

NEWS RELEASE



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For immediate release

METHANEX REPORTS HIGHER FIRST QUARTER 2017 EARNINGS AND INCREASES DIVIDEND BY 9%

April 26, 2017

For the first quarter of 2017, Methanex reported net income attributable to Methanex shareholders of \$132 million (\$1.46 per common share on a diluted basis) compared to net income of \$24 million (\$0.28 per common share on a diluted basis) in the fourth quarter of 2016. Adjusted EBITDA for the first quarter of 2017 was \$267 million and Adjusted net income was \$140 million (\$1.56 per common share). This compares with Adjusted EBITDA of \$139 million and Adjusted net income of \$41 million (\$0.46 per common share) for the fourth quarter of 2016.

John Floren, President and CEO of Methanex commented, "In what is proving to be a volatile methanol pricing environment, our average realized methanol price increased \$87 per tonne in the quarter to \$365 per tonne, which compares to \$278 per tonne achieved in the fourth quarter of 2016. We achieved record sales volume for the fourth consecutive quarter, with sales of 2.6 million tonnes. Production volume in the first quarter of 2017 remained unchanged from the record level set in the fourth quarter of 2016 of 1.9 million tonnes. The significantly higher methanol prices, combined with continued record production and sales volume, contributed to a \$128 million increase in Adjusted EBITDA to \$267 million for the quarter."

John Floren continued, "I am pleased to announce that our Board of Directors has approved a 9% increase in our quarterly dividend to \$0.30 per share. During the quarter we also announced a 5% share repurchase program allowing the Company to purchase for cancellation up to 4,492,141 common shares. To date we have repurchased 1,580,000 shares since commencement of the bid on March 13, 2017 for approximately \$73 million. The increased dividend and new share repurchase program illustrate the Company's commitment to return excess cash to shareholders."

Mr. Floren concluded, "We continue to be optimistic that our underutilized 1.7 million tonne Chile facilities represent a very low capital cost growth opportunity for Methanex due to the significant progress in developing natural gas reserves in the area. We have relatively low maintenance capital and financing requirements in the medium term. At current methanol prices we expect to generate significant free cash flow. With \$315 million of cash on hand at the end of the first quarter, an undrawn credit facility, a robust balance sheet, and strong future cash generation capability, we believe we are well positioned to meet our financial commitments, pursue our near-term growth opportunities in Chile and deliver on our commitment to return excess cash to shareholders through dividends and share repurchases."

FURTHER INFORMATION

The information set forth in this news release summarizes Methanex's key financial and operational data for the first quarter of 2017. It is not a complete source of information for readers and is not in any way a substitute for reading the first quarter 2017 Management's Discussion and Analysis ("MD&A") dated April 26, 2017 and the unaudited condensed consolidated interim financial statements for the period ended March 31, 2017, both of which are available from the Investor Relations section of our website at www.methanex.com. The MD&A and the unaudited condensed consolidated interim financial statements for the period ended March 31, 2017 are also available on the Canadian Securities Administrators' SEDAR website at www.sedar.com and on the United States Securities and Exchange Commission's EDGAR website at www.sec.gov.

FINANCIAL AND OPERATIONAL DATA

	Three Months Ended		
	Mar 31 2017	Dec 31 2016	Mar 31 2016
<i>(\$ millions except per share amounts and where noted)</i>			
Production (thousands of tonnes) (attributable to Methanex shareholders)	1,866	1,859	1,639
Sales volume (thousands of tonnes)			
Methanex-produced methanol	1,756	1,750	1,529
Purchased methanol	512	526	422
Commission sales	304	245	168
Total sales volume ¹	2,572	2,521	2,119
Methanex average non-discounted posted price (\$ per tonne) ²	437	312	272
Average realized price (\$ per tonne) ³	365	278	230
Revenue	810	585	435
Adjusted revenue	832	635	450
Adjusted EBITDA	267	139	36
Cash flows from operating activities	221	72	70
Adjusted net income (loss)	140	41	(24)
Net income (loss) (attributable to Methanex shareholders)	132	24	(23)
Adjusted net income (loss) per common share	1.56	0.46	(0.27)
Basic net income (loss) per common share	1.47	0.28	(0.26)
Diluted net income (loss) per common share	1.46	0.28	(0.26)
Common share information (millions of shares)			
Weighted average number of common shares	90	90	90
Diluted weighted average number of common shares	90	90	90
Number of common shares outstanding, end of period	89	90	90

¹ Methanex-produced methanol represents our equity share of volume produced at our facilities and excludes volume marketed on a commission basis related to the 36.9% of the Atlas facility and 50% of the Egypt facility that we do not own. Methanex-produced methanol includes any volume produced by Chile using natural gas supplied from Argentina under a tolling arrangement ("Tolling Volume"). There has been no Tolling Volume produced since the fourth quarter of 2015.

² Methanex average non-discounted posted price represents the average of our non-discounted posted prices in North America, Europe and Asia Pacific weighted by sales volume. Current and historical pricing information is available at www.methanex.com.

³ Averagerealized price is calculated as revenue, excluding commissions earned and the Egypt non-controlling interest share of revenue, but including an amount representing our share of Atlas revenue, divided by the total sales volume of Methanex-produced and purchased methanol, but excluding Tolling Volume.

A reconciliation from net income (loss) attributable to Methanex shareholders to Adjusted net income (loss) and the calculation of Adjusted net income (loss) per common share is as follows:

	Three Months Ended		
	Mar 31 2017	Dec 31 2016	Mar 31 2016
<i>(\$ millions except number of shares and per share amounts)</i>			
Net income (loss) (attributable to Methanex shareholders)	\$ 132	\$ 24	\$ (23)
Mark-to-market impact of share-based compensation, net of tax	8	17	(1)
Adjusted net income (loss)	\$ 140	\$ 41	\$ (24)
Diluted weighted average shares outstanding (millions)	90	90	90
Adjusted net income (loss) per common share	\$ 1.56	\$ 0.46	\$ (0.27)

- We recorded net income attributable to Methanex shareholders of \$132 million during the first quarter of 2017 compared to net income of \$24 million in the fourth quarter of 2016. The increase in earnings is primarily due to an increase in our realized price during the first quarter which was partially offset by changes in the cost of methanol we purchase from others. Our average realized price increased to \$365 per tonne for the first quarter of 2017 from \$278 per tonne for the fourth quarter of 2016.
- We recorded Adjusted EBITDA of \$267 million for the first quarter of 2017 compared with \$139 million for the fourth quarter of 2016. Adjusted net income was \$140 million for the first quarter of 2017 compared to Adjusted net income of \$41 million for the fourth quarter of 2016.
- Total sales volume for the first quarter of 2017 was a record for a fourth consecutive quarter achieving 2,572,000 tonnes compared with 2,521,000 tonnes for the fourth quarter of 2016. Sales of Methanex-produced methanol were 1,756,000 tonnes in the first quarter of 2017 compared with 1,750,000 tonnes in the fourth quarter of 2016. Sales of Methanex-produced methanol were lower than production in the first quarter, which contributed to an increase in our produced product inventory by approximately 100,000 tonnes. Refer to the Production Highlights section of this document.
- Cash flows from operating activities in the first quarter of 2017 were \$221 million compared with \$72 million for the fourth quarter of 2016, an increase of \$149 million. We generated cash from operating activities before changes in non-cash working capital of \$279 million during the quarter.
- Our planned capital expenditures directed towards maintenance, turnarounds and catalyst changes for operations, including our 63.1% share of Atlas and 50% of Egypt, is currently estimated to be approximately \$65 million to the end of 2017.
- During the first quarter of 2017 we paid a \$0.275 per common share dividend to shareholders for a total of \$25 million.
- During the quarter, the Board of Directors has approved a new 5% normal course issuer bid which allows us to repurchase for cancellation up to approximately 4.5 million common shares. We repurchased 730,000 shares to March 31, 2017 for approximately \$34 million. To date we have repurchased 1,580,000 shares since commencement of the bid on March 13, 2017 for approximately \$73 million.
- We announced today that the Board of Directors has approved a 9% increase to our quarterly dividend to shareholders, from \$0.275 per share per quarter to \$0.30 per share per quarter.

PRODUCTION HIGHLIGHTS

<i>(thousands of tonnes)</i>	Q1 2017		Q4 2016	Q1 2016
	Operating Capacity ¹	Production	Production	Production
New Zealand ²	608	533	536	509
Geismar (USA)	500	493	526	483
Trinidad (Methanex interest) ³	500	396	455	313
Egypt (50% interest)	158	159	96	75
Medicine Hat (Canada)	150	118	92	159
Chile ⁴	220	167	154	100
	2,136	1,866	1,859	1,639

¹ Operating capacity includes only those facilities which are currently capable of operating, but excludes any portion of an asset that is underutilized due to a lack of natural gas feedstock over a prolonged period of time. Our current annual operating capacity is 8.5 million tonnes, including 0.9 million tonnes related to our Chile operations. The operating capacity of our production facilities may be higher than original nameplate capacity as, over time, these figures have been adjusted to reflect ongoing operating efficiencies at these facilities. Actual production for a facility in any given year may be higher or lower than operating capacity due to a number of factors, including natural gas composition or the age of the facility's catalyst.

² The operating capacity of New Zealand is made up of the two Motunui facilities and the Waitara Valley facility.

³ The operating capacity of Trinidad is made up of the Titan (100% interest) and Atlas (63.1% interest) facilities.

⁴ The production capacity of our Chile I and IV facilities is 1.7 million tonnes annually assuming access to natural gas feedstock.

Key production and operational highlights during the first quarter include:

- New Zealand production was 533,000 tonnes.
- Geismar production rates continue to be strong, with production of 493,000 tonnes.
- Trinidad production was 396,000 tonnes. We continue to experience gas curtailments in Trinidad with gas availability in the first quarter of 2017 remaining at levels consistent with the fourth quarter of 2016. We also had mechanical issues at the Trinidad facilities that resulted in some lost production in the quarter. These mechanical issues have been resolved and repairs are now complete.
- Egypt production was 159,000 tonnes (Methanex share). The plant has continued to run at high rates following the maintenance activities performed in the fourth quarter of 2016.
- Medicine Hat production was 118,000 tonnes. The plant was shut down for repairs during the first quarter and upon restart, operated at high rates for the remainder of the quarter.
- Chile production was 167,000 tonnes, produced using only natural gas supplies from Chile.

CONFERENCE CALL

A conference call is scheduled for April 27, 2017 at 12:00 noon ET (9:00 am PT) to review these first quarter results. To access the call, dial the conferencing operator ten minutes prior to the start of the call at (416) 340-8530, or toll free at (800) 769-8320. A simultaneous audio-only webcast of the conference call can be accessed from our website at www.methanex.com. A playback version of the conference call will be available until May 11, 2017 at (905) 694-9451, or toll free at (800) 408-3053. The passcode for the playback version is 5608437#. The webcast will be available on our website for two weeks following the call.

ABOUT METHANEX

Methanex is a Vancouver-based, publicly traded company and is the world's largest producer and supplier of methanol to major international markets. Methanex shares are listed for trading on the Toronto Stock Exchange in Canada under the trading symbol "MX" and on the NASDAQ Global Market in the United States under the trading symbol "MEOH".

FORWARD-LOOKING INFORMATION WARNING

This first quarter 2017 press release contains forward-looking statements with respect to us and the chemical industry. By its nature, forward-looking information is subject to numerous risks and uncertainties, some of which are beyond the Company's control. Readers are cautioned that undue reliance should not be placed on forward-looking information as actual results may vary materially from the forward-looking information. Methanex does not undertake to update, correct or revise any forward-looking information as a result of any new information, future events or otherwise, except as may be required by applicable law. Refer to Forward-Looking Information Warning in the first quarter 2017 Management's Discussion and Analysis for more information which is available from the Investor Relations section of our website at www.methanex.com, the Canadian Securities Administrators' SEDAR website at www.sedar.com and on the United States Securities and Exchange Commission's EDGAR website at www.sec.gov.

NON-GAAP MEASURES

The Company has used the terms Adjusted EBITDA, Adjusted net income (loss), Adjusted net income (loss) per common share, Adjusted revenue, and operating income throughout this document. These items are non-GAAP measures that do not have any standardized meaning prescribed by GAAP. These measures represent the amounts that are attributable to Methanex Corporation shareholders and are calculated by excluding the mark-to-market impact of share-based compensation as a result of changes in our share price and the impact of certain items associated with specific identified events. Refer to Additional Information - Supplemental Non-GAAP measures on page 12 of the Company's MD&A for the three months ended March 31, 2017 for reconciliations to the most comparable GAAP measures. Unless otherwise indicated, the financial information presented in this release is prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

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