



PRESS RELEASE

FOR IMMEDIATE RELEASE
August 10, 2009

TSX: BQE
www.bioteq.ca

BioteQ Reports Second Quarter Operating and Financial Results

VANCOUVER, B.C.– BioteQ Environmental Technologies, Inc. (TSX: BQE), a leader in the treatment of industrial waste water, today reported financial results for the three and six months ended June 30, 2009. All figures are in Canadian dollars and are in accordance with Canadian GAAP, unless otherwise noted.

Second quarter operating and financial results summary:

- BioteQ treated 2 billion litres of water during the second quarter, bringing the total treated in the first half of the year to 4 billion litres; the Company's water treatment plants removed 323,000 kg (710,000 pounds) of metal contaminants from the environment during the second quarter, bringing the total for the first half of 2009 to nearly 590,000 kg (1.3 million pounds).
- BioteQ's revenues from water treatment operations were \$1.2 million, up from \$930,000 in the first quarter of 2009, but down by 20% compared to the second quarter of 2008. Revenues increased even though there were fewer active operations in the quarter.
- BioteQ generated positive cash flow of \$497,000 from plant operations during the quarter.
- BioteQ reported an overall net loss of \$1.2 million for the quarter, compared to \$747,000 in Q2 2008, including non-cash items.
- The Company ended the quarter with working capital of \$8.2 million (unchanged from Q1 2009), and no debt.

Brad Marchant, BioteQ's CEO stated, "BioteQ is showing improved financial results, reflecting the operational changes made earlier this year. We have expanded the scope of our activities with important customers, we are investing in market diversification, and we continue to have an active business development pipeline. We are optimistic about BioteQ's future opportunities."

Significant events for the second quarter included:

- Record production at the Dexing water treatment plant in China.
- A new agreement with NWM Mining which restructures BioteQ's loan to NWM, and provides for a lease arrangement for the SART plant at the Lluvia de Oro gold mine.
- A temporary furlough of operations at Bisbee to initiate technical improvements and cost reduction measures.
- A new contract for water treatment operations with a new client, for a Canadian mine site.

- A commitment of \$295,000 from the National Research Council of Canada to support BioteQ's research and development activities to apply the company's technologies to wastewater treatment from power generating facilities and the Canadian oil sands.

BioteQ's quarterly financial statements and the Company's MD&A have been filed on SEDAR, www.sedar.com, and will be available on the BioteQ website at www.bioteq.ca.

A conference call to discuss the financial results is scheduled for Tuesday, August 11 at 11:00 am Eastern. Participants may call 1-888-789-9572 and enter reference number 4603783. A replay of the call will be available until August 25 by calling 1-800-408-3053, reference number 6685816. A recording will be available within two days of the call on the BioteQ website at www.bioteq.ca

BioteQ Corporate Profile

BioteQ is a water treatment company that applies innovative technologies and operating expertise to solve challenging water treatment problems, reducing environmental liabilities while delivering lower life cycle costs for water treatment. The Company's commercially proven technologies treat industrial wastewater contaminated with dissolved heavy metals and sulphate, producing saleable by-products and clean water that can be discharged safely to the environment. BioteQ has built 8 plants at sites in Canada, the US, China, Australia and Mexico, with additional projects in design and construction.

BioteQ has been named one of Canada's Top 50 Most Socially Responsible Corporations by Jantzi/Macleans, and the company's sustainable water treatment solutions have been recognized with the Globe Award for Environmental Excellence, the PDAC Award for Environmental and Social Responsibility, the China Mining Environmental Protection Award, and the Mines & Money Sustainable Development Award. BioteQ is headquartered in Vancouver, Canada, and trades on the TSX under the symbol BQE. For additional information, please go to www.bioteq.ca.

On behalf of the Board of Directors

Brad Marchant

The Toronto Stock Exchange has not reviewed and does not accept responsibility for the adequacy or the accuracy of this release.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

Except for statements of historical fact relating to the Company, certain information contained herein constitutes "forward-looking statements" within the meaning of Section 21E of the United States Securities Exchange Act of 1934, as amended. Forward-looking statements are frequently characterized by words such as "plan," "expect," "project," "intend," "believe," "anticipate" and other similar words, or statements that certain events or conditions "might" or "will" occur. Forward-looking statements are based on the opinions and estimates of management at the date the statements are made, and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. These factors include the inherent risks involved in the development, construction and operation of water treatment plants, variations in water quality, fluctuating metal prices, the possibility of project cost overruns or unanticipated costs and expenses, uncertainties relating to the availability and costs of financing needed in the future and other factors described in the section entitled "Risks" in the Company's Annual Report for the Year Ended December 31, 2008. Circumstances or management's estimates or opinions could change. The reader is cautioned not to place undue reliance on forward-looking statements.

For further information please contact:

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BioteQ Environmental Technologies Inc.

Consolidated Balance Sheets

	Jun 30 2009 (Unaudited) \$	Dec 31 2008 \$ (note 16)
Assets		
Current assets		
Cash and cash equivalents	\$ 3,199,753	\$ 3,524,777
Short-term investments	3,642,576	5,702,696
Trade receivables	1,621,857	1,561,640
Receivable from joint venture partners	214,386	1,019
Current portion of loan receivable (note 8)	274,481	-
Taxes recoverable	-	56,757
Inventory (note 6)	181,346	895,909
Prepaid expenses	94,219	373,858
	<u>9,228,618</u>	<u>12,116,656</u>
Loan receivable (note 8)	9,925,730	4,413,191
Property, plant and equipment (note 9)	15,280,396	22,170,585
Intangible asset (note 10)	147,112	162,598
	<u>\$ 34,581,856</u>	<u>\$ 38,863,030</u>
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	\$ 831,778	\$ 2,010,691
Taxes payable	220,151	-
	<u>1,051,929</u>	<u>2,010,691</u>
Shareholders' Equity		
Capital stock, warrants and contributed surplus (note 11)	58,233,637	57,757,637
Deficit	<u>(24,703,710)</u>	<u>(20,905,298)</u>
	<u>33,529,927</u>	<u>36,852,339</u>
	<u>\$ 34,581,856</u>	<u>\$ 38,863,030</u>

Approved by the Board of Directors

"P.B. Marchant"

P.B. Marchant, Director

"G.W. Poling"

G.W. Poling, Director

BioteQ Environmental Technologies Inc.
Consolidated Statement of Operations, Comprehensive Loss and Deficit
(Unaudited)

	<u>3 months ended June 30th.</u>		<u>6 months ended June 30th.</u>	
	2009	2008	2009	2008
	\$	\$	\$	\$
Revenue	<u>\$ 1,206,584</u>	<u>\$ 1,506,785</u>	<u>\$ 2,136,763</u>	<u>\$ 2,321,972</u>
Operating expenses				
Plant and other operating costs	710,019	913,987	2,227,834	1,350,277
General and administrative expenses	745,360	592,935	1,363,558	1,112,576
Marketing and development costs	254,724	292,697	413,182	421,037
Operating expenses before amortization and stock-based compensation	1,710,103	1,799,619	4,004,574	2,883,890
Amortization of property, plant and equipment	315,245	234,037	625,575	327,495
Amortization of intangible asset	7,743	7,743	15,486	15,486
Stock-based compensation charge	183,000	440,000	476,000	806,000
Loss before the undernoted	<u>(1,009,507)</u>	<u>(974,614)</u>	<u>(2,984,872)</u>	<u>(1,710,899)</u>
Interest income	9,896	160,865	37,887	408,274
Other income	57,090	32,235	57,090	32,235
Foreign exchange gain (loss)	<u>(158,305)</u>	<u>34,174</u>	<u>(78,148)</u>	<u>62,638</u>
Loss before income taxes	<u>(1,100,826)</u>	<u>(747,340)</u>	<u>(2,968,043)</u>	<u>(1,207,752)</u>
Income taxes (note 12)	<u>95,837</u>	<u>-</u>	<u>133,331</u>	<u>-</u>
Loss before extraordinary items	<u>(1,196,663)</u>	<u>(747,340)</u>	<u>(3,101,374)</u>	<u>(1,207,752)</u>
Extraordinary items net of tax (note 13)	<u>-</u>	<u>-</u>	<u>(697,038)</u>	<u>-</u>
Net loss and comprehensive loss for the period	<u>(1,196,663)</u>	<u>(747,340)</u>	<u>(3,798,412)</u>	<u>(1,207,752)</u>
Deficit - Beginning of period	<u>(23,507,047)</u>	<u>(16,120,561)</u>	<u>(20,905,298)</u>	<u>(15,660,149)</u>
Deficit - End of period	<u>(24,703,710)</u>	<u>(16,867,901)</u>	<u>(24,703,710)</u>	<u>(16,867,901)</u>
Loss per share - basic and diluted	<u>\$ (0.02)</u>	<u>\$ (0.01)</u>	<u>\$ (0.06)</u>	<u>\$ (0.02)</u>
Weighted average number of basic and diluted shares outstanding	<u>61,926,973</u>	<u>59,710,897</u>	<u>61,926,973</u>	<u>59,473,411</u>
Loss per share and weighted average number of basic and diluted shares outstanding excludes performance based escrow shares	4,200,000	6,300,000	4,200,000	6,300,000

For a complete set of consolidated financial statements including accompanying notes, go to www.bioteq.ca

BioteQ Environmental Technologies Inc.
Consolidated Statement of Cash Flows
(Unaudited)

	<u>3 months ended June 30th,</u>		<u>6 months ended June 30th,</u>	
	2009	2008	2009	2008
	\$	\$	\$	\$
Cash flows used in operating activities				
Loss for the period	\$ (1,196,663)	\$ (747,340)	\$ (3,798,412)	\$ (1,207,752)
Items not affecting cash:				
Amortization of property, plant and equipment	315,245	234,037	625,575	327,495
Amortization of intangible asset	7,743	7,743	15,486	15,486
Stock based compensation charge	183,000	440,000	476,000	806,000
	<u>(690,675)</u>	<u>(65,560)</u>	<u>(2,681,351)</u>	<u>(58,771)</u>
Change in non-cash working capital items (note 14)	<u>(73,738)</u>	<u>(1,438,342)</u>	<u>(181,387)</u>	<u>(2,390,696)</u>
	<u>(764,413)</u>	<u>(1,503,902)</u>	<u>(2,862,738)</u>	<u>(2,449,467)</u>
Cash flows from financing activities				
Proceeds from exercise of warrants and options	-	824,236	-	1,022,882
Cash flows from (used in) investing activities				
Purchase of property, plant and equipment	(7,268)	(1,637,609)	(22,406)	(5,735,675)
Short-term investments	686,749	1,190,419	2,060,120	8,599,396
Decrease (increase) in loan receivable	442,910	(1,661,238)	500,000	(1,661,238)
	<u>1,122,391</u>	<u>(2,108,428)</u>	<u>2,537,714</u>	<u>1,202,483</u>
Increase (decrease) in cash and cash equivalents	357,978	(2,788,094)	(325,024)	(224,102)
Cash and cash equivalents - Beginning of period	<u>2,841,775</u>	<u>4,322,736</u>	<u>3,524,777</u>	<u>1,758,744</u>
Cash and cash equivalents - End of period	<u>\$ 3,199,753</u>	<u>\$ 1,534,642</u>	<u>\$ 3,199,753</u>	<u>\$ 1,534,642</u>
Non-cash operating, financing and investing activities				
Increase in loan receivable on disposal of property, plant and equipment as a result of new loan agreement (note 8)	\$ 6,287,020	\$ -	\$ 6,287,020	\$ -