

BILOXI MARSH LANDS CORPORATION PROVIDES UPDATE RELATED TO HURRICANE RITA AND ANNOUNCES PARTIAL RESUMPTION OF PRODUCTION SHUT IN DUE TO HURRICANE KATRINA

October 7, 2005 – Edwards, Colorado. – As previously announced, due to the flooding of its Metairie, Louisiana offices Biloxi Marsh Lands Corporation (Pinksheets:BLMC) has temporarily relocated its offices. As of this time executive offices are located in Edwards, Colorado while clerical, geological and land department staff are operating from home offices in Mandeville and Metairie, Louisiana. Our geophysical consultant has temporarily relocated to Houston, Texas and will operate out of Houston and then his Metairie, Louisiana office once conditions in Metairie will permit. Our surface manager and environmental consultant are operating in and out of St. Bernard Parish, Louisiana where the Company's property is located and are re-establishing posting and patrolling operations.

All critical electronic files, including but not limited to all 3D seismic data, were successfully evacuated prior to Hurricane Katrina. Immediately after Hurricane Katrina management placed Thunder Restorations, Inc., a disaster recovery and document restoration firm, on stand by. At the request of our management, Thunder Restorations, Inc. pre-positioned its recovery team from its home base in Minneapolis, Minnesota to Jackson, Mississippi and on Monday, September 12, 2005, with a private police escort arranged for by the Company, the recovery team was able to recover all of our paper documents. The paper documents were frozen, decontaminated and have been moved to Thunder Restorations, Inc's facility to be kiln dried. According to Thunder Restorations Inc. the recovery and restoration rate should be over 95% and with the documents available for use by the end of the year. Gutting and rebuilding of our offices has begun and we expect that it will be ready for occupancy in two to three months.

After Hurricane Rita, on September 29, 2005 using a fixed wing aircraft Biloxi Marsh Lands Corporation's environmental consultant and surface manager conducted an additional aerial over-flight of the Company's property. The aircraft flight path was along the shorelines of Lake Borgne and Chandeleur Sound and the interior marshes near Muscle Bay, Lake Eugenie, and the property south of the Mississippi River Gulf Outlet. According to our environmental consultant, at the time of the aerial survey the area was still experiencing high water levels. The Lake Borgne and Chandeleur Sound shorelines and the interior marshes appeared to be impacted worst from Hurricane Rita than from Hurricane Katrina. This was not unexpected since the rigidity of the marshes had already been severely compromised by Hurricane Katrina before being impacted by Hurricane Rita's storm surge and intense wave action. While the property sustained significant damage due to the back to back hurricanes it appears that the vast majority of the acreage is still sustainable. Complete assessment of the extent of damage to the marsh will not be fully completed until water levels recede and on the ground inspection are completed. On the ground field inspections are in the process of being conducted. Additionally, the Company has retained the services of T. Baker Smith Inc. to assist in the assessment of the damage to the Company's property and develop a comprehensive Restoration and Stabilization Plan. It is management's hope that the development of this Restoration and

Stabilization Plan will assist the Company in obtaining and directing any Federal monies that may become available for marsh restoration as the result of the effects Hurricane Katrina.

We are pleased to announce that as of the date of this release, according to The Meridian Resource Corporation (NYSE:TMR) it has initiated production equal to approximately 52% of its pre-hurricane Katrina production as it completed the repairs and replacement of the equipment at its Facility 1 and Facility 3. According to TMR's recent press release, "Of the four main production facilities in the BML area that incurred damage, Facility 1 resumed production on Wednesday with an initial rate of approximately 16 million cubic feet of gas per day ("Mmcf/d") gross (10.5 Mmcf/d net). The Company anticipates that production from this facility will increase to pre-storm levels (21 Mmcf/d gross, 13 Mmcf/d net) upon the installation of new compression equipment which is expected within three to four weeks. This facility receives production from three wells, the BML 6-1, 6-2 and 6-3 located in the Company's Atlas prospect area. Additionally, production from the SL 17958 well at Facility 3 in the Apollo prospect area was returned to production on Thursday at a rate of approximately 12 Mmcf/d gross (7.8 Mmcf/d net)."

According to TMR it "expects that it will continue to add production from its BML project area over the course of the next two to three weeks from the remaining wells at Facility 2, Facility 3 and Facility 4, all of which will have been returned to production within 38-60 days of Hurricane Katrina's landfall."

Biloxi Marsh Lands Corporation may be contacted via telephone at its Metairie telephone number 504.837.4337 or 214.536.2162 or email at csbiloxi@bellsouth.net. Information will also be available on the Company's website www.biloximarshlandscorp.com We plan to issue updated press releases as the situation changes and new information becomes available.

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.

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