

Biloxi Marsh Lands Corporation announces un-audited results for the third quarter and first nine months of 2007 and provides update

Metairie, LA – October 26, 2007 - Biloxi Marsh Lands Corporation (PINK SHEETS:BLMC) today announced its un-audited results for the periods ending September 30, 2007. Total revenue for the third quarter of 2007 was \$351,263 compared to total revenue of \$2,268,481 for the same period of 2006. For the first nine months of 2007 revenue was \$3,021,156 compared to \$7,996,103 for the same period of 2006. During the third quarter of 2007 revenues from mineral royalties decreased to \$825,598 from \$2,104,770 for the same period of 2006. The decrease in total revenue can be attributed to two factors; 1) Costs related to the start up of B & L Exploration, LLC (BLX); 2) a reduction in volumes of natural gas produced and a reduction in the price obtained from the sale of that natural gas. A more detailed explanation of these attributes will be covered in the following paragraphs. During the third quarter of 2007 the company received no revenues from lease bonuses or delayed rentals. Meanwhile, operating expenses for the third quarter of 2007 were \$292,946 compared to operating expenses of \$290,872 for the same period of 2006. Net earnings were \$98,025 or \$0.04 per share for the third quarter of 2007 compared to \$1,074,257 or \$.39 per share for the same period of 2006, and for the first nine months of 2007 net earnings were \$1,648,260 or \$.60 per share compared to \$4,831,056 or \$1.75 per share for the same period of 2006.

As of September 30, 2007 the combined gross daily production from 14 wells including those operated by The Meridian Resource & Exploration, LLC and Manti Jambi, Inc. was approximately 17 mmcf with net daily production accruing to the company of approximately 1.8 mmcf. This compares to the daily production as of September 30, 2006 from 14 wells of approximately 26 mmcf with net daily production accruing to the Company of approximately 2.8 mmcf. During the third quarter of 2007 the average price obtained from the sale of natural gas was approximately 11% lower than the price obtained during the second quarter of 2007.

In our press release dated October 27, 2006 we reported that *“as of the date of this release there are no wells being drilled in which the company has an interest”*. Since the time of that release management has implemented a strategy designed to jump start drilling activity giving the company interest in newly drilled wells. The implementation of this strategy is illustrated by the formation of BLX, the identification and assembly of multi-prospects and the placement of two drilling packages with very reputable partners.

We reported in our second quarter earnings release on July 27, 2007, that BLX and its partners, The Manti Group, drilled two out of three successful wells. The two successful wells, S/L 18957 #1 and S/L 18955 #1, tested at a combined daily flow rate of 10.7 mmcf. BLX has a 21.25% working interest in these two wells. The operator, The Manti Group, anticipated that these wells would be on production by the end of the third quarter. Unfortunately, construction of heater platforms and flowlines has been delayed due to bad weather. With construction underway, The Manti Group advises they anticipate these wells should be on production by the end of November.

In our second quarter 2007 press release we reported that by September 15, 2007 BLX anticipated the commencement of drilling the first well in which BLX is participating with partners, Kaiser-Francis Gulf Coast, L.L.C, Gulf Explorer, L.L.C. and Ralaco Ventures, L.L.C.. BLX will have a 32.813% working interest after completion in the wells completed with this group. As of the date of this release, BLX has drilled two wells with this group. On September 9, 2007 the group logged approximately 32 net feet (TVD) of natural gas pay sands in S/L 19064 #1. Subsequently, the group logged its second well, S/L 19059 #1, which encountered gas sands at target depth, but it is believed that the pay sands are not sufficient to economically justify completion of this well. The group plans to construct a pipeline approximately six miles in length to produce the first well, S/L 19064 #1. Once permits are obtained, plans are to start construction of the pipeline in an effort to place this well on production during the late winter/ early spring, a period of historically higher natural gas prices. Due to permitting issues and historical low water depths during the winter months, the group plans to return to drill additional prospects in this area during the spring, a period of historical higher tides with deeper water depths.

The fact that the two successful wells drilled and completed with The Manti Group were not hooked up to production during the third quarter adding to our revenues, combined with the declining production rates of our older wells are two factors that led directly to the decrease in total revenue for the third quarter. The costs associated with the company's share of BLX participating in the drilling two wells and completing two additional wells during the third quarter also decreased our total revenue.

"It has been a busy year, one of transition for our company, a year in which we have implemented a strategy to position the company for the future. Through our 75% ownership interest in BLX, we now have significant interest in 3 successful wells that are outside of the boundaries of our fee acreage. We are pleased with the results of BLX's drilling program and look forward to this winter when BLX's new discoveries should be generating revenue, as well as the spring of 2008 when BLX and its partners will recommence drilling. As we move forward we are hopeful that BLX's new and future discoveries will more the offset the decline in production from our older wells" commented William B. Rudolf, President and Chief Executive Officer.

While Hurricane Katrina hit our area over two years ago, the area still struggles to recover. We remind our shareholders and interested parties that St. Bernard Parish, Louisiana, the Parish where our property is located, was indescribably devastated by Hurricane Katrina. To assist in the Parish's rebuilding the Company has established and funded the Biloxi Marsh Disaster Relief Fund Corporation. Detailed information about the fund is available on its website www.selarelief.com During the first nine months of 2006 the fund applied for and received IRS 501 (c) (3) tax exempt status making all contributions to the fund tax deductible. All interested parties are asked to remember the people of St. Bernard Parish, Louisiana by donating to the Biloxi Marsh Disaster Relief Fund Corporation. You may send a check to the fund at the company's address or contribute using a credit card on the Fund's website: www.selarelief.com

The company continues to be involved with Coastal Restoration efforts and we are hopeful that significant dollars will be spent to help protect and restore the company's property.

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.

The Company maintains a website; www.biloximarshlandscorp.com and strongly recommends that all investors and interested parties visit the website to view information relative to Hurricanes Katrina and Rita, historical press releases, historical financial statements and general information.

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

September 30, 2007 and Comparable Period

Assets	<u>2007</u>	<u>2006</u>
	<u>Accrual</u>	<u>Accrual</u>
Current assets:		
Cash and cash equivalents	\$ 1,416,420	\$ 5,546,670
Royalty receivable	343,397	549,037
Accrued interest receivable	89,122	69,019
Prepaid federal income taxes	240,226	—
Prepaid state income taxes	146,996	29,169
Total current assets	<u>2,236,161</u>	<u>6,193,895</u>
Investments:		
Other investments	1,466,642	—
Marketable debt and equity securities - at cost	13,101,356	15,173,433
Land - at cost	234,939	234,939
	<u>14,802,937</u>	<u>15,408,372</u>
Total assets	<u>\$ 17,039,098</u>	<u>\$ 21,602,267</u>
Liabilities and Stockholders' Equity		
Current Liabilities		
Federal income taxes payable	\$ —	\$ 798,919
Deferred tax liability	770,000	1,386,000
Other current liabilities	65,207	71,038
Payroll taxes payable	2,377	1,542
Total current liabilities	<u>837,584</u>	<u>2,257,499</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	16,228,809	19,372,063
	16,276,329	19,419,583
Less cost of treasury stock - 96,768 shares	<u>(74,815)</u>	<u>(74,815)</u>
Retained earnings-beginning of period	<u>16,201,514</u>	<u>19,344,768</u>
Total liabilities and stockholders' equity	<u>\$ 17,039,098</u>	<u>\$ 21,602,267</u>

BILOXI MARSH LANDS CORPORATION
Statements of Revenues and Expenses and Retained Earnings
September 30, 2007 and Comparable Period

	3 Months Ended September 30		9 Months Ended September 30	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
Revenues:				
Oil and gas				
Lease bonuses and delayed rentals	\$ -	\$ 203,767	\$ 20,250	\$ 215,121
Royalties (net of production taxes)	<u>825,598</u>	<u>1,901,003</u>	<u>3,340,887</u>	<u>7,166,084</u>
Total oil and gas	<u>825,598</u>	<u>2,104,770</u>	<u>3,361,137</u>	<u>7,381,205</u>
Other:				
Partnership income (loss)	(629,522)	-	(1,059,353)	-
Dividends and interest	139,927	217,288	388,850	668,475
Gain on sale of securities	10,190	(59,087)	322,502	(59,087)
Surface rentals	<u>5,070</u>	<u>5,510</u>	<u>8,020</u>	<u>5,510</u>
Total other revenues	<u>(474,335)</u>	<u>163,711</u>	<u>(339,981)</u>	<u>614,898</u>
Total revenue	<u>351,263</u>	<u>2,268,481</u>	<u>3,021,156</u>	<u>7,996,103</u>
Expenses				
Total expenses	<u>292,946</u>	<u>290,872</u>	<u>768,958</u>	<u>1,018,896</u>
Net Income before provision for income taxes	<u>58,317</u>	<u>1,977,609</u>	<u>2,252,198</u>	<u>6,977,207</u>
Income taxes				
Provision for income taxes	<u>(39,708)</u>	<u>903,352</u>	<u>603,938</u>	<u>2,146,151</u>
Net Income	98,025	1,074,257	1,648,260	4,831,056
Retained earnings-beginning of period	16,130,784	18,297,806	14,580,549	20,049,863
	<u>16,228,809</u>	<u>19,372,063</u>	<u>16,228,809</u>	<u>24,880,919</u>
Dividends	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,508,856</u>
Retained earnings-end of period	<u>\$ 16,228,809</u>	<u>\$ 19,372,063</u>	<u>\$ 16,228,809</u>	<u>\$ 19,372,063</u>
Net Income Per Share	<u>\$ 0.04</u>	<u>\$ 0.39</u>	<u>\$ 0.60</u>	<u>\$ 1.75</u>