

**Bexil Corporation and John Robbins Group
Form Bexil American Mortgage Inc.**

--New Mortgage Startup Will Focus on Wholesale and Retail Market--

New York, NY San Diego, CA - October 7, 2011 - Bexil Corporation today announced that it has agreed with the John Robbins Group to develop Bexil American Mortgage Inc., a new mortgage origination company that will focus on the wholesale and retail market. The John Robbins Group is an experienced mortgage banking executive team, led by John M. Robbins, the former CEO of American Mortgage Network and past Chairman of the Mortgage Bankers Association. This executive team, which will comprise the senior management of Bexil American Mortgage, has previously formed startups, and has operated and successfully sold two mortgage banks to major financial institutions, including JP Morgan Chase and Wachovia Bank.

John Robbins, President of Bexil American Mortgage, said, "This is a perfect time to build a new nationwide mortgage bank. I have always felt real opportunity is born in the vacuum created by the bottom of a cycle. While many lenders are busy dealing with problems arising from a deep housing slump, we have the opportunity to create a nimble, efficient company not burdened with legacy loan repurchase issues. Best of all, we have a highly seasoned management team that has worked together building two previous mortgage banking startups spanning some 26 years. Our priority is building a dedicated and loyal employee base with a passion for delivering industry leading customer service levels and creating customer loyalty by being responsive to their needs."

Thomas Winmill, CEO and President of Bexil, commented, "Bexil seeks to make major equity interests in the best businesses we can find, and work with superior managers to grow the value of the business prudently and solidly for the long term. John Robbins and his management team have demonstrated skill and experience in operating large, successful, mortgage originators for the past thirty years. This team recognizes the historic dislocation in the mortgage market and we are excited to partner with them to take advantage of it by starting Bexil American Mortgage."

Bexil American Mortgage will have three directors: John Robbins, Thomas Winmill, and Alex B. Rozek, Managing Member of Boulderado Group, LLC. Mr. Rozek has experience both raising capital and investing in a number of mortgage businesses prior to and through the most recent cycle. Boulderado is a significant Bexil stockholder and has been working with Bexil to explore acquisitions and certain businesses.

Alex Rozek noted, "In the middle of the last decade, home prices were at record highs while underwriting standards were at all time lows. Today the situation is reversed. After examining a number of opportunities in existing mortgage businesses, we concluded that loan repurchase liabilities were difficult, if not impossible, to quantify. For this reason, we opted to build a mortgage business from scratch because this was the only way to be 100% certain there is no exposure to mortgages from the bubble years while giving the John Robbins Group the best opportunity to capture the potential returns."

A conference call to discuss Bexil American Mortgage is scheduled for October 10, 2011 at 10 a.m., ET. The conference call dial in number is (218) 862-6420, Access Code: 3396650. A recording of the call will be posted on www.bexil.com for a limited time.

Bexil Corporation

Bexil Corporation (BXLC) is a holding company engaged through subsidiaries in investment management and mortgage banking. To learn more, please visit www.bexil.com.

John Robbins Group

The John Robbins Group is an experienced mortgage banking executive team. It is led by John M. Robbins, former CEO of American Mortgage Network. Mr. Robbins has served as CEO of three leading

independent mortgage firms, including ICA Mortgage, American Residential Mortgage, and American Mortgage Network. He is also a past President of the Mortgage Bankers Association. He serves as President of Bexil American Mortgage and his management team brings significant capital and knowledge to Bexil American Mortgage.

Boulderado Group, LLC

Boulderado Group is a Boston based investment partnership founded in 2007 by its managing member, Alex B. Rozek. The partnership invests in businesses and securities across a variety of asset classes whenever it determines that the price represents a significant discount to intrinsic value.

Safe Harbor Note

This release contains certain “forward looking statements” made pursuant to the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995. These statements involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of Bexil Corporation, which may cause the company’s actual results to be materially different from those expressed or implied by such statements. The forward looking statements made herein are only made as of the date of this release, and the company undertakes no obligation to publicly update such forward looking statements to reflect subsequent events or circumstances.

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