

Biloxi Marsh Lands Corporation

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Biloxi Marsh Lands Corporation Announces Unaudited Results for the First Quarter of 2009 and provides update

Metairie, LA., May 8, 2009 (BUSINESS WIRE) – Biloxi Marsh Lands Corporation (PINK SHEETS:BLMC) today announces its unaudited results for the first quarter of 2009 and provides update. Total revenue for the three months ending March 31, 2009 were \$995,122 compared to \$1,802,394 for the first quarter of 2008. For the first quarter total revenue includes \$409,571 in revenue emanating from partnership income which represents the Company's interest in B&L Exploration, LLC compared to \$670,692 in the same category for the first quarter of the prior year. During the first quarter of 2009 we incurred a cumulative gain from the sale of investment securities in the amount of \$136,056 as compared to a cumulative gain from the sale of investment securities of \$140,573 for the same period in 2008. Meanwhile for the quarter, total expenses were \$309,582 compared to \$323,407 for the prior year. For the first quarter of 2009 net earnings decreased to \$494,280 or \$.18 per share from \$1,031,502 or \$.37 per share for the same period of 2008.

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 2008. As of March 31, 2009 these two wells (SL 19064 #1 and Lake Eugenie Land & Development #1) were producing at a combined daily rate of approximately 7.3 mmcf. On March 11, 2009, due to the decline in the price of natural gas BLX and its partners decided to reduce the size of the choke in the Lake Eugenie Land & Development #1 well, therefore reducing its flow rate. Also, as of March 31, 2009 the combined gross daily production rate from 5 wells operated by the Company's mineral Lessees was approximately 9.0 million cubic feet (mmcf) with net daily production accruing to the Company of approximately 900 mcf. Combining this daily natural gas production with the Company's proportional share of the daily production from the BLX wells makes the total net daily production accruing to the Company as of March 31, 2009 approximately 2.3 mmcf of natural gas.

Due to delays in obtaining a Coastal Use Permit from the state of Louisiana, BLX and its partners did not drill SL 19061 #1 sequentially after drilling the Lake Eugenie Land & Development #1 well as planned. We have finally obtained our Coastal Use Permit, but due to the decline in the price of natural gas BLX and its partners have decided to delay the drilling of SL 19061 #1 until the spring of 2010. Meanwhile, we are actively working on identifying prospects with larger reserve potential that represent more attractive investment opportunities in the current commodity price environment.

Since 2001 litigation has been pending in the Louisiana State Court in St. Bernard Parish. This litigation emanates from a title dispute over a certain tract of land owned by the Company that has been and is currently having natural gas produced from beneath its surface. Including the Company, there are three adverse claimants to this tract of land. Please refer to the following link and read the President's Report to Shareholders dated March 18, 2009 for supplemental information on the litigation: www.biloximarshlandscorp.com . Since early on in the litigation we have attempted to conduct settlement discussions with the adverse claimants. Unfortunately, past settlement discussions between the adverse parties have yielded little movement. Recently discussions between the interested parties appear to be progressing. If such negotiations are successful in reaching a binding settlement agreement between all parties, an appropriate Press Release will be issued by the Company at the time a settlement becomes effective and binding upon all of the interested parties. It should be noted that the negotiations do not

involve the disputes with the State of Louisiana regarding its claims to certain waterbottoms owned by the Company. Again, please refer to the March 18, 2009 President's Report Shareholders for additional information, a copy of which is available on the Company's website: www.biloximarshlandscorp.com .

William B. Rudolf, President and CEO, commented: "We are pleased with the continued success of BLX. Since inception, we have drilled four out of six successful wells. We are in the process of modifying our investment strategy to take into consideration the recent decline in commodity prices. We intend to move the Company forward in a prudent manner that takes into consideration the current economic environment, which we believe may create unprecedented opportunity."

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.

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.

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BILOXI MARSH LANDS CORPORATION

Statements of Assets, Liabilities, and Stockholders' Equity

March 31, 2009 and 2008

Assets	2009	2008
Current assets:		
Cash and cash equivalents	\$ 5,199,316	8,893,918
Accounts receivable	162,889	337,890
Federal income taxes receivable	148,496	
State income taxes receivable	36,308	—
Prepaid expenses	18,835	18,425
Accrued interest receivable	59,703	14,033
Other	7,985	—
Total current assets	5,633,532	9,264,266
Investment in Partnership	1,348,192	2,222,328
Marketable debt and equity securities - at cost	5,773,464	4,637,809
Land - at cost	234,939	234,939
Levees and office furniture and equipment	188,352	187,972
Accumulated Depreciation	(188,352)	(187,972)
	7,356,595	7,095,076
Total assets	\$ 12,990,127	16,359,342
Liabilities and Stockholders' Equity		
Current liabilities:		
Federal income taxes payable	\$ —	516,842
State income taxes payable	—	51,498
Deferred tax liability	—	459,536
Accrued expenses	81,602	100,217
Other	2,520	2,160
Total current liabilities	84,122	1,130,253
Stockholders' equity:		
Common stock, par value \$.001 - 20,000,000 shares authorized, 2,851,196 shares issued, outstanding 2,741,428 shares in 2009 and 2,754,428 in 2008	47,520	47,520
Retained earnings	13,041,550	15,256,384
Less cost of treasury stock - 109,768 and 96,768 shares in 2009 and 2008, respectively	(183,065)	(74,815)
Total liabilities and stockholders' equity	\$ 12,990,127	16,359,342

BILOXI MARSH LANDS CORPORATION
 Statements of Revenues and Expenses and Retained Earnings
 March 31, 2009 and 2008

	<u>2009</u>	<u>2008</u>
Revenues:		
Oil and Gas		
Royalties (net of production taxes)	\$ 384,285	894,231
Total oil and gas revenues	<u>384,285</u>	<u>894,231</u>
Other:		
Partnership income (Loss)	409,571	670,692
Dividends and interest	65,210	96,898
Gain on sale of securities	<u>136,056</u>	<u>140,573</u>
Total other revenues	<u>610,837</u>	<u>908,163</u>
Total revenues	<u>995,122</u>	<u>1,802,394</u>
Expenses		
Total expenses	<u>309,582</u>	<u>323,407</u>
Net income before provision for income taxes	<u>685,540</u>	<u>1,478,987</u>
Income taxes		
Provision for income taxes	<u>191,260</u>	<u>447,485</u>
Net income	494,280	1,031,502
Net income per share	<u>\$ 0.18</u>	<u>\$ 0.37</u>