

Biloxi Marsh Lands Corporation

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Biloxi Marsh Lands Corporation Announces Unaudited Results for the First Quarter of 2019

Metairie, LA., May 24, 2019 (BUSINESS WIRE) – Biloxi Marsh Lands Corporation (PINK SHEETS:BLMC) today announces its unaudited results for the first quarter of 2019. The Company's revenue for the three months ending March 31, 2019 from oil and gas production for its fee lands was \$2,739 compared to revenue of \$5,813 in 2018. Meanwhile, dividend and interest income for the first three months of 2019 was \$32,541 compared to \$28,133 for the first three months of 2018. For the quarter, the Company realized a cumulative loss from the sale of investment securities of \$358,263 compared to a gain of \$231,649 during 2018. The flow-through loss from B&L Exploration, LLC (B&L) reduced the Company's quarterly revenue by \$469,288 in 2019 compared to \$459,614 during 2018. Expenses for the quarter were \$182,732 compared to \$173,577 for the same period in 2018. The Company incurred a net loss of \$972,503 or \$.39 per share for the first quarter of 2019 compared to a net loss of \$367,596 or \$.15 per share in 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. 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.

The Company's efforts to protect and sustain the Company's fee lands in St. Bernard Parish, Louisiana and in response to the Louisiana Coastal Protection and Restoration Authority (CPRA) 2017 Coastal Master Plan (2017 CMP), led to the submission on February 28, 2019 of the project proposal: *Leveraging Natural Resilience to Ensure the Long-Term Sustainability of the Biloxi Marsh Complex: An Integrated Project*. The regional importance of the Biloxi Marsh Complex due to its geographic location, its unique geological stability and its unique nearshore topography, among other factors, were taken into consideration while conceptualizing our integrated project. The project submittal was in response to CPRA's request for New Projects to be considered for inclusion in the 2023 CMP. Additionally, our scientific experts' report, Day et al., 2019, in prep., will be available shortly and will substantiate in detail our team's conclusions concerning the degradation of the Company's marsh lands in St. Bernard Parish, Louisiana. To obtain more information concerning coastal restoration, please visit our website: <http://www.biloximarshlandscorp.com/biloxi-marsh-coastal-restoration/>.

As of February 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). B&L continues its operations with producing wells in South Texas. Meanwhile, new projects have been evaluated that focus on oil production. As the result of this evaluation, we have obtained a ~562 acre lease position in Calhoun County, TX covering

a portion of historically prolific Heyser Field. This project's goal is the recovery of residual oil and natural gas by using horizontal well technology. The lease was acquired by a new entity, B&L Resources, LLC, of which the Company owns fifty percent.

On Wednesday, January 9, 2019, the Company paid a dividend to its shareholders of record at the close of business on Monday, December 31, 2018. This represents a total cash dividend payment of \$251,301 or \$.10 per share. Since 2002, the Company has paid approximately \$55,980,000 in total dividends. With production emanating from the Company's fee land depleting and no new wells being drilled on its marsh lands in St. Bernard Parish, Louisiana, it will be difficult to maintain the level of dividends paid since 2002.

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 (34th Judicial District Court, Division D in St. Bernard Parish, LA) against Alta Mesa Holdings, LP (Case No. 17-1104). We made claims under three separate causes of action: 1) Specific performance to remove the North Eros pipeline; 2) Property damages caused by installation, use and operations of the North Eros pipeline; and 3) Specific performance to plug and abandon all wells, remove all associated equipment, facilities and fixtures from our property. We filed Motions for Summary Judgments on all three claims which have been granted. Trial on the costs associated with repairing the property damages 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 surface rentals 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

March 31, 2019 and 2018

Assets	2019	2018
Current assets:		
Cash and cash equivalents	\$ 1,755,868	2,422,464
Accounts receivable	2,084	4,934
Prepaid expenses	23,590	23,748
Accrued interest receivable	7,629	8,329
Deferred tax asset	21,159	21,055
Income taxes receivable	29,538	8,786
Other assets	3,830	3,830
Total current assets	<u>1,843,698</u>	<u>2,493,146</u>
Other assets:		
Investment in partnership	48,367	605,895
Marketable debt and equity securities - at cost	5,689,714	6,373,737
Land	234,939	234,939
Total other assets	<u>5,973,020</u>	<u>7,214,660</u>
Total assets	<u>\$ 7,816,718</u>	<u>9,707,806</u>
Liabilities and Stockholders' Equity		
Current liabilities:		
Accrued expenses	\$ 28,808	41,852
Total current liabilities	28,808	41,852
Stockholders' equity:		
Common stock, \$.001 par value. Authorized, 20,000,000 shares; issued, 2,851,196 shares; outstanding, 2,505,028 and 2,528,008 shares in 2019 and 2018, respectively	47,520	47,520
Retained earnings	10,817,415	12,523,882
Treasury stock - 346,168 and 323,188 shares in 2019 and 2018, respectively, at cost	<u>(3,077,025)</u>	<u>(2,905,448)</u>
Total liabilities and stockholders' equity	<u>\$ 7,816,718</u>	<u>9,707,806</u>

BILOXI MARSH LANDS CORPORATION

Statements of Revenues and Expenses

March 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Revenues:		
Oil and gas royalties	\$ 2,739	\$ 5,813
Total oil and gas revenues	<u>2,739</u>	<u>5,813</u>
Other income (loss):		
Dividends and interest income	32,541	28,133
Surface rentals	2,500	-
Gain on sale of securities	(358,263)	231,649
Loss from investment in partnership	(469,288)	(459,614)
Total other income	<u>(792,510)</u>	<u>(199,832)</u>
Total revenues and income	<u>(789,771)</u>	<u>(194,019)</u>
Expenses:		
Total expenses	<u>182,732</u>	<u>173,577</u>
Net loss before income taxes	(972,503)	(367,596)
Income tax benefit	<u>-</u>	<u>-</u>
Net loss	<u>\$ (972,503)</u>	<u>(367,596)</u>
Net loss per share	\$ (0.39)	\$ (0.15)