

METHANEX CORP
Form 6-K
May 08, 2007

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER

PURSUANT TO RULE 13a-16 OR 15d-16
UNDER THE SECURITIES EXCHANGE ACT OF 1934

FOR THE MONTH OF MAY 2007

METHANEX CORPORATION

(Registrant's name)

SUITE 1800, 200 BURRARD STREET, VANCOUVER, BC V6C 3M1 CANADA

(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F

Form 40-F

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes

No

If Yes is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b):
82_____.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on behalf by the undersigned, thereunto duly authorized.

METHANEX CORPORATION

Date: May 7, 2007

By: /s/ RANDY MILNER
Name: Randy Milner
Title: Senior Vice President, General
Counsel & Corporate Secretary

NEWS RELEASE

Methanex Corporation
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Investor Relations: (604) 661-2600
<http://www.methanex.com>

For immediate release

May 7, 2007

METHANEX ANNOUNCES 12 PERCENT INCREASE IN QUARTERLY DIVIDEND AND NEW SHARE REPURCHASE PROGRAM

Methanex Corporation announced today that its Board of Directors has approved a 12 percent increase in its quarterly dividend to shareholders, from US\$0.125 per share to US\$0.14 per share. The increased dividend will apply commencing with the dividend payable on June 30, 2007 to holders of common shares of record on June 15, 2007.

Bruce Aitken, President and CEO of Methanex commented, "We have increased our dividend every year since 2002. Our decision to increase the dividend again reflects our continued confidence in the outlook for the methanol industry going forward."

In addition, our Board of Directors has also approved a new normal course issuer bid that will commence on the expiration of our existing normal course issuer bid. Under the new bid, the Company may repurchase up to 8,709,978 common shares of the Company representing ten percent of the total public float of the issued and outstanding shares. Under the existing bid, which expires on May 16, 2007, the Company has purchased 7,039,200 shares as of May 4, 2007 at an average price of CDN\$27.06 (US\$23.76). As of May 4, 2007, there were 103,152,092 Methanex common shares issued and outstanding.

Mr. Aitken stated, "Over the last decade we have retired close to half of our outstanding shares. Our announcement of a new normal course issuer bid reaffirms our strategy of a balanced approach to cash utilization, which includes a continued commitment to returning excess cash to shareholders. With \$474 million of cash on hand at the end of the first quarter of 2007, we have the financial strength and flexibility to meet our commitments for the Egypt Project and other strategic initiatives and continue to return excess cash to shareholders."

The normal course issuer bid repurchase program will be carried out through the facilities of the TSX and is subject to regulatory approval by the TSX. Purchases under the program will commence on May 17, 2007 and terminate on the earlier of May 16, 2008 and the date upon which the Company has acquired the maximum number of common shares permitted under the purchase program or otherwise decided not to make further purchases. Purchases will be made from time to time at the then current market price of the Company's common shares as traded on the TSX and the common shares purchased will be cancelled.

Methanex is a Vancouver based, publicly-traded company and is the world's largest producer, distributor, and marketer of methanol. Methanex shares are listed for trading on the Toronto Stock Exchange in Canada under the trading symbol "MX"; on the NASDAQ Global Market in the United States under the trading symbol "MEOH"; and on the Foreign Securities Market of the Santiago Stock Exchange in Chile under the trading symbol "Methanex". Methanex can be visited online at www.methanex.com.

Information in this press release contains forward-looking statements. 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. Methanex believes that it has a reasonable basis for making such forward-looking statements. 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 include those attendant with producing and marketing methanol and successfully carrying out major capital expenditure projects in various jurisdictions, the ability to successfully carry out corporate initiatives and strategies, conditions in the methanol and other industries including the supply and demand balance for methanol, actions of competitors and suppliers, changes in laws or regulations in foreign jurisdictions, world-wide economic conditions and other risks described in our 2006 Management's Discussion & Analysis. Undue reliance should not be placed on forward-looking statements. They are not a substitute for the exercise of one's own due diligence and judgment. The outcomes anticipated in forward-looking statements may not occur and we do not undertake to update forward-looking statements.

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For further information, contact:

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