NEWS RELEASE

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For immediate release

METHANEX REPORTS SECOND QUARTER RESULTS

July 27, 2016

For the second quarter of 2016, Methanex reported net loss attributable to Methanex shareholders of $3 million compared to a net loss of $23 million in the first quarter of 2016. Adjusted EBITDA for the second quarter of 2016 was $38 million and Adjusted net loss was $31 million ($0.34 Adjusted net loss per common share). This compares with Adjusted EBITDA of $36 million and Adjusted net loss of $24 million ($0.27 Adjusted net loss per common share) for the first quarter of 2016.

John Floren, President and CEO of Methanex commented, "Our second quarter earnings reflect the impact of lower average realized methanol pricing offset by higher sales of produced product compared to the first quarter. Our operational performance in the second quarter of 2016 was excellent. We increased our production by 8% versus the first quarter, to a total of 1,770,000 tonnes, which is a new company record. Our total sales volume increased by 11% to 2,362,000 tonnes in the second quarter, and was also a company record."

John Floren continued, "Global demand growth rebounded in the second quarter, and remains healthy at an estimated year-over-year growth rate of 8%. MTO demand growth was strong in the quarter, as MTO facilities ran at higher operating rates helped by improving margins, and one new MTO facility began full operation. We also saw good traditional chemical demand following the seasonal slow period during the Chinese New Year holiday. Growth continued to be led by Asia and was stable in the Americas and Europe."

Mr. Floren concluded, "During the quarter, we reached a settlement with Petrobras Argentina S.A. ("Petrobras") for $32.5 million ($21 million net of tax) to terminate Petrobras' natural gas delivery obligations pursuant to a long-term natural gas supply agreement in Chile. During the quarter, we paid a $25 million dividend to shareholders. With $239 million of cash on hand, an undrawn credit facility and a robust balance sheet, we are well positioned to meet our financial and capital commitments and steer through this period of lower methanol pricing. With record production volume, we are well positioned to benefit from a recovery from the bottom of the cycle methanol pricing and generate strong future cash flows."

FURTHER INFORMATION

The information set forth in this news release summarizes Methanex's key financial and operational data for the second quarter of 2016. It is not a complete source of information for readers who are unfamiliar with Methanex Corporation ("the Company") and is not in any way a substitute for reading the second quarter 2016 Management's Discussion and Analysis ("MD&A") dated July 27, 2016 and the condensed consolidated interim financial statements for the period ended June 30, 2016, both of which are available from the Investor Relations section of our website at www.methanex.com. The MD&A and the condensed consolidated interim financial statements for the period ended June 30, 2016 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

($ millions except per share amounts and where noted)	Three Months Ended Jun 30 2016	Three Months Ended Mar 31 2016	Three Months Ended Jun 30 2015	Six Months Ended Jun 30 2016	Six Months Ended Jun 30 2015
Production (thousands of tonnes) (attributable to Methanex shareholders)	**1,770**	1,639	1,281	**3,409**	2,545
Sales volume (thousands of tonnes)					
Methanex-produced methanol (attributable to Methanex shareholders)	**1,689**	1,529	1,203	**3,218**	2,440
Purchased methanol	**533**	422	813	**955**	1,465
Commission sales	**140**	168	109	**308**	294
Total sales volume [1]	**2,362**	2,119	2,125	**4,481**	4,199
Methanex average non-discounted posted price ($ per tonne) [2]	**260**	272	403	**266**	393
Average realized price ($ per tonne) [3]	**223**	230	350	**227**	344
Revenue	**468**	435	638	**903**	1,215
Adjusted revenue	**496**	450	696	**946**	1,321
Adjusted EBITDA	**38**	36	129	**74**	226
Cash flows from operating activities	**34**	70	82	**104**	119
Adjusted net income (loss)	**(31)**	(24)	51	**(55)**	72
Net income (loss) (attributable to Methanex shareholders)	**(3)**	(23)	104	**(26)**	113
Adjusted net income (loss) per common share	**(0.34)**	(0.27)	0.56	**(0.62)**	0.79
Basic net income (loss) per common share	**(0.03)**	(0.26)	1.15	**(0.29)**	1.24
Diluted net income (loss) per common share	**(0.08)**	(0.26)	1.15	**(0.34)**	1.23
Common share information (millions of shares)					
Weighted average number of common shares	**90**	90	91	**90**	91
Diluted weighted average number of common shares	**90**	90	91	**90**	92
Number of common shares outstanding, end of period	**90**	90	90	**90**	90

[1] Total sales volume includes any volume produced by Chile using natural gas supplied from Argentina under a tolling arrangement ("Tolling Volume"). Tolling Volume was nil for the three and six months ended June 30, 2016 compared to 28,000 tonnes and 68,000 tonnes for the same periods in 2015. Commission sales represent volume marketed on a commission basis related to the 36.9% of the Atlas methanol facility and 50% of the Egypt methanol facility that we do not own.

[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] Average realized 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 (attributable to Methanex shareholders) 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			Six Months Ended	
($ millions except number of shares and per share amounts)	**Jun 30 2016**	Mar 31 2016	Jun 30 2015	**Jun 30 2016**	Jun 30 2015
Net income (loss) (attributable to Methanex shareholders)	**$ (3)**	$ (23)	$ 104	**$ (26)**	$ 113
Mark-to-market impact of share-based compensation, net of tax	**(7)**	(1)	4	**(8)**	16
Argentina gas settlement, net of tax	**(21)**	—	—	**(21)**	—
Gain related to the termination of a terminal services agreement, net of tax	**—**	—	(57)	**—**	(57)
Adjusted net income (loss)	**$ (31)**	$ (24)	$ 51	**$ (55)**	$ 72
Diluted weighted average shares outstanding (millions)	**90**	90	91	**90**	92
Adjusted net income (loss) per common share	**$ (0.34)**	$ (0.27)	$ 0.56	**$ (0.62)**	$ 0.79

- We recorded a net loss attributable to Methanex shareholders of $3 million during the second quarter of 2016, compared to a net loss of $23 million in the first quarter of 2016. The change is attributable to higher sales of methanol which was partially offset by a decrease in our average realized price to $223 per tonne for the second quarter of 2016 from $230 per tonne for the first quarter of 2016. We also reached a settlement with Petrobras Argentina S.A. ("Petrobras") for $32.5 million ($21 million, net of tax) during the second quarter of 2016 to terminate Petrobras' natural gas delivery obligations pursuant to a long-term natural gas supply agreement in Chile.
- We recorded Adjusted EBITDA of $38 million for the second quarter of 2016 compared with $36 million for the first quarter of 2016. The increase in Adjusted EBITDA was primarily due to higher sales volume which was partially offset by a decrease in our average realized price.
- Sales of Methanex-produced methanol were a record 1,689,000 tonnes in the second quarter of 2016 compared with 1,529,000 in the first quarter of 2016.
- Cash flows from operating activities in the second quarter of 2016 were $34 million compared with $70 million for the first quarter of 2016 and $82 million for the second quarter of 2015. Cash flows in the second quarter of 2016 were impacted by an increase in working capital as a result of higher sales volume and inventory build.
- Our planned capital maintenance expenditure program directed towards maintenance, turnarounds and catalyst changes for existing operations, including our 63.1% share of Atlas, is currently estimated to be $25 million for the remainder of 2016.
- During the second quarter of 2016 we paid a $0.275 per common share dividend to shareholders for a total of $25 million.

PRODUCTION HIGHLIGHTS

	Q2 2016		Q1 2016	Q2 2015	YTD Q2 2016	YTD Q2 2015
(thousands of tonnes)	**Operating Capacity [1]**	**Production**	Production	Production	**Production**	Production
New Zealand [2]	**608**	**577**	509	487	**1,086**	968
Geismar 1 and 2 (Louisiana, USA) [3]	**500**	**527**	483	276	**1,010**	456
Atlas (Trinidad) (63.1% interest)	**281**	**236**	109	236	**345**	445
Titan (Trinidad)	**218**	**181**	204	183	**385**	369
Egypt (50% interest)	**158**	**53**	75	8	**128**	16
Medicine Hat (Canada)	**150**	**123**	159	51	**282**	178
Chile I and IV [4]	**100**	**73**	100	40	**173**	113
	2,015	**1,770**	1,639	1,281	**3,409**	2,545

[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 8.1 million tonnes, including 0.4 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] We commenced methanol production from Geismar 1 during the first quarter of 2015 and from Geismar 2 late in the fourth quarter of 2015. Each facility has an annual operating capacity of 1.0 million tonnes.

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

Production for the second quarter of 2016 was a record 1,770,000 tonnes compared with 1,639,000 tonnes for the first quarter of 2016. The higher production in the second quarter reflects strong production at the company's New Zealand and Geismar facilities, and the return to operation of the Atlas facility after a 45-day maintenance turnaround in the first quarter. Key production and operational highlights include:

- Strong production from New Zealand, where close to full operating capacity was achieved.
- Geismar production rates were strong, reflecting, in part, the relatively new catalyst at these plants.
- Combined operating rate of 84% in Trinidad, reflecting the return to normal operation of the Atlas plant.
- Egypt production of 53,000 tonnes (Methanex share) reflecting higher than expected natural gas supply in Egypt. The plant was restarted in early May after a shutdown in early March due to natural gas supply restrictions and has since operated at reduced rates on an intermittent basis as gas has become available. Based on the best information we have available, we expect that the plant may be required to shut down intermittently during the remaining summer months when electricity demand is at its peak.
- Medicine Hat production of 123,000 tonnes or 82% of capacity, reflecting a mechanical issue at the plant that resulted in lost production of approximately 40,000 tonnes during the quarter.
- Chile production of 73,000 tonnes, reflecting continued operation of the Chile I facility through the second quarter at reduced rates, 100% supported by natural gas supplies from Chile. The plant was shut down at the beginning of July for planned maintenance and is expected to restart in August. Based on our current view of gas availability in Chile, we believe that there is sufficient gas for us to continue to operate through the remainder of the southern hemisphere winter at reduced rates.

CONFERENCE CALL

A conference call is scheduled for July 28, 2016 at 12:00 noon ET (9:00 am PT) to review these second 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. Presentation slides summarizing the Q2 2016 results and 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 August 18, 2016 at (905) 694-9451, or toll free at (800) 408-3053. The passcode for the playback version is 5792019. The webcast will be available on the website for three 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 second quarter 2016 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 second quarter 2016 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, Adjusted net income 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 and six months ended June 30, 2016 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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