BION ENVIRONMENTAL TECHNOLOGIES INC
Form 4
June 04, 2008

FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. *See* Instruction 1(b).

OMB APPROVAL
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(Print or Type Responses)

1. Name and Address of Reporting Person *
SMITH MARK A

(Last) (First) (Middle)

P.O. BOX 566

(Street)

CRESTONE, CO 81131

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
BION ENVIRONMENTAL TECHNOLOGIES INC [BNET]

3. Date of Earliest Transaction (Month/Day/Year)
05/31/2008

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

__X__ Director _____ 10% Owner
__X__ Officer (give title below) _____ Other (specify below)
President

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ Form filed by One Reporting Person
___ Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8) Code	V	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) Amount	(A) or (D)	Price	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
Common Stock	05/31/2008	05/31/2008	C		81,230	A	$ 2	961,392	D	
Common Stock	05/31/2008	05/31/2008	P		89,640	A	$ 2	58,996	I	By Wife

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(*e.g.*, puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and A Underlying Se (Instr. 3 and 4
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title
Convertible Note	$ 2 (1)	05/31/2008	05/31/2008	C			151,645	12/31/2005	07/01/2008	Common Stock
Stock Options	$ 2.5	05/31/2008	05/31/2008	A		70,000		06/01/2008	12/31/2013	Common Stock
Warrants	$ 2.5	05/31/2008	05/31/2008	A		80,000		06/01/2008	07/01/2012	Common Stock
Warrants	$ 2.5	05/31/2008	05/31/2008	G			80,000	06/01/2008	07/01/2012	Common Stock

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
SMITH MARK A P.O. BOX 566 CRESTONE, CO 81131	X		President	

Signatures

/s/ Mark A. Smith	06/04/2008
**Signature of Reporting Person	Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) The Note was in the original amount of $151,645 and was convertible at $4.00 per share. The Company elected to allow conversion at $2.00 per share. At the time of conversion, the Note had a balance of $162,459.92 principal and interest.

(2) The Company paid a bonus of $16,000 which was used to purchase the warrants.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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