	\$ 916,830	2,007,702
Accounts receivable	1,411	5,400
Prepaid expenses	68,840	61,493
Accrued interest receivable	6,090	8,329
Deferred tax asset	21,159	21,055
Income taxes receivable	28,817	8,378
Other assets	3,830	3,830
Total current assets	<u>1,046,977</u>	<u>2,116,187</u>
Other assets:		
Investment in partnerships	311,962	1,135,070
Marketable debt and equity securities - at cost	5,386,720	6,146,615
Land	234,939	234,939
Levees and office furniture and equipment	326,094	326,094
Accumulated depreciation	(326,094)	(326,044)
Total other assets	<u>5,933,621</u>	<u>7,516,674</u>
Total assets	<u>\$ 6,980,598</u>	<u>9,632,861</u>
Liabilities and Stockholders' Equity		
Current liabilities:		
Accrued expenses	<u>57,169</u>	<u>35,074</u>
Total current liabilities	<u>57,169</u>	<u>35,074</u>
Stockholders' equity:		
Common stock, \$.001 par value. Authorized, 20,000,000 shares; issued, 2,851,196 shares; outstanding, 2,505,028 and 2,515,448 shares in 2019 and 2018, respectively	47,520	47,520
Retained earnings	9,952,934	12,563,494
Treasury stock - 346,168 and 335,748 shares in 2019 and 2018, respectively, at cost	(3,077,025)	(3,013,227)
Total liabilities and stockholders' equity	<u>\$ 6,980,598</u>	<u>9,632,861</u>

BILOXI MARSH LANDS CORPORATION
Statements of Revenues and Expenses
September 30, 2019 and 2018

	3 Months Ended		9 Months Ended	
	September 30		September 30	
	2019	2018	2019	2018
Revenues:				
Oil and gas royalties	\$ 7,165	\$ 6,923	\$ 11,619	\$ 19,616
Total oil and gas revenues	<u>7,165</u>	<u>6,923</u>	<u>11,619</u>	<u>19,616</u>
Other income (loss):				
Dividends and interest income	22,596	26,644	81,451	85,424
Gain (loss) on sale of securities	64,736	74,192	(172,766)	1,111,657
Fee land income	88,786	61,955	142,422	67,605
Income (loss) from investment in partnership	(488,652)	129,198	(1,336,693)	(1,055,439)
Total other income	<u>(312,534)</u>	<u>291,989</u>	<u>(1,285,586)</u>	<u>209,247</u>
Total revenues and other income	<u>(305,369)</u>	<u>298,912</u>	<u>(1,273,967)</u>	<u>228,863</u>
Expenses:				
Total expenses	<u>178,577</u>	<u>183,966</u>	<u>562,731</u>	<u>556,847</u>
Net loss before income taxes	(483,946)	114,946	(1,836,698)	(327,984)
Income tax expense (benefit)	-	-	-	-
Net loss	<u>\$ (483,946)</u>	<u>114,946</u>	<u>\$ (1,836,698)</u>	<u>(327,984)</u>
Net loss per share	\$ (0.19)	\$ 0.05	\$ (0.73)	\$ (0.13)