

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

This document comprises a supplementary prospectus (the “Supplementary Prospectus”) relating to The Biotech Growth Trust PLC (the “Company”) and has been prepared in accordance with the Prospectus Rules made under section 84 of the Financial Services and Markets Act 2000, as amended (“FSMA”). This Supplementary Prospectus does not contain or constitute an offer to sell or to issue any shares in the Company (the “Shares”) or the solicitation of an offer to buy or subscribe for Shares. This Supplementary Prospectus has been approved by and filed with the Financial Conduct Authority in accordance with the Prospectus Rules.

If you are in any doubt about the contents of this document or as to the action you should take, you are recommended immediately to seek your own personal financial advice from an appropriately qualified independent adviser authorised under FSMA.

This document is supplemental to, and should be read in conjunction with, the Prospectus of the Company dated 29 July 2013 (the “Prospectus”) published in connection with the placing programme of up to 50,000,000 Shares. Words or expressions defined in the Prospectus have the same meaning when used in this document unless the context requires otherwise. Save as disclosed in this document, no significant new factor has arisen since publication of the Prospectus.

THE BIOTECH GROWTH TRUST PLC

(incorporated and registered in England and Wales with registered number 3376377; an investment company under section 833 of the Companies Act 2006)

Supplementary Prospectus

Winterflood Securities Limited, which is authorised and regulated by the Financial Conduct Authority, is acting for the Company and will not regard any person other than the Company as its customer or be responsible to anyone other than the Company for providing the protections afforded to customers of Winterflood Securities Limited or for providing advice in relation to the contents of this document or any matters referred to herein.

The distribution of this Supplementary Prospectus in certain jurisdictions may be restricted by law. No action has been taken by the Company or Winterflood Securities Limited that would permit an offer of the Shares or possession or distribution of this Supplementary Prospectus or any other offering or publicity material in any jurisdiction where action for that purpose is required, other than in the United Kingdom. Persons into whose possession this Supplementary Prospectus comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

11 October 2013

Purpose of Supplementary Prospectus

This document constitutes a Supplementary Prospectus required under Prospectus Rules 3.4.1 and 3.4.2 and is being published to note a significant new factor relating to the information included in the Prospectus.

Significant New Factor

The significant new factor is a proposal to make material changes to the Company's investment objective and policy (the "Proposals").

On 11 October 2013, the Company published a circular in connection with the recommended Proposals (the "Circular"). The Circular contains notice convening a general meeting of the Company at 9.30 a.m. on 30 October 2013 (the "General Meeting") at which Shareholders will be asked to consider and, if thought fit, approve by ordinary resolution the Proposals.

The full text of the Company's proposed new investment objective and policy is set out below (with the changes to the Company's existing investment objective and policy highlighted for ease of reference):

Proposed new Investment Objective and Policy

The Company seeks capital appreciation through investment in the worldwide biotechnology industry, ~~principally by investing in emerging biotechnology companies.~~ Performance is measured against the NASDAQ Biotechnology Index (sterling adjusted).

Investment Guidelines

In order to achieve its investment objective, the Company invests in a diversified portfolio of ~~biotechnology (principally emerging biotechnology) companies~~ shares and related securities in biotechnology companies on a worldwide basis.

In connection with the investment policy, the following guidelines apply:

- The Company will not invest more than 10 per cent., in aggregate, of the value of its gross assets in other closed ended investment companies (including investment trusts) listed on the London Stock Exchange, except where the investment companies themselves have stated investment policies to invest no more than 15 per cent. of their gross assets in other closed ended investment companies (including investment trusts) listed on the London Stock Exchange.
- The Company will not invest more than 15 per cent., in aggregate, of the value of its gross assets in other closed ended investment companies (including investment trusts) listed on the London Stock Exchange.
- The Company will not invest more than 15 per cent. of the ~~portfolio~~ value of its gross assets in any one individual stock at the time of acquisition.
- ~~The largest 30 quoted stocks will normally represent at least 50 per cent. of the quoted portfolio.~~
- ~~The majority of the emerging biotechnology companies that the Company will invest in are likely to be companies with a market capitalisation of less than U.S.\$3 billion that have undergone an IPO (Initial Public Offering) but as yet are unprofitable. They will typically be focused on drug research and development, with their valuations driven by profitable developments, clinical trial results and partnerships.~~
- The Company will not invest more than 10 per cent. of the ~~portfolio~~ value of its gross assets in direct unquoted investments at the time of acquisition. This limit does not include any investment in private equity funds managed by the Investment Manager or any affiliates of such entity.
- The Company may invest or commit for investment a maximum of U.S.\$15 million, after the deduction of proceeds of disposal and other returns of capital, in private equity funds managed by OrbiMed Capital LLC, the Company's Investment Manager, or an affiliate thereof.

– The Company’s borrowing policy is that borrowings will not exceed 10 per cent. of the Company’s net assets. The Company’s borrowing requirements are met through the utilisation of a loan facility, repayable on demand, provided by Goldman Sachs & Co. This facility can be drawn down at the discretion of the Investment Manager.

~~– Up to~~ The Company may be unable to invest directly in certain countries. In these circumstances, the Company may gain exposure to companies in such countries by investing indirectly through swaps. Where the Company invests in swaps, exposure to underlying assets will not exceed 5 per cent. of the gross assets of the Company’s portfolio, at the time of entering into the contract acquisition, can be invested in India. Exposure to be gained through the use of swaps.

Shareholder Approval

If the Shareholders approve by ordinary resolution the Proposals at the General Meeting convened for 30 October 2013, the Company’s investment objective and policy will be as set out above.

If the Shareholders do not approve the Proposals at the General Meeting, the Company will publish a further supplementary prospectus.

Part 6 of the Prospectus:

Following the General Meeting, paragraph 2 in Part 6 of the Prospectus on page 26 will have been caused to become out of date and should be read in light of the new investment objective and policy which is as follows:

Investment Policy and Objective

The Company’s investment objective is to seek capital appreciation through investment in the worldwide biotechnology industry. Performance is measured against the NASDAQ Biotechnology Index (sterling adjusted).

In order to achieve its investment objective, the Company invests in a diversified portfolio of shares and related securities in biotechnology companies on a worldwide basis.

The Company does not and will not invest more than 10 per cent., in aggregate, of the value of its gross assets in other closed ended investment companies (including investment trusts) listed on the London Stock Exchange, except where the investment companies themselves have stated investment policies to invest no more than 15 per cent. of their gross assets in other closed ended investment companies (including investment trusts) listed on the London Stock Exchange.

Further, the Company does not and will not invest more than 15 per cent., in aggregate, of the value of its gross assets in other closed ended investment companies (including investment trusts) listed on the London Stock Exchange.

The Company will not invest more than 15 per cent. of the value of its gross assets in any one individual stock at the time of acquisition.

The Company will not invest more than 10 per cent. of the value of its gross assets in direct unquoted investments at the time of acquisition. This limit does not include any investment in private equity funds managed by the Investment Manager or any affiliates of such entity.

The Company may invest or commit for investment a maximum of U.S.\$15 million, after the deduction of proceeds of disposal and other returns of capital, in private equity funds managed by the Investment Manager, or an affiliate thereof.

The Company’s borrowing policy is that borrowings will not exceed 10 per cent. of the Company’s net assets. The Company’s borrowing requirements are met through the utilisation of a loan facility, repayable on demand, provided by Goldman Sachs & Co. This facility can be drawn down at the discretion of the Investment Manager.

The Company may be unable to invest directly in certain countries. In these circumstances, the Company may gain exposure to companies in such countries by investing indirectly through swaps. Where the Company invests in swaps, exposure to underlying assets will not exceed 5 per cent. of the gross assets of the Company at the time of entering into the contract.

In accordance with the Listing Rules, the Company can only make a material change to its investment policies with the approval of its Shareholders.

Supplement to the Summary

B.34 of the Summary on page 5 of the Prospectus is being supplemented as follows:

<p>B.34</p>	<p>Investment objective and policy</p>	<p>The Company is proposing to make changes to the Company’s Investment Objective and Policy and is seeking approval for the changes at a general meeting of Shareholders convened for 30 October 2013, following which the Company’s Investment Objective and Policy will be amended and a summary of the new Investment Objective and Policy is as follows:</p> <p>The Company’s objective is to seek capital appreciation through investment in the worldwide biotechnology industry. Performance is measured against the NASDAQ Biotechnology Index (sterling adjusted).</p> <p>In order to achieve its investment objective, the Company invests in a diversified portfolio of shares and related securities in biotechnology companies on a worldwide basis.</p> <p>The Company may invest or commit for investment a maximum of U.S.\$15 million, after the deduction of proceeds of disposal and other returns of capital, in private equity funds managed by OrbiMed Capital LLC (the “Investment Manager”), or any affiliate of such entity.</p> <p>The Company will not invest more than 10 per cent. of the value of its gross assets in direct unquoted investments at the time of acquisition. This limit does not include any investment in private equity funds managed by the Investment Manager or any affiliates of such entity.</p> <p>If the Shareholders do not approve the changes to the Company’s Investment Objective and Policy at the general meeting, the Company will publish a further supplementary prospectus to further supplement the Summary.</p>
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Responsibility

The Company, whose registered office appears below, and the Directors, whose names appear below, accept responsibility for the information contained in this Supplementary Prospectus. To the best of the knowledge and belief of the Company and the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

The Directors of the Company are:

- The RT Hon Lord Waldegrave of North Hill (Chairman)
- Sven Borho
- Professor Dame Kay Davies, CBE
- Paul Gaunt
- Dr John Gordon
- Andrew Joy
- Peter Keen

The registered office of the Company is at:
One Wood Street
London
EC2V 7WS

Documents Available for Inspection

Copies of the Prospectus dated 29 July 2013, this Supplementary Prospectus and the Circular may be inspected free of charge at the offices of Frostrow Capital LLP, 25 Southampton Buildings, London WC2A 1AL during normal business hours on any weekday (Saturdays and public holidays excepted) from the date of this document and while the Prospectus remains valid.

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