

Biloxi Marsh Lands Corporation

One Galleria Blvd., Suite #902

Metairie, Louisiana 70001

Phone: (504) 837-4337

Fax: (504) 837-1889

Biloxi Marsh Lands Corporation Announces Unaudited Results for the Second Quarter and First Six Months of 2008 and provides update

Metairie, LA., July 25, 2008 (BUSINESS WIRE) – Biloxi Marsh Lands Corporation (PINK SHEETS: BLMC) today announces its unaudited results for the second quarter and first six months of 2008 and provides update. Total revenue for the second quarter of 2008 was \$1,261,005 compared to total revenue of \$1,233,908 for the same period of 2007. For the first six months of 2008 revenue was \$3,063,399 compared to \$2,669,893 for the same period of 2007. For the second quarter total revenue includes \$85,522 of revenue emanating from partnership income which represents the Company's interest in B&L Exploration, LLC compared to a net loss of \$182,500 in the same category for the second quarter of the prior year. Meanwhile, for the first six months of 2008 partnership income was \$756,214 compared to a net loss of \$429,831 in the same category for the first six months of 2007. During the second quarter of 2008, oil and gas revenues were \$734,458 compared to \$1,241,499 for the same period of 2007. It should be noted that BLMC did not received any revenue from production of natural gas during May of 2008 due to the fact that the sales point, El Paso's Tennessee Gas Pipeline, was shut in during the month of May for repairs. For the second quarter of 2008, gains on the sale of investments were \$373,168 compared to \$29,855 during the second quarter of 2007. Meanwhile, operating expenses for the second quarter of 2008 were \$342,050 compared to operating expenses of \$232,247 for the same period of 2007. The increase in expenses year over year was mainly due to increase in legal fees and expenses related to increased activity in the title dispute litigation. Net earnings were \$643,548 or \$.23 per share for the second quarter of 2008 compared to \$720,880 or \$.26 per share for the same period of 2007, and for the first half of 2008 net earnings were \$1,675,050 or \$.61 per share compared to \$1,545,168 or \$.56 per share for the same period of 2007.

Management has taken steps to jump start drilling activity through the formation of B & L Exploration, LLC (BLX) of which the Company owns 75%. As previously announced BLX placed two new wells on production during the fourth quarter of 2007. During the first six months of 2008 revenues from the production emanating from these two wells net of ongoing expenses attributed directly to the \$756,214 in partnership income cited in the foregoing paragraph. While these two wells, SL 18955 #1 and 18957 #1, represent relative small reservoirs, due to the excellent sand quality these two wells continued to produce at a combined daily rate of approximately 2.0 mmcf as of June 30, 2008. Also, as of June 30, 2008 the combined gross daily production rate from 11 wells operated by the Company's mineral Lessees was approximately 11.5 million cubic feet (mmcf) with net daily production accruing to the Company of approximately 1.2 mmcf.

We are pleased to announce that on July 15, 2008 BLX and its partners successfully logged the Lake Eugenie Land & Development #1 Well or our South Boudreau Bay Prospect. Electric logs indicated approximately 72 gross feet or 60 net feet of natural gas pay sands. Due to excellent sand quality, indicated by electric logs and sidewall core analysis, we do not plan to flow test this well. We prefer to flow it straight to production after its completion and the completion of the flowlines needed to produce this well.

We reported on April 30th that after the completion of a six mile long plus flowline we anticipated placing the SL 19064 #1 well on production in June of 2008. Unfortunately, our operating partner, Gulf Production Company is experiencing delays in completing this flowline. This same flowline will be used to produce the Lake Eugenie Land & Development #1 Well and we are advised by Gulf Production that it will take an additional 6 to 8 weeks from the date of this release to complete the flowline. Meanwhile, due to delays in obtaining a Coastal Use Permit from the State of Louisiana for drilling our East Three Mile Bay Prospect and the fact that we are approaching the heart of hurricane season, we are not going to move the rig that is presently completing the Lake Eugenie Land & Development #1 Well to drill the East Three Mile Bay Prospect. Depending on permitting and rig availability, our current plan is to drill this prospect in the late fall of 2008 after the heart of hurricane season or in the late spring of 2009 before the start of hurricane season. It should be noted that since its inception BLX has participated in the drilling of six prospects that it generated completing four as successful commercial natural gas wells.

On January 31, 2008 we announced our participation in the NAPE Expo in Houston, Texas (please see www.napeonline.com). With the assistance of BLX's technical consultants we presented acreage under the control of BLX showing two Tuscaloosa prospects (Alpha and Beta) developed over the past 12 to 18 months using existing geological well control and 3D seismic data (see the Company's website www.biloximarshlandscorp.com for additional information). While we continue to develop a strategy to test the Tuscaloosa sand interval, these deeper Tuscaloosa prospects are much more difficult to place than the shallower drilling packages previously placed by BLX. We are continuing our efforts to place Alpha and Beta prospects as well as additional shallower prospects, while we are working on new strategies for marketing our property.

William B. Rudolf, President and CEO, commented: "We are pleased with the fact that since the inception of BLX we have participated in drilling six prospects that we have generated while completing four as successful natural gas wells and we look forward to getting SL 19064 #1 well and the Lake Eugenie Land & Development Well on production as soon as possible."

The Company maintains a website; www.biloximarshlandscorp.com and we strongly recommend that all investors and interested parties visit the website to view historical press releases, historical financial statements including *President's Report to Shareholders*, and general information about the company. During January 2008 we moved our office to One Galleria Blvd., Suite #902. Complete and updated contact information is available on the Company's website: www.biloximarshlandscorp.com .

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 as well as its proportional share of revenue generated by BLX. 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”, “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.

Contact:
Biloxi Marsh Lands Corporation
Colleen Starks: 504-837-4337

BILOXI MARSH LANDS CORPORATION

Statements of Assets, Liabilities, and Stockholders' Equity

June 30, 2008 and Comparable Period

Assets	2008	2007
Current assets:		
Cash and cash equivalents	\$ 8,034,281	\$ 1,948,053
Accounts receivable	497,283	513,010
Prepaid expenses	46,508	53,519
Accrued interest receivable	30,283	66,825
Prepaid federal income taxes	172,850	—
Prepaid state income taxes	47,725	94,725
Other current assets	4,077	—
Total current assets	<u>8,833,007</u>	<u>2,676,132</u>
Investments:		
Other investments	2,307,850	1,346,164
Marketable debt and equity securities - at cost	4,918,537	12,923,065
Land - at cost	234,939	234,939
	<u>7,461,326</u>	<u>14,504,168</u>
Total assets	<u>\$ 16,294,333</u>	<u>\$ 17,180,300</u>
Liabilities and Stockholders' Equity		
Current liabilities:		
Federal income taxes payable	\$ —	\$ 3,196
Deferred tax liability	306,357	924,000
Other current liabilities	115,339	93,719
Payroll taxes payable	—	2,377
Total current liabilities	<u>421,696</u>	<u>1,023,292</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	15,899,932	16,184,303
	15,947,452	16,231,823
Less cost of treasury stock - 96,768 shares	<u>(74,815)</u>	<u>(74,815)</u>
Total liabilities and stockholders' equity	<u>\$ 16,294,333</u>	<u>\$ 17,180,300</u>

BILOXI MARSH LANDS CORPORATION
 Statements of Revenues and Expenses and Retained Earnings
 June 30, 2008 and Comparable Period

	3 Months Ended June 30		6 Months Ended June 30	
	2008	2007	2008	2007
Revenues:				
Oil and Gas				
Pipeline Right of Ways	\$ 25,031	\$ -	\$ 25,031	\$ -
Lease bonuses and delayed rentals	-	20,250	-	20,250
Royalties (net of production taxes)	709,427	1,221,249	1,603,658	2,515,289
Total Oil and Gas	734,458	1,241,499	1,628,689	2,535,539
Other:				
Partnership Income (Loss)	85,522	(182,500)	756,214	(429,831)
Dividends and interest	67,857	142,104	164,755	248,923
Gain on sale of securities	373,168	29,855	513,741	312,312
Surface Rentals	-	2,950	-	2,950
Total Other revenues	526,547	(7,591)	1,434,710	134,354
Total Revenue	1,261,005	1,233,908	3,063,399	2,669,893
Expenses				
Total Expenses	342,050	232,247	665,457	481,079
Net Income before provision for income taxes	918,955	1,001,661	2,397,942	2,188,814
Income taxes				
Provision for income taxes	275,407	280,781	722,892	643,646
Net Income	643,548	720,880	1,675,050	1,545,168
Retained Earnings-beginning of period				
	15,256,384	15,463,423	14,224,882	14,639,135
	15,899,932	16,184,303	15,899,932	16,184,303
Dividends				
	-	-	-	-
Retained earnings-end of period	\$ 15,899,932	\$ 16,184,303	\$ 15,899,932	\$ 16,184,303
Net Income Per Share	\$ 0.23	\$ 0.26	\$ 0.61	\$ 0.56