



Scottish Government
Via email: directormarinescotland@gov.scot

21 February 2020

Review re. FOI-19-02626 - BMK08 & Ectosan

Please consider this a formal request for a review of the Scottish Government's refusal dated 19 December 2019 to Scottish Salmon Watch's FOI request dated 5 December 2019 (enclosed via the Appendix).

Scottish Salmon Watch strongly objects to the Scottish Government's refusal which cited commercial confidentiality; namely claiming they had no information on BMK08 and could not disclose information on Ectosan "because disclosure of this particular information would, or likely to, prejudice substantially the confidentiality of commercial information provided by Benchmark Holdings plc and thus cause substantial harm to their commercial interests":

ANNEX

REASONS FOR NOT PROVIDING INFORMATION

Exceptions apply

1. Under the terms of the exception at regulation 10(4)(a) of the EIRs (information not held), the Scottish Government is not required to provide information which it does not have. The Scottish Government does not have the information you requested with regard to BMK08.

This exception is subject to the 'public interest test'. Therefore, taking account of all the circumstances of this case, we have considered if the public interest in disclosing the information outweighs the public interest in applying the exception. We have found that, on balance, the public interest lies in favour of upholding the exception. While we recognise that there may be some public interest in information about BMK08, clearly we cannot provide information which we do not hold.

2. Under the terms of the exception at regulation 10(5) (e) of the EIRs (the confidentiality of commercial or industrial information where such confidentiality is provided for by law to protect a legitimate economic interest).

An exception under regulation 10(5) (e) (confidentiality of commercial or industrial information) of the EIRs applies to the information you have requested with regard to Ectosan. This exception applies because disclosure of this particular information would, or would likely to, prejudice substantially the confidentiality of commercial information provided by Benchmark Holdings plc and thus cause substantial harm to their commercial interests.

This exception is subject to the 'public interest test'. Therefore, taking account of all the circumstances of this case, we have considered if the public interest in disclosing the information outweighs the public interest in applying the exception. We have found that, on balance, the public interest lies in favour of upholding the exception. We recognise that there is a public interest in disclosing information as part of open and transparent and accountable government, and to inform public debate. However, there is a greater public interest in protecting the commercial interests of companies when substantial harm can be made to their commercial interests.

Scottish Salmon Watch considers such a blanket refusal unreasonable and does not see an overriding public interest in protecting commercial or industrial information. The public interest is surely served best by disclosing specific details including the active ingredients in BMK08 & Ectosan. Secret trials [took place two decades ago in Scotland in relation to Calicide \(Teflubenzuron\)](#) and that [did not end well](#).

The public case for disclosure is much stronger than the case for protecting commercial confidentiality. It is obvious that Benchmark (as the manufacturer of BMK08 & Ectosan) is a company which wants to maximise investment, profit and economic returns by delaying disclosure.

However, the Scottish Government's duty is not to the shareholders of Benchmark but to the Scottish marine environment and the Scottish public whose livelihoods may be impacted by the Norwegian and other foreign investors controlling Benchmark.

Benchmark's [largest shareholders are listed \(as of 29 October 2019\) as:](#)

Significant Shareholders as notified to the Company

SIGNIFICANT SHAREHOLDERS	% OF ISSUED SHARE CAPITAL
FERD AS	25.98
Kverva Finans AS	14.14
Lansdowne Partners	9.23
JNE Partners LLP	6.91
The Royal Bank of Scotland Group plc	5.80
Harwood Capital	4.13

Shareholders		
Name	Equities	%
Ferd Invest AS	144,951,523	25.9%
Gustav Witzøe	79,015,188	14.1%
Lansdowne Partners (UK) LLP	55,081,579	9.86%
MSD Partners Europe LLP	38,613,000	6.91%
RBS Collective Investment Funds Ltd.	38,133,401	6.83%
Woodford Investment Management Ltd.	27,853,491	4.99%
Harwood Capital LLP	23,136,493	4.14%
Malcolm David Foster Pye	15,145,686	2.71%
Roland James Bonney	15,145,686	2.71%
Hargreave Hale Ltd.	14,425,000	2.58%

Share capital and substantial shareholdings

The Company's issued share capital, together with details of movements during the year, are shown in Note 25 accompanying the financial statements. The Company has one class of ordinary share which carries no right to fixed income. Each ordinary share carries the right to one vote at general meetings of the Company.

As at 23 January 2019 the Company has been notified of the following substantial shareholdings under Rule 5 of the UKLA's Disclosure and Transparency Rules:

	% of Issued share capital
FERD AS	26.00
Invesco Limited	16.17
Woodford Investment Management Limited	12.45
Lansdowne Partners International Limited, Lansdowne Partners Limited and Lansdowne Partners (UK) LLP	9.88
The Royal Bank of Scotland Group plc (Herge Holding B.V.)	6.84
Harwood Capital LLP (as investment adviser/manager), Oryx International Growth Fund Limited, North Atlantic Smaller Companies Investment Trust PLC, and Harwood Capital LLP for private clients	4.15

Indeed, it is wholly evident that Benchmark has actively sought public and private investment in BMK08 & Ectosan (which may or may not be one of the same - it is impossible to be sure given the extent of confidentiality) through published media reports and press comments.

For example, here's Benchmark's promotion of BMK08 to the general public and investors via media reports and published investor updates (you could find more via Googling):

Undercurrent News [reported](#) (2 December 2019):

WHITEFISH R&D AQUATECH

Benchmark: 'Breakthrough' salmon lice treatment combo could be available by end of 2020

By [Dan Gibson](#) Dec 2, 2019 10:17 GMT



📷 Benchmark's CleanTreat system won the aquaculture innovation award at AquaNor 2019, and is set for commercial release next year. Credit: Benchmark Holdings

UK animal health and genetics services provider Benchmark Holdings has set a rough guideline for the full commercial release of its anticipated sea lice treatment product, with the regulatory process 'progressing towards approval in late calendar year 2020'.

The product candidate, named BMK08, has continued to show around 99% effectiveness as well as "excellent animal welfare and environmental credentials" in tests, Benchmark said in its Q4 financial update.

"There is increasing recognition in the industry of the breakthrough nature of our solution and growing interest from customers while the regulatory approval process is progressing according to plan," the firm said.

Nevertheless, revenues from commercial-scale field trials were lower than in 2018, as the program of

trials for BMK08 draws to a close.

Meanwhile, the company's CleanTreat system, which won the Aquaculture Innovation award at [AquaNor 2019](#), is also planned to move from trial mode to full commercial release next year.

CleanTreat, a water purification system, removes organic material and medicines from salmon treatment water before releasing the water back to the sea. In this way, Benchmark hopes it can remove treatment-resistant sea lice from farms, preventing them from spreading and building resistance among other lice.

"During the year the group made good progress towards the launch of product candidate BMK08 which, together with its co-dependant technology CleanTreat, has the potential to be transformational for the industry, delivering a solution with zero environmental impact to one of the industry's biggest challenges," said executive chairman Peter George in the firm's update.

"The company is considering the optimal strategy to take CleanTreat from trial to commercial-scale given its importance to product candidate BMK08 and its broader industry-wide applications," George added, "including alternative funding strategies with support from its major shareholders".

In Chile this year Benchmark claims to have seen increased sales of its existing sea lice treatment, Salmosan, which it said is indicative of the potential demand for BMK08.

Fish Farming Expert [reported](#) in October 2018:

Two-year wait for 'next generation' lice treatment

A new lice treatment developed by UK-based aquaculture genetics, health and nutrition company Benchmark is unlikely to be available before the end of 2020 or early 2021.

By [Daniella Balin](#)

Ectosan has proven to be 100% effective in commercial trials in Norway, but Benchmark has warned it will take time to secure the patents or authorisations for it. It is waiting to complete regulatory procedures.

The chemical, which Benchmark describes as its “next generation” lice treatment, is used on wellboats in conjunction with the company’s CleanTreat filtration system, which removes any detectable trace of medication from the treatment water before it is discharged into the sea, generating zero impact.

New molecule

Benchmark chief executive Malcolm Pye, visiting Chile for the Aquasur trade show, told Fish Farming Expert’s Chilean sister site, Salmonexpert.cl, that Ectosan is a product that includes a new molecule and innovative technology.

Pye said Benchmark is in the process of patenting Ectosan in Norway and globally. “We still have work to do regarding patents and authorisations,” he explained.

The CleanTreat system, which is available now, cannot be used with hydrogen peroxide but is suitable for all other currently available bath treatments used against sea lice, as well as several additional chemical classes.

A clean break

- CleanTreat was developed by Benchmark Animal Health at its Ardtoe Marine Laboratory in Scotland.
- It uses a unique purification system to compound and solidify the chemicals used in bath treatments. These solids can then be incinerated at a specialist processing plant.
- So far CleanTreat has been trialled with a number of sea lice treatments compounds including pyrethroids, deltamethrin, azamethiphos, as well as Ectosan.

According to Benchmark, the system is working well in field trials and will be available imminently for use with other chemicals. Benchmark is continuing to optimise its performance in terms of speed and efficiency.

Pye continued: “Our intention is that there will be no impacts on the sea after performing antiparasitic treatments on the fish.

“This is a step that the industry has wanted to take some time, to move away from carrying out treatments and discharging water containing antiparasitic products in the open sea.”

Benchmark's [submission to the Scottish Parliament's salmon farming inquiry in 2018](#) included:

Purification systems- systems which remove therapeutants from treatment water prior to discharge - have been proposed as a solution to this environmental challenge. Benchmark's CleanTreat® system - developed by our team in Scotland - is the culmination of many years of research and investment and is the first of its kind to be used in aquaculture.

CleanTreat® ensures the safe use of compounds in the marine environment by removing therapeutants in discharge water following treatment to undetectable levels. CleanTreat® will be used in conjunction with Benchmark's next generation sea lice treatment, which is currently undergoing field trials in Norway. This represents a transformational change in the battle against one of the industry's greatest challenges, and a big step towards a future where no medicinal residues are discharged directly into the oceans. CleanTreat® can be used on well boats, tankers and platforms, is effective against most available bath treatments for sea lice and prevents treated lice from going back into the environment so that they do not contribute to resistance. More information can be found here:

<http://www.benchmarkplc.com/articles/cleantreat-by-benchmark/>

The Fish Site [reported](#) in March 2018:

Innovative treatment system gets an upgrade



by Rob Fletcher
22 March 2018, at 12:00pm

A new vessel which has been modified and fitted with an increased capacity for the use of Benchmark's CleanTreat system set sail for Norway from Scotland this week.



It's the second vessel to be fitted with the pioneering system, which allows a range of chemical bath treatments to be used to treat farmed fish infected with ectoparasites such as sea lice without any chemical residues being discharged into the water. And the new vessel has capacity up to 1200m³ per hour, allowing it to clean the water used for treatments in a 3000m³ wellboat in under three hours, a marked improvement on the speed of the previous CleanTreat vessel.



John Marshall, head of Benchmark Animal Health, which developed the system at their Ardtoe Marine Laboratory, explained the latest updates at this week's [Fish Vet Society conference](#), near Edinburgh.

CleanTreat is, he explained, "suitable for all currently available bath treatments used against sea lice, other than hydrogen peroxide" and uses a unique purification system to compound and solidify the chemicals used in the treatments. These solids, he added, can then be incinerated at one of the world's three specialist processing plants for these operations.

It has, so far, been trialled with a number of sea lice treatments compounds including pyrethroids, deltamethrin, azamethiphos, and Benchmark's new trial bath treatment.

However, he also believes that – as the treatment water is processed through CleanTreat's unique triple purification system before being released back into the sea clean and free of medicinal residues – the system could open up a very wide range of treatment options.

"There are at least two new products it could bring to market and I think it could open the door to other products not yet considered – perhaps from other areas, depending on regulations," he said.

Fish Farming Expert [reported](#) in December 2017:

New lice bath '100% effective' and pollution-free

Aquaculture health, nutrition, and genetics business Benchmark has announced that a new bath treatment has proved 100% effective against sea lice in commercial trials in Norway.

By [Gareth Moore](#)

The treatment, Ectosan, which has been developed by the UK-based company, was delivered through the company's CleanTreat filtering system - which removes any detectable traces of medicine from treatment water before it is discharged into the sea - meaning that the treatments had no environmental impact.

Benchmark believes that Ectosan can eventually achieve worldwide sales of £40-50 million annually. It will continue field trials in key markets through 2018 and 2019.

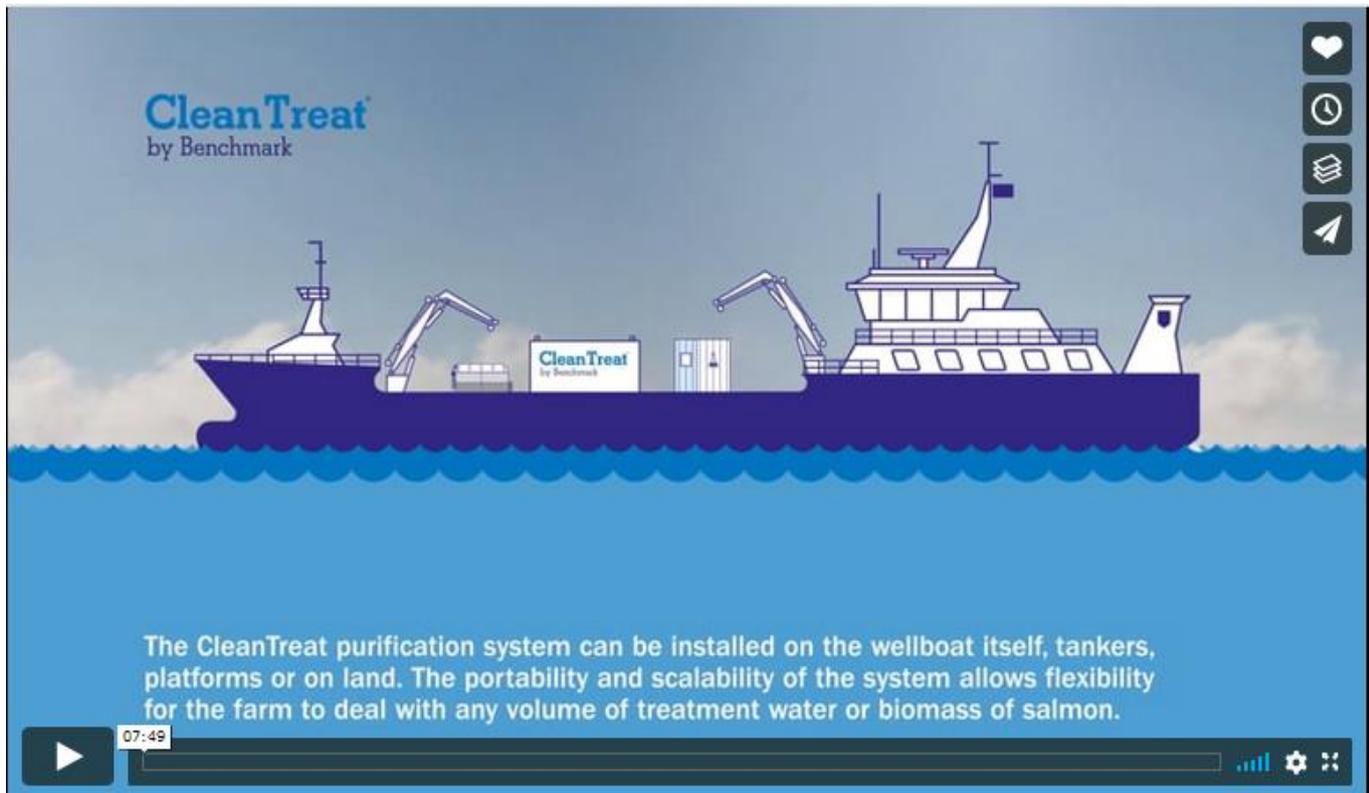
Transformational change

Chief executive Malcolm Pye said: "This is major breakthrough for Benchmark and the salmon industry. The combination of our next generation sea lice treatment, together with CleanTreat represents a transformational change in the battle against one of the industry's greatest challenges, and a big step towards a future where no medicinal residues are discharged directly into the oceans.

"Given its significance to the industry and interest expressed by our customers, we expect to see substantial demand for the treatment and look forward to providing the treatment more widely upon regulatory approval."

Benchmark would not comment further on Ectosan or how it works.

The company launched CleanTreat at Aqua Nor in Trondheim in August. A Benchmark spokesperson said: "CleanTreat can also be used with other bath treatments. Essentially CleanTreat could transform the salmon industry in terms of reducing environmental impact. There isn't another system like it, it's the first of its kind."



Proactive Investors [reported \(20 December 2019\)](#):

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Health view Benchmark Holdings PLC

Pharma & Biotech

Benchmark heartened by progress towards launch of BMK08 in otherwise challenging year

Revenue from continuing operations of £37.0mIn was 10% above the prior year (2018: £33.6mIn) driven by strong growth in the Genetics division

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Finance

John Harrington
08:22 Fri 20 Dec 2019

“During the year the company made good progress towards the launch of BMK08 which, together with its co-dependent technology CleanTreat, has the potential to be transformational for the industry, delivering a solution with strong environmental and animal welfare credentials,” said Peter George, the executive chairman of Benchmark.

The Fish Site [reported \(30 January 2020\)](#):

Benchmark seeks millions more for novel sea lice treatments

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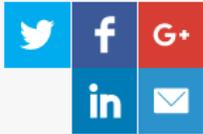
← SEA LICE

← HEALTH



by The Fish Site
30 January 2020, at 8:54am

Benchmark has targeted raising £43 million in order to scale up and speed up the commercialisation of its novel sea lice treatment system CleanTreat.



The aquaculture health, nutrition and genetics business, has announced this morning that it has conditionally raised £36.4 million by way of a placing at an issue price of 40p per ordinary share and intends to raise up to a further £6.6 million by way of an open offer to qualifying shareholders at an issue price of 40p per ordinary share.



Benchmark hopes to raise £19 million to speed up the commercialisation of CleanTreat

The company has earmarked £19 million to fund the commercial development of CleanTreat, which removes medicinal residues from treatment water, in order to support the launch of its novel sea lice medication, which is currently known as BMK08. The group is preparing to launch the two systems in the first half of 2021, subject to receipt of regulatory approval for the treatment product.

Over the last 24 months, over 35,000 tonnes of salmon in Norway have been treated with BMK08 in combination with CleanTreat - with the former achieving approximately 99 percent efficacy,

Benchmark's directors believe there is demonstrable and growing interest from customers for the product and estimates that the BMK08 / CleanTreat solution could reach peak annual sales of £50 million in Norway alone and £75 million globally.

The directors have said that they "strongly believe" that raising the extra funds "represents the optimal scale-up strategy for CleanTreat ahead of the anticipated BMK08 regulatory approval" by increasing its speed to market, delivering a higher expected return-on-investment and maximising value for Benchmark shareholders by retaining full ownership of CleanTreat.

Peter George, executive chairman of [Benchmark](#), commented: "We are preparing to launch BMK08, our novel medicinal treatment to combat sea lice, one of the main biological challenges in salmon farming. This requires scaling up CleanTreat, our proprietary system that removes medicinal residues from treatment water, and which is integral to the delivery of BMK08. Having reviewed a number of funding options, we strongly believe that an equity raise is the optimal funding strategy to deliver this scale."

Intrafish [reported \(30 January 2020\)](#):



[Aquaculture](#) [Fisheries](#) [Processing](#) [Markets](#) [Feed](#) [Opinion](#)

Aquaculture biotech group Benchmark raises \$50 million to launch new sealice treatment

Some directors have subscribed to buy shares in the offering.

30 January 2020 9:00 GMT *UPDATED 30 January 2020 13:28 GMT*
By Demi Korben

Aquaculture biotechnology firm Benchmark secured £36.4 million (€43 million/\$47 million) in a stock offer to support the launch of its new products.



The biggest farmed salmon escapes of 2019

[Read more](#)



Scottish salmon farmers are spending 47% less on medicines thanks to sealice-eating cleanerfish

[Read more](#)

The UK-based company also intends to raise an additional £6.6 million (€7.7 million/\$8.5 million) through an open offer to support product launches.

The sale price of the London-listed stock was £0.40 (€0.47/\$0.52) per ordinary share. The company did not disclose who bought shares through the offer, however, some unnamed directors expected to buy shares in the private placement.

The company intends to use a big chunk of the raised capital to fund the development of its CleanTreat system, which removes medicinal residues from treatment water.

This comes prior to the commercial delivery of BMK08, the company's new sealice treatment.

Another part of the raised money -- £16 million (€19 million/\$21 million) -- will be secured for a general increase in working capital in the group.

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7 January 2020 23:41 GMT

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12 December 2019 21:12 GMT

Private equity-backed company moving forward with Canada's first lumpfish hatchery

[Aquaculture](#)

12 December 2019 23:13 GMT



Don Staniford
@TheGAAIA

Benchmark plans share issue to fund CleanTreat scale-up fishfarmingexpert.com/article/benchm...
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Benchmark plans share issue to fund lice solution scale-up - FishFarmingExpert.c...
Aquaculture health, nutrition and genetics business Benchmark Holdings has revealed plans to raise a net sum of £41.5 million through share issues.
fishfarmingexpert.com

4:22 PM · Jan 30, 2020 · [Twitter Web App](#)

Proactive Investors [reported \(5 February 2020\)](#):



Andrew Scott

12:29 Wed 05 Feb 2020

Benchmark team discuss £43mln raise and commercial development of CleanTreat



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Benchmark Holdings PLC's (LON:BMK) Peter George and Septima Maguire discuss with Proactive's Andrew Scott some of the detail around their planned £43mln fundraise which is being carried out by way of a share placing and open offer.

The raise is being done to fund the commercial development of its CleanTreat system.

It's a proprietary system that removes medicinal residues from treatment water and which is integral to the commercial delivery of product candidate BMK08, the company's novel sea lice treatment for sea lice.

Insider Media [reported \(17 February 2020\)](#):



Stephen Farrell
Digital Staff Writer



BENCHMARK HOLDINGS RAISES £6.6M

© 17 Feb 2020 [Yorkshire](#) [Deals](#)



Benchmark Holdings, the Sheffield-based aquaculture health, nutrition and genetics business, has conditionally raised £6.6m through an open offer.

In January, the listed company [conditionally secured £36.4m](#) through a placing and announced plans to raise further funding through an open offer.

Benchmark has now conditionally raised total gross proceeds of £6.6m through the open offer, with gross proceeds from the fundraising totalling £43m.

The funding will be used to fund the commercial development of Benchmark's CleanTreat system, which removes medicinal residues from treatment water, and support the launch of its BMK08 sea lice treatment.

It will also provide additional working capital to fund the continuing business and strategy until a programme of planned disposals, set to raise up to £35m, is completed.

Peter George, executive chairman of Benchmark, said: "We are pleased to have raised the full amount envisaged under the open offer.

"The proceeds of the open offer and placing will in part be used to scale up CleanTreat as we prepare to launch BMK08, our novel medicinal treatment to combat sea lice, one of the main biological challenges in salmon farming. We are excited about the opportunity we now have to deliver Benchmark's enormous potential."

Morningstar [reported \(17 February 2020\)](#):

News

Benchmark Raises GBP6.6 Million In Share Open Offer

(Alliance News) - Benchmark Holdings PLC on Monday said it has raised GBP6.6 million through a ...

Alliance News | 17 February, 2020 | 1:19PM

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(Alliance News) - Benchmark Holdings PLC on Monday said it has raised GBP6.6 million through a share open offer, part of a GBP43 million overall fundraise by the company.

In January, the aquaculture health, nutrition and genetics firm said it had raised GBP36.4 million through the placing of 91 million shares at 40 pence each. Following the placing, it announced a share open offer at the same price.

The stock was trading 1.2% lower at 42.00 pence each in London on Monday.

The company received applications from qualifying shareholders for a total of 30.7 million open offer shares.

Benchmark said that the net amount realised from its fundraising will be used to scale-up development of its CleanTreat system for aquaculture as well as to provide additional working capital.

"We are pleased to have raised the full amount envisaged under the open offer. The proceeds of the open offer and placing will in part be used to scale up CleanTreat as we prepare to launch BMK08, our novel medicinal treatment to combat sea lice, one of the main biological challenges in salmon farming," said Benchmark Chair Peter George.

The Fish Site [reported \(17 February 2020\)](#):

Benchmark raises £43 million for sea lice treatments

SEA LICE

HEALTH



by The Fish Site
17 February 2020, at 12:54pm

Benchmark Holdings, the aquaculture health, nutrition and genetics business, has raised £43 million, as it seeks to scale up its CleanTreat sea lice treatment system.



A statement released by the company today explains that their recent open share offer raised £6.6 million, while the rest has been conditionally raised by a share placing.



Peter George, executive chairman of [Benchmark](#), commented: "We are pleased to have raised the full amount envisaged under the open offer. The proceeds of the open offer and placing will in part be used to scale up CleanTreat as we prepare to launch BMK08, our novel medicinal treatment to combat sea lice, one of the main biological challenges in salmon farming. We are excited about the opportunity we now have to deliver Benchmark's enormous potential."

The CleanTreat system has shown promising results in trials in Norway - where it has been used to treat over 30,000 tonnes of salmon - but it has not yet been approved for full scale commercial use.

Undercurrent News [reported \(18 February 2020\)](#):

undercurrentnews
seafood business news from beneath the surface

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COMPANIES ATLANTIC SALMON AQUATECH

Benchmark raises £43m to scale up sea lice treatment

By Undercurrent News Feb. 18, 2020 09:43 GMT



 Benchmark's CleanTreat system won the aquaculture innovation award at AquaNor 2019, and is set for commercial release next year. Credit: Benchmark Holdings

The UK aquaculture health, nutrition and genetics service Benchmark Holdings has raised a sum of £43 million (\$55.8m) in order to scale up its sea lice treatment system, it announced in a press release.

According to Benchmark, the company issued an open offer and a placing on the London stock exchange, at an issue price of £0.40 per ordinary share.

The open offer, announced Jan. 30, formally closed on Feb. 13, selling 30.6m open offer shares and 91m placing shares. These are subject to "passing the relevant resolutions at the general meeting to be held later today," Benchmark said.

The money raised will now be used by Benchmark to scale up its CleanTreat system, which uses wellboats to provide medicine to salmon while removing sea lice in a contained system. The company plans to use this in conjunction with its upcoming medicinal treatment, BMK08, to limit the release of residue and resistant sea lice back into the sea.

Seafood Source [reported \(18 February 2020\)](#):



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Benchmark raises USD 8.6 million through share open offer

By Jason Holland
February 18, 2020

SHARE    



**Benchmark
Holdings plc**

Sheffield, United Kingdom-based aquaculture health, nutrition, and genetics business Benchmark Holdings PLC has conditionally raised total gross proceeds of GBP 6.6 million (USD 8.6 million, EUR 7.9 million) through an open offer announced on 30 January 2020, representing the full amount proposed.

In an advisory posted through the London Stock Exchange, Benchmark also said that the company has conditionally raised total gross proceeds of GBP 43 million (USD 56.1 million, EUR 51.7 million) by way of the placing and the open offer.

The open offer and placing issue price was GBP 0.40 (USD 0.52, EUR 0.48) per ordinary share.

By the open offer's closing at 11 a.m. on 13 February, valid acceptances from qualifying shareholders in respect of 30,691,713 open offer shares had been received, including applications for 25,054,237 open offer shares under the excess application facility.

Admission of the 16,440,766 open offer shares (and the 91,000,000 placing shares) is subject to passing the relevant resolutions at the general meeting.

"We are pleased to have raised the full amount envisaged under the open offer," Benchmark Executive Chairman Peter George said. "The proceeds of the open offer and placing will in part be used to scale up CleanTreat as we prepare to launch BMK08, our novel medicinal treatment to combat sea lice, one of the main biological challenges in salmon farming. We are excited about the opportunity we now have to deliver Benchmark's enormous potential."

For the year through 30 September, 2019, Benchmark made a pretax loss of GBP 73.3 million (USD 95.6 million, EUR 88.2 million) from continuing operations, compared with a loss of GBP 8.4 million (USD 11 million, EUR 10.1 million) for the previous 12 months. Revenues from continuing operations for the year slipped 3 percent to GBP 127.3 million (USD 166 million, EUR 153.2 million), with adjusted earnings before interest, tax, depreciation, and amortization and impairment (EBITDA) of GBP 12.1 million (USD 15.8 million, EUR 14.6 million), down 37 percent year-on-year.

The public interest is surely better served by disclosure rather than the dubious excuse of protecting commercial interests.

Surely the Scottish Government should be placing marine protection ahead of the protection of economic interests?

It seems that the Scottish Government, by aiding and abetting privacy, are effectively promoting rogue/insider trading. Benchmark, by failing to publicly disclose basic information on BMK08 & Ectosan, are guilty of potentially misleading investors and the public alike.

Surely the public has a right to know what BMK08 actually is; how it is going to be used and how it is going to be discharged in Scotland? Only then, with full disclosure, can investors and the public make a wholly informed decision as to the acceptability of BMK08 & Ectosan.

Yours sincerely,

Don Staniford

Director of Scottish Salmon Watch

Appendix:

From: **Don Staniford** <salmonfarmingkills@gmail.com>
Date: Thu, Dec 5, 2019 at 11:05 AM
Subject: FOI re. BMK08 & Ectosan since 1 January 2018
To: ceu@scotland.gsi.gov.uk

Please provide information on BMK08 and Ectosan (which may be one of the same) since 1 January 2018.

As context, Undercurrent News [reported](#) (2 December 2019):

"UK animal health and genetics services provider Benchmark Holdings has set a rough guideline for the full commercial release of its anticipated sea lice treatment product, with the regulatory process "progressing towards approval in late calendar year 2020.

The product candidate, named BMK08, has continued to show around 99% effectiveness as well as "excellent animal welfare and environmental credentials" in tests, Benchmark said in its Q4 financial update.

"There is increasing recognition in the industry of the breakthrough nature of our solution and growing interest from customers while the regulatory approval process is progressing according to plan," the firm said.

Nevertheless, revenues from commercial-scale field trials were lower than in 2018, as the program of trials for BMK08 draws to a close.

Meanwhile, the company's CleanTreat system, which won the Aquaculture Innovation award at AquaNor 2019, is also planned to move from trial mode to full commercial release next year.

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"During the year the group made good progress towards the launch of product candidate BMK08 which, together with its co-dependant technology CleanTreat, has the potential to be transformational for the industry, delivering a solution with zero environmental impact to one of the industry's biggest challenges," said executive chairman Peter George in the firm's update.

"The company is considering the optimal strategy to take CleanTreat from trial to commercial-scale given its importance to product candidate BMK08 and its broader industry-

wide applications," George added, "including alternative funding strategies with support from its major shareholders".

In Chile this year Benchmark claims to have seen increased sales of its existing sea lice treatment, Salmosan, which it said is indicative of the potential demand for BMK08."

Fish Farming Expert [reported](#) (4 December 2019):

"Innovations include its CleanTreat system for cleaning water used in salmon treatments, and a new lice treatment, BMK08.

Although BMK08 must be used in conjunction with CleanTreat, the CleanTreat system can be used on its own to remove other chemicals from treatment water. CleanTreat has been on commercial trial in Norway, but neither it nor BMK08 have yet gained permission for general use."

Proactive Investors [reported](#) (29 November 2019):

"George said that during the year the group made good progress towards the launch of product candidate BMK08, its next-generation sea lice treatment. The group believes that this product, together with its co-dependant purification technology CleanTreat, has the potential to be transformational for the industry, delivering a solution with zero environmental impact.

"The company is considering the optimal strategy to take CleanTreat from trial to commercial-scale given its importance to product candidate BMK08 and its broader industry-wide applications," George revealed."

In a ['Trading Update' issued on 29 November 2019](#), Benchmark detailed:



2020 PRIORITIES

- 1. Disposals, exits and cost reductions**
 - fundamental to execution of product development programme and support of continuing operations while maintaining adequate liquidity
- 2. Continued execution of strategy in core businesses**
 - Genetics: Saliten ramp-up, local production in Chile, SPR shrimp
 - Advanced Nutrition: focus on high margin diets and health products including probiotics
- 3. Commercial readiness for product candidate BMK08 (next generation sea lice treatment)**
 - focus on scaling CleanTreat® and achieving regulatory approval



BMK 08 - A TRANSFORMATIONAL SOLUTION TO ONE OF THE BIGGEST INDUSTRY CHALLENGES

Sea lice treatment and prevention
£2-3bn
+ reputation & production loss

No treatment in the market is fully efficacious



- Extensive programme of trials over 24 months
 - Significant efficiency improvements achieved
 - Demonstrable growing interest from customers
- Regulatory approval progressing; expected late 2020 CY
- Preparing commercial launch



CLEANTREAT® - TRANSFORMING THE SUSTAINABILITY LANDSCAPE FOR MEDICINAL TREATMENTS IN AQUACULTURE

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- Addresses environmental contamination; one of most pressing societal concerns in sustainability
- Broad application for current and future medicinal treatments in the industry
- Proven - removed medicines and other pollutants in large scale trials - 300,000+ m3 water treated
- Now defining optimal strategy for commercial scale-up



It is unclear to Scottish Salmon Watch if BMK08 is the same product as Benchmark's 'Ectosan' which has been the subject of previous FOIs.

The Fish Site [reported](#) in March 2018:

"There are at least two new products it could bring to market and I think it could open the door to other products not yet considered – perhaps from other areas, depending on regulations," he said [John Marshall, head of Benchmark Animal Health].

Please consider this a request for information under the relevant FOI and Environmental Information regulations.

Please provide this information electronically.

Please provide a receipt for this information.

Best fishes,

Don Staniford

Director, Scottish Salmon Watch

Here's the Scottish Government's non reply (unsigned, undated and not even on letterhead!):

From: <Kate.Webb@gov.scot>
Date: Thu, Dec 19, 2019 at 5:29 PM
Subject: F0/19/02626 - Response to Information Request
To: <salmonfarmingkills@gmail.com>

Please find the Letter of Response attached to this email.

Kind regards,

Kate Webb

Business Casework Officer – Business and Operational Delivery
Licensing Operations Team - Marine Planning & Policy - Marine Scotland - Scottish Government
Address: Marine Laboratory - 375 Victoria Road - Aberdeen - AB11 9DB
General Queries: 0131 244 2500

**REQUEST UNDER THE ENVIRONMENTAL INFORMATION (SCOTLAND)
REGULATIONS 2004 (EIRs)**

Thank you for your request dated 5 December 2019 requesting information under the relevant FOI and Environmental Information regulations.

Your request

You asked for:

"Please provide information on BMK08 and Ectosan (which may be one of the same) since 1 January 2018.

As context, Undercurrent News [reported](#) (2 December 2019):

"UK animal health and genetics services provider Benchmark Holdings has set a rough guideline for the full commercial release of its anticipated sea lice treatment product, with the regulatory process "progressing towards approval in late calendar year 2020.

The product candidate, named BMK08, has continued to show around 99% effectiveness as well as "excellent animal welfare and environmental credentials" in tests, Benchmark said in its Q4 financial update.

"There is increasing recognition in the industry of the breakthrough nature of our solution and growing interest from customers while the regulatory approval process is progressing according to plan," the firm said.

Nevertheless, revenues from commercial-scale field trials were lower than in 2018, as the program of trials for BMK08 draws to a close.

Meanwhile, the company's CleanTreat system, which won the Aquaculture Innovation award at AquaNor 2019, is also planned to move from trial mode to full commercial release next year.

CleanTreat, a water purification system, removes organic material and medicines from salmon treatment water before releasing the water back to the sea. In this way, Benchmark hopes it can remove treatment-resistant sea lice from farms, preventing them from spreading and building resistance among other lice.

"During the year the group made good progress towards the launch of product candidate BMK08 which, together with its co-dependant technology CleanTreat, has the potential to be transformational for the industry, delivering a solution with zero environmental impact to one of the industry's biggest challenges," said executive chairman Peter George in the firm's update.

"The company is considering the optimal strategy to take CleanTreat from trial to commercial-scale given its importance to product candidate BMK08 and its broader industry-

wide applications," George added, "including alternative funding strategies with support from its major shareholders".

In Chile this year Benchmark claims to have seen increased sales of its existing sea lice treatment, Salmosan, which it said is indicative of the potential demand for BMK08."

Fish Farming Expert [reported](#) (4 December 2019):

"Innovations include its CleanTreat system for cleaning water used in salmon treatments, and a new lice treatment, BMK08.

Although BMK08 must be used in conjunction with CleanTreat, the CleanTreat system can be used on its own to remove other chemicals from treatment water. CleanTreat has been on commercial trial in Norway, but neither it nor BMK08 have yet gained permission for general use."

Proactive Investors [reported](#) (29 November 2019):

"George said that during the year the group made good progress towards the launch of product candidate BMK08, its next-generation sea lice treatment. The group believes that this product, together with its co-dependant purification technology CleanTreat, has the potential to be transformational for the industry, delivering a solution with zero environmental impact.

"The company is considering the optimal strategy to take CleanTreat from trial to commercial-scale given its importance to product candidate BMK08 and its broader industry-wide applications," George revealed."

In a [Trading Update' issued on 29 November 2019](#), Benchmark detailed:



2020 PRIORITIES

- 1. Dispersals, exits and cost reductions**
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It is unclear to Scottish Salmon Watch if BMK08 is the same product as Benchmark's 'Ectosan' which has been the subject of previous FOIs.

The Fish Site [reported](#) in March 2018:

"There are at least two new products it could bring to market and I think it could open the door to other products not yet considered – perhaps from other areas, depending on regulations," he said [John Marshall, head of Benchmark Animal Health]."

As the information you have requested is 'environmental information' for the purposes of the Environmental Information (Scotland) Regulations 2004 (EIRs), we are required to deal with your request under those Regulations. We are applying the exemption at section 39(2) of the Freedom of Information (Scotland) Act 2002 (FOISA), so that we do not also have to deal with your request under FOISA.

This exemption is subject to the 'public interest test'. Therefore, taking account of all the circumstances of this case, we have considered if the public interest in disclosing the information outweighs the public interest in applying the exemption. We have found that, on balance, the public interest lies in favour of upholding the exemption.

because there is no public interest in dealing with the same request under two different regimes. This is essentially a technical point and has no material effect on the outcome of your request.

Response to your request

While our aim is to provide information whenever possible, in this instance we are unable to provide the information you have requested because exceptions under regulation 10(4)(a) (information not held) and 10(5)(e) (confidentiality of commercial or industrial information) of the EIRs applies to that information. The reasons why these exceptions apply are explained in the Annex to this letter.

Your right to request a review

If you are unhappy with this response to your EIRs request, you may ask us to carry out an internal review of the response, by writing to The Director of Marine Scotland, Area 1B South, Victoria Quay, The Shore, Edinburgh, EH6 6QQ, or by emailing Directormarinescotland@gov.scot.

Your review request should explain why you are dissatisfied with this response, and should be made within 40 working days from the date when you received this letter. We will complete the review and tell you the result, within 20 working days from the date when we receive your review request.

If you are not satisfied with the result of the review, you then have the right to appeal to the Scottish Information Commissioner. More detailed information on your appeal rights is available on the Commissioner's website at:

<http://www.itspublicknowledge.info/YourRights/Unhappywiththeresponse/AppealingtoCommissioner.aspx>.

ANNEX

REASONS FOR NOT PROVIDING INFORMATION

Exceptions apply

1. Under the terms of the exception at regulation 10(4)(a) of the EIRs (information not held), the Scottish Government is not required to provide information which it does not have. The Scottish Government does not have the information you requested with regard to BMK08.

This exception is subject to the 'public interest test'. Therefore, taking account of all the circumstances of this case, we have considered if the public interest in disclosing the information outweighs the public interest in applying the exception. We have found that, on balance, the public interest lies in favour of upholding the exception. While we recognise that there may be some public interest in information about BMK08, clearly we cannot provide information which we do not hold.

2. Under the terms of the exception at regulation 10(5) (e) of the EIRs (the confidentiality of commercial or industrial information where such confidentiality is provided for by law to protect a legitimate economic interest).

An exception under regulation 10(5) (e) (confidentiality of commercial or industrial information) of the EIRs applies to the information you have requested with regard to Ectosan. This exception applies because disclosure of this particular information would, or would likely to, prejudice substantially the confidentiality of commercial information provided by Benchmark Holdings plc and thus cause substantial harm to their commercial interests.

This exception is subject to the 'public interest test'. Therefore, taking account of all the circumstances of this case, we have considered if the public interest in disclosing the information outweighs the public interest in applying the exception. We have found that, on balance, the public interest lies in favour of upholding the exception. We recognise that there is a public interest in disclosing information as part of open and transparent and accountable government, and to inform public debate. However, there is a greater public interest in protecting the commercial interests of companies when substantial harm can be made to their commercial interests.