

BION ENVIRONMENTAL TECHNOLOGIES INC

Form 8-K

January 15, 2009

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 of 15(d) of the
Securities Exchange Act of 1934

January 12, 2009

Date of Report (date of earliest event reported)

BION ENVIRONMENTAL TECHNOLOGIES, INC.

Exact name of Registrant as Specified in its Charter

| | | |
|---|---------------------------|---------------------------------------|
| Colorado | 000-19333 | 84-1176672 |
| ----- | ----- | ----- |
| State or Other Jurisdiction of Incorporation | Commission File Number | IRS Employer Identification Number |

Box 566/1774 Summitview Way, Crestone, Colorado 81131

Address of Principal Executive Offices, Including Zip Code

(212) 758-6622

Registrant's Telephone Number, Including Area Code

Not applicable

Former name or former address, if changed since last report

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

ITEM 1.01 ENTRY INTO A MATERIAL DEFINITIVE AGREEMENT.

On January 12, 2009, effective January 11, 2009, the Company executed an

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agreement with Bright Capital, Ltd. ('BC') and Dominic Bassani ('DB'), Vice President-Strategic Planning and Special Projects of our Bion Integrated Projects, Inc. subsidiary, pursuant to which the Company granted DB a bonus of \$125,000 payable in the form of a) 1,000,000 warrants to purchase the Company's restricted stock at a price of \$.75 per share until December 31, 2018 (\$100,000), and b) extension of the expiration date of outstanding warrants previously issued to BC/DB (now held by their donees) to December 31, 2018 (\$25,000). Additionally, BC received an option to convert its accrued deferred compensation as of December 31, 2008 (\$175,000) to the Company's restricted common stock at a price of \$.75 per share. Further, BC/DB extended the maturity date of the \$50,000 (initial principal) promissory note issued by the Company during the fall of 2008 to June 30, 2009 and such note was made convertible at a price of \$.75 per share.

On January 12, 2009, the Company executed an agreement with Mark A. Smith ('MAS'), the Company's President and General Counsel, pursuant to which the Company granted MAS a bonus of \$37,500 payable in the form of a) 300,000 warrants to purchase the Company's restricted stock at a price of \$.75 per share until December 31, 2018 (\$30,000), and b) extension of the expiration date of outstanding warrants previously issued to MAS (now held by his donees) to December 31, 2018 (\$7,500). Additionally, MAS converted his accrued deferred compensation as of December 31, 2008 (\$66,076) to the Company's restricted common stock at a price of \$.75 per share. Further, MAS agreed to convert his entire calendar year 2009 base compensation (\$150,000) to the Company's restricted common stock at a price of \$.75 per share.

On January 13, 2009, the Company and Mr. Anthony Orphanos, a 10% or more owner of the Company, agreed to extend the maturity date of the \$65,000 (initial principal) promissory note issued during the fall of 2008 to June 30, 2009 in consideration of Bion making such note convertible to the Company's restricted common stock at a price of \$.75 per share and issuance to Mr. Orphanos of a warrant to purchase 15,000 shares of the Company's common stock at the price of \$.75 per share until December 31, 2018.

ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS.

(a) Financial Statements of Businesses Acquired.

Not Applicable.

(b) Pro Forma Financial Information

Not Applicable.

(c) Shell Company Transactions

Not Applicable.

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(d) Exhibits

10.1 Agreement between Bright Capital, Ltd. and Dominic Bassani and Bion effective January 11, 2009.

10.2 Agreement between Mark A. Smith and Bion effective January 12, 2009.

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10.3 Orphanos Extension Agreement dated January 13, 2009.

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SIGNATURE

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.

Bion Environmental Technologies, Inc.

Date: January 14, 2009

By: /s/ Mark A Smith
Mark A. Smith, President

