

Intrepid Potash

November 2024 Investor Presentation

Forward-Looking Statements



This presentation includes forward-looking statements within the meaning of the federal securities laws. Forward-looking statements include statements about our future results of operations and financial position, our business strategy and plans, and our objectives for future operations, among other things. You can identify these statements by forward-looking words, such as “estimate,” “expect,” “anticipate,” “project,” “plan,” “intend,” “believe,” “forecast,” “foresee,” “likely,” “may,” “should,” “goal,” “target,” “might,” “will,” “could,” “predict,” “continue,” and similar expressions. Forward-looking statements are only predictions based on our current knowledge, expectations, and projections about future events. This presentation includes certain statements concerning expectations for the future that are forward-looking within the meaning of the federal securities laws. Forward-looking statements contain known and unknown risks and uncertainties (many of which are difficult to predict and beyond management's control) that may cause our actual results in future periods to differ materially from anticipated or projected results. Forward-looking statements in this presentation include, among others, statements regarding our expectations for potash and Trio[®] sales volumes, pricing, production, and unit economics. An extensive list of specific material risks and uncertainties affecting Intrepid is contained in our Annual Report on Form 10-K for the year ended December 31, 2023, and other quarterly and current reports filed with the Securities and Exchange Commission from time to time. Any forward-looking statements in this presentation are made as of the date of this presentation, and Intrepid undertakes no obligation to update or revise any forward-looking statements to reflect new information or events.

Certain data and other market information used in this presentation are based on independent industry publications, government publications, and other published independent sources. Although we believe these third-party sources are reliable as of their respective dates, we have not independently verified the accuracy or completeness of this information. The industry in which we operate is subject to a high degree of uncertainty and risk due to a variety of factors, which could cause our results to differ materially from those expressed in these third-party publications. See Appendix for non-GAAP reconciliations.

Unless otherwise noted, any references to “IPI,” “we,” “us,” “the Company,” or “our” includes Intrepid Potash, Inc. and its consolidated subsidiaries.

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Company Overview

Key Assets & Corporate Profile



Key Strategic Priority: Increasing Potash⁽¹⁾ Production

Key Assets

Wendover, UT Solar Brine Recovery Mine ★

- Acquired in 2004; potash is primarily produced from naturally occurring brines sourced from a shallow aquifer and deep-brine wells; the lithium resource already present in our mag chloride brine (fee-owned) offers potential growth upside

Moab, UT Solar Solution Mine ★

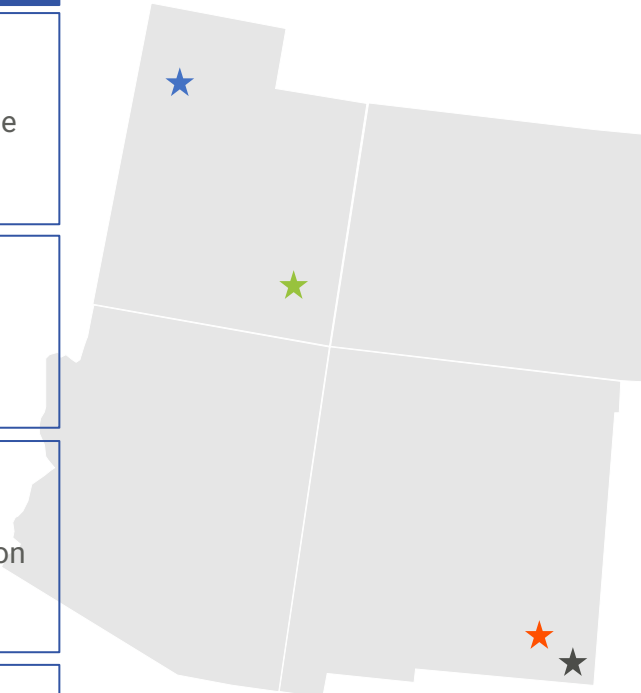
- Acquired in 2000; solution mining occurs in two beds, Potash Bed 5 (original mine workings) and Bed 9 (horizontally drilled caverns)

Carlsbad, NM HB Solar Solution Mine & Conventional East Trio[®] Underground Mine ★

- Acquired in 2004; potash is produced from the HB solar solution mine by flooding original mine workings and Trio[®] is produced from a conventional underground mine

Intrepid South in Eddy & Lea Counties, NM ★

- Acquired in 2019; key products are water/brine sales and surface agreements

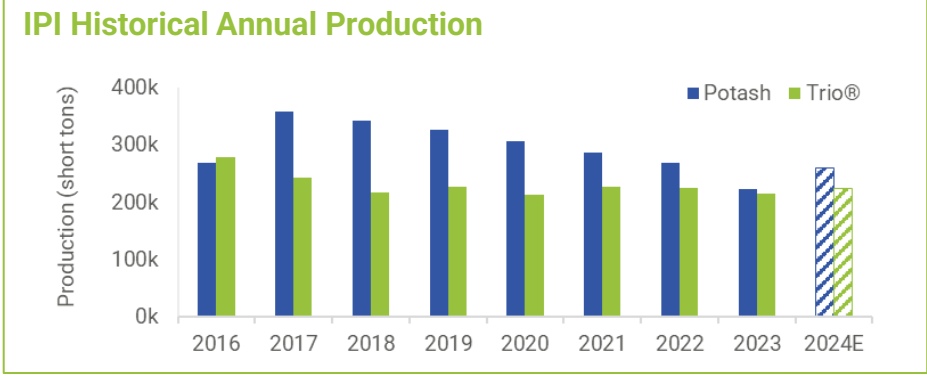


Corporate Profile

Key Highlights⁽²⁾

- Corporate HQ:** Denver, CO
- Ticker:** IPI (NYSE)
- Shares Outstanding:** 12.9mm
- Market Cap:** \$357mm
- Net Debt:** (\$35mm)
- Enterprise Value:** \$322mm

Business Segments



Why Invest In IPI?



Capitalizing On Our Unique Positioning & Opportunity

The Only Potash Producer in the United States

- Existing infrastructure helps protect this positioning; IPI owns ~88k surface acres⁽¹⁾
- Proximity to key markets drives logistics, transportation, and price advantages

Increasing Potash Production

- Results from potash asset revitalization process evident in Q2/Q3 2024 production
- Higher production drives improvement in unit economics

Strong Balance Sheet & Liquidity Position

- No long-term debt and no outstanding borrowings on our \$150mm credit facility
- Cash balance of ~\$35mm and deferred tax assets of \$195mm⁽²⁾

Long-Life Reserves & Resources

- Multi-decade reserve lives lowers terminal value risk
- Potash resources provide upside to defined reserves in mine plans

Solid Potash & Agriculture Fundamentals

- Global potash demand returning to hist. growth; balanced supply/demand outlook
- U.S. farmers maximizing yields; key international crop futures showing strength

Lithium Resource & Byproducts Offer Growth Upside

- Lithium resource present in our mag chloride brine offers potential growth upside
- Byproducts are high-margin business lines experiencing organic growth (e.g. brine)

Key Catalysts for the Equity

- Improving unit economics from higher potash production
- Another guaranteed \$50mm from XTO (w/up to \$100mm in potential payments)⁽³⁾

Financial Results & Highlights

Potash & Trio[®]: Key Third Quarter & YTD⁽¹⁾ Financial Highlights



Still Seeing Solid Demand/Pricing, Continued Focus On Cost Controls & Efficiencies

Potash						
Key Metrics	Q3/24	Q3/23	y/y change (%)	YTD Q3/24	YTD Q3/23	y/y change (%)
Sales Volumes (in short tons)	54k	46k	17%	183k	213k	(14%)
Average NRSP ⁽²⁾ (per ton)	\$356	\$433	(18%)	\$387	\$474	(18%)
Production (in short tons)	51k	43k	19%	178k	145k	23%

Potash Q4 2024 Guidance:

- Sales volumes of 45-55k tons at an average NRSP of \$340-\$350/ton

Trio [®]						
Key Metrics	Q3/24	Q3/23	y/y change (%)	YTD Q3/24	YTD Q3/23	y/y change (%)
Sales Volumes (in short tons)	45k	52k	(13%)	200k	179k	12%
Average NRSP ⁽²⁾ (per ton)	\$312	\$298	5%	\$305	\$329	(7%)
Production (in short tons)	62k	52k	19%	184k	159k	16%

Trio[®] Q4 2024 Guidance:

- Sales volumes of 40-50k tons at an average NRSP of \$315-\$325/ton

Corporate & Oilfield Solutions: Key Third Quarter & YTD⁽¹⁾ Financial Highlights



Strong Activity in Oilfield Solutions; Goal for Continued Corporate Margin Improvement

Oilfield Solutions						
Key Metrics	Q3/24	Q3/23	y/y change (\$)	YTD Q3/24	YTD Q3/23	y/y change (\$)
Sales	\$10.3mm	\$4.9mm	+\$5.4mm	\$21.2mm	\$14.3mm	+\$6.9mm
Gross Margin	\$3.1mm	\$1.4mm	+\$1.7mm	\$7.2mm	\$3.1mm	+\$4.1mm

Key Highlights & Outlook:

- Goal to grow high-margin business lines like brine and those related to our significant surface acreage ownership position in the Permian Basin
- Strong Q3 2024 sales owing to large frac at Intrepid South; we expect Q4 2024 sales/gross margin to return to approximately first half 2024 averages

Corporate						
Key Metrics	Q3/24	Q3/23	y/y change (\$)	YTD Q3/24	YTD Q3/23	y/y change (\$)
Adjusted EBITDA ⁽²⁾	\$10.0mm	\$2.2mm	+\$7.8mm	\$26.9mm	\$34.4mm	-\$7.5mm
CFO ⁽³⁾	(\$4.3mm)	(\$0.3mm)	-\$4.0mm	\$64.9mm	\$38.6mm	+\$26.3mm

Key Highlights & Outlook:

- Company-wide effort on cost discipline and efficiencies helping drive strong margins despite lower fertilizer price environment
- Key strategic priorities in place for two years; we're now focused on operational execution and getting appropriate value back in the equity

Other Key Highlights & Competitive Advantages



Improving Potash/Trio[®] Unit Economics, Growing Byproduct Sales, & Lithium Upside

Highlights

\$348/Ton **In Q3 2024, Potash COGS/Ton Improved 14% Y/Y:** Our Q3 2024 Potash COGS/Ton totaled \$348 vs. \$406 in Q3 2023; the respective YTD⁽¹⁾ figures were \$360 and \$369.

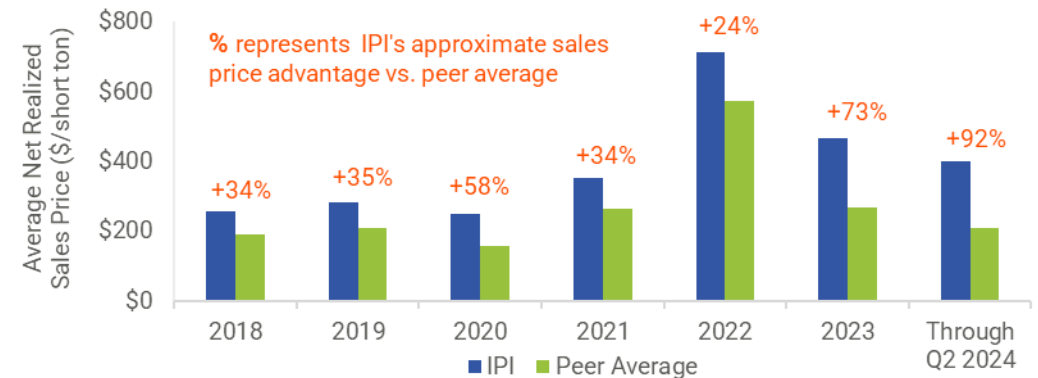
\$272/Ton **In Q3 2024, Trio[®] COGS/Ton Improved 20% Y/Y:** Our Q3 2024 Trio[®] COGS/Ton totaled \$272 vs. \$341 in Q3 2023; the respective YTD⁽¹⁾ figures were \$280 and \$328.

\$8.2mm **2024 Brine Sales Tracking for Highest Annual Figure:** YTD⁽¹⁾ Q3 2024, IPI has sold \$8.2mm of brine (\$5.0mm in the potash segment and \$3.2mm in the oilfield solutions segment) → Full-year 2023 was our previous best year for brine sales at \$8.3mm.

~2k Tons **Wendover Lithium Project:** Continue to make progress on potential lithium deal; we still estimate that the lithium resource in our mag chloride brine at Wendover can support ~2k tons of lithium carbonate production/year.

Competitive Advantages

- ✓ Proximity to key markets provides logistics and transportation advantages which helps drive higher netbacks vs. peers⁽²⁾



- ✓ All our potash is produced from solar solution mining
 - * A more environmentally-friendly production method and offers safety advantages
- ✓ Premium-priced specialty products: Organic Materials Review Institute-Listed & Safe Feed/Safe Food
- ✓ Diversified sales mix into agriculture, feed, & industrial markets

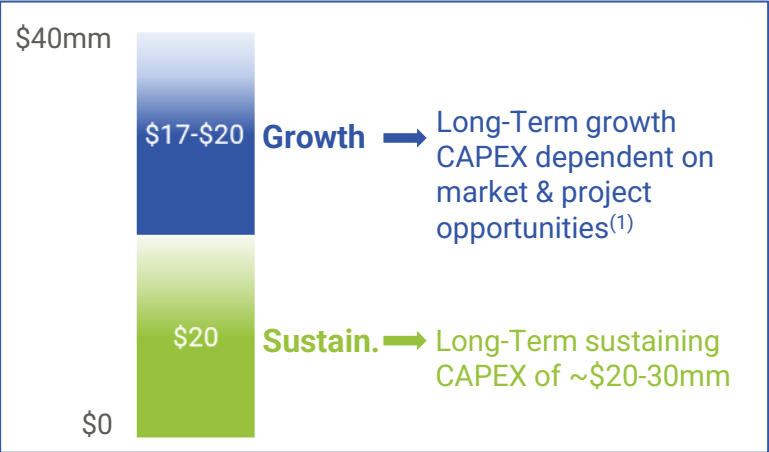
Capital Allocation, Outlook, & Final Takeaways

Capital Allocation, Catalysts, & Positioning



Positioning IPI for Sustained, Long-Term Success

2024 Capital Budget: \$37-\$40mm



Capital Allocation Priorities

- #1: Complete potash asset revitalization process
- #2: Maintain strong balance sheet and liquidity
- #3: Disciplined growth investments
- #4: Opportunistic share repurchases

Upcoming Catalysts

- >300k Tons

Primary Focus is Increasing Our Potash Production: We project our annual potash production will be 295-315k tons by 2026E – key for near-term revenue/cash flow growth (assuming price environment remains supportive).
- 20-30%

Improve Our Potash Unit Economics by 20-30% from Higher Potash Production: Compared to 2023 baseline COGS/Ton of \$378, we forecast this figure will improve by 20-30% by 2026E (*inflation is expected to be a key driver in the range of improvement*).
- Strong Liquidity

We Have Capital Optionality with \$35mm in Cash & \$150mm Credit Facility⁽²⁾: Once higher potash production is sustained, strong liquidity positions IPI for growth investments and capital return to shareholders (~\$13mm remaining under share repurchase program).
- \$150mm

Up To \$150mm in Remaining Payments from XTO: Will receive a guaranteed \$50mm payment and up to \$100mm in additional payments (timing uncertain; see Slide 13 for details).
- \$387/Ton

Solid Fertilizer Outlook – YTD⁽³⁾ Q3 2024 Potash Average NRSP⁽⁴⁾ of \$387/Ton: Prioritizing sales into higher-netback markets (e.g. feed), while core market (U.S. farmers) still have a crop yield-maximalization strategy – good for potash demand.

Potash Production



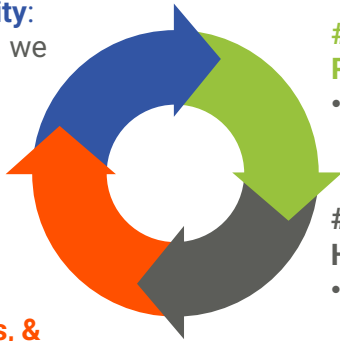
Key Potash Projects Have Now Been Commissioned⁽¹⁾

Potash Production Overview

Solution Mining Production Cycle

#1 Maximize Brine Availability:

- *HB*: Inject more brine than we extract
- *Moab*: New caverns can provide new ore to target
- *Wendover*: Increase brine evap./storage area



#2 Allow for Sufficient Residence Time:

- Brine in contact with ore >1-year is ideal

#3 Which Develops Higher-Grade Brine

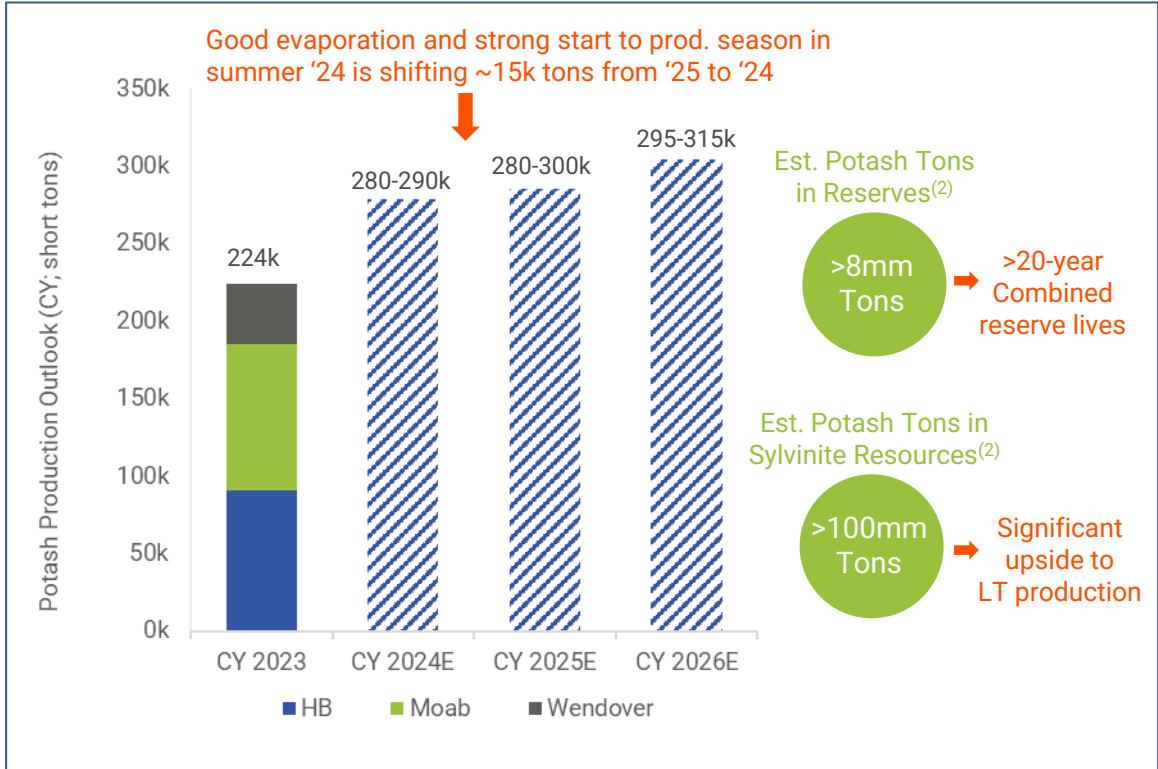
- Brine is then extracted, goes through evap. cycle, and finally harvested

#4 And Improves Our Production, Unit Economics, & Cash Flow

Harvest Year ("HY") vs. Cal. Year ("CY")

- Brine evaporates from spring through late-summer with prod. in all other months
- Our internal HY schedule starts 8/1 and ends 7/31 the following CY
- Potash tons can shift between CYs, i.e., running higher throughput in the CY '24 summer could result in potash tons being "taken" from CY '25 → this is the case this HY, ("HY '24/'25"), but the opposite can also occur - **tons are not lost**

Higher Potash Prod. Supported by Long-Life Reserves/Resources



December 2023 Agreement with XTO



\$50mm Additional Guaranteed & Up To An Additional \$100mm In Potential Payments

Key Takeaways

#1	We Closely Monitor XTO Development Activity in the DPA
#2	Balance Sheet Cash Funds Remaining 2024 Capital Budget ⁽¹⁾
#3	IPI Will Receive Up To an Additional \$150mm - Timing Uncertain
#4	Solid Liquidity/Cash Balance for 2025
#5	On Track for Improving Potash Unit Economics as Production Increases

Cooperative Development Agreement Third Amendment Highlights

Parties in the Agreement

- Intrepid Potash Inc./Intrepid-Potash New Mexico LLC (“Intrepid”) and XTO Holdings LLC/XTO Delaware Basin LLC (“XTO”); XTO is a subsidiary of ExxonMobil Corporation; announced 12/12/2023

Consideration

- Intrepid agrees to support and not oppose XTO’s development and operation of XTO’s oil and gas interests within the Designated Potash Area (“DPA”)
- In consideration, Intrepid receives:
 1. \$50mm in initial payments (*already received*; \$5mm paid 12/12/2023 and \$45mm paid 1/2/2024)
 2. \$50mm Access Fee (payment is guaranteed but timing is uncertain; this payment takes effect within 90 days upon the earlier occurrence of):
 - (i) the approval of the first new or expanded drilling island within a specific area to be used by XTO; and
 - (ii) within seven years of the Amendment Effective Date (1/1/2024)
 3. Up to \$100mm Access Realization Fee (not guaranteed, subject to certain additional drilling activities by XTO)

Designated Potash Area

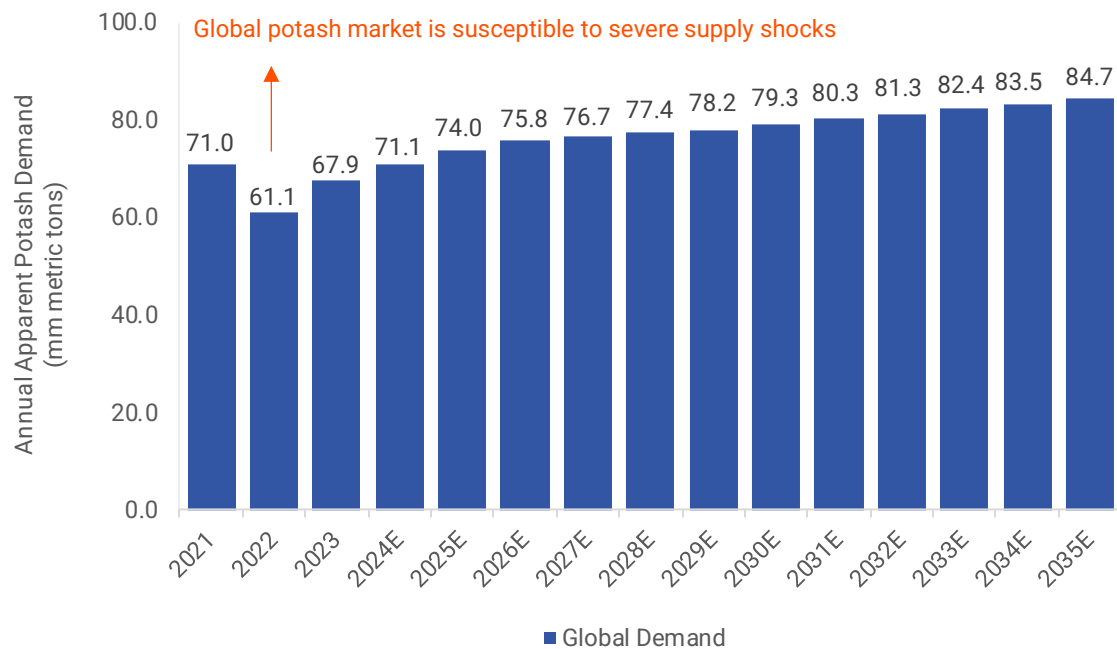
- Covers ~498k acres in Southeastern New Mexico, which includes ~351k acres of Bureau of Land Management (“BLM”) managed surface acres; subject to the 2012 Secretary’s Order No. 3324⁽²⁾

Constructive Outlook for Global Potash Market

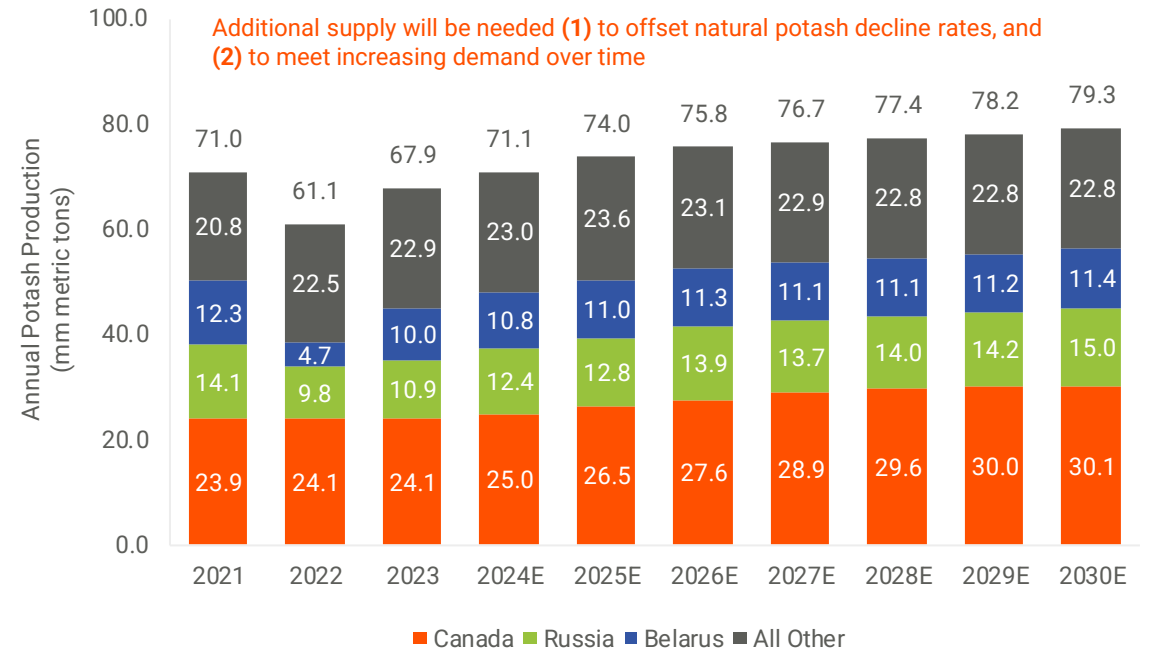


Pricing Support from Global Demand Returning to Trendline Growth

Long-Term Potash Demand Getting Back to Trendline Growth of ~2% CAGR



Global Supply Still Faces Risks & Heavily Reliant on Eastern European Tons



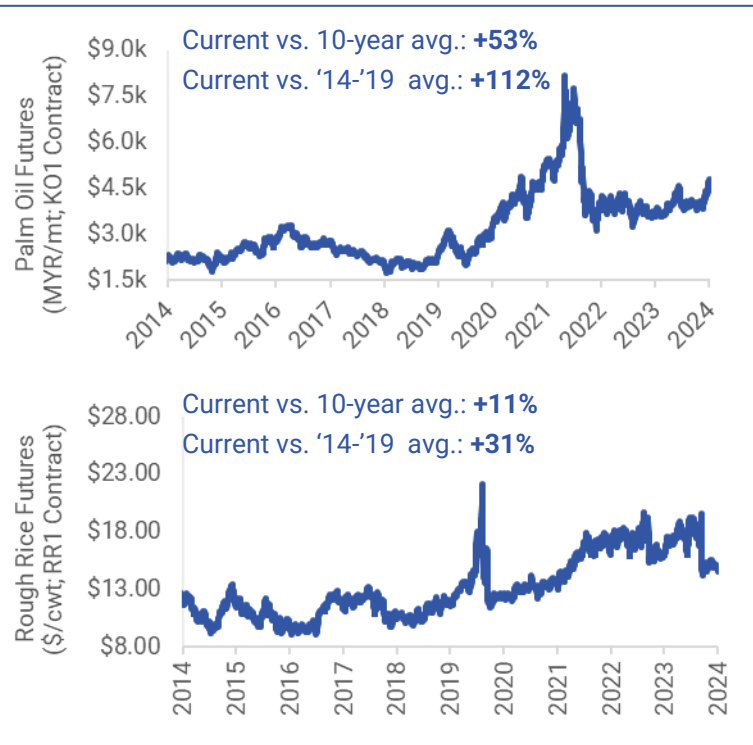
Source: S&P Global/Fertecon October 2024 Potash Outlook

Strength in Key International Crop Futures, Corn/Soybeans at Historical Levels

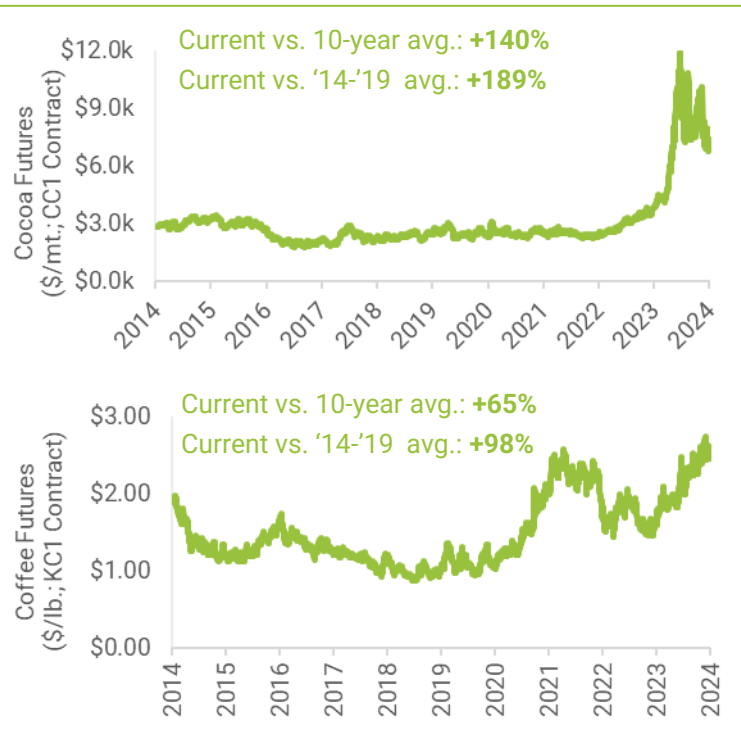


~70% of Global Potash Is Applied to Non-Corn/Soybeans Crops

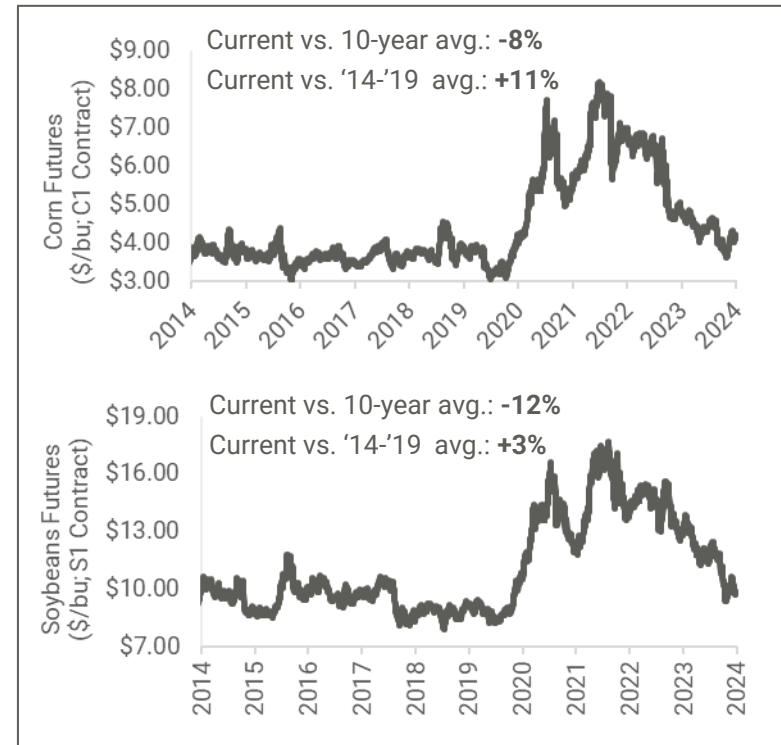
Palm Oil⁽¹⁾ & Rice



Cocoa & Coffee



Corn & Soybeans



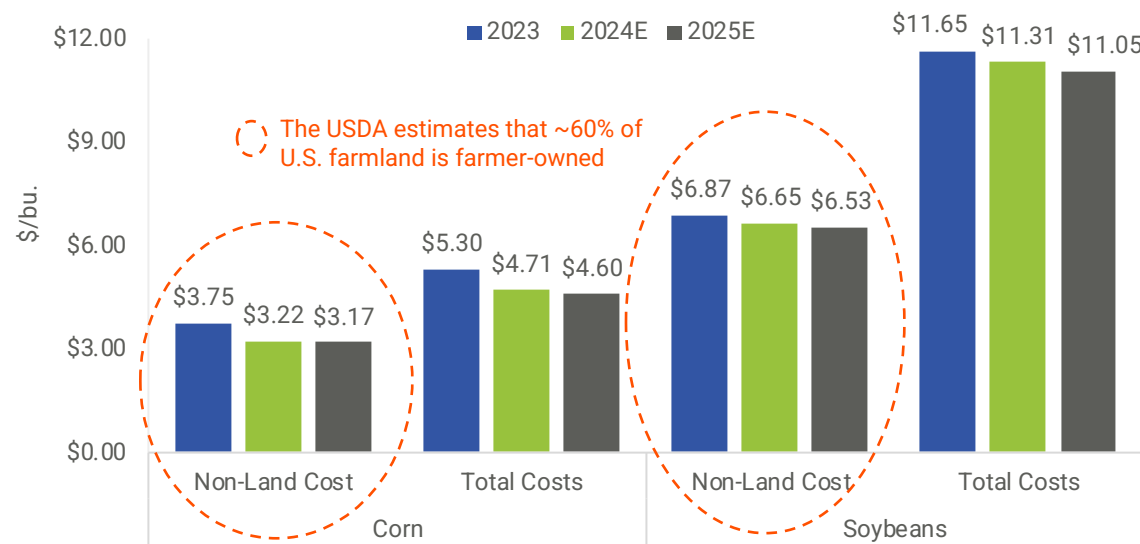
Source: Bloomberg (prices as of 10/31/2024)

Moderating Input Costs Helping Offset Lower Crop Pricing

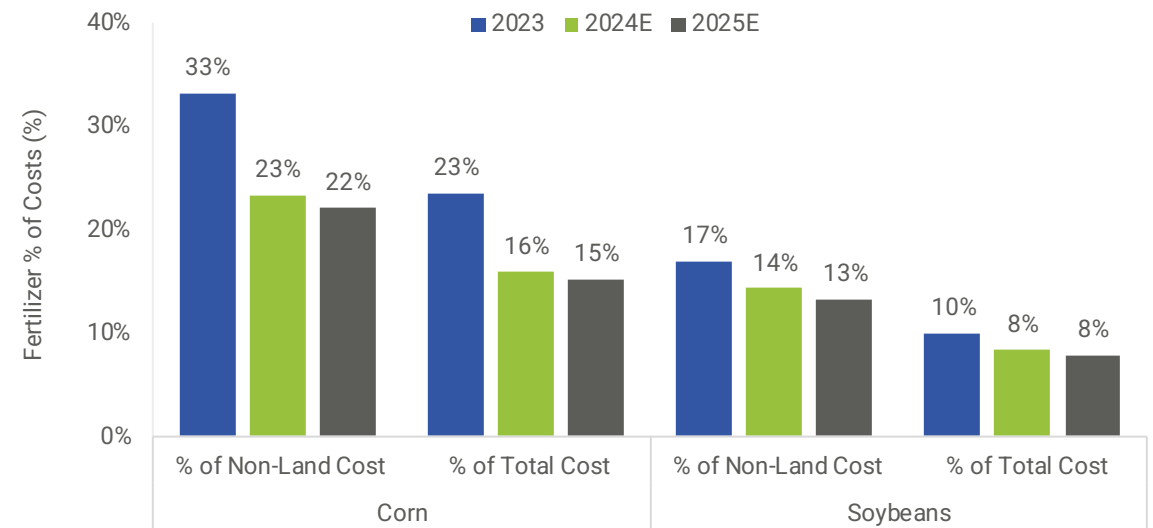


U.S. Farmer's Forecast to See Lower Break-Even Prices⁽¹⁾

Corn & Soybeans Break-Even Price-to-Cover Trending Lower



Fertilizer Percentage of U.S. Farmer Costs Also Trending Lower



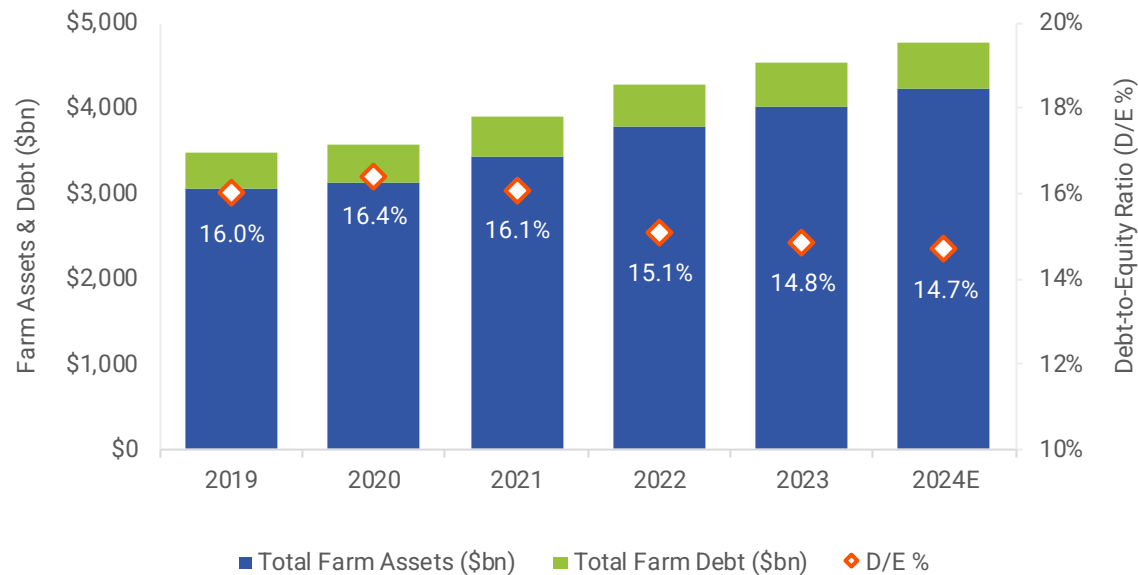
Source: University of Illinois farmdoc daily ([9/24/2024](#))

U.S. Farmers In Solid Financial Position Ahead of Tougher Agriculture Outlook

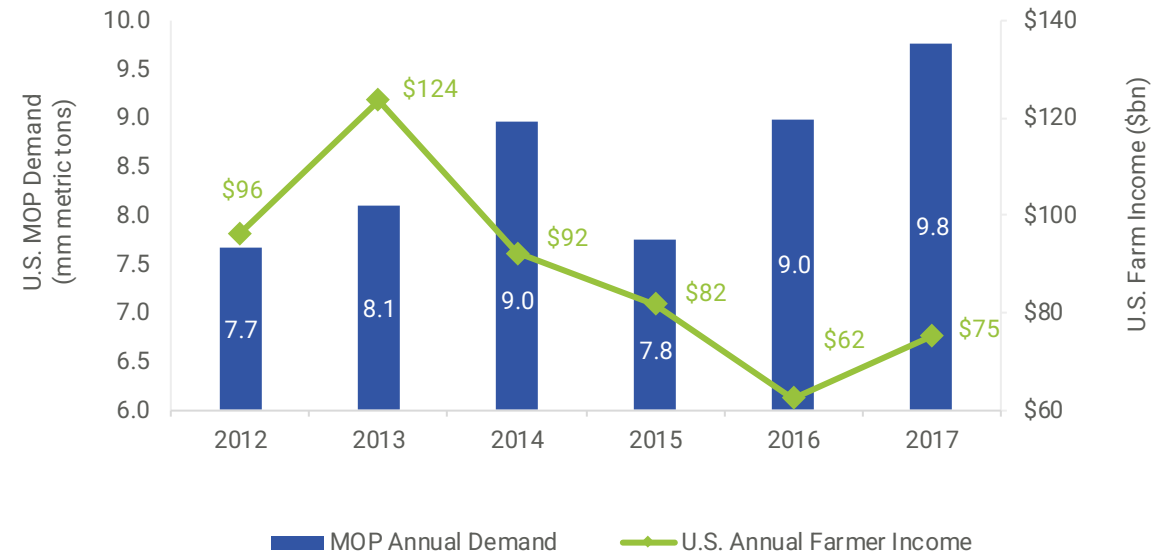


MOP Demand Was Resilient During Last Period of Moderating U.S. Farmer Incomes

Strong Financial Positioning for U.S. Farmers



In Recent Period of Moderating U.S. Farm Incomes, MOP Demand Was Resilient



Source: Bloomberg, S&P Global/Fertecon, United States Department of Agriculture

Final Takeaways



Focused On Getting Appropriate Value Back In the Equity

Increasing Potash Production is #1 Focus

- We are improving our unit economics by means of higher potash production
- Building to approximately 295-315k tons of annual production for 2026E

Inflection to Higher Potash Production Evident in Q2/Q3 2024 Results

- Key projects started two years ago now commissioned; seeing tangible results
- Our goal is for sustained higher potash production over the long-term

Capitalizing on Long-Life Reserves & Resources

- Our defined reserves have multi-decade lives; resources add much higher upside
- Lowers terminal value risk (potash is forecast to see steady LT demand growth)

Strong Balance Sheet & Liquidity Position

- No long-term debt and cash balance of \$35mm
- Potential additional payments from XTO and DTA's enhance liquidity projections

Lithium Resource & Byproducts Offer Growth Upside

- Lithium resource present in our mag chloride brine offers potential growth upside
- Strategy to drive organic growth in high-margin byproduct business lines

Key Strategic Goals Have Been Set, Now Focused on Execution

- Operational plant managers have lengthy experience with Intrepid
- Increase value of underperforming business lines; capitalize on land position

Company-Wide Focus on Operational Efficiencies & Cost Discipline

- Goal to improve margins and cash flow
- Unlock operational efficiencies like we are experiencing with Trio[®]

Appendix

Non-GAAP Reconciliations



(the tables are in thousands unless otherwise stated)

Adjusted EBITDA

Q3/23		Q3/24		YTD Q3/23		YTD Q3/24	
Net (Loss)	<u>(\$7,196)</u>	Net (Loss)	<u>(\$1,833)</u>	Net (Loss)	<u>\$1,615</u>	Net (Loss)	<u>(\$5,796)</u>
Impairment of long-lived assets	521	Impairment of long-lived assets	874	Impairment of long-lived assets	521	Impairment of long-lived assets	3,082
Loss on sale of assets	59	Loss on sale of assets	134	Loss on sale of assets	252	Loss on sale of assets	626
Income tax (benefit)	(1,917)	CEO separation costs, net	1,050	Income tax (benefit)	1,893	CEO separation costs, net	1,050
Depreciation, depletion, and amortization	10,122	Income tax (benefit)	(7)	Depreciation, depletion, and amortization	28,305	Income tax (benefit)	(1,086)
Amortization of intangible assets	80	Depreciation, depletion, and amortization	9,033	Amortization of intangible assets	241	Depreciation, depletion, and amortization	26,931
Accretion of asset retirement obligation	<u>535</u>	Amortization of intangible assets	82	Accretion of asset retirement obligation	<u>1,605</u>	Amortization of intangible assets	246
Total adjustments	<u>9,400</u>	Accretion of asset retirement obligation	<u>623</u>	Total adjustments	<u>32,817</u>	Accretion of asset retirement obligation	<u>1,867</u>
Adjusted EBITDA	<u><u>\$2,204</u></u>	Total adjustments	<u>11,789</u>	Adjusted EBITDA	<u><u>\$34,432</u></u>	Total adjustments	<u>32,716</u>
		Adjusted EBITDA	<u><u>\$9,956</u></u>			Adjusted EBITDA	<u><u>\$26,920</u></u>

Non-GAAP Reconciliations



(the tables are in thousands unless otherwise stated)

Average Net Realized Sales Price ("NRSP") per Ton

Potash	Q3/23	Q3/24	YTD Q3/23	YTD Q3/24
Total Segment Sales	\$27,602	\$28,356	\$127,363	\$95,966
Less: Segment byproduct sales	5,622	6,664	17,122	17,724
Freight Costs	2,057	2,488	9,321	7,505
Subtotal	\$19,923	\$19,204	\$100,920	\$70,737
Divided by:				
Tons sold	46	54	213	183
Average NRSP (\$/ton)	\$433	\$356	\$474	\$387

Trio®	Q3/23	Q3/24	YTD Q3/23	YTD Q3/24
Total Segment Sales	\$22,030	\$18,928	\$81,052	\$81,938
Less: Segment byproduct sales	1,425	41	4,165	354
Freight Costs	5,086	4,864	18,038	20,498
Subtotal	\$15,519	\$14,023	\$58,849	\$61,086

Divided by:

Tons sold	52	45	179	200
Average NRSP (\$/ton)	\$298	\$312	\$329	\$305

Cost of Goods Sold ("COGS") per Ton

Potash	Q3/23	Q3/24	YTD Q3/23	YTD Q3/24
COGS	\$18,673	\$18,783	\$78,697	\$65,823
Sales Volumes	46	54	213	183
COGS per Ton (\$/ton)	\$406	\$348	\$369	\$360
Trio®	Q3/23	Q3/24	YTD Q3/23	YTD Q3/24
COGS	\$17,714	\$12,221	\$58,666	\$55,949
Sales Volumes	52	45	179	200
COGS per Ton (\$/ton)	\$341	\$272	\$328	\$280