

Bassani Dominic
Form 4
January 23, 2009

FORM 4

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

OMB APPROVAL

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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

(Print or Type Responses)

1. Name and Address of Reporting Person *
Bassani Dominic

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

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

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

C/O BRIGHT CAPITAL, LTD., 64 VILLAGE HILLS DRIVE

01/08/2009

(Street)

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

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

DIX HILLS, NY 11746

(City) (State) (Zip)

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) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 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) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
| | | | Code | V Amount (A) or (D) Price | | | |
| Common Stock | 01/08/2009 | | P | 1,694 A \$ 0.75 | 44,382 | I | By wife |
| Common Stock | 01/08/2009 | | J ⁽¹⁾ | 75,954 A \$ 0.75 | 785,501 | I | By Pension Plan |
| Common Stock | 01/08/2009 | | J ⁽¹⁾ | 75,954 D \$ 0.75 | 75,954 | I | By Trust |
| Common Stock | | | | | 32,295 | D | |
| Common Stock | | | | | 79,395 | I | By Corporation |

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| | | | |
|--------------|-----------|---|--------|
| Common Stock | 1,055,692 | I | By LLC |
| Common Stock | 52,734 | I | By LLC |

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

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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 Underlying Security (Instr. 3 and 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|
| | | | | Code | V (A) (D) | Date Exercisable Expiration Date | Title |
| Deferred Compensation Obligation | \$ 0.75 | 01/12/2009 | | A ⁽²⁾ | \$ 50,000 | 01/12/2009 06/30/2009 | Common Stock |
| Warrant | \$ 0.75 | 01/12/2009 | | A ⁽³⁾ | 1,000,000 | 01/12/2009 12/31/2018 | Common Stock |
| Warrant | \$ 3 | 01/12/2009 | | J ⁽⁴⁾ | 25,000 | 08/31/2003 12/31/2018 | Common Stock |
| Warrant | \$ 1 | 01/12/2009 | | J ⁽⁴⁾ | 600,000 | 02/20/2004 12/31/2018 | Common Stock |
| Warrant | \$ 2.5 | 01/12/2009 | | J ⁽⁴⁾ | 500,000 | 05/15/2005 12/31/2018 | Common Stock |
| Deferred Compensation Obligation | \$ 0.75 | 01/12/2009 | | A ⁽⁵⁾ | \$ 175,000 | 01/12/2009 12/31/2009 | Common Stock |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| Bassani Dominic C/O BRIGHT CAPITAL, LTD. 64 VILLAGE HILLS DRIVE DIX HILLS, NY 11746 | | X | | |

Signatures

/s/ Dominic
Bassani

01/21/2009

__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) A trust beneficially owned by Mr. Bassani had 75,954 shares credited to it mistakenly. The transaction here represents a corrective distribution of these misplaced shares.
 - (2) Represents the right to convert, in whole or in part, a promissory note with an initial principal balance of \$50,000, into the Issuer's common stock at a price of \$0.75 per share.
 - (3) Represents warrant to purchase 1,000,000 shares of restricted common stock at \$.75 per share issued as \$100,000 of a \$125,000 bonus.
 - (4) Represents extension of expiration date of all warrants previously issued to 12/31/18 as \$25,000 of \$125,000 bonus.
 - (5) Represents option to convert deferred compensation due on December 31, 2008 of \$175,000 to 233,334 shares of restricted common stock at \$0.75 per share, exercisable until December 31, 2009.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.