WE Soda Ltd

WE Soda to transition its Wyoming operations to solution mining and reduce sales to export markets

WE Soda Ltd ("WE Soda") today announced plans to transition its mining operations at its Westvaco facility near Green River, Wyoming, from dry ore underground mining to solution mining. Solution mining is a production method that WE Soda already uses successfully in parts of its Westvaco facility and at its Granger operation, as well as at its operations in Türkiye.

The transition will be carried out progressively over approximately the next two years. This repositioning is necessary to strengthen the long-term competitiveness of the company's Wyoming operations in response to the significant impact which low-cost Chinese soda ash exports have had on the pricing of American soda ash in export markets.

As part of the transition, WE Soda will reduce its sales to export markets and focus on the United States, Canada and Mexico for soda ash and on its specialty products customers globally. Total Wyoming production is expected to reduce by over 1.5 million metric tonnes per year, with a corresponding reduction in export sales that are no longer commercially viable.

Regrettably, the transition will also require the company to reduce its Wyoming workforce, in stages, from over 850 roles today to approximately 500 over the next two years. The workforce reductions will begin in Q1 2027 and will continue in stages through 2028. The company has today begun discussions with the United Steelworkers union on how the transition will be managed and has issued the formal notices required under United States law.

Commenting on the plan, Alasdair Warren, Chief Executive Officer of WE Soda, said:

"Today is a very difficult day for our colleagues in Wyoming, their families and the community in Sweetwater County. Low-cost Chinese exports, together with the high cost of producing, transporting and shipping our soda ash from Wyoming, have fundamentally changed the economics of exports from this region. The response requires structural change if we are to preserve our Wyoming soda ash operations for future generations.

"We recognise how difficult this announcement is for our employees and their families that are affected. We will support them throughout the transition period and we will work closely with the union, the local communities, and the State of Wyoming to support everyone affected.

"Along with other measures, transitioning to solution mining is a necessary step to secure the long-term future of our Wyoming operations and to ensure that WE Soda can invest and grow in Wyoming for decades to come."

Supporting our people and our community

Support for our people begins today, not at the end of the transition.

We are working with the United Steelworkers union and wherever possible we will offer colleagues alternative roles in the business with the objective of minimising job losses. Throughout the transition, we will prioritise the safety and wellbeing of everyone, as colleagues move into new roles and as the underground mine areas are carefully made safe.

We will provide immediate and longer-term support to colleagues who leave the company, including career guidance and retraining, and we will be working with local partners to provide support for affected households, on retraining and on longer-term economic diversification within Sweetwater County and Wyoming.

Our continuing commitment to Wyoming

WE Soda invested over $1.4 billion in the United States when it acquired Alkali in 2025. With more than 160 years of reserves, the company is committed to Wyoming for the long term and intends to keep investing. WE Soda has more than 30 years of solution mining experience, including at Granger and at Westvaco's ELDM plant, which has operated on brine since 1996, together with its primary solution mining operations in Türkiye, at Kazan and Eti which has operated since 2009. Following the transition, WE Soda plans to accelerate its work on developing primary solution mining in Wyoming, the lowest cost method of producing soda ash and the basis for the company's future growth in the region.

Wyoming will remain an important part of WE Soda's global operations. Solution mining and surface processing of soda ash at the Granger and Westvaco plants, and the sodium bicarbonate ("bicarbonate") and specialty products units at Westvaco, will all continue to operate. WE Soda will continue to supply soda ash customers in the United States, Canada and Mexico from Wyoming, together with its bicarbonate and specialty products customers globally, honouring existing contracts. Where it makes commercial sense, certain customers in export markets will be supplied from Türkiye.

Why we are acting now

The growth in global demand for soda ash has significantly slowed since 2020. Over the same period, China has added almost 10 million metric tonnes of new low-cost natural production and it is now exporting record volumes (mainly into SE Asia, India and, increasingly, South America), and this is expected to continue. Realised soda ash prices in many export markets from Wyoming are today at record lows.

As a result, export sales to customers in SE Asia and parts of South America are no longer commercially viable and most are loss-making.

In addition, dry ore underground mining requires significant maintenance capital expenditure every year. Since acquiring the Wyoming business in February 2025, WE Soda has improved safety and efficiency and reduced costs, but against the backdrop of weak export prices that is not enough. The structural shift to solution mining will significantly improve the profitability and cash generation of the US operations and ensure the long-term future of the business.

Across the Group, WE Soda continues to look for ways to improve cost efficiency and competitiveness in all of its operations, not only in Wyoming.

What the transition involves

Solution mining uses water, in the form of brine, to dissolve trona in place underground (rather than dissolving it at the surface after it has been mined) before the solution is pumped to the surface for processing. The transition to solution mining will not significantly change the amount of water used for each tonne we produce, but our overall water consumption will fall as the export tonnes come out.

The transition at Westvaco from dry ore underground mining to solution mining will take place in stages.

The monohydrate plant at Westvaco will stop processing mined ore and run instead on brine, while a reduced underground operation will continue to supply the sesquicarbonate ("sesqui") plant, which produces mainly specialty products. Once the sesqui plant can run on brine solution alone, dry ore mining will end. During the two-year transition to solution mining, the dry ore mine and its equipment will be preserved, maintained, and secured.

2027 will be a year of transition, with lower volumes and one-off restructuring costs. WE Soda will give a further update with its third quarter results on 25 November 2026.

Ends

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About WE Soda

WE Soda is a leader in industrial minerals, one of the largest producers of soda ash globally and a leading producer of sodium bicarbonate and its related specialty products. Our purpose is to responsibly produce essential ingredients for a sustainable future, and sustainability is integrated into everything we do. We produce soda ash with the lowest CO2e emissions intensity within our industry and we believe that we have the lowest impact on nature and the environment. Solution mining is the lowest cost method of producing soda ash, and it supports our position as a producer of natural soda ash with low carbon emissions, low water usage and low waste. For more information please visit www.wesoda.com.