

Biloxi Marsh Lands Corporation

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Biloxi Marsh Lands Corporation Announces Unaudited Results for the First Quarter of 2020

Metairie, La.-- June 2, 2020 (BUSINESS WIRE)--Biloxi Marsh Lands Corporation (PINK SHEETS:BLMC) today announces its unaudited results for the first quarter of 2020. The Company's revenue for the three months ending March 31, 2020 from oil and gas production for its fee lands was \$2,227 compared to revenue of \$2,739 in 2019. Meanwhile, dividend and interest income for the first three months of 2020 was \$20,634 compared to \$32,541 for the first three months of 2019. For the quarter, the Company realized a gain from the sale of investment securities of \$11,484 compared to a loss of \$358,263 during 2019. During the first quarter of 2020, we realized a gain of \$153,794 from a partial settlement of the case in Louisiana State District Court (34th Judicial District Court, Division D in St. Bernard Parish, LA; Case No. 17-1104) against Alta Mesa Holdings, LP, et al. ("Alta Mesa Holdings, et al. Litigation"). The flow-through loss from B&L Exploration, LLC ("BLX") reduced the Company's quarterly revenue by \$453,997 in 2020 compared to \$469,288 during 2019. The first quarter 2020 flow-through loss of \$453,997 includes \$282,701 in depreciation, depletion and amortization of intangible drilling costs and other tangible costs capitalized in prior years. Expenses for the quarter were \$159,867 compared to \$182,732 for the same period in 2019. The Company incurred a net loss of \$425,725 or \$.17 per share for the first quarter of 2020 compared to a net loss of \$972,503 or \$.39 per share per share in 2019.

On May 13, 2020 the Company and another defendant in the Alta Mesa Holdings, et al. Litigation entered into a Consent Judgment ("Judgment") ordering that defendant to pay the Company the gross sum of \$250,000 plus interest in two payments. The first payment is due six months after the date of the Judgment and the second payment is due 12 months after the date of the Judgment. Further information concerning this matter can be found on the Company's website in the March 23, 2020 letter to shareholders <http://www.biloximarshlandscorp.com/category/annual-reports/> .

The Company's claim (Biloxi Marsh Lands Corp., et al. v. United States; Case No. 12-382L) in the U.S. Court of Federal Claims against the U.S. Army Corps of Engineers seeking monetary damages for property damage and losses caused by the Mississippi River Gulf Outlet is in the process of moving forward. The U.S. Department of Justice filed a motion for summary judgment on the issue of statute of limitations concerning the portion for the Company's claim related to a taking of real property. Oral arguments in front of Judge Ryan T. Holte are scheduled on June 29, 2020. At this time, the Company cannot predict the timing of resolution or the outcome of this litigation process, but it is anticipated that this litigation process will take time.

COVID-19 update: We have been operating with very limited office staff due to the State of Louisiana's stay at home order. Field operations by the LLCs in which the Company owns membership interests have seen very little impact from COVID-19.

As reported in the annual letter to shareholders dated March 23, 2020, during 2019 B&L Resources, LLC ("BLR") was formed of which the Company owns a 50% membership interest. As previously reported, BLR acquired a 562.3 acre leasehold position in Heyser Field located in Calhoun County, Texas during 2019. BLR was in the process of acquiring additional acreage contiguous to this lease as of reported in the Company's annual letter to shareholders. The closing of the acquisition by BLR of an additional 3,073.71 acres located in Heyser Field from Frostwood Energy, LLC has been completed. Due to the unexpected decline in oil prices, BLR was able to acquire this portion of Heyser field and associated equipment for significantly lower cash consideration than was originally contemplated. This

acquisition included production facilities and a producing horizontal well and should be additive to BLR's production volumes and proved reserves. This project's goal is to use the same horizontal well technology implemented by Frostwood Energy, LLC to recover residual oil and natural gas in the historically prolific Heyser Field. While development economics are dependent on the price of oil, BLR's management believes that there should be additional development locations on which to drill horizontal wells on BLR's present 3,636.01 acre lease position in Heyser Field.

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 Exploration, LLC ("BLX") of which the Company owns a 75% membership interest is contractually entitled to a 1.5% of 8/8ths overriding royalty interest (ORRI) in the mineral leases comprising the 9,000 acre - EOC-TUSC BL UDS SUA production unit from which the Highlander well is producing. This production unit is located in St. Martin Parish, Louisiana. Meanwhile, BLX continues its operations with producing wells in South Texas.

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. Through investment in limited liability companies the Company also has separate interests in various oil and gas properties in Louisiana and Texas outside of its fee lands.

We encourage you to visit our website to obtain general information about the Company, its efforts in the coastal restoration arena, as well as historical annual reports and press releases. We strongly recommend that all interested parties become familiar with the information available on the Company's website: www.biloximarshlandscorp.com.

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, and 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 unaudited financial statements which do not include the information and footnotes that are an integral part of a complete financial statement.

Inquiries should be made through the Contact Mailbox on the Company's website:
<http://www.biloximarshlandscorp.com/contact/>.

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BILOXI MARSH LANDS CORPORATION

Statements of Assets, Liabilities, and Stockholders' Equity

March 31, 2020 and 2019

| Assets | 2020 | 2019 |
|---|---------------------|--------------------|
| Current assets: | | |
| Cash and cash equivalents | \$ 414,810 | 1,755,868 |
| Accounts receivable | 1,381 | 2,084 |
| Prepaid expenses | 25,219 | 23,590 |
| Accrued interest receivable | 3,907 | 7,629 |
| Deferred tax asset | 10,579 | 21,159 |
| Income taxes receivable | 11,652 | 29,538 |
| Other assets | 3,830 | 3,830 |
| Total current assets | <u>471,378</u> | <u>1,843,698</u> |
| Other assets: | | |
| Membership interest in limited liability companies | 231,000 | 48,367 |
| Marketable debt and equity securities - at cost | 4,749,562 | 5,689,714 |
| Land | 234,939 | 234,939 |
| Total other assets | <u>5,215,501</u> | <u>5,973,020</u> |
| Total assets | <u>\$ 5,686,879</u> | <u>7,816,718</u> |
| Liabilities and Stockholders' Equity | | |
| Current liabilities: | | |
| Accrued expenses | \$ 11,528 | 28,808 |
| Membership interest in limited liability companies | 622,341 | — |
| Total current liabilities | 633,869 | 28,808 |
| Stockholders' equity: | | |
| Common stock, \$.001 par value. Authorized, 20,000,000 shares; issued, 2,851,196 shares; outstanding, 2,505,028 shares in 2020 and 2019, respectively | 47,520 | 47,520 |
| Retained earnings | 8,082,515 | 10,817,415 |
| Treasury stock - 346,168 shares in 2020 and 2019, respectively, at cost | <u>(3,077,025)</u> | <u>(3,077,025)</u> |
| Total liabilities and stockholders' equity | <u>\$ 5,686,879</u> | <u>7,816,718</u> |

BILOXI MARSH LANDS CORPORATION

Statements of Revenues and Expenses

March 31, 2020 and 2019

| | <u>2020</u> | <u>2019</u> |
|--|---------------------|------------------|
| Revenues: | | |
| Oil and gas royalties | \$ 2,227 | \$ 2,739 |
| Total oil and gas revenues | <u>2,227</u> | <u>2,739</u> |
| Other income (loss): | | |
| Dividends and interest income | 20,634 | 32,541 |
| Surface rentals | - | 2,500 |
| Gain on sale of securities | 11,484 | (358,263) |
| Gain on settlement | 153,794 | - |
| Loss from membership interest in limited liability companies | <u>(453,997)</u> | <u>(469,288)</u> |
| Total other income | <u>(268,085)</u> | <u>(792,510)</u> |
| Total revenues and income | <u>(265,858)</u> | <u>(789,771)</u> |
| Expenses: | | |
| Total expenses | <u>159,867</u> | <u>182,732</u> |
| Net loss before income taxes | (425,725) | (972,503) |
| Income tax benefit | - | - |
| Net loss | <u>\$ (425,725)</u> | <u>(972,503)</u> |
| Net loss per share | \$ (0.17) | \$ (0.39) |