



## PRESS RELEASE

FOR IMMEDIATE RELEASE  
November 14, 2008

TSX: BQE  
www.bioteq.ca

### **BioteQ Reports Third Quarter Operating and Financial Results**

**VANCOUVER, B.C.– BioteQ Environmental Technologies, Inc. (TSX: BQE)**, a leader in the treatment of metal and sulphate contaminated water, today reported financial results for the third quarter and the nine-months ended September 30, 2008. All figures are in Canadian dollars and are in accordance with Canadian GAAP, unless otherwise noted.

Third quarter operating and financial highlights:

- BioteQ processed more than 3 billion litres of water during the quarter, with 7.1 billion litres processed in the year-to-date.
- BioteQ's revenues from water treatment operations tripled during Q3 to \$4.1 million, compared to \$1.3 million during the same quarter in 2007. This revenue increase is due to contributions from new operations in China, Australia, and Mexico.
- BioteQ turned an overall net profit before taxes of \$110,000 during the quarter.
- The net loss for the quarter was \$71,000, compared to \$2.5 million in Q3 2007.
- Plant operations generated positive cash flow of \$1.5 million for Q3, and close to \$2.5 million for the year-to-date.
- The Company ended the quarter with working capital of \$18.3 million, and no debt.

BioteQ's third quarter 2008 financial performance reflects results from 5 operations – water treatment plants at Bisbee, Raglan, Dexing, Mt. Gordon, and Lluvia de Oro. Revenue for the year-to-date grew to close to \$6.5 million compared to \$3.5 million in the first nine months of 2007, with revenue from the new operations at Dexing, Mt. Gordon, and Lluvia offsetting slight declines at Bisbee and Raglan. Revenues are derived from water treatment fees and sale of metals recovered, and can be impacted by metal prices, the metal content in the water, and the volume of water processed.

Brad Marchant, BioteQ's CEO stated, "BioteQ's third quarter results reflect the Company's recent investments in new plants that have come online to contribute to revenue growth. In the coming months, the Company will focus on reducing operating costs and securing new projects to drive future growth. We continue to have a strong balance sheet, with cash to finance new plant investments, and no debt."

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

A conference call to discuss the financial results is scheduled for Monday November 17, at 11:00 am Eastern. Participants may call 416-695-7806 or 1-888-789-9572 and enter

reference number 3275082#. A replay of the call will be available until November 30 by dialing 416-695-5800 or 1-800-408-3053, reference number 3275082. A recording will be available within two days of the call on the BioteQ website at [www.bioteq.ca](http://www.bioteq.ca).

## **BioteQ Corporate Profile**

BioteQ builds, owns and operates industrial water treatment plants, reducing environmental liabilities while generating revenue from waste water. The Company's commercially proven technology treats acid mine drainage and other metal-laden industrial waste water by sequentially removing metals and sulphate, producing saleable metal 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 7 more projects in design and construction. BioteQ is headquartered in Vancouver, Canada, and trades on the TSX under the symbol BQE. For additional information, go to [www.bioteq.ca](http://www.bioteq.ca).

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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, 2007. 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

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	Sept 30 2008 (Unaudited) \$	Dec 31 2007 \$
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	2,685,690	1,758,744
Short-term investments	10,541,634	23,616,521
Trade receivables	860,762	339,217
Receivable from joint venture partners	472,686	153,318
Loan receivable (note 6)	4,132,801	-
Taxes recoverable	689,380	146,831
Inventory (note 7)	825,412	49,380
Prepaid expenses	128,314	164,594
Other receivables	49,572	224,180
	<hr/> 20,386,251	<hr/> 26,452,785
<b>Property, plant and equipment</b> (note 8)	21,862,553	15,832,942
<b>Intangible asset</b> (note 9)	170,341	193,570
	<hr/> 42,419,145	<hr/> 42,479,297
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	1,890,186	3,098,124
Taxes payable	180,823	-
	<hr/> 2,071,009	<hr/> 3,098,124
<b>Shareholders' Equity</b>		
<b>Capital stock, warrants and contributed surplus</b> (note 10)	57,287,337	55,041,322
<b>Deficit</b>	(16,939,201)	(15,660,149)
	<hr/> 40,348,136	<hr/> 39,381,173
	<hr/> 42,419,145	<hr/> 42,479,297
<b>Commitments</b> (note 15)		
<b>Subsequent Event</b> (note 16)		
<b>Approved by the Board of Directors</b>		

"P.B. Marchant"

P.B. Marchant, Director

"G.W. Poling"

G.W. Poling, Director

For a complete set of consolidated financial statements including accompanying notes, go to [www.bioteq.ca](http://www.bioteq.ca)

# BioteQ Environmental Technologies Inc.

## Consolidated Statement of Operations, Comprehensive Loss and Deficit (Unaudited)

	<u>3 months ended Sept 30</u>		<u>9 months ended Sept 30</u>	
	<b>2008</b>	2007	<b>2008</b>	2007
<b>Revenue</b>	4,171,093	1,304,298	6,493,064	3,492,915
<b>Operating expenses</b>				
Plant and other operating costs	2,664,787	464,121	4,015,065	1,717,625
General and administrative expenses	615,256	526,504	1,727,832	1,667,141
Marketing and development costs	318,313	197,125	739,350	504,906
Operating expenses before amortization and stock-based compensation	3,598,356	1,187,750	6,482,247	3,889,672
Amortization of property, plant and equipment (note 8)	238,414	89,127	565,909	270,260
Amortization of intangible asset (note 9)	7,743	7,742	23,229	23,228
Stock-based compensation charge (note 10)	387,200	562,835	1,193,200	1,242,035
Modification of escrowed shares	-	2,100,000	-	2,100,000
<b>Loss before the under noted</b>	(60,620)	(2,643,156)	(1,771,521)	(4,032,280)
<b>Interest income</b>	232,941	306,266	673,451	891,624
<b>Interest expense</b>	-	(5,585)	-	(17,569)
<b>Deferred financing costs written-off</b>	-	-	-	(32,771)
<b>Foreign exchange loss</b>	(62,798)	(158,757)	(159)	(293,014)
<b>Income (loss) before income taxes</b>	109,523	(2,501,232)	(1,098,229)	(3,484,010)
<b>Income taxes (note 11)</b>	180,823	-	180,823	-
<b>Loss and comprehensive loss for the period</b>	(71,300)	(2,501,232)	(1,279,052)	(3,484,010)
<b>Deficit - Beginning of period</b>	(16,867,901)	(12,475,567)	(15,660,149)	(11,492,789)
<b>Deficit - End of period</b>	(16,939,201)	(14,976,799)	(16,939,201)	(14,976,799)
<b>Loss per share - basic and diluted</b>	-	(0.05)	(0.02)	(0.06)
<b>Weighted average number of shares outstanding</b>	59,587,130	55,324,675	59,990,282	54,818,663
Loss per share and weighted average number of shares outstanding excludes performance based escrow shares	4,200,000	7,000,000	4,200,000	7,000,000

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# BioteQ Environmental Technologies Inc.

## Consolidated Statement of Cash Flows (Unaudited)

	<u>3 months ended Sept 30</u>		<u>9 months ended Sept 30</u>	
	<b>2008</b>	2007	<b>2008</b>	2007
<b>Cash flows from (used in) operating activities</b>				
Loss for the period	(71,300)	(2,501,232)	(1,279,052)	(3,484,010)
Items not affecting cash				
Amortization of property, plant and equipment	238,414	89,127	565,909	270,260
Amortization of intangible asset	7,743	7,742	23,229	23,228
Deferred financing costs written-off	-	-	-	32,771
Stock based compensation charge	387,200	562,835	1,193,200	1,242,035
Modification of escrowed shares	-	2,100,000	-	2,100,000
	<u>562,057</u>	<u>258,472</u>	<u>503,286</u>	<u>184,284</u>
Change in non-cash working capital items	(585,025)	582,572	(2,975,721)	1,229,322
	<u>(22,968)</u>	<u>841,044</u>	<u>(2,472,435)</u>	<u>1,413,606</u>
<b>Cash flows from (used in) financing activities</b>				
Proceeds from exercise of warrants and options	29,933	667,280	1,052,815	3,589,125
Repayment of bank loan	-	(46,702)	-	(137,917)
	<u>29,933</u>	<u>620,578</u>	<u>1,052,815</u>	<u>3,451,208</u>
<b>Cash flows from (used in) investing activities</b>				
Purchase of property, plant and equipment	(859,845)	(3,380,826)	(6,595,520)	(5,776,555)
Short-term investments	4,475,491	10,333,601	13,074,887	10,939,438
Increase in loan receivable	(2,471,563)	-	(4,132,801)	-
	<u>1,144,083</u>	<u>6,952,775</u>	<u>2,346,566</u>	<u>5,162,883</u>
<b>Increase in cash and cash equivalents</b>	<b>1,151,048</b>	<b>8,414,397</b>	<b>926,946</b>	<b>10,027,697</b>
<b>Cash and cash equivalents - Beginning of period</b>	<b>1,534,642</b>	<b>3,527,368</b>	<b>1,758,744</b>	<b>1,914,068</b>
<b>Cash and cash equivalents - End of period</b>	<b>2,685,690</b>	<b>11,941,765</b>	<b>2,685,690</b>	<b>11,941,765</b>
<b>Supplemental cash flow information</b>				
Interest paid	-	5,585	-	17,569
Withholding taxes paid and receivable	155,234	205,766	155,234	342,200
Income taxes paid	-	-	-	-

For a complete set of consolidated financial statements including accompanying notes, go to [www.bioteq.ca](http://www.bioteq.ca)