

RITCHIE BROS. AUCTIONEERS INCORPORATED
ANNUAL GENERAL MEETING OF SHAREHOLDERS
INFORMATION CIRCULAR

Unless otherwise provided, the information herein is given as of March 15, 2000.

Solicitation of Proxies

This Information Circular is being furnished to the shareholders of the Company in connection with the solicitation of proxies for use at the Annual General Meeting (the “Meeting”) by management of the Company. The solicitation will be primarily by mail, however, proxies may also be solicited personally or by telephone by the directors, officers or employees of the Company. The Company may also pay brokers or other persons holding Common Shares of the Company in their own names or in the names of nominees for their reasonable expenses of sending proxies and proxy materials to beneficial shareholders for the purposes of obtaining their proxies. The costs of this solicitation has been and will be borne by the Company.

PARTICULARS OF MATTERS TO BE ACTED UPON AT THE MEETING

Number of Directors and Election of Directors

Under the Articles of the Company, the number of directors of the Company is set at a minimum of three (3) and a maximum of ten (10). The Company currently has five (5) directors. Each director of the Company is elected annually and holds office until the next annual general meeting of the Company unless he sooner ceases to hold office. The Company proposes to fix the number of directors to be elected at five (5) and intends to request the shareholders to elect five (5) directors at the Meeting. The Company intends to nominate each of the persons listed below for election as a director of the Company. The persons named in the enclosed form of proxy intend to vote for the election of such nominees. Each nominee is currently a director of the Company.

<u>Name and Municipality of Residence</u>	<u>Position with the Company</u>	<u>Principal Occupation or Employment(1)</u>	<u>Previous Service as a Director</u>	<u>Number of Common Shares Beneficially Owned, Controlled or Directed(1) (2)</u>
David Edward Ritchie Leduc, Alberta	Chairman of the Board and Chief Executive Officer	Chairman of the Board and Chief Executive Officer of the Company	Director since December 12, 1997	4,938,223(3)
Clifford Russell Cmolik Surrey, B.C.	President and Chief Operating Officer and a Director	President and Chief Operating Officer and a Director of the Company	Director since December 12, 1997	2,085,571(4)
Peter James Blake(5) Vancouver, B.C.	Vice-President, Finance and Chief Financial Officer and a Director	Vice-President, Finance and Chief Financial Officer and a Director of the Company	Director since December 12, 1997	86,666
Charles Edward Croft(5) Salt Spring, B.C.	Director	President and Director of Falcon Pacific Financial Corp. and its Subsidiaries	Director since June 17, 1998	2,000(6)
George Edward Moul(5) West Vancouver, B.C.	Director	Director and officer of The McEmcy Company of Canada Ltd., Peace Portal Properties Ltd. and certain other private real estate holding companies	Director since June 17, 1998	1,000(7)

NOTES:

- (1) This information has been provided by the respective nominee as of March 15, 2000.
- (2) The number of Common Shares held includes Common Shares of the Company beneficially owned, directly or indirectly, or over which control or direction is exercised by the proposed nominee.
- (3) 3,345,375 of such shares are held by D.E.R. Auctions Ltd. and 1,592,748 of such shares are held by Davcorp Investments Ltd. Both D.E.R. Auctions Ltd. and Davcorp Investments Ltd. are controlled by David Edward Ritchie.
- (4) 1,408,284 of such shares are held by C.R.C. Auctions Ltd. and 676,918 of such shares are held by Cmolik Enterprises Ltd. Both C.R.C. Auctions Ltd. and Cmolik Enterprises Ltd. are controlled by Clifford Russell Cmolik.
- (5) The Company is required to have an audit committee and Messrs. Blake, Croft and Moul are members of the Audit Committee.
- (6) Such shares are held by Falcon Pacific Financial Corp., a company controlled by Mr. Croft. Mr. Croft also has options to purchase 3,500 Common Shares at U.S.\$26.88 per share, with an expiry date of February 21, 2009 and options to purchase 3,000 Common Shares at U.S. \$26.69 per share, with an expiry date of February 1, 2010.
- (7) Such shares are held by Kensington Holdings Ltd., a company 100% owned by G. Edward Moul and his spouse. Mr. Moul also has options to purchase 3,500 Common Shares at U.S.\$26.88 per share, with an expiry date of February 21, 2009 and options to purchase 3,000 Common Shares at U.S.\$26.69 per share, with an expiry date of February 1, 2010.

The Company is not aware that any of the above nominees will be unable or unwilling to serve, however, should the Company become aware of such an occurrence before the election of directors takes place at the Meeting, if one of the persons named in the enclosed form of proxy is appointed as proxyholder, it is intended that the discretionary power granted under such proxy will be used to vote for any substitute nominee or nominees whom the Company in its discretion may select.

Appointment of Auditors

The Company proposes that KPMG LLP, Chartered Accountants of Vancouver, British Columbia, be appointed as Auditors of the Company for the ensuing year and that the directors be authorized to fix their remuneration. KPMG LLP has been the Auditors of the Company and its predecessors since 1974. The resolution appointing auditors must be passed by way of a resolution passed by a majority of the votes cast by the shareholders who vote in respect of that resolution.

Amendment to the Articles

The Articles of the Company provides that the number of directors of the Company shall be a minimum of three (3) and a maximum of ten (10). The purpose of the special resolution set out in Schedule A attached is to authorize and empower the board of directors to determine the actual number of directors within the specified range from time to time and if any vacancy is created as a result of such determination, to appoint additional directors to fill such vacancy. The number of the additional directors so appointed shall not exceed one-third of the number of directors elected at the previous annual meeting of shareholders. If the above-mentioned special resolution is passed to amend the articles of the Company, the board of directors will have the flexibility and ability to add additional members to the board on a timely basis between annual shareholder's meetings, subject to the foregoing limitation. Management of the Company believes that such flexibility will enable the Company to respond to any business or regulatory requirement to increase the number of directors on the board in a timely fashion.

To become effective the special resolution set out in Schedule A approving the amendment to the Articles must be passed by at least two-thirds of the votes cast in respect of such special resolution at the Meeting.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

None of the directors or senior officers of the Company, none of the persons who have been directors or senior officers of the Company since January 1, 1999 and no associate or affiliate of any of the foregoing has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter scheduled to be acted upon at the Meeting other than as disclosed elsewhere in this Information Circular.

INTEREST OF INSIDERS IN MATERIAL TRANSACTIONS

Other than as set out herein, no insider or any associate or affiliate of any insider, has had or has any material interest, direct or indirect, in any transaction since January 1, 1999 or in any proposed transaction which, in either case, has materially affected or will materially affect the Company or any of its subsidiaries.

During the 12-month period ended December 31, 1999, the Company entered into agreements with D.E.R. Resorts Ltd. ("Resorts"), a corporation controlled by David E. Ritchie, the Chairman and Chief Executive Officer of the Company, pursuant to which Resorts agreed to provide meeting rooms, accommodations, meals and recreational activities at its facilities on Stuart Island in British Columbia, Canada, for certain customers of the Company. The agreements set forth the maximum number of excursions to be provided during a given year and the fees and costs per excursion. The Company paid to Resorts approximately U.S.\$398,000 under the agreements in its financial year ended December 31, 1999. Management believes that the terms of the agreements were at least as favourable to the Company as could have been obtained from a third party. The Company and Resorts have entered into similar agreements in the past and intend to do so in the future.

OTHER INFORMATION REGARDING THE COMPANY

EXECUTIVE COMPENSATION

Compensation

The following table provides a summary of the compensation earned during each of the last two financial years(1) by the Chief Executive Officer and the Company's four most highly compensated executive officers other than the Chief Executive Officer (such five officers are hereafter collectively called the "Named Executive Officers").

Summary Compensation Table
(all amounts in U.S. dollars)

Name and Principal Position	Year	Annual Compensation			Long-Term Compensation Awards			All Other Compensation (\$)
		Salary (\$)	Bonus (3) (\$)	Other Annual Compensation (\$)	Awards		Payouts	
					Securities Under Options Granted (#)	Restricted Shares or Restricted Share Units (#)	LTIP Payouts (\$)	
David E. Ritchie(2) Chairman and Chief Executive Officer	1999	350,000	Nil	10,272	Nil	Nil	Nil	Nil
	1998	350,000	380,000	1,006	Nil	Nil	Nil	Nil
C. Russell Cmolik(2) President and Chief Operating Officer	1999	175,000	Nil	11,372	Nil	Nil	Nil	Nil
	1998	175,000	250,000	8,632	Nil	Nil	Nil	Nil
Randall J. Wall(2) Managing Director — Europe and Middle East Divisions	1999	160,000	35,000	4,010	Nil	Nil	Nil	Nil
	1998	160,000	Nil	1,752	Nil	Nil	Nil	Nil
Edward H. Banser(2) Vice-President — South Central Division	1999	125,000	47,000	14,311	Nil	Nil	Nil	Nil
	1998	125,000	160,000	15,002	Nil	Nil	Nil	Nil
Michael G. Ritchie(2) Vice-President — Northeast Division	1999	125,000	35,000	11,381	Nil	Nil	Nil	Nil
	1998	125,000	100,000	14,031	Nil	Nil	Nil	Nil

- (1) The Company was amalgamated on December 12, 1997 and therefore has only two completed financial years.
- (2) All Named Executive Officers are employed by wholly owned subsidiaries of the Company.
- (3) All bonuses were earned by the Named Executive Officers in the financial year noted but were paid subsequent to the end of the financial year.

Stock Options Granted in the 1999 Financial Year

No stock options were granted to any of the Named Executive Officers during the Company's financial year ended December 31, 1999.

Exercise of Options

No options were exercised by any of the Named Executive Officers during the Company's financial year ended December 31, 1999.

Termination of Employment, Changes in Responsibility and Employment Contracts

The Company, through wholly-owned operating subsidiaries, has an employment agreement with each of the Named Executive Officers. All such employment agreements may be terminated with eight weeks notice (or less in certain circumstances) or payment in lieu thereof.

The Company has no compensatory plan or arrangement to compensate the Named Executive Officers in the event of the termination of employment (resignation, retirement, change of control) or in the event of a change in responsibilities following a change in control, except for usual notice or payment in lieu of notice requirements in the employment agreements of such Named Executive Officers in the event of termination without just cause.

Composition of the Compensation Committee

The Compensation Committee of the Company consists of Messrs. Croft, Moul and Cmolik. Only Mr. Cmolik is an officer or employee of the Company.

Report on Executive Compensation

The Company's policy with respect to the compensation of the Chief Executive Officer and the other Named Executive Officers and other officers of the Company is based upon the principles that compensation must: (1) be competitive in order to help attract and retain the talent needed to lead and grow the Company's business; (2) provide a strong incentive for executives and key employees to work towards the achievement of the Company's goals; and (3) ensure that the interests of management and the Company's shareholders are aligned.

The compensation paid to each of the Chief Executive Officer and the other Named Executive Officers of the Company consists of base salary and a performance-oriented bonus. The payment of the bonus is contingent upon the performance of the Company and the individual's contribution toward that performance. The amount of such bonuses depends on the financial performance of the Company and is not subject to any minimum or maximum amount.

Base salary levels for the Named Executive Officers are normally determined primarily on the basis of (i) the Compensation Committee's review of the Chief Executive Officer's and the Chief Operating Officer's assessment of each Named Executive Officer's performance during the prior year and (ii) the Compensation Committee's understanding of normal and appropriate salary levels for executives with responsibilities and experience comparable to that of the Named Executive Officers of the Company. In making such determination, external sources are consulted when deemed necessary by the Compensation Committee.

Awards of bonuses depend in part upon whether the Company and its principal subsidiaries have met or exceeded targets established for the applicable year. The Compensation Committee also considers other criteria, including the contribution of individuals toward the Company's performance, in determining the range of any bonuses to be awarded. It is anticipated that bonuses paid to the Company's Named Executive Officers in future years may be paid in part by the issuance of stock options.

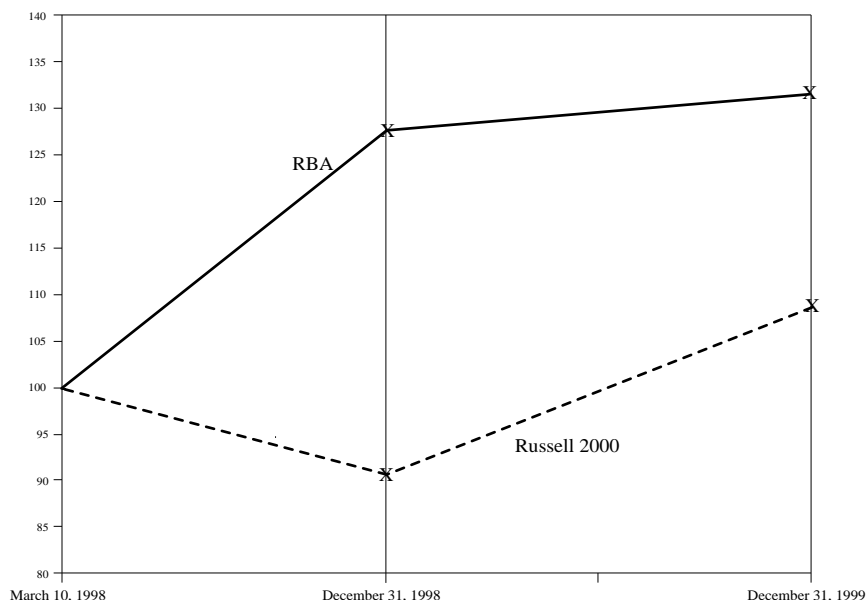
For 1999, the Chief Executive Officer's base salary was determined after considering the salary levels of other executives with similar responsibilities and experience and after general discussions with outside advisors. The Compensation Committee accepted the recommendation of the Chief Executive Officer and the Chief Operating Officer that neither receive a performance bonus in 1999.

Report presented by:

Charles E. Croft
G. Edward Moul
C. Russell Cmolik

Performance Graph

The following graph compares the percentage change in the value of U.S.\$100 invested in Common Shares of the Company with U.S.\$100 invested in the Russell 2000 Index from March 10, 1998 (the date when the Common Shares commenced trading on the New York Stock Exchange) to December 31, 1999 (the Company's most recent financial year end).



	March 10, 1998	December 31, 1998	December 31, 1999
Ritchie Bros. Auctioneers (RBA)	100	127.51	131.36
Russell 2000 Index	100	90.82	108.64

Compensation of Directors

In addition to the reimbursement of reasonable travel and lodging expenses, non-employee directors of the Company receive the following compensation: U.S.\$7,500 per year for board membership; U.S.\$2,500 per year for committee chairmanship; U.S.\$750 per meeting attended; and 3,000 options to acquire Common Shares (exercise price equal to market price on date of grant) per year. Non-employee directors may also participate in the Company's performance bonus and stock option programs in recognition of their contributions towards the overall performance of the Company. Employee directors do not receive additional compensation for their participation in board or committee activities.

There were no other arrangements under which directors were compensated during 1999. No directors earned any compensation during 1999 for consultancy or other services provided to the Company.

Directors and Senior Executives Liability Insurance

The Company maintains directors and senior executives liability insurance which, subject to the provisions contained in the policy, protects the directors and senior executives, as such, against certain claims made against them during their term of office. Such insurance provides for an aggregate of U.S.\$20 million (less a deductible of U.S.\$250,000) annual protection against liability. The annual premium paid by the Company for this insurance is U.S.\$99,900.

INDEBTEDNESS OF DIRECTORS, EXECUTIVE OFFICERS AND SENIOR OFFICERS

No director, executive officer or senior officer of the Company, no proposed nominee for election as a director of the Company, and no associate of any such director, officer or proposed nominee, at any time during the most recently completed financial year has been indebted to the Company or any of its subsidiaries or had indebtedness to another entity which is, or has been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries.

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

The Company is currently authorized to issue an unlimited number of Common Shares, an unlimited number of junior preferred shares without par value and an unlimited number of senior preferred shares without par value. As at March 15, 2000 according to the records of The Trust Company of Bank of Montreal, the registrar and transfer agent of the Company, there are 16,737,465 Common Shares and no preferred shares of the Company issued and outstanding. Holders of Common Shares are entitled to one vote for each Common Share held. Holders of Common Shares of record at the close of business on March 15, 2000 are entitled to receive notice of and to vote at the Meeting.

To the knowledge of the directors and senior officers of the Company, the only persons who beneficially own, directly or indirectly, or exercise control or direction over, Common Shares carrying more than 10% of the voting rights attached to all voting shares of the Company are:

<u>Name</u>	<u>Number of Common Share(s) (1)</u>	<u>Percentage of Common Shares</u>
David E. Ritchie(2)	4,938,223	29.5%
C. Russell Cmolik(3)	2,085,571	12.5%

NOTES:

- (1) This information has been furnished by the person named and has been confirmed, to the extent possible by the Company.
- (2) 3,345,375 of such shares are held by D.E.R. Auctions Ltd. and 1,592,748 of such shares are held by Davcorp Investments Ltd., both of which are controlled by Mr. Ritchie, the Chairman of the Board and Chief Executive Officer of the Company.
- (3) 1,421,784 of such shares are held by C.R.C. Auctions Ltd. and 676,918 of such shares are held by Cmolik Enterprises Ltd., both of which are controlled by Mr. Cmolik.

GENERAL PROXY INFORMATION

Appointment and Revocation of Proxies

The persons named in the enclosed form of proxy for use at the Meeting are directors of the Company.

A shareholder has the right to appoint a person to attend and act as proxyholder on the shareholder's behalf at the Meeting other than the persons named in the enclosed form of proxy. If a shareholder does not wish to appoint either person so named, the shareholder should check the second box on the proxy and insert in the blank space provided the name and address of the person whom the shareholder wishes to appoint as proxyholder. That person need not be a shareholder of the Company.

A shareholder who has given a proxy may revoke it by: (a) signing a proxy bearing a later date and depositing it as provided under "Deposit of Proxy" below; (b) signing and dating a written notice of revocation (in the same manner as required for the enclosed form of proxy to be executed, as set out under "Validity of Proxy" below) and delivering such notice to the registered office of the Company at any time up to and including the last business day preceding the day of the Meeting or to the Chairman of the Meeting on the day of the Meeting; (c) attending the Meeting in person and registering with the scrutineer thereat as a shareholder present in person and signing and dating a written notice of revocation; or (d) any other manner

permitted at law. Any such revocation will have effect only in respect of those matters upon which a vote has not already been cast pursuant to the authority conferred by a previously deposited proxy.

Voting of Shares Represented by Proxy

A proxy in the form of the enclosed form of proxy will confer discretionary authority upon the proxyholder named therein with respect to the matters identified in the enclosed Notice of Meeting and in the form of proxy for which no choice is specified (and with respect to amendments and variations thereto and any other matter that may properly be brought before the Meeting).

If the instructions as to voting indicated on a proxy in the enclosed form and deposited as provided for herein are certain, all of the shares represented by such proxy will be voted or withheld from voting in accordance with the instructions of the shareholder on any ballot that may be called for.

If no choice is specified by a shareholder in a proxy in the form of the enclosed form of proxy and one of the persons named in the enclosed form of proxy is appointed as proxyholder, the shares represented by the proxy will be voted "FOR" each of the other matters identified therein.

Amendments or Variations and Other Matters

Management of the Company is not now aware of any amendments to or variations of any of the matters identified in the enclosed Notice of the Meeting nor of any other matter which may be brought before the Meeting. **However, a proxy in the form of the enclosed form will confer discretionary authority upon a proxyholder named therein to vote on any amendments to or variations of any of the matters identified in the enclosed Notice and on any other matter which may properly be brought before the Meeting in respect of which such proxy has been granted.**

Validity of Proxy

A form of proxy will not be valid unless it is dated and signed by the shareholder or by the shareholder's attorney duly authorized in writing. In the case of a shareholder that is a corporation, a proxy will not be valid unless it is executed under its seal or by a duly authorized officer or agent of, or attorney for, such corporate shareholder. If a proxy is executed by an attorney or agent for an individual shareholder, or by an officer, attorney, agent or authorized representative of a corporate shareholder, the instrument empowering the officer, attorney, agent or representative, as the case may be, or a notarial copy thereof, must be deposited along with the proxy.

A vote cast in accordance with the terms of a proxy will be valid notwithstanding the previous death, incapacity or bankruptcy of the shareholder or intermediary on whose behalf the proxy was given or the revocation of the appointment, unless written notice of such death, incapacity, bankruptcy or revocation is received by the Chairman of the Meeting at any time before the vote is cast.

Deposit of Proxy

In order to be valid and effective, an instrument appointing a proxy holder must be deposited with The Trust Company of Bank of Montreal, Attention: Proxy Department at P.O. Box 6002 Station Place d'Armes, Montreal, Quebec, H2Y 3S8, no later than 48 hours (excluding Saturdays, Sundays and holidays) before the time of the Meeting or any adjournment thereof.

All non-registered shareholders who receive these materials through a broker or other intermediary should complete and return the materials in accordance with the instructions provided to them by their broker or other intermediary.

ADDITIONAL INFORMATION

The Company will provide to any person or Company, upon request to the Secretary of the Company, copies of the Company's Annual Information Form together with a copy of any document, or the pertinent pages of any document, incorporated therein by reference, the Company's comparative consolidated financial statements for its most recently completed financial year together with the accompanying report of the auditor, one copy of any interim financial statements of the Company subsequent to the financial statements of the Company's most recently completed financial year and the Company's information circular in respect of its most recent annual meeting of shareholders. The Company may require the payment of a reasonable charge if a person who is not a shareholder of the Company makes the request for information.

APPROVAL OF CIRCULAR

The contents and sending of this Information Circular have been approved by the Board of Directors of the Company.

Dated at Vancouver, British Columbia, this 24th day of March, 2000.

By Order of the Board of Directors

/s/ ROBERT S. ARMSTRONG
Robert S. Armstrong
Corporate Secretary

SCHEDULE A

“RESOLVED as a special resolution of Ritchie Bros. Auctioneers Incorporated (the “Company”) that:

- (1) The articles of the Company be amended by adding the following provision to paragraph 7 thereof:
 - (1) the actual number of directors within the minimum and maximum number set out in paragraph 5 may be determined from time to time by resolution of the directors; and
 - (2) if the directors in exercising the power referred to in subparagraph 7(1) above increase the number of directors at any time between annual meetings of shareholders, the directors may by resolution appoint one or more additional directors who shall hold office for a term expiring not later than the close of the next annual meeting of shareholders, provided that the total number of directors so appointed shall not exceed one-third of the number of directors elected at the previous annual meeting of shareholders.
- (2) The Company is authorized to apply for a Certificate of Amendment under section 178 of the *Canada Business Corporations Act* to so amend the Article;
- (3) Any director or officer of the Company is authorized to execute and deliver all documents and to do all things necessary to give intent to and implement this special resolution; and
- (4) The directors of the Company may, in their discretion, and notwithstanding that this special resolution has been duly passed by the shareholders of the Company, revoke this special resolution without further notice to or approval of the shareholders at any time prior to the endorsement by or on behalf of the Director appointed under the *Canada Business Corporations Act* of a Certificate of Amendment of Articles in respect of the amendments contemplated by this special resolution.”