



**A Responsible Care® Company**

**Annual General Meeting**  
**Bruce Aitken, President and CEO**

April 29, 2010

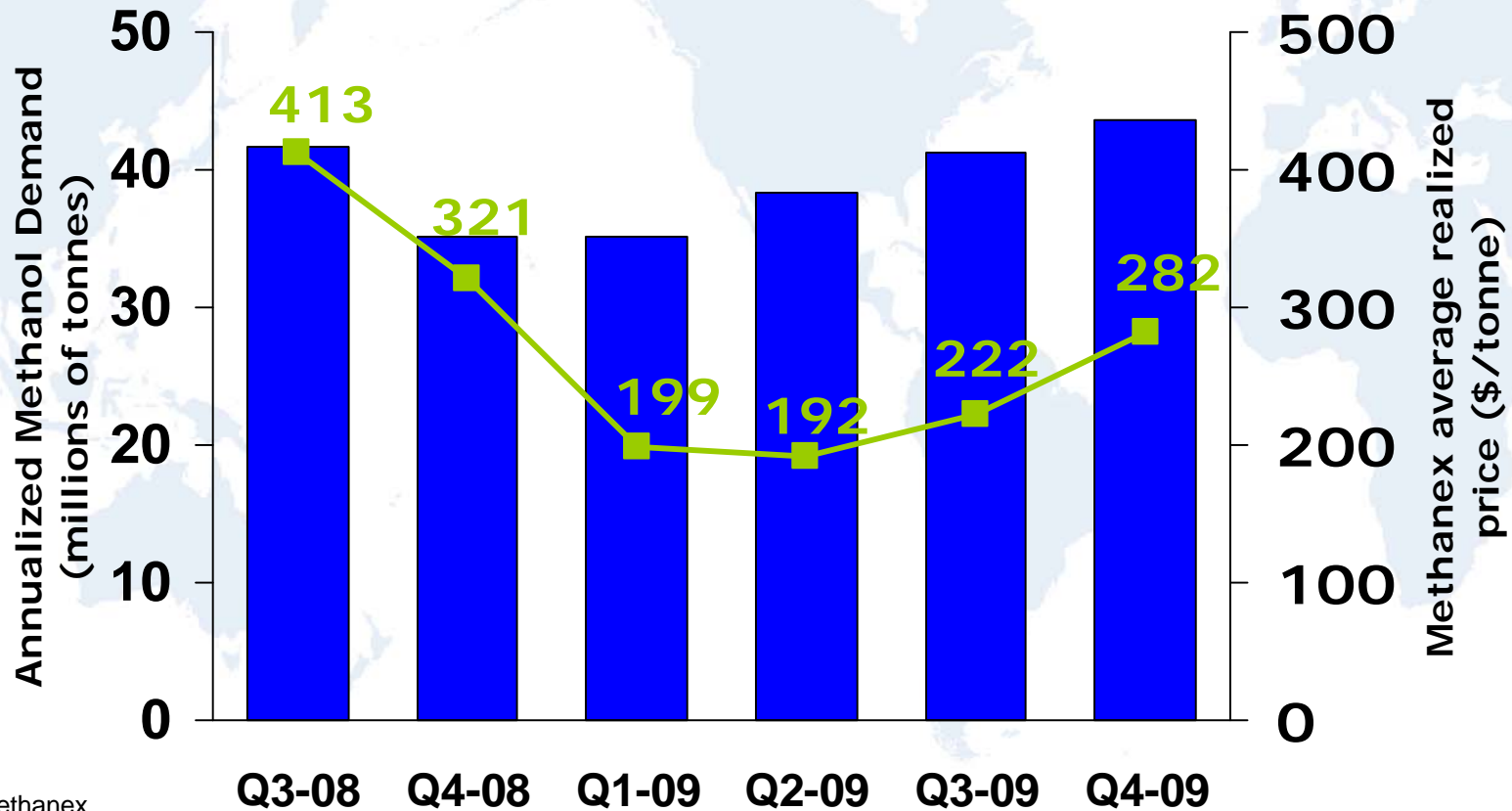
Information contained in these materials or presented orally at this meeting, either in prepared remarks or in response to questions, contains forward-looking statements. For more information, please refer to the Forward-looking Statements slide at the end of this presentation.

This presentation also contains certain non-GAAP financial measures. Non-GAAP financial measures do not have any standardized meaning and therefore are unlikely to be comparable to similar measures used by other companies. For more information regarding these non-GAAP measures, please see our 2009 MD&A and our first quarter 2010 MD&A.

- 2009 Review
- Key Initiatives
  - Egypt Project
  - Chile Gas Supply
  - Legacy Assets
  - Methanol into Energy
- Outlook

- The global financial & economic crisis led to a challenging year for the methanol industry in 2009

### Global Methanol Demand & Pricing



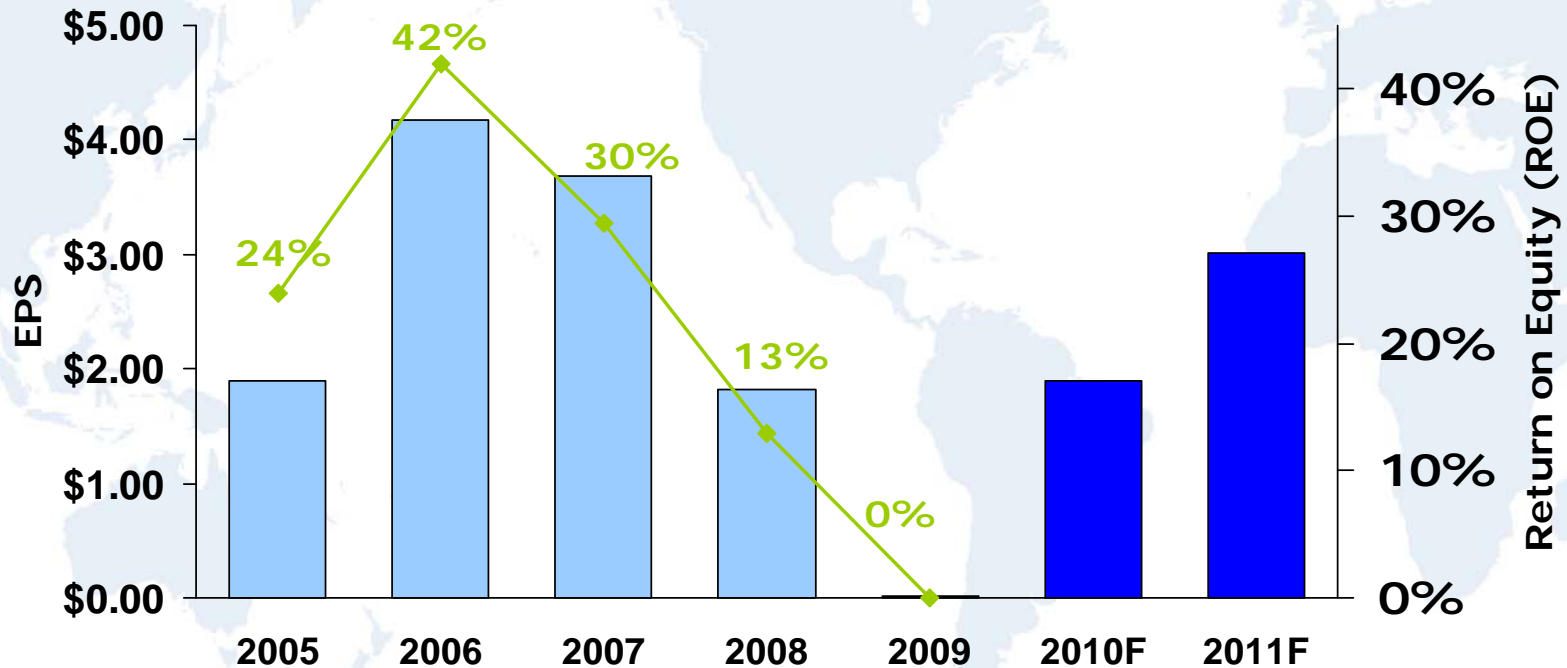
Source: Methanex

- Management through the global financial & economic crisis
  - Maintained strong balance sheet and liquidity
    - 35% net debt/capitalization and \$170 million cash on hand at 12/31/2009
    - No re-financing requirements until mid-2012
    - Renewed and extended undrawn operating facility
  - Reduced operating costs and discretionary capital
  - Continued to invest in value-adding initiatives
  - Supply chain adjusted to dynamic industry conditions
  - Plants operated at 96 percent reliability

# 2009 Review - Financial Performance

- 2009: EBITDA \$142 million, EPS \$.0.01
- Over the last five years, Methanex has achieved an average ROE of 22%

**Methanex's Earnings per Share and Return on Equity**

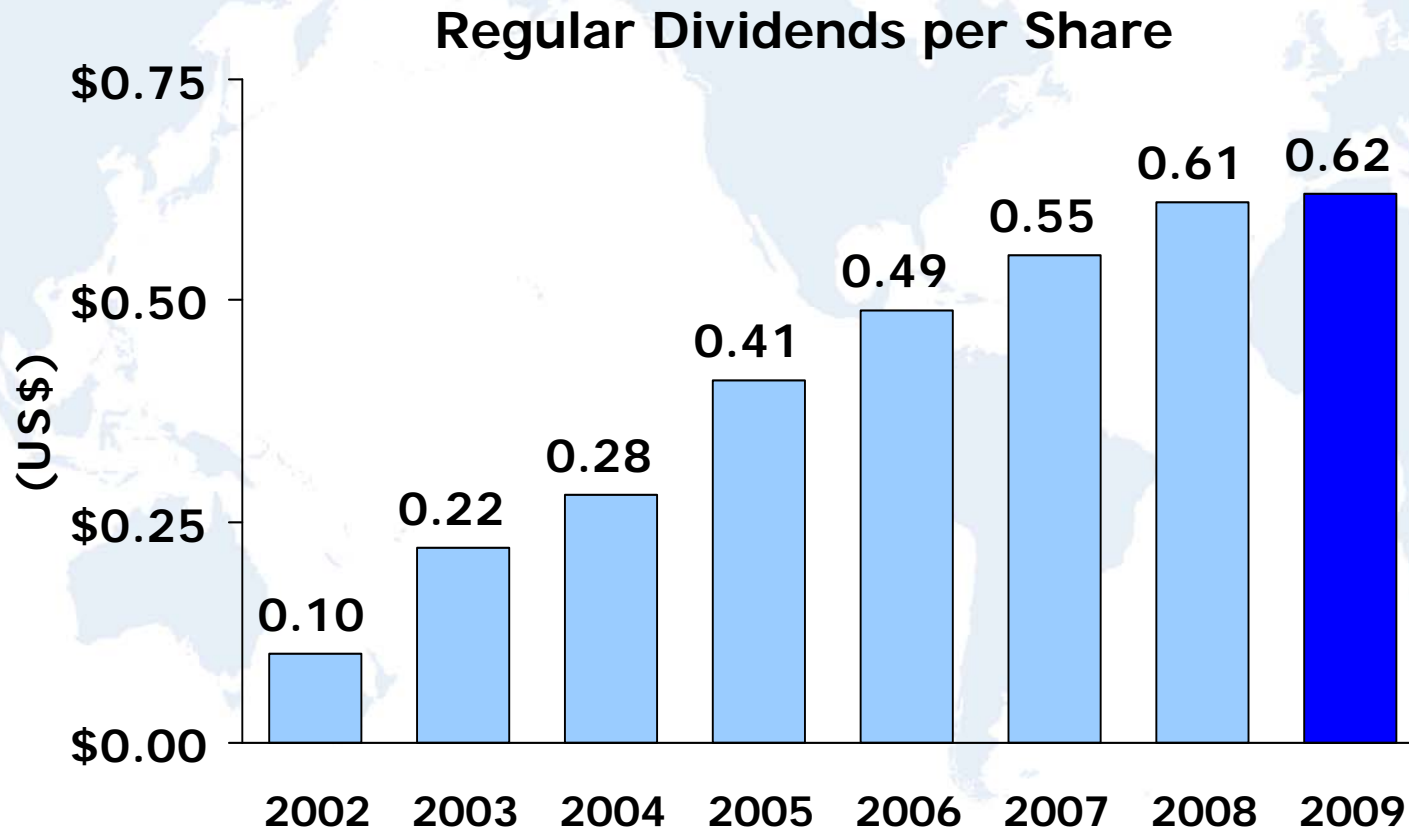


1) EPS = Diluted net income per common share (before unusual items)

2) ROE = Income before unusual items divided by Average Shareholders' Equity

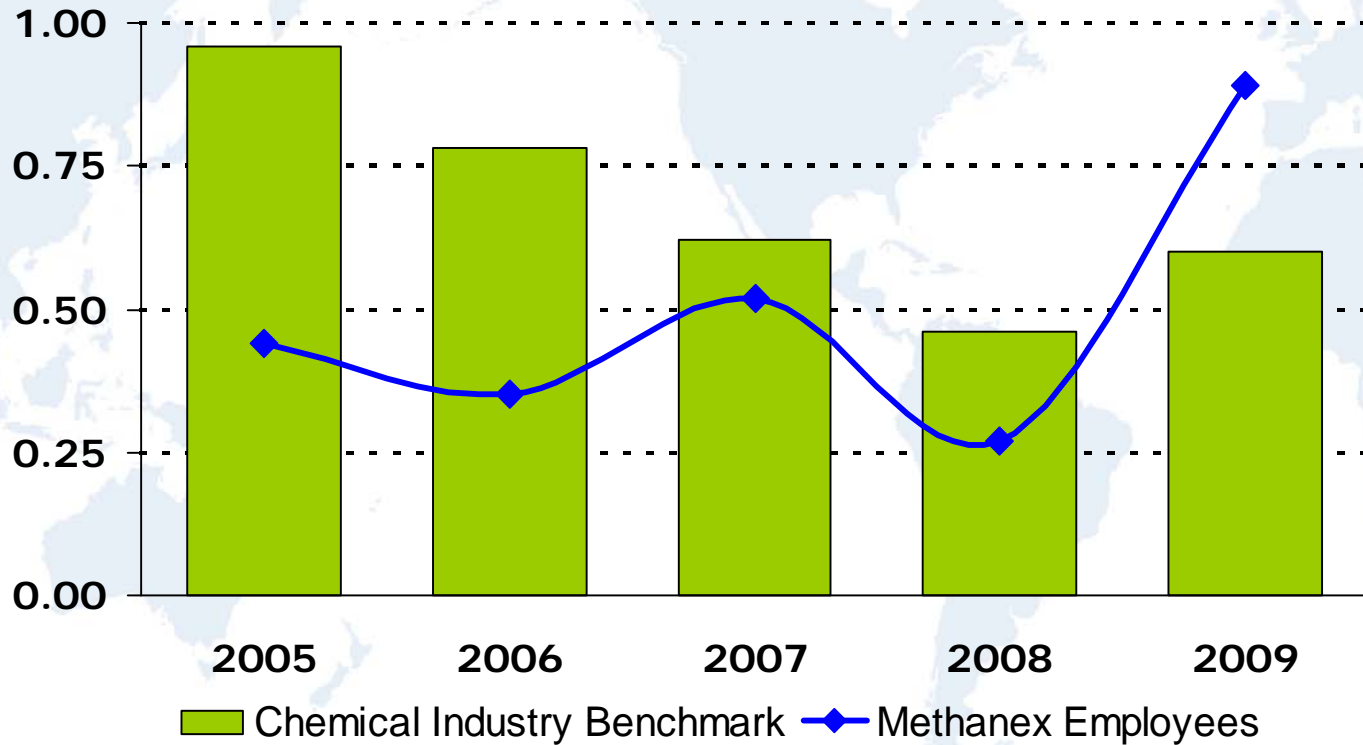
3) 2010F and 2011F EPS represent the consensus earnings estimates reported by Bloomberg on April 26, 2010. These estimates are calculated by Bloomberg based on the earnings projections made by the analysts who cover Methanex. Please note that any opinions, estimates or forecasts regarding Methanex performance made by these analysts (and therefore the Consensus estimate numbers) are theirs alone and do not represent opinions, forecasts or predictions of Methanex or its management. Methanex does not, by its reference above or distribution, imply its endorsement of or concurrence with such information, conclusions or recommendations.

- Highest annual dividend payout in the Company's history



- Health & safety performance was below average in 2009

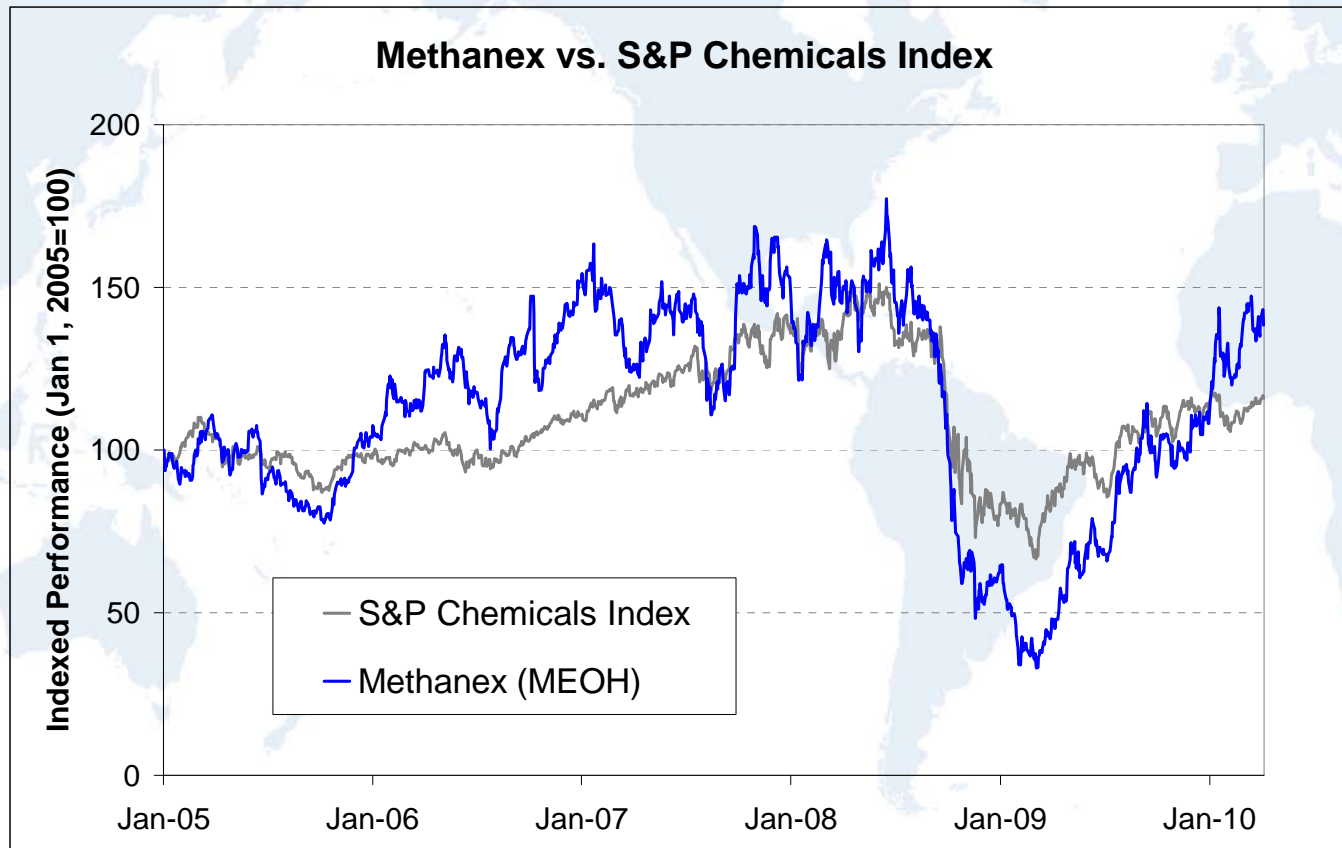
**Recordable Injury Frequency Rate (RIFR)**



RIFR = the number of recordable injuries per 200,000 hours worked

# 2009 Review – Share Price Performance

- Strong share price performance in 2009 and into 2010
  - Methanex total return (incl dividends) of 82% in 2009



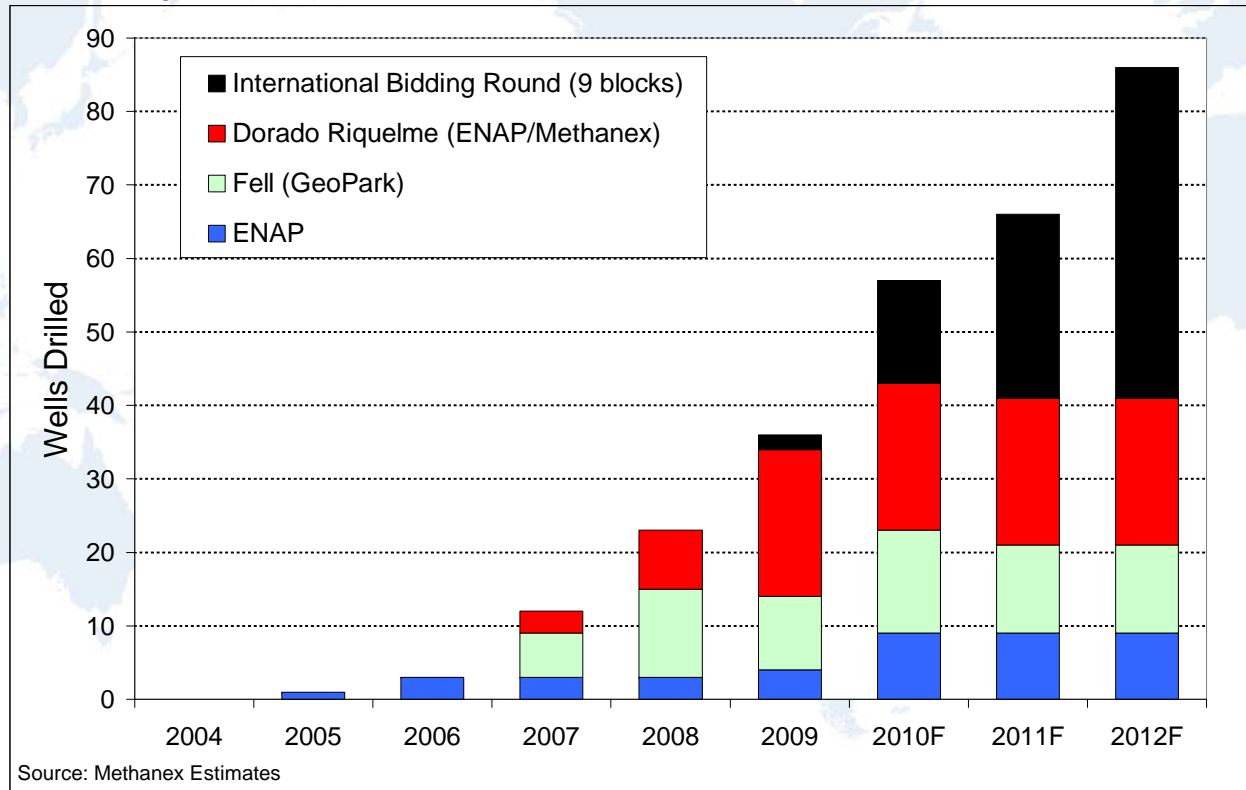
- 1.3 million tonne plant in Damietta, Egypt (Methanex 60%)
- Start-up targeted for mid-2010
- Competitive cost structure - will add significantly to cash flow
- Underpinning higher Methanex sales volumes in 2010



EMethanex Plant Site, March 2010, Mubarak Gas and Petrochemicals Complex, Damietta

- Momentum starting to build: ~ 20-25% higher production expected in Chile in 2010 compared to 2009
- Larger increases expected after 2010, as drilling activity is expected to ramp up significantly

E&P Activity in Southern Chile



- Currently operating 0.8 million tonnes in New Zealand
- Upside potential to production from operations in New Zealand & Canada with modest capital expenditures

## New Zealand



**Motunui**

0.8 – 1.8 million tonnes per annum



**Waitara Valley**

0.5 million tonnes per annum

## Canada

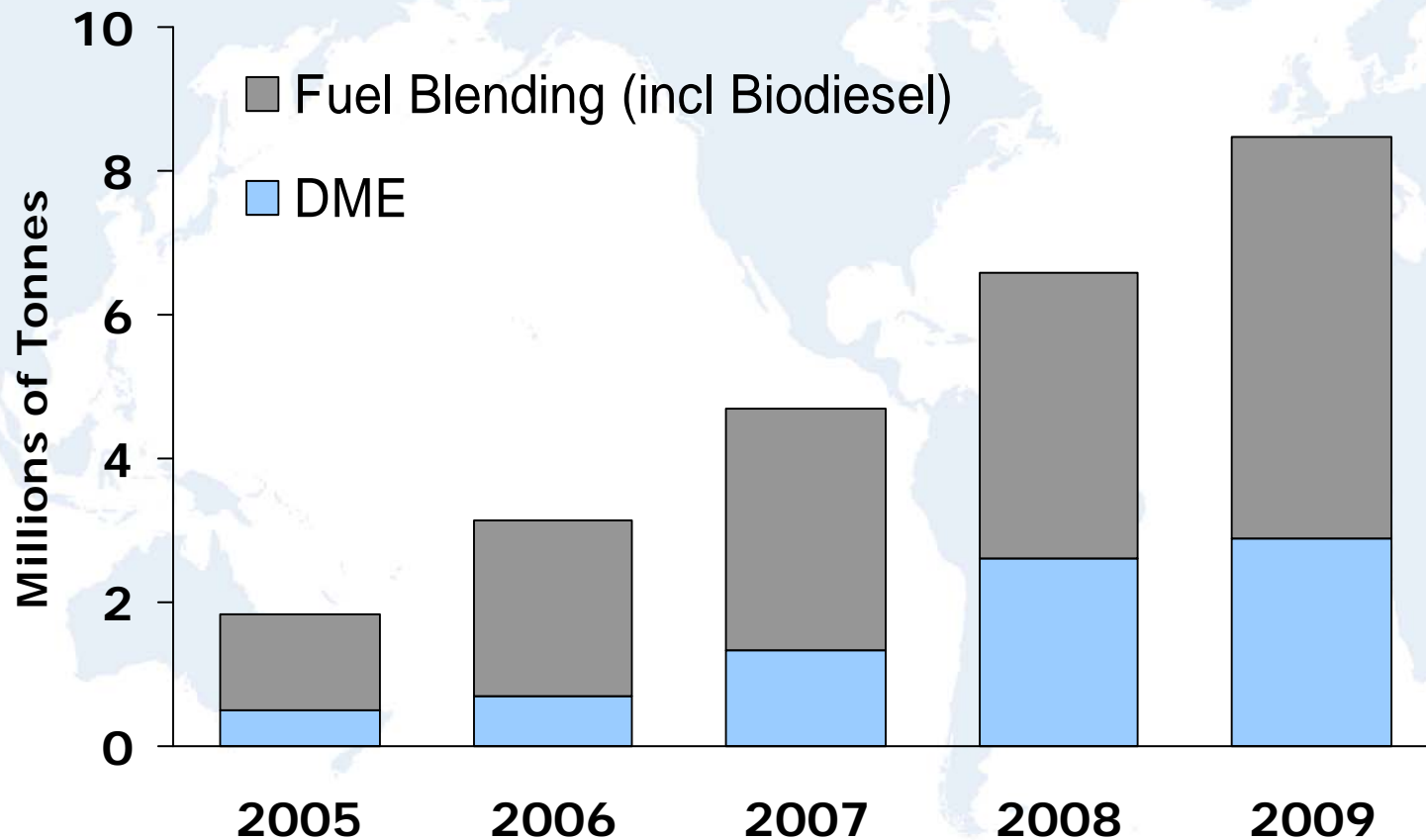


**Medicine Hat, AB**

0.5 million tonnes per annum

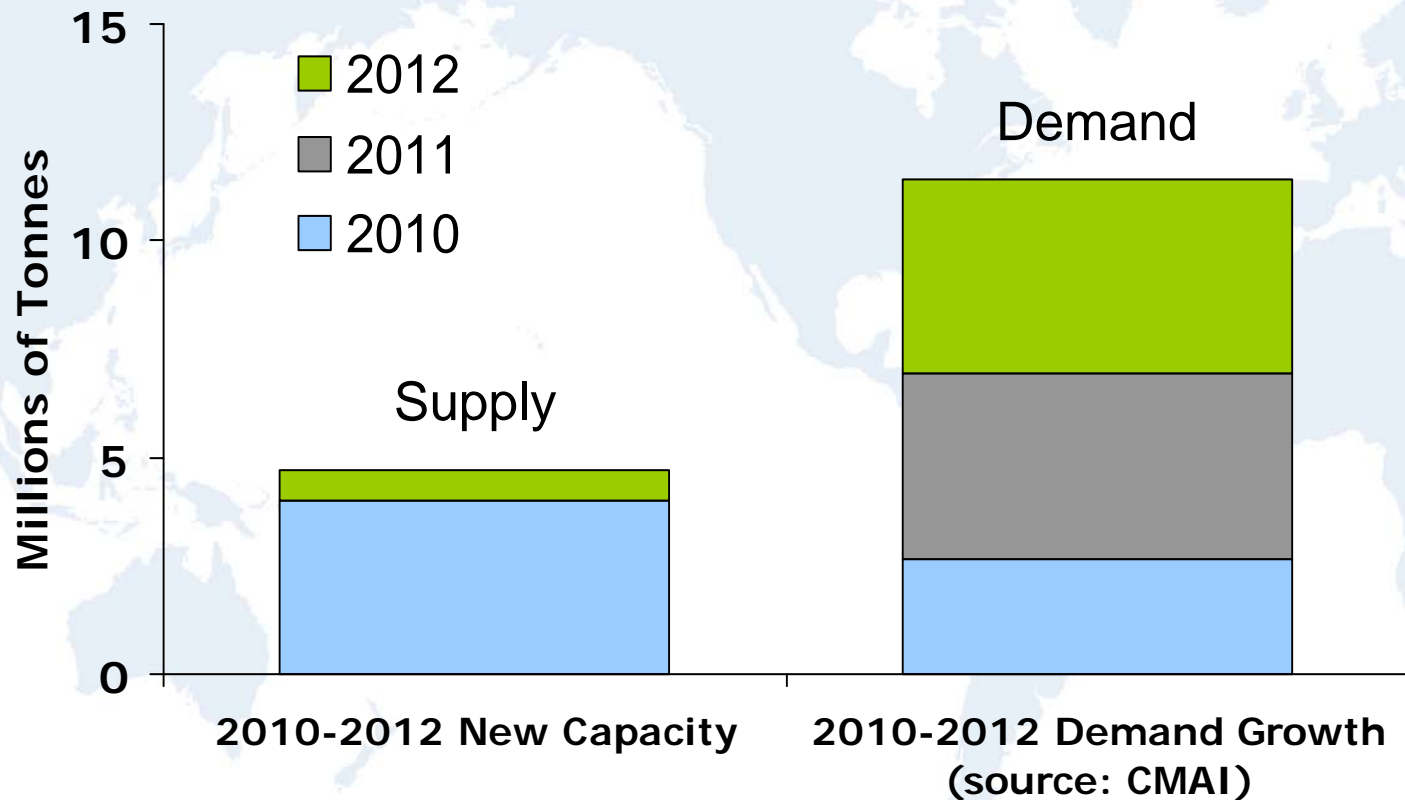
# Methanol into Energy Applications

- Methanol demand into energy applications has continued to grow at high rates despite the recent economic slowdown



# Supply and Demand Outlook

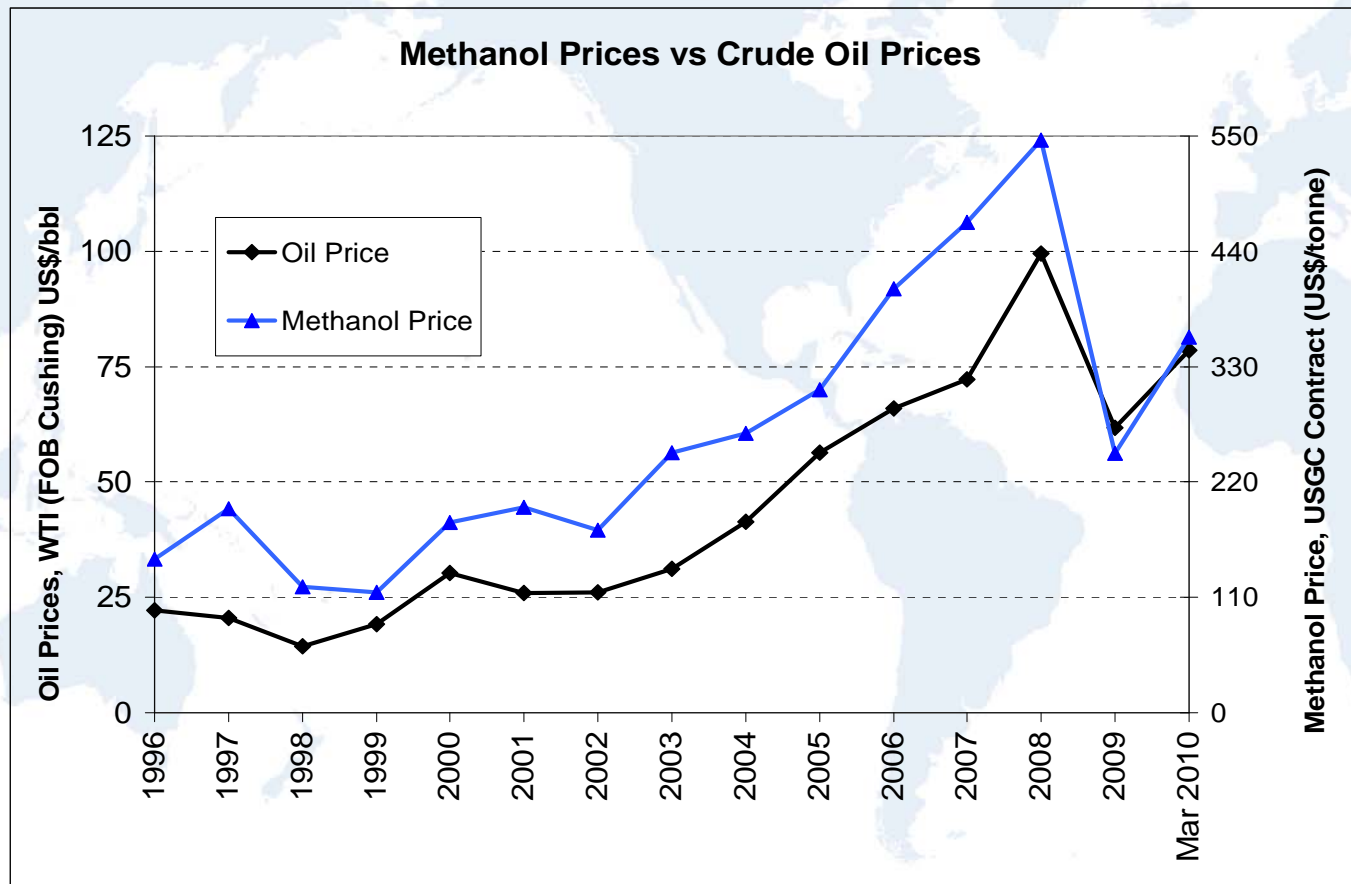
- Favorable supply/demand outlook over the next few years when we expect production from our Chile assets to ramp up



- New capacity excludes China and Chile – source: Methanex; CMAI demand growth forecast (March 2010) excludes 4.4 million tonnes of demand for methanol into olefins and propylene (captive demand)

# Valuation Considerations


- Methanol Prices have been closely correlated to crude oil
- 2010-2013 forward curve for crude oil at ~ \$85-\$95/bbl



Source of Data: CMAI

# Valuation Considerations

- Large upside potential to cash generation and valuation
  - ~\$1 Billion annual EBITDA at a realized methanol price of \$310/tonne ~ = \$80/bbl oil energy equivalent

Improving Production and Cash Generation Capability		
	Production (millions of tonnes) <sup>1</sup>	
	Current (including Egypt)	Future Potential
Trinidad	2.0	2.1
Chile	1.2	3.8
New Zealand	0.8	1.7
Egypt (60%)	0.8	0.8
Canada (Medicine Hat)	-	0.5
	<b>4.8</b>	<b>8.9</b>
		
<b>EBITDA (US\$) <sup>2</sup></b>	<b>~\$600 million</b>	<b>~\$1 Billion</b>
(@ \$310/tonne realized methanol price)		



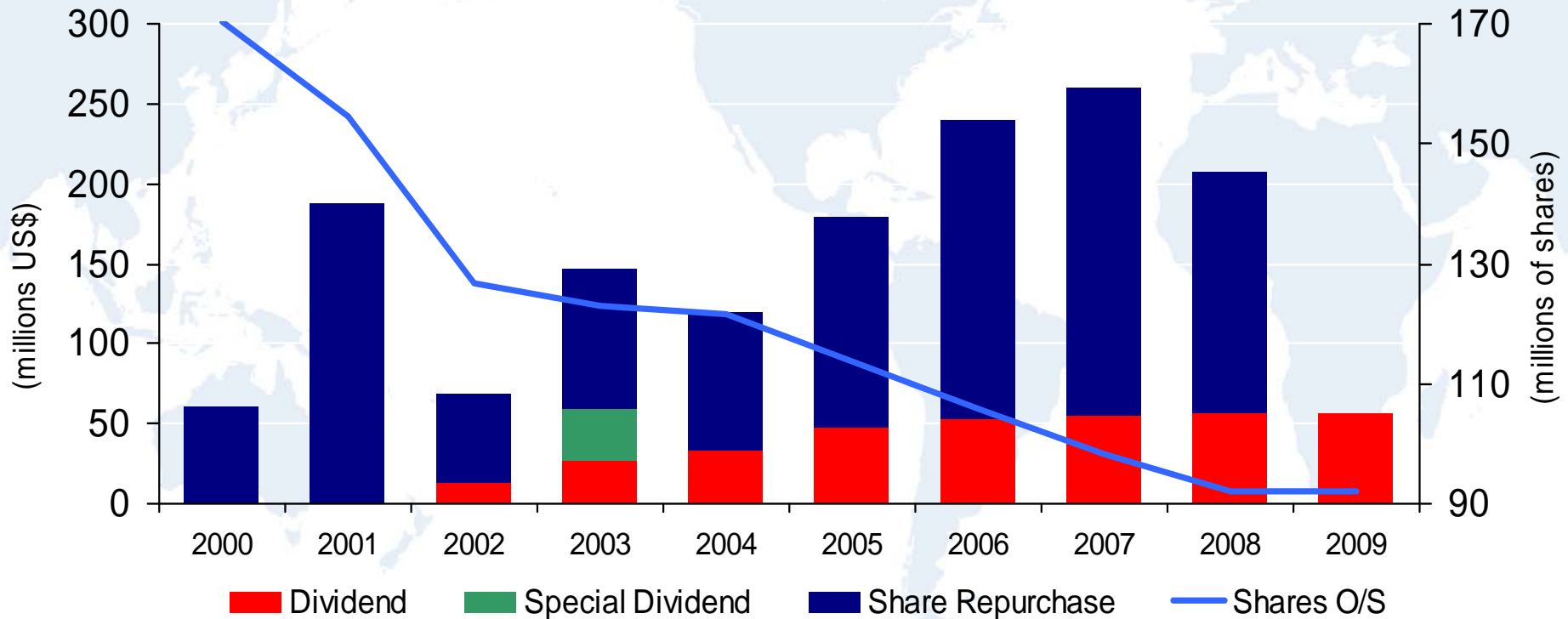
Compared to  
Current Enterprise Value  
**~ \$3 Billion**

<sup>1</sup> Methanex Ownership Interest

<sup>2</sup> EBITDA includes a full year of production (60% basis) from the Egypt Project which is targeted to start up in mid-2010

- Increasing production and modest capital expenditures expected over the next few years = improved outlook for cash flow generation and distributions

## Methanex Distributions and Shares Outstanding



- 2009 - Strong Performance Managing Through a Challenging Year
- Methanex Production & Sales on Increasing Trend
  - Egypt Project
  - Chile
  - Potential from Legacy Assets
- Industry Outlook Positive
- Improved Outlook For Cash Flow Generation and Distributions



**A Responsible Care® Company**

**Thank You.**

**Q&A**

This presentation contains forward-looking statements with respect to us and the chemical industry. Statements that include the words "believes," "expects," "may," "will," "should," "seeks," "intends," "plans," "estimates," "anticipates," or the negative version of those words 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, exploration and development in Chile and New Zealand,
- expected new methanol supply and timing for start-up of the same,
- expected re-starts of existing methanol supply (including our own facilities),
- expected methanol and energy prices,
- anticipated production rates of our plants, including the new methanol plant in Egypt targeted for startup in mid-2010,
- expected levels of natural gas supply to our plants,
- capital committed by third parties towards future natural gas exploration in Chile, anticipated results of natural gas exploration in Chile, expected drilling activity and timing of same,
- expected capital expenditures and future sources of funding for such capital expenditures, including capital expenditures to support natural gas
- expected operating costs, including natural gas feedstock costs and logistics costs,
- expected tax rates,
- expected cash flows and earnings capability,
- anticipated completion date of, and cost to complete, our methanol project in Egypt,
- shareholder distribution strategy and anticipated distributions to shareholders,
- commercial viability of, or ability to execute, future projects or capacity expansions,
- financial strength and ability to meet future financial commitments, and
- expected global or regional economic activity (including industrial production levels).

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:

- supply of, demand for, and price of, methanol, methanol derivatives, natural gas, oil and oil derivatives,
- production rates of our facilities, including the new methanol plant in Egypt targeted for startup in 2010,
- success of natural gas exploration in Chile and New Zealand,
- receipt or issuance of third party consents or approvals, including without limitation, governmental approvals related to natural gas exploration rights, rights to purchase natural gas or 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,
- timing of completion and cost of our methanol project in Egypt,
- 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 or global pandemics,
- absence of a material negative impact from changes in laws or regulations, and
- performance of contractual obligations by customers, 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 supply, demand and price for methanol and its derivatives, including demand for methanol for energy uses,
- the price of natural gas, oil and oil derivatives,
- the success of natural gas exploration and development activities in southern Chile and New Zealand and our ability to obtain any additional gas in those regions or other regions on commercially acceptable terms,
- the timing of start-up and cost to complete our new methanol joint venture project in Egypt,
- the ability to successfully carry out corporate initiatives and strategies,
- actions of competitors and suppliers,
- actions of governments and governmental authorities including implementation of policies or other measures by the Chinese government or other governments that could impact the 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,
- world-wide economic conditions, and
- other risks described in our 2009 Management's Discussion and Analysis and this First Quarter 2010 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 anticipated in forward-looking statements may not occur and we do not undertake to update forward-looking statements except as required by applicable securities laws.