



A Responsible Care[®] Company

Credit Suisse Chemical and Ag Science Conference
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New York, NY

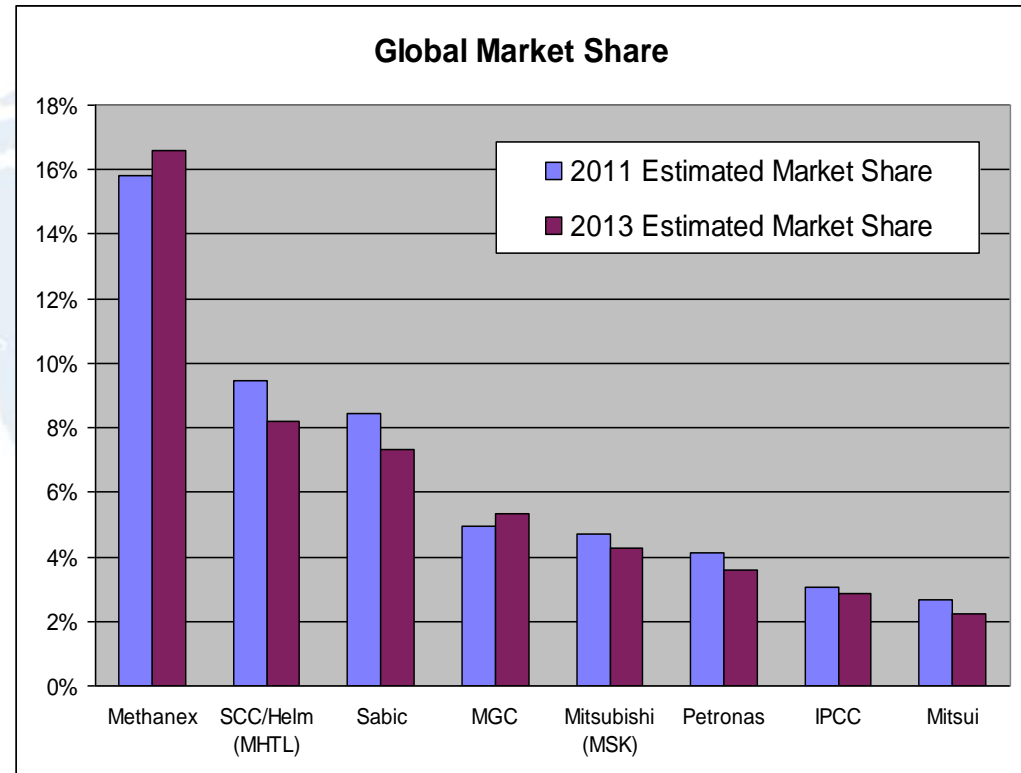
September 15, 2011

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-IFRS financial measures that do not have any standardized meaning prescribed by International Financial Reporting Standards (IFRS) and therefore are unlikely to be comparable to similar measures presented by other companies. For more information regarding these non-IFRS measures, please see our second quarter 2011 MD&A.

- **Methanol Global Leader**
 - Leading market share, competitive assets, strong balance sheet
- **Positive Industry Outlook**
 - Healthy demand growth outlook, limited new supply
- **Strong Cash Flow Generation & Distributions**
 - ~45% of shares bought back since 2000
 - Regular dividend increased eight times (implemented in 2002)
 - ~3% dividend yield
- **Growth Potential**
 - Chile, New Zealand, Demand growth into energy applications & MTO
- **Value**
 - Trading at a significant discount to replacement cost and at an attractive cash flow multiple

- ~48 million tonnes annual global demand
- Top producers account for ~ half of global sales
- Methanex is the global leader
 - ~16% global market share
 - Global company with a presence in all major regions
 - Methanex posted methanol prices are a key pricing marker in all major markets



Source: Methanex

- Is primarily produced from natural gas
- Has diversified end uses

Traditional Uses (Mature Markets)

Formaldehyde

Pharmaceuticals, Wood Industry, Automotive



Acetic Acid

Fleece, Adhesives, Paints



Dimethyl Terephthalate

Recyclable plastic bottles



Methyl Chloride

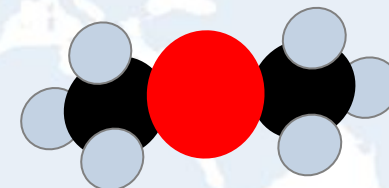
Silicones



Energy & MTO (High Growth Potential Markets)



Fuel Blending



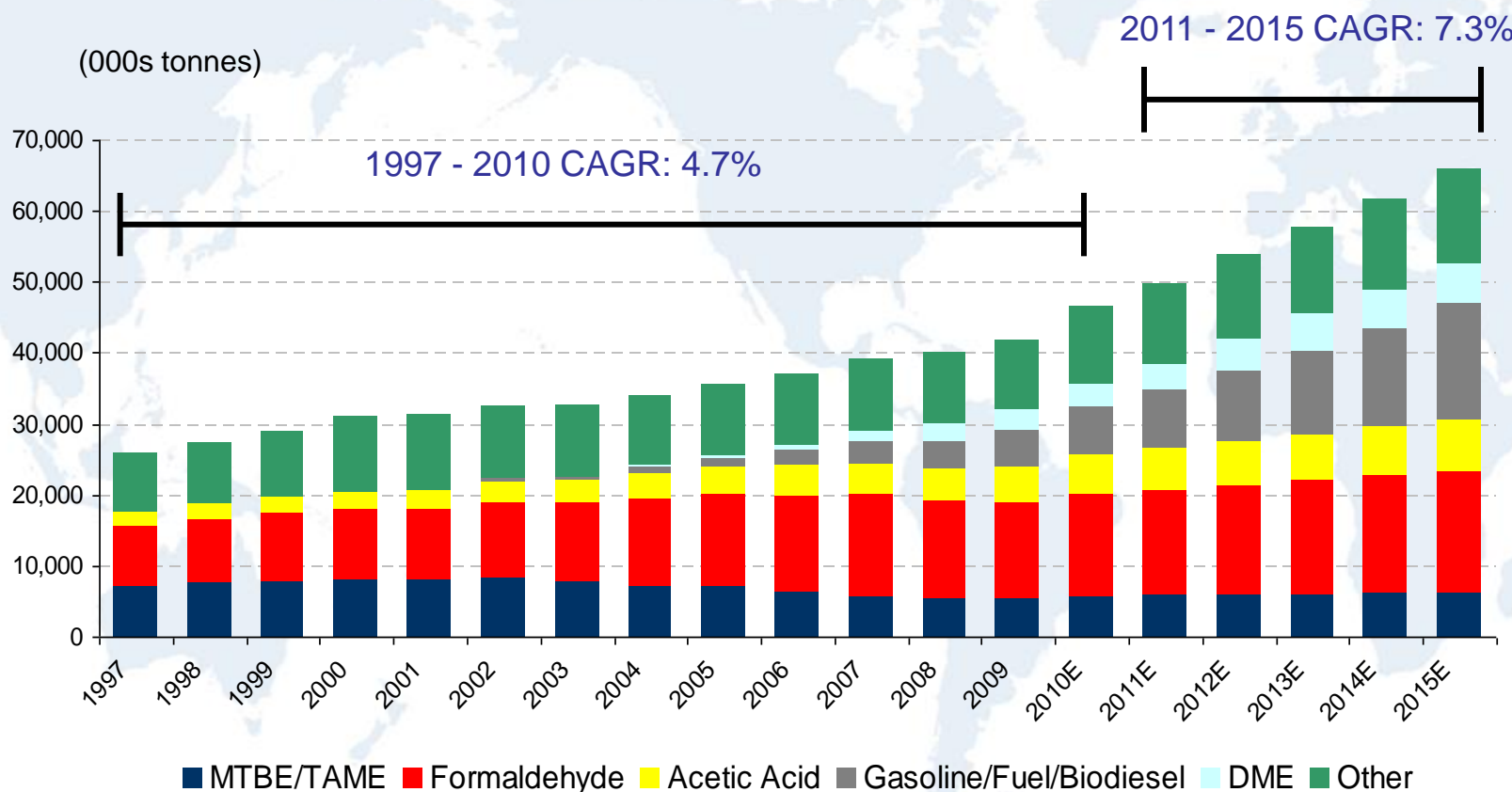
DME
(dimethyl-ether)



BIODIESEL

MTO
Methanol-To-Olefins

- 13% global demand growth in 2010
- Demand into fuel blending and other energy applications driving higher industry growth



Source: Chemical Market Associates Inc. (CMAI) April 2011

- Excludes methanol demand for methanol to olefins and propylene which is forecast to grow from 1.1 million tonnes in 2010 to 15.5 million tonnes in 2015

- Favorable industry supply/demand outlook
- Little new capacity expected in 2012-2015 period when we are targeting to increase production from our legacy assets

Industry Supply/Demand Outlook

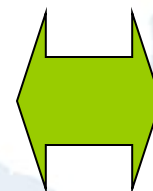
(in millions of tonnes)

New capacity additions ¹ (excluding China).....

2012	0.9	Beaumont, Texas
2013	0.6	Azerbaijan
2014 - 2015	0.8	Russia
Total	2.3	

Total (85% operating rate) 1.9

...Are expected to be absorbed by demand growth

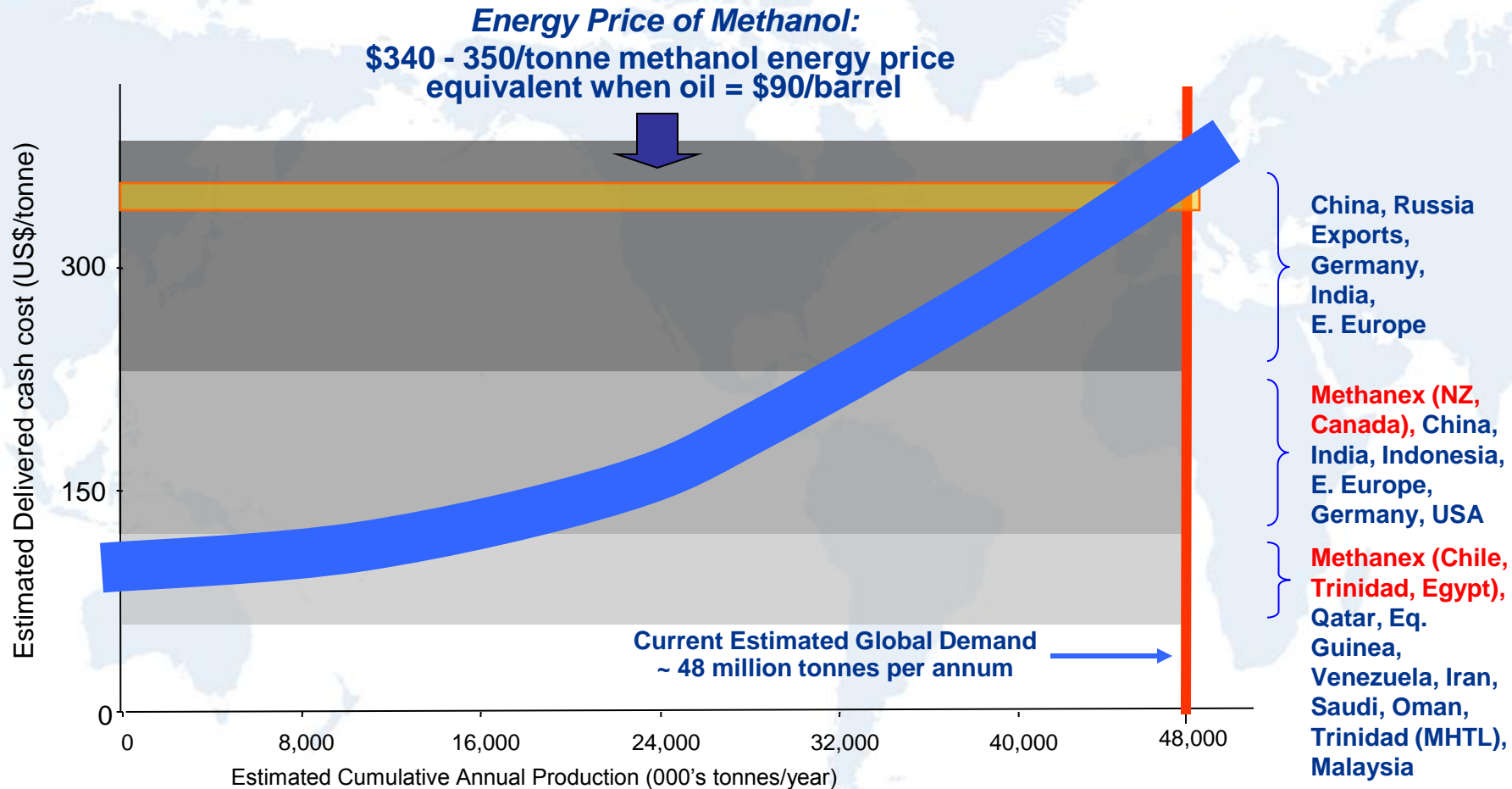


Global demand forecast to increase by over 16 million tonnes from 2012-2015 ²

¹ Source: Methanex (excludes Methanex capacity in Chile and New Zealand)

² Source: CMAI, April 2011 and excludes demand growth into olefins and propylene

- Higher crude oil and coal prices in China have also supported a steep industry cost curve



Source: Methanex

Notes: Assumes \$90 crude oil and ~\$135 US/MT China coal (~865 RMB/MT, FOB Qinhuangdao Port, China). Excludes methanol related gas sharing costs.

- Production Capacity (millions of tonnes)

- Chile: 3.8
- Trinidad: 2.1
- New Zealand: 0.8-1.7
- Egypt (60%): 0.8
- Canada: 0.5

- ~16% of global market share
- Enterprise Value: ~US\$ 3 Billion
- Waterfront Shipping Subsidiary: ~19 vessels
- Employees: ~1,000
- Shares listed: NASDAQ, Toronto, Santiago



- 1.3 million tonne plant in Damietta, Egypt started up in 2011 (Methanex 60%)
- Plant has operated at high rates since March & first shipments begun in April
- Very competitive cost structure
- Underpinning higher Methanex sales volumes in 2011



EMethanex Plant Site, Damietta, Egypt

- Plant has operated at high rates since restarting in April 2011
- Plant had been idle since 2001
- \$45 million to restart
- The lower natural gas price environment in Alberta has made this plant competitive



Medicine Hat, Alberta
0.5 million tonnes per annum

- Currently operating one of three plants (0.8 million tonnes) in New Zealand
- Improved natural gas supply outlook
- We are targeting to restart a second plant in New Zealand in the next year

New Zealand



Motunui

0.8 – 1.7 million tonnes per annum

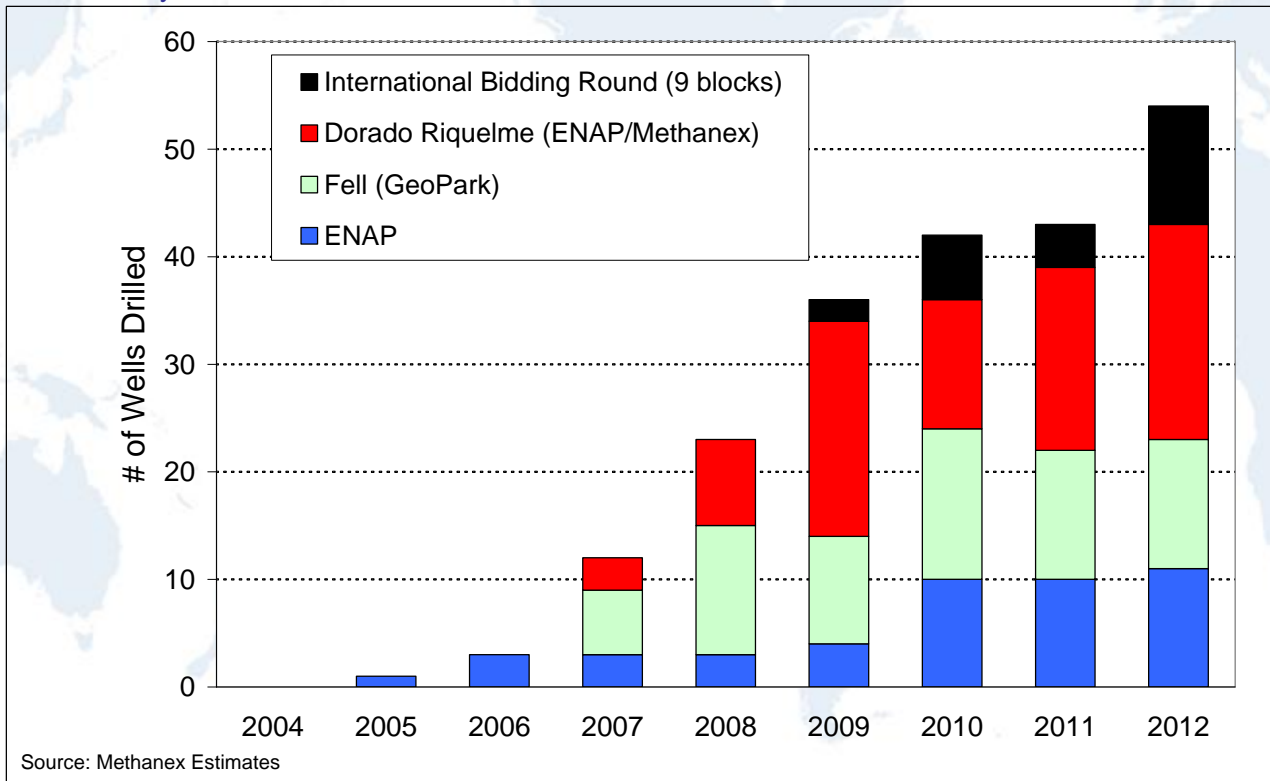


Waitara Valley

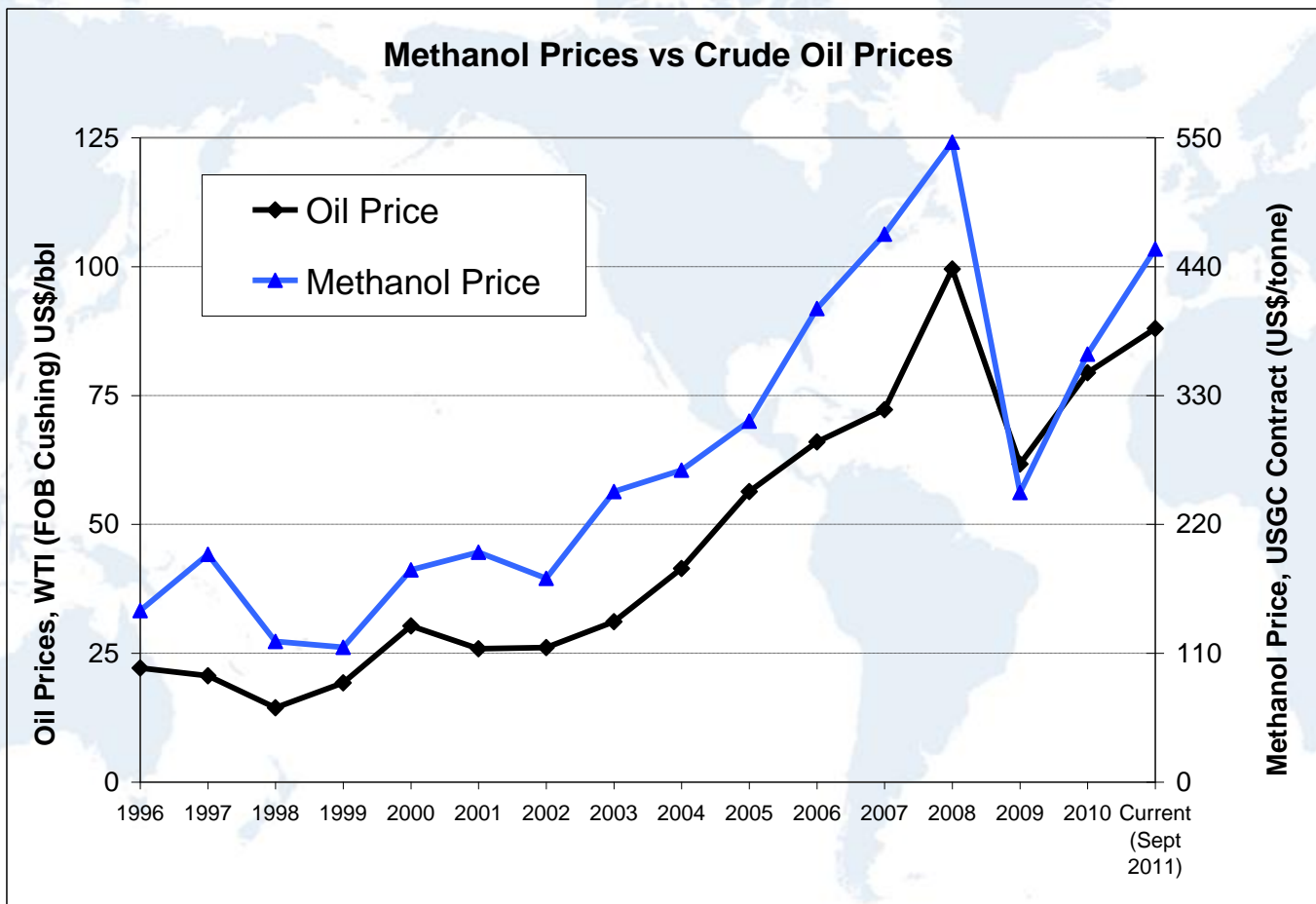
0.5 million tonnes per annum

- Opportunities to increase production from Chile assets
 1. Chile gas development - increasing drilling activity in southern Chile
 2. Coal and/or relocation projects

E&P Activity in Southern Chile



- Methanol Prices have been closely correlated to crude oil



Data Source: CMAI; 1996-2010 data are annual averages

- Methanex is trading at a significant discount to replacement cost

Replacement Cost	
	<u>Capacity Estimate</u> (millions of tonnes)
Trinidad	2.1
Chile	3.0
NZ	1.7
Canada (Medicine Hat)	0.5
Egypt (60%)	0.8
Total capacity ¹	8.1
Enterprise Value (\$billions) ²	\$2.8
Enterprise Value/Tonne ³	350



Compared to Replacement Cost:
~ \$700/tonne

¹ Methanex ownership interest

² Based on share price of US\$25.00 adjusted for 60% interest in Egypt Project

³ Figures do not give any value for Waterfront Shipping and Marketing/Franchise

- Modest valuation relative to strong cash generation capability
- Significant upside potential

Cash Generation Capability		
	Production (millions of tonnes) ¹	
	<u>Current</u> Operating Capacity	<u>Future</u> Potential
Trinidad	2.0	2.1
Chile	0.6	3.8
New Zealand	0.8	1.7
Egypt (60%)	0.8	0.8
Canada (Medicine Hat)	0.5	0.5
	4.7	8.9
Annual EBITDA (US\$) ²		
\$350/tonne realized (current pricing is ~\$380/tonne realized)	~\$550 Million	~\$1.15 Billion



Compared to
Current Enterprise Value
~ **\$2.8 Billion**

¹ Methanex Ownership Interest

² EBITDA reflects Egypt on a 60% basis and assumes plants operate at full production rates

Liquidity

Cash (at Jun 30, 2011)	\$246 million
Bank Facility (undrawn)	<u>\$200 million</u>
Total	\$446 million



- Strong liquidity position to meet capex requirements through end of 2012
- 31% net debt to capitalization

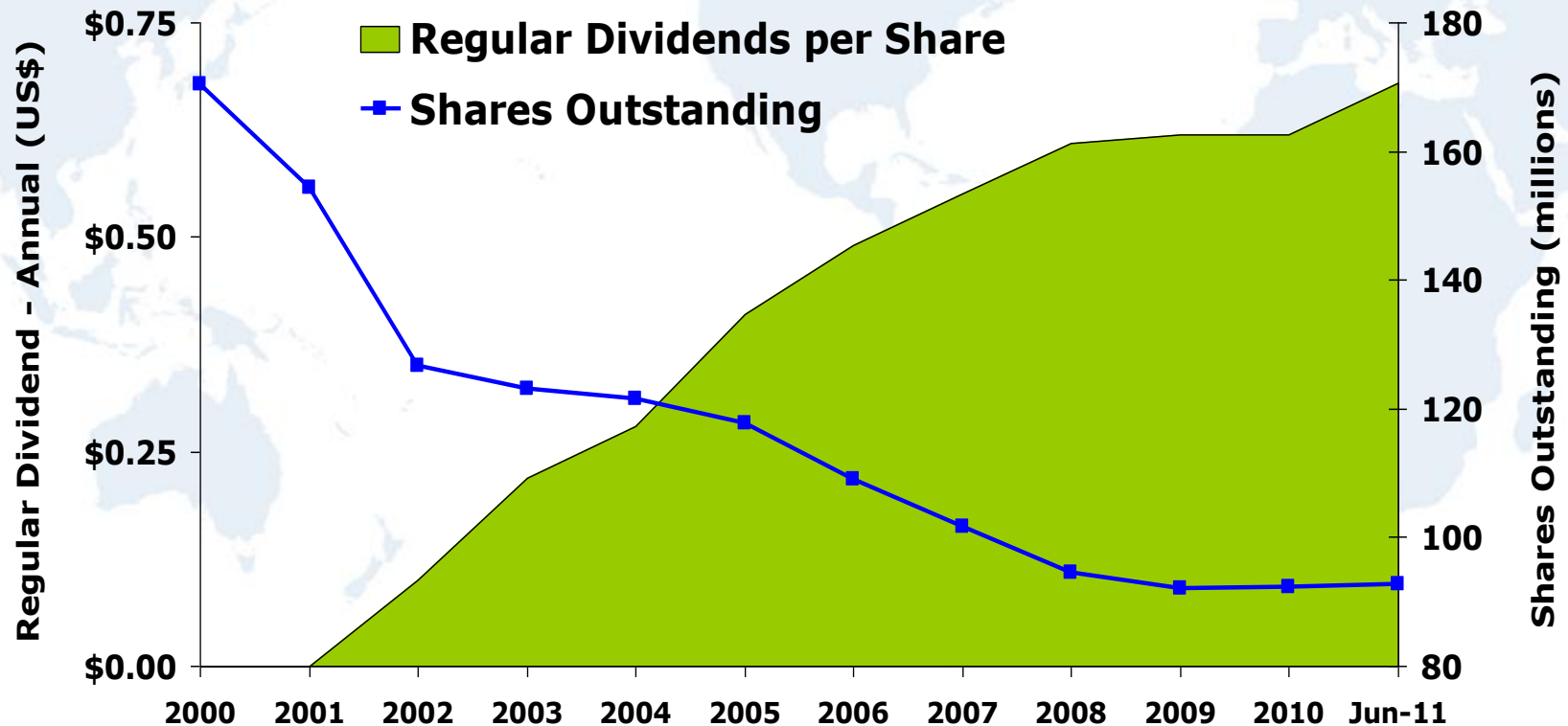
Estimated Cash Requirements for Maintenance & Growth (\$ millions):

	<u>H2</u> <u>2011</u>	<u>2012E</u>	<u>Total</u>
Maintenance ¹	30	40	70
Strategic Capital: Other Initiatives ²	30-40	60-80	90-120
Total	60-70	100-120	160-190

¹ Indicative

² Indicative; primarily gas development in southern Chile and New Zealand; excludes ~US\$65 million to restart a second plant in New Zealand and capital for potential coal and relocation projects in Chile

- For the five year period ending June 30, 2011, Methanex generated \$2.0 billion in EBITDA, reinvested ~US\$ 0.9 billion in its business and distributed ~US\$ 0.7 billion to shareholders
- Short term focus: initiatives to increase production in Chile & New Zealand
- Committed to returning excess cash to shareholders through dividends and share buybacks



- Positive Industry Dynamics
- Strong Cash Generation & Financial Position
- Global Leader with Competitive Assets
- Considerable Upside / Growth Potential
 - Company - New Zealand, Chile
 - Industry - Methanol Energy Applications, Methanol-to-Olefins
- Distributions



Well-Positioned for Increased Returns to Shareholders

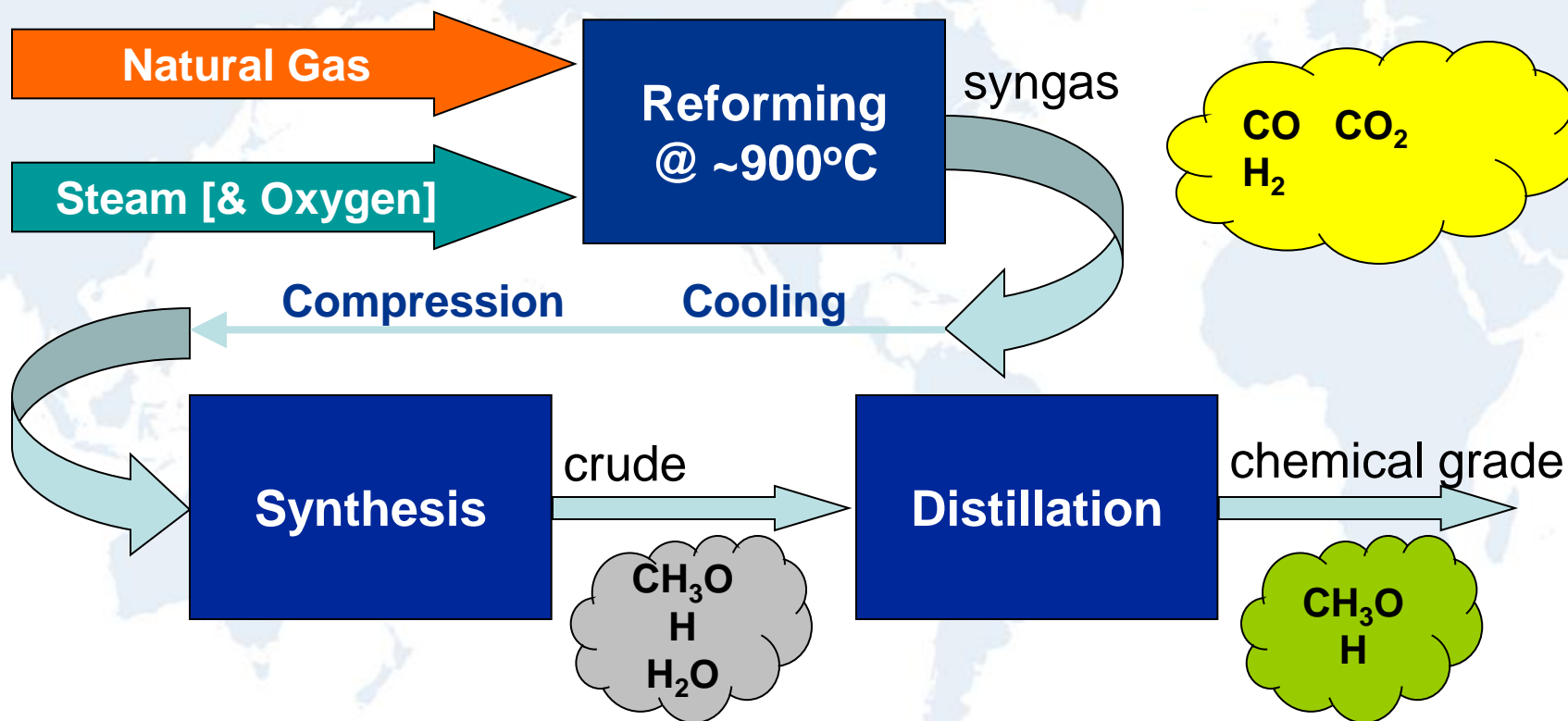


Q & A

A light blue world map is centered in the background of the slide, showing the outlines of continents and oceans.

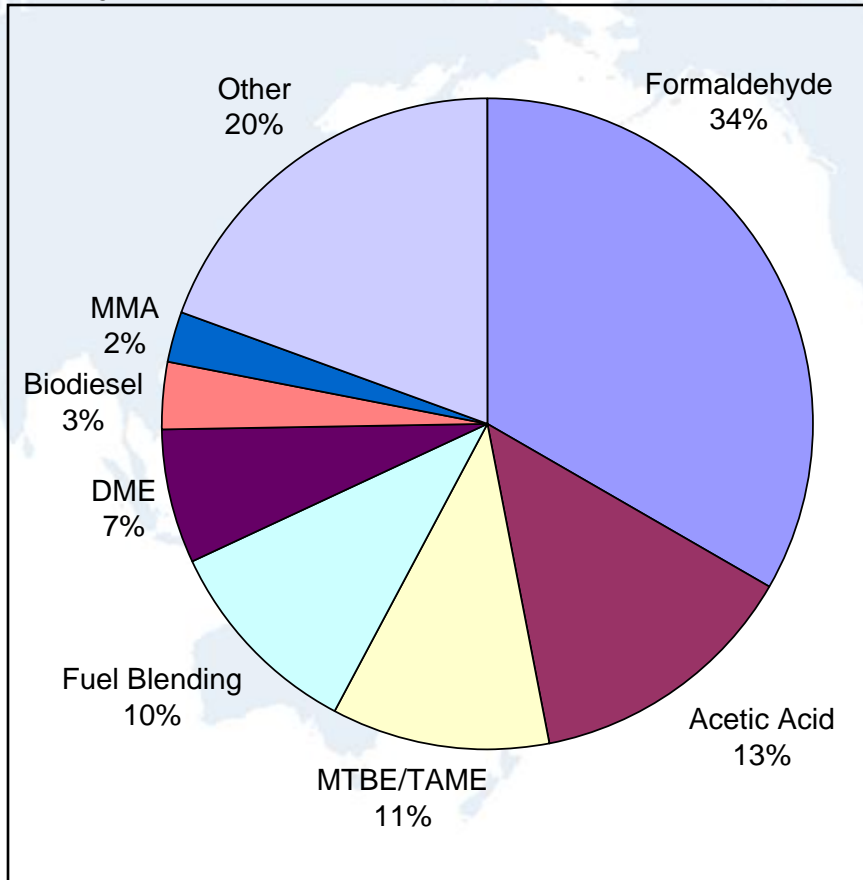
Appendix

- Primarily produced from natural gas

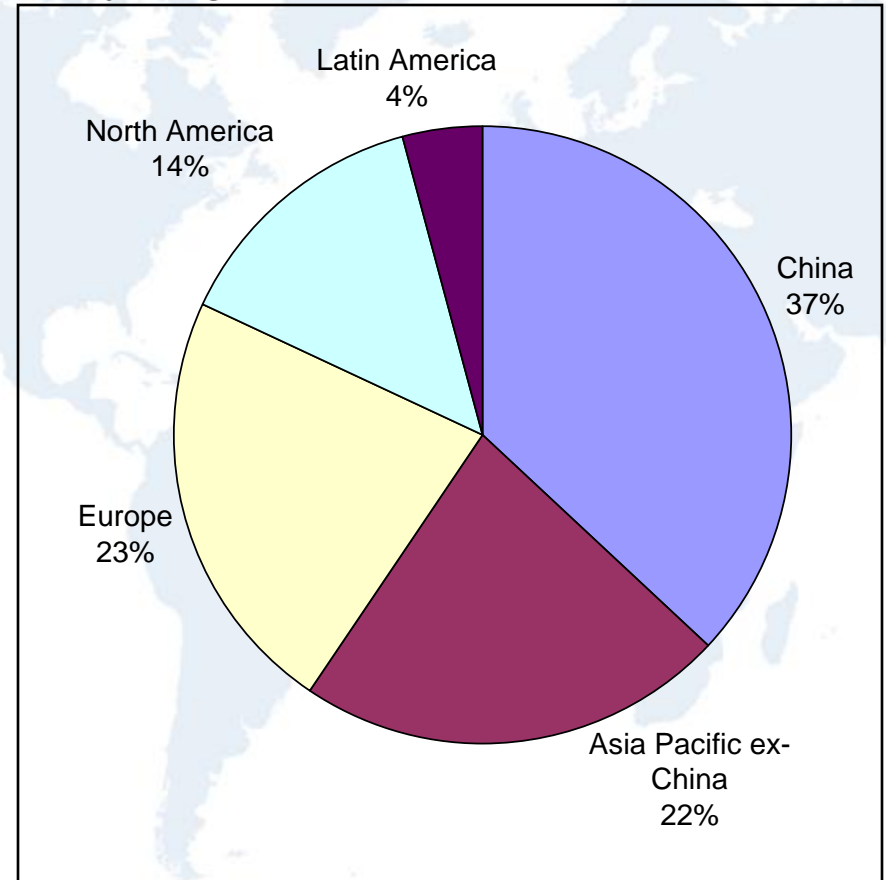


Primary Derivatives	Derivatives	Diverse Demand Drivers
FORMALDEHYDE	Urea formaldehyde Phenol formaldehyde 1,4-butanediol Acetal Resins	Renovation, new building activity, automobile production, panelboard substitution for solid wood, changing wood panel mix, growth in high technology chemicals.
ACETIC ACID	Vinyl acetate monomer Acetic anhydride Terephthalic acid Solvent acetate Solvent esters	Building activity, durables output, automobile production, clean air legislation, packaging trends, growth in plastic recycling, paints and coatings.
CLEAN FUELS	Methanol/water blends - fuel cell "hydrogen-carrier" Reformulated gasoline - MTBE	Demand for better health/cleaner environment, clean air legislative goals, displacement of gasoline components (e.g. lead, aromatics), safety and engine performance.
OTHER	Methyl methacrylate Methylamines Chloromethanes Direct use	Total chemical production, general economic activity, alternative fuel developments, environmental pressures.

...By Derivative (2010)



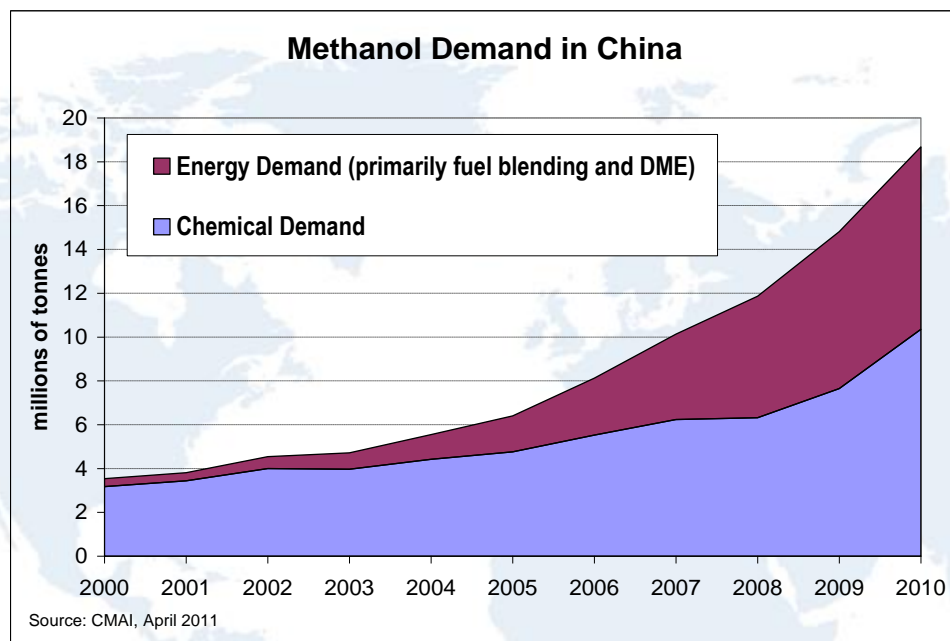
...By Region (2010)



Source: Methanex

China Driving Strong Industry Demand Growth

- China is the largest methanol market in the world (~40% of global demand)
- Robust demand growth for traditional chemical demand (industrial production driven)
- Leading demand growth into energy applications
 - Adopting methanol as an alternative transportation fuel (provincial & national standards introduced)
 - Strong demand growth into DME (LPG/Propane substitute)



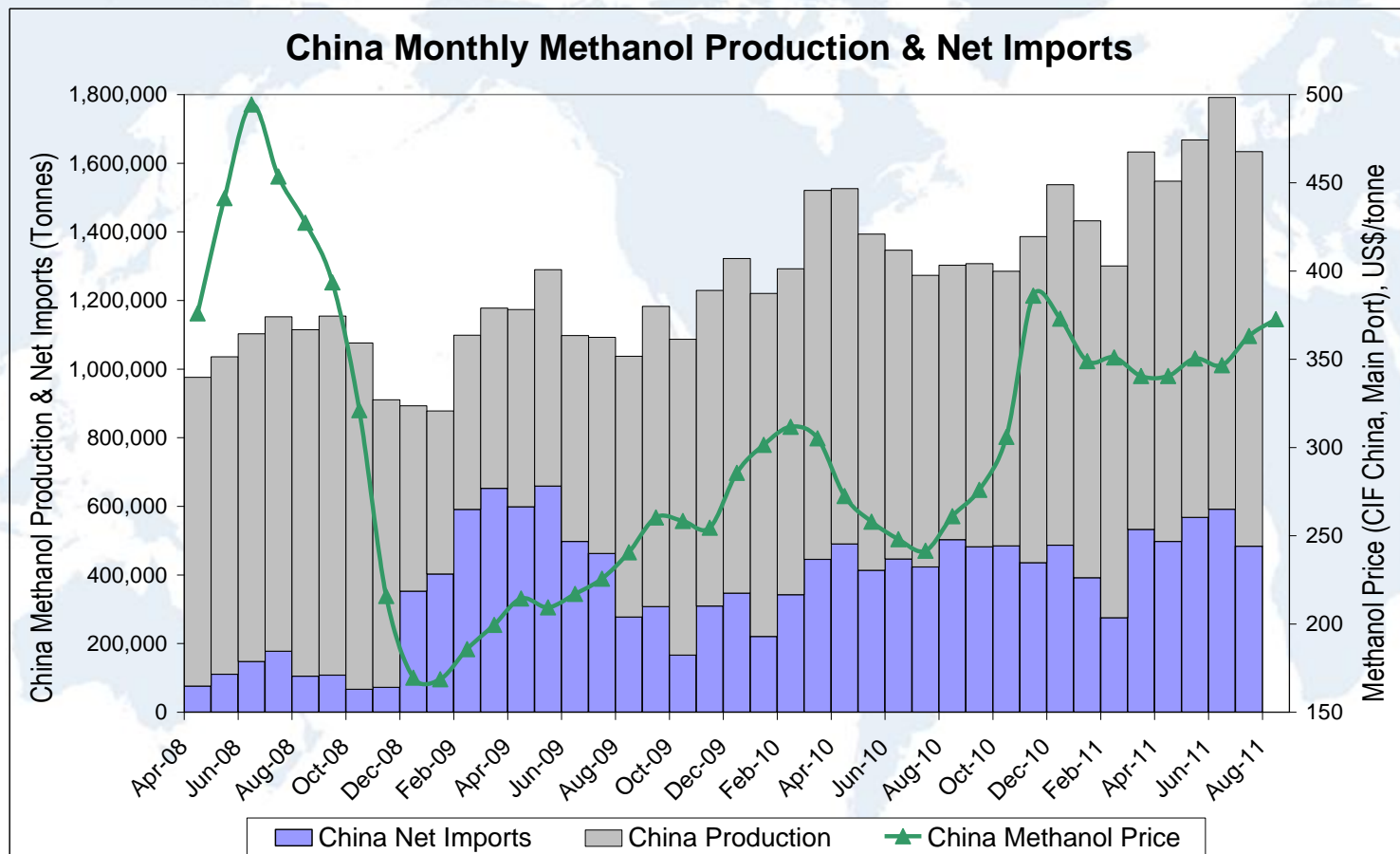
Fuel Blending



Cooking and Heating (DME)

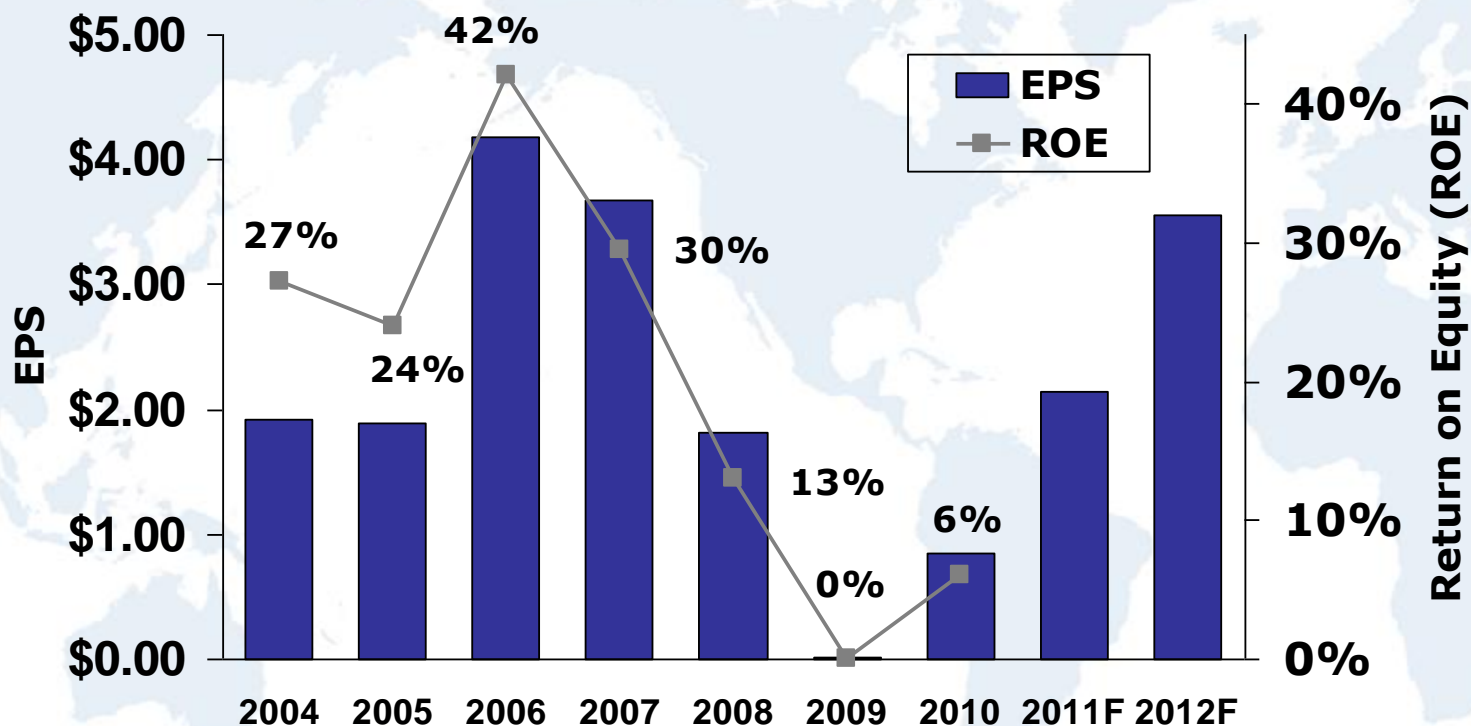


- High cost capacity (mostly concentrated in China) has acted rationally and shut down in a lower methanol price environment



Source: Chem.cn (China National Chemical Information Center), CMAI, Methanex

- Average ROE of 20% from 2004-2010

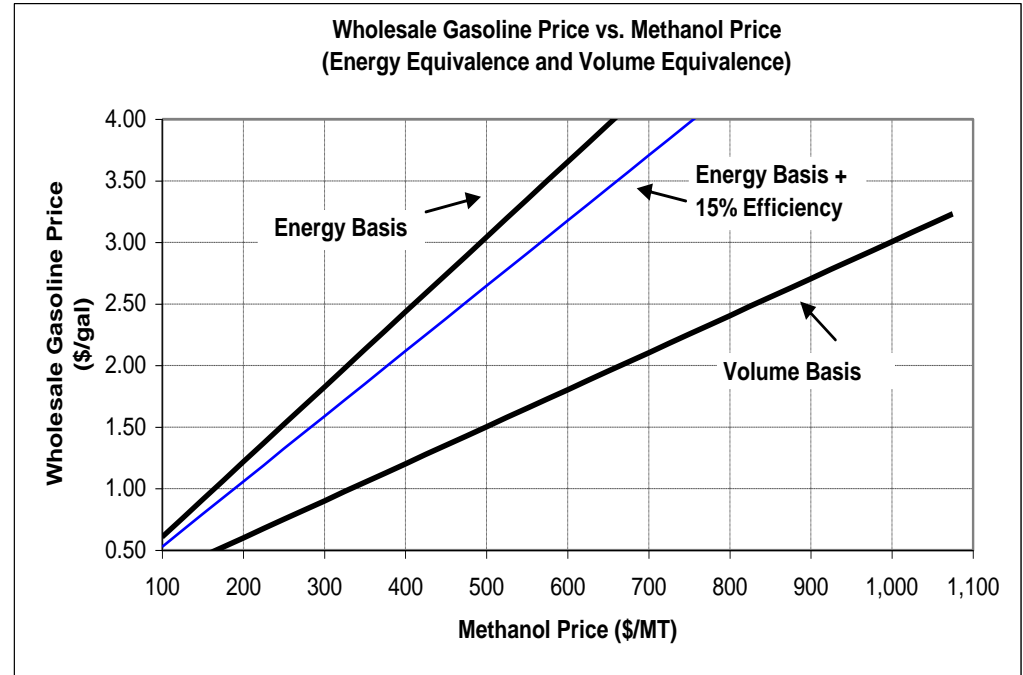


1) EPS = Diluted net income per common share (before unusual items)

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

3) 2011F and 2012F EPS represent the consensus earnings estimates reported by Bloomberg on September 6, 2011. 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.

- China leading the way for demand growth into fuel blending supported by provincial standards
- National standards being developed - further catalyst for growth
- Methanol affordability into gasoline in China attractive
- Economic incentive to blend in-land coal based methanol with gasoline

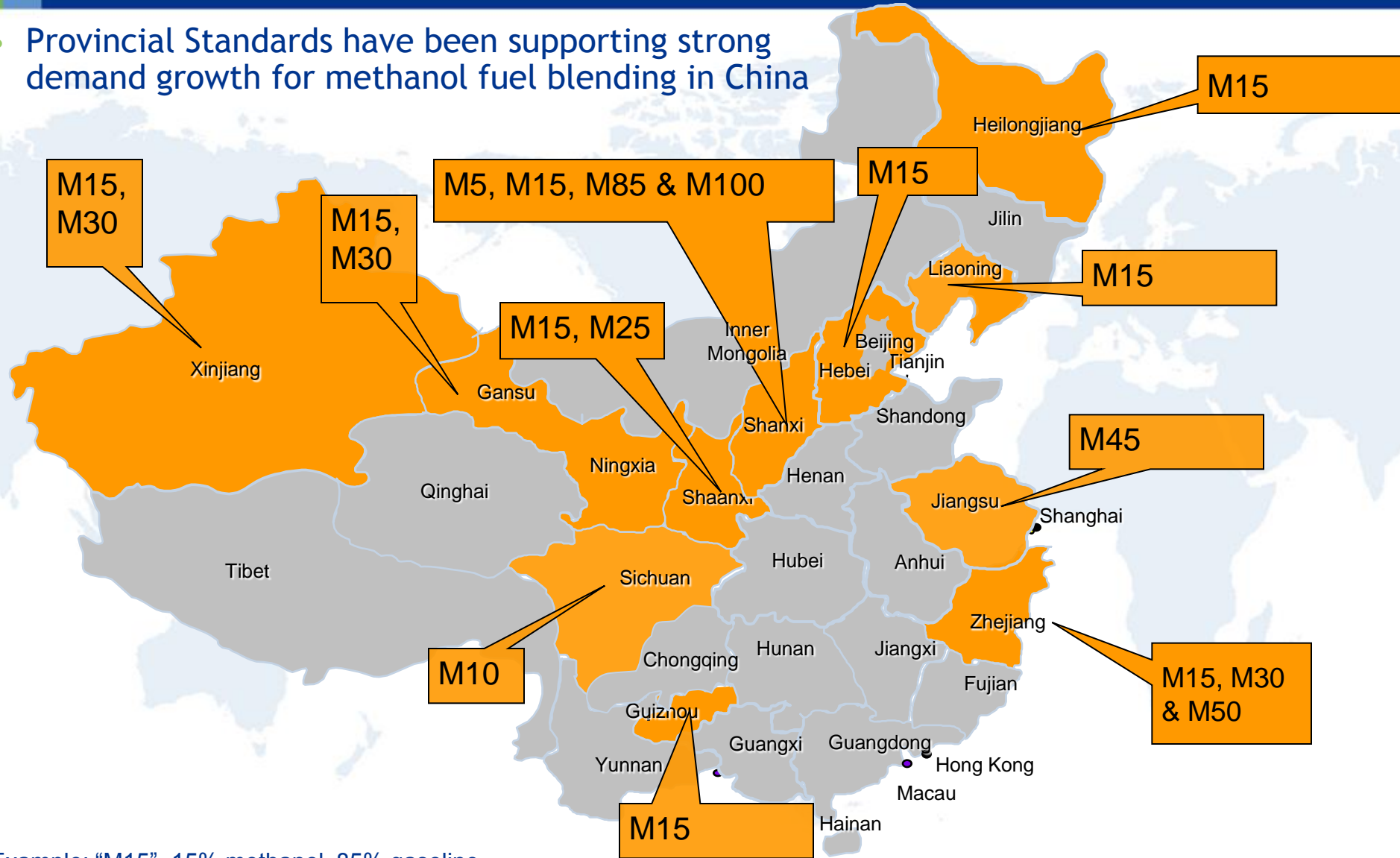


China (Nanjing) Wholesale Gasoline Price, Sept. 2011: ~\$4.00/gallon
 USGC Conventional Regular Gasoline Price, Sept. 2011: ~\$3.00/gallon

Sources: Oil and Gas China, US Department of Energy, Methanex, Journal of Scientific & Industrial Research Jan-Feb 2003 – study showed methanol offered 15% fuel efficiency improvement

Fuel Blending in China - Provincial standards

- Provincial Standards have been supporting strong demand growth for methanol fuel blending in China



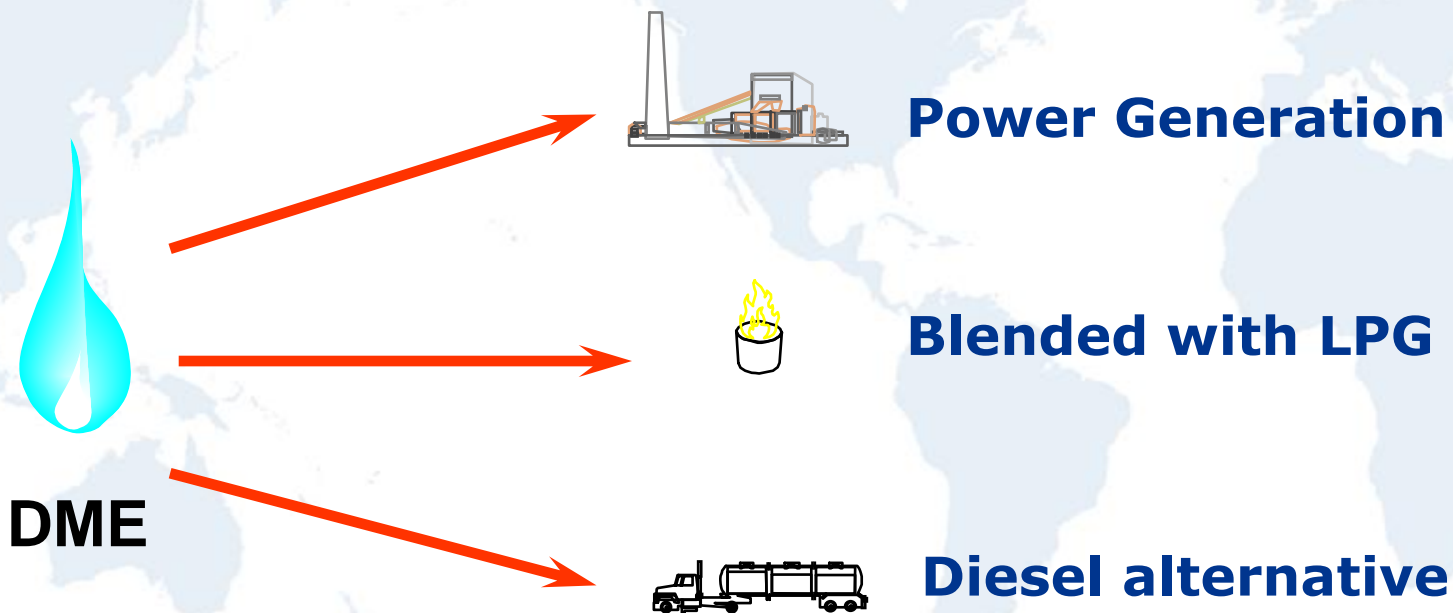
Example: "M15"=15% methanol, 85% gasoline

A simple dehydration reaction...



- **Non-toxic (used as aerosol propellant replacing CFC's)**
- **Clean burning**
- **Physical properties similar to LPG**
- **High Cetane number**
= high fuel combustion quality making it attractive for use in diesel engines

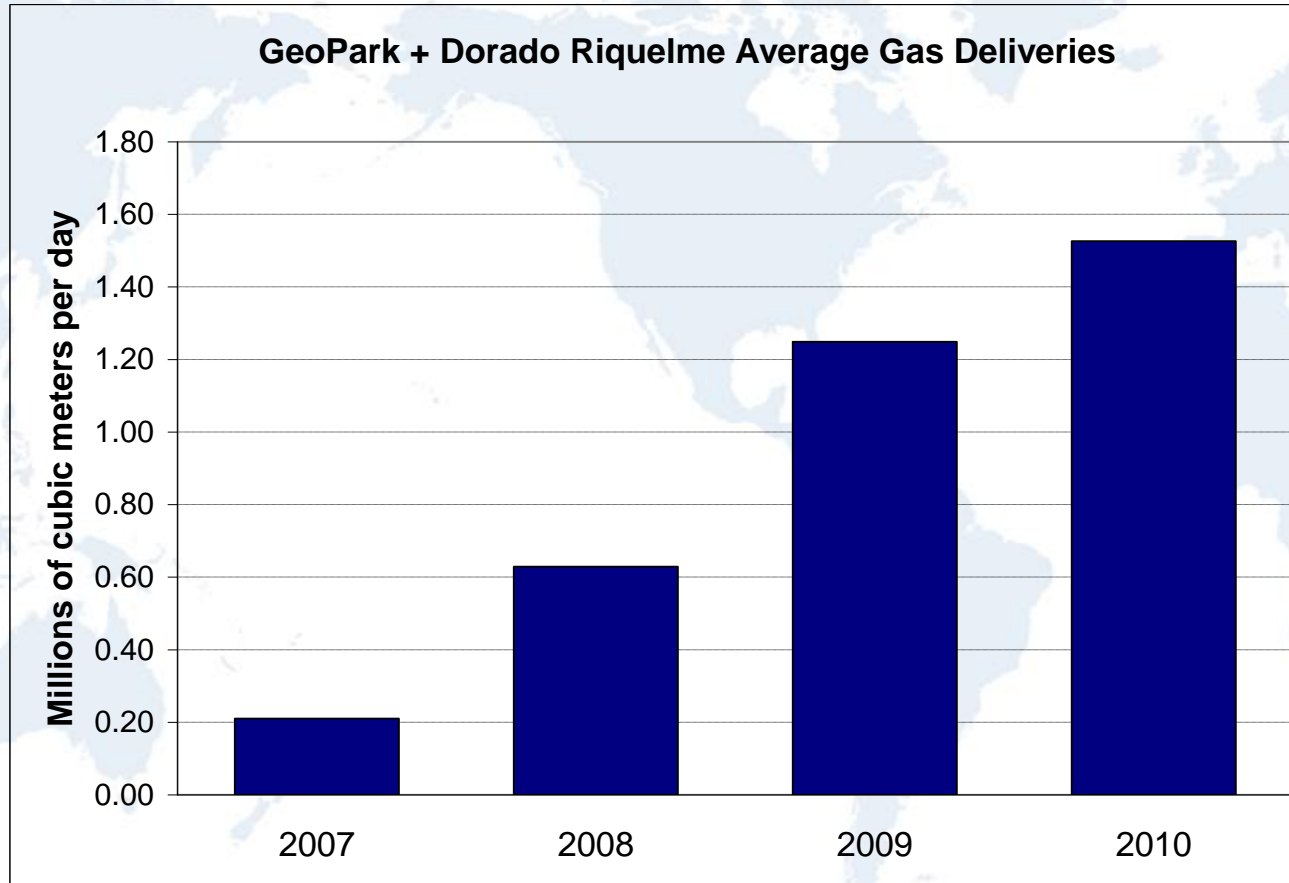
- 3 Major DME Applications
- Blending with LPG most immediate opportunity



Source: Methanex

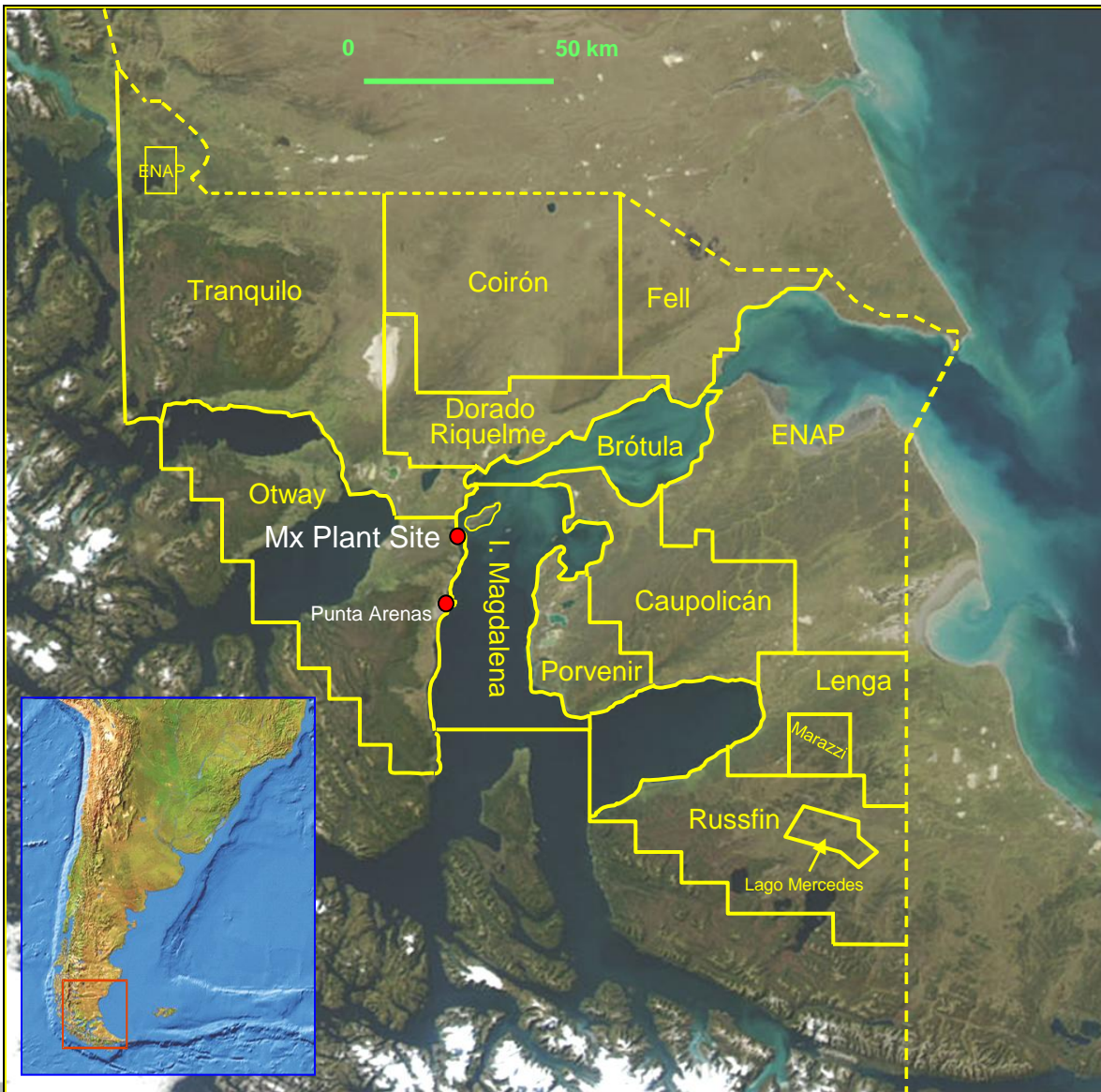
Gas Development in Southern Chile

- Methanex's investments in southern Chile have resulted in significant new gas supply



Note: For reference, Chile operating at full capacity (3.8 million tonnes per annum) consumes ~ 10.5 million cubic meters per day of natural gas

Gas Development in Southern Chile



ENAP

- Producing existing reserves
- Exploration drilling campaign is in process.

FELL (GeoPark)

- Producing existing reserves
- Exploration drilling campaign is in process.

Dorado-Riquelme (ENAP – Methanex)

- Producing existing reserves
- Exploration drilling campaign is in process.

Coiron (Pan American Energy – ENAP)

- Exploration drilling campaign is in process.

Tranquillo & Otway (Pluspetrol, Wintershall, GeoPark, IFC, Methanex)

- Exploration Seismic Campaign being executed.

Lenga (Apache – ENAP)

- Exploration drilling campaign is in process.

Rusfin (Apache)

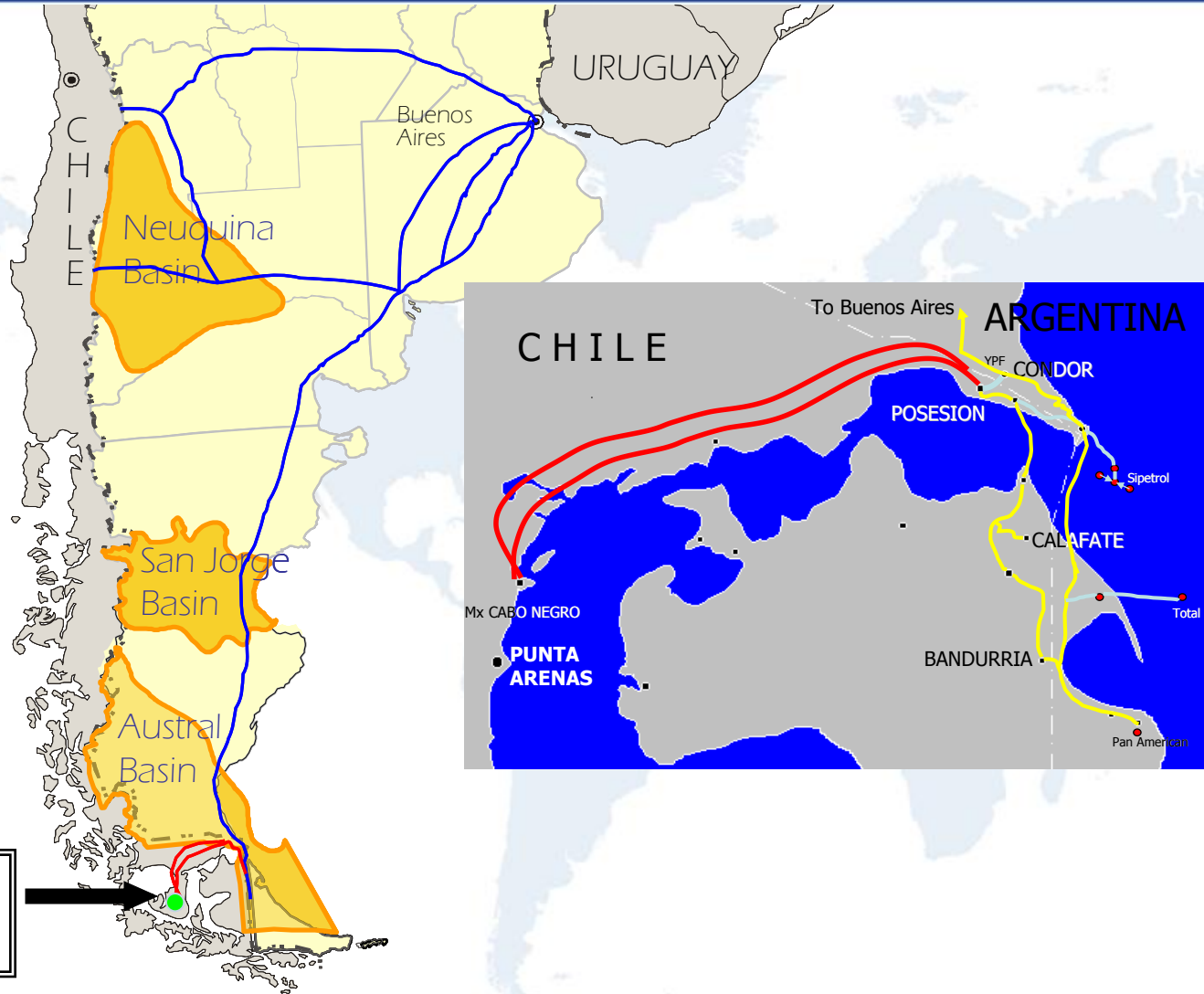
- Exploration drilling campaign is in process.

Caupolicán (Greymouth – ENAP)

Brotula, Porvenir & Isla Magdalena (Greymouth)

- Exploration programs and drilling campaigns are in process.

Chile & Argentina - Pipelines & Reserves



Methanex Chile - natural gas consumption of 0.134 TCF / year (at capacity)

Information in these materials or presented orally at this meeting, either in prepared remarks or in response to questions, contain 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, expected new methanol supply and timing for start-up of the same, expected shut downs (either temporary or permanent) or re-starts of existing methanol supply (including our own facilities), including, without limitation, timing of planned maintenance outages, expected methanol and energy prices, expected levels of natural gas supply to our plants, capital committed by third parties towards future natural gas exploration in Chile and New Zealand, anticipated activities and results of natural gas exploration and development in Chile and New Zealand and timing of same, capital committed by third parties towards future natural gas exploration in Chile and New Zealand, expected capital expenditures, including without limitation those to support natural gas exploration and development in Chile and New Zealand and the restart of our idled methanol facilities, anticipated production rates of our plants, including without limitation, our Chilean facilities, the new methanol plant in Egypt and the restart of our Medicine Hat facility, 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 Medicine Hat restart project, ability to meet covenants associated with our long-term debt obligations, including without limitation, the Egypt limited recourse debt facilities which have conditions associated with operational completion of the plant and related mortgages which require actions by Egyptian governmental entities, availability of committed credit facilities and other financing, 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, expected global or regional economic activity (including industrial production levels), expected actions of governments, gas suppliers, courts and tribunals, or other third parties and expected impact on our results of operations in Egypt and our financial condition as a consequence of actions taken by the Government of Egypt and its agencies.

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, success of natural gas exploration in Chile and New Zealand and our ability to procure economically priced natural gas in Chile, New Zealand and Canada, production rates of our plants, including without limitation, our Chilean facilities, the new methanol plant in Egypt and the restart of our Medicine Hat facility, ability to meet covenants associated with our long-term debt obligations, including without limitation, the Egypt limited recourse debt facilities which have conditions associated with operational completion of the plant and related mortgages which require actions by Egyptian governmental entities, 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, and enforcement of contractual arrangements and ability to perform 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 Chile, New Zealand, and Canada on commercially acceptable terms, the timing of start-up and cost to complete our Medicine Hat restart project, 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 that could impact the supply 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 2010 Management’s Discussion and Analysis and in our Second Quarter 2011 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.