Methanex Investor Day

John Floren

September 2017

methanex
the power of agility

A RESPONSIBLE CARE® COMPANY

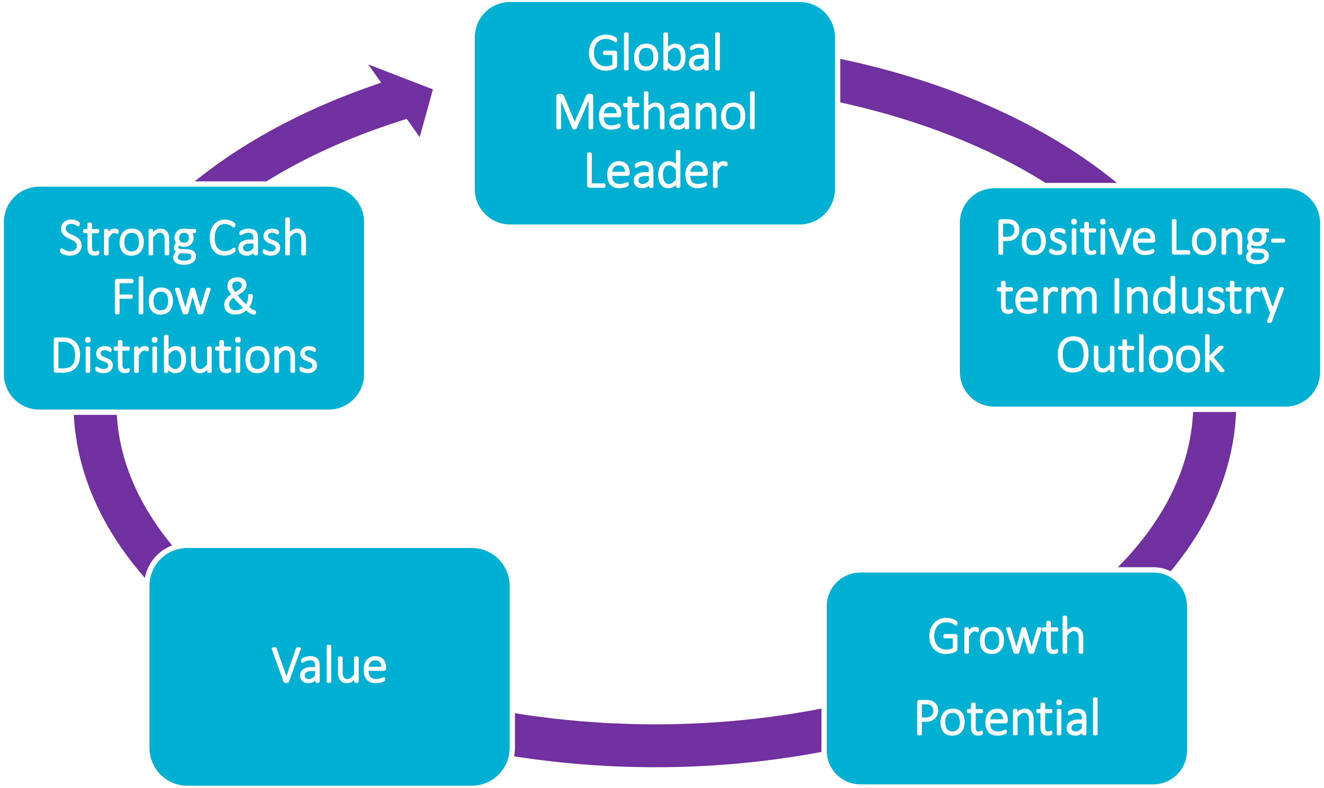
Forward-looking Statements & Non-GAAP Measures

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 2016 Annual MD&A and our second quarter 2017 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 2016 Annual MD&A and our second quarter 2017 MD&A.

methanex
the power of agility

Investment Opportunity

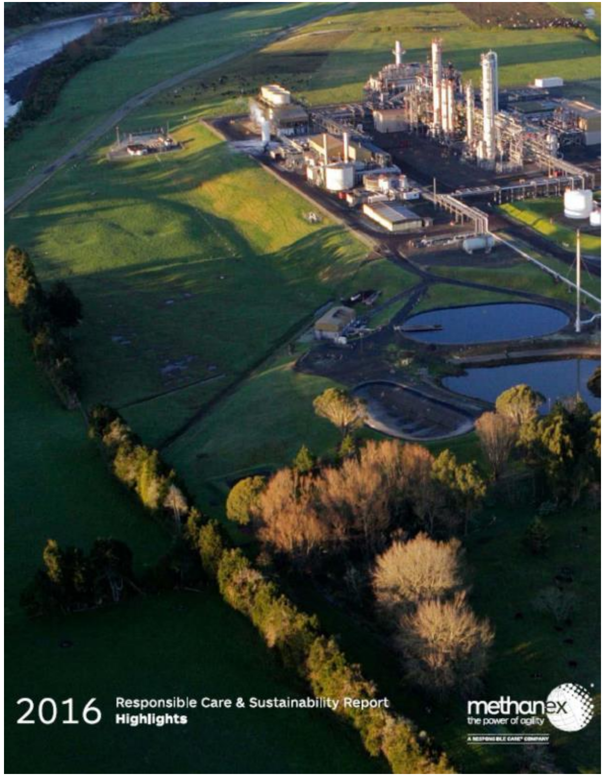


Methanex Strategy

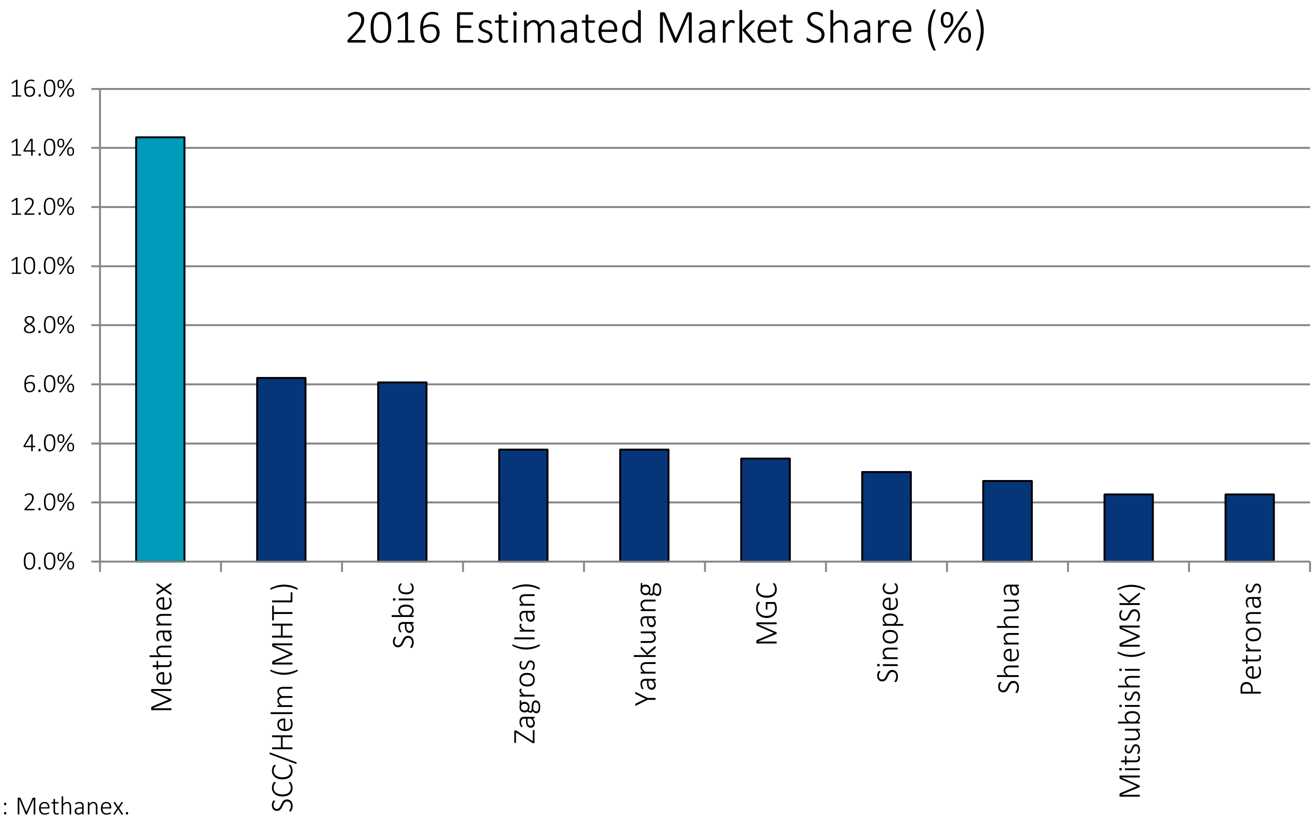
Methanex VISION:

Global Methanol Leadership

Leadership - Commitment to Responsible Care®



Leadership - Market Share



Source: Methanex.

methanex the power of agility

Operational Excellence

Relentless pursuit of capturing hearts and minds

methanex
the power of agility

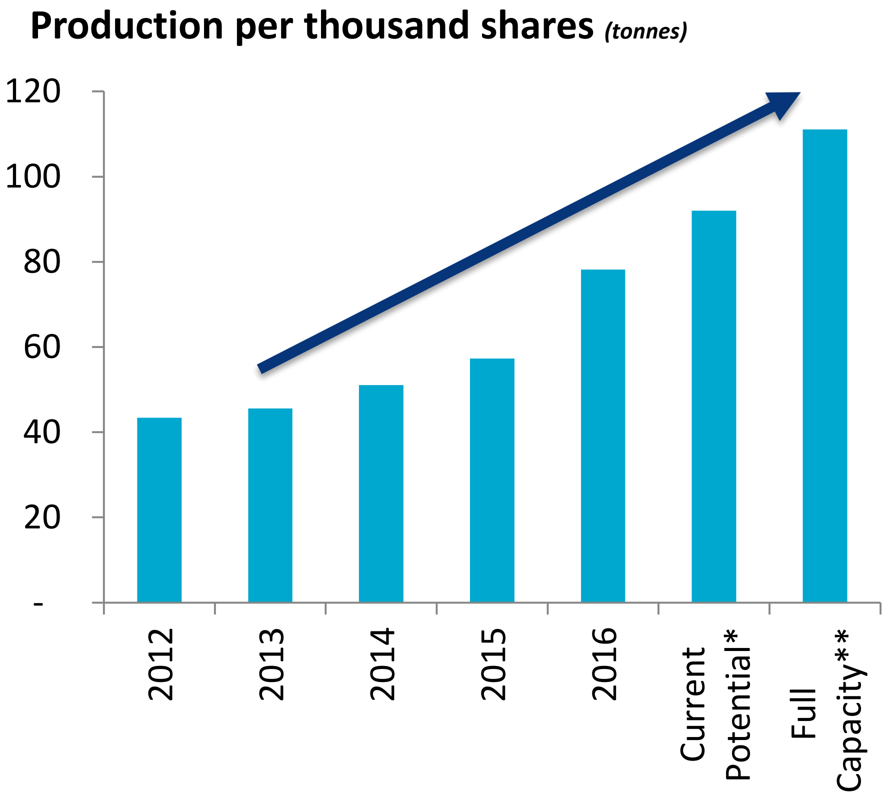
Low Cost

Competitive, Low Risk Assets

Responsive Cost Structure

Strong Balance Sheet and Liquidity

Shareholder Value Creation



January 1, 2012- June 30, 2017:

> $2 billion invested in company

> $1 billion returned to shareholders

Impressive increase in cash-flow capability per share

* Current potential = 7.7 mm MT production in North America (2.6); Trinidad (1.7); New Zealand (2.2 MM MT); Chile & Egypt (1.2). Assumes completion of current 10% share buyback.

** Full capacity includes 100% nameplate at all plants.

Marketing & Logistics

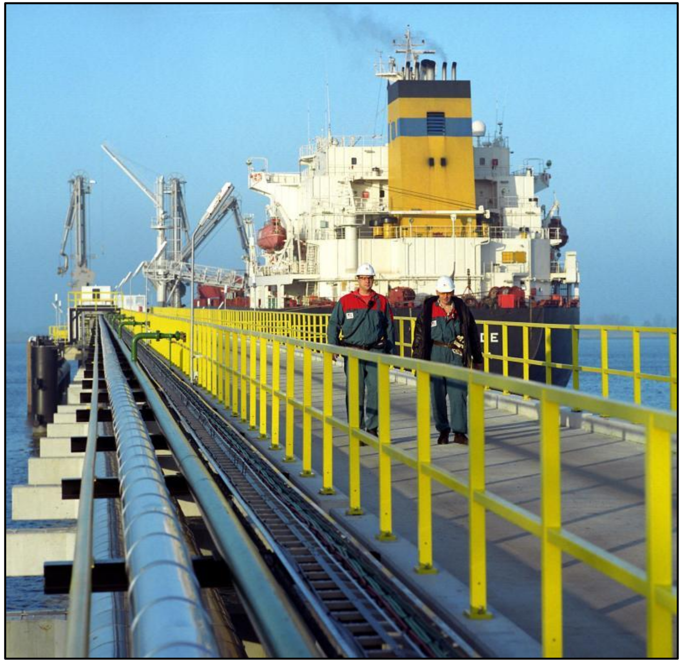
Vanessa James

Senior Vice President,
Global Marketing & Logistics

methanex™
the power of agility

A RESPONSIBLE CARE® COMPANY

Marketing and Logistics - Agenda



- General Market Update
- Demand
  - MTO – a Deeper Dive
  - Emerging Demand Applications
- Supply
  - Industry Capacity Additions
  - China Supply Fundamentals
- Methanol Price Dynamics

Market Update - 2017 Highlights

Strong fundamentals with price volatility

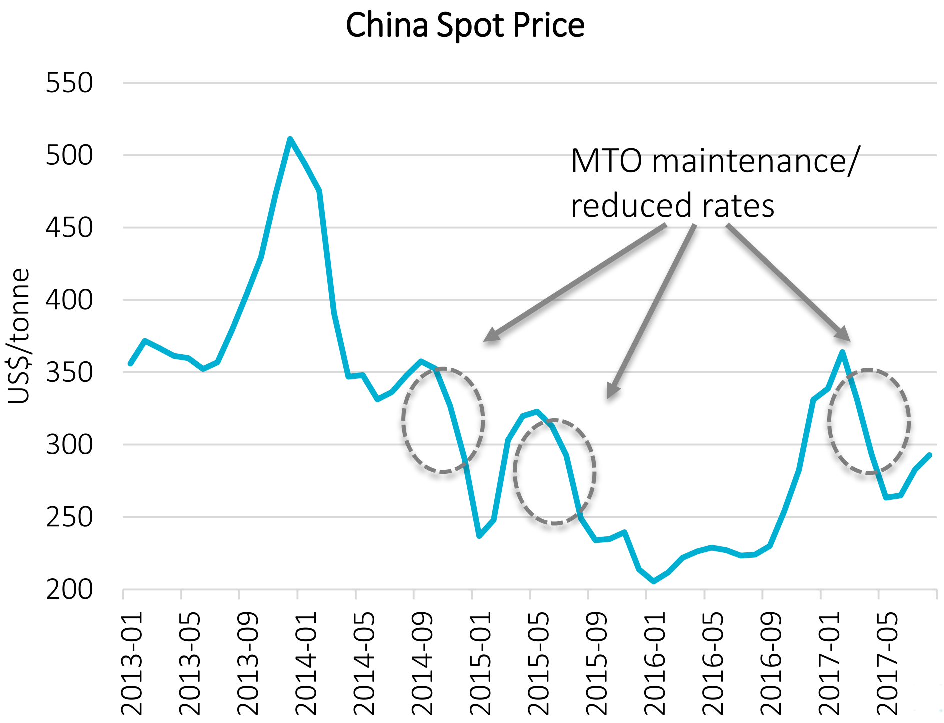
- Strong demand versus 2016 driven by new MTO capacity
- Lower MTO demand in H1-17 due to plant maintenance and technical issues
- Solid growth from traditional applications (5% year-over-year in Q2-17)
- Global methanol supply impacted by a number of plant outages in H1 2017
- Methanol industry has operated well in Q3, typical of summer months
- Inventory levels in China remain low

methanex
the power of agility

Market Update

Methanol price

- Significant price volatility 2015-17
  - MTO start-ups caused large demand swings as new projects worked through technical issues
  - Declining energy and olefins pricing also impacted methanol affordability
  - We believe longer-term price fundamentals show strong demand growth and measured supply



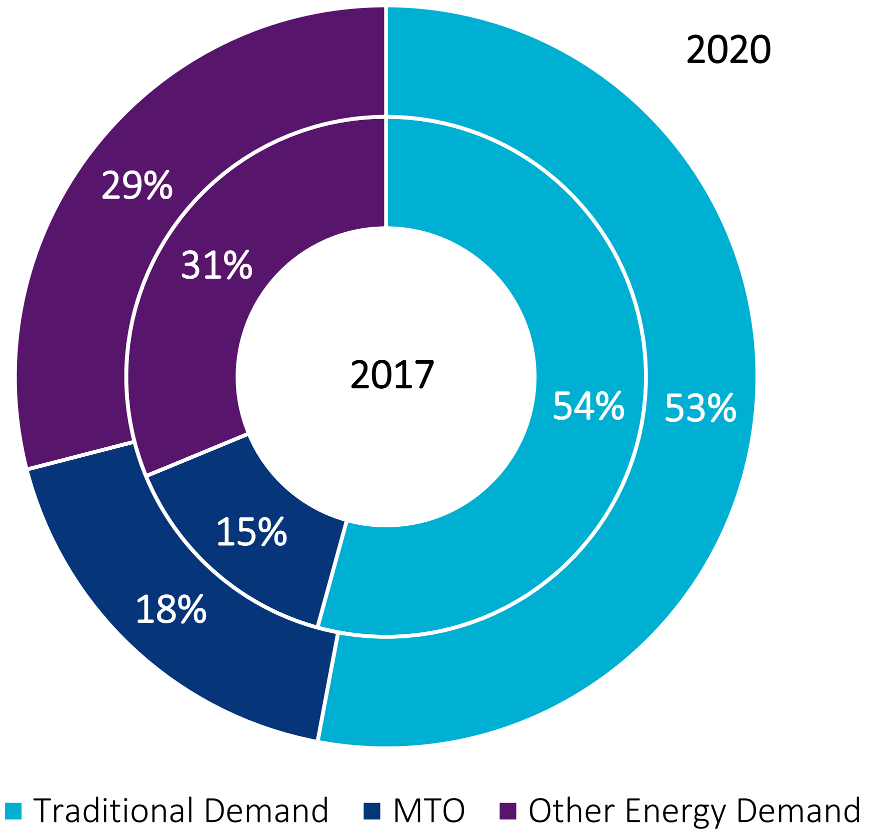
Source: Methanex, June 30, 2017

methanex
the power of agility

Methanol Demand

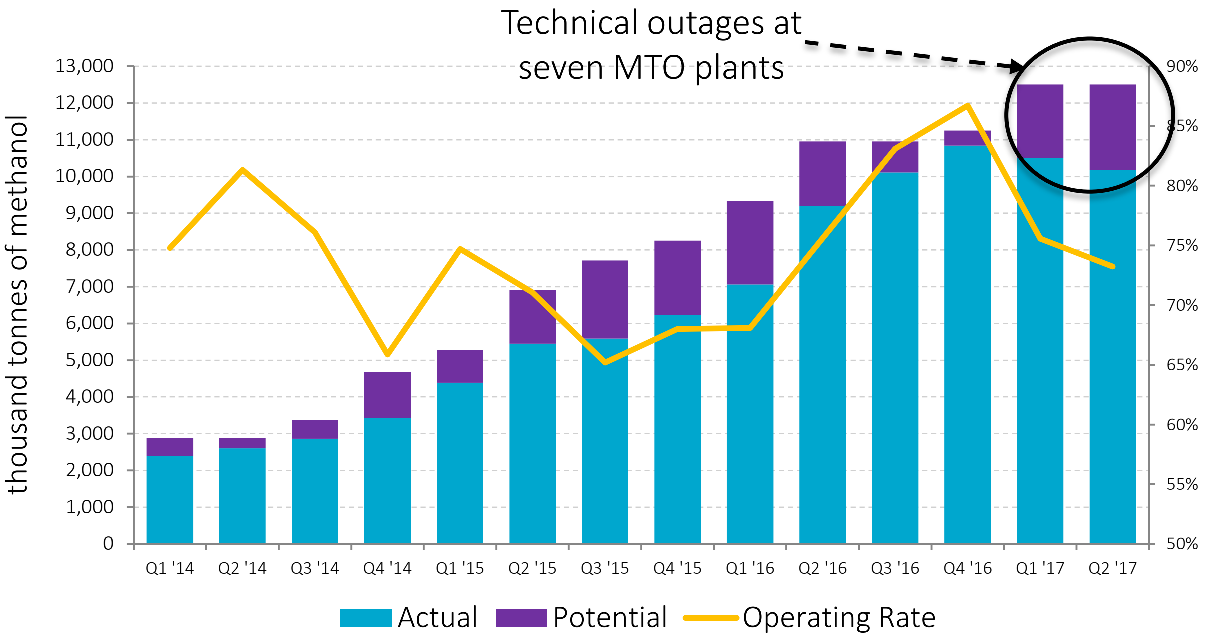
Evolution of global demand composition

- Traditional demand forecast to represent approximately half of global demand by 2020
- Expect strong methanol demand growth from MTO over the coming years from existing capacity and new 2018 start-ups



Source: IHS Chemical, Chemical Supply and Demand Balance Update 2017

MTO Leading Demand Growth

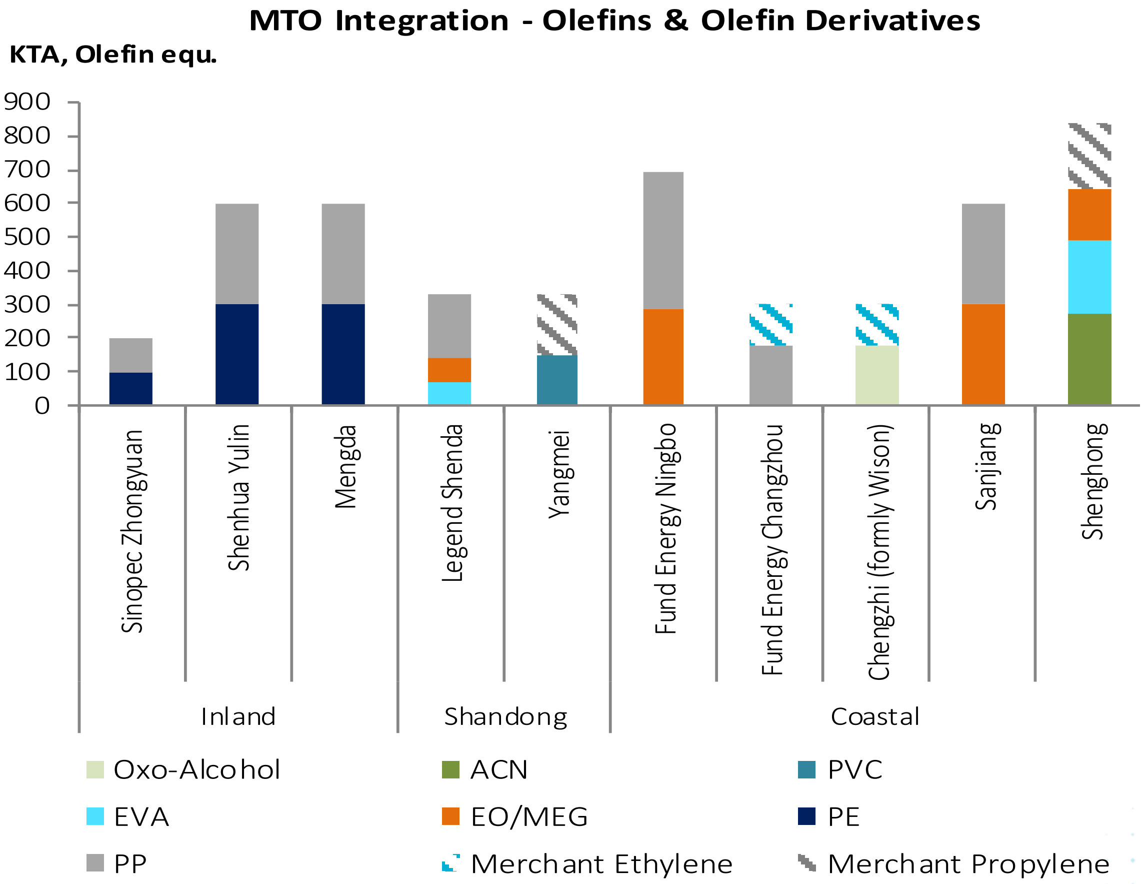


* Potential demand based on 90% operating rate. Excludes demand and capacity for methanol-to-propylene plants ("MTP")

- Strong growth in MTO capacity and demand in last three years
- Planned / unplanned technical outages at 7 MTO plants in H1-17
  - Demand impact ~1.3 million tonnes
- Three new MTO plants expected to be completed in 2018 (demand potential > 3 million tonnes)

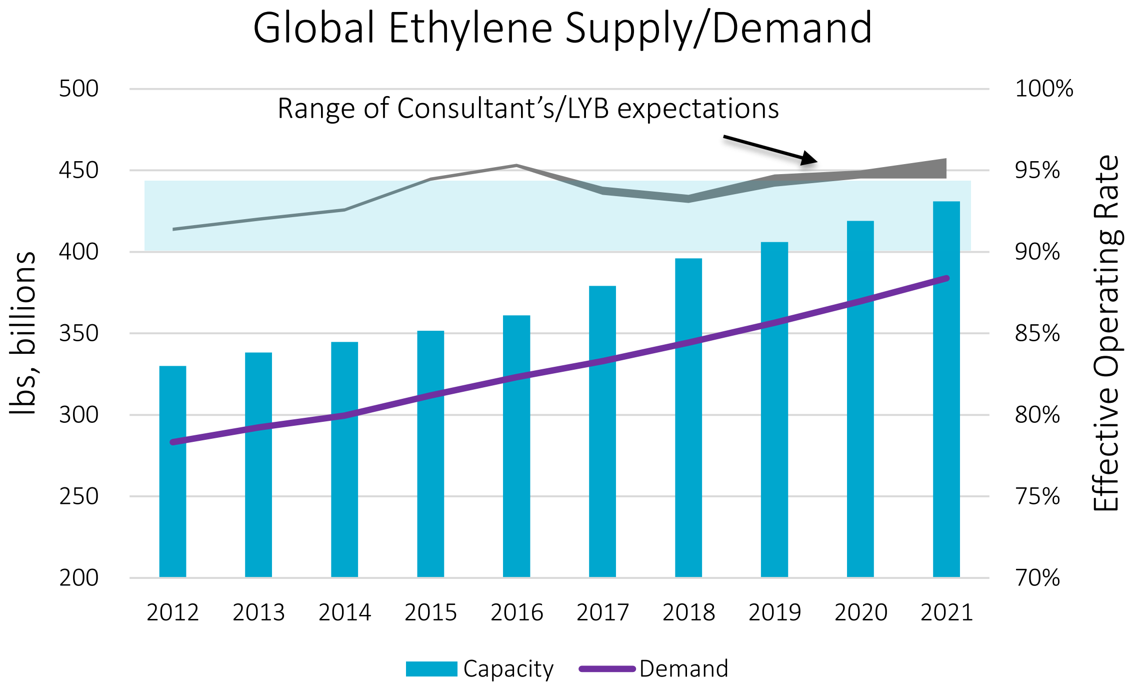
MTO Integration

- Olefins downstream integration adds resilience to overall MTO economics
- Out of these 10 plants, four are integrated with PP/PE, and six are integrated further downstream



Olefins Industry Outlook

- Estimated 2017-2020 global ethylene operating rates are above 2010-2016
- Range of estimates show 2018 dip in operating rates, and higher rates by 2019
- Potential for demand shocks or further supply delays to impact demand/supply balance



Source: Lyondell, IHS. Effective operating rate estimates assuming 6% average industry down time. Based on IHS 2017 updated balances.

methanex the power of agility

Emerging Energy Applications

Represent significant upside potential for long term demand

Marine Fuel

Fuel Blending
(low and high level blends)

Methanol to Power
(large scale & industrial boilers)

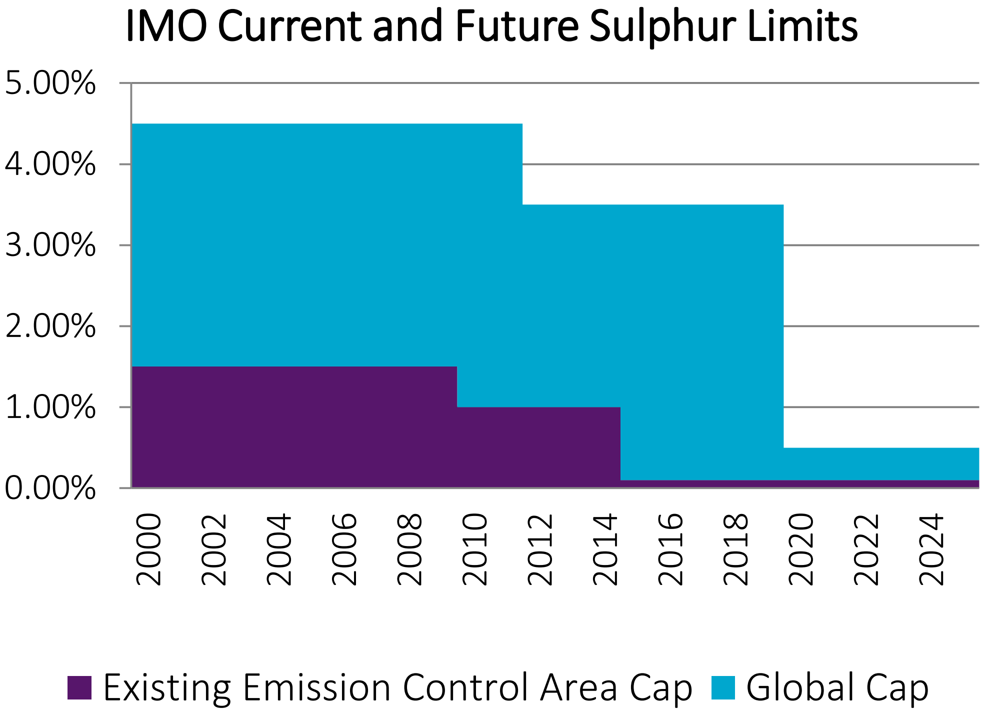
Responsible Care

MONITORING :

- Diesel vehicle fuel replacement – DME, dual fuel etc.
- DME – LPG Blending
- Methanol to Gasoline
- Methanol Fuel Cells

methanex
the power of agility

Emerging Market – Marine Fuel



Source: IMO

methanex
the power of agility

R&D / Commercialization

A number of projects are underway

GreenPilot

LeanShips

Billionmiles

MethaShip

Large Engine Market
(cruise ships and ferries)

Small Engine Market
(i.e. tug and barge)

China Market
(methanol fuel standard development)

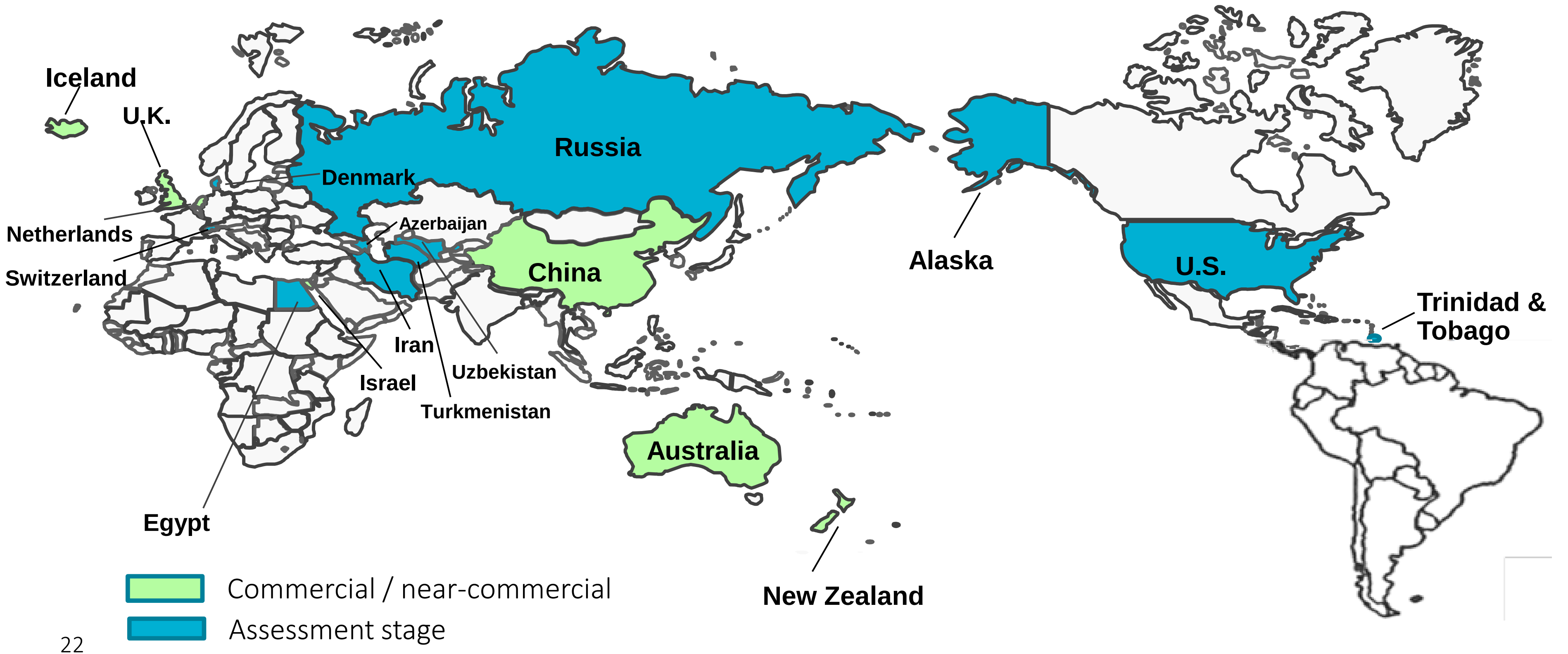
Fuel Blending in China

China fuel demand growth expected to continue

- A low-emission fuel
- High-octane – improving performance and efficiency
- An economical option
- Can be made from renewable sources
- Used in vehicles worldwide
- Accessible around the world

- High level blending growth driven by environmental needs for clean alternative energy
- Low level blending growth driven by overall gasoline consumption growth in China

Methanol Fuel Blending Growing Outside China



Emerging Market - Industrial Boilers

Significant Potential Opportunity in China

Environmentally Friendly

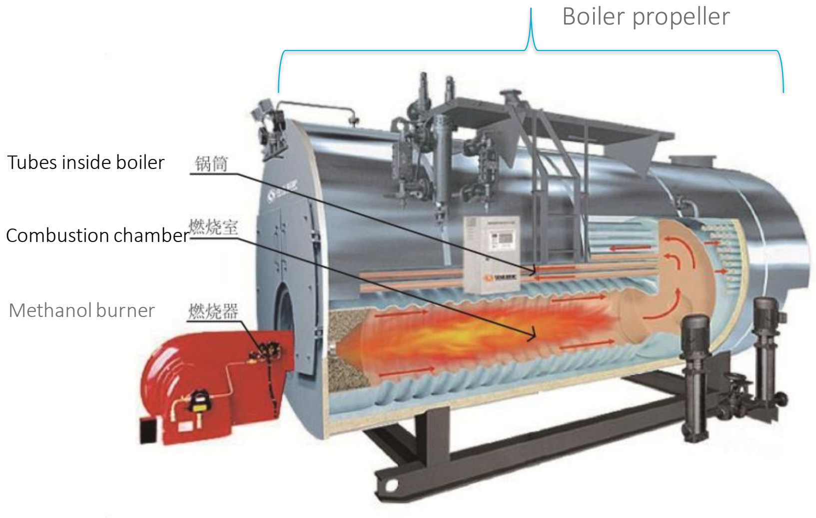
- reduction of PM, SOX, and NOX

Technology-Ready

- burner developed
- propeller compatible

Economically Competitive

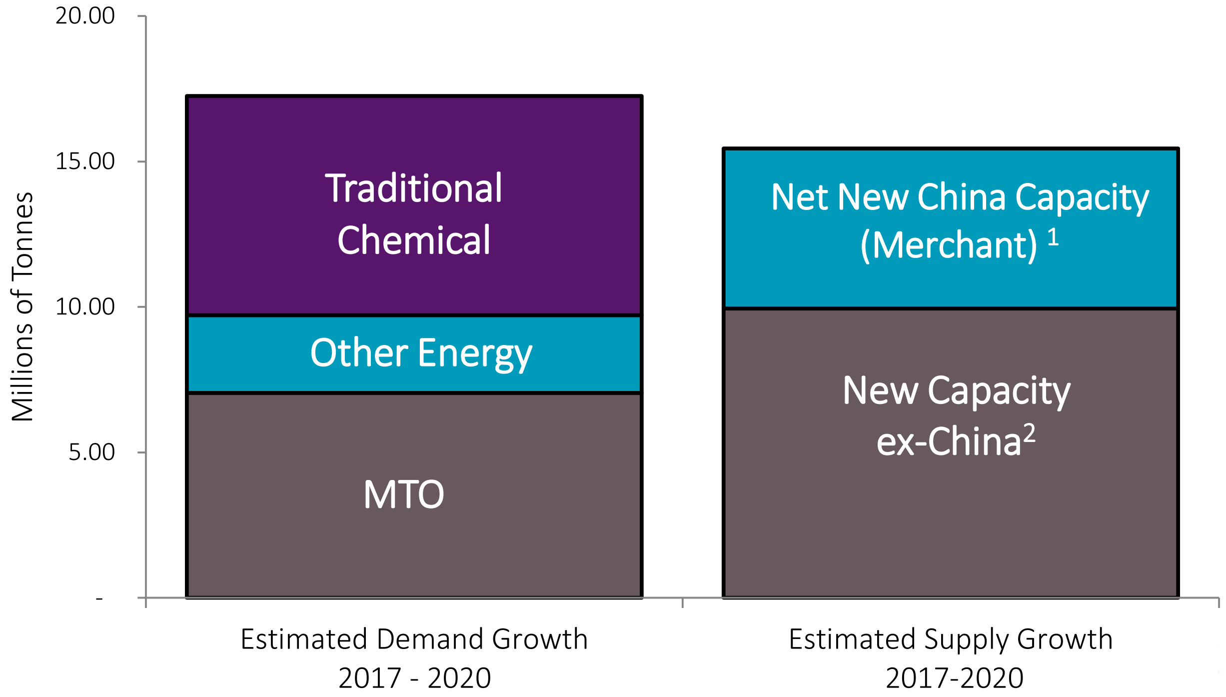
- moderate infrastructure investment
- low fuel cost



- 1/2 million coal-fueled boilers in China = (~500+ MM tpa annual methanol demand equivalent)

Demand and Capacity

- Demand growth expected to outpace capacity additions
- Supply growth centered in the Americas, Iran and China



1 Expected new China capacity net of expected supply rationalization

2 New capacity ex-China includes: North America (OCI 1.8, Yuhuang 1.8); Middle East (Iran 4.2, other 0.2) and Other Atlantic (Russia 0.5, Other 1.4).

Sources:

- Demand from IHS Chemical, "Chemical Supply and Demand Balance Update 2017." Excludes demand from upstream-integrated coal-to-olefins plants. Supply Estimates: Methanex

Iran Capacity Additions

Timing and operations are key supply variables in the short term

Iran capacity:

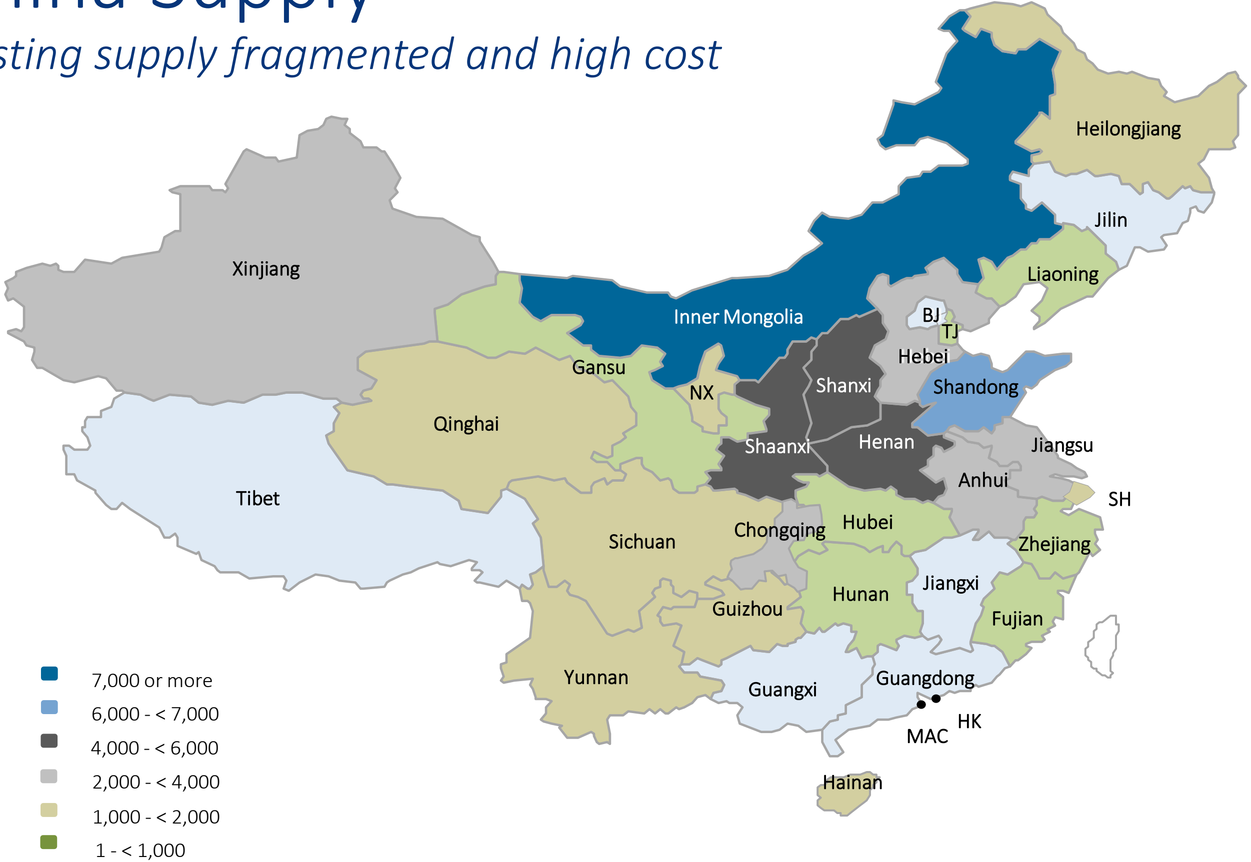
- 5 million tonnes current capacity has variable operating rate track record due to gas and marketing constraints and technical issues
- Two plants with ~4 million tonnes capacity anticipated in 2018; uncertain operating rates
- Other projects have uncertain completion or start-up timing

Key challenges :

- Upstream infrastructure development required
- Competition for domestic gas
- Geopolitical uncertainties and sanctions risks

China Supply

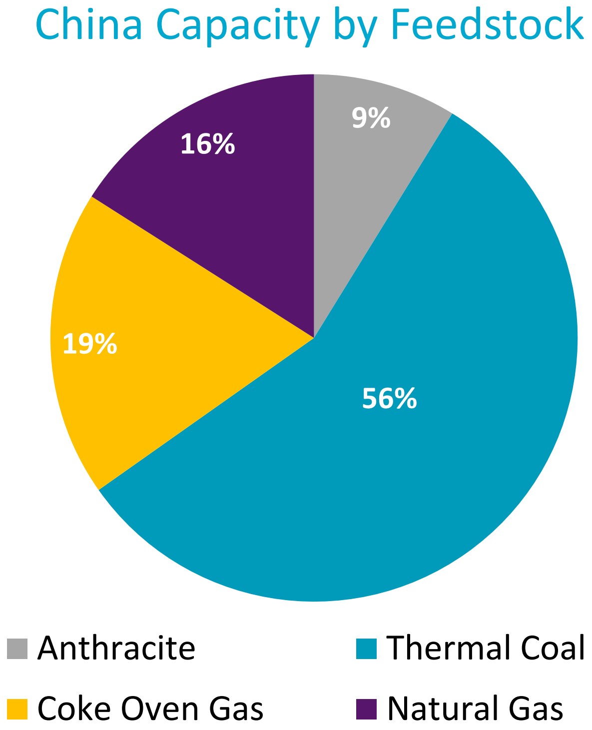
Existing supply fragmented and high cost



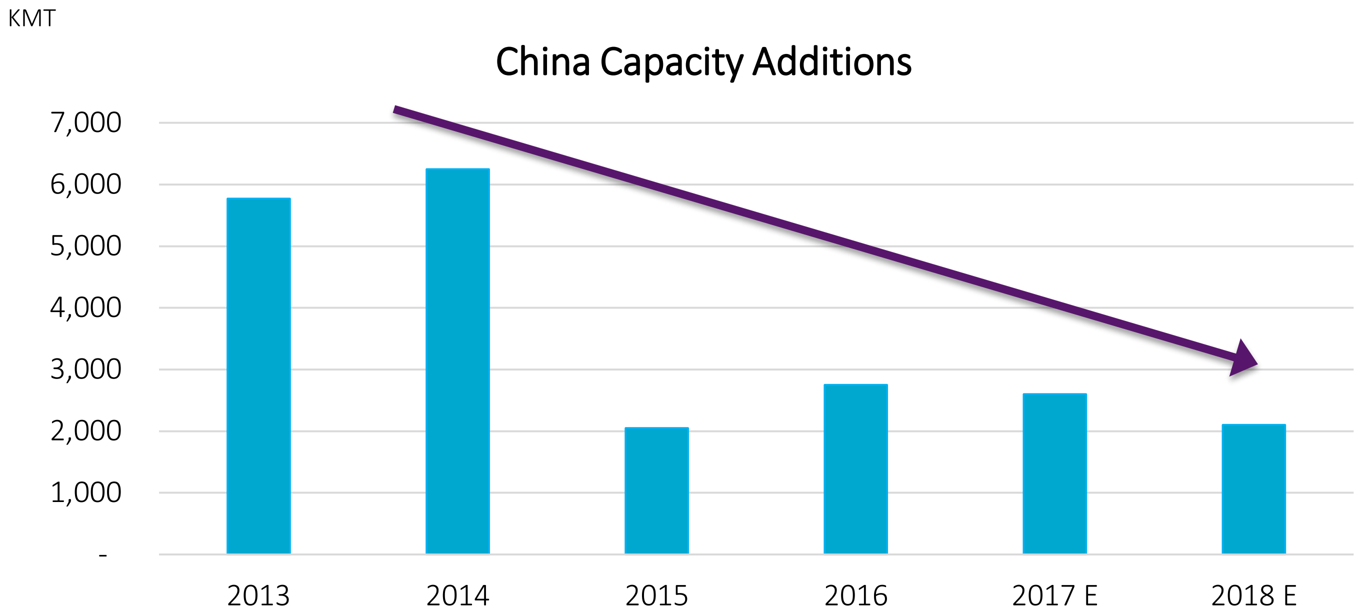
- 56 MMT capacity spread over 25 provinces
- ~175 plants
- Plants with capacity > 600,000 tonnes per annum account for only 16% of capacity

China Capacity Composition

Feedstock	Industry OR	Total Capacity (MMTA)	No. of Plants
Anthracite Coal	57%	5.5	27
Thermal Coal	73%	30.5	73
Coking Gas	47%	10.5	57
Natural Gas	34%	9.1	18

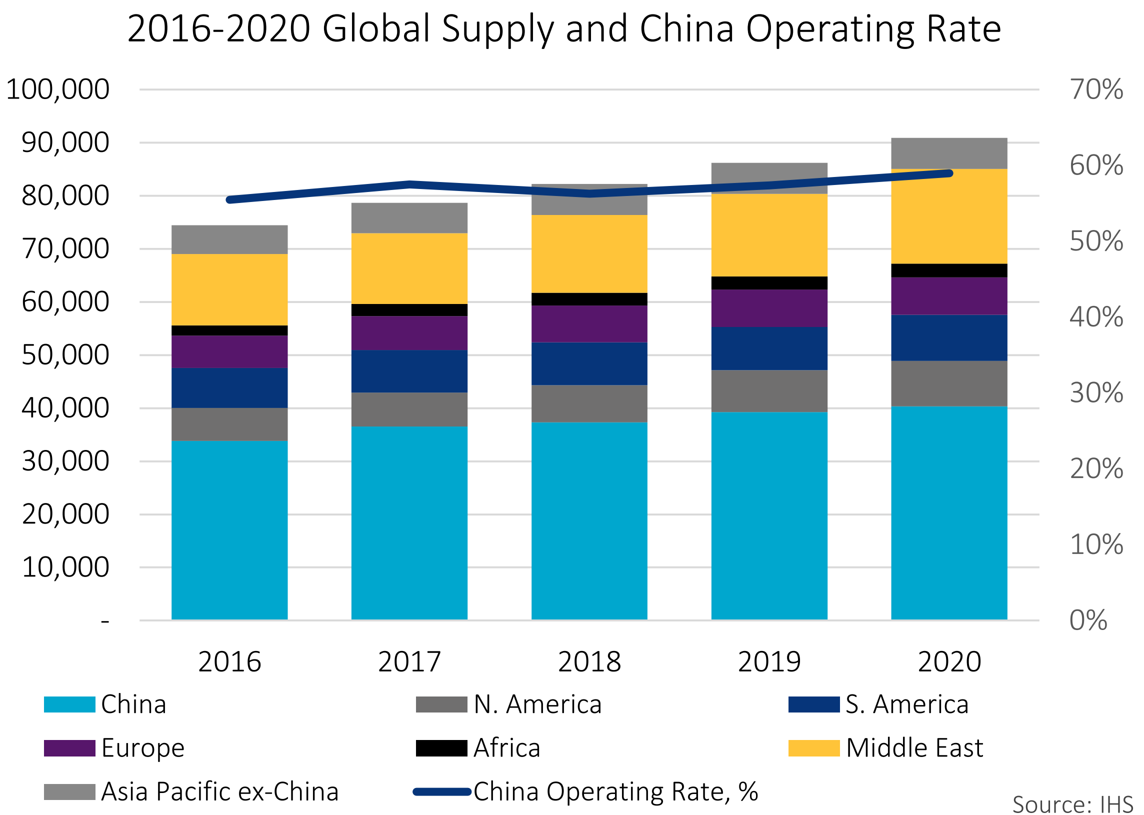


China Methanol Capacity Growth is Slowing



- Pace of new capacity additions has slowed down in China due to regulation restrictions.
- Project announcements are mostly expansions or with downstream integration.

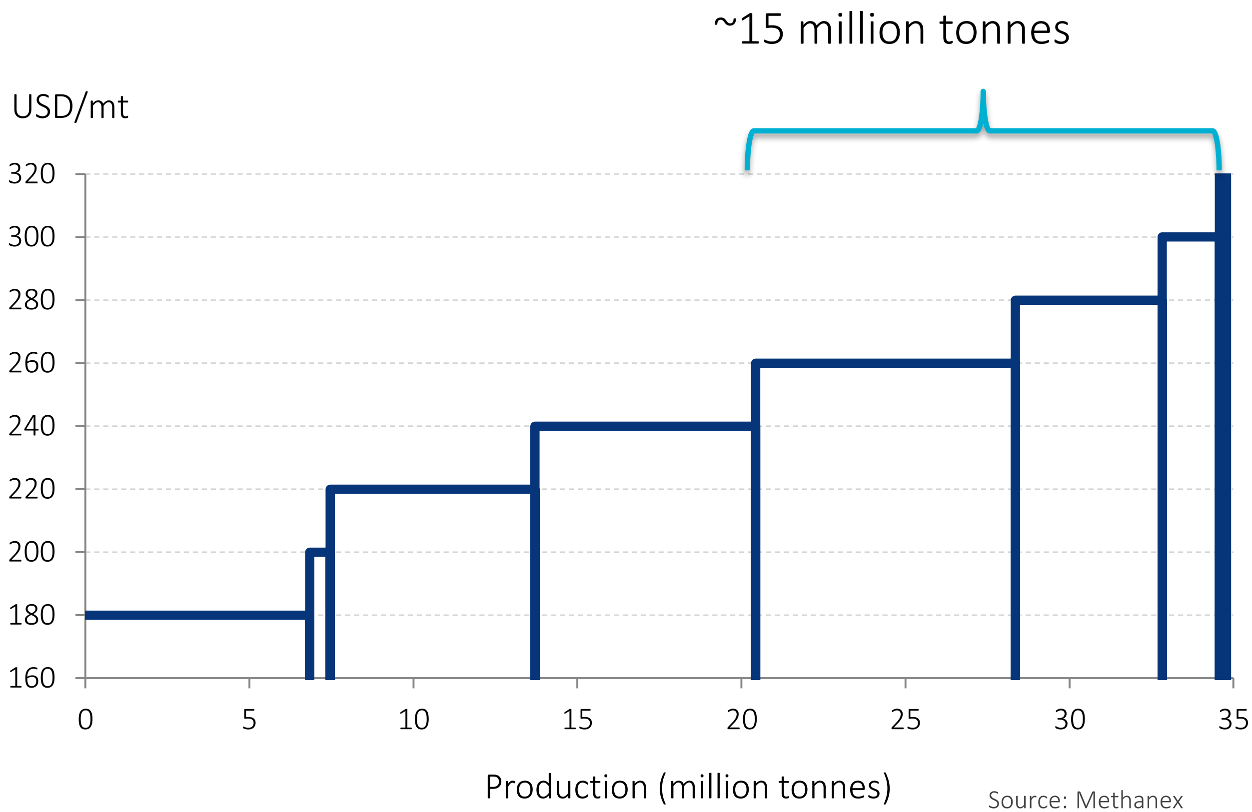
China Operating Rates Required to Increase



Source: IHS

- China needs to improve operating rates to meet increased demand
- Limited potential to increase lower-cost coal production by 2021

China Methanol Cost Curve (Q3, 2017)



Source: Methanex

- Substantial cost curve support
- High end of curve at $280-320 range
- Estimated ~ 15 million tonnes capacity in operation with costs > $260/tonne

China Coal Price

- Coal prices impact cost curve, but not at highest end
- Government announced a targeted range of RMB500-570 in January 2017 for 5500 kcal coal FOB QHD
- Current prices slightly above target range

Source: Bloomberg

methanex
the power of agility

Factors Influencing Methanol Price

Methanol Price Upside	Key Price Driver Impact
• Higher energy price environment (oil and derivatives; coal)	Affordability ↑
• New methanol capacity delays	Supply ↓
• Reduced availability of inputs (gas)	Supply ↓
• Higher input costs for marginal producers (gas or coal)	Marginal Cost ↑
• New demand applications	Demand ↑
• Geo-political risk in countries with methanol capacity	Supply ↓

Methanol Price Downside	
• Lower energy price environment (oil and derivatives; coal)	Demand, MC, Affordability ↓
• Slowdown in global and/or China economic growth	Demand ↓
• Higher than expected capacity additions	Supply ↑
• Lower input costs for marginal producers (gas or coal)	Marginal Cost ↓

Summary

- Recent price volatility due to fluctuating demand/supply balance as MTO start-ups work through technical issues
- Industry fundamentals are strong and demand outlook is robust
- Cost curve flattened at higher level, with marginal producers still required to operate
- MTO has demonstrated resilience in periods of weak economics due to downstream integration
- Expect new capacity in Iran, US and China over plan period, but uncertainty on timing and reliability remains, creating upside potential to methanol price if not materialized
- Continued positive developments in industrial boiler, marine fuel, and fuel blending demand segments, driven by clean-burning aspects of methanol as a fuel

methanex
the power of agility

Shipping

Paul Hexter

President,
Waterfront Shipping Company

methanex™
the power of agility

A RESPONSIBLE CARE® COMPANY

Shipping - Agenda

- Waterfront Shipping
- Methanol Marine Fuel
  - Attributes
  - Environmental Compliance
  - Methanol Marine Fuel in Use Today
  - Technology

Waterfront Shipping

- **Experienced and Knowledgeable Team**
  - Over 200 years experience in the shipping industry
  - Commercial, operations and technical expertise
  - Extensive (industry leading) tank cleaning experience
  - Long term relationships with vendors and customers
  - Network of brokers/ owners/ agents providing us market intelligence

Waterfront Shipping Fleet

MR FLEET 45,000 to 49,500 DWT Class


Cabo Negro II


Caribbean Spirit


Global Spirit


Magellan Endeavour


Patagonian Mystic


Falkanger


Finnanger


Fjellanger


Sabrewing


Scarlet Ibis


Tamiat Navigator


World Navigator


Taranger

MR FLEET 49,999 DWT Methanol Duel Fuel Engine Class


Lindanger


Taranaki Sun


Mari Jone


Leikanger


Mari Boyle


Manchac Sun


Cajun Sun

HANDY SIZE FLEET 22,820 to 32,000 DWT Class


Mariline


Marinex


Medalta Adventurer


Saamis Adventurer


Sakhara Lotus


Marit

COASTAL FLEET


Yelena 12k


Argo Chemist 3.5k

Responsible Care® & Quality

- **Safety Visits**
  - Focused on the human element
  - Safety culture
  - Improve life on board
- **Methanol Group**
  - Share best practices and incidents
  - Promote safety and learning
- **Safety Training Programs**
  - Methanol Safe Handling and N2 Training
- **Industry Participation and Contribution**

Methanol – An Innovative Alternative Fuel of Today and the Future

Methanol for Marine

Methanol is an innovative alternative fuel solution with many benefits

- Safe, environmentally friendly
- Low emissions
- Cost competitive
- Wide availability
- Fuel flexibility
- Innovative technology
- In use today

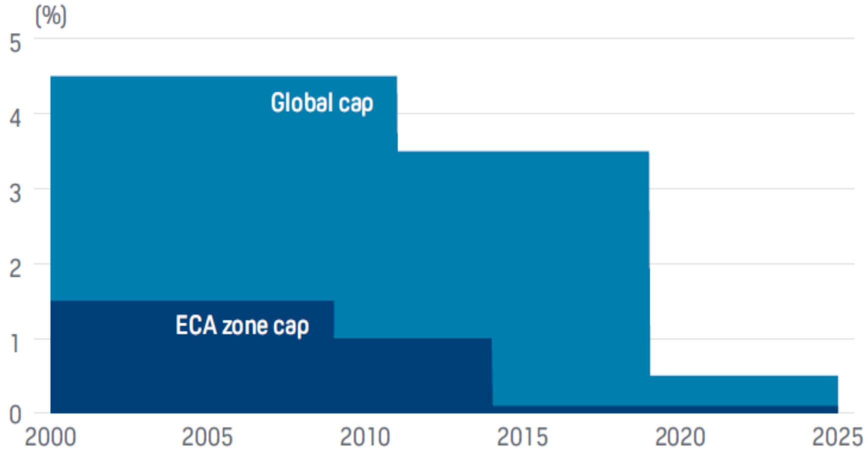
Methanol - Environment, Health and Safety

Methanol is a clear, colourless liquid that quickly and naturally biodegrades

- More environmentally benign than conventional marine fuels (i.e. HFO and MGO)
- Long history of methanol safe handling
- Industry standards established for the safe handling of methanol and other low flashpoint fuels

Marine Fuel Emissions Regulations Leading to Phase-in of Cleaner-burning Marine Fuels

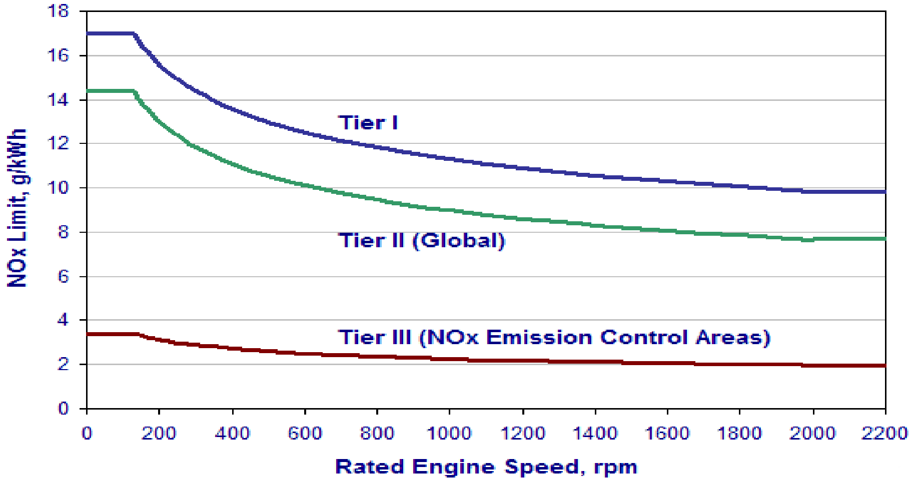
IMO Sulphur Limits – Marpol Annex VI



Source: IMO

IMO limits SOx content of fuel to 0.1% in ECAs. Global sulphur cap of 0.5% (from current 3.5%) to come into effect in 2020.

IMO Nitrogen Oxides Limits – Marpol Annex VI



Tier III NOx limits effective in North America in 2016 and North and Baltic effective 2021 (newbuilds only)

Cost Competitiveness: Fuel

Methanol is an economically viable alternative marine fuel over the cycle

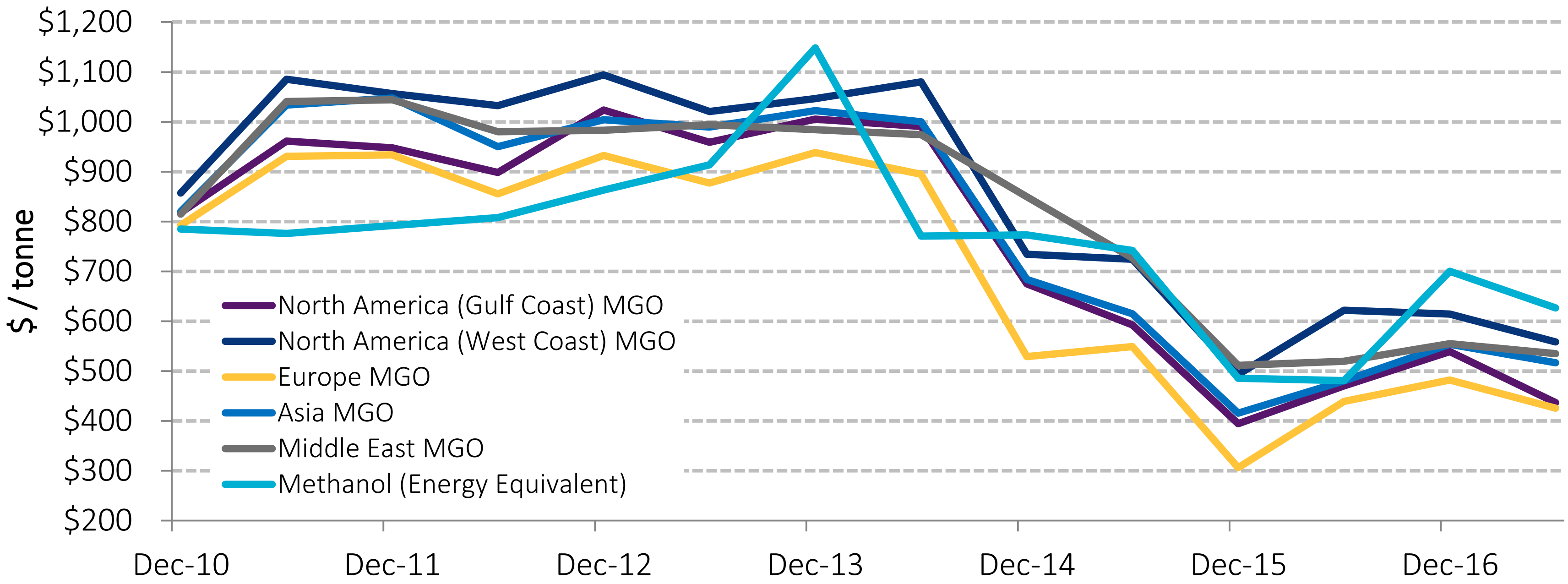


Chart source: Platts and IHS Chemical

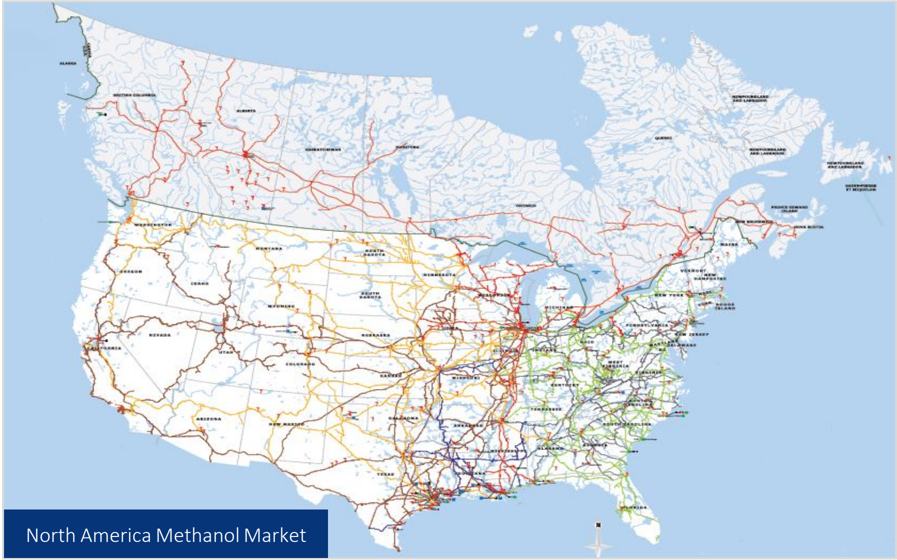
- MGO NA GC: Avg New Orleans, Houston; MGO NA WC: Avg LA, San Francisco, Seattle, Vancouver; MGO Europe: Avg Rotterdam, Antwerp, Hamburg; MGO Asia: Avg Shanghai, Korea; MGO Middle East: Avg Fujairah, Kuwait, Khor Faakan
- Methanol: Avg USGC, China and Europe spot prices; adjusted to energy equivalent of MGO (2.16 factor)

Wide Availability & Low Infrastructure Costs

Methanol infrastructure already in place and well positioned to reliably supply the global marine industry

Methanol Global Terminal Locations

Methanol global terminal locations based on available information; not a complete list



North America Methanol Market

Red flags/circles represent existing methanol supply locations; lines represent rail networks

Source: Methanex

Fuel Flexibility

Methanol fuel enables shippers to operate cost effectively and diversify fuel options

Methanol in Use Today: Waterfront Shipping Tankers

The world's first seven methanol-fueled tankers

Cajun Sun

Mari Jone

Taranaki Sun

Leikanger

Mari Boyle

Lindanger

Manchac Sun

Medium Range Fleet 50,000 DWT
Methanol Duel Fuel Engine Class

- Commercial-ready technology
- In 2016, Waterfront Shipping launched seven vessels with methanol dual-fuel MAN ME-LGI 2-stroke engines
- Multiple ship owners

MARINVEST

MOL Mitsui O.S.K. Lines

WATERFRONT®
Shipping Company Limited
A Responsible Care® Company

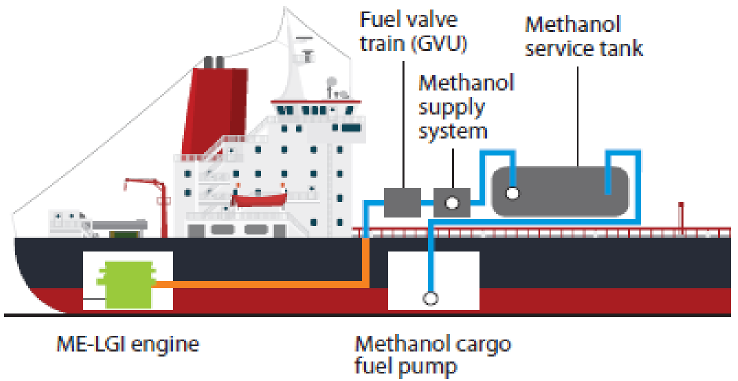
WL
WESTFAL-LARSEN

MAN

How Are We Doing?

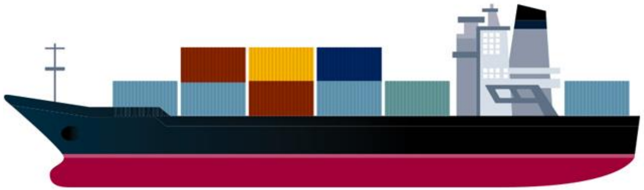
Vessel performance and experience

- First of its kind technology
  - Technical improvements
- Proven technology that can switch between various fuels and meet industry emission regulations
- Successful partner collaboration and investment



WFS Vessel Results: Emission Reductions

For every 1 hour running on methanol, emissions have been reduced by:



=

NOx
34%
(~83kg)

SOx
85%
(~47kg)

Particulate Matter
85%
(~6kg)

=

Taking 33 Heavy Duty trucks off the road for one day (NOx)

Source: Waterfront Shipping
Emission reductions when compared to heavy fuel oil

Recognitions and Milestones

Accolades from the marine industry for use of clean-burning methanol

MOL Mitsui O.S.K. Lines News Release

July 10, 2017

Three MOL-owned Methanol Carriers Earn 'Technology Special Prize' in Ship of the Year 2016 Awards

- The World's First Series of Methanol Carriers with Main Engine Using Methanol -

MANCHAC SUN: Methanol-fuelled methanol carrier

Next Steps

- Advance learnings
- Plans to continue collaborating with shipping partners to further invest in the technology

Summary

Positive outlook for methanol marine fuels

- Methanol is proven to meet current and future emission regulations
- Valuable learnings on solutions to further enhance vessel operating performance and adopt methanol at a commercial scale
- Methanol is a competitive alternative marine fuel

Manufacturing

Kevin Henderson

Senior Vice President,
Manufacturing

methanex
the power of agility

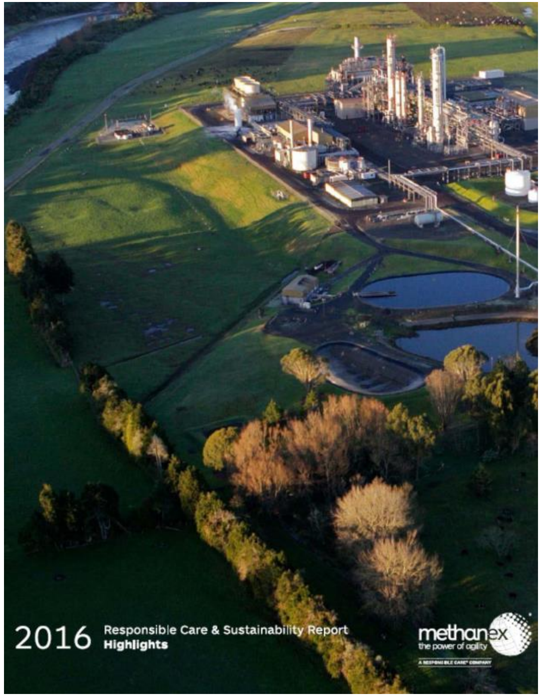
A RESPONSIBLE CARE® COMPANY

Manufacturing - Agenda

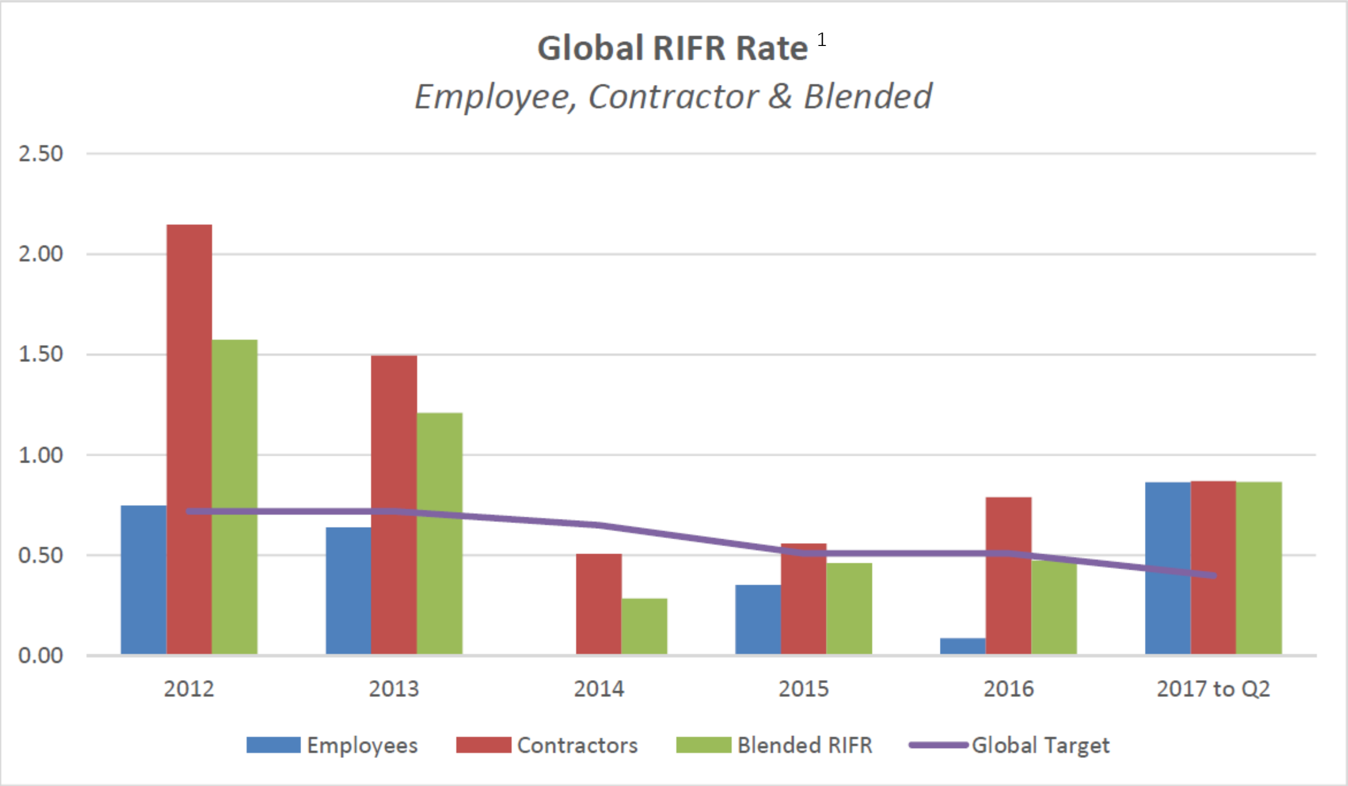
- Commitment to Responsible Care®
- Increase in Production Capacity
- Global Operations Update

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:
  - employee health and safety
  - community safety
  - environmental protection
  - product stewardship
  - social responsibility

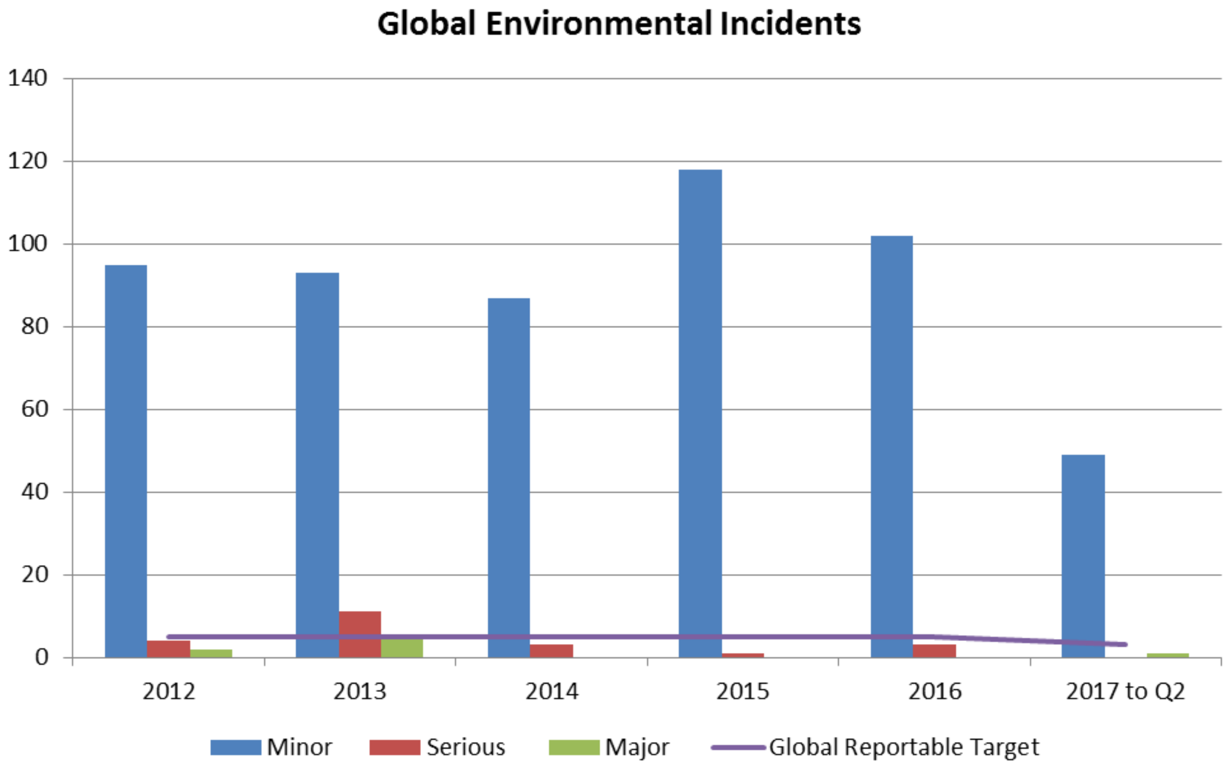


Responsible Care® Metrics



[1]Recordable Injury Frequency Rate = N ×200,000 Exposure Hours where N = total of (medical treatment plus restricted work plus lost time events).

Responsible Care® Metrics



Operational Excellence Initiatives

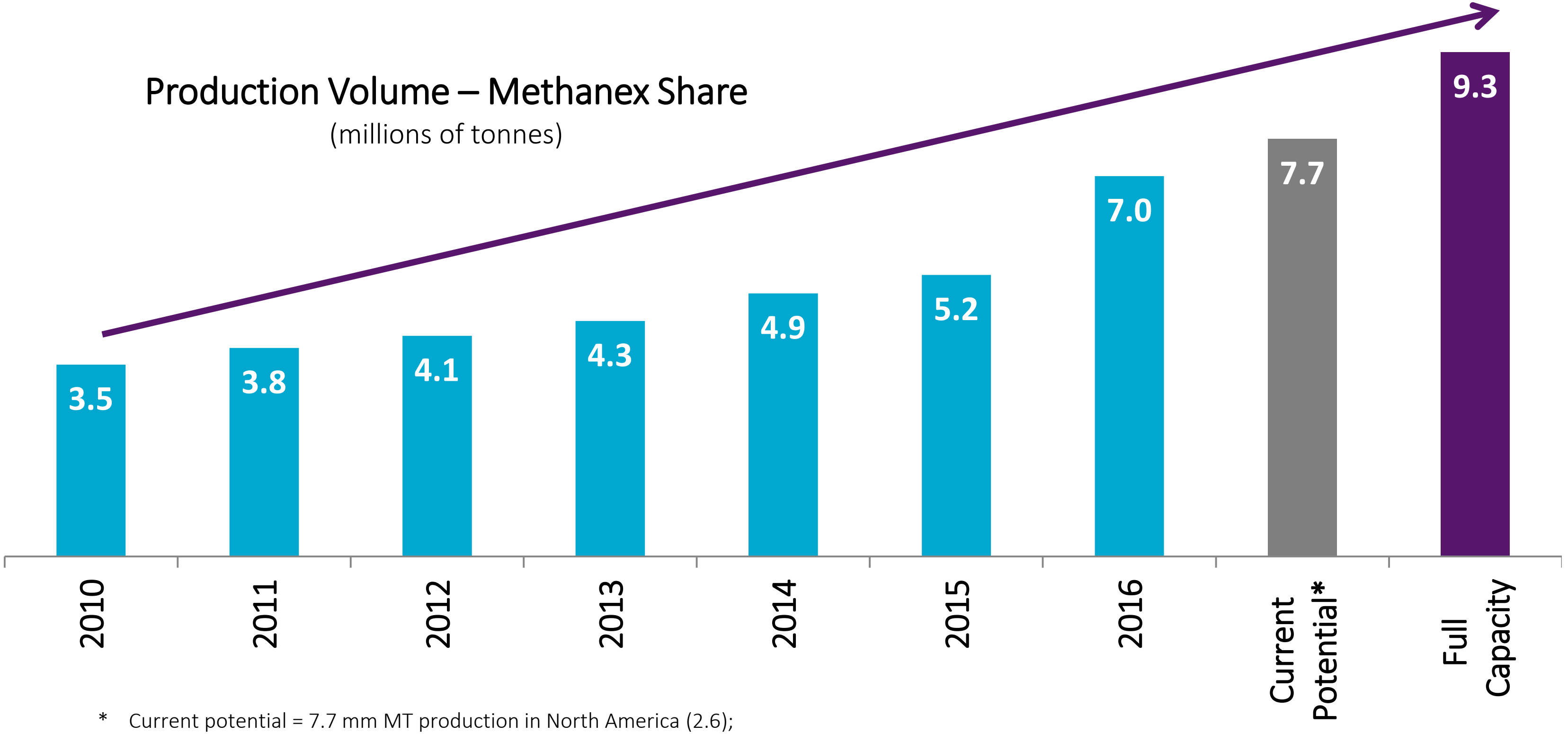
Responsible Care®: Relentless pursuit of capturing hearts and minds

- Responsible Care® is part of our DNA and is a non-negotiable at Methanex
- Key education initiatives continue to embed the Responsible Care® ethic in the hearts and minds of all of our employees
- We all have specific targets that relate to Responsible Care

Continuous improvement in:

- Personal Safety
- Environment
- Process Safety
- Responsible Care® Culture
- Stewardship and Accountability

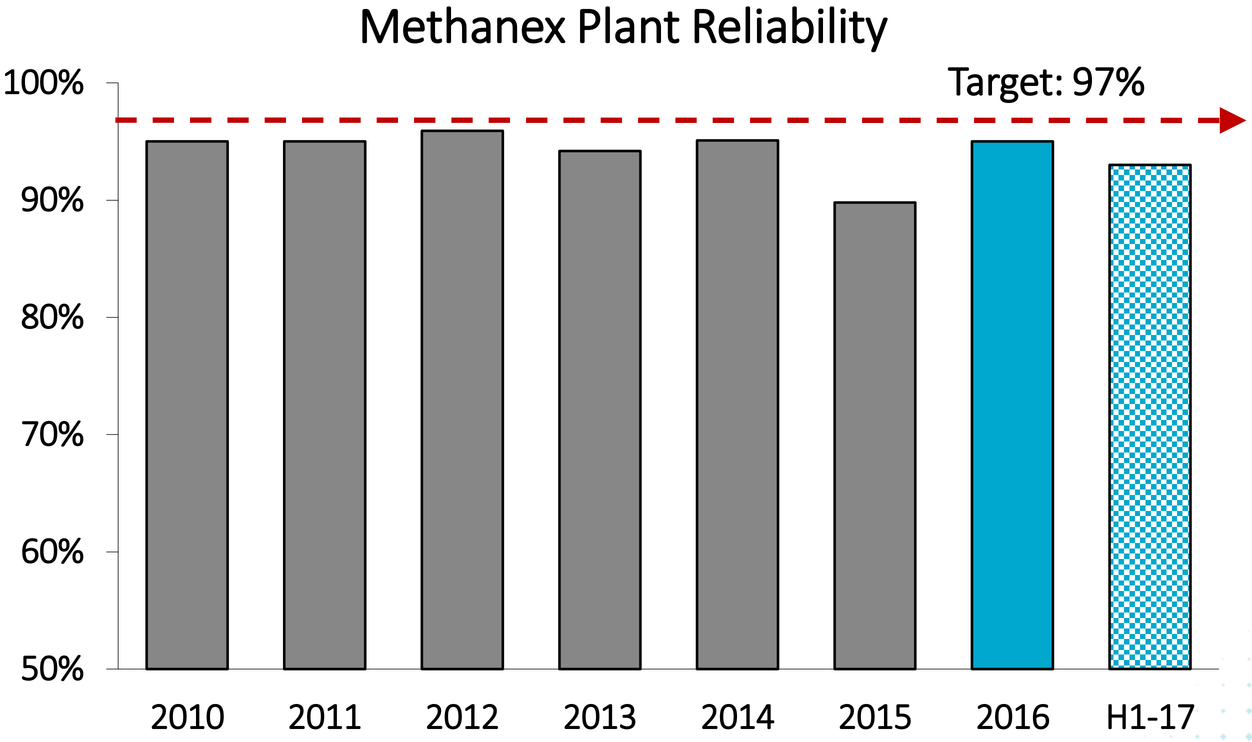
Methanex Production Doubled Versus 2010



* Current potential = 7.7 mm MT production in North America (2.6); Trinidad (1.7); New Zealand (2.2 MM MT); Chile & Egypt (1.2).

Operational Excellence

- Providing a safe and reliable supply of methanol is our key value proposition



Operations Update

Geismar, Louisiana, USA

- 2 facilities, 2 MMT capacity
- Gas supply combination of physical contract, financial hedges, and open position
- Supplies North America, Europe and Asia

Medicine Hat, Alberta, Canada

- 600 kMT capacity
- Gas supply combination of financial hedges and open position
- Supplies Western Canada and US

Operations Update

New Zealand

- 3 facilities, 2.4 MMT combined capacity
- Gas supply is a variety of medium-term physical contracts
- Supplies Asia Pacific

Trinidad

- 2.0 MMT (Mx share) capacity
- Gas supply from physical contracts
- Supplies Americas, Europe and Asia Pacific

methanex the power of agility

Operations Update

Damietta, Egypt

- 630 kMT (Mx share) capacity
- Gas supply under long-term contract
- Supplies Europe

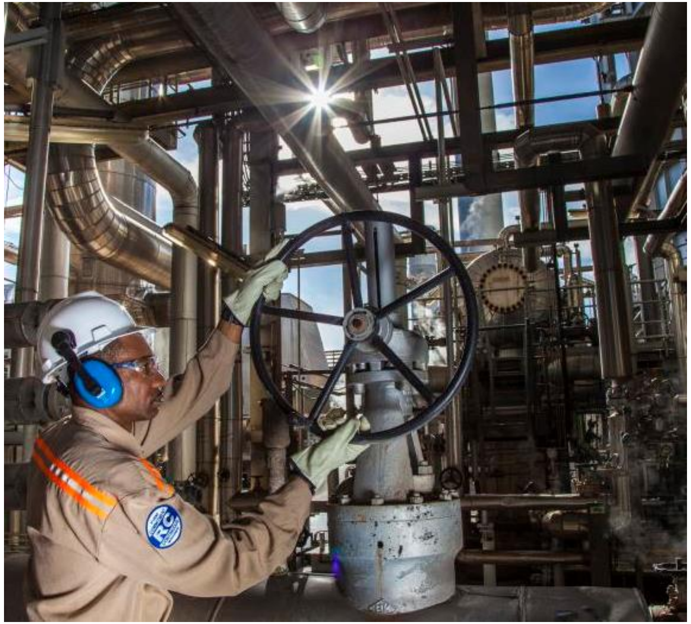
Punta Arenas, Chile

- 2 facilities, 1.7 MMT capacity
- Gas supply combination of short-term contracts
- Supplies Latin America and well positioned for all markets

methanex
the power of agility

Manufacturing Initiatives

- Safe
  - To ensure that we provide security from harm, injury, danger or risk.
- Reliable
  - To ensure that we are consistently trustworthy. We will deliver on our promises.
- Sustainable
  - To ensure we are strongly supported in each country we operate in.



methanex
the power of agility

Summary

- Responsible Care® is a core component of the Methanex strategy
- Focused on safe, reliable and sustainable operations
- Investments have more than doubled our production
- Quality of the asset base significantly improved – OECD countries and strong gas supply

Strong production results provide solid shareholders returns

Corporate Development

Mike Herz

Senior Vice President,
Corporate Development

methanex™
the power of agility

A RESPONSIBLE CARE® COMPANY

Corporate Development - Agenda

- Methanex Strategy and Competitive Advantage
- Commitment to Global Methanol Leadership
- Approach and Challenges for Growth

Methanex Competitive Advantage

- Multiple production sources
- Fleet of dedicated methanol ocean vessels
- Integrated global supply chain
- "Local" customer service
- Focus on methanol only – infrastructure, people, safety

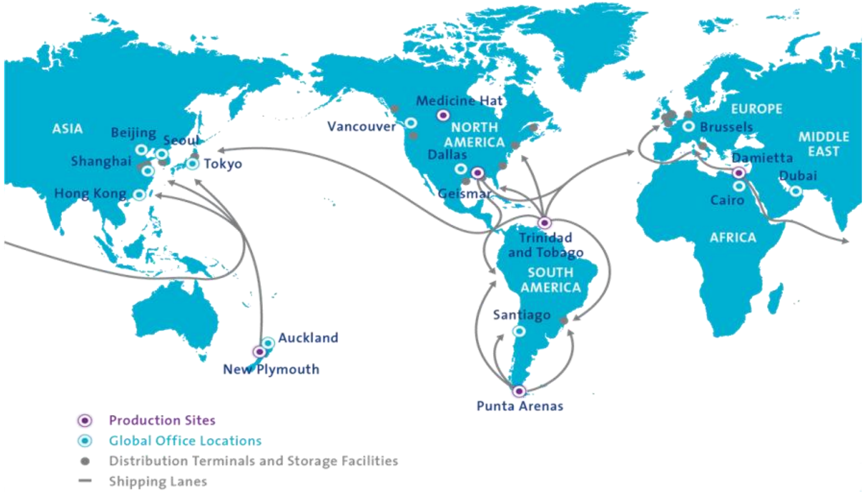
Quality Reliable Supply = Preferred Methanol Supplier

Global Methanol Leadership

- Focused Strategy – Methanol only
- Integrated set of global capabilities
- Dedicated to the customer
- Competency built over decades

Ivey | Publishing

METHANEX: DEVELOPING STRATEGY IN A COMMODITY INDUSTRY



→ Global methanol franchise that would be difficult to replicate

methanex
the power of agility

Approach to Growth Opportunities

- Grow with the market
  - We have grown and improved the quality of the business
- Chile provides low cost near term growth opportunity
- Focused on making <u>disciplined investment decisions</u>
  - Current project and economic environment is challenging for new builds
  - Small team in Methanex advancing options

➡ No significant capital spend beyond Chile for next 18+ months

methanex
the power of agility

Challenges to Growing in the Methanol Industry

Estimated Nominal IRR [1]

Natural gas $/mmbtu	Realized Methanol Price - $/ tonne			
	300	350	400	450
5.0		2%	8%	12%
4.0	0%	6%	11%	14%
3.0	5%	9%	13%	15%
2.0	8%	12%	14%	17%

- Long-term price required for a greenfield project to reach Methanex return target exceeds $400/tonne
- Other challenges include project execution risk, logistics solution to Asia, long-term gas price and visibility on carbon and other regulations

[1] Refer to Methanex Investor Presentation on methanex.com for detailed assumptions. Source: Methanex estimates.

Multiple Growth Opportunities

Near-Term | Medium-Term | Long-Term

Partnering where and when appropriate and M&A when opportunities arise

Chile I and IV
Ramp-up / Restart

Plant Optimization
Opportunities

Geismar 3 Brownfield

Med Hat 4 Brownfield

- Active prospecting of other opportunities and leveraging leading global presence

methanex
the power of agility

Summary

- Global franchise dedicated to methanol only
- Competitive advantage that is difficult to replicate
- Commitment to global methanol leadership provides ongoing opportunities
- Minimal growth capital beyond Chile for 18+ months

Strong franchise provides solid returns to shareholders

Finance

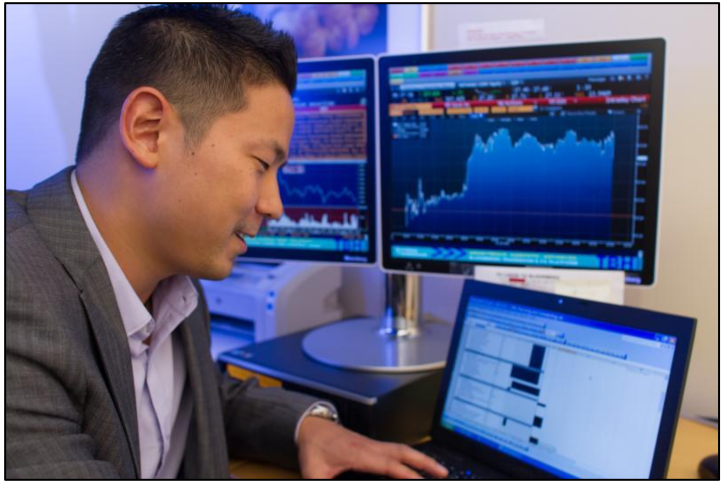
Ian Cameron

Senior Vice President, Finance & CFO

methanex™
the power of agility

A RESPONSIBLE CARE® COMPANY

Finance - Agenda



- Methanex Financial Strategy
- Financial Results
  - Significant Increase in Earnings Power
- Capital Allocation
  - Priority for Near-term Excess Cash
- Risk Management and Governance

Methanex Financial Strategy

Continued Focus on Methanol Only

Strategy	Target
Ensure strong liquidity throughout methanol price cycle	Maintain adequate cash balances Maintain access to undrawn credit facility
Maintain a strong balance sheet	Investment Grade
Maintain industry leadership position	Invest in value-creating growth opportunities
Flexible distributions of excess cash	Sustainable, regular dividend Flexible share buy-back programs

Capital Structure & Liquidity

- Strong liquidity position
- Next bond maturity is December 2019
- No major growth capital for next 18+ months
- Egypt debt has no recourse to Methanex outside Egypt entity
  - Egypt entity in strong liquidity position and has a substantially improved gas outlook
- Majority of leases are for ocean shipping vessels; there is no recourse to Methanex

		At June 30, 2017
Cash (MX Share)		307
Undrawn Credit Facility		300
Total Liquidity		607
Methanex Bonds		
Due 2019	347	
Due 2022	248	
Due 2024	297	
Due 2044	295	1,187
Limited Recourse Debt		
Egypt (MX Share)	133	
Other (MX Share)	39	172
Sub-Total		1,359
Capital/operating leases		700
Total Debt		2,059

methanex
the power of agility

Leverage – Rating Agency Perspective

Pro Forma Rating Agency Credit Ratios

(US$ billions unless indicated)

Total Debt [1]

Debt (Q2-17)	1.4
Capital and Operating Leases [2]	0.7
Adjusted Debt (including leases)	2.1

Adjusted Debt/EBITDA

ARP ($/tonne)	EBITDA ($millions) [3]	Debt/EBITDA
300	725	2.8
350	1,000	2.1
400	1,275	1.6

- 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

[1] Includes Methanex proportionate share of debt

[2] Approx. adjustment for capital and operating leases

[3] Based on 7.7 million tonnes operating capacity, plus $75 million adjustment reflecting approximate lease portion of COG

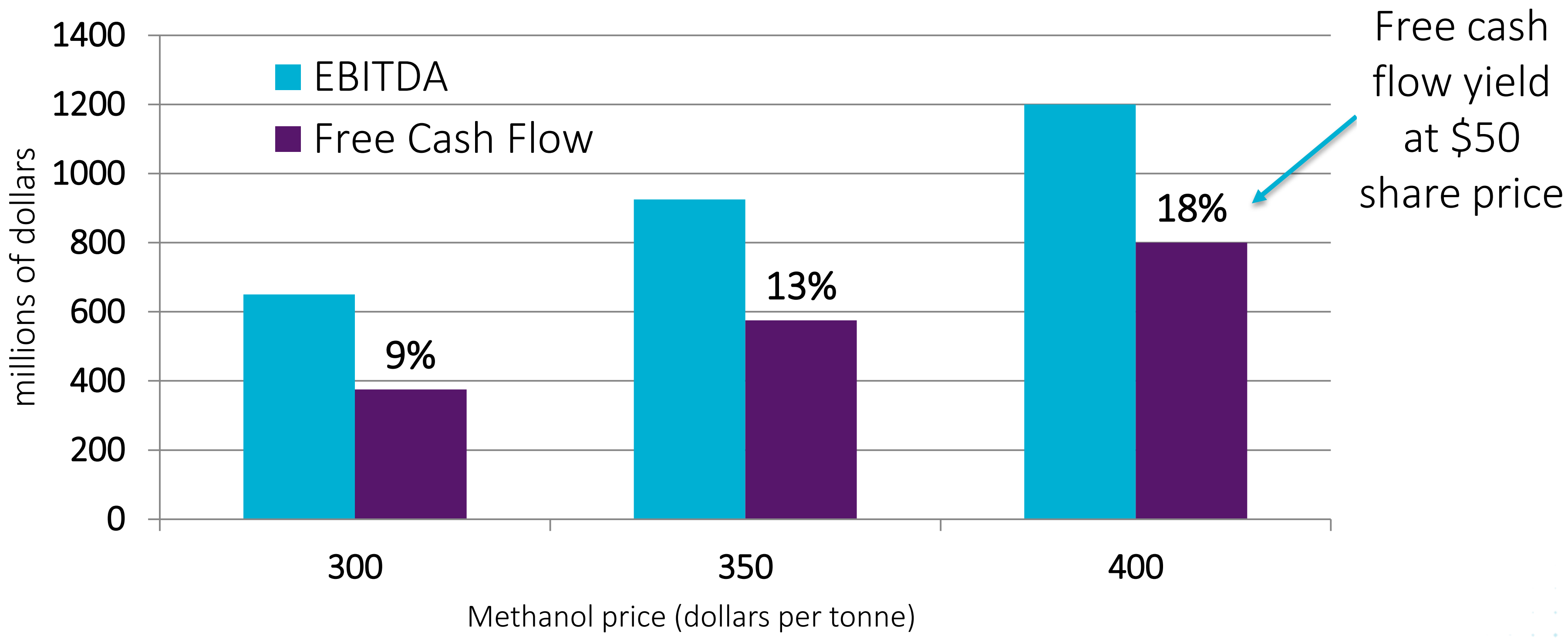
Improvement to Methanex Earnings Power

	H1, 2015	H1, 2017
Average realized methanol price	$344/t	$347/t
Sales of produced product	2.4m tonnes	3.6m tonnes
Adjusted EBITDA	$226m	$441m

- Investments in production capacity have doubled volumes since 2010
- Increased volumes result in lower fixed costs per tonne

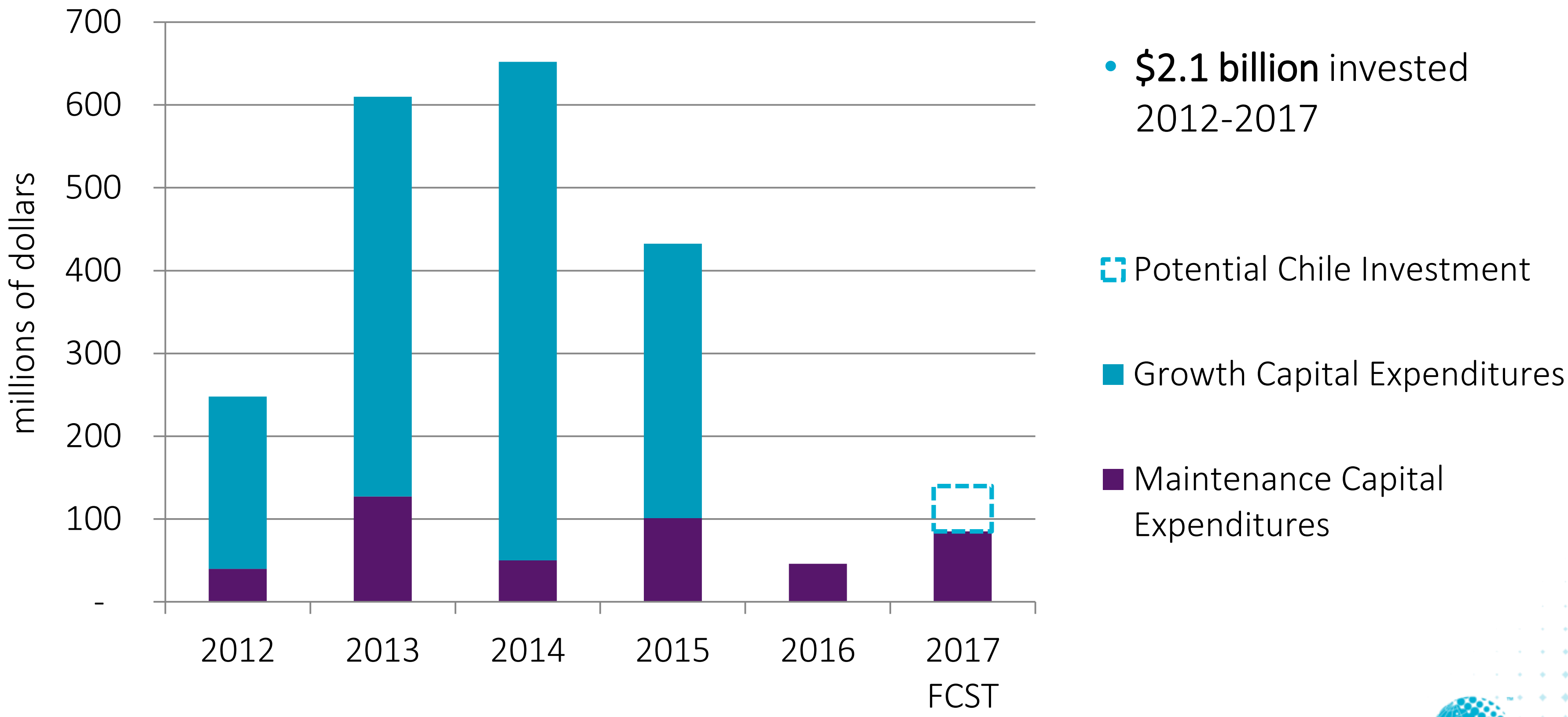
methanex
the power of agility

EBITDA and Free Cash Flow Capability[1]



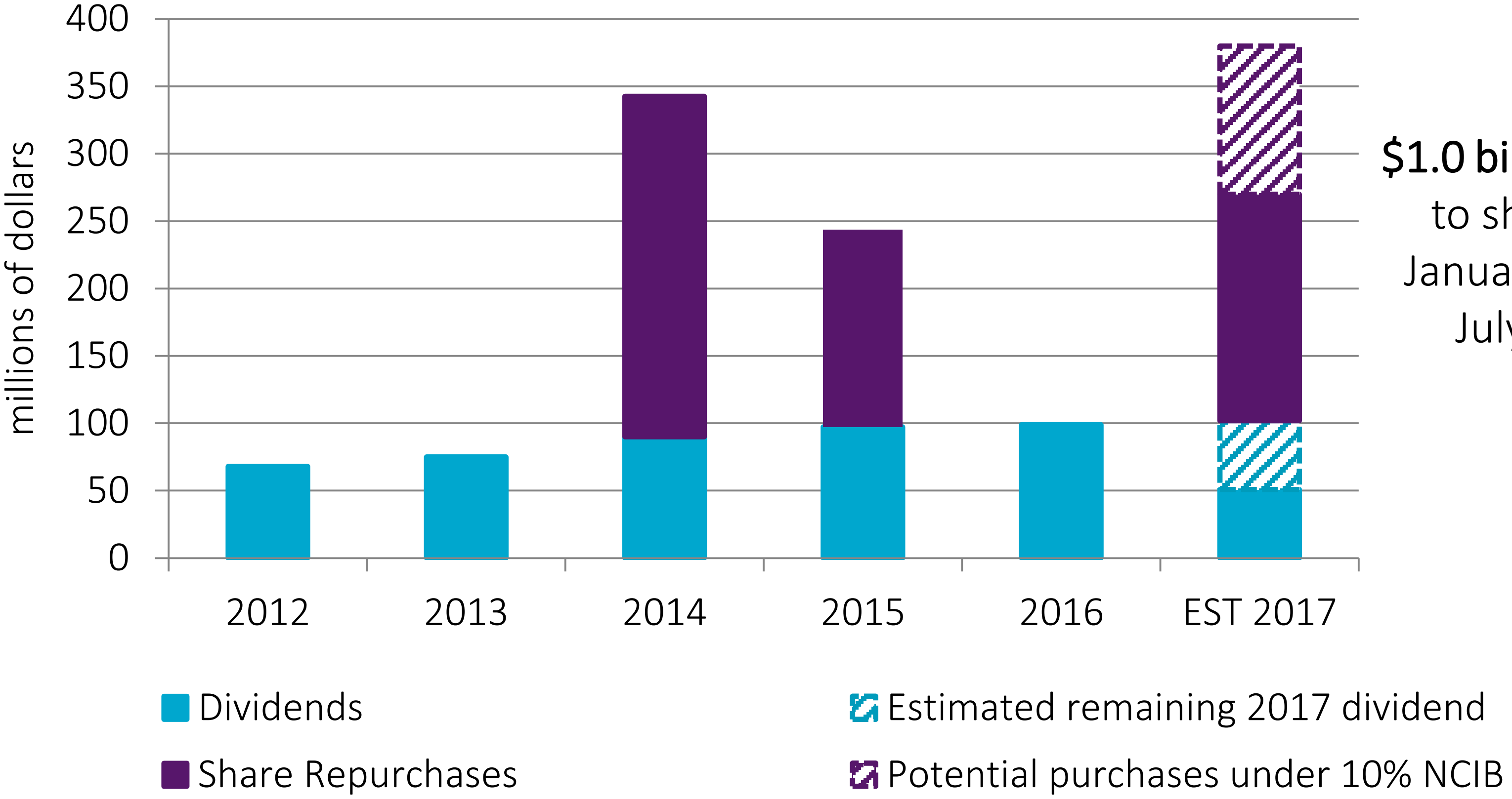
[1] Cash Flow before payment of dividend. See 7.7 million tonne production capability scenario on previous slide for detailed assumptions.

Capital Investments



- **$2.1 billion** invested 2012-2017

Returning Excess Cash to Shareholders



$1.0 billion returned to shareholders January 1, 2012 to July 26, 2017

Risk Management

Foreign Exchange

- US dollar based business – strong dollar benefits Methanex
- Majority of revenues and costs in US dollars (EU net exposure hedged)
- Approximately $150 million in local currency costs not actively hedged
- Exposure on approximately $100 million in working capital assets

Natural Gas

- North America managed through a combination of contract, hedges and open
- Geismar 1 gas contract, Geismar 2 – 40% hedged to 2025
- Medicine Hat – active hedging program through 2023

Internal Control / Accounting

- Prudent accounting policies and strong internal controls
- IFRS Lease standard will result in additional ~$500 million of leases on balance sheet

Key Corporate Governance Highlights

Corporate Governance

- ✓ 11 of 12 Independent Directors
- ✓ Separate chair and CEO
- ✓ All Committee members are independent
- ✓ Strong risk and strategy oversight
- ✓ Board diversity policy; 25% women
- ✓ 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 2x 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"

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 (~50 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 ratio linked to total shareholder return

“.....Management does well when shareholders do well!”

Summary

- Solid balance sheet and liquidity with investment grade target
- Cash positive at bottom of cycle pricing
- Balanced approach to capital allocation
- Strong cash generation capability at a range of methanol prices
  - Double digit free cash flow yield potential at prices well below 10-year historical average
  - No major capital for growth over the next 18+ months
- Over $1 billion returned to shareholders since 2011

Well positioned to generate strong cash flows and return excess cash to shareholders

Closing Remarks

John Floren

methanex
the power of agility

Key Takeaways

- Earnings power per share doubled since 2012
- Solid long-term industry growth drivers
- Exciting emerging demand applications
- Near-term growth opportunity in Chile
- Focus on safety and reliability
- Strong future cash flows and value creation
- Commitment to return cash to shareholders

methanex
the power of agility

Forward-looking information warning

This Presentation, our Second Quarter 2017 Management's Discussion and Analysis ("MD&A") and comments made during the Second Quarter 2017 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 2016 Management's Discussion and Analysis and our Second Quarter 2017 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.

Thank you

www.methanex.com

linkedin.com/company/methanex-corporation

@Methanex

methanex
the power of agility

A RESPONSIBLE CARE® COMPANY