



PRESS RELEASE

TSX symbol: BX

BIOX ANNOUNCES PRELIMINARY THIRD QUARTER RESULTS AND PROVIDES REGULATORY UPDATE

TORONTO, July 26, 2010 - BIOX Corporation (BIOX) (TSX: BX), a renewable energy company that designs, builds, owns and operates biodiesel production facilities, today announced preliminary results for its 2010 third quarter (Q3 2010) due to the impact of certain ongoing regulatory matters and provided an update on the biodiesel regulatory environment.

Highlights

- BIOX's Q3 2010 results will reflect the impact of the expiry of the U.S. federal excise tax incentive on December 31, 2009 and the further delay and possibility that the biodiesel tax incentive may not be reinstated.
- On July 1, 2010 the expanded U.S Renewable Fuels Standard (RFS2) commenced on schedule establishing a minimum volume requirement of 800 million U.S. gallons of Biomass-Based Diesel for 2011, for which BIOX is registered and eligible to supply.
- BIOX received notification from Natural Resources Canada that its application under the ecoENERGY for Biofuels program for a second Hamilton production facility has progressed to a full merit-based assessment based on its advanced state of readiness.

"During Q3 we continued to operate within our target range for production levels. However given the continued delay surrounding the reinstatement of the U.S. federal excise tax incentive, our Q3 results have been adversely impacted. With the positive developments on RFS2 we intend to be opportunistic in our sales approach and will utilize storage in the near term as necessary while we monitor the impact of the RFS2 on biodiesel pricing and the progress of the U.S. federal excise tax incentive through the U.S. Congress," said Tim Haig, President and CEO of BIOX Corporation.

U.S. Federal Excise Tax Incentive

The U.S. federal excise tax incentive, referred to as the biodiesel tax incentive, expired on December 31, 2009. On July 20, 2010 the U.S. Senate voted to invoke cloture with final passage expected shortly on a modified H.R. 4213 which limited the scope of the legislation to an extension of federal unemployment insurance benefits. A number of tax extensions previously included in H.R. 4213, including the biodiesel tax incentive, were not included in the legislation and therefore have not been reinstated. Although legislators continue to indicate that their goal is to pass legislation including the tax extensions, BIOX believes that any reinstatement of the biodiesel tax incentive will be delayed until the fall of 2010 and that it is possible the program will not be reinstated at all.

Preliminary Q3 2010 Financial Results

Three-month period ended June 30, 2010

BIOX intends to release its financial results for the third quarter of fiscal 2010 on Monday August 9, 2010. As a result of the uncertainty as to whether and when the biodiesel tax incentive will be reinstated and whether or not the biodiesel tax incentive, if reinstated, will apply retroactively, BIOX's Q3 2010 financial results, including sales, revenue per litre sold, and valuation of finished goods inventory, have been adversely impacted. Production of methyl esters for Q3 2010 is expected to be approximately 14.4 million litres. Litres sold for the quarter were lower than historical results primarily due to the delayed sale of product into the fourth quarter of fiscal 2010

(Q4 2010). This delay occurred in order to generate higher revenue per litre sold with the inclusion of RINs on these sales upon BIOX USA Limited's registration in early July as a Renewable Fuel Importer and biodiesel Renewable Identification Number (RIN) Generator. BIOX's total biodiesel inventory at the end of Q3 2010 has been sold for delivery in Q4 2010. Sales for Q3 2010 are expected to be between \$6.4 million and \$6.7 million. Operating loss for Q3 2010 is expected to be between \$5.5 million and \$5.8 million. Net loss and comprehensive loss for Q3 2010 is expected to be between \$6.0 million and \$6.3 million. The loss for Q3 2010 includes an estimated \$1.4 million write down of finished goods inventory to market value calculated excluding the U.S. \$1 per U.S. gallon related to the biodiesel tax incentive that has not been reinstated. At June 30, 2010, BIOX had sold biodiesel that included \$1.6 million of contingent revenue that cannot be recognized unless and until the U.S. biodiesel tax incentive is reinstated. In addition, sales with similar structure in Q4, 2010 will also include contingent revenue that cannot be recognized until the biodiesel tax incentive is reinstated. As at June 30, 2010, BIOX's available cash position amounted to \$31.6 million.

U.S. Renewable Fuels Standard

On February 3, 2010, the U.S. Environmental Protection Agency (EPA) issued the final rule to implement the expanded Renewable Fuels Standard (RFS2) commencing July 1, 2010. The legislation expands the Renewable Fuels Standard and for the first time specifically provides for a renewable component in U.S. diesel fuel. RFS2 requires the use of 500 million gallons of Biomass-Based Diesel in 2009, increasing to 1 billion gallons in 2012. From 2012 through 2022, a minimum of 1 billion U.S. gallons must be used domestically, and the Administrator of the EPA has the authority to increase the minimum volume requirement. In June 2010, the EPA proposed 2011 overall volumes and standards, including a minimum 1.35 billion U.S. gallons of Advanced Biofuels which in turn includes a minimum 800 million U.S. gallons of Biomass-Based Diesel in U.S. diesel fuel. In early July 2010, BIOX's wholly owned subsidiaries completed registrations with the EPA as a Foreign Renewable Fuel Producer (BIOX Canada Limited), and as a Renewable Fuel Importer and RIN Generator (BIOX USA Limited). Registration under RFS2 provides BIOX with access to the U.S. renewable fuels market, including the ability to generate RINs which are required for obligated parties in the U.S., which includes all refiners and importers of transportation fuel, to show compliance with RFS2.

BIOX Production and Sales Strategy

BIOX continues to produce at or near target production levels. BIOX has leased additional short term storage capacity to provide additional flexibility as the biodiesel market develops over the next quarter. As uncertainty has continued regarding the reinstatement of the biodiesel tax incentive, combined with the implementation of RFS2, the value of RIN's has increased significantly over the last month, doubling from approximately US\$0.30 per U.S. gallon to approximately US\$0.60 per U.S. gallon. BIOX intends to be opportunistic in its sales approach in the near term and sell our biodiesel when prices warrant, and will otherwise store biodiesel for sale at a future date assuming higher values as a result of the implementation of RFS2 and/or the reinstatement of the biodiesel tax incentive.

EcoENERGY for Biofuels Program

BIOX has submitted two applications to Natural Resources Canada for the inclusion of additional 67 million litre nameplate capacity production facilities in the ecoENERGY for Biofuels program. The applications outline BIOX's plans for new production facilities in Hamilton, Ontario and Montreal, Quebec. On June 17, 2010, BIOX received notice from Natural Resources Canada that the Hamilton application had successfully demonstrated an advanced state of readiness, and that the application would undergo a full merit-based assessment against all program criteria. Natural Resources Canada has indicated that it is aiming to make final program decisions based on highest ranked projects, by fuel type, subject to funding availability and volume targets, in the summer of 2010. BIOX has not received notification regarding the status of the Montreal application.

BIOX Expansion Plans

Due to the delay in the Natural Resources Canada final program decisions regarding the ecoENERGY for Biofuels Program, and due to the uncertainty over reinstatement of the U.S. biodiesel tax incentive and the related adverse impact on our financial results, BIOX has deferred significant commitments on its plant 2 expansion. BIOX continues to spend on process engineering and optimization and continues to progress on the project. However, significant capital commitments will not be made until clarification is received regarding the ecoENERGY for Biofuels Program, and improved margins in BIOX's current base business as a result of the implementation of RFS2 and/or the reinstatement of the biodiesel tax incentive. The deferral of significant commitments will delay the plant 2 completion date, and the extent of that delay will be a function of the timing of NRCan's decision with respect to the inclusion of a second BIOX plant in the ecoENERGY for Biofuels Program, and improved market conditions for the sale of biodiesel.

About BIOX Corporation

BIOX is a renewable energy company that designs, builds, owns and operates biodiesel production facilities. BIOX currently owns and operates a biodiesel production facility in Hamilton, Ontario, Canada with a nameplate capacity of 67 million litres per year. BIOX has an innovative, proprietary and patented production process that is capable of producing the highest quality, renewable, clean burning and biodegradable biodiesel fuel utilizing a variety of feedstocks - from pure seed oils to animal fats to recovered vegetable oils with no change to the production process. BIOX's high quality biodiesel fuel meets both North American (ASTM D-6751) and European (EN 14214) quality standards. BIOX is Canada's largest biodiesel producer and is focused on building, owning and operating a network of commercial scale biodiesel production facilities in jurisdictions where clearly defined renewable fuel standards policies exist.

Forward-looking Statements

Certain statements in this press release constitute "forward-looking" statements that involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance, objectives or achievements of BIOX, or industry results, to be materially different from any future results, performance, objectives or achievements expressed or implied by such forward-looking statements. These statements reflect BIOX's current views regarding future events and operating performance are based on information currently available to BIOX, and speak only as of the date of this press release. These forward-looking statements involve a number of risks, uncertainties and assumptions and should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether or not such performance or results will be achieved. Those assumptions and risks include, but are not limited to, the fact that BIOX's results of operations and business outlook are highly dependent on a mix of legislation and producer payment programs and tax credits, including inclusion of BIOX's second production plant in the ecoENERGY for Biofuels Program and resolution of the uncertainty surrounding the U.S biodiesel tax incentive; and upon commodity prices, which are subject to significant volatility and uncertainty. Many factors could cause the actual results, performance or achievements of BIOX to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements, including factors described in this press release and those discussed in BIOX's publicly available disclosure documents, as filed by BIOX on SEDAR (www.sedar.com). Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking statements prove incorrect, actual results may vary materially from those described in this press release as intended, planned, anticipated, believed, estimated or expected. Unless required by applicable securities law, BIOX does not intend and does not assume any obligation to update these forward-looking statements.

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