

Biloxi Marsh Lands Corporation announces first quarter 2007 un-audited results

Metairie, LA - Biloxi Marsh Lands Corporation (PINK SHEETS:BLMC) today announced its un-audited results for the quarter ending March 31, 2007. Due to the company's earnings exceeding the revenue threshold tests under income tax regulations, the company was required to file its income tax returns using the accrual basis of tax accounting. In order to achieve consistency in reporting, effective January 1, 2007, the company has 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 Q1-2006 to reflect the accrual method of reporting. The change in our reporting method has no material effect on our cash flows. Total revenue for the quarter was \$1,435,985 compared to accrual adjusted total revenue of \$3,483,651 for the same period of 2006. During the first quarter of 2007 revenues from mineral royalties were \$1,294,040 compared to accrual adjusted \$3,236,076 for the same period of 2006. Meanwhile, expenses for the first quarter of 2007 were \$219,348 compared to expenses of \$240,053 for the prior year's first quarter. Net earnings were \$853,772 or \$0.31 per share for the first quarter of 2007 compared to \$2,238,885 or \$0.81 for the same period of 2006.

As of March 31, 2007 the combined gross daily production from 12 wells including those operated by TMR and Manti Jambi, Inc. was approximately 12.5 mmcf with net daily production accruing to the Company of approximately 1.6 mmcf. On March 31, 2007 TMR had several of its wells shut-in which negatively affected the foregoing production report. On April 15, 2006 the combined gross daily production from 16 wells including those operated by TMR and Manti Jambi, Inc. was approximately 21 mmcf with net daily production accruing to the Company of approximately 2.5 mmcf.

As previously announced, the company's partially owned subsidiary B & L Exploration, LLC (BLX), of which the company owns 75%, placed its first drilling program with The Manti Group. The drilling of the first well in this drilling program was originally scheduled to commence at the end of March, due to unanticipated delays drilling is now scheduled to commence by May 15, 2007. If the well is successful, BLX will have a 16.3% revenue interest in the production with the company having an additional 25% land owner's royalty. It is anticipated that the well will be produced on a lease basis.

"We are cognizant of the decline in our revenues caused by declining production rates. Due to the lack of drilling activity over the past year these declines were anticipated. The formation of BLX and the placement of the first drilling package is jumpstarting drilling and gives the company significant interest in newly drilled wells." commented William B. Rudolf, President and Chief Executive Officer.

Please refer to our website www.biloximarshlandscorp.com for investor information and historical press releases.

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", "hopeful", "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

March 31, 2007 and 2006

Assets	<u>2007</u>		<u>2006</u>	
	Accrual		Accrual	
Current assets:				
Cash and cash equivalents	\$	2,056,443	\$	1,677,164
Royalty Receivable		535,518		1,115,124
Accrued Interest Receivable		42,021		70,489
Total current assets		<u>2,633,982</u>		<u>2,862,777</u>
Investments:				
Other Investments		1,528,663		—
Marketable debt and equity securities - at cost		12,551,004		19,494,812
Land - at cost		234,939		234,939
		<u>14,314,606</u>		<u>19,729,751</u>
Total assets	\$	<u><u>16,948,588</u></u>	\$	<u><u>22,592,528</u></u>
Liabilities and Stockholders' Equity				
Current liabilities:				
Federal income taxes payable	\$	382,141	\$	3,548,255
State income taxes payable		(2,450)		538,078
Deferred tax liability		1,078,000		1,694,000
Other current liabilities		81,494		57,903
Payroll taxes payable		2,377		1,695
Total current liabilities		<u>1,541,562</u>		<u>5,839,931</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		15,434,321		16,779,892
		<u>15,481,841</u>		<u>16,827,412</u>
Less cost of treasury stock - 96,768 shares		(74,815)		(74,815)
		<u>15,407,026</u>		<u>16,752,597</u>
Total liabilities and stockholders' equity	\$	<u><u>16,948,588</u></u>	\$	<u><u>22,592,528</u></u>

BILOXI MARSH LANDS CORPORATION
 Statements of Revenues and Expenses and Retained Earnings
 March 31, 2007 and 2006

	<u>2007</u>	<u>2006</u>
	Accrual	Accrual
Revenues:		
Oil and Gas		
Royalties (net of production taxes)	1,294,040	3,236,076
Total Oil and Gas	1,294,040	3,236,076
Other:		
Partnership Income (Loss)	(247,331)	-
Dividends and interest	106,819	247,575
Gain on sale of securities	282,457	-
Total Other revenues	141,945	247,575
Total Revenue	1,435,985	3,483,651
Expenses		
Total Expenses	219,348	240,053
Net Income before provision for income taxes	1,216,637	3,243,598
Income taxes		
Provision for income taxes	362,865	1,004,713
Net Income	853,772	2,238,885
Retained Earnings-beginning of period	14,580,549	20,049,863
	15,434,321	22,288,748
Dividends	-	5,508,856
Retained earnings-end of period	\$ 15,434,321	\$16,779,892
Net Income Per Share	\$ 0.31	\$ 0.81