



PRESS RELEASE

FOR IMMEDIATE RELEASE
May 11, 2010

TSX: BQE
www.bioteq.ca

BioteQ Reports Q1 Operating and Financial Results

VANCOUVER, B.C.– BioteQ Environmental Technologies, Inc. (TSX: BQE), a leader in the treatment of industrial wastewater, today released its first quarter operating and financial results for the three months ended March 31, 2010. All figures are in Canadian dollars and are in accordance with Canadian GAAP, unless otherwise noted.

Operating and Financial Highlights for Q1 2010

- BioteQ's revenues from water treatment operations increased by 273% to \$2.5 million in Q1 2010, compared to revenues of \$930,000 in the same quarter last year, primarily because of improved metal prices, high copper recovery at the Dexing plant in China, and construction fees related to a new Canadian water treatment plant. In addition to revenue from operations, BioteQ reported lease-fee income of \$239,000 from the Lluvia de Oro project in Mexico.
- Fee-based revenues accounted for 56% of Q1 revenues in 2010, compared to 26% in the same quarter of 2009, reflecting BioteQ's shift towards fee-based contracts over the past year which reduces the Company's exposure to commodity price fluctuations.
- Plant operations contributed positive cash flow of \$619,000 for the quarter, compared to a loss of \$588,000 in Q1 of last year. Overall, BioteQ reported a net loss of \$677,000 compared to a loss of \$2.6 million in Q1 2009.
- BioteQ ended the quarter with working capital of \$11.5 million, and no debt.
- During the quarter, BioteQ entered into strategic alliances with Newalta Corporation and Lanxess Sybron Chemicals, to jointly pursue new market opportunities and diversify the market base to serve new customers in the mining, oil sands, and power generation industries.
- The Company continues to have a very active project development pipeline which includes plans for design projects, new plants, and pilot operations, and expects to meet its project development goals for 2010.

Brad Marchant, BioteQ's Chief Executive Officer stated, "We expect BioteQ's operating and financial results to continue to improve over the balance of 2010, as we re-start inactive operations and add new projects. Over the past 12 months, we have adjusted our revenue mix to include more fee-based projects, expanded our business model to respond to customer needs, and initiated market diversification activities. We believe these steps position the Company to deliver strong operating and financial results for our shareholders."

BioteQ's 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 Wednesday May 12 at 11:00 am Eastern. Participants may call 416-695-7806 or 1-888-789-9572 and enter reference number 3650101. A replay of the call will be available until May 26 by calling 416-695-5800 or 1-800-408-3053, reference number 6877431. 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 9 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 Research and Maclean's, and the company's sustainable water treatment solutions have been recognized with the Canada Export Achievement Award, 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, 2009. Circumstances or management's estimates or opinions could change. The reader is cautioned not to place undue reliance on forward-looking statements.

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BioteQ Environmental Technologies Inc.

Consolidated Balance Sheets

	Mar 31 2010 (Unaudited) \$	Dec 31 2009 \$
Assets		
Current assets		
Cash and cash equivalents	\$ 3,319,471	\$ 2,491,302
Short-term investments	6,046,328	2,849,244
Trade receivables	2,238,916	2,169,978
Receivable from joint venture partners	46,193	47,288
Current portion of loan receivable (note 6)	690,437	468,424
Taxes recoverable	-	76,597
Inventory (note 4)	278,041	658,874
Prepaid expenses	127,934	223,302
	12,747,320	8,985,009
Loan receivable (note 6)	10,245,355	10,339,235
Property, plant and equipment (note 7)	14,699,659	14,930,511
Intangible asset	123,883	131,626
	\$ 37,816,217	\$ 34,386,381
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	\$ 1,164,986	\$ 1,295,759
Taxes payable	72,877	-
	1,237,863	1,295,759
Shareholders' Equity		
Capital stock, warrants and contributed surplus (note 8)	62,854,371	58,689,871
Deficit	(26,276,017)	(25,599,249)
	36,578,354	33,090,622
	\$ 37,816,217	\$ 34,386,381

Approved by the Board of Directors

“P.B. Marchant”

P.B. Marchant, Director

“G.W. Poling”

G.W. Poling, Director

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

BioteQ Environmental Technologies Inc.

Consolidated Statement of Operations, Comprehensive Loss and Deficit

(Unaudited)

For the three months ended March 31, 2010

	2010 \$	2009 \$
Revenue	\$ 2,537,905	\$ 930,179
Operating expenses		
Plant and other operating costs	1,918,969	1,517,815
General and administrative expenses	719,586	618,198
Marketing and development costs	305,810	158,458
Operating expenses before amortization and stock-based compensation	2,944,365	2,294,471
Amortization of property, plant and equipment	235,585	310,330
Amortization of intangible assets	7,743	7,743
Stock-based compensation charge	150,000	293,000
Loss before the under-noted	(799,788)	(1,975,365)
Interest income	4,887	27,682
Other income	39,362	310
Lease fees	238,771	-
Foreign exchange (loss) gain	(72,544)	80,156
Loss before income taxes	(589,312)	(1,867,217)
Income tax expense (note 9)	87,456	37,494
Loss before extraordinary items	(676,768)	(1,904,711)
Extraordinary items (note 10)	-	(697,038)
Loss and comprehensive loss for the period	(676,768)	(2,601,749)
Deficit - Beginning of period	(25,599,249)	(20,905,298)
Deficit - End of period	\$ (26,276,017)	\$ (23,507,047)
Loss per share - basic and diluted (note 8)	\$ (0.01)	\$ (0.04)
Weighted average number of basic and diluted shares outstanding (note 8)	66,859,449	61,926,973

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

BioteQ Environmental Technologies Inc.

Consolidated Statement of Cash Flows

(Unaudited)

For the three months ended March 31, 2010

	2010		2009
	\$		\$
Cash flows from (used in) operating activities			
Loss for the period	\$ (676,768)	\$	(2,601,749)
Items not affecting cash:			
Amortization of property, plant and equipment	235,585		310,330
Amortization of intangible asset	7,743		7,743
Stock based compensation charge	150,000		293,000
	<u>(283,440)</u>		<u>(1,990,676)</u>
Change in non-cash working capital items (note 11)	148,926		(107,649)
	<u>(134,514)</u>		<u>(2,098,325)</u>
Cash flows from financing activities			
Proceeds from exercise of warrants and options	14,500		-
Proceeds from issuance of capital stock and warrants	4,000,000		-
	<u>4,014,500</u>		<u>-</u>
Cash flows from (used in) investing activities			
Purchase of property, plant and equipment	(4,733)		(15,138)
Purchase of short-term investments	(6,045,025)		(4,325,356)
Proceeds from sale of short-term investments	2,847,941		5,698,727
Decrease in loan receivable	150,000		57,090
	<u>(3,051,817)</u>		<u>1,415,323</u>
Increase (decrease) in cash and cash equivalents	828,169		(683,002)
Cash and cash equivalents - Beginning of period	2,491,302		3,524,777
Cash and cash equivalents - End of period	<u>\$ 3,319,471</u>	\$	<u>2,841,775</u>

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