NEWS RELEASE

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For immediate release

METHANEX REPORTS THIRD QUARTER 2016 RESULTS

October 26, 2016

For the third quarter of 2016, Methanex reported a net loss attributable to Methanex shareholders of $11 million ($0.12 net loss per common share on a diluted basis) compared to a net loss of $3 million ($0.08 net loss per common share on a diluted basis) in the second quarter of 2016. Adjusted EBITDA for the third quarter of 2016 was $74 million and Adjusted net loss was $1 million ($0.01 Adjusted net loss per common share). This compares with Adjusted EBITDA of $38 million and Adjusted net loss of $31 million ($0.34 Adjusted net loss per common share) for the second quarter of 2016.

John Floren, President and CEO of Methanex commented, "Our third quarter Adjusted EBITDA reflects the impact of higher average realized methanol pricing along with higher sales of produced methanol compared to the second quarter. We achieved another company record this quarter with a 5% increase in sales to 2,476,000 tonnes. Sales of produced methanol was also a quarterly record of 1,860,000 tonnes. We continue to experience healthy global demand, and we estimate year-over-year demand growth at 10% as at September 30, 2016. A tighter supply/demand balance, combined with rising China thermal coal prices which pressured the cost of China production, contributed to improving methanol prices."

John Floren continued, "Our subsidiary Waterfront Shipping took delivery of two additional vessels this quarter capable of running on methanol, and we expect the final vessel of seven to be delivered in November 2016. We expect these innovative new dual-fuel vessels to play an important role in paving the way for methanol as a clean burning marine fuel."

"We continue to make significant progress in improving our operating capacity in Chile. This quarter we reached an agreement with Empresa Nacional del Petróleo for additional gas supply through May 2018, and also amended and extended our gas supply agreement with GeoPark Fell SpA. Our combined gas supply commitments from these and other sources are expected to allow our 0.9 million tonne Chile I facility to achieve an annual operating rate of approximately 60% of capacity, on average, through May 2018. We continue to be optimistic that our underutilized 1.7 million tonne Chile facilities represent a low capital cost growth opportunity for Methanex as further progress is made in lowering the cost of developing reserves in the area."

Mr. Floren concluded, "During the quarter, we paid a $25 million dividend to shareholders. With $234 million of cash on hand, an undrawn credit facility and a robust balance sheet, we continue to be well positioned to meet our financial and capital commitments. Our assets are in excellent shape and we are poised to generate strong future cash flows as methanol prices improve."

FURTHER INFORMATION

The information set forth in this news release summarizes Methanex's key financial and operational data for the third quarter of 2016. It is not a complete source of information for readers and is not in any way a substitute for reading the third quarter 2016 Management's Discussion and Analysis ("MD&A") dated October 26, 2016 and the condensed consolidated interim financial statements for the period ended September 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 September 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			Nine Months Ended	
	Sep 30 2016	Jun 30 2016	Sep 30 2015	**Sep 30 2016**	Sep 30 2015
Production (thousands of tonnes) (attributable to Methanex shareholders)	**1,749**	1,770	1,259	**5,158**	3,804
Sales volume (thousands of tonnes)					
Methanex-produced methanol (attributable to Methanex shareholders)	**1,860**	1,689	1,238	**5,078**	3,678
Purchased methanol	**411**	533	679	**1,366**	2,144
Commission sales	**205**	140	169	**513**	463
Total sales volume [1]	**2,476**	2,362	2,086	**6,957**	6,285
Methanex average non-discounted posted price ($ per tonne) [2]	**272**	260	384	**268**	390
Average realized price ($ per tonne) [3]	**236**	223	323	**230**	337
Revenue	**510**	468	527	**1,413**	1,742
Adjusted revenue	**537**	496	619	**1,483**	1,940
Adjusted EBITDA	**74**	38	95	**148**	321
Cash flows from operating activities	**74**	34	134	**178**	253
Adjusted net income (loss)	**(1)**	(31)	23	**(56)**	95
Net income (loss) (attributable to Methanex shareholders)	**(11)**	(3)	78	**(37)**	191
Adjusted net income (loss) per common share	**(0.01)**	(0.34)	0.26	**(0.63)**	1.04
Basic net income (loss) per common share	**(0.12)**	(0.03)	0.87	**(0.42)**	2.10
Diluted net income (loss) per common share	**(0.12)**	(0.08)	0.54	**(0.42)**	1.90
Common share information (millions of shares)					
Weighted average number of common shares	**90**	90	90	**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 nine months ended September 30, 2016 compared to 1,000 tonnes and 69,000 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			Nine Months Ended	
($ millions except number of shares and per share amounts)	**Sep 30 2016**	Jun 30 2016	Sep 30 2015	**Sep 30 2016**	Sep 30 2015
Net income (loss) (attributable to Methanex shareholders)	**$ (11)**	$ (3)	$ 78	**$ (37)**	$ 191
Mark-to-market impact of share-based compensation, net of tax	**10**	(7)	(55)	**2**	(39)
Argentina gas settlement, net of tax	**—**	(21)	—	**(21)**	—
Gain related to the termination of a terminal services agreement, net of tax	**—**	—	—	**—**	(57)
Adjusted net income (loss)	**$ (1)**	$ (31)	$ 23	**$ (56)**	$ 95
Diluted weighted average shares outstanding (millions)	**90**	90	91	**90**	92
Adjusted net income (loss) per common share	**$ (0.01)**	$ (0.34)	$ 0.26	**$ (0.63)**	$ 1.04

- We recorded a net loss attributable to Methanex shareholders of $11 million during the third quarter of 2016, compared to a net loss of $3 million in the second quarter of 2016. The change is primarily due to an increase in our average realized price during the third quarter which was offset by the impact of a settlement received in the second quarter and a mark-to-market loss on share-based compensation in the third quarter (compared to a mark-to-market gain in the second quarter).
- We recorded Adjusted EBITDA of $74 million for the third quarter of 2016 compared with $38 million for the second quarter of 2016. Adjusted net loss was $1 million for the third quarter of 2016, compared to adjusted net loss of $31 million for the second quarter of 2016. The improvement in Adjusted EBITDA and Adjusted net loss was primarily due to an increase in our average realized price and increased sales of Methanex-produced methanol. Our average realized price increased to $236 per tonne for the third quarter of 2016 from $223 per tonne for the second quarter of 2016.
- Sales of Methanex-produced methanol were a record 1,860,000 tonnes in the third quarter of 2016 compared with 1,689,000 in the second quarter of 2016. Sales of Methanex-produced methanol were higher than production in the third quarter, which resulted in a draw on our produced product inventory by over 100,000 tonnes. Please refer to the Production Highlights section of this document for production detail.
- Cash flows from operating activities in the third quarter of 2016 were $74 million compared with $34 million for the second quarter of 2016.
- 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 approximately $100 million from October 1, 2016 to the end of 2017.
- During the third quarter of 2016 we paid a $0.275 per common share dividend to shareholders for a total of $25 million.

PRODUCTION HIGHLIGHTS

	Q3 2016		Q2 2016	Q3 2015	YTD Q3 2016	YTD Q3 2015
(thousands of tonnes)	**Operating Capacity** [1]	**Production**	Production	Production	**Production**	Production
New Zealand [2]	**608**	**559**	577	476	**1,645**	1,444
Geismar (Louisiana, USA) [3]	**500**	**519**	527	259	**1,529**	715
Trinidad (Methanex interest) [4]	**500**	**420**	417	398	**1,150**	1,212
Egypt (50% interest)	**158**	**69**	53	—	**197**	16
Medicine Hat (Canada)	**150**	**114**	123	123	**396**	301
Chile [5]	**220**	**68**	73	3	**241**	116
	2,136	**1,749**	1,770	1,259	**5,158**	3,804

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

5 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 third quarter of 2016 was 1,749,000 tonnes compared with 1,770,000 tonnes for the second quarter of 2016. Key production and operational highlights include:

- Strong production from our three plants in New Zealand, with production of 559,000 tonnes.
- Geismar production rates continue to be strong, reflecting, in part, the relatively new catalyst at these plants. During the quarter, we consented to the Geismar 1 gas supply contract being assigned to a significant North American physical natural gas producer and marketer. As part of this consent, the Geismar 1 gas pricing formula has been amended to eliminate the methanol revenue sharing component. The base price for the contract is unchanged.
- Operating rate of 84% in Trinidad, reflecting continued gas restrictions in the region.
- Egypt production of 69,000 tonnes (Methanex share). The plant was taken offline for planned maintenance activities for approximately 40 days during the third quarter of 2016.
- Medicine Hat production of 114,000 tonnes or 76% of capacity, due to an unplanned maintenance shutdown at the plant that resulted in lost production of approximately 30,000 tonnes during the quarter.
- Chile production of 68,000 tonnes, 100% supported by natural gas supplies from Chile. The plant underwent planned maintenance for approximately 30 days during the third quarter of 2016, and restarted in early August.

CONFERENCE CALL

A conference call is scheduled for October 27, 2016 at 12:00 noon ET (9:00 am PT) to review these third 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 Q3 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 November 17, 2016 at (905) 694-9451, or toll free at (800) 408-3053. The passcode for the playback version is 9343032. 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 third 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 third 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 nine months ended September 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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