

BION ENVIRONMENTAL TECHNOLOGIES INC
Form 10KSB/A
April 04, 2001

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-KSB/A
AMENDMENT NO. 2

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 [Fee Required] FOR THE FISCAL YEAR ENDED June 30, 2000 OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 [No Fee Required] OR THE TRANSITION PERIOD FROM _____ TO _____

Commission file number: 0-19333

Bion Environmental Technologies, Inc.

(Exact name of registrant as specified in its charter)

Colorado

84-1176672

(State or other jurisdiction of
Incorporation or organization)

(I.R.S. Employer
Identification No.)

18 E. 50th Street, 10th Floor
New York, NY

10022

(Address of principal
Executive offices)

(Zip Code)

(212) 758-6622

(Registrant's telephone number, including area code)

7921 Southpark Plaza, Suite 200, Littleton, CO 80120

(Former address if changed since last report)

Securities registered under Section 12(b) and/or 12(g) of the Exchange Act:

Common Stock, no par value

(Title of Class)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes X No___

Check if there is no disclosure of delinquent filers in response to Item 405 of Regulation S-K contained in this form, and no disclosure will be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-KSB or any amendment to this form 10-KSB. [X]

The aggregate market value as of September 18, 2000 of voting stock held by

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non-affiliates of the Registrant was \$15,729,454 based upon the average of the closing bid and asked prices on the Over-the-Counter Electronic Bulletin Board exchange as of that date.

As of September 18, 2000, 13,035,899 shares of Registrant's Common Stock, no par value, were issued and outstanding.

PART II

ITEM 5. MARKET FOR BION ENVIRONMENTAL TECHNOLOGIES, INC. COMMON STOCK AND RELATED STOCKHOLDER MATTERS

Market Information

During the past two years, we have had only limited volumes of trading in our Common Stock in the over-the-counter market, and there is no assurance that such trading will expand or even continue.

At present, our Common Stock trades under the symbol "BION" on the OTC Bulletin Board. The following quotations reflect inter-dealer prices, without retail mark-up, markdown or commission and may not represent actual transactions.

Quarter Ended -----	High Bid -----	Low Bid -----
September 30, 1998	\$4.25	\$3.13
December 31, 1998	\$4.38	\$2.63
March 31, 1999	\$3.63	\$1.25
June 30, 1999	\$2.31	\$1.75
September 30, 1999	\$1.81	\$1.44
December 31, 1999	\$3.44	\$1.81
March 31, 2000	\$4.09	\$2.31
June 30, 2000	\$2.75	\$1.81

On September 18, 2000, the closing bid and asked prices of the Common Stock were \$2.125 and \$2.187, respectively.

Holdings

The number of holders of record of our Common Stock at September 18, 2000 was approximately 1,500.

The transfer agent for our Common Stock is Corporate Stock Transfer, Inc., 3200 Cherry Creek Drive South, Suite 430, Denver, Colorado 80209.

Dividends

We have never paid any cash dividends on our Common Stock. The Board of Directors does not intend to declare any cash or other dividends in the foreseeable future, but instead intends to retain earnings, if any, for use in our business operations. We declared a stock/warrant dividend on May 21, 1999 for record holders on May 30, 1999. See Footnote 7 to the June 30, 2000, Financial Statements. The payment of dividends, if any, in the future is within the discretion of the Board of Directors and will depend on our future earnings, if any, our capital requirements and financial condition, and other relevant factors.

Recent Sale of Unregistered Securities

The following securities were sold in the three-month period ended June 30, 2000 without registration under the Securities Act of 1933, as amended:

Warrants

We sold 293,450 J-1 Warrants at \$.05 per warrant to purchase restricted and legended Common Stock at \$2.375 per share in our private placement of convertible bridge notes to accredited investors. The warrants are exercisable from March 31, 2000, to December 31, 2004. We received \$14,673 in cash for use in operations for these warrants. See Exhibits 10.1 and 10.3 to our Form 8-K dated April 13, 2000. These J-1 Warrants were sold to the following persons:

Name -----	Number of Warrants -----
D2 Co., LLC	30,000
Kirsch, Jodi	97,500
Morgan Taylor & Associates, Inc.	112,500
Posner, Stephen J.	11,700
R.G. Securities, LLC	20,250
Salomon Grey Financial, Inc.	2,250
Slavney, David	10,250
Westport Resources Investment Services, Inc.	9,000

The securities issued pursuant to the transaction set forth above were issued in reliance upon the exemptions from registration afforded by Section 4(2) of the Securities Act of 1933, as amended. Each of the persons to whom such securities were issued made an informed investment decision and was provided with appropriate offering documents and access to material information. We believe that such persons had knowledge and experience in financial and business matters such that they were capable of evaluating the merits and risks of the acquisition of our securities in connection with this transaction. All certificates bear an appropriate legend restricting the transfer of such shares. Transfer instructions have been provided to our transfer agent in accordance therewith.

We issued a total of 65,000 J-2 Warrants to purchase restricted and legended Common Stock at \$2.375 per share to David Slavney and David Rogers for investor relations consulting services. The warrants are exercisable from March 31, 2000, to December 31, 2004. The value attributed to the warrants represents the fair market value of the services provided.

The securities issued pursuant to the transaction set forth above were

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issued in reliance upon the exemptions from registration afforded by Section 4(2) of the Securities Act of 1933, as amended. Each of the persons to whom such securities were issued made an informed investment decision and was provided with appropriate offering documents and access to material information. We believe that such persons had knowledge and experience in financial and business matters such that they were capable of evaluating the merits and risks of the acquisition of our securities in connection with this transaction. All certificates bear an appropriate legend restricting the transfer of such shares. Transfer instructions have been provided to our transfer agent in accordance therewith.

Common Stock

We issued 40,000 shares of restricted and legended Common Stock to Krys Boyle Freedman & Sawyer, P.C., a law firm, in exchange for the cancellation of a long-term obligation of \$94,183. We also issued 12,251 shares to Alexander Morton for sales and legislative lobbying consulting services valued at \$22,052. The value attributed to the Common Stock represented the fair market value of the service provided.

The securities issued pursuant to the transaction set forth above were issued in reliance upon the exemptions from registration afforded by Section 4(2) of the Securities Act of 1933, as amended. Each of the persons to whom such securities were issued made an informed investment decision and was provided with appropriate offering documents and access to material information. We believe that such persons had knowledge and experience in financial and business matters such that they were capable of evaluating the merits and risks of the acquisition of our securities in connection with this transaction. All certificates bear an appropriate legend restricting the transfer of such shares. Transfer instructions have been provided to our transfer agent in accordance therewith.

Convertible Notes

We added \$425,848 of long-term convertible bridge debt and interest during the three-month period of April 1, 2000, to June 30, 2000. See our Form 8-K dated April 13, 2000.

We added \$105,608 of interest to the convertible notes listed in Note 4 of Notes to Consolidated Financial Statements in our 10-KSB/A dated June 30, 1999.

The securities that may be issued pursuant to the transactions set forth above will be issued in reliance upon the exemption from registration afforded by Sections 3(a)(9) of the Securities Act of 1933, as amended.

SIGNATURES

In accordance with Section 13 or 15(d) of the Securities Exchange Act of 1934, we have caused this Amendment to be signed on its behalf by the undersigned thereunto duly authorized.

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BION ENVIRONMENTAL TECHNOLOGIES, INC.

Date: April 3, 2001

By: /s/ Jon Northrop

Jon Northrop
Executive Vice President