

RITCHIE BROS. AUCTIONEERS

CORPORATE GOVERNANCE GUIDELINES

Revised October 25, 2007

The following guidelines have been approved by the Board of Directors (the “Board”) of Ritchie Bros. Auctioneers Incorporated (the “Company” or “Ritchie Bros.”) and, together with the charters of the Board committees, provide the framework for the Company’s corporate governance. The Board or a designated Board committee will review these principles and other aspects of the Company’s corporate governance annually or more often if deemed necessary.

Board and Management Roles

The Company’s employees and officers conduct the Company’s business on a day-to-day basis, under the direction of the Company’s Chief Executive Officer, or *CEO*. The Board, which is elected by the Company’s shareholders, oversees management and seeks to assure that the long-term interests of the shareholders are served. Both the Board and management recognize that the shareholders’ long-term interests are advanced by responsibly addressing the concerns of other stakeholders and interested parties, including employees, customers, suppliers, partners, government agencies and the public at large.

Board Functions and Responsibilities

The Board has at least five regularly scheduled meetings each year. At these meetings, the Board reviews and discusses, among other things:

- management reports on the Company’s performance;
- the Company’s strategy, objectives and prospects;
- Board committee or management proposals; and
- immediate issues facing the Company.

The Board may also call special meetings to act on important matters as needed. Directors are expected to review in advance all meeting materials and to attend all scheduled Board and committee meetings. In addition to its general oversight of management, the Board or designated Board committees also perform a number of specific functions. Some of these functions include:

- selecting, evaluating and compensating the CEO and overseeing CEO succession plans;
- overseeing the selection, development, evaluation and compensation of and succession planning for the Company’s executive officers other than the CEO;
- reviewing, approving and monitoring fundamental financial and business strategies and major corporate actions;
- overseeing the assessment of major risks facing the Company and available options to address those risks;
- reviewing and approving SEC and Canadian filings;

- evaluating, approving and overseeing compliance with Company's corporate governance policies and practices; and
- ensuring that processes are in place for maintaining the Company's integrity, including oversight of financial statement integrity, compliance with law and ethics, and the integrity of relationships with customers and other stakeholders.

The Board recognizes that its actions set the tone for ethical business conduct by the Company's officers and employees.

Director Qualifications

The Nominating and Corporate Governance Committee evaluates director candidates for recommendation to the Board for approval. Although the Committee considers the entirety of each proposed director nominee's credentials and does not have any specific minimum qualifications (other than those required by laws and regulations regarding director qualifications applicable to the Company), the Committee has established director selection guidelines that the Committee and the Board consider in evaluating proposed nominees. These guidelines are attached to the Committee's charter and include both individual criteria and Board composition criteria that are reviewed in light of the overall mix of skills, characteristics and experience of the Board.

In assessing the overall composition of the Board, the Committee and the Board also consider the candidate's independence, industry knowledge, specific skills and experience, leadership qualities and other factors.

The Board has established mandatory retirement for all members at 70 years of age. This requirement can be waived at the Board's discretion. The Board does not believe that directors should expect to be renominated until they resign.

Before Board members may serve on the boards of directors of any publicly-traded companies, other than the Company, they are required to consult with and receive approval from the Chairman of the Board. Committee chairs may serve as a committee chair to up to three committees of the board of directors of publicly-traded companies, other than the Company, that are not competitors of the Company. Notwithstanding the foregoing, members of the Board's Audit Committee may not serve on the audit committees of more than two publicly-traded companies, other than the Company, unless the Board determines that such simultaneous service would not impair the Board member's ability to effectively serve on the Board's Audit Committee.

Director Independence

Ritchie Bros.'s goal is that a majority of the directors on the Company's Board are independent directors under the corporate governance rules of the New York Stock Exchange, or *NYSE*, Toronto Stock Exchange, or *TSX*, and applicable securities laws and regulations. We believe that certain directors who do not meet the NYSE or TSX independence standards also make valuable contributions to the Board and to the Company by reason of their abilities and experience.

To be considered independent under the NYSE and TSX standards and applicable securities laws, the Board must determine that a director does not have any direct or indirect material relationship with the Company and that the director qualifies as an independent director under the NYSE and TSX independence criteria. For relationships not covered by these criteria, the determination of whether the relationship is material or not, and therefore whether the director would be independent, will be made by the directors who satisfy the independence guidelines.

The NYSE has indicated that its independence standards are based on a concern with independence from management, and that it does not view ownership of even a significant amount of stock, by itself, as disqualifying a director from being independent. Accordingly, the direct or beneficial ownership by a director, or an immediate family member of a director, of 10% or less of the Company's outstanding common stock will not be considered a material relationship that would impair the director's independence.

The Board will annually review all relationships of directors. Whether directors meet these categorical independence tests will be reviewed and will be publicly disclosed annually prior to the Company's annual shareholders meeting at which directors are elected.

Audit Committee Member Independence

In addition to the general independence standards discussed above, members of the Board's Audit Committee must also satisfy additional independence requirements as specified in the Audit Committee's charter.

Size and Structure of Board

The Board is composed of a single class of directors, with shareholders annually electing directors to serve one-year terms. The Board, with the assistance of the Nominating and Corporate Governance Committee, determines from time to time the number of directors on the Board, within a range specified in the Company's charter documents. The Board believes that, given the size and scope of the Company, the Board should include at least seven directors, which is its current size.

Director Selection Process

The Board, in consultation with the Nominating and Corporate Governance Committee, proposes for each annual shareholder meeting nominees for election to the Board. If vacancies arise between annual shareholder meetings, the Nominating and Corporate Governance Committee considers potential director candidates and may recommend to the Board for approval the election of directors to serve until the next annual meeting of shareholders.

The Committee uses a variety of methods for identifying and evaluating director nominees. Candidates may come to the attention of the Committee through current Board members, professional search firms, shareholders or others. Shareholders may propose nominees for consideration by the Committee by submitting the names and supporting information to: Corporate Secretary, 6500 River Road, Richmond, BC, Canada, V6X 4G5.

Board Committees

The Board has established the following committees to assist the Board in discharging its responsibilities and to function more effectively:

- Audit Committee;
- Compensation Committee; and
- Nominating and Corporate Governance Committee.

The current charters of these committees are available on the Company's website at www.rbauction.com, and will be mailed to shareholders on written request. The committee Chairs report the highlights of their meetings to the full Board following each meeting of the respective committees. The Nominating and Corporate Governance Committee recommends to the Board director membership on Board committees and counsels the Board and the committees about the selection of committee Chairs.

Non-management Directors Meetings

The Board will hold at least four scheduled meetings each year for the non-management directors without management present. The directors have determined that the Chair of the Board (or if the Board does not have a non-management Chair, the Lead Director, selected in accordance with the Nominating and Corporate Governance Committee's charter), will preside at such meetings, and will serve as the presiding director in performing such other functions as the Board may direct. Any non-management director may request that additional executive sessions of the non-management directors be held, and the presiding director may determine whether to call any such meeting.

Board and Committee Self-Evaluations

The Board and each of the committees will perform an annual self-evaluation, as indicated in the Board committee charters. As part of these evaluations, the directors will provide their assessments of the effectiveness of the Board, the Board Chair, themselves as individual Board members, and the committees on which they serve. The Board as a whole will review the individual committee assessments, and the Chair will review individual members' self evaluations with them, along with any other ideas for improvement. The Board may, at its discretion, engage an independent corporate governance expert to organize and summarize the individual assessments for discussion with the Board and the committees.

Ethics and Conflicts of Interest

The Board expects the Company's directors, as well as executive officers and employees, to act ethically at all times and to acknowledge their adherence to the policies comprising the Company's Code of Business Conduct and Ethics. If an actual or potential conflict of interest arises for a director, the director is expected to promptly inform the Chair of the Board and the CEO. If a significant conflict exists and cannot be resolved, the director should resign. All directors are expected to excuse themselves from any discussion or decision affecting their personal, business or professional interests. The Audit Committee will resolve any conflict of interest question involving any director or executive officer of the Company, and the CEO will resolve any conflict of interest issue involving any non-executive officer. On an annual basis,

the Audit Committee will circulate to all Board members a listing of each Board member's interests in and directorships with other non-affiliated companies.

Board Compensation

The Nominating and Corporate Governance Committee will annually review the Company's director compensation practices and recommend to the Board the form and amount of compensation and benefits for non-employee directors, in accordance with the Compensation Committee's charter. The Compensation Committee will consider the following principles in discharging these duties:

- compensation should fairly pay directors for work required in a company of the Company's size and scope;
- compensation should align the directors' interests with the long-term interests of shareholders; and
- the structure of the compensation should be simple, transparent and easy for shareholders to understand.

Management Succession Plans

The Board will oversee the long-range succession planning process for the CEO, based upon processes established by the Board and CEO. The Board will also oversee, in consultation with the CEO, the development and maintenance of a short-term succession plan for unexpected situations affecting the CEO.

Director Access to Senior Management

Non-employee directors are encouraged to contact directly the Company's senior managers, either alone or with other members of senior management present. The Company's CEO (if not serving as a director), President and COO, Executive Vice-President, Chief Financial Officer and Corporate Secretary, and, as invited, other members of senior management are encouraged to attend Board meetings when practical.

Board and Committee Access to Independent Advisors

In fulfilling their duties, the Board and its committees have the right at any time to retain independent outside financial, legal or other advisors at the Company's expense.

Director Orientation and Continuing Education

The Committee, together with the Corporate Secretary, will provide an orientation for new directors, and periodically provide materials or briefing sessions for all directors on subjects that would assist them in discharging their duties. Each new director will be expected, within six months of election to the Board, to spend a day at Ritchie Bros.'s offices in Richmond, British Columbia for personal briefing by senior management on the Company, its financial statements and its key policies and practices. In addition, all directors are expected to attend at least one Company auction each year to stay current with Company operations. Directors are also encouraged to participate in continuing education programs at the Company's expense, and the Corporate Secretary will provide information about such programs at the request of Directors.