

ITEM 1.01. ENTRY INTO A MATERIAL DEFINITIVE AGREEMENT.

On January 20, 2012, the Company's wholly-owned subsidiary, Mortco TRS, LLC ("Mortco"), entered into a settlement agreement with Coast Bank of Florida ("Coast") to settle the parties' pending litigation. In the litigation, Coast sought monetary damages and specific performance based on its allegation that Mortco breached an oral contract to convert approximately 50 construction loans to permanent financing. Pursuant to the settlement agreement, Mortco, without admitting any allegations, has paid Coast \$800,000 and the parties have agreed that the litigation and all related claims shall be dismissed with prejudice. Each party is responsible for the payment of its own legal fees and expenses.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: January 26, 2012

BIMINI CAPITAL MANAGEMENT, INC

By: */s/ Robert E. Cauley*
Robert E. Cauley
Chairman and Chief Executive Officer