

Q4-16 Financial Results

January 25, 2017



Forward-looking Statements & Non-GAAP Measures

Information contained in these materials or presented orally on the earnings conference call, either in prepared remarks or in response to questions, contains forward-looking statements. Actual results could differ materially from those contemplated by the forward-looking statements. For more information, we direct you to our 2015 annual MD&A and fourth quarter 2016 MD&A, as well as the last slide of this presentation.

This presentation also contains certain non-GAAP financial measures that do not have any standardized meaning and therefore are unlikely to be comparable to similar measures presented by other companies. For more information regarding these non-GAAP measures, please see our 2015 annual MD&A and our fourth quarter 2016 MD&A.

Q4-16 Industry Highlights

- Substantial increase in global methanol pricing (see slide 4)
- Healthy global Q4 demand of approximately 17.3 million tonnes, up 11% versus Q4-15
 - Methanol-to-olefins (MTO) led demand growth
 - Two new MTO facilities, with combined annual methanol demand potential of over three million tonnes at full operating rates, built methanol inventory through the quarter and started up at the end of December
 - We expect one additional MTO plant in 2017 with annual demand potential of 1.8 million tonnes when operating at full rates
 - Higher China olefins derivatives pricing versus Q3-16 helped methanol affordability for MTO producers, however margins narrowed as methanol prices increased
 - Traditional chemical demand growth remained steady, 4% year over year in Q4

Q4-16 Methanol Price

Methanex Average Realized Price (US\$/tonne)



Methanex Non-Discounted

Regional Posted Prices ¹

(US\$ per tonne)	Feb 2017	Jan 2017	Dec 2016	Nov 2016	Oct 2016
North America	TBD	416	366	319	293
Europe ²	385	385	280	280	280
Asia	430	430	350	310	285

¹ Discounts from our posted prices are offered to customers based on various factors

² €370 for Q1-17 (Q4-16 - €250) converted to USD

- Jan-17 Methanex posted prices are over \$100/tonne higher versus Oct-16 in all regions. Methanex posted Asia February price is unchanged from January
- Methanex Q4-16 average realized price of \$278/tonne increased \$42/tonne from \$236/tonne in Q3-16

Q4-16 Company Highlights

- Improved financial results:
 - Adjusted EBITDA of \$139 million, up 87% from Q3-16
- Record production and sales
 - 2016 production was 7.0 million tonnes, up 35% from 2015
 - 2016 sales volume was 9.5 million tonnes, up 12% from 2015
 - Quarterly production and sales records of 1.9 million tonnes and 2.5 million tonnes respectively
- Signed tolling agreement to allow additional gas supply for Chile I
 - Expect first volume under agreement in Q1-17
- Launched new 50,000 dwt ship, final of seven capable of running on methanol
- Paid \$25 million dividend to shareholders

Q4-16 Financial & Operational Results

	Q4-16	Q3-16
<i>Sales Volume (000's of tonnes)</i>		
Methanex Produced Methanol	1,750	1,860
Purchased Methanol	526	411
Commission Sales	245	205
Total	2,521	2,476
Average realized price (\$/tonne)	278	236
Adjusted EBITDA ¹ (\$millions)	139	74
Net income (loss) attributable to Methanex shareholders (\$millions)	24	(11)
Adjusted net income (loss) (\$millions)	41	(1)
Diluted net income (loss) per common share	\$0.28	\$(0.12)
Adjusted net income (loss) per common share ¹	\$0.46	\$(0.01)

¹ Non-GAAP measure attributable to Methanex shareholders reflecting Methanex's proportionate interest in its Egypt and Atlas joint ventures. Please refer to our Q4-16 MD&A for further information.

- Higher Adjusted EBITDA reflects higher average realized price in Q4-16

Q4-16 Production

(000's of tonnes)	Q4-16	Q3-16	Q4-15
New Zealand	536	559	412
Geismar 1 and 2	526	519	244
Trinidad (Methanex share) ¹	455	420	432
Egypt (50%)	96	69	58
Medicine Hat	92	114	155
Chile ²	154	68	88
Total	1,859	1,749	1,389

¹ The operating capacity of Trinidad is made up of Titan (100% interest) and Atlas (63.1% interest) facilities

² Chile production includes any volume produced under tolling arrangement

- Record production volume
- 95% plant reliability for 2016, still below our target of 97% and improved from 2015 result of 90%

Q4-16 Production

- New Zealand production was 536,000 tonnes
- The Geismar site ran well, producing 526,000 tonnes during the quarter
- Trinidad production of 455,000 tonnes, approximately 91% of capacity. Although we continue to expect gas curtailments, we had improved gas availability in Trinidad in Q4 at both plants
- Egypt produced 96,000 tonnes (Methanex share)
 - The plant was taken offline for planned maintenance activities for approximately 35 days during the fourth quarter of 2016 and has been running at high rates since mid-November
- Medicine Hat production declined to 92,000 tonnes in Q4, or 61% of capacity
 - Outage at the plant and subsequent reduction in rates for the remainder of the quarter resulted in lost production of approximately 70,000 tonnes
 - We expect the plant to return to full operating rates during the first quarter of 2017 after a repair is executed
- Chile I plant produced 154,000 tonnes from gas sourced in Chile, highest production level since Q1-2011

Summary

- Significant increase in methanol prices globally in Q4-16 and continuing in Q1-17
- Record quarterly production and sales volume in Q4-16
- Record annual sales and production volume in 2016
- Q4-16 demand up 11% year-over-year versus Q4-15, led by MTO plant start-ups
- Limited new supply additions anticipated in 2017
- Continued progress on Chile gas supply
- Positioned to generate strong cash flows in 2017

Forward-looking Statements

FORWARD-LOOKING INFORMATION WARNING

This Presentation, our Fourth Quarter 2016 Management's Discussion and Analysis ("MD&A") and comments made during the Fourth Quarter 2016 investor conference call contain forward-looking statements with respect to us and our industry. These statements relate to future events or our future performance. All statements other than statements of historical fact are forward-looking statements. Statements that include the words "believes," "expects," "may," "will," "should," "potential," "estimates," "anticipates," "aim," "goal" or other comparable terminology and similar statements of a future or forward-looking nature identify forward-looking statements. More particularly and without limitation, any statements regarding the following are forward-looking statements: expected demand for methanol and its derivatives; expected new methanol supply or restart of idled capacity and timing for start-up of the same; expected shutdowns (either temporary or permanent) or restarts of existing methanol supply (including our own facilities), including, without limitation, the timing and length of planned maintenance outages; expected methanol and energy prices; expected levels of methanol purchases from traders or other third parties; expected levels, timing and availability of economically priced natural gas supply to each of our plants; capital committed by third parties towards future natural gas exploration and development in the vicinity of our plants; our expected capital expenditures, anticipated operating rates of our plants, expected operating costs, including natural gas feedstock costs and logistics costs; expected tax rates or resolutions to tax disputes; expected cash flows, earnings capability and share price; availability of committed credit facilities and other financing; our ability to meet covenants or obtain or continue to obtain waivers associated with our long-term debt obligations, including, without limitation, the Egypt limited recourse debt facilities that have conditions associated with the payment of cash or other distributions and the finalization of certain land title registrations and related mortgages which require actions by Egyptian governmental entities; expected impact on our results of operations in Egypt or our financial condition as a consequence of civil unrest or actions taken or inaction by the Government of Egypt and its agencies; our shareholder distribution strategy and anticipated distributions to shareholders; commercial viability and timing of, or our ability to execute, future projects, plant restarts, capacity expansions, plant relocations, or other business initiatives or opportunities; our financial strength and ability to meet future financial commitments; expected global or regional economic activity (including industrial production levels); expected outcomes of litigation or other disputes, claims and assessments; and expected actions of governments, government agencies, gas suppliers, courts, tribunals or other third parties.

We believe that we have a reasonable basis for making such forward-looking statements. The forward-looking statements in this document are based on our experience, our perception of trends, current conditions and expected future developments as well as other factors. Certain material factors or assumptions were applied in drawing the conclusions or making the forecasts or projections that are included in these forward-looking statements, including, without limitation, future expectations and assumptions concerning the following: the supply of, demand for and price of methanol, methanol derivatives, natural gas, coal, oil and oil derivatives; our ability to procure natural gas feedstock on commercially acceptable terms; operating rates of our facilities; receipt or issuance of third-party consents or approvals, including, without limitation, governmental registrations of land title and related mortgages in Egypt and governmental approvals related to rights to purchase natural gas; the establishment of new fuel standards; operating costs, including natural gas feedstock and logistics costs, capital costs, tax rates, cash flows, foreign exchange rates and interest rates; the availability of committed credit facilities and other financing; global and regional economic activity (including industrial production levels); absence of a material negative impact from major natural disasters; absence of a material negative impact from changes in laws or regulations; absence of a material negative impact from political instability in the countries in which we operate; and enforcement of contractual arrangements and ability to perform contractual obligations by customers, natural gas and other suppliers and other third parties.

However, forward-looking statements, by their nature, involve risks and uncertainties that could cause actual results to differ materially from those contemplated by the forward-looking statements. The risks and uncertainties primarily include those attendant with producing and marketing methanol and successfully carrying out major capital expenditure projects in various jurisdictions, including, without limitation: conditions in the methanol and other industries including fluctuations in the supply, demand and price for methanol and its derivatives, including demand for methanol for energy uses, the price of natural gas, coal, oil and oil derivatives; our ability to obtain natural gas feedstock on commercially acceptable terms to underpin current operations and future production growth opportunities; the ability to carry out corporate initiatives and strategies; actions of competitors, suppliers and financial institutions; conditions within the natural gas delivery systems that may prevent delivery of our natural gas supply requirements; competing demand for natural gas, especially with respect to domestic needs for gas and electricity in Chile and Egypt; actions of governments and governmental authorities, including, without limitation, the implementation of policies or other measures that could impact the supply of or demand for methanol or its derivatives; changes in laws or regulations, import or export restrictions, anti-dumping measures, increases in duties, taxes and government royalties, and other actions by governments that may adversely affect our operations or existing contractual arrangements; world-wide economic conditions; and other risks described in our annual 2015 Management's Discussion and Analysis and our Fourth Quarter 2016 Management's Discussion and Analysis.

Having in mind these and other factors, investors and other readers are cautioned not to place undue reliance on forward-looking statements. They are not a substitute for the exercise of one's own due diligence and judgment. The outcomes implied by forward-looking statements may not occur and we do not undertake to update forward-looking statements except as required by applicable securities laws.