

# **Biloxi Marsh Lands Corporation**

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## **FOR IMMEDIATE RELEASE**

**Biloxi Marsh Lands Corporation announces results for the first nine months of calendar year 2002, declares special dividend, and appoints William B. Rudolf as General Manager.**

**Metairie, Louisiana** – October 25, 2002 – Biloxi Marsh Lands Corporation (Pink Sheets: BLMC) today announced its un-audited financial results for the first nine months of 2002. Revenues for the first nine months of 2002 were \$4.7 million, compared to \$1.2 million for the first nine months of 2001. Net profit for the first nine months of 2002 was \$2.76 million, or \$4.01 per share of outstanding common stock compared to \$706 thousand, or \$1.03 per share of outstanding common stock for the first nine months of 2001.

The Board of Directors during its October 24<sup>th</sup> meeting declared a special dividend of \$1.00 per share of outstanding common stock payable on November 8, 2002 to shareholders of record on November 1, 2002. This one time special dividend was declared due to the current significant increase in natural gas production revenues from the Manti-BLMC Wells #1 and #3. From the inception of production through August of 2002, these two wells have produced 9.856 BCF of natural gas from the same producing unit (CRIS I RA SUA). The company receives royalties from 33.325% of the producing unit at a landowner's royalty rate of 18%. Revenues received by the company from these two wells amounted to approximately \$1.3 million for the first nine months of 2002. The company's ownership of an additional 64.9% of the producing unit is subject to adverse and competing title claims with other landowners and the State of Louisiana. The company claims ownership of \$2.38 million of the funds deposited through September of 2002 in an escrow account established to hold the disputed funds. While we cannot predict or determine if we will be successful, the company is vigorously pursuing legal action to protect its ownership interest in the funds and the disputed areas of the producing unit. It should be noted that the Board of Directors previously declared and paid a special dividend of \$1.00 per share on March 8, 2002.

We are pleased to announce the appointment of William B. Rudolf as General Manager. Mr. Rudolf, 42, has been a Director since 1991 and served as President since 1995. He will continue in these roles as well as serving as General Manager. Effective September 3, 2002, Mr. Rudolf began active day to day management of the company. Mr. Rudolf's personal involvement, as President, contributed greatly to the company's recent success and we are pleased and excited to have Mr. Rudolf's increased participation. The Board believes that the increased level of business activity combined with the opportunities and challenges facing the company dictated the retention of Mr. Rudolf and the dedication of his time on a daily basis. Mr. Rudolf has also been retained as General Manager of Lake Eugenie Land & Development, Inc., and has resigned his position as Vice President of a regional marine transportation company to assume the responsibilities as General Manager.