



Bion Announces Approval of New U.S. Patent for Phosphorus Removal Process for Livestock Waste Environmental Treatment

August 11, 2008. New York, New York. Bion Environmental Technologies, Inc. (OTC BB: BNET) announced today that it was notified that its U.S. Patent application 11/106,751 entitled “Low Oxygen Biologically Mediated Nutrient Removal” has been approved. The patent application was made on April 15, 2005; upon publication and issuance, the patent will be officially granted and will remain in force until December 26, 2021.

Bion’s new phosphorus removal patent coverage broadens and deepens the Company’s IP portfolio that now includes nine U.S. patents, as well as patents in Canada, New Zealand and Mexico. Two additional U.S. patents are applied for and pending, and patent applications are under consideration for the European Union, Brazil, Argentina and Australia.

Bion’s patents protect its proprietary technology that uses biological, chemical and mechanical processes to remove nutrients and other harmful substances, as well as extract renewable energy, from high-volume concentrated livestock waste streams. Bion systems provide effective environmental treatment at a substantially lower cost than conventional wastewater treatment plants that rely on expensive highly-oxygenated and chemical processes. Bion’s environmental management system is the only technology able to provide a comprehensive solution to concentrated livestock waste, through simultaneous removal and stabilization of nutrients and reduction of air emissions including ammonia, hydrogen sulfide, VOC’s, greenhouse gases, odors and other pollutants, together with reductions of pathogens, antibiotics and hormones.

The new patent specifically protects the process’s unique ability to convert and remove phosphorus from the waste stream. Excess nutrients from livestock waste, primarily phosphorus and nitrogen, have been shown to cause serious environmental problems in the U.S. and worldwide. Bion’s technology employs a nutrient removal process driven by the system’s active biology that utilizes and metabolizes the waste stream to convert potential pollutants to benign forms that can then be removed from the effluent discharge stream.

Bion’s technology provides an effective solution to the environmental issues faced by today’s livestock industry. John Carlin, former Kansas Governor and the Chairman of the Pew Commission on Industrial Farm Animal Production, stated in the Commission’s 2008 report that, “the goal of this Commission is to sound the alarms that significant change is urgently needed in industrial farm animal production...the consequences are real and serious and must be addressed.” Bion’s technology directly addresses the various problems detailed in the report, which can be found on the Pew Charitable Trusts’ website (to access the complete report, follow the link on the report summary at www.pewtrusts.org/news_room_detail.aspx?id=38438). Bion’s environmental treatment technology can be implemented on-site to retrofit existing large-scale livestock facilities or in central processing facilities, where waste will be transported from the farm to the Bion system in areas with geographic concentrations of smaller-scale facilities.

Bion's technology has been approved by the Pennsylvania Department of Environmental Protection (DEP) (press release: www.biontech.com/news/pressreleases/release20080520.php) to generate verifiable nutrient trading credits for reductions of nutrient discharges and ammonia emissions from dairies in a first-of-its-kind trading program to help restore the Chesapeake Bay. These DEP-verified nutrient credits can then be sold to municipal wastewater treatment plants (MWTPs) under the Pennsylvania nutrient trading program and utilized by the MWTPs to offset their nutrient reductions in lieu of upgrading existing facilities to meet these more stringent nutrient standards. Pennsylvania's municipal wastewater treatment plant upgrade costs (related to its Chesapeake Bay Tributary Strategy) are projected at \$1.2 billion. The adoption of Bion's technology to treat livestock waste as an alternative to costly MWTP capital programs can significantly reduce the overall compliance costs and in the case of the smaller MWTPs can reduce that compliance cost by 75 to 90% of the projected plant upgrades.

Mark Smith, Bion's president, stated, "The Chesapeake Bay and the San Joaquin Valley are bellwethers for an environment that is challenged and requires a solution to the environmental impacts of land application of livestock manure. As the trend to require reductions of nutrients entering our waterways continues and the cost of the potential solutions to achieve those reductions is realized, we expect an increase in the use of cost-effective livestock waste treatment to fill that need. With our proven and commercial-ready solution, we anticipate the utilization of Bion's proprietary technology to grow significantly."

About Bion: Bion has provided solutions to the agriculture and livestock industry since 1990, with 30 first-generation systems installed through 2003. Bion's next-generation technology results from 18 years of research & development, testing, commercial deployment, and further adaptation to evolving standards and opportunities. In addition to providing environmental treatment, the system recovers cellulosic biomass from the waste stream to produce renewable energy in a process different and much more efficient than others that seek to exploit this energy source. The technology is scalable, proven and quickly gaining acceptance by regulatory agencies and other stakeholders as an effective solution to the environmental issues associated with concentrated livestock waste. For more information, see Bion's website: www.biontech.com.

This material includes forward-looking statements based on management's current reasonable business expectations. In this document, the word 'potential', 'will', 'proposed' and similar expressions identify certain forward-looking statements. These statements are made in reliance on the Private Securities Litigation Reform Act, Section 27A of the Securities act of 1933, as amended. There are numerous risks and uncertainties that could result in actual results differing materially from expected outcomes.

Contact information:

Mark A. Smith
President
719-256-5329
mas@biontech.com

Craig Scott
Vice President-Capital Markets/IR
303-843-6191 direct
cscott@biontech.com