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 2018 Annual MD&A and our second quarter 2019 MD&A, as well as slide 35 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 2018 Annual MD&A and our second quarter 2019 MD&A.

All amounts are shown in US dollars except where otherwise stated.
Investment opportunity

Global methanol leader
- Global methanol leader with leading market share, global production footprint and integrated global supply chain

Positive long-term industry outlook
- Strong demand growth outlook with industry capacity additions required to meet growing demand

Strong cash flow generation and shareholder returns
- Solid cash generation capability at a wide range of methanol prices
- Assets well positioned on industry cost curve to be competitive through all points in the methanol price cycle
- Returned $1.8 billion to shareholders through dividends and buybacks since January 1, 2013

Growth potential
- Unique low capital cost growth opportunities in Chile and Louisiana to profitably increase our production capacity
Company overview

World’s largest producer and supplier of methanol to major international markets

- 9.4 million tonnes of production capacity
- 6 manufacturing sites
- Integrated global supply chain and distribution network
- Adjusted EBITDA of $1.1 billion in 2018
- Wholly-owned Waterfront Shipping subsidiary
- Approximately 1,425 team members globally
Growing production with a clear focus on shareholders

**Production increased by 77%**

<table>
<thead>
<tr>
<th>Year</th>
<th>Production (M tonnes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>4.1</td>
</tr>
<tr>
<td>2013</td>
<td>4.3</td>
</tr>
<tr>
<td>2014</td>
<td>4.9</td>
</tr>
<tr>
<td>2015</td>
<td>5.2</td>
</tr>
<tr>
<td>2016</td>
<td>7.0</td>
</tr>
<tr>
<td>2017</td>
<td>7.2</td>
</tr>
<tr>
<td>2018</td>
<td>7.2</td>
</tr>
</tbody>
</table>

Current Potential: 8.4 M tonnes

**Production per share increased by 116%**

<table>
<thead>
<tr>
<th>Year</th>
<th>Production (tonnes) per 000 shares</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>43</td>
</tr>
<tr>
<td>2013</td>
<td>45</td>
</tr>
<tr>
<td>2014</td>
<td>53</td>
</tr>
<tr>
<td>2015</td>
<td>58</td>
</tr>
<tr>
<td>2016</td>
<td>78</td>
</tr>
<tr>
<td>2017</td>
<td>86</td>
</tr>
<tr>
<td>2018</td>
<td>93</td>
</tr>
</tbody>
</table>

**Dividends increased by 93%**

<table>
<thead>
<tr>
<th>Year</th>
<th>Annual dividend ($/share)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>0.73</td>
</tr>
<tr>
<td>2013</td>
<td>0.79</td>
</tr>
<tr>
<td>2014</td>
<td>0.95</td>
</tr>
<tr>
<td>2015</td>
<td>1.08</td>
</tr>
<tr>
<td>2016</td>
<td>1.10</td>
</tr>
<tr>
<td>2017</td>
<td>1.18</td>
</tr>
<tr>
<td>2018</td>
<td>1.32</td>
</tr>
<tr>
<td>2019E</td>
<td>1.41</td>
</tr>
</tbody>
</table>

**Share count reduced by 19%**

<table>
<thead>
<tr>
<th>Year</th>
<th>Shares outstanding (M)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>94.3</td>
</tr>
<tr>
<td>2013</td>
<td>96.1</td>
</tr>
<tr>
<td>2014</td>
<td>92.3</td>
</tr>
<tr>
<td>2015</td>
<td>89.7</td>
</tr>
<tr>
<td>2016</td>
<td>89.8</td>
</tr>
<tr>
<td>2017</td>
<td>83.8</td>
</tr>
<tr>
<td>2018</td>
<td>77.3</td>
</tr>
<tr>
<td>2019YTD</td>
<td>76.2</td>
</tr>
</tbody>
</table>

1 Current potential = reflects Trinidad operating rate of 85% (1.7 million tonnes), Chile operating rate of 75% (1.3 million tonnes) and New Zealand operating rate of 92% (2.2 million tonnes). We cannot predict actual gas restrictions at these plants.
Global methanol leader, positive long-term industry outlook
Methanol end uses

- Methanol is a clear, biodegradable commodity chemical primarily produced from natural gas.
- Methanol is an essential ingredient used to produce hundreds of everyday industrial and consumer items.
- It is also a clean-burning, cost-competitive alternative fuel.
Industry leadership is core to strategy and track record

Methanex is the market leader

Scale and flexibility to meet customer needs creates shareholder value

- Strong customers that are leaders in their industry
- Ability to reduce costs for customers and Methanex
- Improved industry structure: new market development, product stewardship and advocacy

We continually enhance this key value driver by growing our production as the market grows

- ~14% global market share – double that of our next competitor
- Unique global position as the only supplier with well-established production and sales in all major regions

Source: Methanex
Clear competitive advantage from integrated global capabilities

Investing in industry-leading, secure, reliable supply from a global network of plants is a fundamental driver of long-term results

- Network of production sites to supply every major global market
- Fleet of dedicated ocean vessels
- Extensive integrated global supply chain and distribution network
- “Local” customer service
Continued, steady demand growth expected

Projected 3 - 4% CAGR with steady growth across various applications

2013 – 2018 CAGR: 6%

2019 – 2022 CAGR: 3 - 4%

Source: IHS Chemical Supply and Demand Fall 2019 Update. Excludes demand from integrated coal-to-olefins (CTO) facilities
Methanol-to-olefins (MTO)

- Two new plants under construction to be completed over the coming years (3.6 MMT methanol demand potential)
- MTO production mostly integrated with downstream products
- Very difficult to source ethylene feedstock from alternative source
- Degree of integration means plants tend to keep running

Natural Gas or Coal Feedstock

Synthesis Gas

Methanol

Ethylene

Polyethylene
- Food packaging, plastic bags
- Pipes, window frames

EDC
- PVC

EO
- MEG
- PET
- Textile, bottles

Ethyl benzene
- Styrene
- Polystyrene
- Insulation cups, models

Polypropylene
- Food container, bottles

ACN
- Synthetic rubbers
- Household & consumer goods

PO
- Polyether polyols
- Polyurethane
- Building insulation, bedding

Cumene
- Phenol
- Polycarbonates/Phenolic resins
- Insulation cups, models

Propylene

Synthesis
Gas

Methanol

Natural
Gas or Coal Feedstock
Methanol is a clean-burning alternative fuel

**Methanol as a marine fuel**
- Regulations (IMO 2020) lead towards cleaner-burning fuels
- Methanol is a clean-burning fuel that meets regulations and is cost competitive over the cycle
- 40% of Waterfront Shipping’s fleet will be able to run on methanol by the end of 2019

**Methanol as a vehicle fuel**
- Methanol is an affordable gasoline substitute in China
- Reduces emissions when blended with or substituted for gasoline
- Several other countries are at the assessment or near-commercial stage for low-level methanol fuel blending

**Methanol as a power source**
- Methanol is used as an alternative to coal for industrial boilers and kilns to reduce emissions
- Currently represents ~2 million tons of demand

Represents significant upside potential for long-term demand
Healthy supply/demand fundamentals

**Outlook for 2019-2022**

(million MT)

- **MTO and Other Energy Applications**
  - Traditional Chemical
  - Incremental Supply Required from China
  - Estimated New Supply (ex-China)

**Demand: growing market that requires 3 - 4 million MT of new capacity per year**

- Demand expected to grow (3 - 4% CAGR) above GDP rates
- Supported by expected steady demand growth for traditional and energy-related applications

**Supply: challenged to keep pace based on known additions**

- New industry capacity additions needed to meet demand growth
- Typical project delays and industry planned/unplanned outages can impact supply/demand balance

Source: IHS Chemical Supply and Demand Fall 2019 Update

IHS’ supply estimate is based on the following capacity additions expected to start-up in 2020-2022 and estimated operating rates for existing and new capacities: North America (Yuhuang 1.7, Celanese 0.4, other 0.2), Trinidad (CCGL 1.0), Middle East (Iran 0.6), other Atlantic (Netherlands 0.2) and China 4.5 (net of expected supply rationalization). Production capacities described in the prior sentence have been prorated if the plant started up in 2019.
Challenges to growth in the methanol industry

**Estimated internal rate of return**

<table>
<thead>
<tr>
<th>Natural Gas $/mmBtu</th>
<th>Realized methanol price $/MT</th>
<th>$300</th>
<th>$350</th>
<th>$400</th>
</tr>
</thead>
<tbody>
<tr>
<td>$5.00</td>
<td>---</td>
<td>2%</td>
<td></td>
<td>8%</td>
</tr>
<tr>
<td>$4.00</td>
<td>0%</td>
<td>6%</td>
<td></td>
<td>11%</td>
</tr>
<tr>
<td>$3.00</td>
<td>5%</td>
<td>9%</td>
<td></td>
<td>13%</td>
</tr>
<tr>
<td>$2.00</td>
<td>8%</td>
<td>12%</td>
<td></td>
<td>16%</td>
</tr>
</tbody>
</table>

Key assumptions: replacement cost of $1,100/MT based on other announced projects. Maintenance capital $10M/year, freight $80/MT (US to Asia), 25% tax rate, 2% inflation.

**Significant capital costs**

- US Gulf Coast stand-alone greenfield project (~$1,100/MT) requires a long-term methanol price of $400/MT to meet Methanex’s return target

**Other challenges to mitigate**

- Ability to secure necessary financing
- Access to customers across global markets
- Marketing and logistics capabilities to get product to market
- Market knowledge and expertise in industry
Well positioned on the global methanol cost curve

- Methanex plants are competitive across a wide range of methanol prices – we estimate that our assets are positioned on the low-to-mid portion of the industry cost curve
- Flat portion of cost curve provides price support in a low energy price environment
- Industry has high cost operators and responds quickly to periods of excess supply or demand
- Steep high end of cost curve reflects high cost coal and natural gas based production in China
- Other higher cost regions are Russia, Europe, India, and South America
### Methanex annual production capacity

<table>
<thead>
<tr>
<th>Plant</th>
<th>Production capacity (thousand tonnes)</th>
<th># of plants (2019)</th>
<th>Gas supply</th>
<th>Supply chain</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Current potential 1</td>
<td>Full potential 2</td>
<td>Future potential 3</td>
<td></td>
</tr>
<tr>
<td>New Zealand</td>
<td>2,200</td>
<td>2,430</td>
<td>2,430</td>
<td>3</td>
</tr>
<tr>
<td>Geismar (G1, G2)</td>
<td>2,000</td>
<td>2,000</td>
<td>4,000</td>
<td>2</td>
</tr>
<tr>
<td>Trinidad (Mx share)</td>
<td>1,700</td>
<td>2,000</td>
<td>2,000</td>
<td>2</td>
</tr>
<tr>
<td>Chile</td>
<td>1,300</td>
<td>1,720</td>
<td>1,720</td>
<td>2</td>
</tr>
<tr>
<td>Egypt (Mx share)</td>
<td>630</td>
<td>630</td>
<td>630</td>
<td>1</td>
</tr>
<tr>
<td>Medicine Hat</td>
<td>600</td>
<td>600</td>
<td>600</td>
<td>1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>8,430</strong></td>
<td><strong>9,380</strong></td>
<td><strong>11,380</strong></td>
<td><strong>11</strong></td>
</tr>
</tbody>
</table>

1. Current potential 1 reflects Trinidad operating rate of 85% (1.7 million tonnes), Chile operating rate of 75% (1.3 million tonnes) and New Zealand operating rate of 92% (2.2 million tonnes). We cannot predict actual gas restrictions at these plants.
2. Includes full nameplate capacity for all 11 plants.
3. Includes future incremental capacity from Geismar debottleneck opportunity (0.2 million tonnes) and Geismar 3 project (1.8 million tonnes).
Strong cash flow generation at a wide range of methanol prices
Financial results

Average Modified ROCE of 11% over last 10 years. Robust 2018 EPS results.

1) Adjusted EPS = Adjusted net income per common share attributable to Methanex shareholders (excludes the after-tax mark-to-market impact of share-based compensation and the impact of certain items associated with specific identified events)

2) Modified ROCE = Adjusted net income before finance costs (after-tax) divided by average productive capital employed. Average productive capital employed is the sum of average total assets (excluding plants under construction) less the average of current non-interest-bearing liabilities.

3) Adjusted net income and Adjusted net income per common share are non-GAAP measures - for more information regarding non-GAAP measures, please see our 2018 Annual MD&A
## Valuation considerations

<table>
<thead>
<tr>
<th></th>
<th>Current Potential</th>
<th>Full Potential</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual operating capacity¹ (millions of tonnes)</td>
<td>8.4</td>
<td>9.4</td>
</tr>
<tr>
<td>Average realized price ($/tonnes)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>$300</td>
<td>825</td>
<td>925</td>
</tr>
<tr>
<td>$350</td>
<td>1,125</td>
<td>1,275</td>
</tr>
<tr>
<td>$400</td>
<td>1,450</td>
<td>1,625</td>
</tr>
<tr>
<td>Adjusted EBITDA Capability ($ millions) ⁴</td>
<td></td>
<td></td>
</tr>
<tr>
<td>$300</td>
<td>400</td>
<td>475</td>
</tr>
<tr>
<td>$350</td>
<td>625</td>
<td>750</td>
</tr>
<tr>
<td>$400</td>
<td>900</td>
<td>1,050</td>
</tr>
<tr>
<td>Free Cash Flow Capability ($ millions) ⁵</td>
<td></td>
<td></td>
</tr>
<tr>
<td>$300</td>
<td>15%</td>
<td>18%</td>
</tr>
<tr>
<td>$350</td>
<td>23%</td>
<td>28%</td>
</tr>
<tr>
<td>$400</td>
<td>34%</td>
<td>39%</td>
</tr>
</tbody>
</table>

1. Methanex interest (63.1% Atlas, 50% Egypt)
2. Refer to slide 16 (footnote 1)
3. Includes full nameplate capacity for all 11 plants.
4. Adjusted EBITDA reflects Methanex’s proportionate ownership interest and assumes plants operate at full production rates except where indicated. Includes impact of IFRS 16 lease accounting (increase of ~$100M).
5. After cash interest, maintenance capital of approximately $120 million, cash taxes, debt service and other cash payments.
6. Based on 76 million shares outstanding as of 6/30/2019 and share price of US$35/share.
Valuation considerations - sensitivities

Estimated sensitivities

(millions)

- EBITDA +/- $10/tonne ARP
- FCF +/- $10/tonne ARP
- EBITDA +/- 100,000 tonnes volume
- FCF +/- 100,000 tonnes volume

Sensitivities versus run-rate of:
- Average realized price: $350/tonne
- Volume: 8.4 million tonnes
- Adjusted EBITDA capability: $1.1 billion
- Free cash flow capability: $625 million
Highly disciplined approach to capital allocation
### Balanced approach to capital allocation

<table>
<thead>
<tr>
<th>Essential</th>
<th>Priority</th>
<th>Discretionary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Debt service</td>
<td>Meaningful, sustainable, growing dividend</td>
<td>Growth capital</td>
</tr>
<tr>
<td>Maintenance</td>
<td></td>
<td>Share buybacks</td>
</tr>
</tbody>
</table>

- **$110 million annual interest expense**
- **$25 million debt payments (MX share)**
- **Next maturity - $250 million, March 2022**
- **$120 million annual maintenance capex (average)**
- **Dividend $0.36/share per quarter**
- **Approximately ~ $110 million (in 2019)**
- **“Meaningful” range of 1.5%-2.5%**
- **Disciplined investment decisions based on strict project return criteria (focus on Chile and Louisiana)**
- **Committed to return excess cash via share buybacks**
Meaningful capital returned to shareholders while significantly growing production

<table>
<thead>
<tr>
<th>Metric</th>
<th>January 1, 2013</th>
<th>June 30, 2019</th>
<th>% change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of plants in operation</td>
<td>7</td>
<td>11</td>
<td>57%</td>
</tr>
<tr>
<td>Production</td>
<td>4.1 million tonnes</td>
<td>8.4 million tonnes ¹</td>
<td>105%</td>
</tr>
<tr>
<td>Shares outstanding</td>
<td>94.3 million</td>
<td>76.2 million</td>
<td>(19%)</td>
</tr>
<tr>
<td>Production per thousand shares</td>
<td>43 MT/thousand shares</td>
<td>110 MT/thousand shares ¹</td>
<td>156%</td>
</tr>
<tr>
<td>Annual dividend per share</td>
<td>$0.73/share</td>
<td>$1.41/share (est.)</td>
<td>93%</td>
</tr>
<tr>
<td>Adjusted EBITDA generation capability ²</td>
<td>$400 million</td>
<td>$825 million</td>
<td>106%</td>
</tr>
<tr>
<td></td>
<td>$600 million</td>
<td>$1,125 million</td>
<td>88%</td>
</tr>
<tr>
<td></td>
<td>$800 million</td>
<td>$1,450 million</td>
<td>81%</td>
</tr>
<tr>
<td>Total capital (growth, restarts, and</td>
<td></td>
<td>$2.3 billion</td>
<td></td>
</tr>
<tr>
<td>maintenance) spent – since January 1, 2013</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Return of capital – since January 1, 2013</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dividends</td>
<td>$1.8 billion</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Share buybacks</td>
<td>$0.6 billion</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>$1.2 billion</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

¹ Represents current potential capacity (full potential capacity is 9.4 million tonnes)
² Adjusted EBITDA is adjusted for operating leases
Consistent track record of returning excess cash to shareholders

- During the development of G1 and G2, we continued to return significant capital to shareholders.
- Since January 1, 2013, we have invested over $2 billion in capital expenditures and grew from 7 to 11 plants in operation, with production increasing from 4.1 to 7.2 million tonnes.
- Announced a 5% share buyback program in March 2019 and increased dividend by 9% in 2019.

~$1.7 billion of capital returned to shareholders (up to 12/31 2018)

$660 million of capital returned

2013: $75
2014: $343
2015: $244
2016: $286
2017: $444
2018: $550

- Dividends
- Share Repurchases
Unique near-term low capital cost growth opportunities

Chile growth opportunity

Increase production to full operating rates from 75% with additional gas supply (420k tonnes)

- Restarted idle Chile IV facility in late 2018; completed first phase of Chile I refurbishment in 2019
- Working with gas suppliers to secure sufficient gas to support full two-plant operation (annual production of 1.7M tonnes)
  - Currently, sufficient gas for up to 75% of two-plant operation (annual production up to 1.3M tonnes)
  - Signed longer-term gas agreement for approximately 25% of a two-plant operation through end of 2025

Geismar 1 and 2 optimization

Increase production capacity by 10% (200k tonnes)

- Debottlenecking opportunities at our Geismar 1 & 2 facilities with very low capital cost
- Timing will align with planned turnaround activities
Advantaged Geismar 3 methanol project

Project overview

- **Size**: 1.8 million tonnes per year
- **Location**: Geismar, Louisiana adjacent to existing Geismar 1 and 2 facilities
- **Estimated capital cost**: $1.3-$1.4 billion
- **Estimated capital intensity**: < $775/tonne
- **Operating cost advantage**: based on site location and synergies with G1 and G2
- **Construction**: commenced in August 2019
- **Operational**: targeted 36 months after start of construction (2H 2022)
- **Partnership**: prefer to have a strategic partner and we continue to pursue this option

Distinct project advantages

**Process technology**
- Uses excess purge gas from G1/G2
- Eliminates primary reformer (significant capital cost savings)

**Industrial park synergies**
- Advantaged site with existing suppliers for feedstock, utilities and logistics

**Brownfield advantages**
- Scope reduced with shared infrastructure (roads, buildings, piperacks)

**Well defined execution plan**
- High confidence in capital cost estimate
- Robust and flexible financing plan
### Strong financial position and liquidity

#### Liquidity as at Q2-19

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash (MX Share)</td>
<td>$204</td>
</tr>
<tr>
<td>Revolving Credit Facility</td>
<td>$300</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$504</strong></td>
</tr>
</tbody>
</table>

#### Capital structure as at Q2-19

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Shareholders’ Equity</td>
<td>$1,449</td>
</tr>
<tr>
<td>Total Debt</td>
<td>$1,317</td>
</tr>
<tr>
<td>Total Debt/Capitalization</td>
<td>48%</td>
</tr>
<tr>
<td>Net Debt/Capitalization</td>
<td>43%</td>
</tr>
<tr>
<td>Net Debt/Enterprise Value(^2)</td>
<td>29%</td>
</tr>
</tbody>
</table>

---

1. Includes Methanex share of debt and cash for joint ventures
2. Based on stock price of US$35 /share
Investment grade rating metrics are a key priority

- Leverage target = investment grade
  - Preserves financial flexibility
  - Lowers cost of debt
  - Access to longer-term bond market, shipping market, etc.
  - Higher credit capacity to hedge gas exposures, etc.

- Moody’s Baa3, S&P BB+, Fitch BBB-
  - ~3.0x debt/EBITDA is long-term measure
  - Ratio typically calculated over a cycle

- $300 million revolving credit facility
  - Backstop liquidity

### Pro forma rating agency credit ratios

<table>
<thead>
<tr>
<th>($ billions unless indicated)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total debt</strong> 1</td>
</tr>
<tr>
<td>Debt (Q2-19)</td>
</tr>
<tr>
<td>Capital and operating leases 2</td>
</tr>
<tr>
<td>Adjusted debt (including leases)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Adjusted debt/EBITDA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Avg. realized price (per MT)</td>
</tr>
<tr>
<td>300</td>
</tr>
<tr>
<td>350</td>
</tr>
<tr>
<td>400</td>
</tr>
</tbody>
</table>

1 Includes Methanex proportionate share of debt
2 Approx. adjustment for capital and operating leases
3 Based on “current potential” EBITDA scenario

1 Includes Methanex proportionate share of debt
2 Approx. adjustment for capital and operating leases
3 Based on “current potential” EBITDA scenario
# Robust and flexible financing plan for Geismar 3 project

## Financing framework

1. Ensure sufficient financial flexibility across a range of methanol prices to manage unforeseen business stress
2. Target leverage consistent with investment grade metrics (2-3x debt/EBITDA)
3. Company expects to continue to generate excess cash at a wide range of prices

---

## Financing plan

### Funding
- Approximately $350 million earmarked from the proceeds of the recent $700 million bond issuance to fund Geismar 3 construction expenditures
- Arranged five-year $800 million construction loan facility

### Flexibility
- Arranged renewal of $300 million existing revolving credit facility to provide further liquidity (five years)
- Maintain strong cash balances during construction
- Financing terms provide flexibility to manage unforeseen business stress

### Balanced approach to capital allocation
- Expect to continue balanced approach to capital allocation during construction at a wide range of methanol prices

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**Note:** As part of the cooperation agreement we reached with M&G Investments earlier this year, we retained an independent financial advisory firm to advise and support the Audit, Finance and Risk Committee of the Board in reviewing the Company’s financing plan for the Geismar 3 project. The independent review was rigorous and the report, which was reviewed in detail with the Audit, Finance and Risk Committee and shared with the full Board as part of their review of the Geismar 3 project, concluded that we have a robust financing plan.
Best-in-class governance
Best-in-class corporate governance

**Corporate Governance**
- 11 of 12 Independent directors
- Separate chair and CEO
- All Committee members are independent
- Strong risk and strategy oversight
- Diversity policy; ~33% women on Board
- Active Board renewal process
- Annual Board, Committee and director evaluations
- Board orientation and education
- Code of business conduct
- In camera sessions at every Board and Committee meeting
- Diverse skills matrix including oil and gas and chemical industry experience, former CEOs, finance, capital projects, health and safety, government and public affairs

**Director Compensation**
- Required director equity ownership of 3x total annual retainer
- Prohibition on hedging
- Not eligible for stock options

**Shareholder Rights**
- Annual election of directors
- Individual director elections
- Director majority voting policy
- Annual “Say-on-Pay”
Methanex is committed to Responsible Care®

• At Methanex, Responsible Care® is the foundation of everything we do and a key element of our global culture:
  » community safety
  » employee health and safety
  » environmental protection
  » product stewardship
  » social responsibility

• As an industry, we must continue to embrace and promote Responsible Care®

Management alignment

• Executive shareholding requirements:
  • CEO - 5 times salary in Methanex shares or share units
  • Senior executives (5 members) – 3 times salary
  • Other senior management (~55 employees) – 1 times salary

• Short-term incentive linked to ROCE (return on capital employed)

• Long-term incentive targets:
  • Stock options and share appreciation rights
  • Performance share units
    • Payout linked to relative total shareholder return and 3-year average ROCE
      “…..Management does well when shareholders do well!”
Summary

• Global industry leader with competitive assets
• Solid franchise value that is difficult to replicate
• Global marketing, supply chain and shipping network
• Strong financial position

• Strong cash generation at a wide range of methanol prices
• Low capital cost growth potential in Chile and Louisiana
• Dividends / share buybacks

Committed to return excess cash to shareholders
Forward-looking information

This presentation, our Second Quarter 2019 Management’s Discussion and Analysis (“M&DA”) as well as comments made during the Second Quarter 2019 Investor Conference call contain forward-looking statements, as defined in the U.S. Private Securities Litigation Reform Act of 1995 (the “Act”), as well as forward-looking statements in this document. Such forward-looking statements are identified by terms such as “believe,” “expect,” “may,” “will,” “should,” “anticipate,” “aim,” “goal,” “targets,” “potential,” “estimate,” “future,” “may,” “should,” “will,” “potential,” “estimates,” “anticipates,” “aim,” “goal,” “targets” or other comparable terminology and similar statements of a future or forward-looking nature. Forward-looking statements, whether expressed or implied, are subject to risks and uncertainties that could cause actual results to differ materially from those contemplated by the forward-looking statements. These risks and uncertainties include, without limitation, the following:

- The supply of, demand for, and price of methanol and its 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; timing of completion and cost of our Gaspar 3 Project; global and regional economic activity (including industrial production levels); expected outcomes of litigation or other disputes, claims and assessments; and expected actions of governments, governmental agencies, gas suppliers, courts, tribunals or other third parties.

We believe that we have a reasonable basis for making such forward-looking statements. We base forward-looking statements in this document on our experience, our perception of trends, current conditions and 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; timing of completion and cost of our Gaspar 3 Project; 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 the assumptions described above, and other factors as described in our 2018 Annual Management’s Discussion and Analysis and our Second Quarter 2019 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.
Appendix
Methanol production process

- Primarily produced from natural gas
Global methanol industry demand

By application
- Formaldehyde: 28%
- Acetic Acid: 9%
- MTO: 14%
- Other Traditional: 20%
- Other Energy Applications: 29%

By region
- China: 58%
- Europe: 13%
- Latin America: 2%
- North America: 10%
- AP (ex. China): 16%

Source: IHS Chemical Supply and Demand Fall 2019 Update.
Methanex historical realized pricing

- Methanex posts reference prices:
  - Monthly in North America and Asia
  - Quarterly in Europe
- Realized pricing is lower than posted reference prices due to customer discounts and other factors

Source: Methanex. Assumes 2% inflation.
Methanol consumers

• Concentrated consumer base
  – 30% of global demand from top 20 consumers

• Main consumers are large, global chemical and China MTO companies:
  – Celanese, BP, Momentive, Sanjiang, Sailboat, etc.

• Methanex supplies primarily traditional chemical derivative customers who value:
  – Security of supply
  – Global presence
  – Quality product
Methanex cost structure

Natural gas
- Flexible price structure:
  - North America: ~75% of natural gas requirements under long-term fixed price contract or financial hedge
  - Rest of world: natural gas price varies based on methanol prices to allow assets to be competitive across price cycle

Logistics
- Fleet of 28 leased and owned vessels supplemented with short-term COA vessels and spot vessel shipments
- Integrated supply chain allows benefit of back-haul shipments
- Network of owned and leased terminals worldwide
- Various in-region logistics capabilities including tanker, barge, rail, truck and pipeline

Fixed manufacturing and G&A costs
- Primarily people costs (approx. 1,425 employees)

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1 Based on $400/tonne average realized methanol price. Natural gas prices vary with methanol pricing.
2 Logistics costs vary based on oil/bunker fuel prices.
Thank you

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