

Biloxi Marsh Lands Corporation

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Biloxi Marsh Lands Corporation Announces Unaudited Results for the First Quarter of 2015 and provides update

Metairie, LA., May 12, 2015 (BUSINESS WIRE) – Biloxi Marsh Lands Corporation (PINK SHEETS:BLMC) today announces its unaudited results for the first quarter of 2015 and provides update. The Company's revenue for the three months ending March 31, 2015 from oil and gas production for its fee lands was \$81,063 compared to revenue of \$111,436 in 2014.

Meanwhile, dividend and interest income for the first three months of 2015 was \$35,255, compared to \$94,072 for the first three months of 2014. During the first quarter of 2015, the Company realized a cumulative gain from the sale of investment securities of \$249,878 compared to a cumulative gain in the amount of \$681,972 for the same period in 2014. During the first quarter of 2015, total revenues included a \$225,848 loss emanating from the Company's investment in B&L Exploration, LLC (B&L). This compares to a loss of \$233,000 from B&L for the first quarter of 2014. As an operating oil and gas entity, B&L's results included deductions for depreciation, depletion and amortization (DD&A) costs relating to its ongoing drilling and production activities. BLMC's share of these DD&A expenses was \$152,246 and \$229,739 for the first quarter of 2015 and 2014, respectively.

For the quarter total expenses were \$213,126 compared to \$252,130 for the prior year. The Company incurred a net loss of \$45,427 or \$.02 per share for the first quarter of 2015 compared to net income of \$256,244 or \$.10 per share in 2014.

As of March 31, 2015, the combined gross daily production rate from 8 wells operated by the Company's mineral lessees was approximately 2.47 million cubic feet of natural gas (mmcfg) and 130 barrels of oil per day (BOPD) with net daily production accruing to the Company of approximately .27 mmcfg and 2 BOPD. Meanwhile, as of March 31, 2015, B&L's gross daily production was approximately 25.30 mmcfg and 360 barrels of oil from 6 wells (including Highlander discovery well) with approximately 2.10 mmcfg and 46 barrels of oil per day accruing to B&L.

As previously reported, the Company has filed a claim against the US Army Corps of Engineers (USACE) for property damage and losses caused by the Mississippi River Gulf Outlet (MR-GO). We are continuing to aggressively pursue this claim and will keep our shareholders advised as things progress.

Freeport-McMoRan Inc. (NYSE: FCX) announced on March 16, 2015 *“that following production testing on Freeport-McMoRan Oil & Gas' (FM O&G) Highlander discovery, located onshore in South Louisiana in the Inboard Lower Tertiary/Cretaceous trend, independent reserve engineers provided estimates of proved reserves totaling approximately 38 billion cubic feet (Bcf) of natural gas”* *“associated with the initial well. Independent reserve*

engineers estimates of proved, probable and possible reserves for the initial well totaled approximately 197 Bcf of natural gas. In addition, based on work performed to date, independent reserve engineers estimate additional gross resources for the Highlander field exceeding 2 trillion cubic feet (Tcf).

As previously reported, the February 2015 production test, which was performed in the Cretaceous/Tuscaloosa section, utilized expanded testing equipment and indicated a flow rate of approximately 75 million cubic feet of natural gas per day (MMcf/d), approximately 37 MMcf/d"... "on a 42/64th choke with flowing tubing pressure of 10,300 pounds per square inch. FM O&G commenced production in late February 2015. FM O&G plans to install additional amine processing facilities to accommodate the higher rates.

A second well location has been identified and future plans will be determined pending review of performance of the first well. FM O&G has identified multiple prospects in the Highlander area which provide opportunities for future development of the field. FM O&G controls rights to more than 50,000 gross acres.

The Highlander discovery well was drilled to a total depth of approximately 29,400 feet in the first of quarter 2014. Wireline log and core data obtained from the Wilcox and Cretaceous sand packages indicated favorable reservoir characteristics with approximately 150 feet of net pay."

B&L has been assigned and is contractually entitled to a 1.5% of 8/8ths overriding royalty interest (ORRI) in the Highlander discovery well and in all mineral leases obtained by FM O&G in its Highlander project area located in Iberia, St. Martin, Assumption and Iberville Parishes, Louisiana. This means that 1.5% of the foregoing reserves estimate by FM O&G's independent reservoir engineers would accrue to B&L if and when the Highlander field is fully developed by FM O&G. B&L's previously reported proved reserves have not included any estimated reserves attributable to this 1.5% ORRI.

Due to the decline in commodity prices during the fourth quarter of 2014, B&L's management has reevaluated its drilling program for 2015 and reduced B&L's capital expenditure (capex) budget to be in line with anticipated cash flows. As of the date of this release, B&L is scheduled to participate in the drilling of two new wells during 2015. This is down from four to five new wells which B&L initially budgeted prior to the steep decline in commodity prices. For the first quarter of 2015, B&L's quarterly net production of natural gas increased over 80% year over year. Meanwhile, revenues for the first quarter of 2015 were approximately 17% less than revenues for the first quarter of 2014. B&L's management is monitoring commodity prices and will adjust B&L's capex budget accordingly.

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: "B&L's management is pleased with the ongoing production from FM O&G's Highlander discovery well. Through March 31st the discovery well continues to produce at net natural gas rates above 21,000 mcf per day. B&L is awaiting FM O&G's improvements to its production equipment scheduled to be completed by the end of 2015 which should yield significantly higher flow rates. If the Highlander discovery well continues to produce at current and anticipated higher rates, B&L's management believes that the significance of FM O&G's discovery will begin to be truly recognized throughout the oil

and gas industry and the financial markets. While the projected net revenue from the Highlander discovery well at current flow rates and pricing is not tremendously additive to B&L, over time the improvements to FM O&G's production equipment combined with the development of the Highlander area should be significant to B&L. Meanwhile, B&L's management has worked diligently to reduce B&L's capex budget to be in line with anticipated cash flows for 2015. With volatility in the oil and natural gas commodity markets this is a moving target. Nonetheless, B&L's management will continue to monitor anticipated cash flows and adjust B&L's capex budget accordingly. Development of our core minerals located beneath our fee lands continues to prove difficult during this period of lower natural gas prices, but we are continually working on refining our technical analysis and believe the Company will be well positioned to take advantage of improvement in natural gas pricing, if and when this improvement occurs."

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

March 31, 2015 and 2014

Assets	2015	2014
Current assets:		
Cash and cash equivalents	\$ 2,895,100	2,474,024
Accounts receivable	83,342	61,429
Prepaid expenses	24,980	24,687
Accrued interest receivable	17,100	23,706
Deferred tax asset	87,731	21,265
Federal income taxes receivable	10,017	—
State income taxes receivable	13,674	—
Other assets	3,830	3,830
Total current assets	3,135,774	2,608,941
Other assets:		
Investment in partnership	2,534,029	3,898,061
Marketable debt and equity securities - at cost	6,566,385	9,020,486
Land	234,939	234,939
Geological and geophysical costs - fee lands, net of amortization	68,764	—
Levees and office furniture and equipment	314,943	314,943
Accumulated depreciation	(313,583)	(312,764)
Total other assets	9,405,477	13,155,665
Total assets	\$ 12,541,251	15,764,606
Liabilities and Stockholders' Equity		
Current liabilities:		
Income taxes payable	\$ —	292,064
Accrued expenses	23,848	37,260
Other current liabilities	—	4,608
Total current liabilities	23,848	333,932
Stockholders' equity:		
Common stock, \$.001 par value. Authorized, 20,000,000 shares; issued, 2,851,196 shares; outstanding, 2,535,028 and and 2,679,028 shares in 2015 and 2014, respectively	47,520	47,520
Retained earnings	15,312,508	16,425,779
Treasury stock - 316,168 and 172,168 shares in 2015 and 2014, respectively, at cost	(2,842,625)	(1,042,625)
Total liabilities and stockholders' equity	\$ 12,541,251	15,764,606

BILOXI MARSH LANDS CORPORATION

Statements of Revenues and Expenses

March 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Revenues:		
Oil and gas royalties	\$ 86,439	\$ 116,167
Severance taxes	<u>(5,376)</u>	<u>(4,731)</u>
Oil and gas royalties, net	<u>81,063</u>	<u>111,436</u>
Other income:		
Loss from investment in partnership	(225,848)	(233,000)
Dividends and interest income	35,255	94,072
Gain on sale of securities	<u>249,878</u>	<u>681,972</u>
Total other income	<u>59,285</u>	<u>543,044</u>
Total revenues and income	<u>140,348</u>	<u>654,480</u>
Expenses:		
Total expenses	<u>213,126</u>	<u>252,130</u>
Net (loss) income before income taxes	(72,778)	402,350
Income tax (benefit) expense	<u>(27,351)</u>	<u>146,106</u>
Net (loss) income	<u><u>\$ (45,427)</u></u>	<u><u>256,244</u></u>
Net (loss) income per share	\$ (0.02)	\$ 0.10