

# Biloxi Marsh Lands Corporation

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## Biloxi Marsh Lands Corporation Announces Unaudited Results for the First Quarter of 2016 and provides update

Metairie, LA., May 13, 2016 (BUSINESS WIRE) – Biloxi Marsh Lands Corporation (PINK SHEETS:BLMC) today announces its unaudited results for the first quarter of 2016 and provides update. The Company's revenue for the three months ending March 31, 2016 from oil and gas production for its fee lands was \$34,094 compared to revenue of \$86,439 in 2015.

Meanwhile, dividend and interest income for the first three months of 2016 was \$32,602, compared to \$35,255 for the first three months of 2015. During the first quarter of 2016, the Company essentially broke even from realized gains on investment securities with a slight gain of \$71 compared to a cumulative gain in the amount of \$249,878 for the same period in 2015. During the first quarter of 2016, total revenues included a \$284,309 loss from the Company's investment in B&L Exploration, LLC (B&L). This compares to a loss of \$225,848 from B&L for the first quarter of 2015. Expenses for the quarter were \$188,973 compared to \$218,502 for the same period in 2015. The Company incurred a net loss of \$253,747 or \$.10 per share for the first quarter of 2016 compared to a net loss of \$45,427 or \$.02 per share in 2015.

As of March 31, 2016, the combined gross daily production rate from 7 wells operated by the Company's mineral lessees was approximately 1.47 million cubic feet of natural gas (Mmcf) and 126 barrels of oil per day (BOPD) with net daily production accruing to the Company of approximately .24 Mmcf and 2 BOPD. Meanwhile, as of March 31, 2016, B&L's gross daily production was approximately 55.24 Mmcf and 363 barrels of oil from 7 wells with approximately 2.15 Mmcf and 46 barrels of oil per day accruing to B&L.

As previously reported, the Company has filed a claim against the US Army Corps of Engineers (USACE) for property damage and losses caused by the Mississippi River Gulf Outlet (MR-GO). It is anticipated that this litigation against the federal government will be a long process.

As previously reported, Freeport-McMoRan Oil and Gas (FM O&G), a wholly owned subsidiary of Freeport-McMoRan Copper and Gold Inc. (NYSE:FCX), in its January 26, 2016 news release announced *"during November 2015, FM O&G completed the installation of additional processing facilities to accommodate higher flow rates from the Highlander well. In December 2015, gross rates from the Highlander well averaged approximately 44 MMcf per day."*

B&L has been assigned and is contractually entitled to a 1.5% of 8/8ths overriding royalty interest (ORRI) in the Highlander discovery well and in all mineral leases obtained and maintained by FM O&G in its Highlander project area located in Iberia, St. Martin, Assumption and Iberville Parishes, Louisiana.

Both the Goodrich Land and Energy No. 1 well and the Williams C-4 ST1 well, operated by Linder Oil Co., were returned to production during the first quarter of 2016. The combined production from the two wells is approximately 350 barrels of oil per day. B&L has an average working interest of 15.8% in the Goodrich Land and Energy No. 1 well and the Williams C-4 ST1 well.

B&L was organized as a limited liability Company (LLC) under the laws of Louisiana in July of 2006. B&L's members are BLMC and Lake Eugenie Land & Development, Inc. (LKEU), which have membership percentages of 75% and 25%, respectively.

William B. Rudolf, President and CEO, commented: "While commodity prices have made a slight recovery that we hope will continue, pricing has not returned to previous levels which creates a difficult operating environment for the Company. B&L's management is focused on driving cost efficiencies while reducing its planned capital investments so that it is in position to identify and take advantage of opportunities that may arise in the current lower cost operating environment."

The Company maintains a website, [www.biloximarshlandscorp.com](http://www.biloximarshlandscorp.com), and strongly recommends that all investors and interested parties visit the website to view historical press releases, historical financial statements, and other relevant information.

Biloxi Marsh Lands Corporation owns approximately 90,000 acres of marsh lands located in St. Bernard Parish, Louisiana. As the landowner, it derives revenues from oil and gas exploration and production activities that take place on or near the Company's fee lands and revenues from surface rentals. BLMC also owns a seventy-five percent interest in B&L Exploration, LLC which explores for and develops oil and gas primarily in Louisiana and Texas.

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", "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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## Statements of Assets, Liabilities, and Stockholders' Equity

March 31, 2016 and 2015

<b>Assets</b>	<b>2016</b>	<b>2015</b>
Current assets:		
Cash and cash equivalents	\$ 2,236,251	2,895,100
Accounts receivable	20,773	83,342
Prepaid expenses	23,665	24,980
Accrued interest receivable	19,346	17,100
Deferred tax asset	205,918	87,731
Federal income taxes receivable	7,195	10,017
State income taxes receivable	41,434	13,674
Other assets	3,830	3,830
Total current assets	<u>2,558,412</u>	<u>3,135,774</u>
Other assets:		
Investment in partnership	2,667,720	2,534,029
Marketable debt and equity securities - at cost	6,586,386	6,566,385
Land	234,939	234,939
Geological and geophysical costs - fee lands, net of amortization	31,937	68,764
Levees and office furniture and equipment	315,943	314,943
Accumulated depreciation	<u>(314,164)</u>	<u>(313,583)</u>
Total other assets	<u>9,522,761</u>	<u>9,405,477</u>
Total assets	<u>\$ 12,081,173</u>	<u>12,541,251</u>
<b>Liabilities and Stockholders' Equity</b>		
Current liabilities:		
Accrued expenses	\$ <u>22,550</u>	<u>23,848</u>
Total current liabilities	22,550	23,848
Stockholders' equity:		
Common stock, \$.001 par value. Authorized, 20,000,000 shares; issued, 2,851,196 shares; outstanding, 2,535,028 shares in 2016 and 2015, respectively	47,520	47,520
Retained earnings	14,853,728	15,312,508
Treasury stock - 316,168 shares in 2016 and 2015, respectively, at cost	<u>(2,842,625)</u>	<u>(2,842,625)</u>
Total liabilities and stockholders' equity	<u>\$ 12,081,173</u>	<u>12,541,251</u>

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## Statements of Revenues and Expenses

March 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Revenues:		
Oil and gas royalties	\$ 34,094	\$ 86,439
Total oil and gas revenues	<u>34,094</u>	<u>86,439</u>
Other income (loss):		
Loss from investment in partnership	(284,309)	(225,848)
Dividends and interest income	32,602	35,255
Gain on sale of securities	71	249,878
Total other income	<u>(251,636)</u>	<u>59,285</u>
Total revenues and income	<u>(217,542)</u>	<u>145,724</u>
Expenses:		
Total expenses	<u>188,973</u>	<u>218,502</u>
Net loss before income taxes	(406,515)	(72,778)
Income tax benefit	<u>(152,768)</u>	<u>(27,351)</u>
Net loss	<u>\$ (253,747)</u>	<u>(45,427)</u>
Net loss per share	\$ (0.10)	\$ (0.02)