

# Biloxi Marsh Lands Corporation

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## Biloxi Marsh Lands Corporation Announces Unaudited Results for the Second Quarter and First Six Months of 2019

Metairie, LA., August 7, 2019 (BUSINESS WIRE) – Biloxi Marsh Lands Corporation (PINK SHEETS: BLMC) today announces its unaudited results for the second quarter of 2019 and first six months of 2019. The Company's revenue for the three months ended June 30, 2019 from oil and gas production for its fee lands was \$1,715 compared to revenue of \$6,880 for the second quarter of 2018. Dividend and interest income for the second quarter of 2019 was \$26,314 compared to \$30,647 for 2018. The Company realized a cumulative gain from the sale of investment securities of \$120,761 compared to a cumulative gain of \$805,816 for the same period of 2018. Fee land income was \$51,136 for second quarter of 2019 compared to \$5,650 for 2018. The flow-through loss from B&L Exploration, LLC (B&L) reduced the Company's quarterly revenue by \$378,753 during the second quarter of 2019 compared to a \$725,023 reduction during the second quarter of 2018. Expenses for the second quarter were \$201,422 compared to \$199,304 for the same period of 2018. The Company had a net loss of \$380,249 or \$0.15 per share for the second quarter of 2019 compared to a net loss of \$75,334 or \$0.03 per share in 2018. For the first half of 2019, there was a net loss of \$1,352,752 or \$0.54 per share compared to a net loss of \$442,930 or \$0.18 per share for the same period of 2018.

Please note that quarterly unaudited financial results are issued and posted to the Company's website on the dates set forth on its website, [www.biloximarshlandscorp.com](http://www.biloximarshlandscorp.com). The Company strongly recommends that investors and all interested parties visit its website to view historical press releases, historical financial statements, and other relevant information.

As of May 2019, the Highlander well continued to produce from mineral leases within the boundaries of the EOC-TUSC BL UDS SUA production unit. Information reported by the Highlander well's operator to the Louisiana Department of Natural Resources (LDNR) is available on LDNR's Strategic Online Natural Resources Information System (SONRIS – [www.sonris.com](http://www.sonris.com)). B&L continues its operations with producing wells in South Texas.

As previously reported, on June 15, 2012, the Company filed a claim (Biloxi Marsh Lands Corp., et al. v. United States; Case No. 12-382L) in the U.S. Court of Federal Claims against the US Army Corps of Engineers (The Biloxi Case) seeking monetary damages for property damages and losses caused by the Mississippi River Gulf Outlet (MR-GO). At this time, the Company cannot predict the timing of resolution or the outcome of this litigation process.

During 2017, the Company filed suit in Louisiana State District Court (34<sup>th</sup> Judicial District Court, Division D in St. Bernard Parish, LA) against Alta Mesa Holdings, LP, et al, (Case No. 17-1104). During the first quarter of this year we have joined High Mesa Holdings, LP as party defendant. Trial on the costs associated with repairing the property damage is scheduled for

September 9, 2019. As of this time, the Company is unable to forecast the amount of monetary damages that will be awarded, if any.

During March 2019, the Company completed its previously announced stock buyback program authorized on December 14, 2015. On May 8, 2019, the board of directors authorized the additional purchase of up to 30,000 shares of the Company's common stock. Purchases of common stock will be made from time to time on the open market. All shares purchased will be held as treasury stock.

Biloxi Marsh Lands Corporation is a Delaware corporation whose principal assets are surface and mineral rights to approximately 90,000 acres of marsh land in St. Bernard Parish, Louisiana, which from time to time generates revenues from mineral activities including lease bonuses, delay rentals, royalties on oil and natural gas production, and fee land income unrelated to oil and gas activities.

The Company owns a seventy-five percent interest in B&L Exploration L.L.C. which is engaged principally in the exploration for and development of oil and natural gas resources through various ownership interests in oil and natural gas properties located in Louisiana and Texas.

This news release contains forward-looking statements regarding all of the Company's business activities including without limitation 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", "could", "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 "Statements of Revenues and Expenses" have been derived from interim un-audited financial statements which do 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

June 30, 2019 and 2018

| Assets  | <b>2019</b>         | <b>2018</b>      |
|---|---------------------|------------------|
| <b>Current assets:</b>  |                     |                  |
| Cash and cash equivalents   | \$ 1,465,993        | 1,830,569        |
| Accounts and accrued interest receivable  | 2,832               | 12,416           |
| Prepaid expenses  | 72,659              | 62,748           |
| Deferred tax asset  | 21,159              | 21,055           |
| Income taxes receivable   | 28,817              | 8,378            |
| Other assets  | 3,830               | 3,830            |
| <b>Total current assets</b>   | <b>1,595,290</b>    | <b>1,938,996</b> |
| <b>Other assets:</b>  |                     |                  |
| Investment in partnerships  | 205,615             | 1,005,872        |
| Marketable debt and equity securities - at cost   | 5,384,551           | 6,423,989        |
| Land  | 234,939             | 234,939          |
| Levees and office furniture and equipment   | 319,943             | 319,943          |
| Accumulated depreciation  | (319,943)           | (314,873)        |
| <b>Total other assets</b>   | <b>5,825,105</b>    | <b>7,669,870</b> |
| <b>Total assets</b>   | <b>\$ 7,420,395</b> | <b>9,608,866</b> |
| <b>Liabilities and Stockholders' Equity</b>   |                     |                  |
| <b>Current liabilities:</b>   |                     |                  |
| Accrued expenses  | \$ 13,020           | 45,479           |
| <b>Total current liabilities</b>  | <b>13,020</b>       | <b>45,479</b>    |
| <b>Stockholders' equity:</b>  |                     |                  |
| Common stock, \$.001 par value. Authorized, 20,000,000 shares;<br>issued, 2,851,196 shares; outstanding, 2,505,028<br>and 2,524,908 shares in 2019 and 2018, respectively | 47,520              | 47,520           |
| Retained earnings   | 10,436,880          | 12,448,548       |
| Treasury stock - 346,168 and 326,288 shares in 2019 and 2018,<br>respectively, at cost  | (3,077,025)         | (2,932,681)      |
| <b>Total liabilities and stockholders' equity</b>   | <b>\$ 7,420,395</b> | <b>9,608,866</b> |

**BILOXI MARSH LANDS CORPORATION**

Statements of Revenues and Expenses

June 30, 2019 and 2018

|                                     | <b>3 Months Ended</b> |                 | <b>6 Months Ended</b> |                  |
|-------------------------------------|-----------------------|-----------------|-----------------------|------------------|
|                                     | <b>June 30</b>        |                 | <b>June 30</b>        |                  |
|                                     | <b>2019</b>           | <b>2018</b>     | <b>2019</b>           | <b>2018</b>      |
| <b>Revenues:</b>                    |                       |                 |                       |                  |
| Oil and gas royalties               | \$ 1,715              | 6,880           | \$ 4,454              | \$ 12,693        |
| Total oil and gas revenues          | <u>1,715</u>          | <u>6,880</u>    | <u>4,454</u>          | <u>12,693</u>    |
| <b>Other income (loss):</b>         |                       |                 |                       |                  |
| Loss from investment in partnership | (378,753)             | (725,023)       | (848,041)             | (1,184,637)      |
| Dividends and interest income       | 26,314                | 30,647          | 58,855                | 58,780           |
| Gain (loss) on sale of securities   | 120,761               | 805,816         | (237,502)             | 1,037,465        |
| Surface rentals                     | 51,136                | 5,650           | 53,636                | 5,650            |
| Total other income                  | <u>(180,542)</u>      | <u>117,090</u>  | <u>(973,052)</u>      | <u>(82,742)</u>  |
| Total revenues and other income     | <u>(178,827)</u>      | <u>123,970</u>  | <u>(968,598)</u>      | <u>(70,049)</u>  |
| <b>Expenses:</b>                    |                       |                 |                       |                  |
| Total expenses                      | <u>201,422</u>        | <u>199,304</u>  | <u>384,154</u>        | <u>372,881</u>   |
| Net income before income taxes      | <u>(380,249)</u>      | <u>(75,334)</u> | <u>(1,352,752)</u>    | <u>(442,930)</u> |
| Income tax expense (benefit)        | <u>-</u>              | <u>-</u>        | <u>-</u>              | <u>-</u>         |
| Net income                          | <u>\$ (380,249)</u>   | <u>(75,334)</u> | <u>\$ (1,352,752)</u> | <u>(442,930)</u> |
| Net income per share                | \$ (0.15)             | \$ (0.03)       | \$ (0.54)             | \$ (0.18)        |