BION ENVIRONMENTAL TECHNOLOGIES INC.

Conservation Leadership Council Releases Paper

Competitive Procurement Programs Can Help Heal the Chesapeake Bay

July 18, 2013. New York, New York. Bion Environmental Technologies, Inc. (OTC QB/BB: BNET) announced that the Conservation Leadership Council (CLC) released a paper by Jeremy Rowland, COO of Bion, titled "Competitive Procurement Programs Can Help Heal the Chesapeake Bay". The paper and information concerning the CLC is available on their website at www.leadingwithconservation.org.

"The CLC is committed to highlighting academic work that shows us a clear path forward that begins with fiscal responsibility and limited government and ends with real results," said Gale Norton, CLC member and former U.S. Secretary of the Interior. The paper supports the establishment of a competitive bidding program for verified nutrient reductions, as proposed in Pennsylvania (PA) Senate Bill 994, the Major Watershed Improvement Act. The Bill is focused on reducing the costs of federally-mandated nutrient reductions. PA's Legislative Budget & Finance Committee published a study in January 2013, A Cost Effective Alternative Approach to Meeting Pennsylvania's Chesapeake Bay Nutrient Reduction Targets, that projected the adoption of competitive bidding could reduce the cost of verified nutrient reductions by up to 80% ($1.5B annually) by 2025.

The Coalition for an Affordable Bay Solution (CABS) – www.affordablebaysolutions.org, of which Bion is a founding member, has actively supported SB 994, which was approved by the PA Senate Agriculture and Rural Affairs Committee on June 11, 2013. SB 994 now must go to the full PA Senate and Assembly for approval in the upcoming September session. The CLC Board includes representation from various former cabinet secretaries, including Ed Schafer, Bion's Vice Chairman and former Secretary of Agriculture and Governor of North Dakota, senior environmental policy officials, as well as distinguished representatives from the habitat, environmental law, and agriculture sectors.

Bion Environmental Technologies has provided environmental treatment solutions to the agriculture and livestock industry since 1990. Bion's patented, next-generation technology provides a unique comprehensive treatment of livestock waste that achieves substantial reductions in nitrogen and phosphorus, ammonia, greenhouse and other gases, as well as pathogens, hormones, herbicides and pesticides in the waste stream. Bion's process simultaneously recovers cellulosic biomass from the waste stream that can be used to produce renewable energy. Bion's technology enables the reduction of nutrients and other pollutants from existing livestock operations, as well as the ability to develop new, state-of-the-art livestock facilities in strategic locations with minimal environmental impacts and substantially improved resource and operational efficiencies.

In August 2012, Bion's system at Kreider Dairy, a 2,000 cow dairy facility in Lancaster County, Pennsylvania, was issued a full and final water quality permit and its nitrogen reduction verification plan was approved by the PA Department of Environmental Protection. Verified nitrogen reductions from Bion's treatment of dairy and other livestock waste can be achieved at a fraction of the cost of traditional solutions that remove nitrogen at downstream 'point sources' such as municipal waste water treatment plants, power plants and other industrial facilities, and the treatment of storm water runoff. For more information, see Bion's websites, www.biontech.com and www.bionpa.com.

This material includes forward-looking statements based on management's current reasonable business expectations. In this document, the words 'expect', '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.

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