

METHANEX CORP
Form 6-K
October 12, 2006

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 OCTOBER 2006

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: October 12, 2006

By: /s/ RANDY MILNER

Name: Randy Milner

Title: Senior Vice President, General
Counsel & Corporate Secretary

NEWS RELEASE

Methanex Corporation
1800 200 Burrard St.
Vancouver, BC Canada V6C 3M1
Investor Relations: (604) 661-2600
<http://www.methanex.com>

For immediate release

ARGENTINA EXPORT DUTY ON NATURAL GAS EXTENDED TO TIERRA DEL FUEGO PROVINCE

October 12, 2006

On October 11, 2006, the government of Argentina passed a resolution that extends the existing export duty on oil, natural gas and derivatives to the province of Tierra del Fuego effective October 20, 2006. Exports from this province had previously been exempt from this duty.

As a result of this resolution, the duty on natural gas exports, which was recently increased from approximately \$0.30 per mmbtu to \$2.25 per mmbtu, will apply to all of the natural gas feedstock that we source from Argentina, or approximately 60% of the total current gas supply to our plants in Chile.

For all natural gas that we source from Argentina, we have contractual protection against such export duty. However, over the past couple of months, we have been in discussions with certain of our Argentinean gas suppliers regarding the impact of the increased export duty. We cannot provide assurance that this export duty will not have an adverse effect on our results of operations and financial condition.

Methanex is a Vancouver based, publicly-traded company engaged in the worldwide production and marketing of methanol. 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. Methanex can be visited online at www.methanex.com.

This news 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 and 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, world-wide economic conditions and other risks described in our 2005 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.

-end-

Inquiries:

Wendy Bach
Director, Investor Relations
Methanex Corporation
604-661-2600