

INTERNATIONAL BIOTECHNOLOGY TRUST PLC

Valuation Committee Terms of Reference

Approved by the Board on 8 July 2009

Function

1. The function of the Valuation Committee is to ensure that the Company's investment portfolio valuations continue to accurately reflect their current fair value, calculated in accordance with the Company's valuation and accounting policies.

Membership

2. The Committee shall be appointed by the Board and shall consist of not less than two members. A quorum shall be two members.
3. The Chairman of the Committee shall be determined each time the Committee meets.

Meetings

4. The Committee shall meet as and when required throughout the year.

Secretary

5. The Company Secretary shall be the secretary of the Committee and shall attend all meetings of the Committee.

Authority

6. The Committee is authorised by the Board to investigate any activity within its terms of reference and to seek any information it may require. It is authorised to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.

Responsibilities

7. The responsibilities of the Committee shall be to:-
 - (a) review the valuation of quoted companies within the Company's investment portfolio, ensuring that they are valued at the relevant bid or closing prices as appropriate to the listed market in accordance with the company's valuation and accounting policies.;
 - (b) review the valuation of unquoted companies within the Company's investment portfolio, ensuring that individual valuations accurately reflect their current fair value, calculated in accordance with the Company's valuation and accounting policies; and
 - (c) review and approve announcements made to the market in respect of both items above, as necessary.

Reporting procedures

8. The elected chairman of each meeting shall report on the issues raised at the meeting to the Board at the earliest opportunity.
9. The Secretary shall circulate the minutes of meetings of the Committee to all members of the Board.

Membership (as at 8 July 2009)

Andrew Barker

Alan Clifton

David Clough

Peter Collacott

Alex Hammond-Chambers

Ian Macgregor