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

FORM 10-K

☒ **Annual Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

For the fiscal year ended December 31, 2024

or

☐ **Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

For the transition period from to

Commission File Number: 001-34025

INTREPID POTASH, INC.
(Exact Name of Registrant as Specified in its Charter)

Delaware	**26-1501877**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
707 17th Street, Suite 4200	
Denver,	
Colorado	**80202**
(Address of principal executive offices)	(Zip Code)

(303) 296-3006
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock, par value $0.001 per share	IPI	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: **None**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐ No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files.) Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☒	Non-accelerated filer	☐
Smaller reporting company	☐	Emerging growth company	☐		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to Section 240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined by Rule 12b-2 of the Act). Yes ☐ No ☒

The aggregate market value of the registrant's common stock held by non-affiliates of the registrant, based upon the closing sale price of the common stock on June 28, 2024, the last trading day of the registrant's most recently completed second fiscal quarter, of $23.43 per share as reported on the New York Stock Exchange was $260 million. Shares of common stock held by each director and executive officer and by each person who owns 10% or more of the registrant's outstanding common stock and is believed by the registrant to be in a control position were excluded. The determination of affiliate status for this purpose is not a conclusive determination of affiliate status for any other purposes.

As of February 28, 2025, the registrant had 13,226,281 shares of common stock, par value $0.001, outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Certain information required by Part III of this report is incorporated by reference from portions of the registrant's definitive proxy statement relating to its 2025 annual meeting of stockholders to be filed within 120 days after December 31, 2024.

INTREPID POTASH, INC.

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PART I

Unless the context otherwise requires, the following definitions apply throughout this Annual Report on Form 10-K (the "Annual Report"):

- "Intrepid," "our," "we," or "us" means Intrepid Potash, Inc. and its consolidated subsidiaries.
- "East," "North," and "HB" mean our three operating facilities in Carlsbad, New Mexico. "Moab" means our operating facility in Moab, Utah. "Wendover" means our operating facility in Wendover, Utah. "West" means our previous operating facility in Carlsbad, New Mexico, which has been in care-and-maintenance since mid-2016. "Intrepid South" refers to certain land, water rights, and other related assets in southeast New Mexico. You can find more information about our facilities in Item 2 of this Annual Report.
- "Ton" means a short ton, or a measurement of mass equal to 2,000 pounds.

To supplement our consolidated financial statements, which are presented in this Annual Report and are prepared and presented in accordance with generally accepted accounting principles ("GAAP"), we use "average net realized sales price per ton," which is a non-GAAP financial measure to monitor and evaluate our performance. You can find more information about average net realized sales price per ton, including a reconciliation of this measure to the most comparable GAAP measure, in Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations under the heading "Non-GAAP Financial Measure."

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Annual Report contains forward-looking statements within the meaning of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the Securities Act of 1933, as amended. These forward-looking statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. All statements in this Annual Report other than statements of historical fact are forward-looking statements. Forward-looking statements include, but are not limited to, statements about, among other things, our future results of operations and financial position, our business strategy and plans, and our objectives for future operations. In some cases, 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," and "continue." Forward-looking statements are only predictions based on our current knowledge, expectations, and projections about future events.

These forward-looking statements are subject to a number of risks, uncertainties, and assumptions, including the following:

- changes in the price, demand, or supply of our products and services;
- challenges and legal proceedings related to our water rights;
- our ability to successfully identify and implement any opportunities to grow our business whether through expanded sales of water, Trio®, byproducts, and other non-potassium related products or other revenue diversification activities;
- the costs of, and our ability to successfully execute, any strategic projects;
- declines or changes in agricultural production or fertilizer application rates;
- declines in the use of potassium-related products or water by oil and gas companies in their drilling operations;
- our ability to prevail in outstanding legal proceedings against us;
- our ability to comply with the terms of our revolving credit facility, including the underlying covenants;
- further write-downs of the carrying value of assets, including inventories;
- circumstances that disrupt or limit production, including operational difficulties or variances, geological or geotechnical variances, equipment failures, environmental hazards, and other unexpected events or problems;
- changes in reserve estimates;
- currency fluctuations;
- adverse changes in economic conditions or credit markets;
- the impact of governmental regulations, including environmental and mining regulations, the enforcement of those regulations, and governmental policy changes;
- adverse weather events, including events affecting precipitation and evaporation rates at our solar solution mines;
- increased labor costs or difficulties in hiring and retaining qualified employees and contractors, including workers with mining, mineral processing, or construction expertise;

- changes in the prices of raw materials, including chemicals, natural gas, and power;
- our ability to obtain and maintain any necessary governmental permits or leases relating to current or future operations;
- interruptions in rail or truck transportation services, or fluctuations in the costs of these services;
- our ability to fund necessary capital investments;
- the impact of global health issues and other global disruptions on our business, operations, liquidity, financial condition and results of operations; and
- the other risks, uncertainties, and assumptions described in Item 1A. Risk Factors in this Annual Report.

In addition, new risks emerge from time to time. It is not possible for our management to predict all risks that may cause actual results to differ materially from those contained in any forward-looking statements we may make.

In light of these risks, uncertainties, and assumptions, the future events and trends discussed in this Annual Report may not occur and actual results could differ materially and adversely from those anticipated or implied in these forward-looking statements. As a result, you should not place undue reliance on these forward-looking statements. We undertake no obligation to publicly update any forward-looking statements, except as required by law.

ITEM 1. BUSINESS

General

We are a diversified mineral company that delivers potassium, magnesium, sulfur, salt, and water products essential for customer success in agriculture, animal feed and the oil and gas industry. We are the only U.S. producer of muriate of potash (sometimes referred to as potassium chloride or potash), which is applied as an essential nutrient for healthy crop development, utilized in several industrial applications, and used as an ingredient in animal feed. In addition, we produce a specialty fertilizer, Trio®, which delivers three key nutrients, potassium, magnesium, and sulfur, in a single particle. We also provide water, magnesium chloride, brine, and various oilfield products and services.

Our extraction and production operations are conducted entirely in the continental U.S. We produce potash from three solution mining facilities: our HB solution mine in Carlsbad, New Mexico, our solution mine in Moab, Utah, and our brine recovery mine in Wendover, Utah. We also operate our North compaction facility in Carlsbad, New Mexico, which compacts and granulates product from the HB mine. We produce Trio® from our conventional underground East mine in Carlsbad, New Mexico.

We also have certain land, water rights, federal grazing leases, and other related assets in southeast New Mexico. We refer to these assets and operations as "Intrepid South." Our Intrepid South property generates revenue from sales of various oilfield related products and services, including but not limited to, water, brine, surface use and right-of-way agreements, a produced water royalty agreement, and caliche.

Our principal offices are located at 707 17th Street, Suite 4200, Denver, Colorado 80202, and our telephone number is (303) 296-3006. Intrepid was incorporated in Delaware in 2007.

Our Products and Services

Our three primary products are potash, Trio®, and water. We also sell salt, magnesium chloride, brines, and water that are derived as part of our mining processes. Product sales as a percentage of total sales for the last three years were as follows:

	Year Ended December 31,		
	2024	2023	2022
Potash	39 %	47 %	50 %
Trio®	41 %	35 %	34 %
Water	5 %	5 %	7 %
Salt	5 %	4 %	3 %
Magnesium Chloride	2 %	3 %	2 %
Brines	5 %	3 %	2 %
Other	3 %	3 %	2 %
Total	100 %	100 %	100 %

Potash

We sell potash into three primary markets: the agricultural market as a fertilizer input, the animal feed market as a nutrient supplement, and the industrial market as a component in drilling and fracturing fluids for oil and gas wells and an input to other industrial processes. Potash is sold in different product sizes, such as granular, standard, and fine standard. The agricultural market predominately uses granular-sized potash, while the industrial and animal feed markets mostly use standard- and fine standard-sized product. We have the flexibility to produce all of our product in a granular form, which decreases our dependence on sales of any one particular size of potash and any particular market.

We manage sales and marketing operations centrally. This allows us to evaluate the product needs of our customers and then centrally determine which of our production facilities is best suited, typically based on geographic location, to use to fill customer orders in a manner designed to realize the highest average net realized sales price per ton. Average net realized sales price per ton is a non-GAAP measure that we calculate as sales less byproduct sales and freight costs and then divided by product sales tons. We also monitor product inventory levels and overall production costs centrally.

During 2024, we supplied approximately 0.5% of global annual potassium consumption and approximately 3.5% of the U.S.'s annual potassium consumption. Substantially all of our potash is sold in the U.S. Our domestic potash sales are geographically concentrated in the central and western U.S. Weather, planting conditions and farmer economics all affect fertilizer sales. For more information, please see "Seasonality."

Trio®

Trio® is our specialty fertilizer that is low in chloride and delivers potassium, sulfur, and magnesium in a single particle. This unique combination of nutrients makes Trio® an attractive fertilizer across diverse crops and geographies. We produce Trio® in premium, granular, standard, and fine standard sizes for sale both domestically and internationally.

Oilfield Solutions

Oil and gas activity and development in southeast New Mexico drives demand for our water and other oilfield related products and services.

We have permitted, licensed, declared and partially adjudicated water rights in New Mexico under which we sell water primarily for industrial uses in the oil and gas services industry.

In May 2019, we acquired Intrepid South, from which we sell products and services to support oil and gas development in the Permian Basin in southeast New Mexico. Our other oilfield related products and service offerings include, but are not limited to, caliche, right-of-way agreements, surface damages and easements, and a produced water royalty. Due to the strategic location of Intrepid South, part of our long-term operating strategy is selling small parcels of land, including restricted use agreements of surface or subsurface rights, to customers, where such sales provide a solution to a customer's operations in the oil and gas industry.

Byproducts

We also sell salt, magnesium chloride, and brines that are derived as part of our mining processes. Our salt is used in a variety of markets including animal feed, industrial applications, pool salt, and the treatment of roads and walkways for ice melting or to manage road conditions. Magnesium chloride is typically used as a road treatment agent for both deicing and dedusting. Our brines contain salt and potassium and are used primarily by the oil and gas industry to support well workover and completion activities. We continue to work to expand sales of byproducts, particularly to serve the oil and gas markets near our operating facilities. Sales of byproducts are accounted for within the segment that produced the byproduct. In each of the last three years, the potash segment accounted for the majority of our byproduct sales.

Production Facilities

We produce potash from three solar evaporation solution mining facilities: our HB solution mine in Carlsbad, New Mexico, our solution mine in Moab, Utah, and our brine recovery mine in Wendover, Utah. We also operate our North compaction facility in Carlsbad, New Mexico, which compacts and granulates product from the HB mine. Solution mining is a process by which potash is extracted from mineralized beds by injecting a salt-saturated brine into a potash ore body and recovering a brine that contains potash and other minerals. The brine is brought to the surface for mineral recovery through solar evaporation. For solar evaporation, the brine is placed in ponds and solar energy is used to evaporate water thus crystallizing out the potash and minerals contained in the brine. The resulting mineral evaporates are then processed to separate the minerals for sale. Solution mining does not require employees or machines to be underground.

We produce Trio® from our conventional underground East mine in Carlsbad, New Mexico. A conventional underground mine uses a mechanical method of extracting minerals from underground. Underground mining consists of multiple shafts or entry points and a network of tunnels to provide access to minerals and conveyance systems to transport materials to the surface. Underground mining machines are used to remove the ore and a series of pillars are left behind to provide the appropriate level of ground support to ensure safe access and mining.

We have a current estimated annual designed productive capacity of approximately 365,000 tons of potash from our solar evaporation solution mines. We also have an estimated annual designed productive capacity of 400,000 tons of Trio®.

Our annual production rates for potash and Trio® are less than our estimated productive capacity. Actual production is affected by operating rates, the grade of ore mined, recoveries, mining rates, evaporation rates, product pricing, product demand, and the amount of development work that we perform. Therefore, as with other producers in our industry, our production results tend to be lower than reported productive capacity.

We also have water pipelines and reservoir ponds that we use to deliver water to our New Mexico facilities and to customers.

Industry Overview

Potash and Trio®

Fertilizer serves a fundamental role in global agriculture by providing essential crop nutrients that help sustain both crop yield and quality. The three primary nutrients required for plant growth are nitrogen, phosphate, and potassium. There are no known substitutes for these nutrients. A proper balance of each of the three nutrients is necessary to maximize their effectiveness in crop growth. Potassium helps regulate plants' physiological functions and improves plant durability, providing crops with protection from drought, disease, parasites, and cold weather. Unlike nitrogen and phosphate, the potassium contained in naturally occurring potash does not require additional chemical conversion to be used as a plant nutrient.

In addition to the primary nutrients, which are required in the greatest quantities in crop nutrition, important secondary nutrients such as sulfur and magnesium are also essential in crop nutrition. Intrepid's Trio® product contains the primary nutrient potassium and two secondary nutrients, sulfur, and magnesium.

Historically, population growth and global economic conditions drive long-term global fertilizer demand. Sustained per capita income growth and agricultural policies in the developing world and other geopolitical factors, such as temporary disruptions in fertilizer trade related to government intervention and changes in the buying patterns of key fertilizer consuming countries, also affect global fertilizer demand. Annual demand variations are affected by planted acreage, agricultural commodity yields and prices, inventories of grains and oilseeds, application rates of fertilizer, weather patterns, and farm sector income. Volatility in agricultural commodity prices may impact farmer fertilizer buying decisions. We expect these key variables to continue to have an impact on global fertilizer demand for the foreseeable future.

Nameplate production capacities that exceed demand historically shape the world potash market. A few potash companies have controlled a significant portion of this capacity, which was magnified in early 2018 with the merger of two Canadian producers. Generally, these larger producers have managed production levels to approximate world demand. The world potash market experienced a significant decrease in production rates in 2022 due to sanctions on Belarusian potash and Russia's invasion of Ukraine. In 2022, global production decreased to approximately 61.1 million metric tonnes, compared to record production of approximately 71.0 million metric tonnes in 2021. Global production increased in 2023 to 67.1 million metric tonnes and is estimated at approximately 70.6 million metric tonnes in 2024, due to improving production rates in Belarus and increased production in Canada and other countries. Global production for 2025 is forecasted to be approximately 71.5 million metric tonnes. As global production rates increase, potash pricing will likely depend on the larger producers' ability to continue to manage the supply and demand balance through decreased utilization rates. Increases in world fertilizer demand, due mainly to population growth and limitations on arable land, are expected to steadily increase global potash consumption, although recent increases in productive capacities and the continued progress of key expansion projects, specifically BHP's Jansen Stage 1 project which expects first production in late 2026, add additional uncertainty to the long-term supply and demand balance for the potash market.

The volume of potash imports to the U.S. further impacts the potash market. A change in the volume of imports could result in a material change to potash prices in the U.S. The U.S. imposed sanctions on Belarusian potash imports, which took effect in April 2022. Belarusian potash historically accounted for approximately 7% of annual demand in the U.S. In response to these sanctions, other foreign suppliers increased the volume of potash imports to the U.S. The overall effect of these sanctions on the potash market remains uncertain.

The world's potash production is heavily focused on a few producers within a handful of countries. Twenty commercial potash deposits produce almost all of the world's potash. According to S&P Global Commodity Insights and data published by potash mining companies, six potash producing countries accounted for approximately 87% of the world's aggregate potash production and nine potash producing countries supplied approximately 96% of the world's potash production in 2024. Two major Canadian producers participate in the Canpotex marketing group that supplied approximately 34% of global potash production in 2024. Russia accounted for 17% and Belarus accounted for 11% of global potash production in 2024.

Oilfield Solutions

The most productive region in the U.S. for oil production is the Permian Basin, which spans from west Texas to southeastern New Mexico. In addition to producing wells, the Permian Basin also had approximately 900 drilled but uncompleted wells as of December 2024. The short-term energy outlook published in early January 2025 by the U.S. Energy Information Administration projects the Permian Basin's share of U.S. crude oil production will continue to increase and will account for more than 50% of all U.S. crude oil production in 2026.

The majority of oil and gas wells drilled in the U.S., including the Permian Basin, are hydraulically fractured horizontal wells, which account for the record amount of fossil fuels produced in the U.S. in recent years. The use of horizontal drilling in oil and gas production allows a well to remain in contact with the targeted formation thereby increasing production compared to vertically drilled wells. Horizontal drilling has resulted in longer wells, with some horizontal drilling sections reaching several miles long.

The increase in horizontal drilling has resulted in an increase in the use of water with a single hydraulically fracked well potentially using millions of gallons of water. In the frac process, water and sand are used to move proppant and other frac additives into the targeted rock formation. Pipelines transport most water used in fracking to the frac site, where it is stored in ponds or storage tanks.

In recent years, many operators have switched from using fresh water to using more recycled/produced water when completing wells. We believe this change is due to water conservation efforts, a move towards more environmentally friendly operations, an increase in the amount of produced water available for fracking, and an increasing in water recycling infrastructure. By recycling and using produced water, operators are able to reduce fresh water purchases and decrease the cost of transporting and disposing of produced water into disposal wells.

Competition and Competitive Strategy

We sell our potash and Trio® into commodity markets in which delivered price and the ability to timely deliver high quality products are essential. We are a competitive producer in the industry because of our ability to timely deliver high quality potash and Trio® products with specific particle sizes and with specific potassium oxide contents. In the potash market, we compete with larger Canadian potash producers and, to a lesser extent, producers located in Russia, Chile, Germany, and Israel. For Trio®, we compete with one other producer of langbeinite as well as producers of other specialty nutrients and blended products. The competitive market for our water resources includes other water right holders, which include companies, farmers, and ranchers operating in or near the Permian Basin in New Mexico.

Some of our direct and potential competitors may have significant advantages over us, including greater name recognition, longer operating histories, pre-existing relationships with current or potential customers, significantly greater financial, marketing and other resources, ownership of more diverse assets and products, and/or access to less expensive mining assets, any of which could allow them to respond more quickly to new or changing opportunities.

Our competitive strategy is focused on the following:

- ***Maximizing potash gross margin and optimizing potash production.*** All of our potash production comes from solar solution mines, which carry fewer fixed costs than conventional potash mines. Our per-ton costs are lower for solution mining than conventional mining as solar solution mining requires less labor, energy, and equipment. Additionally, we are advantageously located close to the markets we serve, with the North American market demand being significantly larger than our production capacity; therefore, we are able to selectively participate in the markets that we believe will provide the highest average net realized sales price per ton. We also maximize our gross margin by leveraging our freight advantage to key geographies, improving our diverse customer and market base, and developing our flexible marketing approach. We have optimization and expansion opportunities at our solution mining facilities, that, over time, could reduce our per-ton costs and increase our potash production.

- ***Maximizing Trio® gross margin and optimizing Trio® production.*** We are working to optimize our production process to produce more granular-sized product, which is preferred by most markets. Our sales and marketing approach is focused on domestic and select international markets and includes crop nutrition education and increased marketing efforts targeting organic agriculture and high-value specialty crop markets. We currently operate our Trio® facility at a reduced production level and expect to continue to do so for the foreseeable future.
- ***Expanding offerings of oilfield solutions.*** We intend to continue our expansion of water and brine sales, particularly to serve the oil and gas markets near our operating plants in New Mexico. We have water rights from which we sell water for commercial uses in the oil and gas services industry. We also use a portion of our water rights to produce heavy brines for use in the oil and gas industry. We expect to increase the amount of water available for sale from Intrepid South over the next few years through permitting additional water rights and infrastructure investments. Our other oilfield related products and services include, but are not limited to, surface use and right-of-way agreements, a produced water royalty agreement, and caliche. Given the location of Intrepid South, part of our long-term operating strategy is selling small parcels of land, including through the use of restricted use agreements for surface or subsurface rights, to customers.
- ***Continuing diversification of byproducts and services.*** We recover magnesium chloride, salt, and brine water byproducts during the production of potash and Trio®. These byproducts diversify our portfolio of product and service offerings. As we continue to explore and evaluate opportunities to diversify our revenue sources, we may enter into new or complementary businesses that expand our current product and service offerings.

Competitive Strengths

- ***U.S.-based producer.*** We are the only producer of potash in the U.S. We are located in a market that consumes significantly more potash than we can currently produce on an annual basis. Our geographic location provides us with a transportation advantage over our competitors for shipping our product to customers. In general, this allows us to obtain a higher average net realized sales price per ton than our competitors, that ship their products across longer distances to consuming markets, which increases their costs and reduces their gross margin. Our location allows us to target sales to the markets in which we have the greatest transportation advantage, maximizing our average net realized sales price per ton. Our access to strategic rail destination points and our location along major agricultural trucking routes also supports this advantage.

  As a U.S. producer, we enjoy a significantly lower total production tax and royalty burden than our principal competitors, which operate primarily in Saskatchewan, Canada. The Saskatchewan tax system for potash producers includes a capital tax and several potash mineral taxes, none of which are imposed on us as a U.S. producer. We currently pay an average royalty rate of approximately 4.9% for our potash and Trio® sales less their related freight costs, which compares favorably to that of our competitors in Canada. The relative tax and royalty advantage for U.S. producers becomes more pronounced when profits per ton increase due primarily to the profit tax component of the Saskatchewan potash mineral tax.
- ***Solar evaporation operations.*** All our potash production comes from solar solution mines. Solar evaporation is a cost-efficient production method because it significantly reduces our labor force and energy consumption, which are two of the largest costs of production. Our understanding and application of low-cost solution mining, combined with our reserves being located where a favorable climate for evaporation exists, make solar solution mining difficult for other producers to replicate. We also have significant reserves for future expansion of our solution mining operations.
- ***Diversity in Secondary Nutrient Markets.*** Given the greater scarcity of langbeinite relative to potash, its agronomic suitability for certain chloride-sensitive soils and crops, and the addition of key secondary nutrients in sulfur and magnesium, we believe there is a market for Trio® outside of our core potash markets. We also believe that there is a market for Trio® beyond the U.S., although freight expense and competition from substitute products have made this a difficult market to penetrate. We also offer Organic Materials Review Institute ("OMRI") listed potash and Trio® products that provide essential minerals for growing certified organic crops.
- ***Water rights.*** Water rights in New Mexico are real property rights, which authorize a water right owner to use a specific amount of water, diverted from a specific location, for a specific purpose of use, in a specific place. Water rights are limited to the amount of water put to beneficial use. In New Mexico, the New Mexico Office of the State Engineer (“OSE”) administers water rights. The validity of water rights is ultimately confirmed or denied by a court in an adjudication proceeding. Prior to an adjudication, a water right may be acquired through the OSE’s permitting or licensing process. If a water right existed before the OSE had authority to issue permits, a water rights owner may file a declaration with the OSE. The OSE issues permits for both surface and groundwater

appropriations. These permits are inchoate rights, which allow a permittee to put the water to beneficial use as prescribed by the agency. Once the OSE confirms that water diversion works have been completed and water has been put to beneficial use, the water right is licensed. A declaration is made when water was put to beneficial use either before New Mexico adopted its current water code in 1907 for surface water declarations, or before the OSE declared an underground water basin for groundwater declarations. A water right claimant must apply to the OSE for a permit to make changes to a water right, including changes in the place or purpose of use. The validity of water rights is ultimately confirmed or denied by courts in an adjudication process. We have permitted, licensed, declared and partially adjudicated water rights in New Mexico under which we sell water primarily for commercial uses in the oil and gas services industry. We continue to work to expand sales of water, especially to support oil and gas development in the Permian Basin near our Carlsbad facilities. The Intrepid South property increased our total water rights available for sale in and around the Permian Basin. This has expanded our relationships with oil and gas producers, which we may be able to use to expand sales of byproducts and services.

- ***Diversity of potash markets.*** We sell potash into three different markets—the agricultural, feed, and industrial markets. In both 2024 and 2023, these markets represented approximately 74%, 23%, and 3%, of potash sales. The agricultural market supplies crop nutrients to farmers producing a wide range of crops in different geographies and the animal feed market supplies feed manufacturers with key nutrients for a wide range of feed blends into various markets such as pet food and cattle feed. Sales into industrial markets have historically supported drilling activities in oil and gas, although the use of lower-cost potash substitutes in recent years has reduced our sales into those markets.
- ***Marketing flexibility.*** We have the ability to convert all of our standard-sized potash product into granular-sized product as market conditions warrant. We produce Trio® in premium, granular, standard, and fine standard sizes. This provides us with increased marketing flexibility as well as decreased dependence on any one particular market.
- ***Significant mineral reserve and resource life.*** Our potash reserves and resources have substantial years of reserve life and resource life. Reserve life is based on the current mine plan and estimated at 25 years for all our potash facilities. Resource life at our potash facilities ranges from 33 years to over 100 years. We no longer report mineral reserves at our East mine and only include a mineral resource estimate. In addition to our reserves, we have water rights and access to additional mineralized areas of potash for potential future exploitation. Additional information regarding our mineral reserves and resource estimates can be found in Item 2. Properties and in the Technical Report Summaries included with this filing.
- ***Existing facilities and infrastructure.*** Constructing a new potash production facility requires substantial time and extensive capital investment in mining, milling, and infrastructure to extract, process, store, and ship product. Our operations already have significant facilities and infrastructure in place. We also have the ability to expand our business using existing installed infrastructure, in less time and with lower expenditures than would be required to construct entirely new mines.

Seasonality

The month-to-month seasonality of our agricultural sales is somewhat moderated due to the variety of crops, industries, distribution strategies, and geographies that we serve. There is a seasonal sales pattern for potash sold into the agricultural market. Over the last three years, approximately 80% of our total annual potash sales volumes occurred in January through May, in anticipation for the spring application season, and September through November, in anticipation of the fall application season. The specific timing of when farmers apply potash remains highly weather dependent and varies across the numerous growing regions within the U.S. Marketing programs of potash producers and storage volumes closer to the farm gate significantly influence the timing of potash sales.

The sales pattern for Trio® sold into the domestic agricultural market is also seasonal. Over the last three years, our domestic Trio® sales volume has been highest in February through May, as Trio® products are typically applied to crops in the U.S. during the spring planting season. Demand for the spring planting season generally runs from December to May, when we have sold approximately 60% of our annual domestic Trio® volumes over the past three years.

We observed fertilizer dealers in North America instituting practices that are designed to reduce the risk of changes in the price of fertilizer products through consignment-type programs. These programs tend to make the timing of the spring and fall seasonal demand profile less predictable within the season. Further, through technological advances, farmers in the U.S. are more efficient in planting and harvesting their crops, which has compressed the application seasons.

Our quarterly and yearly financial results can also vary from one year to the next due to weather-related shifts in planting schedules and purchasing patterns.

Because all of our potash production comes from our solar solution mines, our potash production is also seasonal. Our solar solution mines suspend potash production activities from early spring through late summer, the peak solar evaporation period. Accordingly, we manage our inventories during the low demand periods of the year in order to ensure timely product availability during the peak sales seasons, as well as during the summer evaporation period when we are not producing potash. Our sales volumes are highest during the spring and our working capital requirements are highest just before the start of the spring season, as a result of the seasonality of fertilizer demand.

Demand of our oilfield products and services is highly correlated to oil and gas exploration activities and can vary from quarter to quarter and year to year.

Major Customers

Within the agricultural market, we supply a diversified customer base of distributors, cooperatives, retailers, and dealers, which in turn supply farmers producing a wide range of crops in different geographies. We sell into the industrial and feed markets through distributors and directly to end users. For water, we sell to a diverse set of customers through a combination of spot sales and a multi-year contract. For brine, we sell to a diverse set of customers in the spot market.

In 2024, 2023, and 2022, we had one customer, Bill Barr & Company, Inc., which accounted for more than 10% of our total consolidated revenues.

Environmental, Safety, and Health Matters

We are subject to federal, state, and local environmental, safety, and health laws that regulate, among other things; (1) soil, air, and water quality standards for our facilities; (2) the disposal, storage, and management of any hazardous and solid wastes we use or produce; (3) our post-mining land reclamation and closure requirements; (4) the conditions of our mining and production operations; (5) our employee and contractor safety and occupational health; and (6) product content and labeling. We employ and consult with professionals who assist in monitoring our compliance with these laws and who work with management to ensure that appropriate strategies and processes are in place to promote a culture that prioritizes safety and environmental responsibility.

In 2024, we had approximately $3.2 million of capital investments and reclamation projects, and $1.2 million in other expenses, relating to environmental compliance, environmental studies, and remediation efforts. We expect to spend $3.0 million to $4.0 million for environmental related capital and reclamation projects in both 2025 and 2026. Future capital expenditures are subject to uncertainties, including changes to environmental laws. Material expenditures could be required in the future to fulfill existing or new environmental compliance requirements. We anticipate a focus on environmental issues will result in increased future investments for environmental controls at our operations. See Item 1A. Risk Factors “Risks Related to Our Business - Environmental laws and regulations could subject us to significant liability and require us to incur additional costs.”

Product Registration Requirements

We are required to register fertilizer products with each U.S. state and foreign country where our products are sold. Each brand and grade of commercial fertilizer must be registered appropriately before being offered for sale, sold, or distributed. In most cases, these product registrations impose specific requirements relating to guaranteed analysis, product labeling, and regular reporting of sales.

Some U.S. states require similar registration and reporting for feed grade products. Industrial-grade products typically do not require registration or reporting.

Operating Requirements and Government Regulations

Permits

We are subject to numerous environmental laws and regulations, including laws and regulations regarding land use and reclamation; release of emissions to the atmosphere; release of contaminants to water; preservation of plant and animal life; and the generation, treatment, storage, disposal, and handling of hazardous substances and wastes. These laws include the Clean Air Act ("CAA"); the Clean Water Act ("CWA"); the Resource Conservation and Recovery Act ("RCRA"); the Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA"); the Toxic Substances Control Act ("TSCA"); and various other federal, state, and local laws and regulations. Violations can result in substantial penalties, court orders to install pollution-control equipment, civil and criminal sanctions, permit revocations, and facility shutdowns. Environmental laws and regulations may impose joint and several liability, without regard to fault, for cleanup costs on potentially responsible parties who have released, disposed of, or arranged for release or disposal of hazardous substances in the environment.

We hold numerous environmental, mining, and other permits or approvals authorizing and regulating operations at each of our facilities. Our operations are subject to permits for, among other things, extraction of salt and brine, discharges of process water, air emissions, injection of brine, water storage and handling and appropriation of water. Some of our proposed activities may require waste storage permits. A decision by a government agency to deny or delay issuing a new, modified, or renewed permit or approval, or to revoke or substantially modify an existing permit or approval, could limit or prevent us from mining at these properties. In addition, changes to environmental and mining regulations or permit requirements could limit our ability to continue operations at the affected facility. In many cases, environmental and operating permits and approvals are also required for an expansion of, or changes to, our operations. As a condition to procuring the necessary permits and approvals, we may be required to comply with financial assurance regulatory requirements. The purpose of these requirements is to assure the government that sufficient company funds will be available for the reclamation, closure, and post-closure care at our facilities. We obtain bonds as financial assurance for these obligations. These bonds require annual payment and renewal. We believe we are in compliance with existing regulatory programs, permits, and approvals where non-compliance could have a material adverse effect on our operating results or financial condition.

In 2016, the OSE Dam Safety Bureau determined that our East tailing impoundment and West tailing impoundment are considered jurisdictional dams. In 2024, the OSE Dam Safety Bureau classified our East tailing impoundment as a high hazard potential dam. We continue to work with the OSE Dam Safety Bureau to determine required dam modifications. In 2024, we received notice from the New Mexico Environment Department Groundwater Quality Bureau (“NMED GQB”) that the East tailing impoundment is subject to regulation by the NMED GQB and that our West tailing impoundment may be subject to regulation by the NMED GQB. We submitted an application for a discharge permit to the NMED GQB in February 2025. We may be required to spend a significant amount of capital on our East tailing impoundment to comply with the discharge permit requirements. Similarly, we may be required to spend a significant amount of capital on our West tailing impoundment to comply with the discharge permit requirements if a discharge permit for the impoundment is required.

Occasionally governmental agencies notify us of noncompliance with certain environmental laws, regulations, permits, or approvals. For example, although designated as zero discharge facilities under the applicable water quality laws and regulations, our North, and Moab facilities at times may experience some water and brine discharges during periods of significant rainfall or due to other circumstances. We have implemented several initiatives to address discharge issues, including the reconstruction or modification of certain impoundments, increasing evaporative area, and reducing process water usage and improved management systems. State and federal officials are aware of these issues and have visited the sites to review our corrective efforts and action plans, and, in some circumstances, require an operational permit.

Air, Water Discharge, and Drinking Water

The New Mexico Environment Department (“NMED”) and the Utah Department of Environmental Quality (“UDEQ”) affirm our compliance with applicable permits and conduct periodic inspections of our New Mexico and Utah facilities, respectively. In the ordinary course of business, we may receive notices from NMED or UDEQ of alleged air, water discharge, or drinking water quality violations. Upon receipt of any such violations, including notices of noncompliance, we make any required corrective actions.

Safety and Health Regulation and Programs

Some of our facilities are subject to the Federal Mine Safety and Health Act of 1977 ("MSHA"), the Occupational Safety and Health Act ("OSHA"), related state statutes and regulations, or a combination of these laws.

Our conventional underground mines and related surface facilities in New Mexico are subject to MSHA jurisdiction. In accordance with MSHA, these facilities are regularly inspected by MSHA personnel. Item 4 and Exhibit 95.1 to this Annual Report provide information concerning certain mine safety violations.

As part of our ongoing safety programs, we collaborate with MSHA and the New Mexico Bureau of Mine Safety to identify and implement accident prevention techniques and practices. A trained mine rescue team services our New Mexico facilities. This team is ready to respond to on-site incidents or assist in local incidents, if needed. In addition, our New Mexico facilities participate in a Mine Rescue Assistant Agreement with other mine facilities and a federal hazardous waste facility to provide mine rescue support.

Our Utah facilities and our HB mine and plant are subject to OSHA jurisdiction. We provide all OSHA required training and other certifications to our employees at these facilities.

Remediation at Intrepid Facilities

Many of our current facilities have been in operation for a number of years. Our and our predecessors' operations involved the historical use and handling of potash, salt, related potash and salt byproducts, process tailings, hydrocarbons, and other regulated substances. Some of these operations resulted, or may have resulted, in soil, surface water, or groundwater contamination. At some locations, there are areas where process waste, building materials (including asbestos-containing transite), and ordinary trash may have been disposed or buried, and have since been properly closed and maintained.

At some of our facilities, spills or other releases of regulated substances may have occurred or could potentially occur, possibly requiring us to undertake or fund cleanup efforts under CERCLA or state laws governing cleanup or disposal of hazardous and solid waste.

We work closely with government authorities to obtain the appropriate permits to address identified site conditions. For example, buildings located at our facilities in Utah and New Mexico have a type of siding that contains asbestos. We have adopted programs to encapsulate and stabilize portions of the siding through use of an adhesive spray and to remove the siding, replacing it with an asbestos-free material. We have trained asbestos abatement crews that handle and dispose of the asbestos-containing siding and related materials. We have a permitted asbestos landfill in Utah and have worked closely with Utah officials to address asbestos-related issues at our Moab mine.

Reclamation Obligations

Mining and processing of potash generates residual materials that must be managed both during the operation of the facility and upon facility reclamation and closure. Potash tailings, consisting primarily of salt and fine sediments that remain after potash is removed from ore during processing, are stored in surface disposal sites. Some of these tailing materials may also include other contaminants, such as lead, that were introduced as reagents during historic processing methods. These tailings materials may require additional management and could result in the imposition of additional disposal and reclamation requirements. For example, at least one of our New Mexico mining facilities may have legacy issues regarding lead in a tailings pile that occurred from production methods utilized prior to our acquisition of these assets. During the life of the tailings management areas, we have incurred, and will continue to incur, significant costs to manage potash residual materials in accordance with environmental laws, regulations and permit requirements. Additional legal and permit requirements will take effect when these facilities are closed.

Our surface permits require us to reclaim property disturbed areas of our facilities. Our operations in Utah and New Mexico have specific obligations related to reclamation of the land after mining and processing operations are concluded. The discounted present value of our estimated reclamation costs for our facilities as of December 31, 2024, is approximately $32.9 million, which is reflected in our audited financial statements found elsewhere in this Annual Report. Various permits and authorization documents negotiated with or issued by the appropriate governmental authorities include these estimated reclamation costs on an undiscounted basis.

It is difficult to estimate and predict the potential actual costs and liabilities associated with remediation and reclamation of our facilities. Additionally, it is possible that we could be identified in the future as a potentially responsible party for additional remediation and reclamation costs, either as a result of changes in existing laws and regulations or as a result of the identification of additional matters subject to remediation and/or reclamation obligations or liabilities.

Royalties

The potash, langbeinite, water, and byproducts we produce and sell from leased land or minerals may be subject to royalty payments. We produce and sell products from leased land and/or minerals owned by the U.S., the States of New Mexico and Utah, and private landowners. The terms of the royalty payments are determined at the time of the issuance or renewal of leases. Some royalties are determined as a fixed percentage of revenue and others vary based upon ore grade. Additionally, some of our leases are subject to overriding royalty interest payments paid to various owners. In 2024, we paid $10.6 million in federal, state, and private royalties. The royalty rates on our state and federal leases in New Mexico are currently set at various rates from 2.0% to 5.0%. The royalty rates on our state and federal leases in Utah are currently set at rates from 3.0% to 5.0%. The royalty rates on our private leaseholds are between 5.0% and 8.0%.

Human Capital Resources

Headcount

We believe that our employees and contractors are significant contributors to the current and future success of Intrepid. Our ability to attract, retain, and motivate qualified personnel is critical to our operations. The skills, experience and industry knowledge of key employees significantly benefit our operations and performance. We value our relationships with our employees and consider our relationships with them to be good. As of December 31, 2024, we had a total of 468 employees. Our workforce is experienced, providing invaluable expertise and insight into our operations.

Location	Number of Employees	Average Tenure (in years)
Denver	48	5
Moab	60	10
New Mexico	296	10
Wendover	64	11

We have a collective bargaining agreement with a labor organization representing our hourly employees in Wendover, Utah, which expires on May 31, 2026. This agreement was negotiated between us and the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union, Local 867, and became effective on June 1, 2023.

Employee Development and Training

We believe in providing opportunities for employees to continue to develop and grow their careers. We offer our employees a tuition reimbursement program and ongoing support for continuing education for professional certifications and other credentials. We also provide a comprehensive career path program for our hourly employees that outlines the proficiencies necessary for each job level and sets forth the development steps to progress through various job levels.

Competitive Pay and Benefits

We have structured our compensation programs to balance incentive earnings for both short-term and long-term performance goals. We provide employee wages that are competitive and consistent with employee positions, skill levels, experience, knowledge, and geographic location. We align our executives' long-term equity compensation with our shareholders' interests by linking realizable pay with stock performance.

We are also committed to providing comprehensive benefit options to our employees. We offer benefits that will allow our employees and their families to live healthier and more secure lives. Our employee benefits include health insurance, telemedicine, an employee assistance program, paid and unpaid leave, life insurance, short-term disability insurance and a retirement savings plan with a company match. We also offer a variety of voluntary benefits that allow employees to select the options that meet their needs, including flexible time-off, adoption assistance, prescription savings solutions, and a wellness program.

Health and Safety

The health and safety of our employees is our highest priority and is embodied in our operating philosophy. We are committed to providing a safe, functional, and effective work environment for anyone who comes to our properties.

Sustainability

We are committed to providing consistent returns to our shareholders while being a good corporate citizen that values the welfare of our employees, the communities in which we operate, and the customers we serve. In prioritizing, improving, and managing our sustainability goals, we will create long-term value for our investors. We have made sustainability initiatives a priority for our management team and are committed to providing focused reporting on the sustainability issues that are the most relevant to our business and stakeholders. We published an updated Sustainability Report in 2024 to clearly disclose the goals and metrics related to our sustainability programs, as we believe this information will allow our stakeholders to be informed about our progress. We intend to update these goals and metrics annually. We encourage you to read our Sustainability Report to learn more about our strategy, efforts, and goals relating to these initiatives, which can be found on our website, www.intrepidpotash.com.

Available Information

We file or furnish with the U.S. Securities and Exchange Commission (the "SEC") reports, including our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, proxy statements, and any amendments to these reports filed or furnished pursuant to Section 13(a) or Section 15(d) of the Exchange Act. These reports are available free of charge on our website at www.intrepidpotash.com as soon as reasonably practicable after they are electronically filed with or furnished to the SEC. These reports can also be obtained at www.sec.gov.

We routinely post important information about us and our business, including information about upcoming investor presentations, on our website, www.intrepidpotash.com, under the Investor Relations tab. We encourage investors and other interested parties to enroll on our website to receive automatic email alerts regarding new postings. The information found on, or that can be accessed through, our website is not part of this or any other report we file with, or furnish to, the SEC.

ITEM 1A. RISK FACTORS

You should carefully consider the following risk factors. Our future performance is subject to a variety of risks and uncertainties that could materially and adversely affect our business, financial condition, and results of operations, and the trading price of our common stock. We may be subject to other risks and uncertainties not presently known to us. See "Cautionary Note Regarding Forward-Looking Statements."

Summary Risk Factors

Below is a summary of some of the principal risks that could adversely affect our business, operations and financial results:

Risks Related to Our Business

- Our potash and Trio® sales are subject to price and demand volatility resulting from periodic imbalances of supply and demand, which could negatively affect our results of operations.
- We may not be successful in our efforts to sustain or expand water sales due to the status of our water rights, challenges to our water rights, changes in the demand for water in the areas around our facilities, restrictions on water use, or other events, which could adversely impact our financial condition and results of operations.
- A decline in oil and gas drilling could decrease our revenue.
- We may alter or expand our operations or continue to pursue acquisitions, which could adversely affect our business if we are unable to manage any expansion or acquisition effectively.
- Competitors' aggressive pricing or operating strategies could adversely affect our sales and results of operations.
- The seasonal demand for our products, and the resulting variations in our cash flows from quarter to quarter, could have an adverse effect on our results of operations and working capital requirements.
- Our Trio® profitability could be affected by market entrants or the introduction of langbeinite alternatives.
- International sales could present risks to our business.
- If potash or Trio® prices decline, or oil and gas activity declines, we could be required to record write-downs of our long-lived and indefinite-lived assets, which could adversely affect our results of operations and financial condition.
- If we are required to write down the value of our inventories, our financial condition and results of operations would be adversely affected.
- Weakening of foreign currencies against the U.S. dollar could lead to lower domestic potash prices, which would adversely affect our results of operations. Currency fluctuations could cause our results of operations to fluctuate.
- Our business depends on skilled and experienced workers, and our inability to find and retain quality workers could have an adverse effect on our development and results of operations.
- Increases in the prices of energy and other important materials used in our business, or disruptions to their supply, could adversely impact our sales, results of operations, or financial condition.
- Increased costs could affect our per-ton profitability.
- A shortage of railcars or trucks for transporting our products, increased transit times, or interruptions in railcar or truck transportation could result in customer dissatisfaction, loss of sales, higher transportation or equipment costs, or disruptions in production.
- We rely on our management personnel for the development and execution of our business strategy, and the loss of one or more members of our management team could harm our business.
- We have less product diversification than nearly all of our competitors, which could have an adverse effect on our financial condition and results of operations.
- Heavy precipitation or low evaporation rates at our solar solution mines could impact our potash production at those facilities, which could adversely affect our sales and results of operations.
- Inflows of water into our langbeinite mine from heavy rainfall or groundwater could result in increased costs and production downtime and could require us to abandon the mine, any of which could adversely affect our results of operations.
- A significant disruption to our information technology systems could adversely affect our business and operating results.
- We face risks related to cybersecurity threats and incidents.
- Artificial intelligence presents risks and challenges that can impact our business including by posing security risks to our confidential information, proprietary information, and personal data.
- Our business may be adversely affected by union activities.

Risks Related to Our Industry

- Changes in the agricultural industry could exacerbate the cyclical nature of the prices and demand for our products or adversely affect the markets for our products.

- Mining is a complex process that frequently experiences production disruptions, which could adversely affect our results of operations.
- Mining is an inherently hazardous industry, and accidents could result in significant costs or production delays.
- The grade of ore that we mine could vary from our projections due to the complex geology and mineralogy of reserves, which could adversely affect our production and our results of operations.
- If the assumptions underlying our reserve estimates are inaccurate or if future events cause us to negatively adjust our previous assumptions, the quantities and value of our reserves, and in turn our financial condition and results of operations, could be adversely affected.
- Existing and further oil and gas development in the Designated Potash Area could impair our potash reserves, which could adversely affect our financial condition or results of operations.
- The mining business is capital intensive, and our inability to fund necessary or desirable capital expenditures could have an adverse effect on our growth and profitability.

Risks Related to Financial Position, Indebtedness and Additional Capital Needs

- The execution of strategic projects could require more time and money than we expect, which could adversely affect our results of operations and financial condition.
- Future indebtedness could adversely affect our financial condition and impair our ability to operate our business.
- Adverse conditions in the domestic and global economy and disruptions in the financial markets could negatively affect our results of operations and financial condition.
- Market upheavals due to military actions, pandemics, terrorist attacks, other catastrophic events, or economic repercussions from those events could reduce our sales or increase our costs.
- The loss of, or substantial decline in revenue from larger customers or certain industries could have a material adverse effect on our revenues, profitability, and liquidity.

Risks Related to Compliance, Regulatory and Legal

- Changes in laws and regulations affecting our business, or changes in enforcement practices, could adversely affect our financial condition or results of operations.
- If we are unable to obtain and maintain the required permits, governmental approvals, and leases necessary for our operations, our business could be adversely affected.
- Anti-corruption laws and regulations could subject us to significant liability and require us to incur costs.

Risks Related to the Environment and Climate

- Physical effects of climate change, and climate change legislation, could have a negative effect on us and our customers, and, in turn, our results of operations.
- Environmental laws and regulations could subject us to significant liability and require us to incur additional costs.

Risks Related to Our Common Stock

- The price of our common stock may be volatile, and you could lose all or part of your investment.
- The future issuance and sale of additional shares of our common stock, or by our announcement that the issuances and sales may occur, may adversely affect the market price of our common stock.
- We do not anticipate paying cash dividends on our common stock.
- Provisions in our charter documents and Delaware law may delay or prevent a third party from acquiring us.
- We may issue additional securities, including securities that are senior in right of dividends, liquidation, and voting to our common stock, without your approval, which would dilute your existing ownership interests.

Risks Related to Our Business

Our potash and Trio® sales are subject to price and demand volatility resulting from periodic imbalances of supply and demand, which could negatively affect our results of operations.

The market for potash and Trio® is cyclical, and the prices and demand for potash and Trio® can fluctuate significantly. Periods of high demand, increasing profits, and high-capacity utilization lead to new plant investment and increased production. This growth continues until the market is over-saturated, leading to decreased prices and lower-capacity utilization until the cycle repeats. Despite supply disruptions from the Russia-Ukraine conflict in 2022 and 2023 which reduced production for a two-year period, global production in 2024 was approximately 70.6 million metric tonnes and is forecasted to be approximately 71.5 million metric tonnes in 2025. Global productive capacity remains higher than demand and significant brownfield and greenfield expansion projects are in progress. Tariffs and retaliatory tariffs, either proposed or enacted, could also impact the supply and demand balance. As a result of these factors, the prices and demand for potash can be volatile. This volatility can reduce profit margins and negatively affect our results of operations. We sell most of our potash and Trio® into the spot market in the U.S. In addition, potash and Trio® do not have active hedge markets like many other commodities have. As a result, we do not have protection from this price and demand volatility.

We may not be successful in our efforts to sustain or expand water sales due to the status of our water rights, challenges to our water rights, changes in the demand for water in the areas around our facilities, restrictions on water use, or other events, which could adversely impact our financial condition and results of operations.

We have permitted, licensed, declared and partially adjudicated water rights in New Mexico under which we sell water primarily for industrial uses such as in the oil and gas services industry. We continue to work to expand sales of water, especially to support oil and gas development in the Permian Basin near our New Mexico facilities. If there are changes in state or federal regulations regarding oil and gas production or water usage, this could materially impact our ability to monetize our water rights. Third parties regularly challenge our applications to the OSE to change our water rights permits so that we are authorized to sell water to oil and gas producers. We may not be successful in our efforts to obtain the requisite permit changes. In many cases, sales of water require governmental permits or approvals. A decision to deny, delay, revoke, or modify a permit or approval could prevent us from selling water, increase the cost to provide water, or result in us having to refund prepayments that we have received for future water sales. If oil or gas prices decline, if oil and gas development in the Permian Basin decreases, or if demand for fresh water in the Permian Basin declines for other reasons, the demand for water under our water rights could be adversely affected. In addition, we could be required to expend capital to meet customer needs. Any of these events could adversely impact our financial condition and results of operations.

Water rights in New Mexico are subject to a stated place of withdrawal, purpose and place of use. Some of our water right permits, declarations and licenses were originally issued for uses relating to our mining operations. To sell water under these rights for oil and gas development, we must apply for a permit from the OSE to change the point of diversion, purpose and/or place of use of the underlying water rights. The OSE reviews such applications and makes a determination as to the validity of the right and, will approve the proposed change if it determines the requested change will not impair existing water rights, will not be contrary to the conservation of water within the state, and will not be detrimental to the public welfare of the state. In some situations, the OSE can issue a preliminary authorization for the change, which allows for the proposed change to go into effect immediately while pending further administrative review. Such authorizations for water sales are often subject to repayment if the underlying water rights were ultimately found to be invalid. Third parties may protest an application to change a point of diversion, purpose or place of use or a preliminary authorization at minimal cost and frequently do so. Once protested, an administrative process begins, whereby the OSE will ultimately determine if the subject application or preliminary authorization will impair existing water rights, will be contrary to the conservation of water within the state or will be detrimental to the public welfare of the state. The OSE's findings can be appealed to a New Mexico district court. A significant portion of our water sales are being made under leases issued by the OSE. Additionally, some of our water rights are permitted water rights for which we still need to provide proof of completion of works and proof of beneficial use to the OSE. Please see Note 15 of the Notes to Consolidated Financial Statements for an update on challenges to our water rights.

We may face political and regulatory issues relating to the potential use of the maximum amount of our rights. Any decrease in our water rights could materially impact our ability to monetize our water rights.

A decline in oil and gas drilling could decrease our revenue.

A portion of our revenue comes from the sale of water, brines, and potassium chloride for use in oil and gas development. We also generate revenue from the sale of caliche, a produced water royalty, and various surface use agreements with operators. A decline in oil and gas drilling, especially in the Permian Basin, could reduce our sales of water, brines, and potassium chloride and result in reduced revenue from our other oilfield related offerings. In addition, oil and gas developers are regularly looking for ways to use more produced water instead of fresh water in oil and gas development and operations. Also, there are other products available that have some of the same clay-inhibiting properties as our potassium chloride. These alternative products could temporarily or permanently replace some of our sales of water or potassium chloride. We also have other oilfield product and service offerings, such as caliche and brine products, the sales of which were negatively impacted by the decline in oil and gas development in 2020, and may be further impacted in the future by declines in oil and gas development.

We may alter or expand our operations or continue to pursue acquisitions, which could adversely affect our business if we are unable to manage any expansion or acquisition effectively.

We continue to look for opportunities designed to maximize the value of our existing assets, such as through increased production and sales of potash, water, salt, and brine. For example, in 2019 we purchased water and real property assets in southeastern New Mexico, which we refer to as Intrepid South, in an effort to expand our water sales and other revenue from the oil and gas industry. We may also enter into new or complementary businesses that expand our product offerings beyond our existing assets. We may also expand into new products or services in our current industry or other industries. Ultimately, we may be unsuccessful in implementing any alteration of our activities or expansion initiatives. Further, we may not be able to fully realize any anticipated benefits of these initiatives. Any expansion initiatives may require significant capital investments and those investments may not produce our expected returns.

As part of our growth strategy, we may consider the acquisition of other companies or assets that complement or expand our business. We may not be able to successfully identify suitable acquisition opportunities, prevail against competing potential acquirers, negotiate appropriate acquisition terms, obtain necessary financing, complete proposed acquisitions, successfully integrate acquired businesses or assets into our existing operations, or expand into new markets. An acquisition may require us to use a significant portion of available cash or may result in significant dilution to our stockholders. We may be required to assume unanticipated liabilities or contingencies as part of an acquisition, or we may face substantial costs, delays, or other problems as part of the integration process. In addition, acquired businesses or assets may not achieve the desired effects or otherwise perform as we expect. We may not realize the synergies that we expect to achieve. Additionally, while we execute these acquisitions and related integration activities, our attention may be diverted from our ongoing operations, which could have a negative impact on our business.

Any of these items could negatively impact our financial condition and results of operations.

Competitors' aggressive pricing or operating strategies could adversely affect our sales and results of operations.

The potassium-fertilizer industry is concentrated, with a small number of producers accounting for the majority of global production. Many of these producers have significantly larger operations and more resources than we do. These larger producers may have greater leverage in pricing negotiations with customers and transportation providers. They also have a broader product portfolio, which may allow them to offer rebates or bundle products to offer discounts or incentives to gain a competitive advantage. Competitors may also be able to mine their potash or langbeinite at a lower cost due to economies of scale or other competitive advantages. In addition, they may decide to pursue aggressive pricing or operating strategies that disrupt the global and U.S. markets. These disruptions could cause lower prices or demand for our product, which would adversely affect our sales and results of operations.

The seasonal demand for our products, and the resulting variations in our cash flows from quarter to quarter, could have an adverse effect on our results of operations and working capital requirements.

The fertilizer business is seasonal. With respect to domestic sales, we typically experience increased sales during the North American spring and fall application seasons. The degree of seasonality can change significantly from one year to the next due to weather-related shifts in planting schedules and purchasing patterns. We and our customers generally build inventories during low-demand periods of the year to ensure timely product availability during high-demand periods, resulting in increased working capital requirements just before the start of these seasons. If we are unable to accurately predict the timing of demand for our products due to variations in seasonality from year to year, our results of operations and working capital could be adversely affected. Similarly, if we do not have adequate storage capacity to manage varying inventory needs, we may need to reduce production or lower the price at which we sell product, either of which would adversely affect our results of operations.

We market Trio® in various countries around the world, all of which have different climates and fertilizer-application patterns. As a result, seasonality in our international Trio® sales may develop, which could cause volatility in our results of operations.

Our Trio® profitability could be affected by market entrants or the introduction of langbeinite alternatives.

Langbeinite is produced by us and one other company from a single resource located in Carlsbad, New Mexico. Additional competition in the market for langbeinite and comparable products exists and could increase in the future. Other companies could seek to create and market chemically similar alternatives to langbeinite, some of which could be superior to langbeinite, or less costly to produce. In addition, companies sometimes blend several nutrients to obtain a product with similar agronomic benefits as langbeinite. The market for langbeinite and our Trio® sales could be affected by the success of these and other products that are competitive with langbeinite, which could adversely affect the viability of our Trio® business and our results of operations and financial condition. Further, recent increases in the supply of langbeinite by us and the other producer may continue to pressure the sales price of Trio®.

International sales could present risks to our business.

Sales of Trio® into international markets often require more resources and management attention than domestic sales and may subject us to economic, regulatory, and political risks that are different from those in the U.S. These risks include accounts receivable collection; the need to adapt marketing and sales efforts for specific countries; new and different sources of competition; disputes and losses associated with overseas shipping; tariffs; export controls, and trade duties; additional time and effort to obtain product certifications; adverse tax consequences; restrictions on the transfer of funds; changes in legal and regulatory requirements or import policies including sanctions; compliance with potentially unfamiliar local laws and customs; and political and economic instability. International sales may also be subject to fluctuations in currency exchange rates, which could increase the price of our products outside the U.S. and expose us to foreign currency exchange rate risk. Certain international markets require significant time and effort on the part of management to develop relationships and gain market acceptance for our products. Overall, there are additional logistical requirements associated with international sales, which may increase the time between production and our ability to recognize related revenue. Our failure to manage any of these risks successfully could harm our future international operations and our overall business.

If potash or Trio® prices decline, or oil and gas activity declines, we could be required to record write-downs of our long-lived and indefinite-lived assets, which could adversely affect our results of operations and financial condition.

We evaluate our long-lived assets for impairment when events or changes in circumstances indicate that the related carrying amount may not be recoverable. Impairment is considered to exist if an asset's total estimated future cash flows on an undiscounted basis are less than the carrying amount of the related asset. An impairment loss is measured and recorded based on the discounted estimated future cash flows.

In 2024, we recorded total impairment charges to our long-lived assets and mineral properties of $10.7 million, of which $4.4 million related to assets at our East mine and $6.4 million related to certain assets in our oilfield solutions segment.

In 2023, we recorded total impairment charges of $43.3 million, of which $31.9 million related to our long-lived assets and mineral property assets at our East mine. We determined that sufficient indicators of potential impairment existed because higher Trio® production costs and lower realized Trio® prices led to negative gross margins for our Trio® segment. We also recorded impairment charges of $9.9 million related to our long-lived assets that are in care and maintenance at our West mine, and $1.5 million related to certain assets in our oilfield solutions segment.

We also have certain indefinite-lived intangible assets that we evaluate for impairment at least annually or more frequently when events or changes in circumstances indicate the fair value may have changed. An impairment loss is measured and recorded based on the current fair value of the asset.

After recording impairment charges to our long-lived assets in 2024, we believe the carrying values of our long-lived assets and our indefinite-lived intangible assets were realizable as of the balance sheet dates. However, future events could cause us to conclude otherwise. These future events could include further significant and sustained declines in potash or Trio® prices, further significant or sustained declines in water prices and demand, or higher production and operating costs. Further, based on our analysis of the profitability of any of our facilities, we may decide to terminate or suspend operations at additional facilities. These events could require a further write-down of the carrying value of our assets, which would adversely affect our results of operations and financial condition.

If we are required to write down the value of our inventories, our financial condition and results of operations would be adversely affected.

We carry our inventories at the lower of cost or net realizable value. In periods when the market prices for our products fall below our cost to produce them and the lower prices are not expected to be temporary, we are required to write down the value of our inventories. We recorded $4.0 million of lower of cost or net realizable value adjustments in our potash segment in 2024. Any write-down of our inventory would adversely affect our financial condition and results of operations, possibly materially.

Weakening of foreign currencies against the U.S. dollar could lead to lower domestic potash prices, which would adversely affect our results of operations. Currency fluctuations could cause our results of operations to fluctuate.

The U.S. imports the majority of its potash, including from Canada, Russia, and other countries. If the local currencies for foreign suppliers strengthen in comparison to the U.S. dollar, foreign suppliers realize a smaller margin in their local currencies unless they increase their nominal U.S. dollar prices. Strengthening of these local currencies therefore tends to support higher U.S. potash prices as the foreign suppliers attempt to maintain their margins. However, if these local currencies weaken in comparison to the U.S. dollar, foreign suppliers may lower prices to increase sales volume while again maintaining a margin in their local currency. Changes in the strength of the U.S. dollar compared to other currencies could cause our sales prices and results of operations to decrease or fluctuate significantly.

Our business depends on skilled and experienced workers, and our inability to find and retain quality workers could have an adverse effect on our development and results of operations.

The success of our business depends on our ability to attract and retain skilled managers, engineers, and other workers. At times, we may not be able to find or retain qualified workers. In particular, the labor market around Carlsbad, New Mexico, is competitive and employee turnover is generally high. In that market, we compete for experienced workers with several other employers, including natural resource and hazardous waste facilities, oil and gas producers, and another producer of langbeinite. If we are unable to attract and retain quality workers, the development and growth of our business could suffer, or we could be required to raise wages to keep our employees, hire less qualified workers, or incur higher training costs. These risks may be exacerbated in times when we need to reduce our workforce due to economic conditions. The occurrence of any of these events could have an adverse effect on our results of operations. For example, in mid-2016, we idled our West mine and transitioned our East mine to Trio®-only, resulting in us laying off a significant number of skilled employees in New Mexico. This may make it more difficult for us to re-hire skilled employees in the future.

Increases in the prices of energy and other important materials used in our business, or disruptions to their supply, could adversely impact our sales, results of operations, or financial condition.

Natural gas, electricity, chemicals, diesel, and gasoline are key materials that we purchase and use in the production of our products. The prices of these commodities are volatile.

Our sales and profitability are impacted by the price and availability of these materials. A significant increase in the price of these materials that is not recovered through an increase in the price of our products, or an extended interruption in the supply of these materials to our production facilities, could adversely affect our results of operations or financial condition. In addition, high natural gas or other fuel costs could increase input costs for end-users of our products, which could cause them to spend less on our products.

Increased costs could affect our per-ton profitability.

A substantial portion of our operating costs is comprised of fixed costs that do not vary based on production levels. These fixed costs include labor and benefits, base energy usage, property taxes, insurance, maintenance expenditures, and depreciation. Any increase in fixed costs or decrease in production generally increases our per-ton costs and correspondingly decreases our per-ton operating margin. We operate our East Plant at less than full capacity in order to curtail our Trio® production to match expected demand and manage inventory levels. A significant increase in costs at any of our facilities could have an adverse effect on our profitability and cash flows, particularly during periods of lower potash and Trio® prices.

A shortage of railcars or trucks for transporting our products, increased transit times, or interruptions in railcar or truck transportation could result in customer dissatisfaction, loss of sales, higher transportation or equipment costs, or disruptions in production.

We rely heavily upon truck and rail transportation to deliver our products to our customers. In addition, the cost of transportation is an important component of the price of our products. A shortage of trucks or railcars for carrying product or increased transit times due to accidents, highway or railway disruptions, congestion, high or compressed demand, labor disputes, adverse weather, natural disasters, changes to transportation systems, or other events could prevent us from making timely delivery to our customers or lead to higher transportation costs. As a result, we could experience customer dissatisfaction or a loss of sales. Similarly, disruption within the transportation systems could negatively affect our ability to obtain the supplies and equipment necessary to produce our products. We may also have difficulty obtaining access to vessels to deliver our products to overseas customers.

We rely on our management personnel for the development and execution of our business strategy, and the loss of one or more members of our management team could harm our business.

Our management personnel have significant relevant industry and company-specific experience. Our senior management team has developed and implemented first-of-their-kind processes and other innovative ideas that are important to our business. Our success depends, in part, upon the performance and continued services of our senior leadership team. We do not currently maintain "key person" life insurance on any of our management personnel. If we are unable to retain these individuals, our operations could be disrupted and we may be unable to achieve our business strategies and grow effectively.

On September 30, 2024, Robert P. Jornayvaz III resigned from all positions with the Company and its subsidiaries and affiliates following his extended medical leave of absence. Mr. Jornayvaz was our co-founder and had an in-depth knowledge and understanding of our business operations. He served as our Chief Executive Officer from our formation in 2008 until 2010, and again from 2014 until the time of his resignation. He also served as our Executive Chairman of the Board since 2010. The Company's Board of Directors (the "Board") appointed Kevin S. Crutchfield as Chief Executive Officer and a member of the Board as a Class III director, effective December 2, 2024.

We have less product diversification than nearly all of our competitors, which could have an adverse effect on our financial condition and results of operations.

A significant portion of our revenue comes from the sale of potash and langbeinite, whereas nearly all of our competitors are diversified, primarily into nitrogen- or phosphate-based fertilizer businesses or other chemical or industrial businesses. In addition, a majority of our sales are to customers in the U.S., and generally these customers are concentrated in key geographies where we have a freight advantage. As a result, we could be impacted more acutely by factors affecting our industry or the regions in which we operate than we would if our business was more diversified and our sales more global. A decrease in the demand for potash and langbeinite would have an adverse effect on our financial condition and results of operations. Similarly, in periods when production exceeds demand, the price at which we sell our potash and langbeinite and our sales volumes would likely fall, which would adversely affect our results of operations and financial condition more than our diversified competitors.

Heavy precipitation or low evaporation rates at our solar solution mines could impact our potash production at those facilities, which could adversely affect our sales and results of operations.

All of our potash production comes from our solar solution mines. These facilities use solar evaporation ponds to form potash crystals from brines. Weather conditions at these facilities could negatively impact potash production. For example, heavy rainfall in September and October, just after the evaporation season ends, can reduce the amount of potash we produce in that year or the following year by causing the potash crystals to dissolve and consume pond capacity. Similarly, lower-than-average temperatures or higher-than-average seasonal rainfall would reduce evaporation rates and therefore impact production. We experienced significant rainfall in the summer of 2019 at our Wendover facility which reduced the product available for sale in 2020. Similarly, our HB facility experienced a higher-than-average seasonal rainfall in the summer of 2021, which led to fewer tons available for sale in the second half of 2021 and in the spring of 2022. If we experience heavy rainfall or low evaporation rates at any of our solar solution mines, we would have less potash available for sale, and our sales and results of operations would be adversely affected. Reduced potash available for sale could also affect our ability to produce and sell byproducts such as salt and magnesium chloride.

Inflows of water into our langbeinite mine from heavy rainfall or groundwater could result in increased costs and production downtime and could require us to abandon the mine, any of which could adversely affect our results of operations.

Major weather events such as heavy rainfall can result in water inflows into our underground, langbeinite mine. The presence of water-bearing strata in many underground mines carries the risk of water inflows into the mines. If we experience water inflows at our langbeinite mine, our employees could be injured and our equipment and mine shafts could be seriously damaged. We could be forced to shut down the mine temporarily, potentially resulting in significant production delays, and we could spend substantial funds to repair or replace damaged equipment. Inflows may also destabilize the mine shafts over time, resulting in safety hazards for employees and potentially leading to the permanent abandonment of the mine.

A significant disruption to our information technology systems could adversely affect our business and operating results.

We rely on a variety of information technology and automated operating systems to manage or support our operations. We depend on our information technology systems for a variety of functions, including, but not limited to, financial reporting, inventory management, procurement, invoicing, and email. We also have access to, and we create and store, sensitive data, including our proprietary business information and that of our customers, and personally identifiable information of our employees. The proper functioning of these systems and the security of this data is critical to the efficient operation and management of our business. In addition, these systems could require modifications or upgrades as a result of technological changes or growth in our business. These changes could be costly and disruptive to our operations and could impose substantial demands on management time. Our systems, and those of third-party providers, also could be vulnerable to damage or disruption caused by catastrophic events, power outages, natural disasters, computer system or network failures, viruses or malware, physical or electronic break-ins, unauthorized access, and cyber-attacks. Although we take steps to secure our systems and electronic information, these cybersecurity measures may not be adequate. Any security breaches could compromise our networks and the information stored on them could be improperly accessed, disclosed, lost, or stolen. Any such access, disclosure or other loss of information could disrupt our operations and the services we provide to customers, damage our reputation or our relationships with our customers or result in legal claims or proceedings, any of which could adversely affect our business, reputation, and operating results.

We face risks related to cybersecurity threats and incidents.

We regularly face attempts by others to gain unauthorized access through the internet, or to introduce malicious software, to our information technology (“IT”) systems. Individuals or organizations, including malicious hackers and insider threats including employees and third-party service providers, or intruders into our physical facilities, at times attempt to gain unauthorized access to our software, network, and services. We could also be a target of malicious attackers who attempt to gain access to our network or data centers; steal proprietary information related to our business, products, employees, suppliers and customers; interrupt our systems and services or those of our suppliers, customers, or others; or demand a ransom to return control of such systems and services. Such attempts—including but not limited to—social engineering or “phishing” attempts, denial of service attacks and malware (including viruses, trojans and keyloggers) are increasing in number, intensity and in technical sophistication, and are increasingly difficult to detect for periods of time, especially as they relate to attacks on third-party vendors, and, if successful, expose us and any affected parties to risk of loss or misuse of proprietary or confidential information or disruptions of our business operations, including our manufacturing operations. These attacks are often carried out by motivated and highly skilled actors, who are increasingly well-resourced. Our IT infrastructure also includes services provided by third parties, and these service providers can experience breaches of their systems and products that impact the security of our systems and our proprietary or confidential information. In addition, certain factors, such as rapid technology evolution, including increased adoption of artificial intelligence, and geopolitical events, have increased cybersecurity risks. A substantial breach of our or one of our service providers’ systems could damage our reputation and result in the loss of revenues, or the misuse of confidential data, manufacturing challenges or disruption, diversion of management attention, litigation, regulatory action and damage to our relationships with vendors, business partners and customers, and we may incur significant expenses to resolve such issues.

Finally, the SEC has adopted new rules that require us to provide greater disclosures around cybersecurity risk management, strategy, and governance, as well as disclose the occurrence of material cybersecurity incidents. We cannot yet predict or estimate the amount of additional costs we will incur in order to comply with these rules or the timing of such costs. These rules and regulations may also require us to report a cybersecurity incident before we have been able to fully assess its impact or remediate the underlying issue. Efforts to comply with such reporting requirements could divert management’s attention from our incident response and could potentially reveal system vulnerabilities to threat actors. Failure to timely report incidents under these or other similar rules could also result in monetary fines, sanctions, or subject us to other forms of liability. This regulatory environment is increasingly challenging and may present material obligations and risks to our business, including significantly expanded compliance burdens, costs, and enforcement risks.

Artificial intelligence presents risks and challenges that can impact our business including by posing security risks to our confidential information, proprietary information, and personal data.

Issues in the development and use of artificial intelligence, combined with an uncertain regulatory environment, may result in reputational harm, liability, or other adverse consequences to our business operations. As with many technological innovations, artificial intelligence presents risks and challenges that could impact our business. We may adopt and integrate generative artificial intelligence tools into our systems for specific use cases reviewed by legal and information security. Our vendors may incorporate generative artificial intelligence tools into their offerings without disclosing this use to us, and the providers of these generative artificial intelligence tools may not meet existing or rapidly evolving regulatory or industry standards with respect to privacy and data protection and may inhibit our or our vendors’ ability to maintain an adequate level of service and experience. If we, our vendors, or our third-party partners experience an actual or perceived breach or privacy or security incident because of the use of generative artificial intelligence, we may lose valuable intellectual property and confidential information, and our reputation and the public perception of the effectiveness of our security measures could be harmed. Further, bad actors around the world use increasingly sophisticated and rapidly evolving methods, including the use of artificial intelligence, to engage in illegal activities involving the theft and misuse of personal information, confidential information, and intellectual property. Any of these outcomes could damage our reputation, result in the loss of valuable property and information, and adversely impact our business.

Our business may be adversely affected by union activities.

Hourly employees at our Wendover facility are represented by a labor union. These employees represent approximately 11% of our total workforce. Our current collective bargaining agreement with the union, which became effective on June 1, 2023, expires on May 31, 2026. Although we believe that our relations with our unionized employees are good, we may not be successful in negotiating a new collective bargaining agreement as a result of general economic, financial, competitive, legislative, political, and other factors beyond our control. Any new agreement could result in a significant increase in our labor costs. In addition, a breakdown in negotiations or failure to timely enter into a new collective bargaining agreement could materially disrupt our Wendover operations.

From time to time, efforts have been made to unionize employees at our other facilities. Additional unionization efforts could disrupt our business, consume management attention, or increase our operating costs. In addition, if these efforts were successful, we could experience increased labor costs, an increased risk of work stoppages, and limits on our flexibility to run our business in the most efficient manner to remain competitive.

Risks Related to Our Industry

Changes in the agricultural industry could exacerbate the cyclical nature of the prices and demand for our products or adversely affect the markets for our products.

Farmers attempt to apply the optimum amounts of fertilizer to maximize their economic returns. A farmer's decision about the application rate for each fertilizer, or the decision to forgo the application of a fertilizer, particularly potash and Trio®, varies from year to year depending on several factors. These factors include crop types, crop prices, weather patterns, fertilizer and other crop input costs, and the level of crop nutrients remaining in the soil following the previous harvest. Farmers are more likely to increase application rates of fertilizers when crop prices are relatively high, fertilizer and other crop input costs are relatively low, or the level of crop nutrients remaining in the soil is relatively low. Conversely, farmers are likely to reduce application of fertilizers when farm economics are weak or declining or the level of crop nutrients remaining in the soil is relatively high. This variability in application rates can impact the cyclical nature of the prices and demand for our products. In addition, farmers may buy and apply potash or Trio® in excess of current crop needs, which results in a build-up of potassium in the soil that can be used by crops in subsequent crop years. If this occurs, demand for our products could be delayed to future periods.

State and federal governmental policies, including farm and ethanol subsidies and commodity support programs, may also influence the number of acres planted, the mix of crops planted, and the use of fertilizers. In addition, there are various city, county, and state initiatives to regulate the use and application of fertilizers due to various environmental concerns. If U.S. agricultural production or fertilizer use decreases significantly due to one or more of these factors, our results of operations could be adversely affected.

Mining is a complex process that frequently experiences production disruptions, which could adversely affect our results of operations.

The process of mining is complex. Production delays can occur due to equipment failures, unusual or unexpected geological conditions, environmental hazards, acts of nature, and other unexpected events or problems. Furthermore, production is dependent upon the maintenance and geotechnical structural integrity of our tailings and storage ponds. The amounts that we are required to spend on maintenance and repairs may be significant.

Our East mine, surface, and support facilities are over 50 years old. As mining progresses at an underground mine, operations typically move further away from the shafts and, despite modernization through sustaining capital, fixed assets may require increased repair or refurbishment. These conditions increase the exposure to higher operating costs or the increased probability of incidents.

Mining is an inherently hazardous industry, and accidents could result in significant costs or production delays.

Mining is hazardous and involves various risks and hazards that can result in serious accidents. If accidents or unforeseen events occur, or if our safety procedures are not followed or are ineffective, we could be subject to liabilities arising out of personal injuries or death, our operations could be interrupted, or we could be required to shut down or abandon affected facilities. Accidents could cause us to expend significant amounts to remediate safety issues or repair damaged facilities.

Existing or expanded oil and gas development near our mines could result in methane gas leaking from an oil and gas well into our mines. We test our mines regularly for methane gas. Unlike coal mines, our mines are not constructed or equipped to deal with methane gas. Any intrusion of methane gas into our mines could cause a fire or an explosion resulting in loss of life or significant property damage or could require the suspension of all mining operations until the completion of extensive modifications and re-equipping of the mine. The costs of modifying our mines and equipment could make it uneconomical to reopen our mines. You can find more information about the co-development of potash and oil and gas resources near our New Mexico facilities under the risk factor below entitled *"Existing and further oil and gas development in the Designated Potash Area could impair our potash reserves, which could adversely affect our financial condition or results of operations."*

The grade of ore that we mine could vary due to the complex geology and mineralogy of our reserves, which could adversely affect our production and our results of operations.

Ore bodies have complex geology. Our production is affected by the mineral content and other mineralogy of the ore. Our projections of ore grade may not be accurate. There are numerous uncertainties inherent in estimating ore grade, including many factors beyond our control. As the grade of our remaining ore reserves decreases over time, we need to process more ore to produce the same amount of saleable-grade product, increasing our costs and slowing our production. In addition, there are few opportunities to acquire more reserves in the areas around our current operations. If we are unable to process more ore to maintain current production levels, if the processing of more ore materially increases our costs, or if our ore grade projections are not accurate, our results of operations would be adversely affected.

If the assumptions underlying our reserve estimates are inaccurate or if future events cause us to negatively adjust our previous assumptions, the quantities and value of our reserves, and in turn our financial condition and results of operations, could be adversely affected.

There are numerous uncertainties inherent in estimating our potash and langbeinite reserves. As a result, our reserve estimates necessarily depend upon several assumptions, including the following:

- geologic and mining conditions, which may not be fully identified by available exploration data and may differ from our experiences in areas where we currently mine or operate;
- future potash and Trio® prices, operating costs, capital expenditures, royalties, severance and excise taxes, and development and reclamation costs;
- future mining technology improvements;
- the effects of governmental regulation; and
- variations in mineralogy.

In addition, because reserves are estimates built on various assumptions, they cannot be audited for the purpose of verifying exactness. It is only after extraction that reserve estimates can be compared to actual values to adjust estimates of the remaining reserves. If any of the assumptions that we make in connection with our reserve estimates are incorrect, the amounts of potash and langbeinite that we can economically recover from our mines could be significantly lower than our reserve estimates. In addition, we periodically review the assumptions underlying our reserve estimates. If future events cause us to negatively adjust our previous assumptions, our reserve estimates could be adversely affected. In any of these events, our financial condition and results of operations could be adversely affected.

Existing and further oil and gas development in the Designated Potash Area could impair our potash reserves, which could adversely affect our financial condition or results of operations.

The U.S. Department of the Interior ("DOI") regulates the co-development of federal mineral resources—both potash and oil and gas—on federal lands in what the DOI has designated as the Designated Potash Area. This 497,000-acre region outside of Carlsbad, New Mexico, includes all of our New Mexico operations and facilities. In 2012, the DOI issued an updated order that provides guidance to the BLM and industry on the co-development of these resources. See Order 3324 issued by the Secretary of the Interior on December 4, 2012 ("2012 Secretary's Order").

It is possible that oil and gas drilling in the Designated Potash Area could limit our ability to mine valuable potash and langbeinite reserves or mineralized deposits because of setbacks from oil and gas wells and the establishment of unminable buffer areas around oil or gas wells. It is also possible that the BLM could determine that the size of these unminable buffer areas should be larger than they are currently, which could impact our ability to mine our reserves. We review applications for permits to drill oil and gas wells as they are publicly disclosed by the BLM and the State of New Mexico. When appropriate, we protest applications for drilling permits that we believe should not be drilled consistent with the operative federal and state rules and that could impair our ability to mine our reserves or put at risk the safety of our employees. We may not prevail in these protests or be able to prevent wells from being drilled in the vicinity of our reserves. If, notwithstanding our protests and appeals, a sufficient number of wells are drilled through or near our reserves, our reserves could be significantly impaired, which could adversely affect our financial condition or results of operations.

The mining business is capital intensive and our inability to fund necessary or desirable capital expenditures could have an adverse effect on our growth and profitability.

The mining business is capital intensive. We may find it necessary or desirable to make significant capital expenditures in the future to sustain or expand our existing operations and may not have, or have access to, the financial resources to pursue these expenditures. If costs associated with capital expenditures increase or if our earnings decrease significantly or we do not have access to the capital markets, we could have difficulty funding any necessary or desirable capital expenditures at an acceptable rate or at all. This could limit the expansion of our production or make it difficult for us to sustain our existing operations at optimal levels. Increased costs for capital expenditures could also have an adverse effect on the profitability of our existing operations and returns from our most recent strategic projects.

Risks Related to Financial Position, Indebtedness and Additional Capital Needs

The execution of strategic projects could require more time and money than we expect, which could adversely affect our results of operations and financial condition.

From time to time, we invest in strategic projects. The completion of these projects could require significantly more time and money than we expect. In some cases, the construction or commissioning processes could force us to slow or shut down normal operations at the affected facility for a period of time, which would cause lower production volume and higher production costs per ton. In addition, our management team and other employees may be required to spend a significant amount of time addressing strategic projects, which could mean that our normal operations receive less time and attention. As we proceed with one or more of these strategic projects, we may not realize the expected benefits despite substantial investments, they may cost significantly more than we expect, or we may encounter additional risks that we did not initially anticipate.

Future indebtedness could adversely affect our financial condition and impair our ability to operate our business.

As of December 31, 2024, we had no outstanding borrowings under a revolving credit facility that allows us to borrow up to $150 million. This credit facility expires in 2027. In the future, we may be unable to obtain new financing or refinancing on acceptable terms, or at all. In addition, we may incur additional indebtedness in the future. The agreements governing the credit facility restrict, but do not prohibit, us from incurring additional indebtedness.

Future indebtedness could have important consequences, including the following:

- limiting our ability to borrow additional money or sell additional shares of common stock to fund our working capital, capital expenditures, and debt service requirements;
- limiting our flexibility in planning for, or reacting to, changes in our business;
- being more highly leveraged than some of our competitors, which could place us at a competitive disadvantage;
- being vulnerable to a downturn in our business or the economy;
- requiring us to dedicate a substantial portion of our cash flows from operations to the repayment of our indebtedness, thereby reducing the availability of our cash flows for other purposes; and
- adversely affecting our business and financial condition if we default on or are unable to service our indebtedness, are unable to refinance such indebtedness on favorable terms or are unable to obtain additional financing, as needed.

Our debt agreement contains financial and other restrictive covenants. For example, the agreement includes financial covenants that require us to maintain a maximum leverage ratio (as these ratios are defined under the agreement). For more information about financial covenants, see Item 7. "Management's Discussion and Analysis of Financial Condition and Results of Operations - Liquidity and Capital Resources."

These covenants could limit our ability to engage in activities that are in our long-term best interests. Our failure to comply with these covenants would result in an event of default that, if not waived, could result in the acceleration of all outstanding indebtedness. The credit facility is secured by substantially all of our assets. As such, an event of default could also result in our lenders foreclosing on some or all of our assets.

Adverse conditions in the domestic and global economy and disruptions in the financial markets could negatively affect our results of operations and financial condition.

Global and domestic economic volatility and uncertainty, for example, as a result of rising interest rates, a recession or fear of a recession, global trade uncertainties, tariffs, international conflicts, epidemics or other significant health concerns, and inflation, can create uncertainty for farmers and customers in the geographic areas where we sell our products. If farmers reduce, delay, or forgo their potash and Trio® purchases because of economic volatility or uncertainties the results of our operations would be adversely affected. Moreover, volatility and disruptions in the financial markets could limit our customers' ability to obtain adequate financing or credit to purchase and pay for our products, which would decrease our sales volume and increase our risk of non-payment by customers. Changes in governmental banking, monetary, and fiscal policies to restore liquidity and increase credit availability may not be effective. It is difficult to determine the extent of economic and financial market problems and the many ways in which they could negatively affect our customers and business. In addition, if we are required to raise additional capital or obtain additional credit during an economic downturn, we could be unable to do so on favorable terms or at all.

Market upheavals due to military actions, pandemics, terrorist attacks, other catastrophic events, or economic repercussions from those events could reduce our sales or increase our costs.

Actual or threatened armed conflicts, terrorist attacks, military or trade disruptions, or other catastrophic events, including pandemics and other public health crises, affecting the areas where we or our competitors do business could disrupt the global market for potassium-based products. As a result, our competitors may increase their sales efforts in our geographic markets and pricing of our products could suffer. If this occurs, we could lose sales to our competitors or be forced to lower our prices. In addition, due to concerns related to terrorism or the potential use of certain fertilizers as explosives, local, state, and federal governments could implement new regulations impacting the production, transportation, sale, or use of potassium-based products. These new regulations could result in lower sales or higher costs.

The loss or substantial decline in revenue from larger customers or certain industries could have a material adverse effect on our revenues, profitability, and liquidity.

Despite diversification across multiple industries, including agricultural, industrial, and feed, larger customers, at times, comprise a significant portion of our sales revenue. For example, in 2024 one customer in our potash and Trio® segments accounted for approximately 10%, or $25.6 million, or our total consolidated revenues. In 2023 and 2022, this same customer accounted for approximately 12%, or $33.4 million, and 10%, or $35.0 million of our total consolidated revenues, respectively. If we experience a significant decline in sales from our larger customers or in certain industries, it may be difficult to replace those sales which could have a material effect on our results of operations.

Risks Related to Compliance, Regulatory and Legal Issues

Changes in laws and regulations affecting our business, or changes in enforcement practices, could adversely affect our financial condition or results of operations.

We are subject to numerous federal, state, and local laws and regulations covering a wide variety of business practices. Changes in these laws or regulations could require us to modify our operations, objectives, or reporting practices in ways that adversely impact our financial condition or results of operations. In addition, new laws and regulations, including economic sanctions, or new interpretations of or enforcement practices with respect to existing laws and regulations, could similarly impact our business. For example, the recent imposition of additional tariffs, or proposed tariffs, by the U.S. on various countries (as well as potential retaliatory tariffs against the U.S.), could increase our cost of doing business and may lead to further challenges for us in the various markets in which we operate.

Additionally, we are subject to significant regulation under MSHA and OSHA. High-profile mining accidents could prompt governmental authorities to enact new laws and regulations that apply to our operations or to more strictly enforce existing laws and regulations. See also "*Environmental laws and regulations could subject us to significant liability and require us to incur additional costs.*"

If we are unable to obtain and maintain the required permits, governmental approvals, and leases necessary for our operations, our business could be adversely affected.

We hold numerous environmental, mining, safety, and other permits and governmental approvals authorizing and regulating the operations at each of our facilities. An agency's decision to deny or delay a new or renewed permit or approval, or to revoke or substantially modify an existing permit or approval, could prevent or limit us from continuing our operations at the affected facility, which could have an adverse effect on our business, financial condition, and results of operations. In addition, we could be required to expend significant amounts to obtain, or come into compliance with, these permits, approvals, and leases, or we could be required to make significant capital investments to modify or suspend our operations at one or more of our facilities.

Any expansion of our existing operations would require us to secure the necessary environmental and other permits and approvals. We may not be able to obtain these permits and approvals in a timely manner or at all. In addition, under certain circumstances, the federal government must consider and study a project's likely environmental impacts. Based on the federal government's evaluation, it could require an environmental assessment or an environmental impact statement in order to approve a project or permit, which could result in significant time delays and costs. Furthermore, many of our operations occur on land that is leased from federal and state government authorities. Expansion of our existing operations could require securing additional federal and state leases. We may not be able to obtain or renew these leases on favorable terms or at all. In addition, our existing leases generally require us to commence mining operations within a specified time frame and to continue mining in order to retain the lease. The loss or non-renewal of a lease could adversely affect our ability to mine the associated reserves.

Also, certain of our existing leases require us to make royalty payments based on the revenue generated by the potash, langbeinite, water, or byproducts that we extract from the leased land. The royalty rates are subject to change whenever we renew our leases, which could lead to significant increases in these rates. As of December 31, 2024, approximately 17% of our state, federal and private lease acres at our New Mexico facilities (including leases at the HB and North mines) and 22% of our state and federal lease acres at our Utah operations will be up for renewal within the next five years. Increases in royalty rates would reduce our profit margins and, if the increases were significant, would adversely affect our results of operations. Reporting of royalties is subject to periodic audits by federal and state officials. The Office of Natural Resources Revenue ("ONRR") completed their draft audit report of our New Mexico royalty reporting in September 2019. As of February 2025, we are continuing to progress on the audit in cooperation with ONRR.

Anti-corruption laws and regulations could subject us to significant liability and require us to incur costs.

As a result of our international sales, we are subject to the U.S. Foreign Corrupt Practices Act (the "FCPA") and other laws that prohibit improper payments or offers of payments to foreign governments and their officials for the purpose of obtaining or retaining business. Our international activities create the risk of unauthorized payments or offers of payments in violation of the FCPA or other anti-corruption laws by one of our employees, consultants, sales agents, or distributors even though these persons are not always subject to our control. Although we have implemented policies and training designed to promote compliance with these laws, these persons may take actions in violation of our policies. Any violations of the FCPA or other anti-corruption laws could result in significant civil or criminal penalties and have an adverse effect on our reputation.

Risks Related to the Environment and Climate

Physical effects of climate change, and climate change legislation, could have a negative effect on us and our customers, and, in turn, our results of operations.

The impact of climate change on our operations and our customers' operations remains variable and uncertain. The physical effects of climate change could have an adverse effect on us and our customers as experts believe that climate change may be associated with more extreme weather conditions. These effects could include, but may not be limited to, changes in regional weather patterns, including drought and rainfall levels, timing and duration of wintry precipitation and snow events, water availability, sea levels, storm patterns and intensities and temperature levels, including increased volatility in seasonal temperatures via excessively hot or cold temperatures. These extreme weather conditions could vary by geographic location.

Severe climate change could have an adverse effect on our costs, production, or sales, especially with respect to our solar operations, which require hot, arid summer weather conditions. Prolonged periods of precipitation or cooler weather during the evaporation season could reduce evaporation rates, leading to decreases in our production levels. Similarly, drought or decreased mountain snowfall and associated freshwater run-off could change brine levels, impacting our mineral harvesting process at our Wendover facility. The occurrence of these events at our solar operations could lead to decreased production levels, increased operating costs and require us to make significant additional capital expenditures. Furthermore, weather conditions have historically caused volatility in the agricultural industry and, as a result, in our results of operations, by causing crop failures or significantly reduced harvests, which can adversely affect application rates, demand for our products and our customers' creditworthiness. Weather conditions can also lead to drought or wildfires, which could adversely impact growers' crop yields and the uptake of our products, which would reduce the need for application of our products for the following planting season, which could result in lower demand for our products and negatively impact the prices of our products. Finally, salt and magnesium chloride sales into the deicing market and our ability to utilize certain water rights for sale into oil and gas markets may be adversely affected by weather conditions in our markets. Any prolonged change in weather patterns in our markets, as a result of climate change or otherwise, could have a material impact on the results of our operations.

In recent years, the U.S. Congress considered legislation to reduce emissions of greenhouse gases ("GHGs"). Such initiatives could restrict our or our customers' operations, require us or our customers to make changes in our respective businesses that would increase our operating costs, reduce our efficiency or limit our output, require us to make capital improvements to our facilities, increase our energy, raw material and transportation costs or limit their availability, or otherwise materially adversely affect our financial condition and results of operations. In addition, a number of states are addressing GHG emissions, primarily through the development of emission inventories or regional GHG cap and trade programs. Depending on the particular program, we and our customers could be required to control GHG emissions or to purchase and surrender allowances for GHG emissions resulting from our operations.

Independent of Congress, the Environmental Protection Agency ("EPA") has adopted regulations controlling GHG emissions under its existing authority under the CAA. For example, following its findings that emissions of GHGs present an endangerment to human health and the environment because such emissions contributed to warming of the earth's atmosphere and other climate changes, the EPA has adopted regulations under existing provisions of the CAA that, among other things, establish construction and operating permit reviews for GHG emissions from certain large stationary sources that are already potential major sources for conventional pollutants. In addition, the EPA has adopted rules requiring the monitoring and reporting of GHG emissions from specified production, processing, transmission, and storage facilities in the U.S. on an annual basis.

Further, in December 2015, over 190 countries, including the U.S., reached an agreement to reduce global GHG emissions, also known as the Paris Agreement. The Paris Agreement entered into force in November 2016 after more than 170 nations, including the U.S., ratified or otherwise indicated their intent to be bound by the agreement. After previously withdrawing and rejoining the Paris Agreement, in January 2025 the U.S. began the process of withdrawing from the Paris Agreement. Actions to implement the mandates of the Paris Agreement or otherwise impose regulations on our industry or our customers' industries aimed at reducing GHG emissions could have an adverse effect on our business.

It is possible that future legislation or regulation addressing climate change, including, any changes to existing agreements or any new international agreements, could adversely affect our operations, energy, raw material and transportation costs, results of operations, liquidity or capital resources, and these effects could be material or adversely impact us. In addition, to the extent climate change restrictions imposed in countries where our competitors operate, such as Canada, Russia, and Belarus, are less stringent than in the U.S., our competitors could gain cost or other competitive advantages over us.

We have also made certain public statements regarding our commitment to the environment and our focus on protecting the environments, resources, and ecosystems surrounding our locations. Although we intend to work closely with communities and make it a priority to protect the natural resources surrounding our operation, we may be required to expend significant resources to do so, which could increase our operational costs. Further, there can be no assurance of the extent to which our goals will be achieved, or that any future investments we make in furtherance of achieving such target and goal will meet investor expectations or legal standards, if any, regarding sustainability performance. Moreover, we may determine that it is in the best interest of our Company and our stockholders to prioritize other business investments over the achievement of our current plans based on economic, technological developments, regulatory and social factors, business strategy or pressure from investors, activist groups, or other stakeholders. If we are unable to meet these commitments, then we could incur adverse publicity and reaction from investors, activist groups, or other stakeholders, which could adversely impact the perception of us and our products and services by current and potential customers, as well as investors, which could in turn adversely impact our results of operations. Failure to adapt to or comply with regulatory requirements or investor or stakeholder expectations and standards could negatively impact our reputation, ability to do business with certain partners, and harm our business.

Environmental laws and regulations could subject us to significant liability and require us to incur additional costs.

We are subject to many environmental, safety, and health laws and regulations, including laws and regulations relating to mine safety, mine land reclamation, remediation of hazardous substance releases, and discharges into the soil, air, and water.

Our operations, as well as those of our predecessors, have involved the use and handling of regulated substances, hydrocarbons, potash, salt, related potash and salt byproducts, and process tailings. These operations resulted, or may have resulted, in soil, surface water, and groundwater contamination. At some locations, salt-processing waste, building materials (including asbestos-containing material), and ordinary trash may have been disposed of or buried in areas that have since been closed and covered with soil and other materials.

We could incur significant liabilities under environmental remediation laws such as CERCLA due to the ownership or operations in our current or former facilities, adjacent or nearby third-party facilities, or off-site disposal locations. Under CERCLA and similar state laws, in some circumstances liability may be imposed without regard to fault or legality of conduct and one party may be required to bear more than its proportional share of cleanup costs at a site. Liability under these laws involves inherent uncertainties.

We are also subject to federal and state environmental laws that regulate discharges of pollutants and contaminants into the environment, such as the CWA and the CAA. For example, our water disposal processes rely on dikes and reclamation ponds that could breach or leak, resulting in a possible prohibited release into the environment. Moreover, although the North mine in New Mexico and the Moab mine in Utah are designated as zero discharge facilities under the applicable water quality laws and regulations, these mines could experience some water discharges during significant rainfall events.

We expect that we will be required to continue to invest in environmental controls at our facilities and that these expenses could be significant. In addition, violations of environmental, safety, and health laws could subject us to civil and, in some cases, criminal sanctions. We could also be required to invest in additional equipment, facilities, or employees, or could incur significant liabilities, due to any of the following:

- changes in the interpretation of environmental laws;
- modifications or amendments to current environmental laws;
- the issuance of more stringent environmental laws; and
- malfunctioning process or pollution control equipment.

The mining and processing of potash and langbeinite also generate residual materials that must be managed both during the operation of the facility and upon facility closure. For example, potash tailings, consisting primarily of salt, iron, and clay, are stored in surface disposal sites and require management. At least one of our New Mexico facilities, the HB mine, may have issues regarding lead in the tailings pile as a result of previous owners' operations. During the life of the tailings management areas, we have incurred and will continue to incur significant costs to manage potash residual materials in accordance with environmental laws and regulations and permit requirements.

As a potash producer, we currently are exempt from certain State of New Mexico mining laws related to reclamation obligations. If this exemption were to be eliminated or restricted, we could be required to incur significant expenses related to reclamation at our New Mexico facilities.

For more information about environmental, safety and health matters affecting our business, see "Business-Environmental, Safety, and Health Matters."

Risks Related to our Common Stock

The price of our common stock may be volatile, and you could lose all or part of your investment.

The market price of our common stock has experienced, and may continue to experience, volatility. For example, during 2024, the market price of our common stock ranged between $17.52 and $29.75. These fluctuations may continue because of numerous factors, including, but not limited to, the following:

- our operating performance and the performance of our competitors;
- the public's reaction to our press releases, other public announcements, or filings with the SEC;
- changes in earnings estimates or recommendations by research analysts who follow us or other companies in our industry;
- variations in general economic, market, and political conditions;
- changes in commodity prices or foreign currency exchange rates;
- substantial sales of common stock by us in connection with future acquisitions or capital raising activities;
- actions of our current stockholders, including sales of common stock by our directors and executive officers;
- the arrival or departure of key personnel;
- other developments affecting us, our industry, or our competitors; and
- the other risks described in this Annual Report.

Our financial position, cash flows, results of operations, and stock price could be materially adversely affected if commodity prices decline. In addition, in recent years the stock market has experienced extreme price and volume fluctuations. This volatility has had a significant effect on the market prices of securities issued by many companies for reasons unrelated to their operating performance. Our stock price may experience extreme volatility due to uncertainty regarding, among other things, commodity prices. These market fluctuations may materially and adversely affect our stock price, regardless of our operating results.

Our stock is currently listed on the NYSE. For continued listing, we are required to meet specified listing standards, including a minimum stock price, market capitalization, and stockholders' equity. If we are unable to meet the NYSE's listing standards the NYSE would delist our common stock. At that point, it is possible that our common stock could be quoted on the over-the-counter bulletin board or the pink sheets. This could have negative consequences, including reduced liquidity for stockholders; reduced trading levels for our common stock; limited availability of market quotations or analyst coverage of our common stock; stricter trading rules for brokers trading our common stock; and reduced access to financing alternatives for us. We also would be subject to greater state securities regulation if our common stock was no longer listed on a national securities exchange. Volatility of our common stock may make it difficult for you to resell shares of our common stock when you want or at attractive prices.

The future issuance and sale of additional shares of our common stock or an announcement that the issuances and sales may occur, may adversely affect the market price of our common stock.

We cannot predict the size of future issuances or sales of shares of our common stock in connection with future acquisitions or capital raising activities, or the effect, if any, that the issuances or sales may have on the market price of our common stock. The issuance and sale of substantial amounts of shares of our common stock or an announcement that the issuances and sales may occur, could adversely affect the market price of our common stock.

We do not anticipate paying cash dividends on our common stock.

We currently intend to retain earnings to reinvest for future operations and growth of our business and do not anticipate paying any cash dividends on our common stock. Accordingly, realization of any gain on our common stock will depend on the appreciation of the price of the shares of our common stock, which may never occur. However, our Board of Directors, in its discretion, may decide to declare a dividend at an appropriate time in the future, subject to the terms of our revolving credit agreement. A decision to pay a dividend would depend upon, among other factors, our results of operations, financial condition, and cash requirements and the terms of our revolving credit agreement at the time a payment is considered.

Provisions in our charter documents and Delaware law may delay or prevent a third party from acquiring us.

We are a Delaware corporation and the anti-takeover provisions of Delaware law impose various barriers to the ability of a third party to acquire control of us, even if a change of control would be beneficial to our existing stockholders. In addition, our current certificate of incorporation and bylaws contain several provisions that may make it more difficult for a third party to acquire control of us without the approval of our Board of Directors. These provisions may make it more difficult or expensive for a third party to acquire a majority of our outstanding common stock. Among other things, these provisions:

- allow our Board of Directors to create and issue preferred stock with rights senior to those of our common stock without prior stockholder approval, except as may be required by NYSE rules;
- do not permit cumulative voting in the election of directors, which would otherwise allow less than a majority of stockholders to elect director candidates;

- prohibit stockholders from calling special meetings of stockholders;
- prohibit stockholders from acting by written consent, thereby requiring all stockholder actions to be taken at a meeting of our stockholders;
- require vacancies and newly created directorships on the Board of Directors to be filled only by affirmative vote of a majority of the directors then serving on the Board;
- establish advance notice requirements for submitting nominations for election to the Board of Directors and for proposing matters that can be acted upon by stockholders at a meeting; and
- classify our Board of Directors so that only some of our directors are elected each year.

These provisions also may delay, prevent, or deter a merger, acquisition, tender offer, proxy contest, or other transaction that might otherwise result in our stockholders receiving a premium over the market price of the common stock they own.

We may issue additional securities, including securities that are senior in right of dividends, liquidation, and voting to our common stock, without your approval, which would dilute your existing ownership interests.

Our Board of Directors may issue shares of preferred stock or additional shares of common stock without the approval of our stockholders, except as may be required by NYSE rules. Our Board of Directors may approve the issuance of preferred stock with terms that are senior to our common stock in right of dividends, liquidation, or voting. Our issuance of additional common shares or other equity securities of equal or senior rank will have the following effects:

- our pre-existing stockholders' proportionate ownership interest in us will decrease;
- the relative voting strength of each previously outstanding common share may diminish; and
- the market price of the common stock may decline.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 1C. CYBERSECURITY

Cybersecurity Risk Management and Strategy

We take cybersecurity seriously and have developed a cybersecurity program that consists of processes, policies, and controls for assessing, identifying, managing, and responding to material risks from these threats. Our cybersecurity program is integrated within our broader risk management function that identifies, monitors, and mitigates business, operational, financial, and legal risks.

Our processes include controls that our Director of Information Technology and our Technology Department implement, which seek to protect our company, assets, information, and our employees from cyber threats, and provide regular education for our employees.

For example, as part of our cybersecurity program, we have implemented controls that are designed to prohibit unauthorized access to our systems. These include password requirements, onboarding and termination processes, multi-factor authentication, and other condition-based access controls. We also use external controls and security systems that identify and prevent malicious activity or unauthorized access on an ongoing basis such as firewalls, endpoint protection, intrusion detection, and email security, among others.

In addition, our intrusion detection systems identify patterns of behavior consistent with attack methods, as well as other anomalous behavior on our network. This technology acts autonomously to block activities deemed to be high risk. Our endpoint protection system is monitored twenty-four hours a day, seven days a week, by a third-party service provider who investigates every alert and remotely resolves issues such as removal of malware, blocking malicious activity, or by quarantining systems from the network if necessary.

We recognize that cybersecurity incidents are often a result of employees' actions, including responding to phishing emails, opening malicious attachments, or visiting compromised websites. Therefore, another aspect of our cybersecurity program focuses on preventing such incidents by way of strong email security, web browsing protection systems, and by providing regular education and communication to our employees to increase their cybersecurity awareness of how to detect and respond to cyber threats. We periodically assess our employees' awareness level of these risks by conducting periodic phishing tests.

In the event of an incident, meaning a compromise is not contained by our security systems and has the potential to adversely impact the organization, we have a structured Incident Response Plan in place that is based on National Institute of Standards and Technology (NIST) guidelines that provide rules for communicating incidents to management based on defined categorizations of the incident, as well as an orderly process for addressing and documenting the incident. As part of our business continuity and disaster recovery strategy, we have a strong backup and off-site data replication process, including an air-gap data vault solution for replication of backups of critical systems. Restorations from these systems are tested on a quarterly basis.

We use a third party to perform annual security assessments. This includes both external penetration testing and internal vulnerability testing, as well as a security program maturity assessment based on the NIST framework (National Institute of Standards and Technology). External testing consists of scanning all our public IP addresses for open ports and determining if any device or service on those ports have known vulnerabilities. Internal vulnerability testing is performed from within the network to determine if any known vulnerabilities exist due to outdated patches or insecure configurations. The security program maturity assessment is a review of our policies and practices against a set of standard best practice controls identified by the NIST to determine a maturity level score. We use this assessment to focus our efforts on continually improving our cybersecurity policies and practices. We currently do not have any formal processes to oversee or identify cybersecurity risks associated with third-party service providers but our Director of Information Technology generally evaluates such risks.

Governance

Our Board of Directors, in coordination with the Audit Committee, oversees our risk management program, including the management of cyber threats. The Board of Directors and senior management are actively involved in reviewing our information security and cybersecurity strategies and updating as risks evolve.

Our Board of Directors and our Audit Committee each receive annual presentations and reports from our Director of Information Technology on developments in the cybersecurity space, including risk management practices, evolving standards, vulnerability assessments, third-party and independent reviews, the threat environment, technological trends, and information security issues encountered by our peers and third parties. In addition, on an annual basis, our Board of Directors and the Audit Committee discuss our approach to overseeing cybersecurity threats with our Director of Information Technology and other members of senior management to better assess our approach to cyber threats.

When a threat or other issue is identified, our Director of Information Technology will notify the senior management team and initiate the appropriate response plan based on the criticality of the threat or issue. Our Director of Information Technology along with our management team, which includes our Chief Executive Officer, Chief Financial Officer, and General Counsel, will coordinate to execute the appropriate response plan and will also investigate any issue to determine whether an incident is material, requiring disclosure to shareholders in SEC filings. Our Board of Directors and our Audit Committee also receive prompt and timely information regarding any cybersecurity risk and ongoing updates regarding any such risk.

Our Director of Information Technology has thirty years of experience in information technology, which includes the past nineteen years managing Intrepid's information technology infrastructure, business applications, compliance programs, and cybersecurity systems. Although our management team and Audit Committee receive information regarding our cybersecurity program and help assess our strategy based on their knowledge of our business and industry, no member of the management team or Audit Committee has technology or cybersecurity expertise. Certain members of the Audit Committee have experience with cybersecurity programs and implementing cybersecurity procedures as leaders of businesses and through their service on other boards. Risks from cybersecurity threats have not materially affected our company, including our business strategy, results of operations, or financial condition. While we believe our approach to cybersecurity is reasonable, given the rapidly evolving nature of cybersecurity incidents, there can be no assurance that the controls we have designed and implemented will be sufficient in preventing future incidents or attacks.

ITEM 2. PROPERTIES

Overview of Properties

Our extraction and production operations are conducted entirely in the continental U.S. We produce potash from three solution mining facilities: our HB solution mine in Carlsbad, New Mexico, our solution mine in Moab, Utah, and our brine recovery mine in Wendover, Utah. We also operate our North compaction facility in Carlsbad, New Mexico, which compacts and granulates product from the HB mine. We produce Trio® from our conventional underground East mine in Carlsbad, New Mexico. We also have the West facility, which is a conventional underground potash mine that is not in operation and is in care-and-maintenance mode.

We operate Intrepid South located in Lea County in southeastern New Mexico, which is comprised of 21,834 fee surface acres, and 27,858 acres of BLM grazing leases. At December 31, 2023, we had a pending application with the State of New Mexico for 10,400 acres of grazing leases. During 2024, the State of New Mexico denied our application for the grazing leases. We do not believe the denial of our application for State of New Mexico grazing leases will have a material impact on our Intrepid South operations.

We conduct most of our mining operations on properties that we lease from states or the federal government. These leases generally contain stipulations that require us to commence mining operations within a specified term and continue mining to retain the lease.

The stipulations on our leases are subject to periodic readjustment by the applicable state government and the federal government. The lease stipulations could change in the future, which could impact the economics of our operations. Our federal leases are for indefinite terms subject to readjustment of the lease stipulations, including the royalty payable to the federal government, every 20 years. Our leases with the State of New Mexico are issued for terms of 10 years and for as long thereafter as potash is produced in commercial quantities and are subject to readjustment of the lease stipulations, including the royalty payable to the state. Our leases with the State of Utah are for terms of 10 years subject to extension and possible readjustment of the lease by the State of Utah. Our leases for our Moab mine are operated as a unit under a unit agreement with the State of Utah, which extends the terms of all of the leases as long as operations are conducted on any portion of the leases. The term of the state leases for our Moab mine is currently extended through the end of 2034. As of December 31, 2024, approximately 6% of our state, federal, and private lease acres at our New Mexico facilities will be up for renewal within the next five years, and none of our state and federal lease acres at our Utah operations will be up for renewal within the next five years.

The following tables provide a summary of our mineral resources and reserves. Additional information is provided in the Individual Property Disclosures below.

Summary of Mineral Resources in Millions of Tons of Sylvinite and Langbeinite as of December 31, 2024. Based on $450/potash product ton mine site and $470/langbeinite product ton mine site.

	Measured Mineral Resources		Indicated Mineral Resources		Measured + Indicated Mineral Resources		Inferred Mineral Resources	
	Amount (Mt)	Grade (%K_2O)	Amount (Mt)	Grade (%K_2O)	Amount (Mt)	Grade (%K_2O)	Amount (Mt)	Grade (%K_2O)
Sylvinite								
New Mexico								
IPNM	288.0	16.0	164.0	14.0	452.0	15.0	—	—
Utah								
Moab	97.0	26.0	190.0	25.0	287.0	25.0	38.0	23.0
Wendover	—	—	175.0	0.5	175.0	0.5	1,358.0	0.5
Total	385.0	18.5	529.0	13.5	914.0	15.6	1,396.0	1.1
Langbeinite								
New Mexico								
IPNM	67.0	10.0	59.0	10.0	126.0	10.0	—	—
Total	67.0	10.0	59.0	10.0	126.0	10.0	—	—

Summary of Mineral Resources in Millions of Tons of Sylvinite and Langbeinite as of December 31, 2023. Based on $450/potash product ton mine site and $470/langbeinite product ton mine site.

	Measured Mineral Resources		Indicated Mineral Resources		Measured + Indicated Mineral Resources		Inferred Mineral Resources	
	Amount (Mt)	Grade (%K_2O)	Amount (Mt)	Grade (%K_2O)	Amount (Mt)	Grade (%K_2O)	Amount (Mt)	Grade (%K_2O)
Sylvinite								
New Mexico								
IPNM	289.0	16.0	164.0	14.0	453.0	15.0	—	—
Utah								
Moab	97.0	26.0	190.0	25.0	287.0	25.0	38.0	23.0
Wendover	—	—	175.0	0.5	175.0	0.5	1,358.0	0.5
Total	386.0	18.5	529.0	13.5	915.0	15.6	1,396.0	1.1
Langbeinite								
New Mexico								
IPNM	72.0	10.0	60.0	10.0	132.0	10.0	—	—
Total	72.0	10.0	60.0	10.0	132.0	10.0	—	—

We engaged RESPEC, a qualified firm and independent of Intrepid, to prepare a technical report summary for our IPNM material properties as of December 31, 2024, because of changes in our life of mine production forecast and production costs resulted in material changes from the technical report summary prepared by RESPEC as of December 31, 2023 for the New Mexico material properties. We did not have any material changes to our mineral resources at December 31, 2024, compared to December 31, 2023, at our Utah material properties. The material assumptions and criteria used for the mineral resource estimates are discussed in more detail in Section 11 of the respective Technical Report Summaries filed as Exhibits 96.1 through 96.3 to this Annual Report.

Summary of Mineral Reserves in Millions of Product Tons of Potash as of December 31, 2024, and 2023. Based on $360/potash product ton mine site for 2024 and 2023.

	Proven Mineral Reserves				Probable Mineral Reserves				Total Mineral Reserves			
	Amount (Mt)		In Situ Grade (%K_2O)		Amount (Mt)		In Situ Grade (%K_2O)		Amount (Mt)		In Situ Grade (%K_2O)	
	2024	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Sylvinite												
New Mexico[1]												
IPNM	3.4	4.0	22.9	22.9	—	—	—	—	3.4	4.0	22.9	22.9
Utah												
Moab[1]	2.2	2.3	28.6	28.3	0.3	0.3	28.9	28.9	2.5	2.6	28.6	28.4
Wendover[2]	—	—	—	—	1.7	1.7	0.5	0.5	1.7	1.7	0.5	0.5
Total	5.6	6.3	25.1	25.3	2.0	2.0	4.8	4.8	7.6	8.3	19.8	20.0

[1] - In situ grade corresponds to the amount of K_2O in the contact area of the caverns

[2] - In situ grade corresponds to the amount of K_2O in the brines

We are not reporting any langbeinite reserves as of December 31, 2024, and 2023, only langbeinite resources because, in the opinion of the Qualified Person, none of the langbeinite resources are economically mineable.

As noted, we have relatively long-lived proven and probable potash reserves and consequently expect to conduct limited and focused additional exploration in the coming five years. We plan to drill core holes in areas near our Carlsbad, New

Mexico, facility, in order to further define the ore body. Development of the solution mine and brine evaporation operations is expected to be enhanced by the drilling of additional wells and flooding of new solution mine caverns. Although not in our current plans, we also have opportunities to rehabilitate the shafts at the currently idled North mine and additional surface infrastructure to accelerate mining of conventional reserves.

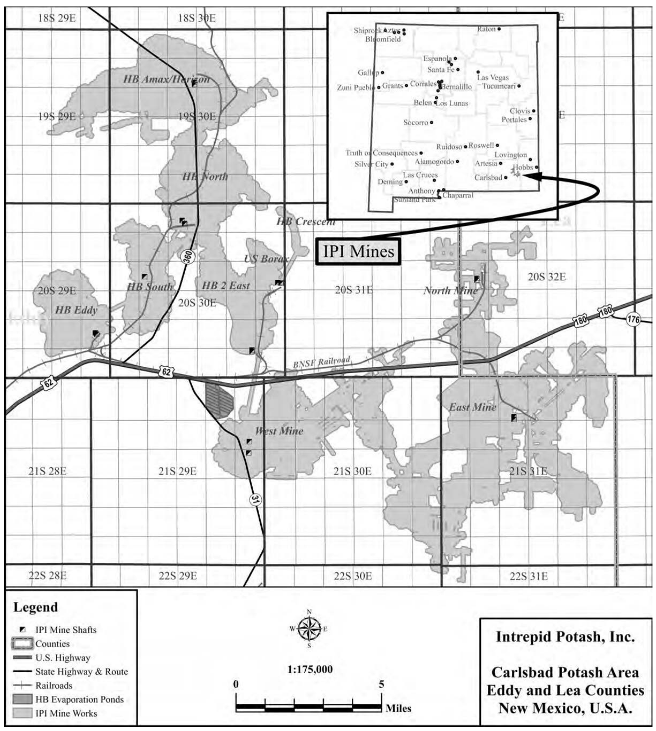
Our leased office space in Denver, Colorado, is approximately 26,000 square feet and has a term expiring on January 31, 2028. We lease approximately 1,400 square feet of office space in Albuquerque, New Mexico, which has a term expiring on May 31, 2027.

We believe that all of our present facilities are adequate for our current needs and that additional space is available for future expansion on acceptable terms.

Individual Property Disclosure - New Mexico

Overview

Our New Mexico operations ("IPNM") consists of our HB Solar Solution, East, West, and North Mines and are located in southeastern New Mexico in Eddy and Lea Counties in the Carlsbad Potash District ("CPD"). The location is further defined by the boundary of the Known Potash Leasing Area ("KPLA"). This BLM managed area consists of that part of the KPLA where the co-development guidelines for oil and gas and potash are in effect for federal lands under the 2012 Secretary's Order issued on December 4, 2012. The 2012 Secretary's Order revises and supersedes a previous Order issued in 1986 and corrected in 1987. The 2012 Secretary’s Order does not alter the boundaries of the area. The area also contains state lands that are managed by the State of New Mexico under the New Mexico Oil Conservation Division Order R-111-Q ("R-111-Q"). In general, the stated objective of the 2012 Secretary’s Order and R-111-Q is to prevent waste of petroleum and mineral resources and maximize the economic recovery of oil, gas, and potash minerals in the area.



The geology of the potash-bearing beds of the Carlsbad area is well documented. Overall, the potash-bearing beds may be described as bedded sedimentary rocks, deposited across the Delaware Basin and Northwest Shelf backreef from the Capitan Reef. The Carlsbad area falls within the Delaware Basin, part of the Permian Basin. The Delaware Basin has a maximum width of approximately 100 miles and a length of approximately 150 miles, extending from north of Carlsbad, New Mexico, to Pecos County, Texas.

The Permian Age sequence comprises the Ochoan, Guadalupe, Leonard, and Wolfcamp series in order of increasing age. Laterally extensive, evaporite beds containing deposits of halite, sylvite, langbeinite, kainite, carnallite, and other evaporite minerals are found within the Ochoan Series, whose top ranges from a depth of 2,000 feet near the Texas State line to approximately 200 feet below surface north of Carlsbad. Mining occurs in the Salado Formation which contains 12 potash ore zones, of which six have been or are currently being mined.

Sylvinite is currently being mined using solution methods in the 1st and 3rd ore zones. Historically, sylvinite has been conventionally underground mined in the 1st, 3rd, 5th, 7th, and 10th ore zones. Mechanical mining of langbeinite is currently occurring in the 3rd and 5th ore zones at the East Mine. Langbeinite is prevalent in the 3rd and 4th ore zones in the southern part of the Delaware Basin, and occurs mixed with sylvite in the 5th ore zone.

The property includes two operating mines, the East Underground and HB Solution Mines, one idled mine, the West Mine and the North Mine which was shut down in the early 1980's. The property is located in Eddy and Lea Counties, near Carlsbad, New Mexico.

The two mining methods currently in practice at IPNM are high-extraction mechanical underground room-and-pillar mining and solution mining. Mechanical mining is well suited to bedded deposits. All potash production at IPNM comes from the HB Solar Solution Mine in the 1st and 3rd ore zones. Trio® production is from langbeinite mined using room-and-pillar mechanical mining methods at the East Mine in the 3rd, 4th, and 5th ore zones. Historically, potash was sourced from the West Mine 5th, 7th, and 10th ore zones. Approximately 300 people are employed at IPNM.

The IPNM properties are pledged as collateral for our revolving credit facility. At December 31, 2024, the net book value of our IPNM material properties was $169.9 million. Various surety bonds are currently in place for approximately $7.1 million.

During 2024 and 2023, we recorded impairment charges of $4.4 million and $41.8 million, respectively, related to our IPNM material properties.

IPNM has all necessary operating permits and is in production, both underground and solution mining, and through permit reporting maintains environmental compliance. Environmental studies are conducted for major project expansions and modifications to any operations. The most recent Environmental Assessment was completed in 2024 for the construction of new injection piping for the HB In Situ Solution Mine. The work referenced the initial Environment Impact Study ("EIS") for the HB In Situ Solar Solution Mining Project.

East Mine and Plant

The East Mine is a high-extraction, mechanical room-and-pillar mine. Potash was the primary product extracted from the mine until mining progressed to the mixed langbeinite and potash ore in the 5th ore zone. During 2003 and 2004, we modified the East Plant to allow dual processing to recover the K_2O value from both the sylvite and langbeinite fractions of the ore. The mixed ore was processed into two products: potash sourced from the sylvinite portion of the mixed ore, and Trio® sourced from the langbeinite portion of the mixed ore. The East Mine plant was converted to a langbeinite-only operation in April 2016 and potash is no longer produced from the East Mine. The maximum productive capacity of the plant is 400,000 tons of Trio® concentrate annually.

There are five active sections within the East Mine, the operations of which consist of miner and shuttle car loading onto a belt conveyor. Each mining section produces approximately 240,000 tons of run-of-mine ore each year. The long-range production balanced with sales projections results in a long-term annual production of 1.2 million tons of ore for 250,000 tons of Trio® annually.

Langbeinite, marketed as Trio®, is recovered using dense media separation and a fine langbeinite recovery circuit. Currently approximately one million tons per year of ore is processed at a rate of 300 tons per hour. The ore is crushed, screened, pulped, and rescreened. Coarse material is forwarded to the dense media separation ("DMS") circuit. The DMS concentrate is water leached, debrined, and dried. We separate the coarse product into the three Trio® products. We recover fine material from the screening process using gravity separation, leaching, debrining, and drying. We upgrade fine material to premium product using pelletization.

HB Mine and Plant

Historical room-and-pillar mining operations at the HB complex recovered about 70% of the ore, leaving approximately 30% of the ore available for secondary recovery in pillars plus what can be recovered beyond the limits of the conventional mine works. Mining at the HB Solar Solution Mine recovers potash by injecting saturated saline NaCl brine into the old mine works to create underground leach lakes. Over time, the solution enriched with potash is pumped to the surface to solar evaporation ponds. Selective solar evaporation leaves behind a potash-enriched salt that is collected using scrapers, pumped, and processed at the HB Plant. The solution mine comprises six injection wells, five extraction wells, and three monitoring wells.

In 2012, IPNM commenced filling the HB solar evaporation ponds. The extraction brine sourced from the mined-out areas of the 1st ore zones of the former underground workings of portions of HB Eddy, HB South, HB North, and HB Crescent, collectively referred to as the HB Mine, contains approximately 21.7% NaCl and 7.0% KCl. The brine is collected and crystallized in 18 solar evaporation ponds. The HB flotation mill processes the harvested potash and salts from the solar evaporation ponds. Following the separation of KCl, the HB Solar Solution Mine also recovers significant quantities of NaCl.

The North Plant provides classification, compaction, quality control, and load-out services for production from the HB Solar Solution Mine. Belly dump trucks unload HB product into a dump pocket. We then send the material to surge bins. The product is screened, preheated, weighed, and sent to a compactor feed bin. Material is fed to the roll compactor, and resulting flakes are further reduced in size with the subsequent flake breaker and crusher. Product is then screened and sent to the curing dryer and screened once again before being sent to final product storage. The product is shipped to market in trucks or rail cars.

West Mine

The West Mine is a high-extraction, mechanical room-and-pillar mine that was idled in July 2016 and placed in care-and-maintenance mode. The mine was last operated in the 5th, 7th, and 10th ore zones.

North Mine and Compaction Plant

The North Mine operated from 1957 to 1982 when it was idled, mainly due to low potash prices and a change in the mineralogy of the readily accessible remaining reserves which negatively impacted mineral processing. Although the mining and processing equipment has been removed, the mine shafts remain open. The compaction facility at the North Mine is where the HB potash product is granulated, stored, and shipped. The North Facility receives compactor feed from the HB Solar Solution Mine via truck and converts the compactor feed to finished granular-sized product and standard-sized product.

We anticipate the need to construct a new sylvite processing facility to handle the higher insoluble and higher carnallitic ores that are contained in the 8th and 10th ore zones. A new processing plant is expected to have a plant recovery of 75%, which is supported by the metallurgical test work done on the 10th ore zone ore by Tetra Tech in 2009 in support of Phase 1 of the North Mine Reopening Feasibility Study.

Leases and Permits

We control the right to mine approximately 127,000 acres in New Mexico. Of that acreage, we lease 21,000 acres from the State of New Mexico, 106,000 acres from the federal government through the Bureau of Land Management ("BLM"), and 280 acres from private owners. We own 4,700 surface acres near the mine site, adjacent to the federal and state mining leases. Most mining operations are on properties leased from the State of New Mexico or the federal government. These leases generally contain stipulations that require us to commence mining operations within a specified term and to continue mining to retain the lease. The stipulations on our leases are subject to periodic readjustment by the State of New Mexico and the federal government. Federal leases are for indefinite terms subject to readjustment of the lease stipulations, including the royalty payable to the federal government, every 20 years. Royalty payments equal a percentage of product sales less freight. Most of our leases with the federal government stipulate a five percent royalty rate. However, certain federal leases contain a sliding scale royalty rate of a minimum of two percent and up to a maximum of five percent based on the grade of ore extracted under the lease. In 2024, IPNM paid royalties of $5.3 million to the federal government.

Our leases with the State of New Mexico are issued for terms of 10 years and for as long thereafter as potash is produced in commercial quantities and are subject to readjustment of the lease stipulations, including the royalty payable to the state. Royalty payments equal a percentage of product sales less freight. Our leases with the State of New Mexico stipulate a five percent royalty rate. In 2024, IPNM paid royalties of $2.3 million to the State of New Mexico.

History of Operations

Potash was first discovered in southeast New Mexico in 1925 in Eddy County, New Mexico, in Snowden McSweeney Well No. I on a V. H. McNutt permit near the center of the portion of the KPLA. Commercial potash shipments began in 1931. The mines have had numerous owners beginning with the U.S. Potash Company's ownership of the West Mine from 1929 to 1956. Intrepid Mining, the predecessor to Intrepid, acquired the mines, excluding the AMAX Mine, from Mississippi Potash, Inc. in 2004. Intrepid acquired the lease to the AMAX Mine in 2012. A full ownership history for each mine is included in Section 5 of the technical summary report in Exhibit 96.1 to this Annual Report.

Mineral Resource and Reserves Comparison to Prior Year

We engaged RESPEC, a qualified firm and independent of Intrepid, to prepare a technical report summary for our IPNM material properties as of December 31, 2024, because changes in our life of mine production forecast and cost of production resulted in material changes from the report summary prepared as of December 31, 2023, for the New Mexico properties.

We do not show mineral reserves for our East mine as of December 31, 2024, because, in the opinion of the Qualified Person, none of the langbeinite resources are economically mineable, which is the same conclusion that was reached in the technical report summary for the IPNM material properties as of December 31, 2023. The technical report summary for the New Mexico material properties prepared as of December 31, 2024, is included with this Annual Report on Form 10-K.

Mineral Resource and Reserves

Overview

We continue ongoing exploration as a part of our operational long-term planning. Exploration includes the drilling of core holes from the surface and underground, and the collection of channel samples, which are collected as mining advances. We provided RESPEC their dataset beginning in 2007. Since that time, we have added multiple data points by reassessing several drillholes. Our potash reserves are also identified from gamma ray geophysical logs in oil and gas wells. We estimate and quantify bed thickness and potash grade with input from 2,928 sample points. Extensive work was completed with geophysical tools in collaboration with the United States Geologic Survey ("USGS") to determine and verify potash grades from gamma logs. The dataset is from oil and gas wells, surface core holes, underground core holes, channel samples, shaft samples, and roof bolt holes. The key sample types include 7,209 drillholes and channel samples and are broken down by mining zone.

The characterization of the hydrogeology was completed for the HB In Situ Solution Mine by AECCOM in 2011 and is included as part of the publicly available EIS. The study confirmed the availability of water for the initial flooding of the solution mines at a pumping rate ranging from 177 to 1,440 gallons per minute.

Mineral Resource

The exploration drillhole and channel sample data were compiled to form the database, which serves as the basis for estimating the resources. As part of evaluating the mineral resource, we evaluated and reviewed the geologic setting and bed assignments. Of the data within the lease boundary, all data points contribute bed thickness, and several have assay information. The geology was modeled using Carlson Software (2020). A basic inverse distance squared algorithm was used with a search radius of ¾ mile to prepare the 100-foot by 100-foot grids for bed thickness and grade. The search radius was applied for Measured and Indicated Resources of ¼ mile and ¾ mile, respectively. Where data is dense, the nearest 25 data points were used to assign values for the grid block. The grids were multiplied by each other to compile a grade-thickness ("GT") grid within the lease boundaries held by IPNM. The base grid was adjusted for each ore type cutoff. Key assumptions and parameters for resource estimation are listed in the tables below.

The classification of cutoff in terms of GT in units of feet-percent was defined in the Secretaries Order dated October 21, 1986, for mechanically mined potash deposits. The criteria are not dependent on thickness or grade, but on the product of the thickness and grade. To evaluate the viability of mining the IPNM mechanically mined resources, a break-even cutoff GT was established. Inputs to the estimation of the break-even cutoff analysis are cost of goods sold, product sale price, mill recovery, and nominal grade.

The cutoff for solution mining in flooded abandoned underground potash mines is a function of the grade of the brine being extracted which results in enough product tons to cover the cost of production. The cutoff grade for resources of abandoned underground sylvinite is not a parameter for use in the estimation of solution mining resources but does establish an operational minimum limit for the brine grade reserves. The solution mining resources are the pillars remaining after mining and the fringe boundary of the mine. Resources could also be unmined ore left behind to provide geotechnical support. An operational limit of the flood elevation establishes the cutoff between resource and reserve for this deposit. When mining using solution methods in proximity to other mines, or other underground mines not within the control of IPNM, the critical factor in establishing a flood elevation is to keep adjoining properties dry or to protect structures such as shafts.

IPNM—Summary Mineral Resources in Millions of Tons of Sylvinite effective December 31, 2024. Based on $450/product ton mine site.

	Resources				
	Sylvinite [1] (Mt)	Grade (% K_2O)	Contained K_2O (Mt)	Mechanical Mining Cutoff [2] (ft% K_2O)	Processing Recovery (%)
Measured mineral resources	288	16	45	54-64	75-85
Indicated mineral resources	164	14	24	54-64	75-85
Measured + Indicated resources	452	15	69		
Inferred mineral resources	—	—	—		

IPNM—Summary Mineral Resources in Millions of Tons of Sylvinite effective December 31, 2023. Based on $450/product ton mine site.

	Resources				
	Sylvinite [1] (Mt)	Grade (% K_2O)	Contained K_2O (Mt)	Mechanical Mining Cutoff [2] (ft% K_2O)	Processing Recovery (%)
Measured mineral resources	289	16	45	54-64	75-85
Indicated mineral resources	164	14	24	54-64	75-85
Measured + Indicated resources	453	15	69		
Inferred mineral resources	—		—		

[1] Sylvinite is a mixed evaporite containing NaCl and KCl.

[2] Solution mining resource cutoff for flooded old working is the mining extents boundary.

Mineral Resources were prepared by RESPEC, a qualified firm for the estimate and independent of Intrepid.

Mineral Resources are reported exclusive of Mineral Reserves.

Mineral Resources are reported using Inverse Distance Squared estimation methods.

Mt = million tons, % = percent K_2O = potassium oxide, ft = feet

IPNM—Summary of Mineral Resources in Millions of Tons of Langbeinite Mineralized Rock in Place effective December 31, 2024. Based on $470/product ton mine site.

	Resources				
	Langbeinite Mineralized Rock (Mt)	Grade (% K_2O)	Contained K_2O (Mt)	Mechanical Mining Cutoff (ft% K_2O)	Processing Recovery (%)
Measured mineral resources	67	10	6	25	68
Indicated mineral resources	59	10	6	25	68
Measured + Indicated resources	126	10	12		
Inferred mineral resources	—	—	—		

IPNM—Summary of Mineral Resources in Millions of Tons of Langbeinite Mineralized Rock in Place effective December 31, 2023. Based on $470/product ton mine site.

	Resources				
	Langbeinite Mineralized Rock (Mt)	Grade (% K_2O)	Contained K_2O (Mt)	Mechanical Mining Cutoff (ft% K_2O)	Processing Recovery (%)
Measured mineral resources	72	10	7	25	68
Indicated mineral resources	60	10	6	25	68
Measured + Indicated resources	132	10	13		
Inferred mineral resources	—		—		
Mineral Resources were prepared by RESPEC, a qualified firm for the estimate and independent of Intrepid.					
Mineral Resources are reported exclusive of Mineral Reserves.					
Mt = million tons, % = percent, K_2O = potassium oxide, ft = feet					

The material assumptions and criteria used for the IPNM mineral resource estimates are discussed in more detail in Section 11 of the Technical Report Summary in Exhibit 96.1 to this Annual Report.

Mineral Reserve

Mineral reserves that are to be mined using mechanical methods are estimated by the application of a detailed mine plan for the measured and indicated resources within the boundaries of the cutoff GT for reserves. The plan sets the basis for the estimation of annual production of product. The income from product sales and the operating and capital costs to mine the resource is fundamental to the cash flow used to establish economic viability.

Mineral reserves that are mined using solution mining methods are not subject to the traditional application of a cutoff grade, and instead operational limitations are considered. An operational limit of the flood elevation establishes the cutoff between resource and reserve for this deposit.

By definition, modifying factors are the factors applied to indicated and measured mineral resources and then evaluated in order to establish the economic viability of mineral reserves. These factors for IPNM include mechanical and solution mining parameters; mineral processing; oil and gas drill islands and well locations; economic cutoff GT; deleterious minerology; and lease boundaries.

Mechanically Mined Reserves

We are not reporting any langbeinite reserves as of December 31, 2024, and 2023, only langbeinite resources because, in the opinion of the Qualified Person, none of the langbeinite resources are economically mineable. Modeling indicates a cutoff of 64 feet-percent K_2O for the high-insoluble sylvinite resources in the 8th and 10th ore zones, which requires the capital investment of a new plant and refurbishment of shafts. A cutoff of 54 feet-percent K_2O is indicated for the West Mine sylvinite resources which requires the processing plant, mine equipment, and associated infrastructure to be rehabilitated.

Solution Mined Reserves

Breakeven Cutoff for solution mined reserves is shown in the table below:

IPNM—Summary of Potash Mineral Reserves effective December 31, 2024. Based on $360/product ton mine site

	In-Place KCl (Mt)	In Situ Grade[1] (% K_2O)	Product[2] (Mt)	Brine Cutoff Grade[3] (% K_2O)	Processing Recovery (%)
Proven Mineral Reserves	5.3	22.9	3.4	2.9	83
Probable Mineral Reserves	—	—	—	—	—
Total Mineral Reserves	5.3	22.9	3.4		

IPNM—Summary of Potash Mineral Reserves effective December 31, 2023. Based on $360/product ton mine site

	In-Place KCl (Mt)	In Situ Grade[1] (% K_2O)	Product[4] (Mt)	Brine Cutoff Grade[3] (% K_2O)	Processing Recovery (%)
Proven Mineral Reserves	5.3	22.9	4.0	3.0	85
Probable Mineral Reserves	—	—	—	—	—
Total Mineral Reserves	5.3	22.9	4.0		

[1] In situ grade is the amount of K_2O in the contact area of the caverns and is used to calculate the In-Place KCl.

[2] Product is calculated by multiplying In-Place KCl by: dissolution factor of 96%, areal recovery of 100%, geologic factor of 94.2%, plant recovery of 83%, cavern loss factor of 98%, a product purity factor of 103%, a bitterns loss factor of 88%, and a handling loss factor of 97%.

[3] Brine cutoff grade is the amount of K_2O in the extracted brine necessary to cover the costs of production.

[4] Product is calculated by multiplying In-Place KCl by: dissolution factor of 96%, areal recovery of 100%, geologic factor of 94.2%, plant recovery of 85%, cavern loss factor of 98%, and a product purity factor of 103%, and a handling loss factor of 97%.

Mineral Reserves were prepared effective December 31, 2024, and 2023, by RESPEC, a qualified firm for the estimate and independent of Intrepid.

Mineral Reserves are reported exclusive of Mineral Resources.

Mt = million tons, % = percent, K_2O = potassium oxide, ft = feet, ROM = Run-of-Mine

We are not reporting any langbeinite reserves as of December 31, 2024, and December 31, 2023, only langbeinite resources because, in the opinion of the Qualified Person, none of the langbeinite resources are economically mineable.

Additional information regarding the methodology and key assumptions used to calculate the IPNM mineral reserve can be found in Section 12 of the technical report summary in Exhibit 96.1 to this Annual Report.

Internal Controls

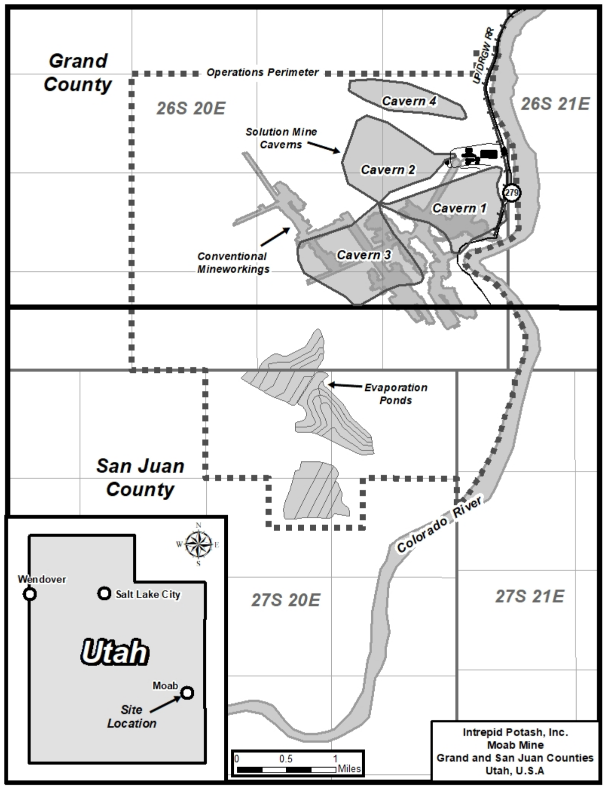
IPNM has an internal protocol that provides for well-defined, safe practices. IPNM has standard operating procedures ("SOP's") in place for logging and sampling core from underground and surface core drilling. According to the SOP's, the geologist uses gamma ray to initially select the sample interval prior to prepping the sample for analysis. The samples are assayed at the on-site laboratory. The site laboratory has the capability to conduct X-ray Diffraction ("XRD"), Total Organic Carbon, and flame photometry laboratory techniques. The mineral analysis for all core and channel samples is analyzed with the XRD. A sample of approximately 300–500 grams is collected. The sample is split down to around 100 grams and run through a grinding mill to reduce the size down to approximately 100 mesh. A sample is weighed out to five grams and put into a micronizing mill that reduces the particle size to ~10 microns and pressed into a sample holder. The sample is inserted into the instrument and a diffraction pattern is retrieved. The diffraction pattern is then analyzed using the Rietveld refinement software, reporting weight percent of solid mineral in the sample. The sample preparation, security, and laboratory analytical procedures are conventional industry practice and are adequate for the reporting of resources and reserves.

Individual Property Disclosure - Moab

Overview

The Moab property is in a unique high-altitude desert landscape formed from the sandstone of ancient seafloors and sand dunes. Elevations range from 3,900 feet (ft) to 4,400 ft above mean sea level. The property is located approximately 20 miles west of Moab, Utah, which is 234 miles southeast of Salt Lake City, Utah. The Colorado River runs north–south along the eastern boundary of the property. The Moab property covers approximately 14,100 acres of land.

Moab's potash leases include 10,100 acres from the State of Utah and approximately 200 acres from the U.S. through the BLM. Moab owns approximately 3,800 surface acres overlying and adjacent to portions of the mining leases with the State of Utah.



The depositional history of eastern Utah's vast salt and potash resources begins during the regionally arid Pennsylvanian Period, 330–310 million years ago. An immense block of the Earth's crust, in what is today western Colorado, was thrust upward to form the Uncompahgre Highlands and identified as the westernmost expression of the Ancestral Rocky Mountains. As is common throughout geologic history, dramatic uplift was coupled with subsidence in an adjoining area. The subsequent topographical basin was inundated by seawater as it subsided. Throughout the Pennsylvanian Period, sea levels rose and fell. With each retreat of the sea, the Paradox Basin, as it is called, became devoid of fresh sea water, allowing the process of evaporation to dominate which resulted in widespread precipitation of chloride minerals. This retreat/inflow cycle is known to have occurred a minimum of 29 times, with each marked by a specific and predictable sequence of sedimentary deposition. This series of depositional cycles is collectively known as the Paradox Formation. Potash is documented to exist in 17 of the 29 cycles, and it is from these formational cycles that commercial production of potash occurs. Of these 17, two are principally targeted by us for commercial potash production: Bed 5 and Bed 9.

Moab commercially produces potash from two zones, referred to as Bed 5 and Bed 9. These beds are part of a thick sequence of evaporite cycles predominantly composed of halite interspersed with sedimentary layers of black shale and anhydrite. Within Beds 5 and 9, the sylvinite is bounded above and below by occurrences of halite. Sylvite and halite are both water-soluble by nature. By using water already saturated with sodium, it is possible to selectively dissolve a greater amount of the potassium chloride ore.

Mining at the Moab property is by the solution mining technique referred to as “selective solution mining.” Selective solution mining dissolves only the KCl component of the sylvinite and leaves the sodium chloride component underground. KCl production is a function of brine grade and the well extraction rate and is limited by the solar ponds’ evaporation rate. Brine grade is a function of retention time within each bed.

Mining by solution methods ends with the delivery of the brine to the evaporation ponds. Mineral processing begins with pond sequencing to enhance crystallization of the potash. The crystals remaining in the ponds after solar evaporation are harvested and processed through the mill where the potash is separated from other salts, then concentrated by flotation. The concentrates are then dried, compacted, and screened into premium grades of white potash. We ship the product to market in trucks or rail cars. Both potash and salt products are processed at the plant facility at a rate of 400 to 1,200 tons per day. The Moab property exhibits the normal results of a surface salt-based operation and is in good working condition. A new compaction facility was installed in 2010.

Access to the property is predominantly via state highway 191 and state road 279, locally referred to as Potash Road. A Union Pacific/Denver and Rio Grande Western Railroad rail spur services the property. The nearest town to the Moab property is Moab, Utah (with an estimated population of about 5,300). Salt Lake City, Utah (population of 200,500) and Grand Junction, Colorado (population of 67,000), are located approximately 240 and 120 miles to the west and east, respectively, by road, and are the nearest major industrial and commercial airline terminals. Moab also has a commercial airline terminal with scheduled flights to Salt Lake City and other nearby cities depending on the season.

The nearby Colorado River provides the Moab mining operation with make-up water under existing water rights with the State of Utah for a water supply of nine cubic feet per second. The Moab mine has been in operation as a solution mine since 1970 and, as a result, has the infrastructure and available personnel. The mining operation is accessible by a paved county road and accessible by rail. Electric power is fed from local utilities to a recently upgraded substation. The local area population is sufficient to support the Moab mine.

The Moab property is pledged as collateral for our revolving credit facility. We have various bonds in place totaling approximately $9.9 million. There are no other significant encumbrances to the Moab property, including current and future permitting requirements and associated timelines, permit conditions, and violations and fines. As of December 31, 2024, the net book value of our material Moab property was $80.7 million. There are no significant factors and risks that may affect access, title, or the right or ability to perform work on the Moab property. The Moab property holds numerous environmental and other permits and governmental approvals authorizing the operations at the facility.

Leases and Permits

At our Moab facility, we lease approximately 10,100 acres from the State of Utah and approximately 200 acres from the federal government through the BLM. We own approximately 3,800 surface acres overlying and adjacent to portions of acres leased from the State of Utah. These leases generally contain stipulations that require us to commence mining operations within a specified term and to continue mining to retain the leases.

Our lease with the federal government is for an indefinite term subject to readjustment of the lease stipulations, including the royalty payable to the federal government. Royalty payments equal a percentage of product sales less freight. The current royalty rate stipulated in the federal lease is five percent. In 2024, Moab made no royalty payments to the federal government.

Our Moab leases with the State of Utah are for terms of 10 years subject to extension and possible readjustment of the lease stipulations, including the royalty payable to the State of Utah. Our Moab leases with the State of Utah are operated as a unit under a unit agreement with the State of Utah, which extends the terms of all the Moab state leases as long as operations are conducted on any portion of these state leases. Our Moab leases with the State of Utah are currently extended until 2034 or so long as potash is being produced and stipulate royalty rates of five percent. In 2024, Moab paid $2.3 million of royalties to the State of Utah.

History of Operations

Texasgulf, Inc. began conventional underground mining in 1964, but various mining problems caused management to convert to a system combining solution mining and solar evaporation in 1971. Prior to 1970, approximately 6.5 million tons of sylvinite ore were mined and from that, 1.7 million tons of potash produced. Mining was by continuous miners and made difficult by the irregular floor, gas, and high rock temperatures. The height mined was typically eight feet. The dip of the ore was such that maintaining the miners in the seam was difficult. The seam floor rolls and folds resulted in an irregular mine plan with many large areas left unmined as pillars. In some areas, secondary mining resulted in high extraction.

We purchased the Moab Salt operation in 1999. In 2000, we drilled two new recovery wells to revitalize production from Bed 5. Production from Bed 5 had declined from near 100,000 tons in 1994 to 60,000 tons in 1999. After completion of the two new recovery wells, the brine concentration improved, and production increased to near 100,000 tons in 2001. Maintaining production at or near the target rate of 100,000 tons per year was difficult from Bed 5 because of declining product concentration. It was believed that solution mining over the prior 32 years had solution mined most of the remnant pillars in the old workings and that active solution mining was restricted to the updip faces of the mine ribs.

We evaluated methods to enhance the production rate and decided to develop solution mining in Bed 9. Bed 9 is located 800 to 1,000 feet below Bed 5 and is of higher KCl content. Bed 9 had not been solution mined previously, although, some test mining was completed by the prior owners in the late-1960s. A novel method of solution mining was adopted for recovery of potash from Bed 9. Moab Salt-27 and Moab Salt-28 were drilled "horizontally" in 2002 in Bed 9 to connect and provide pathways for the liquor injected in Moab Salt-27 to contact the sylvinite and differentially dissolve the sylvite before being lifted from Moab Salt-28. Currently, Moab Salt-29 connects Moab Salt-27 and -28 and serves as an alternative to Moab Salt-27 for injection.

Mineral Resource and Reserves Comparison to Prior Year

RESPEC, a qualified firm and independent of Intrepid, prepared a technical report summary for our Moab material property as of December 31, 2023. We did not have any material changes to our mineral resources at December 31, 2024, compared to December 31, 2023, at our Moab material property. The technical report summary for the Moab material property as of December 31, 2023, is included with this Annual Report on Form 10-K.

Mineral Resource and Reserves

Overview

The ore resource model created from the exploration and sampling database in 2007 serves as the basis for this evaluation. Personal inspection of the properties has occurred over the years by the QP, with the most recent inspection done on May 17, 2021. The inspection began with a tour of the tailings lake then the solar evaporating ponds. In addition, the injection and extraction wellfields, processing plant, product packaging and shipping areas were all inspected. During the site visit, harvesting was occurring, and the plant was operating. The plant is typically idle during the peak evaporation season from June 1 to September 1.

Mineral Resource

The property was evaluated using exploration drillhole and channel sample data to form the database that serves as the basis for estimating the resources. The geologic setting was evaluated, and zone assignments reviewed. All the core holes used in this resource estimation report both bed thickness and grade values that lie within the mine lease boundary. As an exception to this, the two potash exploration wells, Wells 28 and IPI-037, which report bed thicknesses with no assay data, are included in the resource estimate for thickness modeling.

The rationale for the measured, indicated, and inferred limits is based on industry practice in the potash industry. Measured resources are within ¼ of a mile (1,320 feet) of a hole, conveying the highest level of confidence. In addition, the indicated resources are selected to be within ¾ of a mile (3,960 feet) of a hole and the inferred resources are selected to be within 1½ miles (7,920 feet) of a hole. Indicated tons exclude measured tons, inferred tons exclude the indicated and measured tons. This convention is considered reasonable for the geologic characteristics of the Cane Creek potash deposit.

The mineral resource for the Cane Creek Mine was estimated using Carlson Software 2020 ("Carlson 2020"), a commercially available geology and mine modeling software package. The resources within the property were segregated in the model into 100-feet by 100-feet blocks. The resource estimates included in this report are based on the 2018 modeling.

A deterministic estimate of the potash mineral resource was made using the inverse distance squared method. Invoking the theory that closer samples should be better predictors than those further away, the method assigns weights to samples inversely proportional to the separation distance between the estimation point and the sample point. The inverse distance squared method is useful for providing unbiased estimates of the overall resources.

The block grade and heights were generated within a 1.9-mile search radius. The 1.9-mile search radius was selected to capture more than one core hole in estimating block values in the areas of interest. The maximum number of drill holes for block estimation was limited to the 20 nearest drill holes. Inverse distance squared behaves as an exact interpolator. When calculating a block value, the weights assigned to the data points are fractions, and the sum of all the weights is equal to 1.0. An average unit density of 130 pounds per cubic foot was used to convert in-place volume to tons. NaCl (salt) is not reported.

The proportion of the mineral deposit that is considered a resource depends on the following key factors: deposit thickness, deposit grade, and geologic factors. Areas where a bed thickness and potassium oxide (K_2O) grade do not meet a 3-

foot and 18.95% K_2O cutoff are excluded from the resource. The minimum thickness cutoff is used because sufficient recovery in thin beds by selective solution mining has not been demonstrated and because of difficulties in locating/maintaining horizontal holes within the bed. The grade cutoff of 18.95% K_2O is used because of the difficulty in selective mining in beds with less than 30% KCl content.

The gross in-place sylvinite tonnage for each resource block was calculated by multiplying the net area of the block by the thickness of the bed and the density. The measured, indicated, and inferred Mineral Resource tonnages were estimated within the prescribed radius from the sampling location.

The mineral resources for Bed 5 have been estimated using the end of year 2018 geologic model. Measured, indicated, and inferred resources were estimated by sampling blocks within a 1,320-feet, 3,960-feet, and 7,920-feet radius of influence, respectively, from a sample location (drill hole).

The resource estimate for Bed 9 is based on cored intervals and assay data from 21 holes (19 with grade and thickness). A similar methodology used for the Bed 5 resource estimation was used in the resource estimate for Bed 9.

Moab—Summary of Mineral Resources in Millions of Tons of Sylvinite in Place as of December 31, 2024, and 2023. Based on $450/product ton mine site

	Resources				
	Sylvinite[1] (Mt)	Grade (%K_2O)	Contained K_2O (Mt)	Cutoff [2]	Processing Recovery (%)
Measured mineral resources	97	26	25	Minimum of 3-ft and 18.95%K_2O	83
Indicated mineral resources	190	25	47	Minimum of 3-ft and 18.95%K_2O	83
Measured + Indicated mineral resources	287	25	72		
Inferred mineral resources	38	23	9	Minimum of 3-ft and 18.95%K_2O	83

[1] Sylvinite is a mixed evaporite containing NaCl and KCl. Pure KCl equates to 63.17% K_2O by mass.
[2] Solution mining resource cutoff for flooded old workings is the mining extents boundary.
Mineral Resources were prepared by RESPEC, a qualified firm for the estimate and independent of Intrepid.
Mineral Resources are reported exclusive of Mineral Reserves.
Mineral Resources are reported using Inverse Distance Squared estimation methods.
Mt = million tons, % = percent, K_2O = potassium oxide, ft = feet

Additional information regarding the methodology and key assumptions used to calculate the Moab mineral resource can be found in Section 11 of the technical report summary in Exhibit 96.2 to this Annual Report.

Mineral Reserve

Mineral reserves that are mined using solution mining methods are not subject to the traditional application of a cutoff grade but instead of operational limitations. By definition, modifying factors are the factors applied to a mine plan for the indicated and measured mineral resources and then evaluated in order to establish the economic viability of mineral reserves. The factors for Moab are solution mining parameters, mineral processing, and lease boundaries are shown below.

The reserve estimate is based on a mine plan developed for the Cane Creek Mine. The estimate is based on the geologic model and assigned thicknesses and grades for the flooded old mine workings updip boundary (Bed 5) mapped to the decline curve and the individual caverns (Bed 9).

The mine plan for Bed 5 was determined using a study developed to estimate the area of reserves that have been depleted through solution mining inside and around the perimeter of the old mine workings, with the exception of a large pillar within the perimeter. As such, this perimeter area has been excluded from the reserve estimates for Bed 5. Reserves were estimated for updip and horizontal areas outside of the perimeter. The mineral reserves were estimated as the difference between the reserves from the resource area and the net KCl tons extracted since 2001.

Although Bed 5 resources can be solution mined with additional horizontal caverns, the reserves estimate only focuses on the net reserves remaining in the old mine as the planned horizontal caverns in Bed 9 are more than enough to support the required mine life for this report.

The mine plan for Bed 9 includes the three existing operating caverns and three additional planned caverns. Estimate of the reserves within the current and future well system area uses grade and thickness drillhole data and production to date. No estimate was made of the ore tons, average thickness, and average grade for the previously solution-mined areas from Bed 9, only the equivalent tons of K_2O and KCl were estimated. To date, about 1,110,000 tons of KCl have been mined from Bed 9. The modifying factors required to convert the in-place tons into reserve tons are the same as those listed for Bed 5 with the exception of the dissolution factor. The Bed 9 dissolution factor was estimated using a concentration of 7.42% KCl by weight.

Moab—Summary of Potash Mineral Reserves effective December 31, 2024. Based on $360/product ton mine site.

	In-Place KCl (Mt)	In Situ Grade[1] (%K_2O)	Product (Mt)[2]	Brine Cutoff Grade[3] (%K_2O)	Processing Recovery (%)
Proven Mineral Reserves	3.0	28.6	2.2	2.5	83.0
Probable Mineral Reserves	0.4	28.9	0.3	2.5	83.0
Total Mineral Reserves	3.4	28.6	2.5		

Moab—Summary of Potash Mineral Reserves effective December 31, 2023. Based on $360/product ton mine site.

	In-Place KCl (Mt)	In Situ Grade[1] (%K_2O)	Product (Mt)[2]	Brine Cutoff Grade[3] (%K_2O)	Processing Recovery (%)
Proven Mineral Reserves	3.1	28.3	2.3	2.5	83.0
Probable Mineral Reserves	0.4	28.9	0.3	2.5	83.0
Total Mineral Reserves	3.5	28.4	2.6		

[1] In situ grade is the amount of K_2O in the remaining pillars of old works and is used to calculate In-Place KCL.

[2] Product tons are calculated by multiplying the In-Place KCl by: dissolution factor of 89%, areal recovery of 100%, geologic factor of 94%, plant recovery of 83%, handling loss factor of 97.5%, and product purity of 104% (1/0.96).

[3] Brine cutoff grade is the amount of K_2O in the extracted brine necessary to cover the cash costs of production.

Mineral Reserves were prepared effective December 31, 2023, by RESPEC, a qualified firm for the estimate and independent of Intrepid, and updated to December 31, 2024, by Intrepid to account for depletion that occurred due to 2024 mining operations.

Mineral Reserves are reported exclusive of Mineral Resources.

Mt = million tons, % = percent, K_2O = potassium oxide, ft = feet

Additional information regarding the methodology and key assumptions used to calculate the Moab mineral reserve can be found in Section 12 of the technical report summary in Exhibit 96.2 to this Annual Report.

Internal Controls

Moab has an internal protocol that provides for well-defined, safe practices. Moab has SOPs in place for gamma-ray logging, core handling, and sample collection. The cores are collected and analyzed for ore zone identification. Cores are compared to the gamma-ray log to determine sampling intervals. Duplicate samples are collected with one sample sent to the on-site lab and the other stored with the corresponding core box from which the sample was sourced.

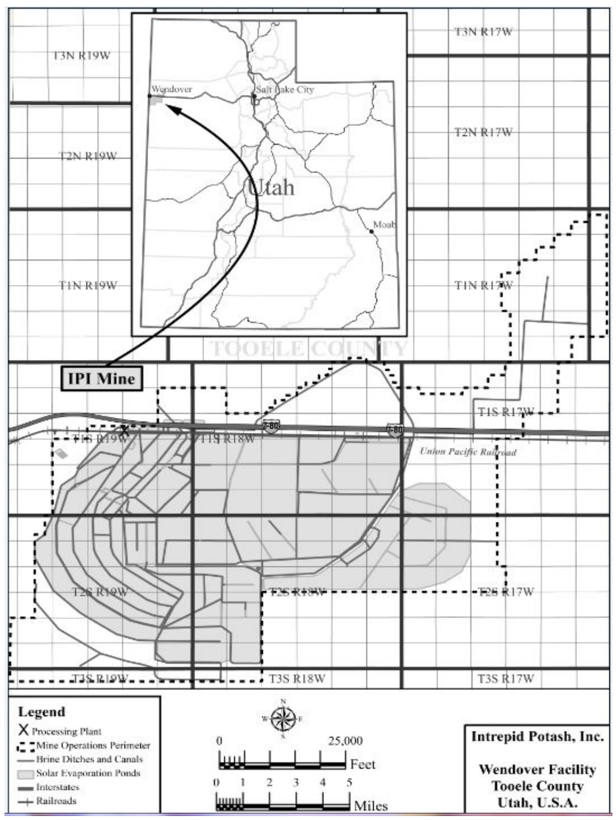
Individual Property Disclosure - Wendover

Overview

The Wendover operation is located near the Nevada-Utah border along the western edge of Utah's Great Salt Lake Desert and is situated within the Bonneville Salt Flats ("BSF"). The BSF is an enclosed-subbasin that contains 150 square miles of salt crust. Because the basin is closed topographically and has no outlet, loss of water is ultimately through evaporation. The BSF was formed through the prolonged accumulation of evaporite minerals in conjunction with periodic lacustrine events. There are three aquifers known to exist beneath the BSF, in descending order, the shallow-brine aquifer, the alluvial-fan aquifer, and the deep-brine aquifer. We produce potash from the shallow-brine aquifer and the deep-brine aquifer. The climate in western Utah is arid with low precipitation and low relative humidity. Average rainfall is five inches and average evaporation is eighty inches.

We produce potash at the Wendover facility through solar evaporation of naturally occurring brines collected from the sedimentary basin adjacent to the processing facility via brine collection ditches and extraction wells. The potash content of the collected brine is concentrated by solar evaporation in a series of ponds to the point that solids are precipitated and can be collected. The precipitated solids are primarily sylvinite, a combination of NaCl and KCl. Harvested solid salts are hauled to the processing facility, where grinding and flotation processes are used to concentrate KCl. The concentrate is then leached with freshwater to remove most of the remaining NaCl. KCl is then dried, sized, and stored for shipment. Potash, NaCl, $MgCL_2$, and metal recovery salt are shipped by truck and rail via Interstate 80 and the Union Pacific Railroad.

The Wendover potash operation is located in the westernmost part of Tooele County, Utah. The plant facilities and offices are located approximately three miles east of Wendover, Utah, on old US Highway 40. The site is approximately three miles east of the Nevada border and is primarily located south of Interstate 80, although portions of the site are located north of Interstate 80. The area of the Wendover mine operation is shown below. The facility, collection ditches, and evaporation systems cover approximately 91,600 acres (approximately 141 square miles). The majority of the ditch collection system is located to the south and east of the processing facilities.



A robust set of infrastructure is in place for Wendover. Natural gas, electricity, and water have historically been readily available and are expected to continue into the future. Process materials are readily available in the greater Salt Lake Area. All infrastructure for the operation is located approximately three miles east of Wendover, Utah, on old US Highway 40. Interstate 80 bisects the property. The Union Pacific Railroad runs next to the operations. The majority of personnel live and work in Wendover, Utah or West Wendover, Nevada, approximately three to six miles from the operation. The Wendover Airport is located near the operations, although most commercial flights serve the Salt Lake City Airport, which is approximately 115 miles from the operation.

We have operated the property continuously since 2004. The property exhibits the normal results of a surface salt-based operation and is in good working condition. We installed a new compaction facility in 2010, and a new product warehouse in 2012. We use monitoring wells drilled in October 2005 to evaluate brine quality in the shallow-brine aquifer.

The Wendover property is pledged as collateral for our revolving credit facility. The only other significant encumbrance are various surety bonds totaling $9.4 million to cover the cost of site reclamation. There are no other significant encumbrances to the property, including current and future permitting requirements and associated timelines, permit conditions, and violations and fines. As of December 31, 2024, the net book value of our material Wendover property was $45.7 million. There are no significant factors and risks that may affect access, title, or the right or ability to perform work on the property. Wendover holds numerous environmental and other permits and governmental approvals authorizing the operations at the facility.

Leases and Permits

We own approximately 57,500 acres of the Wendover site. The BLM and the State of Utah own approximately 34,000 acres of the Wendover site, which we lease (excluding lands used for highway and utility purposes).

We hold leases from the federal government that include 25,900 acres adjoining the Wendover property to the east. Our Wendover federal leases have an indefinite term subject to readjustment of the lease stipulations, including the royalty payable to the federal government. Royalty payments equal a percentage of product sales less freight. The current royalty rate stipulated in the federal leases is three percent. In 2024, Wendover made $0.2 million in royalty payments to the federal government.

The State of Utah owns several state land trust sections within the Wendover property site boundaries. We lease approximately 8,100 acres of property from the State of Utah under special use and mineral leases. The Wendover state leases are interspersed among our property and the Wendover federal leases. The Wendover state leases are for an indefinite term subject to readjustment of the lease stipulations, including the royalty payable to the State of Utah. Royalty payments equal a percentage of product sales less freight. The current royalty rate stipulated in our Wendover state leases is four percent. In 2024, Wendover made $0.1 million in royalty payments to the State of Utah.

History of Operations

The Bonneville area was recognized in the early 1900s as a source for potash. The original operation was known as the Salduro Works, which operated until 1918 and then closed due to a decline in potash demand. The original Salduro Works was responsible for acquiring lands on which a system of collection ditches was constructed. In the mid-1930s, Bonneville Limited acquired more land to the west of the original property and constructed primary harvest ponds and additional infrastructure to support the mining operations. Between 1961 and 1963, various potash leases were acquired from the federal and state governments. Kaiser Aluminum & Chemical Corporation acquired Bonneville Limited in 1963. The property, including the ponds, processing operation, and lease land, was acquired by Reilly Industries, Inc. from Kaiser Aluminum & Chemical Corporation in 1988. Intrepid acquired the property from Reilly Industries, Inc. in April 2004.

Mineral Resource and Reserves Comparison to Prior Year

RESPEC, a qualified firm and independent of Intrepid, prepared a technical report summary for our Wendover material property as of December 31, 2023. We did not have any material changes to our mineral resources as December 31, 2024, compared to December 31, 2023, at our Wendover material property. The technical report summary for the Wendover material property as of December 31, 2023, is included with this Annual Report on Form 10-K.

Mineral Resource and Reserves

Overview

The ore resource model used to determine resources and reserves was created from a database of brine sampling data in 2007 and includes brine samples from the active mining horizon. The QP's most recent inspection was on May 19, 2021, and included the potash plant, evaporation ponds, wellheads, and ditches.

No traditional drilling exploration has taken place in Wendover. We monitor KCl grade from 27 wells that were drilled in October 2005. We sample these wells at least yearly to evaluate brine quality in the shallow-brine aquifer. Samples are evaluated at the on-site lab with full analysis capabilities, including X-ray fluorescence. Additional information on exploration can be found in Section 7 of the technical summary report in Exhibit 96.3 to this Annual Report.

Mineral Resource

Estimates for potash resources were based on KCl brine concentration, porosity, and aquifer thickness from historical reports and brine monitoring data. Cutoff grade assumptions are based on historic cost data sourced from operations. Product sales prices used in the cutoff grade analyses are based on historical sales and marketing results and forward-looking pricing provided by Intrepid marketing and compared to third party sources.

Resource estimates for shallow-brine aquifer were based on the difference between historic well data collected between 1965 and 1967 and current monitoring data with consideration of the cutoff grade. There has been no change in trend of KCl grade to the primary pond or in potash production with brine grade held steady at approximately 0.97% for 60 years without declining.

Resource estimates for the deep-brine aquifer were based on current deep-well draw-down, pumping rates, and historical brine concentration variations. This resource is classified as an indicated resource due to the hydrological uncertainty of the aquifer and is expected to support production for at least 25 years.

Wendover—Summary of Mineral Resources in Millions of Tons of Sylvinite as of December 31, 2024, and 2023. Based on $450/product ton mine site.

	Resources				
	K_2O Brine [1] (Mt)	**Grade (%K_2O)**	**Contained K_2O[2] (Mt)**	**Cutoff[3] (%K_2O)**	**Processing Recovery (%)**
Measured mineral resources	—	—	—		
Indicated mineral resources	175	0.5	0.9	0.23	85
Measured + Indicated mineral resources	175	0.5	0.9	0.23	
Inferred mineral resources	1,358	0.5	6.8	0.23	85

[1] K_2O Brine is the recovered KCl bearing brine in solution at average concentrations by weight.

[2] Contained K_2O is calculated by multiplying K_2O Brine by the Grade.

[3] Solution mining resource cutoff is the grade at which production covers operating costs.

Mineral Resources were prepared RESPEC, a qualified firm for the estimate and independent of Intrepid.

Mineral Resources are reported exclusive of Mineral Reserves.

Mineral Resources are reported using Inverse Distance Squared (ID^2) estimation methods.

Mt = million tons, % = percent, K_2O = potassium oxide, ft = feet

Additional information regarding the methodology and key assumptions used to calculate the Wendover mineral resource can be found in Section 11 of the technical report summary in Exhibit 96.3 to this Annual Report.

Mineral Reserve

Key assumptions for the mineral reserve estimates include KCl grade, thickness, geometry, and hydrogeological properties of the aquifer, presence of geologic anomalies that distort the aquifer, impurities that impact solubility or the surface concentration, separation, crystallization, or packaging process, and the cost of goods sold and estimated final price of the product. Due to its history of operations, infrastructure is mature and the processing and cost factors are well understood. Recovery estimates are based on past, current, and anticipated future performance and supported by laboratory or metallurgical testing of the plant feed.

Wendover—Summary of Potash Mineral Reserves effective December 31, 2024. Based on $360/product ton mine site.

	Brine [1] (Mt)	In Situ Grade [2] (% K_2O)	Product [3] (Mt)	Cutoff [4] (% K_2O)	Processing Recovery (%)
Proven Mineral Reserves					
Probable Mineral Reserves	813	0.5	1.7	0.3	85
Total Mineral Reserves	813	0.5	1.7	0.3	

Wendover—Summary of Potash Mineral Reserves effective December 31, 2023. Based on $360/product ton mine site.

	Brine [1] (Mt)	In Situ Grade [2] (% K_2O)	Product [3] (Mt)	Cutoff [4] (% K_2O)	Processing Recovery (%)
Proven Mineral Reserves					
Probable Mineral Reserves	832	0.5	1.7	0.3	85
Total Mineral Reserves	832	0.5	1.7	0.3	

[1] Brine advanced through the pond system.

[2] In-situ grade is the amount of K_2O contained in the brine.

[3] Potash Product tons are calculated by multiplying Brine by: the In-Situ Grade divided by 63.17% K_2O/KCl conversion factor, an overall pond recovery factor of 30%, processing recovery of 85%, a handling loss factor of 97%, and a product purity factor of 105%.

[4] Solution mining reserve cutoff is the grade at which production covers operating costs.

Mineral Reserves were prepared RESPEC, a qualified firm for the estimate and independent of Intrepid.

Mineral Reserves are reported exclusive of Mineral Resources, on a 100% basis

Mineral Reserves are reported using Inverse Distance Squared (ID^2) estimation methods.

Mt = million tons, % = percent, K2O = potassium oxide, ft = feet

Additional information regarding the methodology and key assumptions used to calculate the Wendover mineral reserve can be found in Section 12 of the technical report summary in Exhibit 96.3 to this Annual Report.

Internal Controls

Our Wendover operations have internal quality assurance and quality control procedures for sample collection. Monitoring wells are sampled at least yearly to evaluate brine quality in the shallow-brine aquifer. During the evaporation season, we collect daily brine samples at brine advancement points. We sample brackish ponds and transfer pumps weekly. We evaluate samples at an on-site lab with full analysis capabilities, including X-ray fluorescence.

Production

Our facilities have a current estimated annual productive capacity of approximately 365,000 tons of potash, and approximately 400,000 tons of langbeinite, based on current designs. Our annual production rates are less than our estimated productive capacity. Actual production is affected by operating rates, the grade of ore mined, recoveries, mining rates, evaporation rates, product pricing, and the amount of development work that we perform. Therefore, as with other producers in our industry, our production results tend to be lower than reported productive capacity.

Our production capabilities and capital improvements at our facilities are described in more detail below, along with our historical production of our primary products and byproducts for the years ended December 31, 2024, 2023, and 2022.

Solution Mines

- Potash ore at HB is mined from idled original mine workings in the Carlsbad, New Mexico, area.
- The HB mine has a current estimated productive capacity of 180,000 tons annually. Potash produced from our HB mine is shipped by truck to the North facility for compaction.
- Potash ore at the Moab facility is mined from two stacked ore zones: the original mine workings in Potash 5 and the horizontal caverns in Potash 9.
- The Moab mine has a current estimated productive capacity of approximately 110,000 tons of potash annually.
- Potash at Wendover facility is produced primarily from brine containing salt, potash, and magnesium chloride that is collected in ditches from the shallow aquifers of the West Desert. These materials are also collected from a deeper aquifer by means of deep-brine wells.
- The Wendover facility has a current estimated productive capacity of approximately 75,000 tons of potash annually.

Conventional Underground Mines

- Sylvite and langbeinite ore at our Carlsbad locations occurs in a stacked ore body containing at least ten different mineralized zones, seven of which contain proven and probable reserves.
- The East mine has a current estimated productive capacity of approximately 400,000 tons of Trio® annually, based on current design. The East mine was converted to a Trio®-only operation in April 2016 and potash is no longer produced from the East mine.
- The West mine was idled in July 2016 and placed in care-and-maintenance mode. When operational, it has an estimated productive capacity of approximately 400,000 tons of red potash annually.

Compaction Facility

- The North facility receives compactor feed from the HB mine via truck and converts the compactor feed to finished granular-sized product and standard-sized product.

Our Development Assets

We have development opportunities in our New Mexico facilities with the acceleration of production from our reserves and mineralized deposits of potash, and the potential construction of additional production facilities in the region. We also own the leases on two idled mines near Carlsbad: the AMAX/Horizon mine and the North mine.

AMAX/Horizon Mine

- The AMAX/Horizon mine was in continuous operation between 1952 and 1993. We acquired the potash leases associated with the AMAX/Horizon mine in October 2012 and we obtained state and federal permits in 2015 to utilize these leases for solution mining.
- In the third quarter of 2024, we started the permitting process to drill a sample well into the AMAX Cavern at HB in order to measure the brine chemistry of the existing cavern and determine if it is a viable solution mining opportunity. We expect to finish the sample well permitting process in the first quarter of 2025 with test well drilling taking place shortly thereafter. We expect to utilize the HB evaporation ponds and processing mill for the AMAX/Horizon mine. We expect to need additional updates to permits, including rights-of-way, if we decide to operate this facility.

North Mine

- The North mine operated from 1957 to 1982 when it was idled mainly due to low potash prices and mineralogy changes which negatively impacted mineral processing at the facilities. Although the mining and processing equipment has been removed, the mine shafts remain open. The compaction facility at the North mine is where we granulate, store, and ship potash produced from the HB mine. Two abandoned mine shafts, rail access, storage facilities, water rights, utilities and leases covering potash deposits, are already in place. As part of our long-term mine planning efforts, we may choose to evaluate our strategic development options with respect to the shafts at the North mine and their access to mineralized deposits of potash.

Our Production of Potash and Trio®

One product ton of potash contains approximately 0.60 tons of K_2O when produced at our Moab and Wendover facilities and approximately 0.60 or 0.62 tons of K_2O when produced at our HB facility. One product ton of langbeinite produced at our East facility contains approximately 0.22 tons of K_2O. The following table summarizes production of our primary products at each of our facilities for each of the years ended December 31, 2024, 2023, and 2022:

(tons in thousands)	Year Ended December 31,								
	2024			2023			2022		
	Ore Production	Mill Feed Grade[1]	Finished Product	Ore Production	Mill Feed Grade[1]	Finished Product	Ore Production	Mill Feed Grade[1]	Finished Product
Potash									
HB	873	12.6%	136	717	11.3%	90	672	13.7%	114
Moab	500	16.4%	110	429	17.2%	95	504	16.9%	105
Wendover	307	13.2%	49	247	12.5%	39	296	13.6%	51
	1,680		295	1,393		224	1,472		270
Langbeinite									
East	1,139	8.5%	251	1,285	7.3%	216	1,348	7.8%	226
Total Primary Products			546			440			496

[1] Mill feed grade shown is as percent of K_2O. Mill feed grade is a measurement of the amount of mineral contained in an ore as a percentage of the total weight of the ore. For potash it is often represented as a percent of potassium oxide (K_2O) or percent potassium chloride (KCl).

Water and Byproduct Production

We have permitted, licensed, declared and partially adjudicated water rights in New Mexico under which we sell water primarily to support oil and gas operations and developments in the Permian Basin near our Carlsbad facilities. During the extraction of potash and Trio®, we recover marketable salt, magnesium chloride, water, and brine containing salt and potassium from our mining processes. Our salt is used in a variety of markets including animal feed, industrial applications, pool salt, and the treatment of roads and walkways for ice melting or to manage road conditions. Magnesium chloride is typically used as a road treatment agent for both deicing and dedusting. Our brines are used primarily by the oil and gas industry to support well development and completion activities.

ITEM 3. LEGAL PROCEEDINGS

A description of our legal proceedings, if any, is contained in Note 15 of the Notes to Consolidated Financial Statements.

ITEM 4. MINE SAFETY DISCLOSURES

We are committed to providing a safe and healthy work environment. The objectives of our safety programs are to eliminate workplace accidents and incidents, preserve employee health, and comply with all safety- and health-based laws. In order to achieve these objectives, we train employees on safe work practices; establish, follow, and improve safety standards; involve employees in safety processes; openly communicate safety matters with employees; and record, report, and investigate accidents, incidents, and losses to help avoid recurrence. As part of our ongoing safety programs, we collaborate with MSHA and the New Mexico Bureau of Mine Safety to identify and implement accident prevention techniques and practices.

Our East, West, and North facilities in New Mexico are subject to regulation by MSHA under the Federal Mine Safety and Health Act of 1977 and the New Mexico Bureau of Mine Safety. MSHA inspects these facilities on a regular basis and issues various citations and orders when it believes a violation has occurred under federal law. Our Utah and HB facilities are subject to regulation by OSHA and, therefore, are not required to be included in the information provided in Exhibit 95.1.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

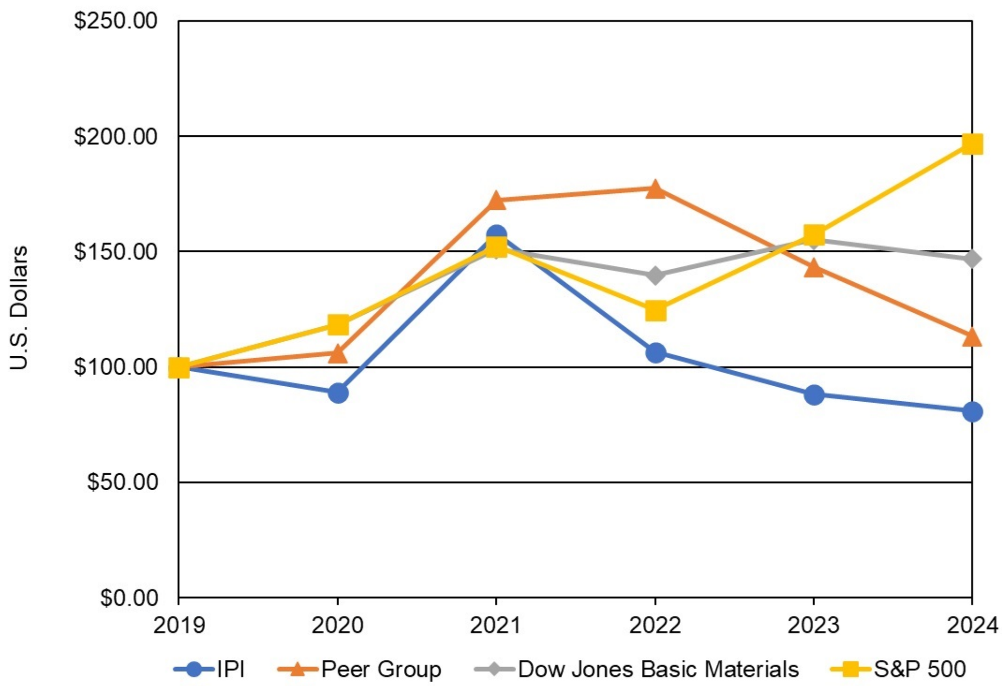
Market Information

Our common stock is traded on the NYSE under the symbol "IPI". As of February 28, 2025, we had 78 record holders of our common stock based upon information provided by our transfer agent.

Performance Graph—Comparison of Cumulative Return

The graph below compares the cumulative total stockholder return on our common stock with the cumulative total stockholder return on the S&P 500 Index, the Dow Jones U.S. Basic Materials Index, and a peer group for the period beginning on December 31, 2019, through December 31, 2024, assuming an initial investment of $100 and the reinvestment of dividends. The peer group consisted of The Mosaic Company, Compass Minerals International, Inc., and Nutrien Ltd.

	IPI	Peer Group	S&P 500	Dow Jones U.S. Basic Materials
December 31, 2019	$ 100.00	$ 100.00	$ 100.00	$ 100.00
December 31, 2020	$ 89.11	$ 106.07	$ 118.39	$ 118.32
December 31, 2021	$ 157.68	$ 172.47	$ 152.34	$ 151.20
December 31, 2022	$ 106.53	$ 177.51	$ 124.73	$ 139.74
December 31, 2023	$ 88.15	$ 143.50	$ 157.48	$ 155.12
December 31, 2024	$ 80.89	$ 113.37	$ 196.85	$ 146.88



Dividends

We currently intend to retain earnings to reinvest for future operations and growth of our business and do not anticipate paying any cash dividends on our common stock. However, our Board of Directors, in its discretion, may decide to declare a dividend at an appropriate time in the future, subject to the terms of our revolving credit agreement. A decision to pay a dividend would depend upon, among other factors, our results of operations, financial condition, and cash requirements and the terms of our revolving credit agreement at the time a payment is considered.

Purchases of Equity Securities by the Issuer

Issuer Purchases of Equity Securities

Period	(a) Total Number of Shares Purchased	(b) Average Price Paid Per Share	(c) Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	(d) Maximum Number (or Approximate Dollar Value) of Shares that May Yet Be Purchased Under the Plan or Programs[1]
October 1, 2024, through October 31, 2024	—	$—	—	$12,987,860
November 1, 2024, through November 30, 2024	—	$—	—	$12,987,860
December 1, 2024, through December 31, 2024	—	$—	—	$12,987,860
Total	—	$—	—	$12,987,860

[1] Represents the dollar value of remaining availability under the $35 million share repurchase program approved by the Board of Directors in February 2022. Under the share repurchase program, we may repurchase shares from time to time in the open market or in privately negotiated transactions. The timing, volume and nature of share repurchases, if any, will be at our sole discretion and will be dependent on market conditions, liquidity, applicable securities laws, and other factors. We may suspend or discontinue the share repurchase program at any time. During 2024, we did not purchase any shares under the share repurchase program.

ITEM 6. RESERVED

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

This Management's Discussion and Analysis should be read in conjunction with the accompanying consolidated financial statements and related notes contained in "Item 8. Financial Statements and Supplemental Data" of this Annual Report.

This Management's Discussion and Analysis contains forward-looking statements that involve risks, uncertainties, and assumptions as described under the heading "Cautionary Note Regarding Forward-Looking Statements," in Part I of this Annual Report. Our actual results could differ materially from those anticipated by these forward-looking statements as a result of many factors, including those discussed under "Item 1A. Risk Factors" and elsewhere in this Annual Report.

A discussion of the changes in our results of operations between the years ended December 31, 2023, and December 31, 2022, has been omitted from this Annual Report on Form 10-K but may be found in Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations of our Annual Report on Form 10-K for the year ended December 31, 2023, filed with the SEC on March 7, 2024, which is available free of charge on the SEC's website at www.sec.gov and our corporate website (www.intrepidpotash.com).

Overview

We are a diversified mineral company that delivers potassium, magnesium, sulfur, salt, and water products essential for customer success in agriculture, animal feed and the oil and gas industry. We are the only U.S. producer of muriate of potash (sometimes referred to as potassium chloride or potash), which is applied as an essential nutrient for healthy crop development, utilized in several industrial applications, and used as an ingredient in animal feed. In addition, we produce a specialty fertilizer, Trio®, which delivers three key nutrients, potassium, magnesium, and sulfur, in a single particle. We also provide water, magnesium chloride, brine and various oilfield products and services.

Our extraction and production operations are conducted entirely in the continental U.S. We produce potash from three solution mining facilities: our HB solution mine in Carlsbad, New Mexico, our solution mine in Moab, Utah, and our brine recovery mine in Wendover, Utah. We also operate our North compaction facility in Carlsbad, New Mexico, which compacts and granulates product from the HB mine. We produce Trio® from our conventional underground East mine in Carlsbad, New Mexico.

We also have certain land, water rights, federal grazing leases, and other related assets in southeast New Mexico. We refer to these assets and operations as "Intrepid South." Intrepid South generates revenue from sales of various oilfield related products and services, including but not limited to, water, brine, surface use and right-of-way agreements, a produced water royalty agreement, and caliche sales.

We have three segments: potash, Trio®, and oilfield solutions. We account for the sale of byproducts as revenue in the potash or Trio® segment based on which segment generated the byproduct. For each of the years ended December 31, 2024, 2023, and 2022, a majority of our byproduct sales were accounted for in the potash segment.

Recent Developments

In April 2024, our Board of Directors (the "Board") granted Robert P. Jornayvaz III, our Executive Chairman of the Board and Chief Executive Officer (the "CEO"), a medical leave of absence, while he recovered from a non-work related accident. Our Board appointed Matthew D. Preston, our Chief Financial Officer, as principal executive officer. Our Board also temporarily delegated all responsibilities of the Chairman of the Board to Barth Whitham, Lead Director. Our Board also appointed Hugh E. Harvey, our co-founder with Mr. Jornayvaz, to serve as a Class III director on the Board. On July 10, 2024, our Board announced that it was unlikely that Mr. Jornayvaz would return from his extended medical leave of absence and it had initiated a search process to identify a successor to Mr. Jornayvaz in the CEO role.

On September 30, 2024, Mr. Jornayvaz resigned as CEO and as a member of our Board. On November 26, 2024, our Board appointed Kevin S. Crutchfield as CEO of the Company and a member of the Board as a Class III director, in each case effective December 2, 2024.

On January 14, 2025, our Board increased the size of the Board from seven directors to eight directors, and the Board appointed Gonzalo Avendano as an additional independent director to the fill the vacancy created by the expansion of the Board and to serve as a Class I director of the Company.

Significant Business Trends and Activities

Our financial results have been, or are expected to be, impacted by several significant trends and activities, including impacts from global disruptions. Given the dynamic nature of such disruptions, we cannot reasonably estimate the impacts of such disruptions, if any, on our financial condition, results of operations, liquidity, or cash flows in the future. We expect that any such disruptions may have a material effect on revenue growth, financial condition, liquidity, and overall profitability in future reporting periods. Please see further discussion under "Item 1A. Risk Factors."

We expect that the trends described below may continue to impact our results of operations, cash flows, and financial position.

- *Potash pricing and demand.* Our average net realized sales price for potash decreased to $377 per ton in 2024 compared to $466 per ton in 2023 as global potash production improved back to 2021 levels leading to a more balanced global potash market. In January 2025, a winter-fill agricultural potash program was announced decreasing the list price for agricultural potash by $20 per ton to $315 per ton during a one-week order window, before the list price increased back to $340 per ton. Subscription under the fill program was generally positive, with most customers placing orders for the entirety of their first quarter needs. After the fill program and subsequent price increase, U.S potash prices are trading in line with global prices levels, supported by improving crop prices and a positive outlook on spring planting. Our price expectations could be affected by, among other things, weather, planting decisions, rail car availability, commodity price decreases and the price and availability of other potassium products. As a smaller producer relative to the overall market, domestic pricing of our potash is influenced principally by the price established by our competitors. The interaction of global potash supply and demand, ocean, land, and barge freight rates, currency fluctuations, tariffs, and crop commodity values and outlook, also influence pricing.

- *Trio® pricing and demand.* Our average net realized sales price for Trio® decreased to $311 per ton in 2024, compared to $321 per ton in 2023, as increasing sulfate values mostly offset declines in potassium pricing during the year. In January 2025, improving agricultural commodity prices led to strong early season demand and customers were willing to commit to the majority of their spring needs. Given the good demand and continued improvements in sulfate pricing, we increased our posted price for Trio® by $20 per ton in late January to $375 per ton, and expect to realize the higher price levels on tons shipped in the second quarter of 2025. Our ability to realize the increased prices may be affected by, among other things, weather, planting decisions, rail car availability, commodity price decreases, and the price and availability of other potassium products.

  Overall average net realized sales price per ton for Trio® will continue to be impacted by the percentage of international sales, particularly to offshore markets. Competition from lower cost alternatives and freight costs continues to negatively impact our average net realized sales price per ton to offshore markets. We plan to continue a price-over-volume strategy internationally by focusing on those international markets where we obtain the highest average net realized sales price per ton and thus the highest margin.

  We experience seasonality in domestic Trio® demand, with more purchases coming in the first and second quarters in advance of the spring application season in the U.S. In turn, we generally have increased inventory levels in the third and fourth quarters in anticipation of expected demand for the following year. We continue to operate our facilities at reduced production levels that approximate expected demand and allow us to manage inventory levels.

- *Strategic Focus on our Solar Solution Mining Facilities.* Key current and future projects include:

  - We successfully commissioned Phase Two of the HB Injection Pipeline Project in the third quarter of 2024. Since commissioning, our brine injection rates have averaged approximately 1,900 gallons per minute, which is 30% higher than the previous gallons per minute injection rate highs achieved in 2014.

  - We completed the construction of a new primary pond in Wendover in June 2024 and are in the process of filling the pond with brine. Similar to our caverns at the Moab and HB mines, the primary ponds at Wendover serve as the brine storage area, and adding another primary pond will help us meet our goals of maximizing brine availability, increasing brine grade, and improving production. We expect to see the production benefits of the new primary pond beginning in 2025 - 2026 production year.

  - HB AMAX Cavern - In the third quarter of 2024, we started the permitting process to drill a sample well into the AMAX Cavern at HB in order to measure the brine chemistry of the existing cavern. AMAX is the largest cavern in the HB system and is expected to serve as an expansion area to the original HB caverns which have been in service for over ten years. We are close to completing the permitting process and expect to drill the well in the second quarter of 2025.

- *Water sales.* Water sales decreased in 2024 to $13.6 million, compared to $15.2 million in 2023. The majority of our water sales are from Intrepid South, where we sell water through our truck station or directly to operators. In 2024, we supplied water for one drilling program during the third quarter which accounted for approximately $5.5 million, or 40%, of our total water sales. Due to the large drilling program, we purchased $3.6 million of water for resale during 2024, a $2.2 million increase compared to 2023. Overall, we have seen a trend towards larger frac operations on Intrepid South due to the increasing length and number of laterals drilled. These operations require significant amounts of water for a sustained period which has resulted in us relying more on third-party water to meet the needs of operators as we are unable to provide the volumes necessary with our own wells and pond infrastructure. While oil and gas activity remains strong in southeast New Mexico and on Intrepid South, we expect continued volatility in our water sales as the amount of water required varies between frac operations and the timing of operations is difficult to predict.

- *Byproduct sales.* Byproduct sales decreased to $25.3 million in 2024 compared to $30.6 million in 2023, driven primarily by a $5.6 million decrease in byproduct water sales as we increased the volume of water used for injection at our HB plant and we sold fewer barrels of water from our Caprock water rights. Magnesium chloride sales decreased $2.8 million compared to 2023, as limited snowfall events in the first half of 2024, combined with customers entering 2024 with high-levels of inventory of dust control magnesium chloride, reduced sales during the year. Byproduct brine sales into oil and gas markets in southeast New Mexico increased $2.6 million during 2024 as consistent oil and gas activity near our operations led to a 17% increase in barrels sold compared to the prior year.
- *Other oilfield products and services.* Our revenue from brine and other oilfield products and services, excluding water, recorded in our oilfield solutions segment decreased to $11.1 million in 2024, compared to $11.7 million in 2023, mainly driven by a $1.0 million decrease in surface use and right of way revenue at Intrepid South.

In the fourth quarter of 2024, we recorded impairment charges of $6.4 million mainly related to our frac sand opportunity and other oilfield related equipment as it is unlikely we will continue to pursue this opportunity as we focus on our core business. We still hold the necessary permits for the sand operation and believe the potential for a frac sand operation increases the overall value of Intrepid South.

Consolidated Results

(in thousands)	Year Ended December 31,	
	2024	2023
Sales[1]	$ 254,694	$ 279,083
Cost of Goods Sold	$ 171,415	$ 187,278
Lower of cost or net realized value inventory adjustments	$ 3,957	$ 6,492
Gross Margin	$ 29,082	$ 36,846
Loss Before Income Taxes	(18,512)	(44,062)
Income Tax (Expense) Benefit	(194,333)	8,389
Net Loss	$ (212,845)	$ (35,673)
Average Net Realized Sales Price per Ton[2]		
Potash	$ 377	$ 466
Trio®	$ 311	$ 321

[1]Sales include sales of byproducts which were $25.3 million and $30.6 million for the years ended December 31, 2024, and 2023, respectively.
[2]Average net realized sales price per ton is a non-GAAP measure. More information about this non-GAAP measure is below under the heading "Non-GAAP Financial Measure."

Consolidated Results for the Years Ended December 31, 2024, and 2023

Sales

Our total sales decreased $24.4 million, or 9% in 2024, compared to 2023, as potash segment sales decreased $31.1 million, partially offset by an increase of $3.2 million in Trio® segment sales and an increase of $3.4 million in oilfield solutions segment sales.

Our total potash segment sales decreased $31.1 million during 2024, compared to 2023, driven by a decrease of $30.9 million in potash sales. Our potash sales decreased as our potash average net realized sales price per ton decreased 19%, combined with a 7% decrease in tons of potash sold. Our average net realized sales price per potash ton decreased in 2024 compared to 2023, as the available supply of potash increased in 2024. We sold fewer tons of potash in 2024, compared to 2023, as we began 2024 with less inventory of potash to sell due to lower potash production from our HB and Wendover facilities during the second half of 2023. Potash production improved at our HB and Wendover facilities during 2024 compared to 2023, but annual production at our Wendover facility remains below its historical annual production level. Potash segment byproduct sales decreased $0.1 million in 2024 compared to 2023, as decreases in magnesium chloride and byproduct water sales were mostly offset by increases in brine water and salt sales.

Our total Trio® segment sales increased by $3.2 million during 2024 compared to 2023, driven by an increase of $8.4 million in Trio® sales, partially offset by a decrease of $5.2 million in Trio® segment byproduct sales. We sold 11% more tons of Trio® in 2024 compared to 2023, partially offset by a 3% decrease in our Trio® average net realized sales price per ton during 2024, compared to 2023. Our Trio® byproduct sales decreased as we did not sell any Trio® segment byproduct water in 2024, while we sold $5.3 million in Trio® segment byproduct water in 2023.

Our oilfield solutions segment sales increased by $3.4 million in 2024, compared to 2023, driven by an increase of $4.0 million in water sales, and an increase of $0.1 million in brine water sales, partially offset by a $0.7 million decrease in other products and services. Our oilfield solutions segment water revenues increased due to the completion of a large frac on Intrepid South during the third quarter of 2024. Demand for brine water sales remained strong in 2024 due to continued oil and gas activity in the Permian Basin near Intrepid South. Sales of our other products and services decreased in 2024, compared to

2023, due to a decrease in surface use and easement sales. Surface use and easement sales fluctuate based on the time of recognizing sales from the various performance obligations contained in the underlying agreements.

Cost of Goods Sold

Our total cost of goods sold decreased $15.9 million, or 8%, in 2024, compared to 2023. Our potash segment cost of goods decreased $13.5 million, or 14%, and our Trio® segment cost of goods sold decreased $4.3 million, or 6%, partially offset by an increase of $1.9 million, or 13%, in our oilfield solutions segment cost of goods sold.

Our potash segment cost of goods sold decreased 14% in 2024 compared to 2023, due to selling 7% fewer tons of potash in 2024, compared to 2023. In addition to selling fewer tons of potash in 2024, we produced 32% more tons of potash in 2024 compared to 2023, which lowered our per ton production costs. A significant portion of our production costs are fixed and an increase in the number of potash tons produced decreases our per ton production costs.

Our Trio® segment cost of goods sold decreased 6% in 2024 compared to 2023. We sold 11% more tons of Trio® in 2024 compared to 2023, but our weighted average carrying cost per ton of Trio® decreased as we incurred less production labor, natural gas, and depreciation expenses in 2024 compared to 2023. Trio® segment labor costs decreased as we operated fewer shifts in 2024 compared to 2023. Trio® segment depreciation expense decreased in 2024 compared to 2023 due to the impairment that was recorded in December 2023 for our Trio® segment assets. Trio® segment natural gas expenses decreased in 2024 compared to 2023, as natural gas prices spiked in early 2023 due to supply constraints in the western U.S. In addition, we produced 16% more tons of Trio® in 2024 compared to 2023. Because a significant portion of our production costs are fixed, an increase in tons produced reduces our production costs per ton.

Our oilfield solutions segment cost of goods sold increased 13% in 2024 compared to 2023, as we purchased more third-party water for resale in 2024 compared to 2023, to meet the demand for a large frac on Intrepid South.

Lower of Cost or Net Realizable Value ("NRV") Inventory Adjustments

During 2024, we recorded lower of cost or NRV inventory adjustments of $4.0 million as our weighted average carrying costs for certain potash products exceeded our expected selling price for those products. During the year ended December 31, 2023, we recorded lower of cost or NRV adjustments of $6.5 million as our weighted average carrying costs for certain potash and Trio® products exceeded our expected selling price for those products. As discussed above, during 2024 compared to 2023, our average net realized sales price per ton for potash and Trio® decreased but the amount of lower of cost or NRV inventory adjustments recorded was less in 2024 compared to 2023 because our weighted average carrying costs for potash and Trio® also decreased.

Gross Margin

Our gross margin percentage decreased to 11% in 2024, compared to 13% in 2023. The decrease was driven primarily by a decrease in sales revenue due to decreases in our average net realized sales price per ton for both potash and Trio®.

Selling and Administrative Expense

Selling and administrative expenses increased $0.5 million or 2% in 2024 compared to 2023, as increases in severance and labor expenses were partially offset by decreases in stock compensation and legal expenses.

Impairment of Long-Lived Assets

During the year ended December 31, 2024, we recorded total impairment charges of $10.7 million. During the year ended December 31, 2023, we recorded total impairment charges of $43.3 million.

In 2023, we recorded an impairment related to our Trio® segment assets because the net book value exceeded the estimated fair value of the assets. We engaged a third-party valuation firm to determine the fair value of our Trio® segment assets. The fair value of our Trio® segment assets was primarily determined using the expected proceeds received in an orderly sale of the individual assets. The carrying value of our Trio® segment asset group exceeded its fair value, and we recorded an impairment charge of $31.9 million. For any Trio® segment capital spending during 2024, we also estimated the fair value of those assets using the expected proceeds received in an orderly sale of those new assets and recorded an impairment of $4.4 million.

In 2024, in our Oilfield Solutions Segment we recorded impairment charges of $6.4 million mainly related to our frac sand opportunity and other oilfield related equipment. Although we still hold the necessary permits for the sand operation, it is unlikely we will continue to pursue this opportunity as we focus on our core business. In 2023, we recorded impairment charges of $1.5 million related to certain assets in our Oilfield Solutions Segment, specifically certain water recycling equipment and an investment in a non-operating interest in an oil and gas investment.

In 2023 in our potash segment, we recorded an impairment charge of $9.9 million related to the assets at the West facility, which were placed in care and maintenance in 2016, and given the length of time since the assets were placed in care and maintenance, we engaged a third-party valuation firm to determine the fair value of the West assets. The fair value of the West assets was determined using the expected proceeds received in an orderly sale of the individual assets.

Loss on Sale or Disposal of Assets

During 2024, we recorded a $2.0 million loss on the sale or disposal of assets in the normal course of business, compared to a loss of $0.8 million during 2023. Our loss on sale or disposal of assets in 2024 resulted from the sale of excess lay flat water tubing.

Other Operating Income

In 2024, we recognized other operating income of $5.2 million compared to $1.3 million in 2023. During 2024, we recognized $4.5 million in other operating income related to the Third Amendment to the Cooperative Development Agreement we signed with XTO in December 2023 that became effective in January 2024. As discussed in further detail in Note 9- Other Long-Term Deferred Income to the Consolidated Financial Statements, we are recognizing as other operating income the estimated transaction price associated with the Amendment on a straight-line basis over the term of the Amendment. Also in 2024, we recognized $0.7 million from various miscellaneous items as other operating income.

Other Operating Expense

Other operating expense increased $2.6 million in 2024 compared to 2023, mainly due to recording an additional $1.9 million related to the potential underpayment of federal mineral royalties from 2012 through 2016.

Income Tax

We recorded income tax expense of $194.3 million in 2024 as we increased our valuation allowance against our deferred tax assets by $199.0 million as we have concluded that it is more likely than not that our deferred tax assets will not be realized. The expense associated with increasing the valuation allowance was partially offset by the income tax benefit associated with our loss before income taxes. In 2023, we recorded an income tax benefit of $8.4 million as we incurred a loss before income taxes, which was partially offset by a $1.1 million increase in our valuation allowance.

Net Income

Our 2024 net income decreased $177.2 million to a net loss of $212.8 million. The decrease is due to the increase in the deferred tax assets valuation allowance, partially offset by decreased impairment expense recorded in 2024 compared to 2023.

Potash Segment Results

(in thousands)	Year Ended December 31, 2024	2023
Sales[1]	$ 124,833	$ 155,920
Less: Freight costs	13,176	14,753
Warehousing and handling costs	6,306	5,957
Cost of goods sold	83,974	97,452
Lower of cost or net realized value inventory adjustments	3,957	2,709
Gross Margin	$ 17,420	$ 35,049
Depreciation, Depletion, and Amortization Incurred[2]	$ 27,955	$ 28,378
Potash Sales Volumes (tons in thousands)	240	258
Potash Production Volumes (tons in thousands)	295	224
Average Potash Net Realized Sales Price per Ton[3]	$ 377	$ 466

[1]Potash segment sales include byproduct sales which were $24.6 million and $24.7 million for the years ended December 31, 2024, and 2023, respectively.
[2]Depreciation, depletion, and amortization incurred excludes depreciation, depletion, and amortization amounts absorbed in or (relieved from) inventory.
[3]Average net realized sales price per ton is a non-GAAP measure. More information about this non-GAAP measure is below under the heading "Non-GAAP Financial Measure."

Potash Segment Results for the Years Ended December 31, 2024, and 2023

Our total potash segment sales in 2024 decreased $31.1 million, or 20%, compared to 2023, as potash sales recorded in the potash segment decreased 24% while potash segment byproduct sales were essentially unchanged.

Potash sales recorded in the potash segment decreased $31.0 million, or 24%, in 2024 compared to 2023, as our potash average net realized sales price per ton decreased 19%, combined with a 7% decrease in potash tons sold. Potash prices declined during 2024 as available global inventory increased compared to 2023. We sold fewer tons of potash in 2024 compared to 2023, as we began 2024 with less inventory of potash to sell due to lower potash production from our HB and Wendover facilities during the second half of 2023. Potash production improved at our HB and Wendover facilities in 2024 compared to 2023, but 2024 production from our Wendover facility remained below its historical production level.

Potash segment byproduct sales decreased $0.1 million, in 2024 compared to 2023, due to a $2.8 million decrease in byproduct magnesium chloride sales, partially offset by a $2.6 million increase in byproduct brine sales. Our byproduct magnesium chloride sales decreased in 2024 compared to 2023, due to mild winter weather which decreased demand for our deicing product in the first and fourth quarters of 2024, and we saw less demand from the dedust market impacting sales in the second and third quarters of 2024. Our byproduct brine sales increased due to continuing strong oil and gas activities near our facilities in New Mexico during 2024.

Potash cost of goods sold decreased $13.5 million, or 14%, in 2024, compared to 2023, due to a 7% decrease in potash tons sold and a decrease in our per ton production costs. Our per ton production costs decreased in 2024 compared to 2023, as we produced 32% more tons of potash during 2024 compared to 2023. A significant portion of our production costs are fixed and an increase in tons produced results in lower per ton production costs.

Potash segment freight expenses decreased 11% in 2024 compared to 2023, as we sold 7% fewer tons of potash. Our freight expense is impacted by the rates charged by carriers, geographic distribution of our products and by the proportion of customers arranging for and paying their own freight costs.

We produced 32% more tons of potash during 2024 compared to 2023, as production increased at all of our facilities, with the largest increase at our HB facility. The new extraction well placed in-service in June 2024 allowed us to extract high-grade brine from the Eddy Cavern of the HB mine, improving our overall brine grade into our pond system.

During 2024, we recorded $4.0 million in lower of cost or net realizable value inventory adjustments for certain potash products as our weighted average carry cost per ton exceeded our expected net realizable value per potash ton. While our weighted average carrying cost per ton decreased in 2024, average potash prices also declined in 2024. We recorded $2.7 million in lower of cost or net realizable value inventory adjustments for certain potash products during 2023.

Our potash segment gross margin decreased $17.6 million in 2024, compared to 2023, due to the $31.1 million decrease in potash segment sales.

Potash Segment - Additional Information

The table below shows our potash sales mix for 2024 and 2023.

	Year Ended December 31,	
	2024	2023
Agricultural	74 %	74 %
Industrial	3 %	3 %
Feed	23 %	23 %

Trio® Segment Results

	Year Ended December 31,			
(in thousands)	2024		2023	
Sales[1]	$	105,428	$	102,182
Less: Freight costs		25,841		23,211
Warehousing and handling costs		5,169		4,875
Cost of goods sold		69,980		74,308
Lower of cost or net realized value inventory adjustments		—		3,783
Gross Margin (Deficit)	$	4,438	$	(3,995)
Depreciation, Depletion, and Amortization incurred[2]	$	3,500	$	6,288
Sales Volumes (tons in thousands)		254		228
Production Volumes (tons in thousands)		251		216
Average Net Realized Sales Price per Ton[3]	$	311	$	321

[1]Trio® segment sales include byproduct sales which were $0.7 million and $5.8 million for the years ended December 31, 2024, and 2023, respectively.
[2]Depreciation, depletion, and amortization incurred excludes depreciation, depletion, and amortization amounts absorbed in or (relieved from) inventory.
[3]Average net realized sales price per ton is a non-GAAP measure. More information about this non-GAAP measure is below under the heading "Non-GAAP Financial Measure."

Trio® Segment Results for the Years Ended December 31, 2024, and 2023

Our total Trio® segment sales increased $3.2 million, or 3%, in 2024 compared to 2023, as Trio® sales increased $8.4 million, or 9%, partially offset by a $5.2 million decrease, or 89%, in Trio® segment byproduct sales.

Our Trio® sales increased $8.4 million, or 9%, in 2024 compared to 2023, as we sold 11% more tons partially offset by a 3% decrease in our average net realized sales price per ton. Sales volumes increased in 2024 compared to 2023, as we sold more Trio® tons into row crop markets, particularly driven by the sulfate value of Trio®. Similar to potash prices discussed above, Trio® average net realized sales price per ton decreased in 2024 as potassium fertilizer supplies improved in 2024 compared to 2023.

Our Trio® segment byproduct sales decreased $5.2 million in 2024 compared to 2023, due to a decrease in Trio® segment byproduct water sales. We sold less Trio® segment byproduct water in 2024 compared to 2023, as we increased the volume of water used for injection at our HB plant and we sold fewer barrels of water from our Caprock water rights.

Trio® freight costs increased 11% in 2024 compared to 2023, related to an 11% increase in Trio® tons sold. Our freight expense is impacted by the geographic distribution of our Trio® sales and by the proportion of customers arranging for and paying their own freight costs. Generally, our Trio® freight expense is higher than our potash freight expense because we sell potash to regional customers located closer to our production facilities.

Our Trio® segment cost of goods sold decreased 6% in 2024 compared to 2023. We sold 11% more tons of Trio® in 2024 compared to 2023, but our weighted average carrying cost per ton of Trio® decreased as we incurred less production labor, natural gas, and depreciation expenses in 2024 compared to 2023. Trio® segment labor costs decreased as we operated fewer shifts in 2024 compared to 2023. Trio® segment depreciation expense decreased in 2024 compared to 2023 due to the impairment that was recorded in December 2023 for our Trio® segment assets. Trio® segment natural gas expenses decreased in 2024 compared to 2023, as natural gas prices spiked in early 2023 due to supply constraints in the western U.S. In addition, we produced 16% more tons of Trio® in 2024 compared to 2023. Because a significant portion of our production costs are fixed, an increase in tons produced reduces our production costs per ton.

In 2024, we did not record any lower of cost or net realizable value inventory adjustments. In 2023, we recorded $3.8 million in lower of cost or net realizable value inventory adjustments.

Our Trio® segment gross margin increased by $8.4 million in 2024 compared to 2023, due to the factors discussed above.

In the fourth quarter of 2023, given the decrease in our gross margin for our Trio® segment we determined that sufficient indicators of potential impairment of our Trio® segment long-lived assets existed. We performed a recoverability test and determined that the carrying value of our Trio® segment long-lived assets was not recoverable. We engaged a third-party valuation firm to determine the fair value of our Trio® segment assets. The fair value of our Trio® segment assets was primarily determined using the expected proceeds received in an orderly sale of the individual assets. The carrying value of our Trio® segment asset group exceeded its fair value of those assets, and we recorded an impairment charge of $31.9 million.

For any Trio® segment capital spending in 2024, we also estimated the fair value of those assets using the expected proceeds received in an orderly sale of those new assets and recorded impairment charges of $4.4 million.

Trio® Segment - Additional Information

The table below shows the percentage of total Trio® sales that were sold internationally in the past three years.

	United States	Export
For the year ended December 31, 2024	85 %	15 %
For the year ended December 31, 2023	86 %	14 %
For the year ended December 31, 2022	82 %	18 %

Oilfield Solutions Segment Results

	Year Ended December 31,	
(in thousands)	2024	2023
Sales	$ 24,685	$ 21,310
Less: Cost of goods sold	17,461	15,518
Gross Margin	$ 7,224	$ 5,792
Depreciation, Depletion, and Amortization incurred	$ 4,431	$ 3,849

Oilfield Solutions Segment Results for the Years Ended December 31, 2024, and 2023

Our oilfield solutions segment sales increased 16% in 2024 compared to 2023, driven by an increase of $4.0 million in water sales, and an increase of $0.1 million in brine water sales, partially offset by a $0.7 million decrease in sales of other products and services. Our oilfield solutions segment water sales increased due to the completion of a large frac on Intrepid South during the third quarter of 2024. Demand for brine water sales remained strong in 2024 due to continued oil and gas activity in the Permian Basin near Intrepid South. Our other products and services sales decreased in 2024 compared to 2023, due to a decrease in surface use and easement sales. Surface use and easement sales fluctuate based on the timing of recognizing sales from the various performance obligations contained in the underlying agreements.

Cost of goods sold increased 13% in 2024 compared to 2023, as we purchased more third-party water for resale to meet the demand for the large frac completed on Intrepid South.

Gross margin increased $1.4 million, or 25%, in 2024 compared to 2023, due to the factors described above.

Specific Factors Affecting Our Results

Sales

Our gross sales are derived from the sales of potash, Trio®, water, salt, magnesium chloride, brine water and various other products and services. Total sales are determined by the quantities of product we sell and the sales prices we realize. For potash, Trio®, and salt, we quote prices to customers both on a delivered basis and on the basis of pick-up at our plants and warehouses. Freight costs are incurred on most of our potash, Trio®, and salt sales, but some customers arrange and pay for their own freight directly. When we arrange and pay for freight, our quotes and billings are based on expected freight costs to the points of delivery. When we calculate our potash and Trio® average net realized sales price per ton, we deduct any freight costs included in sales before dividing by the number of tons sold. We believe the deduction of freight costs provides a more representative measure of our performance in the market due to variations caused by ongoing changes in the proportion of customers paying for their own freight, the geographic distribution of our products, and freight rates. Freight rates have been increasing, and if we are unable to pass the increased freight costs on to the customer, our average net realized sales price per ton is negatively affected. We manage our sales and marketing operations centrally and we work to achieve the highest average net realized sales price per ton we can by evaluating the product needs of our customers and associated logistics and then determining which of our production facilities can best satisfy these needs.

The volume of product we sell is determined by demand for our products and by our production capabilities. We operate our potash and Trio® facilities at production levels that approximate expected demand and consider current inventory levels and expect to continue to do so for the foreseeable future.

Our water sales and other products and services offered through our oilfield solutions segment are driven by demand from oil and gas exploration companies drilling in the Permian Basin. As such, demand for our water and other products and services is generally stronger during a cyclical expansion of oil and gas drilling. Likewise, a cyclical contraction of oil and gas drilling may decrease demand for our water.

Cost of Goods Sold

Our cost of goods sold reflects the costs to produce our products. Many of our production costs are largely fixed and, consequently, our cost of sales per ton on a facility-by-facility basis tends to move inversely with the number of tons we produce, within the context of normal production levels. Our principal production costs include labor and employee benefits, maintenance materials, contract labor, and materials for operating or maintenance projects, natural gas, electricity, operating supplies, chemicals, depreciation and depletion, royalties, and leasing costs. Some elements of our cost structure associated with contract labor, consumable operating supplies, reagents, and royalties are variable, but such elements make up a smaller component of our cost base. Our costs often vary from period to period based on the fluctuation of inventory, sales, and production levels at our facilities.

Our production costs per ton are also impacted when our production levels change, due to factors such as changes in the grade of ore delivered to the plant, levels of mine development, plant operating performance, and downtime. We expect that our labor and contract labor costs in Carlsbad, New Mexico will continue to be influenced most directly by the demand for labor in the local region where we compete for labor with another fertilizer company, companies in the oil and gas industry, and a nuclear waste processing and storage facility.

We pay royalties to federal, state, and private lessors under our mineral leases. These payments typically equal a percentage of sales (less freight) of minerals extracted and sold under the applicable lease. In some cases, federal royalties for potash are paid on a sliding scale that varies with the grade of ore extracted. Our average royalty rate was 4.9%, 4.9%, and 4.8% in 2024, 2023, and 2022, respectively. In addition to royalties, we are also subject to resource and severance taxes in the state of New Mexico.

We incur costs to transfer water from our water source to our customers' facilities. Our operating costs depend on the distance and amount of water we must transfer. Additionally, water rights in New Mexico are subject to a stated point of diversion, purpose and place of use, and many of our water rights were originally issued for uses relating to our mining operations, or in the case of the water rights at Intrepid South, for agricultural uses. To sell water commercially under these rights, we must apply for a permit from the OSE to change point of diversion, purpose and/or place of use of the underlying water rights. Third parties often protest our applications and the decisions made by the OSE concerning the changes to our water rights permits. As we have worked to sell more water commercially, we have incurred significant legal expenses associated with defending our water rights as they proceed through adjudication and obtaining water permits and approvals.

Income Taxes

We are a subchapter C corporation and are therefore, subject to U.S. federal and state income taxes on our taxable income. We recognize deferred tax assets and liabilities for the tax effect of temporary differences between the financial statement and tax basis of recorded assets and liabilities at enacted tax rates in effect when the related taxes are expected to be settled or realized. We also reduce deferred tax assets by a valuation allowance if it is more likely than not that some portion or all of the deferred tax assets will not be realized. In making such a determination, we consider all available positive and negative evidence, including future reversals of existing taxable temporary differences, projected future taxable income, tax-planning strategies, and results of recent operations. As of December 31, 2024, we were in a cumulative three-year income position as a result of income generated during the year ended December 31, 2022. Since the 2022 income year will cease to be part of the cumulative three-year test in the next twelve months, we forecast that by the end of 2025, we will be in a three-year cumulative loss position which is significant negative evidence that is difficult to overcome when evaluating the realizability of our deferred tax assets. As a result, we have concluded a valuation allowance against our deferred tax assets of $202.2 million was required as of December 31, 2024. Our valuation allowance against our deferred tax assets was $3.2 million as of December 31, 2023.

Our effective tax rate for the years ended December 31, 2024, 2023, and 2022 was (1,049.8)%, 19.0%, and 25.2%, respectively. Our effective income tax rates are impacted primarily by changes in the underlying tax rates in jurisdictions in which we are subject to income tax, the need for a valuation allowance or release, and permanent differences between book and tax income for the period, including the benefit associated with the estimated effect of the percentage depletion deduction and the expense for the estimated effect of the disallowed deduction for officers' compensation.

The effective tax rate for the year ended December 31, 2024, differs from the U.S. federal statutory rate primarily due to the change in the valuation allowance. The effective tax rate for the year ended December 31, 2023, differs from the U.S. federal statutory rate primarily due to the change in the valuation allowance.

During the year ended December 31, 2024, we recognized $146.5 million of deferred federal tax expense, $47.8 million of deferred state tax expense, and $0.1 million of current state income tax expense. During the year ended December 31, 2023, we recognized $8.5 million of deferred federal tax benefit, $0.1 million of deferred state tax expense and $0.1 million of current state income tax expense. For the year ended December 31, 2022, we recognized $19.4 million of deferred federal tax expense, $3.9 million of deferred state tax expense and $1.0 million of current state income tax expense.

The estimated statutory income tax rates that are applied to our current and deferred income tax calculations are impacted most significantly by the states in which we conduct business. Changing business conditions for normal business transactions and operations as well as changes to state tax rate and apportionment laws potentially alter our apportionment of income among the states for income tax purposes. These changes in apportionment laws result in changes in the calculation of our current and deferred income taxes, including the valuation of our deferred tax assets and liabilities. The effects of any such changes are recorded in the period of the adjustment. These adjustments can increase or decrease the net deferred tax asset on the balance sheet and impact the corresponding deferred tax benefit or deferred tax expense on the income statement.

Liquidity and Capital Resources

Our operations have primarily been funded from cash on hand, cash generated by operations, and proceeds from financing activities, primarily debt offerings. During 2024, we generated $72.5 million in cash flows from operating activities, which included a $45 million cash payment received in January 2024 under the Third Amendment to the Cooperative Development Agreement with XTO, and we ended the year with $41.3 million of cash and cash equivalents, compared with $4.1 million at December 31, 2023.

As of December 31, 2024, we had $150.0 million available to borrow under our credit facility, no outstanding borrowings, and no outstanding letters of credit. With the remaining availability under our credit facility and expected cash generated from operations, we believe we have sufficient liquidity to meet our obligations for the next twelve months.

We continue to monitor our future sources and uses of cash and anticipate that we will adjust our capital allocation strategies, as determined by our Board of Directors. We may, at any time we deem conditions favorable, attempt to improve our liquidity position by accessing debt or equity markets in accordance with our existing revolving credit agreement. We may also raise capital in the future through the issuance of additional equity or debt securities, subject to prevailing market conditions. However, there is no assurance that we will be able to successfully raise additional capital on acceptable terms or at all.

The following summarizes our cash flow activity for the years ended December 31, 2024, and 2023:

	Year ended December 31,	
	2024	2023
	(In thousands)	
Cash flows provided by operating activities	$ 72,495	$ 43,229
Cash flows used in investing activities	$ (29,531)	$ (59,554)
Cash flows (used in) provided by financing activities	$ (5,717)	$ 1,892

Our revolving credit agreement contains restrictions on our ability to declare and pay dividends. The terms of our credit facility prohibit us from declaring and paying a dividend unless availability under the credit facility after giving effect to the dividend and during a specified period before the dividend is more than $15 million.

Operating Activities

Total cash provided by operating activities for the year ended December 31, 2024, was $72.5 million, an increase of $29.3 million compared with the year ended December 31, 2023. The increase was mainly driven by a $45 million cash payment received in January 2024 under the Third Amendment to the Cooperative Development Agreement with XTO, partially offset by decreased potash and Trio® net realized sales prices.

Investing Activities

Total cash used in investing activities decreased $30.0 million in 2024, compared to 2023, primarily a result of a $26.4 million decrease in additions to property, plant, equipment, and mineral properties compared to the prior year. Proceeds from the sale of property, plant, and equipment increased $4.7 million primarily due to proceeds received from the sale of water recycling equipment. Proceeds from the redemption/maturity of investments decreased $3.0 million in 2024, compared to 2023. In 2023, we invested $1.4 million of cash in investment grade, short-term debt instruments.

Financing Activities

Total cash used in financing activities increased $7.6 million in 2024, as compared to 2023. Payments on borrowings on the credit facility (net of borrowings) increased $8.0 million compared to the prior year. Payments on financing lease obligations increased $0.3 million in 2024 compared to the prior year. Employee tax withholding paid for restricted shares upon vesting decreased $0.7 million in 2024 compared to the prior year.

Share Repurchase Program

In February 2022, our Board of Directors approved a $35 million share repurchase program. Under the share repurchase program, we may repurchase shares from time to time in the open market or in privately negotiated transactions. The timing, volume and nature of share repurchases is at our sole discretion and is dependent on market conditions, liquidity, applicable securities laws, and other factors. We may suspend or discontinue the share repurchase program at any time. We made no repurchases of shares for the twelve months ended December 31, 2024, and 2023. For the twelve months ended December 31, 2022, we repurchased 608,657 shares with a total cost of $22.0 million, or a weighted average price per share of $36.17. As of December 31, 2024, we have approximately $13.0 million of remaining availability under the share repurchase program.

Credit Facility

In August 2022, we and certain of our subsidiaries entered into the Second Amended and Restated Credit Agreement with a syndicate of lenders with the Bank of Montreal, as administrative agent, which provides for a revolving credit facility. The agreement amended our existing revolving credit facility to, among other things, increase the amount available under the facility from $75 million to $150 million, extend the maturity date to August 4, 2027, and transition from LIBOR (London Interbank Offered Rate) to SOFR (Secured Overnight Financing Rate) as a reference rate for borrowings under the credit agreement. Borrowings under the amended credit facility bear interest at SOFR plus an applicable margin of 1.50% to 2.25% per annum, based on our leverage ratio as calculated in accordance with the amended agreement governing the revolving credit facility. Borrowings under the revolving credit facility are secured by substantially all of our current and non-current assets, and the obligations under the credit facility are unconditionally guaranteed by several of our subsidiaries.

We occasionally borrow and repay amounts under the facility for near-term working capital needs or other purposes and may do so in the future. For the year ended December 31, 2024, we made no borrowings and $4.0 million in repayments under the facility. For the year ended December 31, 2023, we made $9.0 million in borrowings and made $5.0 million in repayments under the facility. As of December 31, 2024, we had no borrowings outstanding and no outstanding letters of credit under the facility. As of December 31, 2023, we had $4.0 million in borrowings outstanding and no outstanding letters of credit under the facility. We had $150.0 million available under the facility as of December 31, 2024.

We were in compliance with the applicable covenants under the facility as of December 31, 2024.

Capital Investments

During 2024, we paid cash of $38.7 million to acquire property, plant, equipment, and mineral properties.

We expect to make capital investments in 2025 of $36 million to $42 million with the majority of this spending being sustaining capital projects. We anticipate our 2025 operating plans and capital programs will be funded out of operating cash flows and existing cash. We may also use our revolving credit facility, to the extent available, to fund capital investments.

Critical Accounting Estimates

Our discussion and analysis of our financial condition and results of operations are based upon our consolidated financial statements, which have been prepared in accordance with GAAP. The preparation of the consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in our financial statements. Actual results could differ from our estimates and assumptions, and these differences could result in material changes to our financial statements.

Our significant accounting policies are further described in Note 2 to our audited consolidated financial statements included in "Item 8. Financial Statements and Supplemental Data" of this Annual Report. We believe the following accounting policies include a higher degree of subjective and complex judgments in their application and are most critical to aid in fully understanding and evaluating our reported financial condition and results of operations.

Recoverability of Long-Lived Assets

We evaluate our long-lived assets for impairment when events or changes in circumstances indicate that the related carrying amount may not be recoverable. An impairment is potentially considered to exist if an asset group's total estimated net future cash flows on an undiscounted basis are less than the carrying amount of the related asset. An impairment loss is measured and recorded based on the excess of the carrying amount of long-lived assets over its estimated fair value.

In 2024, we recorded impairment charges for long-lived assets in our Trio® and oilfield solutions segments. The impairment charge equals the difference between the carrying value of the assets or asset group and the estimated fair value of the assets or asset group. We estimated the fair value of the assets using estimated proceeds received in an orderly sale of these assets. Estimated proceeds received in an orderly sale of an asset have a high degree of subjectivity and actual proceeds received in an orderly sale of assets may vary from the estimates used, which may result in further impairment charges.

Reserves and Resources

We prepare our reserves and resources estimates in accordance with SEC requirements. We have prepared these reserve and resources estimates and they have been reviewed and independently determined by mine consultants. We express tons of potash and langbeinite in resources and reserves in terms of expected finished tons of product to be realized, net of estimated losses. Market price fluctuations of potash or Trio®, as well as increased production costs or reduced recovery rates, could render resources and reserves containing relatively lower grades of mineralization uneconomic to exploit and might result in a reduction of resources and reserves. We updated our mineral reserves and resources as of December 31, 2024, for our HB facility and we updated our mineral reserves and resources as of December 31, 2023, for all our other facilities. We determined we do not have any mineral reserves at our East facility because the mineral deposit could not be economically extracted. All mineral deposits at our East facility are categorized as a mineral resource. A mineral reserve is defined as that part of a mineral deposit which can be economically and legally extracted. A mineral resource refers to a concentration or occurrence of material deposits of economic interest.

We deplete our mineral properties using the units-of-production method. Under this method, we determine a depletion rate for one ton of finished product by dividing the total mineral properties net balance by the number expected finished tons of product, which is obtained from the resources and reserve estimates. Depletion expense is calculated by multiplying the number of tons of product produced by the depletion rate per ton.

Income Taxes

We are a subchapter C corporation and therefore are subject to U.S. federal and state income taxes. We recognize income taxes under the asset and liability method. Deferred tax assets and liabilities are recognized for the estimated future tax consequences attributable to differences between the financial statement carrying amounts of assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using the enacted tax rates expected to apply to taxable income in the periods in which the deferred tax liability or asset is expected to be settled or realized. We record a valuation allowance if it is deemed more likely than not that our deferred income tax assets will not be realized in full; such determinations are subject to ongoing assessment.

Non-GAAP Financial Measure

To supplement our consolidated financial statements, which are prepared and presented in accordance with GAAP, from time to time we use "average net realized sales price per ton," which is a non-GAAP financial measure. This non-GAAP financial measure should not be considered in isolation or as a substitute for, or superior to, the financial information prepared and presented in accordance with GAAP. In addition, because the presentation of this non-GAAP financial measure varies among companies, our presentation of this non-GAAP financial measure may not be comparable to similarly titled measures used by other companies.

We believe average net realized sales price per ton provides useful information to investors for analysis of our business. We use this non-GAAP financial measure as one of our tools in comparing period-over-period performance on a consistent basis and when planning, forecasting, and analyzing future periods. We believe this non-GAAP financial measure is used by professional research analysts and others in the valuation, comparison, and investment recommendations of companies in the potash mining industry. Many investors use the published research reports of these professional research analysts and others in making investment decisions.

We calculate average net realized sales price per ton for each of potash and Trio®. Average net realized sales price per ton for potash is calculated as potash segment sales less potash segment byproduct sales and potash freight costs and then dividing that difference by the number of tons of potash sold in the period. Likewise, average net realized sales price per ton for Trio® is calculated as Trio® segment sales less Trio® segment byproduct sales and Trio® freight costs and then dividing that difference by Trio® tons sold. We consider average net realized sales price per ton to be useful, and believe it to be useful for investors, because it shows our potash and Trio® average per-ton pricing without the effect of certain transportation and delivery costs. When we arrange transportation and delivery for a customer, we include in revenue and in freight costs the costs associated with transportation and delivery. However, some of our customers arrange for and pay their own transportation and delivery costs, in which case these costs are not included in our revenue and freight costs. We use average net realized sales price per ton as a key performance indicator to analyze potash and Trio® sales and price trends.

Below is a reconciliation of average net realized sales price per ton for potash and Trio® to the most directly comparable GAAP measure for the years ended December 31, 2024, and 2023 (in thousands, except per ton amounts):

	Potash Segment	
	2024	2023
Total Segment Sales	$ 124,833	$ 155,920
Less: Segment byproduct sales	24,634	24,714
Potash freight costs	9,675	10,911
Subtotal	$ 90,524	$ 120,295
Divided by:		
Potash tons sold (in thousands)	240	258
Average net realized sales price per ton	$ 377	$ 466

	Trio® Segment	
	2024	2023
Total Segment Sales	$ 105,428	$ 102,182
Less: Segment byproduct sales	655	5,838
Trio® freight costs	25,841	23,211
Subtotal	$ 78,932	$ 73,133
Divided by:		
Trio® Tons sold (in thousands)	254	228
Average net realized sales price per ton	$ 311	$ 321

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Our operations may be impacted by commodity prices, geographic concentration, changes in interest rates, and foreign currency exchange rates.

Commodity Prices

Potash, Trio®, and water are commodities but are not traded on any commodity exchange. As such, direct hedging of future prices cannot be undertaken. For potash and Trio®, we generally do not enter into long-term sales contracts for these products, so prices vary for each particular transaction depending on the market into which we are selling and the individual bids that we receive. For water sales, a portion of our sales are under a long-term agreement where the price per barrel of water is fixed. This agreement allows for the parties to periodically review and adjust the price per barrel of water to the prevailing market price.

Our sales and profitability are determined principally by the price of potash, Trio®, and water. Potash and Trio® sales and profitability are also influenced, to a lesser extent, by the price of natural gas and other commodities used in production. The price of potash and Trio® is influenced by agricultural demand, global and domestic supply, competing specialty fertilizers, and the prices of agricultural commodities. Decreases in agricultural demand, increases in supply, or decreases in agricultural commodity prices could reduce our agricultural potash and Trio® sales. The price of water is influenced by demand from the oil and gas operators in the Permian Basin. Natural gas and oil price declines may result in a reduction in drilling activity, which could reduce our sales of water.

Our costs and capital investments are subject to market movements in other commodities such as natural gas, electricity, steel, and chemicals.

Interest Rate Fluctuations

Balances outstanding under the amended $150 million credit facility bear interest at SOFR plus an applicable margin of 1.50% to 2.25% per annum, based on our leverage ratio as calculated in accordance with the amended agreement governing the revolving credit facility. Borrowings under the revolving credit facility are secured by substantially all of our current and non-current assets, and the obligations under the credit facility are unconditionally guaranteed by several of our subsidiaries. As of December 31, 2024, we had no borrowings outstanding on this facility and no outstanding letters of credit under the facility.

Geographic Concentration

Our mines, facilities, and many of our customers are concentrated in the western half of U.S. and are, therefore, affected by weather and other conditions in this region.

Foreign Exchange Rate Fluctuations

We typically do not have balances of accounts receivable denominated in currencies other than U.S. dollars and, as a result, we do not have a direct foreign exchange risk. We do, however, have an indirect foreign exchange risk due to the industry in which we operate.

Specifically, the U.S. imports the majority of its potash, including from Canada, Russia, and other countries. If the local currencies for foreign suppliers strengthen in comparison to the U.S. dollar, foreign suppliers realize a smaller margin in their local currencies unless they increase their nominal U.S. dollar prices. Strengthening of these local currencies therefore tends to support higher U.S. potash prices as the foreign suppliers attempt to maintain their margins. However, if local currencies weaken in comparison to the U.S. dollar, foreign suppliers may choose to lower prices proportionally to increase sales volume while again maintaining a margin in their local currency.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

Report of Independent Registered Public Accounting Firm

To the Stockholders and the Board of Directors
Intrepid Potash, Inc.:

Opinions on the Consolidated Financial Statements and Internal Control Over Financial Reporting

We have audited the accompanying consolidated balance sheets of Intrepid Potash, Inc. and subsidiaries (the Company) as of December 31, 2024 and 2023, the related consolidated statements of operations, stockholders' equity, and cash flows for each of the years in the three-year period ended December 31, 2024, and the related notes and financial statement schedule II (collectively, the consolidated financial statements). We also have audited the Company's internal control over financial reporting as of December 31, 2024, based on criteria established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and the results of its operations and its cash flows for each of the years in the three-year period ended December 31, 2024, in conformity with U.S. generally accepted accounting principles. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2024 based on criteria established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission.

Basis for Opinions

The Company's management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's consolidated financial statements and an opinion on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Critical Audit Matters

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of a critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Realizability of deferred tax assets

As discussed in Notes 2 and 14 to the consolidated financial statements, the Company records a valuation allowance if it is deemed more likely than not deferred tax assets will not be realized in full. The ultimate realization of deferred tax assets is dependent upon the generation of certain types of future taxable income during the periods in which those temporary differences become deductible. In making this assessment, the Company considers the scheduled reversal of deferred tax liabilities, their ability to carry back the deferred tax assets, projected future taxable income, and tax planning strategies. The Company analyzes its valuation allowance using historical and projected future operating results. As of December 31, 2024, the Company recorded a full valuation allowance of $202.2 million against their deferred tax assets.

We identified the evaluation of the realizability of the Company's deferred tax assets as a critical audit matter. This evaluation required especially challenging auditor judgment to assess the Company's estimated future taxable income over the period in which the deferred tax assets will generally reverse. Specifically, the Company's assumptions of projected future taxable income were based primarily on prices for products subject to market volatility and forecasted sales volumes. Changes in these assumptions could have a significant impact on the realization of the Company's deferred tax assets and the amount of the valuation allowance.

The following are the primary procedures we performed to address this critical audit matter. We evaluated the design and tested the operating effectiveness of certain internal controls related to the Company's income tax process. This included controls related to the development of assumptions in determining the projected future taxable income, including the development of prices for products and forecasted sales volumes. We assessed the data used in the pricing assumptions used by the Company by comparing them to publicly available pricing data and existing contractual arrangements. We compared the forecasted sales volumes to historical sales volumes, and we compared the Company's historical forecasted sales volumes to actual sales volumes to assess the Company's ability to accurately forecast.

/s/ KPMG LLP

We have served as the Company's auditor since 2007.

Denver, Colorado
March 4, 2025

INTREPID POTASH, INC.
CONSOLIDATED BALANCE SHEETS
(In thousands, except share and per share amounts)

	December 31, 2024	December 31, 2023
ASSETS		
Cash and cash equivalents	$ 41,309	$ 4,071
Short-term investments	989	2,970
Accounts receivable:		
Trade, net	22,465	22,077
Other receivables, net	763	1,470
Inventory, net	112,968	114,252
Other current assets	5,269	7,200
Total current assets	183,763	152,040
Property, plant, equipment, and mineral properties, net	344,338	358,249
Water rights	19,184	19,184
Long-term parts inventory, net	33,775	30,231
Long-term investments	3,571	6,627
Other assets, net	9,889	8,016
Non-current deferred tax asset, net	—	194,223
Total Assets	$ 594,520	$ 768,570
LIABILITIES AND STOCKHOLDERS' EQUITY		
Accounts payable	$ 8,616	$ 12,848
Accrued liabilities	9,483	14,061
Accrued employee compensation and benefits	9,842	7,254
Other current liabilities	10,062	12,401
Total current liabilities	38,003	46,564
Advances on credit facility	—	4,000
Asset retirement obligation	32,354	30,077
Operating lease liabilities	780	741
Finance lease liabilities	1,838	1,451
Deferred other income, long-term	45,489	—
Other non-current liabilities	1,664	1,309
Total Liabilities	120,128	84,142
Commitments and Contingencies		
Common stock, $0.001 par value; 40,000,000 shares authorized: and 12,908,078 and 12,807,316 shares outstanding at December 31, 2024 and 2023, respectively	14	13
Additional paid-in capital	668,445	665,637
(Accumulated deficit) retained earnings	(172,055)	40,790
Less treasury stock, at cost	(22,012)	(22,012)
Total Stockholders' Equity	474,392	684,428
Total Liabilities and Stockholders' Equity	$ 594,520	$ 768,570

See accompanying notes to these consolidated financial statements.

INTREPID POTASH, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except share and per share amounts)

	Year Ended December 31,		
	2024	2023	2022
Sales	$ 254,694	$ 279,083	$ 337,568
Less:			
Freight costs	38,765	37,635	34,137
Warehousing and handling costs	11,475	10,832	9,747
Cost of goods sold	171,415	187,278	152,276
Lower of cost or net realizable value inventory adjustments	3,957	6,492	—
Gross Margin	29,082	36,846	141,408
Selling and administrative	32,966	32,423	31,799
Accretion of asset retirement obligation	2,489	2,140	1,961
Impairment of long-lived assets	10,708	43,288	—
Loss on sale or disposal of assets	1,952	807	7,470
Other operating income	(5,215)	(1,329)	(1,465)
Other operating expense	6,040	3,486	6,203
Operating (Loss) Income	(19,858)	(43,969)	95,440
Other Income (Expense)			
Equity in (loss) earnings of unconsolidated entities	(299)	(486)	689
Interest expense, net	(112)	—	(101)
Interest income	1,712	298	176
Other income	45	95	305
(Loss) Income Before Income Taxes	(18,512)	(44,062)	96,509
Income Tax (Expense) Benefit	(194,333)	8,389	(24,289)
Net (Loss) Income	$ (212,845)	$ (35,673)	$ 72,220
Weighted Average Shares Outstanding:			
Basic	12,880,026	12,760,937	13,151,752
Diluted	12,880,026	12,760,937	13,452,233
(Loss) Income Per Share:			
Basic	$ (16.53)	$ (2.80)	$ 5.49
Diluted	$ (16.53)	$ (2.80)	$ 5.37

See accompanying notes to these consolidated financial statements.

INTREPID POTASH, INC.
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(In thousands, except share amounts)

	Common Stock										
	Shares		Amount		Treasury Stock		Additional Paid-in Capital		Retained Earnings (Accumulated) Deficit		Total Stockholders' Equity
Balance, December 31, 2021	13,149,315	$	13	$	—	$	659,147	$	4,243	$	663,403
Net income	—		—		—		—		72,220		72,220
Stock-based compensation	—		—		—		6,152		—		6,152
Purchase of treasury stock	(608,657)		—		(22,012)		—		—		(22,012)
Vesting of restricted shares, net of common stock used to fund employee income tax withholding due upon vesting	136,446		—		—		(4,795)		—		(4,795)
Exercise of stock options	10,718		—		—		110		—		110
Balance, December 31, 2022	12,687,822		13		(22,012)		660,614		76,463		715,078
Net loss	—		—		—		—		(35,673)		(35,673)
Stock-based compensation	—		—		—		6,534		—		6,534
Vesting of restricted shares, net of common stock used to fund employee income tax withholding due upon vesting	119,494		—		—		(1,511)		—		(1,511)
Balance, December 31, 2023	12,807,316		13		(22,012)		665,637		40,790		684,428
Net loss	—		—		—		—		(212,845)		(212,845)
Stock-based compensation	—		—		—		3,583		—		3,583
Vesting of restricted shares, net of common stock used to fund employee income tax withholding due upon vesting	100,762		1		—		(775)		—		(774)
Balance, December 31, 2024	12,908,078	$	14	$	(22,012)	$	668,445	$	(172,055)	$	474,392

See accompanying notes to these consolidated financial statements.

INTREPID POTASH, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS

(In thousands)

	Year Ended December 31, 2024	2023	2022
Cash Flows from Operating Activities:			
Adjustments to reconcile net (loss) income to net cash provided by operating activities:			
Net (loss) income	$ (212,845)	$ (35,673)	$ 72,220
Depreciation, depletion, and amortization	37,361	39,078	34,711
Amortization of intangible assets	328	322	322
Accretion of asset retirement obligation	2,489	2,140	1,961
Amortization of deferred financing costs	301	301	265
Stock-based compensation	3,583	6,534	6,152
Reserve for obsolescence	1,843	509	1,750
Allowance for doubtful accounts	120	110	—
Impairment of long-lived assets	10,708	43,288	—
Loss on disposal of assets	1,952	807	7,470
Unrealized loss on equity investment	266	—	—
Equity in earnings of unconsolidated entities	299	486	(689)
Distribution of earnings from unconsolidated entities	—	452	—
Lower of cost or net realizable value inventory adjustments	3,957	6,492	—
Changes in operating assets and liabilities:			
Trade accounts receivable, net	(508)	4,550	8,673
Other receivables, net	642	(701)	140
Inventory, net	(10,833)	(11,861)	(33,283)
Other current assets	(362)	(3,857)	191
Deferred tax assets, net	194,223	(8,471)	23,323
Accounts payable, accrued liabilities, and accrued employee compensation and benefits	(3,519)	(3,716)	(3,596)
Operating lease liabilities	(1,419)	(1,735)	(2,025)
Deferred other income	42,744	5,000	—
Other liabilities	1,165	(826)	(28,764)
Net cash provided by operating activities	72,495	43,229	88,821
Cash Flows from Investing Activities:			
Additions to property, plant, equipment, mineral properties and other assets	(38,706)	(65,060)	(68,696)
Additions to intangible assets	(200)	—	—
Proceeds from sale of property, plant, equipment, and mineral properties	4,839	125	58
Purchase of investments	—	(1,415)	(13,047)
Proceeds from redemptions/maturities of investments	3,000	6,000	2,506
Other investing, net	1,536	796	—
Net cash used in investing activities	(29,531)	(59,554)	(79,179)
Cash Flows from Financing Activities:			
Proceeds from borrowings on credit facility	—	9,000	—
Repayments of borrowings on credit facility	(4,000)	(5,000)	—
Payments of financing leases	(942)	(597)	—
Capitalized debt costs	—	—	(1,007)
Employee tax withholding paid for restricted shares upon vesting	(775)	(1,511)	(4,795)
Repurchases of common stock	—	—	(22,012)
Proceeds from exercise of stock options	—	—	110
Net cash (used in) provided by financing activities	(5,717)	1,892	(27,704)
Net Change in Cash, Cash Equivalents, and Restricted Cash	37,247	(14,433)	(18,062)
Cash, Cash Equivalents, and Restricted Cash, beginning of period	4,651	19,084	37,146
Cash, Cash Equivalents, and Restricted Cash, end of period	$ 41,898	$ 4,651	$ 19,084
Supplemental disclosure of cash flow information			
Net cash paid during the period for:			
Interest	$ 503	$ 411	$ 113
Income taxes	$ 9	$ 179	$ 1,015
Accrued purchases for property, plant, equipment, and mineral properties	$ 1,877	$ 4,578	$ 8,532

See accompanying notes to these consolidated financial statements.

INTREPID POTASH, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

"Intrepid," "our," "we," or "us" means Intrepid Potash, Inc. and its consolidated subsidiaries.

Note 1 — COMPANY BACKGROUND

We are a diversified mineral company that delivers potassium, magnesium, sulfur, salt, and water products essential for customer success in agriculture, animal feed and the oil and gas industry. We are the only U.S. producer of muriate of potash (sometimes referred to as potassium chloride or potash), which is applied as an essential nutrient for healthy crop development, utilized in several industrial applications, and used as an ingredient in animal feed. In addition, we produce a specialty fertilizer, Trio®, which delivers three key nutrients, potassium, magnesium, and sulfate, in a single particle. We also provide water, magnesium chloride, brine and various oilfield products and services.

Our extraction and production operations are conducted entirely in the continental U.S. We produce potash from three solution mining facilities: our HB solution mine in Carlsbad, New Mexico, our solution mine in Moab, Utah, and our brine recovery mine in Wendover, Utah. We also operate our North compaction facility in Carlsbad, New Mexico, which compacts and granulates product from the HB mine. We produce Trio® from our conventional underground East mine in Carlsbad, New Mexico.

We have permitted, licensed, declared and partially adjudicated water rights in New Mexico. We sell a portion of water from these water rights to support oil and gas development in the Permian Basin.

We also have certain land, water rights, federal grazing leases, and other related assets in southeast New Mexico. We refer to these assets and operations as "Intrepid South." Due to the strategic location of Intrepid South, part of our long-term operating strategy is selling small parcels of land, including restricted use agreements of surface or subsurface rights, to customers, where such sales provide a solution to a customer's operations in the oil and gas industry.

We have three segments: potash, Trio®, and oilfield solutions. We account for the sales of byproducts as revenue in the potash or Trio® segment, based on which segment generates the byproduct. For each of the years ended December 31, 2024, 2023, and 2022, a majority of our byproduct sales were accounted for in the potash segment.

We manage sales and marketing operations centrally. This allows us to evaluate the product needs of our customers and then centrally determine which of our production facilities to use to fill customer orders in a manner designed to realize the highest average net realized sales price per ton. Average net realized sales price per ton is a non-GAAP measure that we calculate for each of potash and Trio® as segment sales less segment byproduct sales and segment freight costs, divided by the number of tons of product sold in the period. We also monitor product inventory levels and overall production costs centrally.

Note 2 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation—Our consolidated financial statements include our accounts and those of our wholly-owned subsidiaries. All intercompany balances and transactions have been eliminated in consolidation.

Use of Estimates—The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities as of the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. We base our estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances. Accordingly, actual results may differ significantly from these estimates under different assumptions or conditions.

Significant estimates include, but are not limited to, those for proven and probable mineral reserves, the related present value of estimated future net cash flows, useful lives of plant assets, asset retirement obligations, normal inventory production levels, inventory valuations, the valuation of equity awards, revenue from products we sell to customers where the price is variable, the valuation of receivables, estimated future net cash flows used in long-lived assets impairment analysis, the related valuation of our long-lived assets, valuation of our deferred tax assets and estimated blended income tax rates utilized in the current and deferred income tax calculations. There are numerous uncertainties inherent in estimating quantities of proven and probable reserves, projecting future rates of production, and the timing of development expenditures. Future mineral prices may vary significantly from the prices in effect at the time the estimates are made, as may estimates of future operating costs. The estimate of proven and probable mineral reserves, the related present value of estimated future cash flows, and useful lives of plant assets can affect various other items including depletion, the net carrying value of our mineral properties, the useful lives of related property, plant, and equipment, depreciation expense, and estimates associated with recoverability of long-lived assets and asset retirement obligations. Specific to income tax items, we experience fluctuations in the valuation of the deferred tax assets and liabilities due to changing income tax rates and the blend of state tax rates.

Revenue Recognition—We account for revenue in accordance with Accounting Standards Codification ("ASC") Topic 606 *Revenue from Contracts with Customers* ("ASC 606"). Under ASC 606, we recognize revenue when control of the promised goods or services is transferred to customers in an amount that reflects the consideration we expect to be entitled in exchange for those goods or services.

Performance Obligations: A performance obligation is a promise in a contract to transfer a distinct good or service to the customer and is the unit of account in ASC 606. The contract's transaction price is allocated to the performance obligations and recognized as revenue when the performance obligations are satisfied. Substantially all our contracts are of a short-term nature and contain a single performance obligation because the sale is for one type of product and shipping and handling charges are accounted for as a fulfillment cost and are not considered to be a separate performance obligation. The performance obligation is satisfied when control of the product is transferred to the customer, which typically occurs when we ship mineral products or deliver water from our facility to the customer. We account for substantially all of our revenue from sales to customers at a single point in time.

Contract Estimates: In certain circumstances, we may sell products to customers where the sales price is variable. For variable consideration sales, we estimate the sales price we expect to realize at contract inception based on the facts and circumstances for each sale, including historical experience, and recognize revenue to the extent it is probable that a subsequent change in estimate will not result in a significant revenue reversal compared to the cumulative revenue recognized once the uncertainty is resolved. We update variable consideration estimates at each reporting date for any changes in facts and circumstances and adjust financial information as necessary in the period the change is identified.

Contract Balances: The timing of revenue recognition, billings, and cash collection may result in contract assets or contract liabilities. For certain contracts, the customer has agreed to pay us before we have satisfied our performance obligations. Customer payments received before we have satisfied our performance obligations are accounted for as a contract liability.

Disaggregation of Revenue: We present disaggregation of revenue by products which we believe best depicts how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic conditions.

Inventory and Long-Term Parts Inventory—Inventory consists of product and byproduct stocks that are ready for sale; mined ore; potash in evaporation ponds, which is considered work-in-process; and parts and supplies inventory. Product and byproduct inventory cost is determined using the lower of weighted average cost or estimated net realizable value and includes direct costs, maintenance, operational overhead, depreciation, depletion, and equipment lease costs applicable to the production process. Direct costs, maintenance, and operational overhead include labor and associated benefits.

We evaluate our production levels and costs to determine if any should be deemed abnormal and therefore excluded from inventory costs and expensed directly during the applicable period. The assessment of normal production levels is judgmental and unique to each period. We model normal production levels and evaluate historical ranges of production by operating plant in assessing what is deemed to be normal. Each production operation typically shuts down periodically for planned maintenance activities. The costs of maintenance turnarounds at our facilities are considered part of production costs and are absorbed into inventory in the period incurred.

Parts inventory, including critical spares not expected to be used within a period of one year, is classified as non-current. Parts and supply inventory cost is determined using the lower of average acquisition cost or estimated replacement cost. Detailed reviews are performed related to the net realizable value of parts inventory, giving consideration to quality, slow-moving items, obsolescence, excessive levels, and other factors. Parts inventories that have not turned over in more than a year, excluding parts classified as critical spares, are reviewed for obsolescence and, if deemed appropriate, are included in the determination of an allowance for obsolescence.

Property, Plant, Equipment, Mineral Properties, and Development Costs—Property, plant, and equipment are stated at historical cost. Expenditures for property, plant, and equipment relating to new assets or improvements are capitalized, provided the expenditure extends the useful life of an asset or extends the asset's functionality. Property, plant, and equipment are depreciated under the straight-line method using estimated useful lives. The estimated useful lives of property, plant, and equipment are evaluated periodically as changes in estimates occur. No depreciation is taken on assets classified as construction in progress until the asset is placed into service. Gains and losses are recorded upon retirement, sale, or disposal of assets. Maintenance and repair costs are recognized as period costs when incurred. Capitalized interest, to the extent of debt outstanding, is calculated and capitalized on assets that are being constructed, drilled, or built or that are otherwise classified as construction in progress.

Mineral properties and development costs, which are referred to collectively as mineral properties, include acquisition costs, the cost of drilling production wells, and the cost of other development work, all of which are capitalized. Exploration costs include geological and geophysical work performed on areas that do not yet have proven and probable reserves declared. These costs are expensed as incurred. Depletion of mineral properties is calculated using the units-of-production method over the estimated life of the relevant ore body. The lives of reserves used for accounting purposes are shorter than current reserve life determinations due to uncertainties inherent in long-term estimates. These reserve life estimates have been prepared by us and reviewed and independently determined by mine consultants. Tons of potash and langbeinite in the proven and probable reserves are expressed in terms of expected finished tons of product to be realized, net of estimated losses. Market price fluctuations of potash or Trio®, as well as increased production costs or reduced recovery rates, could render proven and probable reserves containing relatively lower grades of mineralization uneconomic to exploit and might result in a reduction of reserves. In addition, the provisions of our mineral leases, including royalty provisions, are subject to periodic readjustment by the state and federal government, which could affect the economics of our reserve estimates. Significant changes in the estimated reserves could have a material impact on our results of operations and financial position.

Recoverability of Long-Lived Assets—We evaluate our long-lived assets for impairment when events or changes in circumstances indicate that the related carrying amount may not be recoverable. An impairment is potentially considered to exist if an asset group's total estimated net future cash flows on an undiscounted basis are less than the carrying amount of the related asset. An impairment loss is measured and recorded based on the excess of the carrying amount of long-lived assets over its estimated fair value. Changes in significant assumptions underlying future cash flow estimates or fair values of asset groups may have a material effect on our financial position and results of operations. Sales price is a significant element of any cash flow estimate, particularly for higher cost operations. Other assumptions we estimate include, among other things, the economic life of the asset, sales volume, inflation, raw materials costs, cost of capital, tax rates, and capital spending.

Factors we generally will consider important and which could trigger an impairment review of the carrying value of long-lived assets include the following:

- significant underperformance relative to expected operating results or operating losses
- significant changes in the manner of use of assets or the strategy for our overall business
- the denial or delay of necessary permits or approvals that would affect the utilization of our tangible assets
- underutilization of our tangible assets
- discontinuance of certain products by us or our customers
- a decrease in estimated mineral reserves
- significant negative industry or economic trends

Intangible Assets—Water rights are accounted for as indefinite-lived intangible assets. We test indefinite-lived intangible assets for impairment at least annually on October 1, and more frequently if circumstances require. We use a qualitative assessment to determine whether it is more likely than not that the fair value of the unamortized intangible asset is less than its carrying value. If our qualitative assessment indicates it is more likely than not that the fair value of the unamortized assets is less than its carrying value, we estimate the fair value of the unamortized asset and record an impairment loss based on the excess of the carrying amount of the unamortized intangible asset over its estimated fair value. Fair value is estimated using quoted market prices, if available. If quoted market prices are not available, the estimated fair value is based on various valuation techniques, including the discounted value of estimated future cash flows. Changes in significant assumptions underlying fair value estimates may have a material effect on our financial position and results of operations.

We also have finite-lived intangible assets consisting of contractual agreements. These intangible assets are amortized over the period of estimated benefit using the straight-line method. No significant residual value is estimated for our finite-lived intangible assets. We estimate the useful life of intangible assets considering various factors, including but not limited to, the expected use of the asset, the expected life of other assets the intangible asset may relate, any legal, regulatory, contractual provisions, or relevant economic factors that may limit the use of the intangible asset. We evaluate the remaining useful lives of intangible assets each reporting period to determine if a revision to the asset's remaining life is necessary. Changes in significant assumptions underlying useful lives may have a material effect on our financial position and results of operations.

We evaluate our finite-lived intangible assets for impairment when events or changes in circumstances indicate that the related carrying amount may not be recoverable. Such circumstances may include but are not limited to (1) significant adverse changes in the manner the asset is used, or (2) significant adverse changes in legal factors or economic conditions, including adverse actions by regulatory authorities.

Asset Retirement Obligations—Reclamation costs are initially recorded as a liability associated with the asset to be reclaimed or abandoned, based on applicable inflation assumptions and discount rates. The accretion of this discounted liability is recognized as expense over the life of the related assets, and the liability is periodically adjusted to reflect changes in the estimates of either the timing or amount of the reclamation and abandonment costs.

Leases—We determine if an arrangement is a lease or contains a lease at inception. Operating and finance lease liabilities are recognized based on the present value of the remaining lease payments, discounted using the discount rate for the lease at the commencement date. If readily determinable, we use the implicit rate in the lease to determine the present value of future lease payments. If the implicit rate is not readily determinable, we use an incremental borrowing rate based on information available at the commencement date to determine the present value of future lease payments. Operating right-of-use ("ROU") assets and finance lease assets are generally recognized based on the amount of the initial measurement of the lease liability. Lease expense for operating lease payments is recognized on a straight-line basis over the lease term. For finance leases, interest expense is recognized on the lease liability and the ROU asset is amortized over the lease term. We account for lease and non-lease components as a single lease component, and we do not apply the requirements of ASC Topic 842 to short-term leases with a term of one year or less at inception.

Income Taxes—We are a subchapter C corporation and, therefore, are subject to U.S. federal and state income taxes. We recognize income taxes under the asset and liability method. Deferred tax assets and liabilities are recognized for the estimated future tax consequences attributable to differences between the financial statement carrying amounts of assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using the enacted tax rates expected to apply to taxable income in the periods in which the deferred tax liability or asset is expected to be settled or realized. We record a valuation allowance if it is deemed more likely than not that our deferred income tax assets will not be realized in full. These determinations are subject to ongoing assessment.

Cash and Cash Equivalents and Investments—Cash and cash equivalents consist of cash and liquid investments with an original maturity of three months or less.

We classify our investments in debt securities, which include U.S treasury and government agency obligations, and corporate bonds and notes, as held-to-maturity investments because we have the intent and ability to hold these investments to maturity. Our held to maturity investments are carried at amortized cost.

We use the equity method of accounting for investments in limited partnerships where we own more than 3% of the limited partnership, as required by the Securities and Exchange Commission. Under this method of accounting, we record our share of the net earnings or losses of the investee in the "Other Income (Expense)" section of our Consolidated Statements of Operations.

We record equity investments without a readily determinable fair value using the measurement alternative of cost, with adjustments for observable changes in prices resulting from orderly transactions for the identical or similar investments of the same issuer, or impairment.

Fair Value of Financial Instruments—Our financial instruments include cash and cash equivalents, restricted cash, accounts receivable, refundable income taxes, accounts payable and current accrued liabilities. These instruments are carried at cost, which approximates fair value due to the short-term maturities of the instruments. Allowances for doubtful accounts are recorded against the accounts receivable balance to estimate net realizable value. Amounts outstanding under our secured credit facility are carried at cost, which approximates fair value, due to the short-term nature of the borrowings.

Earnings per Share—Basic net income or loss per common share of stock is calculated by dividing net income or loss available to common stockholders by the weighted average basic common shares outstanding for the respective period.

Diluted net income per common share of stock is calculated by dividing net income by the weighted average diluted common shares outstanding, which includes the effect of potentially dilutive securities. Potentially dilutive securities for the diluted earnings or loss per share calculation consist of awards of restricted shares, performance units, and non-qualified stock options. The dilutive effect of stock-based compensation arrangements is computed using the treasury-stock method. Following the lapse of the vesting period of restricted shares, the shares are considered issued and therefore are included in the number of issued and outstanding shares for purposes of these calculations. When we report a net loss, all potentially dilutive securities are considered anti-dilutive and are excluded from the dilutive loss per share calculation.

Treasury Stock —Repurchases of our common stock are accounted for at cost and are recorded as treasury stock.

Stock-Based Compensation—We account for stock-based compensation by recording expense using the fair value of the awards at the time of grant. We have recorded compensation expense associated with the issuance of restricted shares, performance units, and non-qualified stock options, all of which are subject to service conditions and in some cases subject to operational performance or market-based conditions. We recognize expense associated with such awards over the service period associated with each grant. For awards with service only conditions we recognize expense using the straight-line recognition method over the requisite service period of the award, which is generally the vesting period of the award. We recognize expense for awards with service and operational performance conditions using the accelerated recognition method over the requisite service period of the award, which is generally the vesting period of the award. We recognize expense associated with awards that contain both a service condition and a market condition using the accelerated recognition method over the requisite service period of the award, which is generally the longer of the explicit service period or the derived service period (expected date the market condition is estimated to be achieved).

Recently Adopted Accounting Standards—In November 2023, the FASB issued Accounting Standards Update ("ASU") 2023-07, "Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures" ("ASU 2023-07"). This new guidance: (i) introduces a requirement to disclose significant segment expenses regularly provided to the chief operating decision maker ("CODM"), (ii) extends certain annual disclosures to interim periods, (iii) clarifies disclosure requirements for single reportable segment entities, (iv) permits more than one measure of segment profit or loss to be reported under certain conditions, and (v) requires disclosure of the title and position of the CODM. The adoption of this standard did not have an impact on our results of operations, cash flows and financial condition, but resulted in additional disclosures for our reportable segments.

Pronouncements Issued But Not Yet Adopted—In November 2024, the FASB issued ASU 2024-03, "Income Statement-Reporting Comprehensive Income-Expense Disaggregation Disclosures (Subtopic 220-40)" (ASU 2024-03"). ASU 2024-03 requires additional disclosures about the nature of expenses included in the income statement, such as purchases of inventory, employee compensation and depreciation. ASU 2024-03 is effective for public business entities for annual periods beginning after December 15, 2026, and interim reporting periods beginning after December 15, 2027. We are currently evaluating the guidance and expect it to only impact disclosures with no impact to results of operations, cash flows and financial condition.

In December 2023, the FASB issued ASU 2023-09, "Income Taxes (Topic 740): Improvements to Income Tax Disclosures" ("ASU 2023-09"). ASU 2023-09 requires that an entity disclose specific categories in the effective tax rate reconciliation as well as provide additional information for reconciling items that meet a quantitative threshold, certain disclosures of state versus federal income tax expenses and taxes paid. ASC 2023-09 is effective for fiscal years beginning after December 15, 2024. We are currently evaluating the guidance and expect it to only impact disclosures with no impact to results of operations, cash flows and financial condition.

Reclassifications of Prior Period Presentation—Certain prior period amounts have been reclassified in order to conform to the current period presentation. These reclassifications had no effect on the reported results of operations.

Note 3 — EARNINGS PER SHARE

Basic earnings per share is computed by dividing net income or loss by the weighted-average number of shares of common stock outstanding during the period. For purposes of determining diluted earnings per share, basic weighted-average common shares outstanding is adjusted to include potentially dilutive securities, including restricted stock, stock options, and performance units. The treasury-stock method is used to measure the dilutive impact of potentially dilutive shares. Potentially dilutive shares are excluded from the diluted weighted-average shares outstanding computation in periods in which they have an anti-dilutive effect. The following table shows the calculation of basic and diluted (loss) earnings per share (in thousands, except per share amounts):

	Year Ended December 31,		
	2024	**2023**	**2022**
Net (loss) income	$ (212,845)	$ (35,673)	$ 72,220
Basic weighted average common shares outstanding	12,880	12,761	13,152
Add: Dilutive effect restricted common stock	—	—	191
Add: Dilutive effect of stock options outstanding	—	—	109
Diluted weighted average common shares outstanding	12,880	12,761	13,452
(Loss) earnings per share:			
Basic	$ (16.53)	$ (2.80)	$ 5.49
Diluted	$ (16.53)	$ (2.80)	$ 5.37

The following table shows anti-dilutive shares excluded from the calculation of diluted earnings (loss) per share (in thousands):

	Year Ended December 31,		
	2024	**2023**	**2022**
Anti-dilutive effect of restricted shares and units	287	348	63
Anti-dilutive effect of stock options outstanding	273	273	—

Note 4 — CASH, CASH EQUIVALENTS AND RESTRICTED CASH

Total cash, cash equivalents and restricted cash, as shown on the consolidated statements of cash flows are included in the following accounts at December 31, 2024, 2023, and 2022 (in thousands):

	Year Ended December 31,		
	2024	2023	2022
Cash and cash equivalents	$ 41,309	$ 4,071	$ 18,514
Restricted cash included in "Other current assets"	25	25	25
Restricted cash included in "Other assets, net"	564	555	545
Total cash, cash equivalents, and restricted cash shown in the statement of cash flows	$ 41,898	$ 4,651	$ 19,084

Restricted cash included in "Other assets, net" on the balance sheet at December 31, 2024, 2023, and 2022 represents amounts whose use is restricted by contractual agreements with the BLM or the states of Utah and New Mexico as security to fund future reclamation obligations at our sites. Restricted cash included in "Other current assets" on the Consolidated Balance Sheets at December 31, 2024, 2023, and 2022 represents cash deposits with supply vendors.

Note 5 — INVENTORY AND LONG-TERM PARTS INVENTORY

The following summarizes our inventory, recorded at the lower of weighted average cost or estimated net realizable value as of December 31, 2024, and 2023, respectively (in thousands):

	December 31,	
	2024	2023
Finished goods product inventory	$ 68,197	$ 66,033
In-process inventory	28,329	28,044
Total product inventory	96,526	94,077
Current parts inventory, net	16,442	20,175
Total current inventory, net	112,968	114,252
Long-term parts inventory, net	33,775	30,231
Total inventory, net	$ 146,743	$ 144,483

During the year ended December 31, 2024, we recorded $4.0 million in charges for lower of weighted average cost or estimated net realizable value on our finished goods product inventory. During the year ended December 31, 2023, we recorded $6.5 million in charges for lower of weighted average cost or estimated net realizable value on our finished goods product inventory. During the year ended December 31, 2022, we recorded no charges for lower of weighted average cost or estimated net realizable value on our finished goods product inventory.

Parts inventories are shown net of any required allowances. During the years ended December 31, 2024, 2023, and 2022, we recorded reserves for obsolete parts inventory of $1.8 million, $0.5 million, and $1.8 million, respectively.

Note 6 — PROPERTY, PLANT, EQUIPMENT, AND MINERAL PROPERTIES

"Property, plant, equipment, and mineral properties, net" were comprised of the following (in thousands):

	December 31, 2024	December 31, 2023
Land	$ 24,136	$ 24,136
Ponds and land improvements	95,787	91,333
Mineral properties and development costs	161,826	159,775
Buildings and plant	95,439	90,150
Machinery and equipment	318,545	297,494
Vehicles	8,152	7,332
Office equipment and leasehold improvements	10,613	10,150
Operating lease ROU assets	4,571	5,274
Breeding stock	277	315
Construction in progress	6,423	23,942
Total property, plant, equipment, and mineral properties, gross	$ 725,769	$ 709,901
Less: accumulated depreciation, depletion, and amortization	(381,431)	(351,652)
Total property, plant, equipment, and mineral properties, net	$ 344,338	$ 358,249

We incurred the following expenses for depreciation, depletion, and amortization of ROU assets, including expenses capitalized into inventory, for the following periods (in thousands):

	Year Ended December 31, 2024	2023	2022
Depreciation	$ 31,390	$ 34,307	$ 29,805
Depletion	4,627	3,190	3,168
Amortization of ROU assets	1,344	1,581	1,738
Total incurred	$ 37,361	$ 39,078	$ 34,711

During the years ended December 31, 2024, and 2023, we recorded total impairment charges of $10.7 million and $43.3 million, respectively, as discussed in more detail below. During the year ended December 31, 2022, we recorded no impairment charges.

In the fourth quarter of 2023, given the decrease in our gross margin for our Trio® segment we determined that sufficient indicators of potential impairment of our Trio® segment long-lived assets existed. We performed a recoverability test and determined that the carrying value of our Trio® segment long-lived assets was not recoverable. We engaged a third-party valuation firm to determine the fair value of our Trio® segment assets. The fair value of our Trio® segment assets was primarily determined using the expected proceeds received in an orderly sale of the individual assets. The carrying value of our Trio® segment asset group exceeded its fair value, and we recorded an impairment charge of $31.9 million during the fourth quarter of 2023. For any Trio® segment capital spending during 2024, we also estimated the fair value of those assets using the expected proceeds received in an orderly sale of those new assets and recorded an impairment of $4.4 million.

Our long-lived assets at our West facility have been in care and maintenance since July 2016. Given the length of time since the assets were placed in care and maintenance, we engaged a third-party valuation firm to determine if the fair value of the West assets supports the carrying value of those assets. The fair value of the West assets was determined using the expected proceeds received in an orderly sale of the individual assets. The carrying value of the West assets exceeded the fair value and we recorded an impairment charge of $9.9 million during the fourth quarter of 2023.

In 2024, in our Oilfield Solutions Segment we recorded impairment charges of $6.4 million mainly related to our frac sand opportunity and other oilfield related equipment based on an expected selling price of the assets. Although we still hold the necessary permits for the sand operation, it is unlikely we will continue to pursue this opportunity as we focus on our core business. During 2023, we recorded impairment charges of $1.5 million related to certain assets in our Oilfield Solutions Segment, specifically certain water recycling equipment and an investment in a non-operating interest in an oil and gas investment.

Note 7 — LEASES

We determine if an arrangement is a lease or contains a lease at inception. We have operating leases for mining equipment, trucks, rail cars, and office space. Our operating leases have remaining leases terms ranging from less than one year to seven years. Our finance leases have remaining terms ranging from two years to five years. Leases recorded on the balance sheet consist of the following (amounts in thousands):

Leases	Classification on the Balance Sheet	Balance, December 31, 2024	Balance, December 31, 2023
Assets			
Operating lease ROU assets, net	Property, plant, equipment, and mineral properties, net	$ 1,437	$ 2,031
Finance lease ROU assets, net	Property, plant, equipment, and mineral properties, net	$ 2,934	$ 2,609
Liabilities			
Current operating lease liabilities	Other current liabilities	$ 679	$ 1,387
Current finance lease liability	Other current liabilities	$ 951	$ 961
Non-current operating lease liabilities	Operating lease liabilities	$ 780	$ 741
Non-current finance lease liabilities	Finance lease liabilities	$ 1,838	$ 1,451

Other information related to lease term and discount rate is as follows:

	December 31,	
	2024	2023
Weighted average remaining lease term - operating leases	3.9 years	1.7 years
Weighted average remaining lease term - finance leases	3.0 years	2.3 years
Weighted average discount rate - operating leases	7.0 %	5.7 %
Weighted average discount rate - finance leases	7.6 %	8.5 %

The components of lease expense are as follows (amounts in thousands):

	Year Ended December 31,		
	2024	2023	2022
Operating lease expense	$ 1,443	$ 1,667	$ 1,904
Short-term lease expense	79	122	150
Total lease expense	$ 1,522	$ 1,789	$ 2,054

Supplemental cash flow information related to leases was as follows (amounts in thousands):

	Year Ended December 31,	
	2024	2023
Cash paid for amounts included in the measurement of lease liabilities		
Operating cash flows from operating leases	$ 1,516	$ 1,724
Operating cash flows from finance leases	185	139
Financing cash flows from finance leases	942	597
Right-of-Use Assets exchanged for new operating lease liabilities	751	48
Right-of-Use Assets exchanged for new finance lease liabilities	1,562	3,009

As of December 31, 2024, maturities of lease liabilities are summarized as follows (amounts in thousands):

Years Ending December 31,	**Operating Leases**	**Finance Leases**	**Total**
2025	$ 756	$ 1,132	$ 1,888
2026	252	1,015	1,267
2027	178	439	617
2028	138	413	551
2029	138	159	297
Thereafter	230	—	230
Total future minimum lease payments	$ 1,692	3,158	4,850
Less - amount representing interest	233	369	602
Present value of future minimum lease payments	$ 1,459	2,789	4,248
Less - current lease obligations	679	951	1,630
Long-term lease obligations	$ 780	$ 1,838	$ 2,618

Note 8 — INTANGIBLE ASSETS

We have water rights, recorded at $19.2 million at December 31, 2024, and 2023. Our water rights have indefinite lives and are not amortized. We evaluate our water rights at least annually as of October 1 for impairment, or more frequently if circumstances require.

We have other intangible assets recorded at $6.6 million and $6.4 million as of December 31, 2024, and 2023, respectively. We account for the other intangible assets as finite-lived intangible assets and amortize those intangible assets over the period of estimated benefit, using the straight-line method. As of December 31, 2024, the weighted-average remaining amortization period for the other intangible assets was 14.6 years. These intangible assets are included in "Other assets, net" on the consolidated balance sheets.

As of December 31, 2024, and December 31, 2023, we have the following amounts recorded for intangible assets (amounts in thousands):

	December 31, 2024		December 31, 2023	
Finite-lived intangible assets:	Gross Carrying Amount	Accumulated Amortization	Gross Carrying Amount	Accumulated Amortization
Produced water disposal royalty agreements	$ 2,694	$ (765)	$ 2,694	$ (630)
Surface damage and easement agreements	3,723	(1,058)	3,723	(871)
Other intangibles	200	(7)	—	—
Total	$ 6,617	$ (1,830)	$ 6,417	$ (1,501)
Indefinite-lived intangible assets:				
Water rights	$ 19,184		$ 19,184	

Total amortization of intangible assets for the years ended December 31, 2024, 2023, and 2022 was $0.3 million. We estimate the annual amortization expense of intangible assets will be $0.3 million for each of the next five years.

Note 9 — OTHER LONG-TERM DEFERRED INCOME

Cooperative Development Agreement—In December 2023, we entered into the Third Amendment of Cooperative Development Agreement (the "Amendment") with XTO Holdings, LLC ("XTO Holdings") and XTO Delaware Basin LLC, as successors in interest to BOPCO, L.P. ("XTO Delaware Basin," and together with XTO Holdings, "XTO"), with an effective date of January 1, 2024 ("Amendment Date"). The Amendment further amends that certain Cooperative Development Agreement, by and between us, BOPCO, L.P. and the other parties thereto, effective as of February 28, 2011 (as amended, including by the Amendment, the "CDA"), which was executed for the purpose of pursuing the cooperative development of potassium and oil and gas on certain lands. The CDA restricts and limits the rights of Intrepid and XTO, as successors in interest to BOPCO, L.P., to explore and develop their respective interests, including limitations on the locations of wells. Intrepid and XTO entered into the Amendment in an effort to further the cooperation, remove the restrictions and limitations, and allow for the efficient co-development of resources within the Designated Potash Area ("DPA") consistent with the United States Secretary of the Interior Order 3324.

Pursuant to the Amendment, among other things, we agreed to provide support to XTO for development and operation of XTO's oil and gas interests within the DPA. As consideration under the Amendment, XTO agreed to pay us an initial fee of $50.0 million (the "Initial Fee"). We received a partial payment of $5.0 million of the Initial Fee in December 2023, and we received payment of the remaining $45.0 million from XTO in January 2024.

The Amendment further provides that we shall receive an additional one-time payment equal to $50.0 million (the "Access Fee"), which XTO will pay 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 or (ii) within seven years of the anniversary of the Amendment Date. XTO is also required to pay additional amounts to Intrepid as an "Access Realization Fee," up to a maximum of $100.0 million, (the "Access Realization Fee") in the event of certain additional drilling activities by XTO.

Because the cooperative development support we are providing under the CDA is not an output of our ordinary business activities, ASC Topic 606, *Revenue from Contracts with Customers* ("ASC 606") does not apply to the CDA. However, we apply the principles in ASC 606 by analogy to determine amounts of other income to recognize.

Under ASC 606, we are required to identify the performance obligations in the CDA and to determine the transaction price. The transaction price may include fixed consideration, variable consideration, or both. Variable consideration may only be included in the transaction price if it is probable that a significant reversal of amounts recognized will *not* occur (referred to as the variable consideration constraint). The Access Realization Fee is considered variable consideration.

Our performance obligation under the Amendment is to "stand-ready" to provide support to XTO, when and as needed, during the term of the Amendment. We estimate the transaction price to be $100.0 million, which is comprised of the $50.0 million Initial Fee and the $50.0 million Access Fee. We are not including any amounts of the Access Realization Fee in the transaction price because of the variable consideration constraint. Since our performance obligation is a "stand-ready" obligation, we are recognizing the transaction price on a straight-line basis over the term of the Amendment which ends on February 28, 2046.

For the year ended December 31, 2024, we recorded other operating income of $4.5 million from the Amendment. Because we have not yet been paid the Access Fee included in the transaction price, we recorded a long-term receivable for the amount of the Access Fee that we earned during the year ended December 31, 2024 of $2.3 million, which is included in "Other Assets" on the Consolidated Balance Sheets. For the amount of the Initial Fee we earned during the year ended December 31, 2024, we reduced the "Deferred other income, long-term" liability recorded on our Consolidated Balance Sheets.

As of December 31, 2024, we had $2.3 million recorded in "Other current liabilities," and $45.5 million recorded in "Deferred other income, long-term" on the Consolidated Balance Sheets for the unearned portion of the Initial Fee. As of December 31, 2023, we had $5.0 million recorded in "Other current liabilities," and zero recorded in "Deferred other income, long-term" on the Consolidated Balance Sheets.

Note 10 — DEBT

Credit Facility—In August 2022, we and certain of our subsidiaries entered into the Second Amended and Restated Credit Agreement with a syndicate of lenders with the Bank of Montreal, as administrative agent, which provides for a revolving credit facility. The agreement amended our existing revolving credit facility to, among other things, increase the amount available under the facility from $75 million to $150 million, extend the maturity date to August 4, 2027, and transition from LIBOR (London Interbank Offered Rate) to SOFR (Secured Overnight Financing Rate) as a reference rate for borrowings under the credit agreement. Borrowings under the amended credit facility bear interest at SOFR plus an applicable margin of 1.50% to 2.25% per annum, based on our leverage ratio as calculated in accordance with the amended agreement governing the revolving credit facility. Borrowings under the revolving credit facility are secured by substantially all of our current and non-current assets, and the obligations under the credit facility are unconditionally guaranteed by several of our subsidiaries.

We occasionally borrow and repay amounts under the facility for near-term working capital needs or other purposes and may do so in the future. For the year ended December 31, 2024, we made no borrowings and made $4.0 million in repayments under the facility. For the year ended December 31, 2023, we made $9.0 million in borrowings and made $5.0 million in repayments under the facility. For the year ended December 31, 2022, we made no borrowings and made no repayments under the facility. As of December 31, 2024, we had no borrowings outstanding and no outstanding letters of credit under the facility. As of December 31, 2023, we had $4.0 million in borrowings outstanding and no outstanding letters of credit under the facility. As of December 31, 2022, we had no borrowings outstanding and $1.0 million in an outstanding letter of credit under the facility. We had $150.0 million available under the facility as of December 31, 2024.

We were in compliance with the applicable covenants under the facility as of December 31, 2024.

Interest Expense—Interest expense is recorded net of any capitalized interest associated with investments in capital projects. We incurred gross interest expense of $0.7 million, $0.8 million, and $0.4 million for the years ended December 31, 2024, 2023, and 2022, respectively.

Amounts included in interest expense for the years ended December 31, 2024, 2023, and 2022 (in thousands) are as follows:

	Year ended December 31,		
	2024	**2023**	**2022**
Interest expense on borrowings	$ 182	$ 275	$ —
Commitment fee on unused credit facility	229	226	155
Amortization of deferred financing costs	301	301	265
Gross interest expense	712	802	420
Less capitalized interest	600	802	319
Interest expense, net	$ 112	$ —	$ 101

Note 11 — ASSET RETIREMENT OBLIGATION

We recognize an estimated liability for future costs associated with the closure and reclamation of our mining properties. A liability for the fair value of an asset retirement obligation and a corresponding increase to the carrying value of the related long-lived asset are recorded as the mining operations occur or the assets are acquired.

Our asset retirement obligation is based on the estimated cost to close and reclaim the mining operations, the economic life of the properties, and federal and state regulatory requirements. The liability is discounted using credit adjusted risk-free rate estimates at the time the liability is incurred or when there are upward revisions to estimated costs. The credit adjusted risk-free rates used to discount our abandonment liabilities range from 6.9% to 12.0%. Revisions to the liability occur due to construction of new or expanded facilities, changes in estimated abandonment costs or economic lives, changes in the estimated timing of the reclamation activities or if federal or state regulators enact new requirements regarding the abandonment or reclamation of mines.

Following is a table of the changes to our asset retirement obligations for the following periods (in thousands):

	Year Ended December 31,		
	2024	2023	2022
Asset retirement obligation, at beginning of period	$ 30,359	$ 26,864	$ 27,024
Liabilities settled	—	(197)	(1,533)
Liabilities incurred	524	—	297
Changes in estimated obligations	(423)	1,552	(885)
Accretion of discount	2,489	2,140	1,961
Total asset retirement obligation, at end of period	$ 32,949	$ 30,359	$ 26,864
Less current portion of asset retirement obligation	$ (595)	$ (282)	$ (300)
Long-term portion of asset retirement obligation	$ 32,354	$ 30,077	$ 26,564

We estimate approximately $5.6 million in asset retirement payments may occur in the next five years.

Note 12 — REVENUE

Revenue Recognition—Under ASC 606, we recognize revenue when control of the promised goods or services is transferred to customers in an amount that reflects the consideration we expect to be entitled in exchange for those goods or services.

Contract Balances—As of December 31, 2024, and 2023, we had $2.4 million and $2.3 million of contract liabilities, respectively, of which $0.8 million and $1.0 million were current as of December 31, 2024, and 2023, respectively, and included in "Other current liabilities" on the consolidated balance sheets. Customer advances received before we have satisfied our performance obligations are accounted for as a contract liability (sometimes referred to in practice as deferred revenue).

As of December 31, 2021, our contract liability balance primarily consisted of prepayments from a customer for future water deliveries under the terms of a water sales agreement. In August 2022, our customer notified us that they were terminating the water sales agreement and in September 2022 we refunded the customer's prepayment balance of $32.6 million.

Our contract liability activity for the years ended December 31, 2024, 2023, and 2022 is shown below (in thousands):

	Year Ended December 31,		
	2024	2023	2022
Beginning balance	$ 2,303	$ 2,374	$ 33,788
Additions	1,701	1,030	1,823
Refund of prepayments	—	—	(32,579)
Recognized as revenue during period from the beginning balance	(1,573)	(1,101)	(658)
Ending balance	$ 2,431	$ 2,303	$ 2,374

Disaggregation of Revenue—The table below shows the disaggregation of revenue by product and reconciles disaggregated revenue to segment revenue for the years ended December 31, 2024, 2023, and 2022. We believe the disaggregation of revenue by products best depicts how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic conditions (in thousands):

	Year Ended December 31, 2024				
Product	Potash Segment	Trio® Segment	Oilfield Solutions Segment	Intersegment Eliminations	Total
Potash	$ 100,199	$ —	$ —	$ (252)	$ 99,947
Trio®	—	104,773	—	—	104,773
Water	—	—	13,602	—	13,602
Salt	12,378	655	—	—	13,033
Magnesium Chloride	5,324	—	—	—	5,324
Brines	6,932	—	4,204	—	11,136
Other	—	—	6,879	—	6,879
Total Revenue	$ 124,833	$ 105,428	$ 24,685	$ (252)	$ 254,694

Product	Year Ended December 31, 2023				
	Potash Segment	Trio® Segment	Oilfield Solutions Segment	Intersegment Eliminations	Total
Potash	$ 131,206	$ —	$ —	$ (329)	$ 130,877
Trio®	—	96,344	—	—	96,344
Water	297	5,316	9,569	—	15,182
Salt	11,973	522	—	—	12,495
Magnesium Chloride	8,161	—	—	—	8,161
Brines	4,283	—	4,056	—	8,339
Other	—	—	7,685	—	7,685
Total Revenue	$ 155,920	$ 102,182	$ 21,310	$ (329)	$ 279,083

Product	Year Ended December 31, 2022				
	Potash Segment	Trio® Segment	Oilfield Solutions Segment	Intersegment Eliminations	Total
Potash	$ 168,571	$ —	$ —	$ (304)	$ 168,267
Trio®	—	113,962	—	—	113,962
Water	1,637	3,302	17,510	—	22,449
Salt	11,270	562	—	—	11,832
Magnesium Chloride	6,472	—	—	—	6,472
Brines	3,428	—	2,670	—	6,098
Other	—	—	8,488	—	8,488
Total Revenue	$ 191,378	$ 117,826	$ 28,668	$ (304)	$ 337,568

Note 13 — COMPENSATION PLANS

Cash Bonus Programs—We use cash bonus programs under which our employees may be eligible to receive cash bonuses based on corporate, department, location, or individual performance or other events or accomplishments. We accrue cash bonus expense related to the current year's performance and we expect to pay in March 2025 a cash bonus to our employees under our 2024 bonus program. We met certain performance metrics related to our 2023 cash bonus program and paid a cash bonus in March 2024. We met certain performance metrics related to our 2022 cash bonus program and paid a cash bonus in March 2023.

Equity Incentive Compensation Plan—Our Board of Directors and stockholders adopted a long-term incentive compensation plan called the Intrepid Potash, Inc. Amended and Restated Equity Incentive Plan (the "Plan"). We have issued restricted shares, common stock, restricted stock units, and non-qualified stock option awards under the Plan. As of December 31, 2024, 319,035 restricted shares, 111,285 restricted stock units, and options to purchase 273,206 shares of common stock were outstanding. As of December 31, 2024, approximately 0.8 million shares of common stock remained available for issuance under the Plan. Total compensation expense related to the Plan was \$3.6 million, \$6.5 million, and \$6.2 million, for the years ended December 31, 2024, 2023, and 2022, respectively. As of December 31, 2024, there was \$6.7 million of total remaining unrecognized compensation expense that is expected to be recognized over a weighted-average period of 1.9 years. When restricted shares and performance units vest and when stock options are exercised, new shares are issued and considered outstanding for financial statement purposes.

Restricted Shares

- ***Restricted Shares with Service Conditions***—Under the Plan, the Compensation Committee of the Board of Directors (the "Compensation Committee") has granted restricted shares of common stock to members of the Board of Directors, executive officers, and other key employees. The restricted shares contain service conditions associated with continued employment or service. The restricted shares provide voting and regular dividend rights to the holders of the awards.

  In 2024, the Compensation Committee granted an aggregate of 196,809 restricted shares to executives and key employees under the Plan as part of either our annual equity award program, to new employees or to employees that assumed additional responsibilities during the year. The awards vest over three years, subject to continued service. In May 2024, the Compensation Committee granted an aggregate of 20,739 shares of restricted shares to non-employee members of the Board of Directors. The restricted shares vest one year after the date of the grant, subject to continued service. In September 2024, the Compensation Committee granted special one-time grants of an aggregate of 6,282 shares of restricted stock to non-employee directors as additional compensation, which will vest on the earlier of the date a member of the Board resigns, May 25, 2025, or the day before the 2025 Annual Meeting of Stockholders.

  In 2023, the Compensation Committee granted 130,975 restricted shares to executives and key employees under the Plan as part of our annual equity award program. The awards vest over three years, subject to continued employment or service. The Compensation Committee granted an aggregate 22,226 restricted shares to non-employee members of the Board of Directors in 2023. The restricted shares vest one year after the date of grant, subject to continued service.

  In 2022, the Compensation Committee granted in aggregate 53,202 restricted shares to executives and key employees under the Plan as part of our annual equity award program. The awards vest over three years, subject to continued service. The Compensation Committee also granted an aggregate 6,635 restricted shares to non-employee members of the Board of Directors in 2022. The restricted shares vest one year after the date of grant, subject to continued service.

  We use the closing price of our common stock on the grant date as the grant date fair value for these awards. We record compensation expense monthly using the straight-line recognition method over the vesting period of the award. The weighted-average grant date fair value per share for restricted shares with service conditions issued in 2024, 2023, and 2022 was \$22.46, \$25.11, and \$66.07, respectively.

- ***Restricted Shares with Service and Market Conditions***— Under the Plan in March 2024, the Compensation Committee granted restricted shares of common stock with service and market conditions to certain members of our executive team as part of their annual compensation package. The grants vest over three years from the grant date if the average share closing price for 20 consecutive days has met one of the applicable price achievement targets; provided, however, that no vesting would occur if the average closing share price for 20 consecutive days has not met one or more applicable price achievement goals on or before March 17, 2027. All share price achievement goals for these awards have been met as of December 31, 2024, and the shares will vest on the grant date anniversary in 2025, 2026, and 2027.

Under the Plan in March 2023, the Compensation Committee granted restricted shares of common stock with service and market conditions to certain members of our executive team as part of their annual compensation package. The grants vest over three years from the grant date if the average share closing price for 20 consecutive days has met one of the applicable price achievement targets; provided, however, that no vesting would occur if the average closing share price for 20 consecutive days has not met one or more applicable price achievement goals on or before March 17, 2026. The share price achievement goals for these awards have not been met as of December 31, 2024.

Under the Plan in March 2023, the Compensation Committee also granted restricted shares of common stock with service and market conditions to our former chief executive officer as part of his annual compensation package. On September 30, 2024, our chief executive officer resigned from all positions with the Company and its subsidiaries and affiliates, and all unvested shares of restricted stock of common stock granted under this award were forfeited.

Under the Plan in March 2022, the Compensation Committee granted restricted shares of common stock with service and market conditions to certain members of our executive team as part of their annual compensation package. The grants vest over three years from the quarter ended in which the volume-weighted average share closing price for 20 consecutive days has met one of the applicable price achievement targets; provided, however, that no vesting would occur if the volume-weighted average closing price for 20 consecutive days has not met one or more applicable price achievement goals on or before March 17, 2025. The share price achievement goals of these awards were met in 2022, and 1,737 shares vested in 2024.

Under the Plan in March 2022, the Compensation Committee granted restricted shares of common stock with service and market conditions to our former chief executive officer as part of his annual compensation package. This grant vested over two years from the quarter ended in which the volume-weighted average share closing price for 20 consecutive trading days has met one of the applicable price achievement targets; provided, however, that no vesting would occur if the volume-weighted average closing price for 20 consecutive trading days has not met one or more applicable price achievement goals on or before March 17, 2026. The share price achievement goals of these awards were met in 2022, and 14,513 shares vested in June 2024.

We used a Monte Carlo simulation valuation model to estimate the fair value of these awards on the grant date. We record compensation expense monthly using the accelerated recognition method over the longer of the explicit or derived service period of the award. The weighted-average grant date fair value per share of restricted shares with service and market conditions issued in 2024, 2023, and 2022, was $17.80, $24.96, and $62.32, respectively.

Valuation models require the input of highly subjective assumptions, including the expected volatility of the price of the underlying stock. We used the following assumptions to compute the weighted-average grant date fair market value of restricted stock with service and market conditions granted in 2024, 2023, and 2022:

	2024	2023	2022
Closing stock price on grant date	$ 19.37	$ 26.05	$ 66.33
Risk free interest rate	4.5 %	3.6 %	2.2 %
Dividend yield	— %	— %	— %
Estimated volatility	67.6 %	82.9 %	79.8 %
Expected life	3.0 years	3.8 years	6.0 years

A summary of all activity relating to our restricted shares for the year ended December 31, 2024, is presented below:

	Shares	Weighted Average Grant-Date Fair Value
Restricted shares of common stock, beginning of period	340,924	$ 36.98
Granted with service only condition	223,830	$ 22.46
Granted with service and market conditions	32,299	$ 17.80
Vested, service only condition	(97,377)	$ 20.82
Vested, service and market conditions	(41,291)	$ 49.04
Forfeited, service only condition	(53,875)	$ 32.29
Forfeited, service and market conditions	(85,475)	$ 28.72
Restricted shares of common stock, end of period	319,035	$ 31.23

Restricted Stock Units with Service and Market Conditions

In November 2024, the Board of Directors (the "Board") appointed a new chief executive officer and in connection with that appointment, in December 2024, the new chief executive officer was granted two restricted stock unit (“RSU”) awards. Both of the RSU awards contain a service condition and a market condition, with one RSU award containing an absolute total stockholder return (“TSR”) market condition (referred to as the “aTSR") and the other RSU award containing a relative TSR market condition (referred to as the “rTSR”). Under both the aTSR and rTSR awards, any RSUs that vest shall be settled through the issuance of an equal number of shares of our common stock as soon as administratively practicable.

Under the terms of the aTSR award, up to 19,575 RSUs may be earned based on the achievement of certain absolute TSR hurdles on or prior to December 31, 2028. If a TSR hurdle is achieved on or before the one-year anniversary of the grant date, the RSUs earned will vest in three equal installments on the one-, two-, and three-year anniversaries of the grant date. If any TSR hurdles are achieved after the one-year anniversary of the grant date but before the two-year anniversary of the grant date, one-third of the RSUs earned will vest immediately and the remaining earned RSUs will vest equally on the two- and three-year anniversaries of grant date. For any TSR hurdles met after the two-year anniversary of the grant date, two-thirds of the RSU's earned will vest immediately and one third will vest on the third-year anniversary of the grant date. If a TSR hurdle is achieved after the three-year anniversary of the grant date and on or prior to December 31, 2028, the RSUs earned will vest immediately. Any RSUs that have not been earned as of December 31, 2028, are forfeited. RSUs under the aTSR award do not have any stockholder rights of holders of shares of common stock.

Under the terms of the rTSR, RSUs may be earned based on the Company’s TSR percentile rank compared to each company included in the Russell 2000 Index as of January 1, 2025. The period under which the relative performance is measured is from January 1, 2025, through December 31, 2027 (the “Performance Period”). If the Company’s TSR percentile rank is in the 20th percentile rank or below, no RSUs will vest. If the Company’s TSR percentile rank is in the 90th percentile or above, up to 91,710 RSUs are eligible to vest, subject to a negative TSR cap and a max payout cap. If the Company’s TSR is negative, then, irrespective of the Company’s relative TSR percentile rank, the maximum number of RSUs that may be earned is 45,855. Under the max payout cap, the total fair market value of the shares of common stock issuable may not be greater than $6.6 million. The grantee is entitled to receive an additional amount in cash equal to the value of all dividends and distributions made during the Performance Period for any vested RSUs. The RSUs do not have any other stockholder rights of holders of shares of common stock.

We used a Monte Carlo simulation valuation model to estimate the fair value of the aTSR and rTSR awards on the grant date. We record compensation expense monthly using the accelerated recognition method over the longer of the explicit or derived service period of the award. The weighted-average grant date fair value per share using the maximum number of shares that can be earned under the aTSR and rTSR awards issued in 2024 was $22.63 and $14.89, respectively.

We used the following assumptions to compute the weighted-average grant date fair market value of RSUs granted with service and market conditions granted in 2024:

	Absolute TSR RSU Award	**Relative TSR RSU Award**
Closing stock price on grant date	$ 27.39	$ 27.39
Risk free interest rate	4.1 %	4.1 %
Dividend yield	— %	— %
Estimated volatility	67.8 %	62.2 %
Expected life	4.1 years	3.1 years

Non-Qualified Stock Option Activity

We have not granted any non-qualified stock options to our employees since 2018. A summary of all stock option activity for the year ended December 31, 2024, is as follows:

	Shares	Weighted Average Exercise Price	Aggregate Intrinsic Value[1]	Weighted Average Remaining Contractual Life
Outstanding non-qualified stock options, beginning of period	273,206	$29.04		
Granted	—	$—		
Exercised	—	$—		
Forfeited	—	$—		
Expired	—	$—		
Outstanding non-qualified stock options, end of period	273,206	$29.04	$767,141	0.8
Vested or expected to vest, end of period	273,206	$29.04	$767,141	0.8
Exercisable non-qualified stock options, end of period	273,206	$29.04	$767,141	0.8

[1] The intrinsic value of a stock option is the amount by which the market value exceeds the exercise price as of the end of the period presented.

No stock options were exercised during 2024 and 2023. The total intrinsic value of exercised options to purchase stock during 2022 was $0.6 million.

Note 14 — INCOME TAX

We account for income taxes in accordance with ASC Topic 740, *Income Taxes*. This standard requires the recognition of deferred tax assets and liabilities for the tax effect of temporary differences between the financial statement and tax basis of recorded assets and liabilities at enacted tax rates in effect when the related taxes are expected to be settled or realized. We recognize income taxes in each of the tax jurisdictions where we conduct business. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

A summary of the provision for income taxes is as follows (in thousands):

	Year Ended December 31,		
	2024	2023	2022
Current portion of income tax expense (benefit):			
Federal	$ —	$ —	$ —
State	110	82	966
Deferred portion of income tax expense (benefit):			
Federal	146,457	(8,538)	19,430
State	47,766	67	3,893
Total income tax expense (benefit)	$ 194,333	$ (8,389)	$ 24,289

A reconciliation of the federal statutory income tax rate of 21% to our effective rate is as follows (in thousands, except percentages):

	Year Ended December 31,		
	2024	2023	2022
Federal taxes at statutory rate	$ (3,888)	$ (9,253)	$ 20,267
Add:			
State taxes, net of federal benefit	(1,536)	(1,274)	5,406
Change in valuation allowance	199,006	1,121	—
Change in federal and state tax rates	159	238	(125)
Officers' Compensation	760	848	546
Percentage depletion	(465)	(282)	(827)
Other	297	213	(978)
Net expense (benefit) as calculated	$ 194,333	$ (8,389)	$ 24,289
Effective tax rate	(1,049.8)%	19.0 %	25.2 %

Our effective tax rate for the year ended December 31, 2024, differs from the U.S. federal statutory rate due to the change in our valuation allowance. Our effective tax rate for the year ended December 31, 2023, differs from the U.S. federal statutory rate due to the change in our valuation allowance. Our effective tax rate for the year ended December 31, 2022, differs from the U.S. federal statutory rate due to state income taxes.

As of December 31, 2024, and 2023, we had gross deferred tax assets of $202.2 million and $197.4 million, respectively. During the year ended December 31, 2024, our deferred tax assets increased primarily from increases in the amounts of our federal and state net operating loss carryforwards. Included in gross deferred tax assets as of December 31, 2024, were approximately $221.0 million of federal net operating loss carryforwards, which expire beginning in 2034, and approximately $289.1 million of state net operating loss carryforwards, the majority of which begin to expire in 2033. Also included are $1.9 million of federal research and development credits which begin to expire in 2031. The federal loss carryforward could be subject to examination by the tax authorities within three years after the carryforward is utilized, while the state net operating loss carryforwards could be subject to examination by the tax authorities generally within three or four years after the carryforward is utilized, depending on jurisdiction.

Significant components of our deferred tax assets and liabilities were as follows (in thousands):

	December 31, 2024	December 31, 2023
Deferred tax assets (liabilities):		
Property, plant, equipment and mineral properties, net	$ 121,172	$ 127,368
Federal and state net operating loss carryforwards	60,278	55,486
Asset retirement obligation	8,468	7,768
Deferred revenue	1,330	1,869
Other	9,042	3,017
Federal R&D credits	1,870	1,870
Total deferred tax assets	202,160	197,378
Valuation allowance	(202,160)	(3,155)
Deferred tax asset, net	$ —	$ 194,223

In assessing the need for a valuation allowance, we consider whether it is more likely than not that some portion or all of the deferred tax assets will not be realized. We evaluate our ability to realize the tax benefits associated with deferred tax assets by analyzing the relative impact of all the available positive and negative evidence regarding our forecasted taxable income using both historical and projected future operating results, the reversal of existing taxable temporary differences, taxable income in prior carryback years, as permitted by regulation, and the availability of tax planning strategies. In determining how much of a valuation allowance to recognize we primarily consider our projections of future taxable income. All available evidence, both positive and negative, that may affect the realizability of deferred tax assets is identified and considered in determining the appropriate amount of the valuation allowance. The ultimate realization of deferred tax assets is dependent upon the generation of certain types of future taxable income during the periods in which those temporary differences become deductible. Assumptions of expected future taxable income are based primarily on prices and forecasted sales volumes which are subject to market volatility. In making this assessment, we consider the scheduled reversal of deferred tax liabilities, our ability to carry back the deferred tax asset, projected future taxable income, and tax planning strategies.

As of December 31, 2024, we were in a cumulative three-year income position as a result of income generated during the year ended December 31, 2022. Since the 2022 income year will cease to be part of the cumulative three-year test in the next twelve months, we forecast that by the end of 2025, we will be in a three-year cumulative loss position which is significant negative evidence that is difficult to overcome when evaluating the realizability of our deferred tax assets. We have concluded that it is more likely than not that our $202.2 million of deferred tax assets will not be realized and we recorded an additional valuation allowance against our deferred tax assets of $199.0 million in the fourth quarter of 2024. Our deferred tax assets, net of the valuation allowance at December 31, 2024, and 2023, were $0.0 million and $194.2 million, respectively.

The estimated statutory income tax rates that are applied to our current and deferred income tax calculations are impacted most significantly by the tax jurisdictions in which we conduct business. Changing business conditions for normal business transactions and operations, as well as changes to state tax rates and apportionment laws, potentially alter the apportionment of income among the states for income tax purposes. These changes to apportionment laws result in changes in the calculation of our current and deferred income taxes, including the valuation of our deferred tax assets and liabilities. The effects of any such changes are recorded in the period of the adjustment. Such adjustments can increase or decrease the net deferred tax asset on the balance sheet and impact the corresponding deferred tax benefit or deferred tax expense on the statement of operations.

A decrease of our state tax rate decreases the value of its deferred tax asset, resulting in additional deferred tax expense being recorded on the income statement. Conversely, an increase in our state income tax rate would increase the value of the deferred tax asset, resulting in an increase in our deferred tax benefit. Because of the magnitude of the temporary differences between our book and tax basis in the assets, relatively small changes in the state tax rate may have a pronounced impact on the value of our net deferred tax asset.

Each quarter we evaluate the need for a liability for uncertain tax positions. At December 31, 2024, and 2023, we had no items that required disclosure in accordance with FASB guidance on accounting for uncertainty in income taxes.

We operate, and accordingly file income tax returns, in the U.S. federal jurisdiction and various U.S. state jurisdictions. With few exceptions, we are no longer subject to income tax audits that could result in an assessment for years prior to 2021.

Note 15 — COMMITMENTS AND CONTINGENCIES

Reclamation Deposits and Surety Bonds—As of December 31, 2024, and 2023, we had $27.0 million and $26.8 million, respectively, of security placed principally with the states of Utah and New Mexico and the Bureau of Land Management for eventual reclamation of its various facilities. Of this total requirement, as of December 31, 2024, and 2023, $0.6 million and $0.5 million, respectively, consisted of long-term restricted cash deposits reflected in "Other" long-term assets on the balance sheet, and $26.4 million and $26.3 million, respectively, was secured by surety bonds issued by an insurer. The surety bonds are held in place by an annual fee paid to the issuer.

We may be required to post additional security to fund future reclamation obligations as reclamation plans are updated or as governmental entities change requirements.

Legal—We are subject to claims and legal actions in the ordinary course of business. We expense legal costs as incurred. While there are uncertainties in predicting the outcome of any claim or legal action, except as noted below, we believe the ultimate resolution of these claims or actions is not reasonably likely to have a material adverse effect on our financial condition, results of operations, or cash flows.

Water Rights

On March 17, 2022, the Fifth Judicial District Court in New Mexico entered an order that found that of the 20,000 acre feet of water per year we claimed, our predecessors in interest had forfeited all but approximately 5,800 acre feet of water per year, and that of the remaining 5,800 acre-feet of water that had not been forfeited, all but 150 acre feet of water had been abandoned prior to 2017 (the “Order”). The Order limited our right to 150 acre feet per year of water for industrial-salt processing use. We appealed the Order to the New Mexico Court of Appeals ("NMCA"), which, on July 7, 2023, affirmed the Order. On November 17, 2023, we filed a request for the New Mexico Supreme Court ("NMSC") to reconsider and review the NMCA's decision to affirm the Order's abandonment determination. The NMSC agreed to review the NMCA's abandonment determination on February 7, 2024. The case is fully briefed, and we are awaiting a decision from the NMSC, which we expect to receive in the first half of 2025.

In 2017 and 2018 the New Mexico Office of the State Engineer (“OSE”) granted us preliminary authorizations to sell approximately 5,700 acre feet of water per year from our Pecos River water rights. The preliminary authorizations allowed water sales to begin immediately, subject to repayment if the underlying water rights were ultimately found to be invalid. If our appeal to the NMSC is unsuccessful, we may have to repay for the water we sold under the preliminary authorizations. Repayment of this water can be up to two times the amount of water removed from the river. Repayment is customarily made in-kind over a period of time but can take other forms including cash repayment. If we are not able to repay in-kind due to the lack of remaining water rights or logistical constraints, we may need to purchase water to meet this repayment or be subject to a cash repayment. Because of the uncertainty surrounding the potential volume of water we may have to repay, the timing and the form of repayment, if any, we cannot reasonably estimate the amount of the potential liability and have not recorded a loss contingency in our statement of operations related to this legal matter.

Other Contingent Liabilities

As of December 31, 2024, we have estimated contingent liabilities recorded in "Other current liabilities" on the consolidated balance sheets of $4.8 million, mainly related to the potential underpayment of royalties in 2012 to 2016. As of December 31, 2023, we had estimated contingent liabilities recorded in "Other current liabilities" on the consolidated balance sheets of $3.4 million, mainly related to the potential underpayment of royalties in 2012 to 2016 and potential royalties on water revenues in 2019 to 2022.

Note 16 — FAIR VALUE MEASUREMENTS

We measure our financial assets and liabilities in accordance with Accounting Standards Codification ("ASC") Topic 820, *Fair Value Measurements and Disclosures.* ASC Topic 820 defines fair value as the price that would be received to sell an asset or paid to transfer a liability (an exit price) in an orderly transaction between market participants at the measurement date. The topic establishes market or observable inputs as the preferred sources of values, followed by assumptions based on hypothetical transactions in the absence of market inputs. The topic also establishes a hierarchy for grouping these assets and liabilities based upon the lowest level of input that is significant to the fair value measurement. The definition of each input is described below:

- Level 1—Quoted prices in active markets for identical assets and liabilities.
- Level 2—Quoted prices in active markets for similar assets and liabilities, quoted prices for identical or similar instruments in markets that are not active, and model-derived valuations whose inputs are observable or whose significant value drivers are observable.
- Level 3—Significant inputs to the valuation model that are unobservable.

The classification of fair value measurement within the hierarchy is based upon the lowest level of input that is significant to the measurement.

Other financial instruments consist primarily of cash equivalents, accounts receivable, refundable income taxes, accounts payable, accrued liabilities, and, if any, advances under our credit facility. With the exception of investment securities, we believe cost approximates fair value for our financial instruments because of the short-term nature of these instruments.

Cash Equivalents—As of December 31, 2024, and December 31, 2023, we had cash equivalents of $2.6 million and $0.5 million, respectively.

Held-to-Maturity Investments—As of December 31, 2024, and 2023, we owned debt investment securities classified as held-to-maturity because we have the intent and ability to hold these investments to maturity. Our held-to-maturity debt investment securities consisted of investment grade corporate bonds and U.S. government issued bonds.

Our held-to-maturity investments at December 31, 2024, and 2023, are carried at amortized cost and consist of the following (amounts in thousands):

	As of December 31, 2024			
	Amortized Cost	**Gross Unrealized Gains**	**Gross Unrealized Losses**	**Fair Value**
Short-term				
Corporate bonds	$ —	$ —	$ —	$ —
Government bonds	989	—	—	989
Total	$ 989	$ —	$ —	$ 989
Long-term				
Corporate bonds	$ —	$ —	$ —	$ —
Government bonds	—	—	—	—
Total	$ —	$ —	$ —	$ —

	As of December 31, 2023			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Short-term				
Corporate bonds	$ 991	$ —	$ (9)	$ 982
Government bonds	1,979	—	(13)	1,966
Total	$ 2,970	$ —	$ (22)	$ 2,948
Long-term				
Corporate bonds	$ —	$ —	$ —	$ —
Government bonds	954	1	(4)	951
Total	$ 954	$ 1	$ (4)	$ 951

Investments in Equity Securities—In May 2020, we acquired a non-controlling equity investment in W.D. Von Gonten Laboratories ("WDVGL") for $3.5 million. We initially accounted for this investment as an equity investment without a readily determinable fair value and elected to measure our investment, as permitted by GAAP, at cost plus or minus any adjustments for observable changes in prices resulting from orderly transactions for the identical or a similar investment of the same issuer or impairment.

In July 2022, WDVGL entered into an agreement (the “Purchase Agreement”) with National Energy Services Reunited Corporation (“NESR”), a British Virgin Islands corporation headquartered in Houston, Texas. Under the terms of the Purchase Agreement, WDVGL was combined with the consulting business owned by W.D. Von Gonten (“Consulting”) to form a new entity, W.D. Von Gonten Engineering, LLC (“Engineering”), and NESR purchased Engineering in a majority stock transaction at an agreed upon selling price. NESR stock received from the sale of Engineering was distributed to investors in WDVGL and Consulting in August 2024.

In February 2023, we received $0.2 million in cash for our investment in WDVGL. Initially, we recorded that cash received as a liability because we were required to return the cash to WDVGL if the sale of Engineering to NESR was not finalized. The sale of Engineering to NESR has since been finalized and the recorded value of our investment in WDVG was reduced to $3.3 million, which is the aggregate cost basis of the 336,773 shares of NESR stock we received in August 2024 related to the sale of WDVGL.

NESR trades on the over-the-counter “Pink Market.” As required by Accounting Standards Codification ("ASC") Topic 321 - *Investments-Equity Securities* ("ASC 321"), equity securities are valued at fair value in the Consolidated Balance Sheet at December 31, 2024, and unrealized gains and losses for investments in equity securities are included in the Consolidated Statement of Operations. At December 31, 2024, the fair value of our investment in NESR equity securities is $3.0 million, and is included in "Long-term investments" on the Consolidated Balance Sheet at December 31, 2024, and the unrealized loss of $0.3 million is included in "Other income" on the Consolidated Statement of Operations for the year ended December 31, 2024.

Equity Method Investments—We are a limited partner with a 16% interest in PEP Ovation, LP ("Ovation") as of December 31, 2024, and 2023. This investment is accounted for under the equity method whereby we recognize our proportional share of the income or loss from our investment in Ovation on a one-quarter lag and is included in "Long-term investments" on the Consolidated Balance Sheets. For the years ended December 31, 2024, and 2023, our proportional share of Ovation's net loss was $0.3 million and $0.5 million, respectively.

Note 17 — EMPLOYEE BENEFITS

401(k) Plan

We maintain a savings plan qualified under Internal Revenue Code Sections 401(a) and 401(k). The 401(k) Plan is available to eligible employees of our consolidated entities. Employees may contribute amounts as allowed by the U.S. Internal Revenue Service to the 401(k) Plan (subject to certain restrictions) in before-tax contributions. In January 2018, we increased the matching contributions on a dollar-for-dollar basis up to a maximum of 5% of the employee's base compensation. Our contributions to the 401(k) Plan in the following periods were (in thousands):

		Contributions
Year Ended December 31, 2024	$	2,066
Year Ended December 31, 2023	$	2,057
Year Ended December 31, 2022	$	1,760

Note 18 — BUSINESS SEGMENTS

Our operations are organized into three segments: potash, Trio®, and oilfield solutions. The reportable segments are determined by management based on several factors including the types of products and services sold, production processes, markets served and the financial information available for our chief operating decision maker. We evaluate performance based on the gross margins of the respective business segments and do not allocate corporate selling and administrative expenses, among others, to the respective segments. Intersegment sales prices are market-based and are eliminated in the "Other" column. Information for each segment is provided in the tables that follow (in thousands).

Year Ended December 31, 2024	Potash	Trio®	Oilfield Solutions	Other	Consolidated
Sales[1]	$ 124,833	$ 105,428	$ 24,685	$ (252)	$ 254,694
Less: Freight costs	13,176	25,841	—	(252)	38,765
Warehousing and handling costs	6,306	5,169	—	—	11,475
Cost of goods sold	83,974	69,980	17,461	—	171,415
Lower of cost or NRV inventory adjustments	3,957	—	—	—	3,957
Gross Margin	$ 17,420	$ 4,438	$ 7,224	$ —	$ 29,082
Depreciation, depletion, and amortization incurred[2]	$ 27,955	$ 3,500	$ 4,431	$ 1,803	$ 37,689

Year Ended December 31, 2023	Potash	Trio®	Oilfield Solutions	Other	Consolidated
Sales[1]	$ 155,920	$ 102,182	$ 21,310	$ (329)	$ 279,083
Less: Freight costs	14,753	23,211	—	(329)	37,635
Warehousing and handling costs	5,957	4,875	—	—	10,832
Cost of goods sold	97,452	74,308	15,518	—	187,278
Lower of cost or NRV inventory adjustments	2,709	3,783	—	—	6,492
Gross Margin (Deficit)	$ 35,049	$ (3,995)	$ 5,792	$ —	$ 36,846
Depreciation, depletion, and amortization incurred[2]	$ 28,378	$ 6,288	$ 3,849	$ 885	$ 39,400

Year Ended December 31, 2022	Potash	Trio®	Oilfield Solutions	Other	Consolidated
Sales[1]	$ 191,378	$ 117,826	$ 28,668	$ (304)	$ 337,568
Less: Freight costs	14,780	19,661	—	(304)	34,137
Warehousing and handling costs	5,305	4,442	—	—	9,747
Cost of goods sold	76,524	54,600	21,152	—	152,276
Gross Margin	$ 94,769	$ 39,123	$ 7,516	$ —	$ 141,408
Depreciation, depletion, and amortization incurred[2]	$ 26,572	$ 4,370	$ 3,298	$ 793	$ 35,033

[1] Segment sales include the sales of byproducts generated during the production of potash and Trio®.

[2] Depreciation, depletion, and amortization incurred for potash and Trio® excludes depreciation, depletion, and amortization absorbed in or (relieved from) inventory.

Our Chief Executive Officer is our chief operating decision maker who uses segment gross margins to assess the performance of each segment. Significant components of cost of goods sold are also provided to the chief operating decision maker to further evaluate segment performance and are shown below:

Year Ended December 31, 2024	**Potash**	**Trio®**	**Oilfield Solutions**	**Total**
Labor and benefits	$ 25,827	$ 31,626	$ 4,260	$ 61,713
Maintenance	5,861	8,224	1,029	15,114
Utilities and fuel	7,916	4,555	865	13,336
Operating supplies	5,969	8,952	295	15,216
Depreciation	21,808	4,488	4,499	30,795
Other[1]	16,593	12,135	6,513	35,241
Total cost of goods sold	$ 83,974	$ 69,980	$ 17,461	$ 171,415

Year Ended December 31, 2023	**Potash**	**Trio®**	**Oilfield Solutions**	**Total**
Labor and benefits	$ 29,174	$ 36,441	$ 5,162	$ 70,777
Maintenance	7,041	7,719	881	15,641
Utilities and fuel	9,627	7,117	1,085	17,829
Operating supplies	6,977	7,407	494	14,878
Depreciation	26,271	4,741	3,879	34,891
Other[1]	18,362	10,883	4,017	33,262
Total cost of goods sold	$ 97,452	$ 74,308	$ 15,518	$ 187,278

Year Ended December 31, 2022	**Potash**	**Trio®**	**Oilfield Solutions**	**Total**
Labor and benefits	$ 21,773	$ 24,562	$ 4,399	$ 50,734
Maintenance	5,105	6,663	771	12,539
Utilities and fuel	7,569	4,671	1,503	13,743
Operating supplies	5,211	5,579	349	11,139
Depreciation	20,444	3,607	3,241	27,292
Other[1]	16,422	9,518	10,889	36,829
Total cost of goods sold	$ 76,524	$ 54,600	$ 21,152	$ 152,276

[1] Other expense includes property taxes, insurance, royalties, and other miscellaneous expenses.

The following table shows the reconciliation of reportable segment sales to consolidated sales and the reconciliation of segment gross margins to consolidated income before taxes (in thousands):

	Year Ended December 31,		
	2024	2023	2022
Total sales for reportable segments	$ 254,946	$ 279,412	$ 337,872
Elimination of intersegment sales	(252)	(329)	(304)
Total consolidated sales	$ 254,694	$ 279,083	$ 337,568
Total gross margin for reportable segments	29,082	36,846	141,408
Elimination of intersegment sales	(252)	(329)	(304)
Elimination of intersegment expenses	252	329	304
Unallocated amounts:			
Selling and administrative	32,966	32,423	31,799
Impairment of long-lived assets	10,708	43,288	—
Loss on disposal of assets	1,952	807	7,470
Accretion of asset retirement obligation	2,489	2,140	1,961
Other operating income	(5,215)	(1,329)	(1,465)
Other operating expense	6,040	3,486	6,203
Equity in loss/(earnings) of unconsolidated entities	299	486	(689)
Interest expense, net	112	—	101
Interest income	(1,712)	(298)	(176)
Other non-operating income	(45)	(95)	(305)
(Loss) income before income taxes	$ (18,512)	$ (44,062)	$ 96,509

In each of the last three years ended December 31, 2024, 2023, and 2022, 94%, 95%, and 94%, respectively, of our total sales were sold to customers located in the U.S. All of our long-lived assets are located in the U.S.

Total assets are not presented for each reportable segment as they are not reviewed by, nor otherwise regularly provided to, the chief operating decision maker.

Note 19 — CONCENTRATION OF CREDIT RISK

Credit risk represents the loss that would be recognized at the reporting date if counterparties failed completely to perform as contracted. Concentrations of credit risk, whether on- or off-balance sheet, that arise from financial instruments exist for counterparties when they have similar economic characteristics that would cause their ability to meet contractual obligations to be similarly affected by changes in economic or other conditions.

Our products are marketed for sale into three primary markets. These markets are the agricultural market as a fertilizer, the industrial market as a component in drilling fluids for oil and gas exploration, and the animal feed market as a nutrient. Credit risks associated with the collection of accounts receivable are primarily related to the impact of external factors on our customers. Our customers are distributors and end-users whose creditworthiness and ability to meet their payment obligations will be affected by factors in their industries and markets. Those factors include soil nutrient levels, crop prices, weather, the type of crops planted, changes in diets, growth in population, the amount of land under cultivation, fuel prices and consumption, oil and gas drilling and completion activity, the demand for biofuels, government policy, and the relative value of currencies. Our industrial sales are significantly influenced by oil and gas drilling activity.

In 2024, 2023, and 2022, we had one customer in our potash and Trio® segments that accounted for approximately $25.6 million, $33.4 million, and $35.0 million of our total consolidated revenues, respectively. See Item 1A. "Risks Related to Financial Position, Indebtedness and Additional Capital Needs - The loss or substantial decline in revenue from larger customers or certain industries could have a material adverse effect on our revenues, profitability, and liquidity."

We maintain cash accounts with several financial institutions. At times, the balances in the accounts may exceed the $250,000 balance insured by the Federal Deposit Insurance Corporation.

Note 20 — FINANCIAL INFORMATION FOR SUBSIDIARY GUARANTORS OF POSSIBLE FUTURE PUBLIC DEBT

Intrepid Potash, Inc., as the parent company, has no independent assets or operations, and operations are conducted solely through its subsidiaries. Cash generated from operations is held at the parent company level as cash on hand and short- and long-term investments. Cash and cash equivalents totaled $41.3 million and $4.1 million at December 31, 2024, and 2023, respectively. In the event that one or more of our wholly-owned operating subsidiaries guarantee public debt securities in the future, those guarantees will be full and unconditional and will constitute the joint and several obligations of the subsidiary guarantors. Our other subsidiaries are minor. There are no restrictions on our ability to obtain cash dividends or other distributions of funds from the subsidiary guarantors, except those imposed by applicable law.

Note 21 — SHARE REPURCHASE PROGRAM

In February 2022, our Board of Directors approved a $35 million share repurchase program. Under the share repurchase program, we may repurchase shares from time to time in the open market or in privately negotiated transactions. The timing, volume and nature of share repurchases, if any, will be at our sole discretion and will be dependent on market conditions, liquidity, applicable securities laws, and other factors. We may suspend or discontinue the share repurchase program at any time.

We made no repurchases of shares of our common stock for the twelve months ended December 31, 2024, and 2023. In 2022, we repurchased 608,657 shares of our common stock and paid $22.0 million under the share repurchase program.

As of December 31, 2024, we have approximately $13.0 million of remaining availability under the share repurchase program.

SCHEDULE II - VALUATION AND QUALIFYING ACCOUNTS

	(In thousands)			
Description	**Balance at Beginning of Year**	**Charged to Costs and Expenses**	**Deductions**	**Balance at End of Year**
For the Year Ended December 31, 2022				
Allowances deducted from assets				
Deferred tax assets - valuation allowance	2,033	—	—	2,033
Reserve for parts inventory obsolescence	3,158	1,750	(3,646)	1,262
Allowance for doubtful accounts and other receivables	555	—	—	555
Total allowances deducted from assets	$ 5,746	$ 1,750	$ (3,646)	$ 3,850
For the Year Ended December 31, 2023				
Allowances deducted from assets				
Deferred tax assets - valuation allowance	2,033	1,121	—	3,154
Reserve for parts inventory obsolescence	1,262	509	(856)	915
Allowance for doubtful accounts and other receivables	555	110	—	665
Total allowances deducted from assets	$ 3,850	$ 1,740	$ (856)	$ 4,734
For the Year Ended December 31, 2024				
Allowances deducted from assets				
Deferred tax assets - valuation allowance	3,154	199,006	—	202,160
Reserve for parts inventory obsolescence	915	1,843	(1,521)	1,237
Allowance for doubtful accounts and other receivables	665	120	(630)	155
Total allowances deducted from assets	$ 4,734	$ 200,969	$ (2,151)	$ 203,552

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

We maintain "disclosure controls and procedures." Our disclosure controls and procedures are designed to ensure that information required to be disclosed by us in reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in SEC rules and forms. Our disclosure controls and procedures are also designed to ensure that this information is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosure. Under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, we conducted an evaluation of our disclosure controls and procedures as of December 31, 2024. Based on this evaluation, our principal executive officer and principal financial officer have concluded that our disclosure controls and procedures were effective as of December 31, 2024, at the reasonable assurance level.

Management's Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate "internal control over financial reporting." Our internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP. Under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, we conducted an evaluation of the effectiveness of our internal control over financial reporting as of December 31, 2024, based on the criteria established in *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in 2013.

Based on the results of our evaluation, our management concluded that our internal control over financial reporting was effective as of December 31, 2024.

The effectiveness of our internal control over financial reporting as of December 31, 2024, has been audited by KPMG LLP, our independent registered public accounting firm, as stated in their report which appears herein.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting that occurred during the three months ended December 31, 2024, that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Inherent Limitations on Effectiveness of Controls

Our management, including our principal executive officer and principal financial officer, do not expect that our disclosure controls or our internal control over financial reporting will prevent all errors and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within Intrepid have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of a simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the controls. The design of any system of controls also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Over time, controls may become inadequate because of changes in conditions, or the degree of compliance with policies or procedures may deteriorate. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

ITEM 9B. OTHER INFORMATION

During the three months ended December 31, 2024, no director or officer of the Company adopted, modified or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement" as each term is defined in Item 408 of Regulation S-K.

ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

None

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Information required by this item will be included in the proxy statement for our 2025 annual stockholders' meeting and is incorporated by reference into this Annual Report.

ITEM 11. EXECUTIVE COMPENSATION

Information required by this item will be included in the proxy statement for our 2025 annual stockholders' meeting and is incorporated by reference into this Annual Report.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

Information required by this item will be included in the proxy statement for our 2025 annual stockholders' meeting and is incorporated by reference into this Annual Report.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

Information required by this item will be included in the proxy statement for our 2025 annual stockholders' meeting and is incorporated by reference into this Annual Report.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

Information required by this item will be included in the proxy statement for our 2025 annual stockholders' meeting and is incorporated by reference into this Annual Report.

PART IV

ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES

(a) Financial Statements, Financial Statement Schedules and Exhibits

The following are filed as a part of this Annual Report:

(1) Financial Statements

Management's Report on Internal Control over Financial Reporting
Report of Independent Registered Accounting Firm (KPMG LLP, Denver, CO Auditor Firm ID 185)
Consolidated Balance Sheets as of December 31, 2024, and 2023
Consolidated Statements of Operations for the years ended December 31, 2024, 2023, and 2022
Consolidated Statements of Stockholders' Equity for the years ended December 31, 2024, 2023, and 2022
Consolidated Statements of Cash Flows for the years ended December 31, 2024, 2023, and 2022
Notes to Consolidated Financial Statements

(2) Financial Statement Schedule

Schedule	Schedule Description
Schedule II	Schedule of Valuation and Qualifying Accounts

Schedule II is filed as part of this Annual Report and is set forth immediately following the Notes to the Consolidated Financial Statements referred to above. All other financial statement schedules have been omitted because they are not required, are not applicable, or the information is included in the consolidated financial statements or notes thereto.

(3) Exhibits

The following exhibits are filed or incorporated by reference in this report:

Exhibit Number	Exhibit Description	Incorporated by Reference from the Below-Listed Form (Each Filed under SEC File Number 001-34025) Form	Filing Date
3.1	Restated Certificate of Incorporation of Intrepid Potash, Inc.	8-K	April 25, 2008
3.2	Certificate of Amendment to Restated Certificate of Incorporation of Intrepid Potash, Inc.	8-K	May 26, 2016
3.3	Certificate of Amendment to Restated Certificate of Incorporation of Intrepid Potash, Inc.	8-K	August 14, 2020
3.4	Second Amended and Restated Bylaws of Intrepid Potash, Inc.	8-K	September 16, 2024
4.1	Description of Registrant's Securities	10-K	March 7, 2023
10.1	Form of Indemnification Agreement with each director and officer	*	
10.2	Registration Rights Agreement, dated as of April 25, 2008, by and among Intrepid Potash, Inc., Harvey Operating & Production Company, Intrepid Production Corporation, and Potash Acquisition, LLC	8-K	May 1, 2008
10.3	Amended and Restated Credit Agreement, dated as of August 1, 2019, by and among Intrepid Potash, Inc., the subsidiaries party thereto, Bank of Montreal, as administrative agent, swing line lender, lead arranger, and book runner, and the lenders party thereto.	8-K	August 1, 2019
10.4	First Amended and Restated Credit Agreement, dated as of April 17, 2020, by and among Intrepid Potash, Inc., the subsidiaries party thereto, Bank of Montreal, as administrative agent, swing line lender, lead arranger, and book runner, and the lenders party thereto.	8-K	April 23, 2020

10.5	Second Amendment to Amended and Restated Credit Agreement, dated as of August 4, 2022, among Intrepid Potash, Inc., the subsidiaries party thereto, the lenders party thereto, and Bank of Montreal as administrative agent.	8-K	August 9, 2022
10.6	Intrepid Potash, Inc. Amended and Restated Equity Incentive Plan+	8-K	May 23, 2022
10.7	Form of Restricted Stock Agreement+	10-K	March 2, 2021
10.8	Form of Stock Option Agreement+	10-K	March 2, 2021
10.9	Form of Restricted Stock Agreement (2024 revision)+	*	
10.10	Form of Performance Restricted Stock Unit Grant Notice+	*	
10.11	Form of Performance Restricted Stock Unit Agreement+	*	
10.12	Intrepid Potash, Inc. Amended and Restated Short-Term Incentive Plan+	8-K	May 26, 2016
10.13	Form of Noncompete Agreement with executives other than Kevin S. Crutchfield+	10-K	February 28, 2017
10.14†#	Cooperative Development Agreement, effective as of February 28, 2011, among Intrepid Potash, Inc., Intrepid Potash-New Mexico, LLC, BOPCO, L.P. and the other parties thereto (as amended prior to the Amendment).	8-K	December 13, 2023
10.15†#	Third Amendment of Cooperative Development Agreement, effective as of January 1, 2024, among Intrepid Potash, Inc., Intrepid Potash-New Mexico, LLC, XTO Holdings, LLC and XTO Delaware Basin, LLC	8-K	December 13, 2023
10.16	Separation Agreement and General Release, dated as of September 30, 2024, by and between Intrepid Potash, Inc. and Louisa Craft Jornayvaz as Guardian and Conservator for and on behalf of Robert P. Jornayvaz III.	8-K	October 24, 2024
10.17	Executive Employment Agreement, effective December 2, 2024, between Intrepid Potash, Inc. and Kevin S. Crutchfield.	8-K	December 2, 2024
19.1	Insider Trading Policy	*	
21.1	List of Subsidiaries	10-K	March 7, 2024
23.1	Consent of KPMG LLP	*	
23.2	Consent of RESPEC LLC	*	
31.1	Certification of Principal Executive Officer pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a)	*	
31.2	Certification of Principal Financial Officer pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a)	*	
32.1	Certification of Principal Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002	**	
32.2	Certification of Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002	**	
95.1	Mine Safety Disclosure Exhibit	*	
96.1	Technical Report Summary of the 2024 Estimated Resources and Reserves at Intrepid Potash - New Mexico	*	
96.2	Technical Report Summary of the 2023 Estimated Resources and Reserves at Intrepid Potash - Moab	10-K	March 7, 2024
96.3	Technical Report Summary of the 2023 Estimated Resources and Reserves at Intrepid Potash - Wendover	10-K	March 7, 2024
97.1	Intrepid Potash, Inc. Incentive Compensation Recovery Policy	10-K	March 17, 2024
99.1	Transition Services Agreement, dated as of April 25, 2008, by and between Intrepid Potash, Inc., Intrepid Oil & Gas, LLC, and Intrepid Potash-Moab, LLC	8-K	May 1, 2008
99.2	Extension and Amendment to Transition Services Agreement dated July 14, 2009, to be effective as of April 25, 2009, between Intrepid Potash, Inc. and Intrepid Oil & Gas, LLC	10-Q	August 7, 2009
99.3	Third Amendment to Transition Services Agreement dated March 26, 2010, between Intrepid Potash, Inc. and Intrepid Oil & Gas, LLC	10-Q	May 5, 2010

99.4	Fourth Amendment to Transition Services Agreement dated March 25, 2011, between Intrepid Potash, Inc. and Intrepid Oil and Gas, LLC	10-Q	May 5, 2011
99.5	Sixth Amendment to Transition Services Agreement dated April 3, 2013, between Intrepid Potash, Inc. and Intrepid Oil & Gas, LLC	10-Q	May 2, 2013
99.6	Seventh Amendment to Transition Services Agreement dated March 24, 2015, between Intrepid Potash, Inc. and Intrepid Oil & Gas, LLC	10-Q	April 28, 2015
99.7	Eighth Amendment to Transition Services Agreement dated March 22, 2017, between Intrepid Potash, Inc. and Intrepid Oil & Gas, LLC	10-Q	May 2, 2017
99.8	Ninth Amendment to Transition Services Agreement dated February 20, 2019, between Intrepid Potash, Inc. and Intrepid Oil & Gas, LLC.	10-K	March 12, 2019
101.INS	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded with the Inline XBRL document.	*	
101.SCH	Inline XBRL Taxonomy Extension Schema Document	*	
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document	*	
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document	*	
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document	*	
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document	*	
104	Cover Page Interactive Date File (embedded within the Inline XBRL document and contained in Exhibit.		

* Filed herewith

** Furnished herewith

\+ Management contract or compensatory plan or arrangement

† Schedules and exhibits have been omitted pursuant to Item 601(a)(5) of Regulation S_K. The Company hereby undertakes to supplementally furnish copies of any omitted schedules and exhibits to the SEC upon request.

\# Certain portions of the exhibit have been omitted pursuant to Item 601(b)(10) of Regulation S-K. The omitted information is not material and is the type of information that the registrant treats as private or confidential. The Company hereby undertakes to furnish supplemental copies of the unredacted exhibit upon request by the SEC.

ITEM 16. FORM 10-K SUMMARY

Not applicable.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

INTREPID POTASH, INC.
(Registrant)

March 4, 2025 *Kevin S. Crutchfield*

Kevin S. Crutchfield - Chief Executive Officer
(Principal Executive Officer and Duly Authorized Officer)

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signature	Title	Date
/s/ Kevin S. Crutchfield Kevin S. Crutchfield	Chief Executive Officer (Principal Executive Officer) and Director	March 4, 2025
/s/ Matthew D. Preston Matthew D. Preston	Chief Financial Officer (Principal Financial Officer)	March 4, 2025
/s/ Cris Ingold Cris Ingold	Chief Accounting Officer (Principal Accounting Officer)	March 4, 2025
/s/ Barth E. Whitham Barth E. Whitham	Chair of the Board	March 4, 2025
/s/ Gonzalo M. Avendano Gonzalo M. Avendano	Director	March 4, 2025
/s/ Chris A. Elliott Chris A. Elliott	Director	March 4, 2025
/s/ Hugh E. Harvey, Jr. Hugh E. Harvey, Jr.	Director	March 4, 2025
/s/ Lori A. Lancaster Lori A. Lancaster	Director	March 4, 2025
/s/ Mary E. McBride Mary E. McBride	Director	March 4, 2025
/s/ William M. Zisch William M. Zisch	Director	March 4, 2025

INDEMNIFICATION AGREEMENT

THIS INDEMNIFICATION AGREEMENT, dated as of [●], 202[●], is made by and between Intrepid Potash, Inc., a Delaware corporation (the “Company”) and (the “Indemnitee”).

RECITALS

A. The Company recognizes that competent and experienced persons are increasingly reluctant to serve or to continue to serve as directors or officers of corporations unless they are protected by comprehensive liability insurance or indemnification, or both, due to increased exposure to litigation costs and risks resulting from their service to such corporations, and due to the fact that the exposure frequently bears no reasonable relationship to the compensation of such directors and officers.

B. The statutes and judicial decisions regarding the duties of directors and officers are often difficult to apply, ambiguous, or conflicting, and therefore fail to provide such directors and officers with adequate, reliable knowledge of legal risks to which they are exposed or information regarding the proper course of action to take.

C. The Company and Indemnitee recognize that plaintiffs often seek damages in such large amounts and the costs of litigation may be so enormous (whether or not the case is meritorious), that the defense and/or settlement of such litigation is often beyond the personal resources of directors and officers.

D. The Company believes that it is unfair for its directors and officers and the directors and officers of its subsidiaries to assume the risk of huge judgments and other expenses which may occur in cases in which the director or officer received no personal profit and in cases where the director or officer was not culpable.

E. The Company, after reasonable investigation, has determined that the liability insurance coverage presently available to the Company or its subsidiaries may be inadequate in certain circumstances to cover all possible exposure for which Indemnitee should be protected. The Company believes that the interests of the Company and its stockholders would best be served by a combination of such insurance and the indemnification by the Company of the directors and officers of the Company.

F. The Company’s Restated Certificate of Incorporation (the “Certificate of Incorporation”) requires the Company to indemnify its directors and officers to the fullest extent permitted by the Delaware General Corporation Law (the “DGCL”). The Certificate of Incorporation expressly provides that the indemnification provisions set forth therein are not exclusive, and contemplates that contracts may be entered into between the Company and its directors and officers with respect to indemnification.

G. Section 145 of the DGCL (“Section 145”), under which the Company is organized, empowers the Company to indemnify its officers, directors, employees and agents by agreement and to indemnify persons who serve, at the request of the Company, as the directors, officers, employees or agents of other corporations or enterprises, and expressly provides that the indemnification provided by Section 145 is not exclusive.

H. Section 102(b)(7) of the DGCL allows a corporation to include in its certificate of incorporation a provision limiting or eliminating the personal liability of a director for monetary damages in respect of claims by stockholders and corporations for breach of certain fiduciary duties, and the Company has so provided in its Certificate of Incorporation that each director shall be exculpated from such liability to the maximum extent permitted by law.

I. The Board of Directors has determined that contractual indemnification as set forth herein is not only reasonable and prudent but also promotes the best interests of the Company and its stockholders.

J. The Company desires and has requested Indemnitee to serve or continue to serve as a director or officer of the Company and/or one or more subsidiaries of the Company free from undue concern for unwarranted claims for damages arising out of or related to such services to the Company and/or one or more subsidiaries of the Company.

K. Indemnitee is willing to serve, continue to serve or to provide additional service for or on behalf of the Company and/or one or more subsidiaries of the Company on the condition that Indemnitee is furnished the indemnity provided for herein.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth below, and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto, intending to be legally bound, hereby agree as follows:

1. **Right to Indemnification.** To the fullest extent permitted by the laws of the State of Delaware:

(a) The Company shall indemnify Indemnitee if Indemnitee was or is a party or is threatened to be made a party to any threatened, pending or completed proceeding (including any investigations) by reason of the fact that Indemnitee is or was or has agreed to serve at the request of the Company as a director, officer, employee or agent (which for purposes hereof, shall include a trustee, partner or manager or similar capacity) of the Company, or while serving as a director or officer of the Company, is or was serving or has agreed to serve at the request of the Company as a director, officer, employee or agent (which, for purposes hereof, shall include a trustee, partner or manager or similar capacity) of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise, or by reason of any action alleged to have been taken or omitted in such capacity. For the avoidance of doubt, the foregoing indemnification obligation includes, without limitation, claims for monetary damages against Indemnitee in respect of an alleged breach of fiduciary duties, to the fullest extent permitted under Section 102(b)(7) of the DGCL as in existence on the date hereof.

(b) The indemnification provided by this Section 1 shall be from and against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by Indemnitee or on Indemnitee's behalf in connection with such proceeding and any appeal therefrom, but shall only be provided if Indemnitee acted in good faith and in a manner Indemnitee reasonably believed to be in or not opposed to the best interests of the Company, and, with respect to any criminal proceeding, had no reasonable cause to believe Indemnitee's conduct was unlawful.

(c) Notwithstanding the foregoing provisions of this Section 1, in the case of any threatened, pending or completed action or suit by or in the right of the Company to procure a judgment in its favor by reason of the fact that Indemnitee is or was a director, officer, employee or agent of the Company, or while serving as a director or officer of the Company, is or was serving or has agreed to serve at the request of the Company as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise, Indemnitee shall be entitled to the rights of indemnification provided for herein in connection with such action or suit if the Indemnitee acted in good faith and in a manner the Indemnitee reasonably believed to be in or not opposed to the best interests of the Company; provided, however, if applicable law so provides, no indemnification shall be made in respect of any such claim, issue or matter as to which Indemnitee shall have been finally adjudged to be liable to the Company unless, and only to the extent that, the Delaware Court of Chancery or the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, Indemnitee is fairly and reasonably entitled to indemnity for such expenses which the Delaware Court of Chancery or such other court shall deem proper.

(d) The termination of any proceeding by judgment, order, settlement, conviction, or upon a plea of *nolo contendere* or its equivalent, shall not create a presumption that Indemnitee did not act in good faith and in a manner which Indemnitee reasonably believed to be in or not opposed to the best interests of the Company, and, with respect to any criminal action or proceeding, had reasonable cause to believe that Indemnitee's conduct was unlawful. In addition, neither the failure of the party making the determination as specified in Section 3 below (the "reviewing party") to have made a determination as to whether Indemnitee has met any particular standard of conduct or had any particular belief, nor an actual determination by the reviewing party that Indemnitee has not met such standard of conduct or did not have such belief, prior to the commencement of legal proceedings by Indemnitee to secure a judicial determination that Indemnitee should be indemnified under applicable law, shall be a defense in such legal proceedings to Indemnitee's claim or create a presumption that Indemnitee has not met any particular standard of conduct or did not have any particular belief. In connection with any determination by the reviewing party or otherwise as to whether Indemnitee is entitled to be indemnified hereunder, the burden of proof shall be on the Company to establish by clear and convincing evidence that Indemnitee is not so entitled.

(e) The indemnification and contribution provided for herein will remain in full force and effect regardless of any investigation made by or on behalf of Indemnitee or any officer, director, employee, agent or controlling person of Indemnitee.

2. **Successful Defense: Partial Indemnification.**

(a) To the extent that Indemnitee has been successful on the merits or otherwise in defense of any proceeding referred to in Section 1 hereof or in defense of any claim, issue or matter therein, Indemnitee shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred in connection therewith. For purposes of this Agreement and without limiting the foregoing, if any proceeding is disposed of, on the merits or otherwise (including a disposition without prejudice), without:

(i) the disposition being adverse to Indemnitee;
(ii) an adjudication that Indemnitee was liable to the Company;
(iii) a plea of guilty or *nolo contendere* by Indemnitee;
(iv) an adjudication that Indemnitee did not act in good faith and in a manner Indemnitee reasonably believed to be in or not opposed to the best interests of the Company; and
(v) with respect to any criminal proceeding, an adjudication that Indemnitee had reasonable cause to believe Indemnitee's conduct was unlawful, Indemnitee shall be considered for the purposes hereof to have been wholly successful with respect thereto.

(b) If Indemnitee is entitled under any provision of this Agreement to indemnification by the Company for some or a portion of the expenses (including attorneys' fees), judgments, fines or amounts paid in settlement actually and reasonably incurred by Indemnitee or on Indemnitee's behalf in connection with any proceeding, or in defense of any claim, issue or matter therein, and any appeal therefrom but not, however, for the total amount thereof, the Company shall nevertheless indemnify Indemnitee for the portion of such expenses (including attorneys' fees), judgments, fines or amounts paid in settlement to which Indemnitee is entitled.

3. **Determination That Indemnification Is Proper.** Any indemnification hereunder shall (unless otherwise ordered by a court) be made by the Company unless a determination is made that indemnification of such person is not proper in the circumstances because he or she has not met the applicable standard of conduct set forth in Section 1(b) hereof. Any such determination shall be made:

(i) by a majority vote of the directors who are not parties to the proceeding in question ("disinterested directors"), even if less than a quorum;
(ii) by a majority vote of a committee of disinterested directors designated by majority vote of disinterested directors, even if less than a quorum;
(iii) by a majority vote of a quorum of the outstanding shares of stock of all classes entitled to vote on the matter, voting as a single class, which quorum shall consist of stockholders who are not at that time parties to the proceeding in question;
(iv) by independent legal counsel; or
(v) by a court of competent jurisdiction.

4. **Advance Payment of Expenses: Notification and Defense of Claim.**

(a) Expenses (including attorneys' fees) incurred by Indemnitee in defending a threatened or pending proceeding, or in connection with an enforcement action pursuant to Section 5(b) or Section 7(b), shall be paid by the Company in advance of the final disposition of such proceeding within twenty (20) days after receipt by the

Company of (i) a statement or statements from Indemnitee requesting such advance or advances from time to time, and (ii) an undertaking by or on behalf of Indemnitee to repay such amount or amounts, only if, and to the extent that, it shall ultimately be determined that Indemnitee is not entitled to be indemnified by the Company as authorized by this Agreement or otherwise. Such undertaking shall be accepted without reference to the financial ability of Indemnitee to make such repayment. Advances shall be unsecured and interest-free.

(b) Within thirty (30) days after receipt by Indemnitee of notice of the commencement of any proceeding, Indemnitee shall, if a claim thereof is to be made against the Company hereunder, notify the Company of the commencement thereof. The failure to timely notify the Company of the commencement of the proceeding, or Indemnitee's request for indemnification, will not relieve the Company from any liability that it may have to Indemnitee hereunder, except to the extent the Company is prejudiced in its defense of such proceeding as a result of such failure.

(c) In the event the Company shall be obligated to pay the expenses of Indemnitee with respect to any proceeding, as provided in this Agreement, the Company, if appropriate, shall be entitled to assume the defense of such proceeding, with counsel reasonably acceptable to Indemnitee, upon the delivery to Indemnitee of written notice of its election to do so. After delivery of such notice, approval of such counsel by Indemnitee and the retention of such counsel by the Company, the Company will not be liable to Indemnitee under this Agreement for any fees of counsel subsequently incurred by Indemnitee with respect to the same proceeding, provided that:

(i) Indemnitee shall have the right to employ Indemnitee's own counsel in such proceeding at Indemnitee's expense; and

(ii) if (A) the employment of counsel by Indemnitee has been previously authorized in writing by the Company, (B) counsel to the Company or Indemnitee shall have reasonably concluded that there may be a conflict of interest or position, or reasonably believes that a conflict is likely to arise, on any significant issue between the Company and Indemnitee in the conduct of any such defense or (C) the Company shall not, in fact, have employed counsel to assume the defense of such proceeding, then (in each case) the fees and expenses of Indemnitee's counsel shall be at the expense of the Company, except as otherwise expressly provided by this Agreement.

The Company shall not be entitled, without the consent of Indemnitee, to assume the defense of any claim brought by or in the right of the Company or as to which counsel for the Company or Indemnitee shall have reasonably made the conclusion provided for in clause (B) above.

(d) Notwithstanding any other provision of this Agreement to the contrary, to the extent that Indemnitee is, by reason of Indemnitee's corporate status with respect to the Company or any corporation, partnership, joint venture, trust, employee benefit plan or other enterprise which Indemnitee is or was serving or has agreed to serve at the request of the Company, a witness or otherwise participates in any proceeding at a time when Indemnitee is not a party in the proceeding, the Company shall indemnify Indemnitee against all expenses (including attorneys' fees) actually and reasonably incurred by Indemnitee or on Indemnitee's behalf in connection therewith.

5. **Procedure for Indemnification.**

(a) To obtain indemnification, Indemnitee shall promptly submit to the Company a written request, including therein or therewith such documentation and information as is reasonably available to Indemnitee and is reasonably necessary to determine whether and to what extent Indemnitee is entitled to indemnification. The Company shall, promptly upon receipt of such a request for indemnification, advise the Board of Directors in writing that Indemnitee has requested indemnification.

(b) The Company's determination whether to grant Indemnitee's indemnification request shall be made promptly, and in any event within 45 days following receipt of a request for indemnification pursuant to Section 5(a). The right to indemnification as granted by Section 1 of this Agreement shall be enforceable by Indemnitee in any court of competent jurisdiction if the Company denies such request, in whole or in part, or fails to respond within such 45-day period. It shall be a defense to any such action (other than an action brought to enforce a claim for the advance of costs, charges and expenses under Section 4 hereof where the required undertaking, if any, has been received by the Company) that Indemnitee has not met the standard of conduct set forth in Section 1 hereof, but the burden of proving such defense by clear and convincing evidence shall be on the Company. Neither the failure of the Company (including its Board of Directors or one of its committees, its independent legal counsel, and its stockholders) to have made a determination prior to the commencement of such action that indemnification of Indemnitee is proper in the circumstances because Indemnitee has met the applicable standard of conduct set forth in Section 1 hereof, nor the fact that there has been an actual determination by the Company (including its Board of Directors or one of its committees, its independent legal counsel, and its stockholders) that Indemnitee has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that Indemnitee has or has not met the applicable standard of conduct. The Indemnitee's expenses (including attorneys' fees) incurred in connection with successfully establishing Indemnitee's right to indemnification, in whole or in part, in any such proceeding or otherwise shall also be indemnified by the Company.

(c) The Indemnitee shall be presumed to be entitled to indemnification under this Agreement upon submission of a request for indemnification pursuant to this Section 5, and the Company shall have the burden of proof in overcoming that presumption in reaching a determination contrary to that presumption. Such presumption shall be used as a basis for a determination of entitlement to indemnification unless the Company overcomes such presumption by clear and convincing evidence.

6. **Insurance and Subrogation.**

(a) The Company shall purchase and maintain insurance in reasonable amounts from established and reputable insurers on behalf of Indemnitee (which shall include so called "tail" coverage) who is or was or has agreed to serve at the request of the Company as a director or officer of the Company, or is or was serving at the request of the Company as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise against any liability asserted against, and incurred by, Indemnitee or on Indemnitee's behalf in any such capacity, or arising out of Indemnitee's status as such, whether or not the Company would have the power to indemnify Indemnitee against such liability under the provisions of this Agreement. If the Company has such insurance in effect at the time the Company receives from Indemnitee any notice of the commencement of a proceeding, the Company shall give prompt notice of the commencement of such proceeding to the insurers in accordance with the procedures set forth in the policy. The Company shall thereafter take all necessary or desirable action to cause such insurers to pay, on behalf of the Indemnitee, all amounts payable as a result of such proceeding in accordance with the terms of such policy.

(b) In the event of any payment by the Company under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of Indemnitee with respect to any insurance policy, who shall execute all papers required and take all action necessary to secure such rights, including execution of such documents as are necessary to enable the Company to bring suit to enforce such rights in accordance with the terms of such insurance policy. The Company shall pay or reimburse all expenses actually and reasonably incurred by Indemnitee in connection with such subrogation.

(c) The Company shall not be liable under this Agreement to make any payment of amounts otherwise indemnifiable hereunder (including, but not limited to, judgments, fines, ERISA excise taxes or penalties, and amounts paid in settlement) if and to the extent that Indemnitee has otherwise actually received such payment under this Agreement or any insurance policy, contract, agreement or otherwise.

7. **Limitation on Indemnification.** Notwithstanding any other provision herein to the contrary, the Company shall not be obligated pursuant to this Agreement:

(a) Claims Initiated by Indemnitee. To indemnify or advance expenses to Indemnitee with respect to any proceeding (or part thereof) initiated by Indemnitee, except with respect to a proceeding brought to establish or enforce a right to indemnification (which shall be governed by the provisions of Section 7(b) of this Agreement), unless such proceeding (or part thereof) was authorized or consented to by the Board of Directors of the Company.

(b) Action for Indemnification. To indemnify Indemnitee for any expenses incurred by Indemnitee with respect to any proceeding instituted by Indemnitee to enforce or interpret this Agreement, unless Indemnitee is successful in establishing Indemnitee's right to indemnification in such proceeding, in whole or in part, or unless and to the extent that the court in such proceeding shall determine that, despite Indemnitee's failure to establish their right to indemnification, Indemnitee is entitled to indemnity for such expenses; provided, however, that nothing in this Section 7(b) is intended to limit the Company's obligation with respect to the advancement of expenses to Indemnitee in connection with any such proceeding instituted by Indemnitee to enforce or interpret this Agreement, as provided in Section 4 hereof.

(c) Section 16 Violations. To indemnify Indemnitee on account of any proceeding with respect to which final judgment is rendered against Indemnitee for payment or an accounting of profits arising from the purchase or sale by Indemnitee of securities in violation of Section 16(b) of the Securities Exchange Act of 1934, as amended, or any similar successor statute.

(d) Certain Settlement Provisions. To indemnify Indemnitee for amounts paid in settlement of any proceeding without the Company's prior written consent, which shall not be unreasonably withheld. The Company shall not settle any proceeding in any manner that would impose any fine or other obligation on Indemnitee without Indemnitee's prior written consent, which shall not be unreasonably withheld.

8. **Contribution.** In order to provide for just and equitable contribution in circumstances in which the indemnification provided for herein is held by a court of competent jurisdiction to be unavailable to Indemnitee in whole or in part, it is agreed that, in such event, the Company shall (whether or not it is jointly liable with Indemnitee or would be joined in any proceeding), to the fullest extent permitted by law, contribute to the payment of Indemnitee's costs, charges and expenses (including attorneys' fees), judgments, fines and amounts paid in settlement with respect to any proceeding, whether civil, criminal, administrative or investigative, in an amount that is just and equitable in the circumstances, taking into account, among other things, contributions by other directors and officers of the Company or others pursuant to indemnification agreements or otherwise; provided, that, without limiting the generality of the foregoing, such contribution shall not be required where such holding by the court is due to (i) the failure of Indemnitee to meet the standard of conduct set forth in Section 1 hereof, or (ii) any limitation on indemnification set forth in Section 6(c) or 7 hereof.

9. **Non-Exclusivity.** The provisions for indemnification and advancement of expenses set forth in this Agreement shall not be deemed exclusive of any other rights which Indemnitee may have under any provision of law, the Company's Certificate of Incorporation or Bylaws, in any court in which a proceeding is brought, the vote of the Company's stockholders or disinterested directors, other agreements or otherwise, and Indemnitee's rights hereunder shall continue after Indemnitee has ceased acting as an agent of the Company and shall inure to the benefit of the heirs, executors and administrators of Indemnitee. However, no amendment or alteration of the Company's Certificate of Incorporation or Bylaws or any other agreement shall adversely affect the rights provided to Indemnitee under this Agreement.

10. **Enforcement.** The Company shall be precluded from asserting in any judicial proceeding that the procedures and presumptions of this Agreement are not valid, binding and enforceable. The Company agrees that its execution of this Agreement shall constitute a stipulation by which it shall be irrevocably bound in any court of competent jurisdiction in which a proceeding by Indemnitee for enforcement of his rights hereunder shall have been commenced, continued or appealed, that its obligations set forth in this Agreement are unique and special, and that failure of the Company to comply with the provisions of this Agreement will cause irreparable and irremediable injury to Indemnitee, for which a remedy at law will be inadequate. As a result, in addition to any other right or remedy Indemnitee may have at law or in equity with respect to breach of this Agreement, Indemnitee shall be entitled to injunctive or mandatory relief directing specific performance by the Company of its obligations under this Agreement.

11. **Interpretation of Agreement.**

(a) It is understood that the parties hereto intend this Agreement to be interpreted and enforced so as to provide indemnification to Indemnitee to the fullest extent now or hereafter permitted by law, including in those circumstances in which indemnification would otherwise be discretionary.

(b) If the DGCL is amended after adoption of this Agreement to expand further the indemnification permitted to directors or officers, then the Company shall indemnify Indemnitee to the fullest extent permitted by the DGCL, as so amended.

12. **No Employment Rights.** Nothing in this Agreement is intended to create in Indemnitee any right to employment or continued employment.

13. **Survival of Rights.**

(a) All agreements and obligations of the Company contained herein shall continue during the period Indemnitee is a director, officer, employee or agent of the Company and shall continue thereafter so long as Indemnitee shall be subject to any possible claim or threatened, pending or completed proceeding by reason of the fact that Indemnitee was serving in the capacity referred to herein.

(b) The Company shall require any successor to the Company (whether direct or indirect, by purchase, merger, consolidation or otherwise) or to all, substantially all or a substantial part of the business and/or assets of the Company, by written agreement in form and substance satisfactory to Indemnitee, expressly to assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform if no such succession had taken place.

(c) All of the terms and provisions of this Agreement shall be binding upon, shall inure to the benefit of and shall be enforceable by the parties hereto and their respective successors (including any direct or indirect successor by purchase, merger, consolidation or otherwise to all or substantially all of the business or assets of the Company), assigns, heirs, executors, administrators and legal representatives.

14. **Savings Clause.** If any provision or provisions of this Agreement shall be invalidated on any ground by any court of competent jurisdiction, then the Company shall nevertheless indemnify Indemnitee as to costs, charges and expenses (including attorneys' fees), judgments, fines and amounts paid in settlement with respect to any proceeding, including an action by or in the right of the Company, to the full extent permitted by any applicable portion of this Agreement that shall not have been invalidated and to the full extent permitted by applicable law.

15. **Certain Definitions.** For purposes of this Agreement, the following definitions shall apply:

(a) The term "by reason of the fact that Indemnitee is or was a director, officer, employee or agent of the Company, or while serving as a director or officer of the Company, is or was serving or has agreed to serve at the request of the Company as a director, officer employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise" shall be broadly construed and shall include, without limitation, any actual or alleged act or omission to act.

(b) The term "Company" shall include, without limitation and in addition to the resulting corporation, any constituent corporation (including any constituent of a constituent) absorbed in a consolidation or merger which, if its separate existence had continued, would have had power and authority to indemnify its directors, officers, and employees or agents, so that any person who is or was a director, officer, employee or agent of such constituent corporation, or is or was serving at the request of such constituent corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise, shall stand in the same position under the provisions of this Agreement with respect to the resulting or surviving corporation as he or she would have with respect to such constituent corporation if its separate existence had continued.

(c) The term “expenses” shall be broadly and reasonably construed and shall include, without limitation, all direct and indirect costs of any type or nature whatsoever (including, without limitation, all attorneys’ fees and related disbursements, appeal bonds, other out-of-pocket costs and reasonable compensation for time spent by Indemnitee for which Indemnitee is not otherwise compensated by the Company or any third party, provided that the rate of compensation and estimated time involved is approved by the Board of Directors, which approval shall not be unreasonably withheld), actually and reasonably incurred by Indemnitee in connection with either the investigation, defense or appeal of a proceeding or establishing or enforcing a right to indemnification under this Agreement, Section 145 or otherwise.

(d) The term “independent legal counsel” shall mean an attorney or firm of attorneys, who shall not have otherwise performed services for the Company or any Indemnitee within the last five years (other than with respect to matters concerning the right of any Indemnitee under this Agreement, or of other indemnitees under similar indemnity agreements). Any such independent legal counsel shall be selected by the Board of Directors, unless the Board of Directors shall request that the Indemnitee shall make such selection. The party selecting the independent legal counsel shall promptly provide written notice to the other party of its selection. Within 10 days after receipt of such written notice, Indemnitee or the Company, as the case may be, may, deliver to the Company or the Indemnitee, as the case may be, a written objection to such selection; provided, however, that such objection may be asserted only on the ground that the independent legal counsel so selected does not meet the requirements hereof.

(e) The term “judgments, fines and amounts paid in settlement” shall be broadly construed and shall include, without limitation, all direct and indirect payments of any type or nature whatsoever (including, without limitation, all penalties and amounts required to be forfeited or reimbursed to the Company), as well as any penalties or excise taxes assessed on a person with respect to an employee benefit plan).

(f) The term “not opposed to the best interests of the Company” shall include, without limitation, action taken by a person in good faith and in a manner such person reasonably believed to be in the interest of the participants and beneficiaries of an employee benefit plan.

(g) The term “other enterprises” shall include, without limitation, employee benefit plans.

(h) The term “proceeding” shall be broadly construed and shall include, without limitation, the investigation, preparation, prosecution, defense, settlement, arbitration and appeal of, and the giving of testimony in, any threatened, pending or completed claim, action, suit or proceeding, whether civil, criminal, administrative or investigative.

(i) The term “serving at the request of the Company” shall include, without limitation, any service as a director, officer, employee or agent of the Company which imposes duties on, or involves services by, such director, officer, employee or agent with respect to an employee benefit plan, its participants or beneficiaries.

16. **Notices.** Any notice, request or other communication required or permitted to be given to the parties under this Agreement shall be in writing and either delivered in person or sent by email, overnight mail or courier service, or certified or registered mail, return receipt requested, postage prepaid, to the parties at the following addresses (or at such other addresses for a party as shall be specified by like notice):

If to the Company:

707 17th Street, Suite 4200
Denver CO 80202
Attn: Chief Executive Officer
Email:

With a copy to:

707 17th Street, Suite 4200
Denver CO 80202
Attn: Secretary
Email:

If to Indemnitee:

____
____
Email:

With a copy to:

____
____
Email:

17. **Entire Agreement.** This Agreement and the documents expressly referred to herein constitute the entire agreement between the parties hereto with respect to the matters covered hereby, and any other prior or contemporaneous oral or written understandings or agreements between Indemnitee and the Company or its predecessors with respect to the matters covered hereby are expressly superseded by this Agreement.

18. **Modification and Waiver.** No supplement, modification or amendment of this Agreement shall be binding unless executed in writing by both of the parties hereto. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provision hereof (whether or not similar) nor shall such waiver constitute a continuing waiver.

19. **Governing Law.** This Agreement shall be governed exclusively by and construed according to the laws of the State of Delaware, as applied to contracts between Delaware residents entered into and to be performed entirely within Delaware. If a court of competent jurisdiction shall make a final determination that the provisions of the law of any state other than Delaware govern indemnification by the Company of its officers and directors, then the indemnification provided under this Agreement shall in all instances be enforceable to the fullest extent permitted under such law, notwithstanding any provision of this Agreement to the contrary.

20. **Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument, notwithstanding that both parties are not signatories to the original or same counterpart.

21. **Headings.** The section and subsection headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, this Agreement has been duly executed and delivered to be effective as of the date first above written.

INTREPID POTASH, INC.

By: ____________________________
Name:
Title:

INDEMNITEE

____
[Name]

Exhibit 10.9

INTREPID POTASH, INC.
AMENDED AND RESTATED EQUITY INCENTIVE PLAN

RESTRICTED STOCK AGREEMENT

Intrepid Potash, Inc., a Delaware corporation ("**Intrepid**"), has granted you an award of shares of Restricted Stock under the Intrepid Potash, Inc. Amended and Restated Equity Incentive Plan (the "**Plan**"), subject to the terms and conditions of the Plan, this Restricted Stock Agreement (this "**Agreement**") the accompanying grant notice (the "**Grant Notice**"). You must accept this award of shares of Restricted Stock in the manner designated by Intrepid in the Grant Notice (e.g. electronic acceptance) not later than 30 days after the Grant Date specified in the Grant Notice, or this award of shares of Restricted Stock will be rendered void and without effect.

I. GRANT NOTICE

Grantee: See Grant Notice

Number of Shares of
Restricted Stock Granted: See Grant Notice

Grant Date: See Grant Notice

Vesting Schedule: The shares of Restricted Stock will vest in accordance with the provisions of the Grant Notice.

II. TERMS AND CONDITIONS

1. Defined Terms; Conflicts. Except as defined in this Agreement, capitalized terms in this Agreement have the meanings assigned to them in the Plan. In the event of a conflict between the terms and conditions of the Plan and this Agreement, the terms and conditions of the Plan will govern.

2. Restrictions. During the Restriction Period (defined below), the shares of Restricted Stock are subject to forfeiture and you may not sell, transfer, assign, pledge, or otherwise encumber or dispose of the shares. The "**Restriction Period**" for any particular shares of Restricted Stock begins on the Grant Date and ends upon vesting of those shares of Restricted Stock in accordance with the terms of the Grant Notice. To enforce these restrictions, Intrepid may elect to have the shares of Restricted Stock held in electronic or other book form in an account with Intrepid, its transfer agent, or other designee until the restrictions have lapsed or until this Agreement is no longer in effect. If Intrepid instead issues the shares in certificate form, the certificates will include appropriate restrictive legends regarding restrictions on transfer and compliance with securities law requirements, as determined by Intrepid, and will be held in Intrepid's custody until the restrictions have lapsed or this Agreement is no longer in effect.

3. **Vesting; Lapse of Restrictions.** Except as provided otherwise in this Agreement, the shares of Restricted Stock will vest and the restrictions set forth in Section 2 will lapse in accordance with the terms of the Grant Notice. After vesting, you may transfer the shares of Stock, subject to applicable securities law requirements and Intrepid's policies and procedures.

4. **Termination of Service; Forfeiture.**

> **(a) General.** Except as provided otherwise in this Agreement, the Plan, the Grant Notice, or an Applicable Severance Agreement (as defined in Section 13), upon the termination of your Service for any reason, all shares of Restricted Stock that are not vested will immediately be forfeited.
>
> **(b) Forfeiture.** Upon forfeiture of shares of Restricted Stock, the shares will be returned to Intrepid and you will have no further rights with respect to those shares, including any rights to vote the shares or receive dividends.
>
> **(c) Violation of Restrictive Covenants.** Material breach of the terms of any restrictive covenant(s) between you and the Company, including but not limited to the non-solicitation and confidentiality obligations contained herein, shall cause 100 % of all of the Restricted Stock issued to you, whether vested or unvested, to be immediately forfeited and be of no further force or effect, but shall not otherwise relieve you of you obligations under any such restrictive covenants agreement(s). This Section shall survive the termination of your employment with the Company.

5. **Leave of Absence.** For purposes of this Agreement, your Service does not terminate when you go on a bona fide employee leave of absence that is approved in writing by Intrepid or an Affiliate if the terms of your leave provide for continued Service crediting, or when continued Service crediting is required by applicable law. However, your Service will be treated as terminating 90 days after you went on the approved leave, unless your right to return to active work is guaranteed by law or by a contract. Your Service terminates in any event when your approved leave ends unless you immediately return to active Service. The Committee determines, in its sole discretion, which leaves of absence count for this purpose, and when Service terminates for all purposes under the Plan.

6. Stockholder Rights; Dividends. During the Restriction Period, you will have the same voting rights with respect to the shares of Restricted Stock as holders of Intrepid's Common Stock have with respect to their shares. During the Restriction Period, any regular cash dividends declared and paid on shares of Restricted Stock will be withheld by Intrepid and paid to you at the same time, if and when, the related shares of Restricted Stock vest. If the shares of Restricted Stock are forfeited, the related dividends will be forfeited at the same time. All distributions to you, if any, as a result of any split, stock dividend, combination of shares of stock, special or extraordinary cash dividend, or other similar transaction with respect to shares of Restricted Stock will be subject to the same restrictions during the Restriction Period as the related shares of Restricted Stock.

7. Tax Withholding. Intrepid has the right to deduct from any payments otherwise due to you any federal, state, or local taxes, domestic or foreign, of any kind required by law upon the issuance, vesting, or payment of any shares of Restricted Stock, Stock, or dividends. At the time of issuance, vesting, or payment, you will pay to Intrepid the amount that Intrepid determines is necessary to satisfy applicable withholding obligations at rates determined by Intrepid, which will not exceed the minimum statutory rate or any other rate that will not cause an adverse accounting consequence or cost. You may elect to pay this amount, in whole or in part, (a) in cash, (b) by causing Intrepid to withhold shares of Stock otherwise issuable to you, or (c) by delivering to Intrepid unrestricted shares of Stock you already own. Your election will be irrevocable and must be made in advance and in accordance with Intrepid's Insider Trading Policy, Stock Ownership Guidelines, and any other applicable policies or procedures. If you do not make a proper election in accordance with this Section, Intrepid will automatically withhold shares of Stock otherwise issuable to you to satisfy the applicable withholding obligations at rates not to exceed the minimum statutory rate or any other rate that will not cause an adverse accounting consequence or cost. The number of shares of Stock delivered or withheld under this Section will be determined by Intrepid and will not exceed the number of shares of Stock with an aggregate Fair Market Value that exceeds the applicable withholding obligations. The Fair Market Value of the shares delivered or withheld will be determined by Intrepid as of the date that the amount of tax to be withheld is to be determined.

8. Committee Discretion. The Committee has complete and full discretionary authority to make all decisions and determinations under this Agreement, and all decisions and determinations by the Committee will be final and binding upon all persons, including, but not limited to, you and your personal representatives, heirs and assigns.

9. Not Transferable. You may not sell, transfer, assign, pledge, or otherwise encumber or dispose of the shares of Restricted Stock. If you transfer or attempt to transfer shares contrary to the terms of this Agreement, Intrepid will have the right to acquire the shares for its own account, without any payment to you or the transferee. In addition to any other legal or equitable remedies it may have, Intrepid may enforce its rights to specific performance to the extent permitted by law and may exercise any other equitable remedies then available. Intrepid may refuse to recognize any transferee who receives shares contrary to the provisions of this Agreement as a stockholder of Intrepid, and Intrepid may retain and recover all dividends on the shares that were paid or payable after the date on which the prohibited transfer was made or attempted.

10. Investment Representations. The Committee may require you (or your estate or heirs) to represent and warrant in writing that the shares of Stock are being acquired for investment and without any present intention to sell or distribute the shares and to make any other representations that Intrepid or its counsel deems necessary or appropriate.

11. No Right to Continued Service. Neither the grant of shares of Restricted Stock nor this Agreement gives you the right to continue Service with Intrepid or its Affiliates in any capacity. Intrepid and its Affiliates reserve the right to terminate your Service at any time and for any reason not prohibited by law.

12. Covenants. You expressly covenant and agree to each of the following:

(a) Confidentiality: You hereby promise and agree not to knowingly use or disclose, or divulge to any person or entity in any manner, any confidential or proprietary information originating with or belonging to the Company, or with respect to any of the officers, directors, members, or partners of the Company or any of its parent, subsidiaries, affiliates, or portfolio companies ("Confidential Information"). Confidential Information includes but is not limited to inventions, research and development, engineering, products, designs, manufacturing, methods, systems, improvements, trade secrets, formulas, processes, marketing, merchandising, selling, licensing, servicing, pricing, personnel information, financial information, consultants and consultant lists, business records, manuals, business strategies, and business plans that are treated and maintained as confidential by the Company. Confidential Information does not include any information which, through no fault or wrongful action by you or anyone acting on your behalf, ceases to be confidential or proprietary, information which arises from your general training, knowledge, skill or experience, whether gained on the job or otherwise, information that is readily ascertainable to the public, or information that you otherwise have a right to disclose as legally protected conduct.

(b) Compliance with Company Policy. You will comply with Intrepid's corporate policies as provided to you, including without limitation Intrepid's Code of Business Conduct and Ethics; Insider Trading Policy; and Confidential Information, Trade Secrets, and Intellectual Property Policy.

(c) Limited Non-Solicitation. You acknowledge that the continued success of Intrepid depends in part on the continuity of its professional relationships. Therefore, for a period of one (1) year following the Grant Date, you agree you will not, acting alone or with others, directly or indirectly, encourage or induce any person or business having a professional or contractual relationship with Intrepid to terminate or alter such relationship with the Company, including but not limited to vendors, services providers, and Continuing Employees of the Company. As used in this provision, "Continuing Employee" means any person who is an employee or a consultant of Intrepid. By way of example but not by way of limitation, by entering into this Agreement you agree not to suggest the name of any Continuing Employee as a possible employee to any entity other than the Company. You agree not to solicit an employment application or resume from any Continuing Employee on behalf of any employer other than the Company. You agree not to participate in interviews or discussions on behalf of any employer concerning hiring or any attempt to hire any Continuing Employee. You agree not to hire or attempt to hire any Continuing Employee on behalf of any employer other than the Company.

(d) Severability. In case any one or more of the provisions contained in this Agreement shall, for any reason, be held by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect the other provisions of this Agreement, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained in this Agreement. If, any one or more of the provisions contained in this Agreement shall for any reason be held to be excessively broad as to duration, geographical scope, activity or subject, it shall be construed by limiting and reducing it, so as to be enforceable for the maximum duration, scope, or geographical area to the extent compatible with the applicable law as it shall then appear.

14. Entire Agreement. This Agreement and the accompany Grant Notice constitute the entire understanding of the parties with respect to the subject matter hereof and supersede all prior agreements, understandings, and negotiations between the parties except to the extent that a matter is specifically addressed by any employment, severance, or change-in-control agreement between Intrepid and Grantee (an "**Applicable Severance Agreement**"), in which instance the relevant terms of the Applicable Severance Agreement will govern.

15. Governing Law. The validity and construction of this Agreement and the Plan will be construed in accordance with and governed by the laws of the State of Delaware other than any conflicts or choice of law rule or principle that might otherwise refer construction or interpretation of the Plan and this Agreement to the substantive laws of any other jurisdiction.

16. Binding Effect. This Agreement will be binding upon and inure to the benefit of Intrepid and you and Intrepid's and your respective heirs, executors, administrators, legal representatives, successors, and assigns.

17. Consent to Electronic Communications. You agree that Intrepid may provide you with any communications associated with this Award in electronic format. Your consent to receive electronic communications includes, but is not limited to, all legal and regulatory disclosures and communications associated with this Award or notices or disclosures about a change in the terms and conditions of this Award.

18. Tax Treatment; Section 83(b); Section 409A. You may incur tax liability as a result of the vesting of shares of Restricted Stock, the payment of dividends, or the disposition of shares of Stock. You should consult your own tax adviser for tax advice.

You acknowledge that you may file with the Internal Revenue Service, within 30 days of the Grant Date, an irrevocable election pursuant to Section 83(b) of the Code to be taxed as of the Grant Date on the amount by which the Fair Market Value of the Restricted Stock on the Grant Date exceeds the amount paid for the Stock, if any. If you choose to file an election under Section 83(b) of the Code, you agree to promptly deliver a copy of your election to Intrepid.

Restricted Stock is not intended to constitute "nonqualified deferred compensation" within the meaning of Section 409A of the Code ("**Section 409A**") and any dividend payments are intended to be exempt from Section 409A as a short-term deferral and, accordingly, the terms of this Agreement will be construed to preserve such exemption. However, should this Agreement become subject to Section 409A, this Agreement will be interpreted and administered in accordance with the intent that Grantee not be subject to tax under Section 409A. Accordingly, in the event that Grantee is determined to be a "specified employee" within the meaning of Section 409A, any payments on account of termination of Service that are "nonqualified deferred compensation" subject to Section 409A will be accumulated and paid without interest on the first business day following the date that is six months after the date of Grantee's termination of Service to the extent required to avoid any adverse tax consequences under Section 409A. For purposes of this Agreement, and solely to the extent required for compliance with Section 409A, the terms "separation from service" and "disability" will have the meanings as defined under Section 409A and references to termination of Service will mean a "separation from service.". Each amount to be paid under this Agreement will be construed as a separate identified payment for purposes of Section 409A.

The Committee, in its sole discretion and without Grantee's consent, may amend or modify this Agreement in any manner and delay payment of any amounts payable to satisfy the requirements of Section 409A. Notwithstanding any provision of this Agreement, the Plan, or any Applicable Severance Agreement to the contrary, in no event will Intrepid or any of its Affiliates be liable to Grantee or any other person on account of an Award's failure to (a) qualify for favorable U.S. tax treatment or (b) avoid adverse tax treatment under U.S. law, including, without limitation, Section 409A.

19. Recoupment of Award. This Award is subject to the provisions of the Plan pertaining to recoupment of Awards.

20. Modification of Agreement. This Agreement may be modified or amended only by the written consent of Intrepid and you, except to the extent permitted by Section 17 (regarding Section 409A) or the Plan.

21. No Change to At-Will Status. Unless you have a valid, enforceable employment agreement with the Company, nothing in the Agreement changes your status as an employee-at will. You acknowledge that either you or the Company may terminate your employment at any time, for any or no reason, with no notice.

Accompanying Documents:

Restricted Stock Grant Notice
Amended and Restated Equity Incentive Plan
Amended and Restated Equity Incentive Plan Prospectus

Exhibit 10.10

Intrepid Potash, Inc.
Performance Restricted Stock Unit Grant Notice
(Template)

[NAME]:

You have been granted Performance Restricted Stock Units ("PSUs") of Intrepid Potash, Inc. ("Intrepid"), subject to the terms and conditions in the Intrepid Potash, Inc. Amended and Restated Equity Incentive Plan (the "Plan"), this Performance Restricted Stock Unit Grant Notice (this "Grant Notice"), and your Performance Restricted Stock Unit Agreement (a form of which is delivered with this Grant Notice), as follows:

Grant Date:

Target Number of PSUs Granted:

Vesting:

Overview	Except as provided otherwise in this Grant Notice, the PSUs granted hereunder will become eligible to vest based on achievement of [VARIES BY GRANT]. Except as set forth below, you must remain in the continuous Service of the Company from the Grant Date through [VARIES BY GRANT] to vest in any PSUs that have become eligible to vest based on achievement of [VARIES BY GRANT]. Vested PSUs shall be settled through the issuance to you of an equal number of shares of Company Common Stock, as set forth in the "Settlement" section below.
[PERFORMANCE METRICS]	[VARIES BY GRANT]
Death or Disability	[VARIES BY GRANT]
Termination without Cause or for Good Reason	[VARIES BY GRANT]
Change of Control	[VARIES BY GRANT]
Settlement	Vested PSUs shall be settled as soon as administratively practicably and in all events within seventy-four (74) days of the date of vesting, by distributing a number of shares of Common Stock equal to the number of vested PSUs being settled.

Dividend Equivalent Rights	You shall be entitled in respect of any vested PSUs to receive an additional amount in cash equal to the value of all dividends and distributions made between the Grant Date and the PSU settlement date with respect to a number of shares of Common Stock equal to the number of vested PSUs being settled (the "Dividend Equivalent Amounts"). The Dividend Equivalent Amounts shall be accumulated and paid on the date on which the PSUs to which they relate are paid.
Stockholder Rights	You shall have no stockholder rights with respect to the PSUs.

You understand and agree that this grant of Performance Restricted Stock Units is awarded to you subject to and in accordance with the terms of the Plan, this Grant Notice, and your Performance Restricted Stock Unit Agreement. You further agree to be bound by the terms of the Plan and the terms of this Grant Notice and your Performance Restricted Stock Unit Agreement. A copy of the Plan is available on Intrepid Insight or upon request made to the Company's Legal Department.

Definitions. All capitalized terms in this Grant Notice have the meanings assigned to them in this Grant Notice, the Plan, or in your Performance Restricted Stock Unit Agreement.

Intrepid Potash, Inc.

Vice President, Human Resources

For your grant of Performance Restricted Stock Units to be valid, you must sign and date this Acknowledgment and Agreement and return it to Intrepid not later than 30 days after the Grant Date, or this award of Performance Restricted Stock Units will be rendered void and without effect.

ACKNOWLEDGMENT AND AGREEMENT

I acknowledge that I have received and have had an opportunity to review this Grant Notice, the Performance Restricted Stock Unit Agreement, the Plan, and the related Plan Prospectus and I agree to all of the terms and conditions.

Name:
Signature:

Date:

Attachments:

Performance Restricted Stock Unit Agreement
Amended and Restated Equity Incentive Plan
Amended and Restated Equity Incentive Plan Prospectus

INTREPID POTASH, INC.
AMENDED AND RESTATED EQUITY INCENTIVE PLAN

PERFORMANCE RESTRICTED STOCK UNIT AGREEMENT

Intrepid Potash, Inc., a Delaware corporation ("**Intrepid**"), has granted you Performance Restricted Stock Units ("**PSUs**") under the Intrepid Potash, Inc. Amended and Restated Equity Incentive Plan (the "**Plan**"), subject to the terms and conditions of the Plan and this Performance Restricted Stock Unit Agreement (this "**Agreement**"). You must accept this award of PSUs in the manner designated by Intrepid in the accompanying grant notice (the "**Grant Notice**") (e.g. electronic acceptance) not later than 30 days after the Grant Date specified in the accompanying Grant Notice, or this award of PSUs will be rendered void and without effect.

I. GRANT NOTICE

Grantee: See accompanying Grant Notice

Target Number of PSUSs: See accompanying Grant Notice

Grant Date: See accompanying Grant Notice

Vesting Schedule: The PSUs will vest in accordance with the provisions of the accompanying Grant Notice.

II. TERMS AND CONDITIONS

1. Defined Terms; Conflicts. Except as defined in this Agreement, capitalized terms in this Agreement have the meanings assigned to them in the Plan. In the event of a conflict between the terms and conditions of the Plan and this Agreement, the terms and conditions of the Plan will govern.

2. Non-Transferable. PSUs may not be sold, assigned, transferred by gift or otherwise, pledged, hypothecated, or otherwise disposed of, by operation of law or otherwise.

3. **Vesting and Settlement.** Except as provided otherwise in this Agreement, the PSUs will vest in accordance with the terms of the accompanying Grant Notice. After vesting, the PSUs will be settled in accordance with the terms of the accompanying Grant Notice.

4. Termination of Service; Forfeiture.

(a) General. Except as provided otherwise in this Agreement, the Plan, the accompanying Grant Notice, or an Applicable Severance Agreement (as defined in Section 14), upon the termination of your Service for any reason, all PSUs that are not vested will immediately be forfeited.

(b) Forfeiture. Upon forfeiture of PSUs, you will have no further rights with respect to those PSUs and any related Dividend Equivalents and shall not be entitled to any payment in respect of such forfeited PSUs.

(c) Violation of Restrictive Covenants. Material breach of the terms of any restrictive covenant(s) between you and the Company, including but not limited to the non-solicitation and confidentiality obligations contained herein, shall cause 100 % of all of the PSUs issued to you, whether vested or unvested, to be immediately forfeited and be of no further force or effect, but shall not otherwise relieve you of you obligations under any such restrictive covenants agreement(s). This Section shall survive the termination of your employment with the Company.

5. Leave of Absence. For purposes of this Agreement, your Service does not terminate when you go on a bona fide employee leave of absence that is approved in writing by Intrepid or an Affiliate if the terms of your leave provide for continued Service crediting, or when continued Service crediting is required by applicable law. However, your Service will be treated as terminating 90 days after you went on the approved leave, unless your right to return to active work is guaranteed by law or by a contract. Your Service terminates in any event when your approved leave ends unless you immediately return to active Service. The Committee determines, in its sole discretion, which leaves of absence count for this purpose, and when Service terminates for all purposes under the Plan.

6. Stockholder Rights; Dividend Equivalents. You do not have any rights as a stockholder in respect of your PSUs. Accordingly, you have no voting rights or rights to dividends in respect of the PSUs. However, if so provided in the Grant Notice, you may be entitled to Dividend Equivalents.

7. Tax Withholding. Intrepid has the right to deduct from any payments otherwise due to you any federal, state, or local taxes, domestic or foreign, of any kind required by law upon the issuance, vesting, or settlement of your PSUs or related Dividend Equivalent Amounts. At the time of issuance, vesting, or settlement, you will pay to Intrepid the amount that Intrepid determines is necessary to satisfy applicable withholding obligations at rates determined by Intrepid, which will not exceed the minimum statutory rate or any other rate that will not cause an adverse accounting consequence or cost. You may elect to pay this amount, in whole or in part, (a) in cash, (b) by causing Intrepid to withhold shares of Stock otherwise issuable to you, or (c) by delivering to Intrepid unrestricted shares of Stock you already own. Your election will be irrevocable and must be made in advance and in accordance with Intrepid's Insider Trading Policy, Stock Ownership Guidelines, and any other applicable policies or procedures. If you do not make a proper election in accordance with this Section, Intrepid will automatically withhold shares of Stock otherwise issuable to you to satisfy the applicable withholding obligations at rates not to exceed the minimum statutory rate or any other rate that will not cause an adverse accounting consequence or cost. The number of shares of Stock delivered or withheld under this Section will be determined by Intrepid and will not exceed the number of shares of Stock with an aggregate Fair

Market Value that exceeds the applicable withholding obligations. The Fair Market Value of the shares delivered or withheld will be determined by Intrepid as of the date that the amount of tax to be withheld is to be determined.

8. Committee Discretion. The Committee has complete and full discretionary authority to make all decisions and determinations under this Agreement, and all decisions and determinations by the Committee will be final and binding upon all persons, including, but not limited to, you and your personal representatives, heirs and assigns.

9. Investment Representations. The Committee may require you (or your estate or heirs) to represent and warrant in writing that the shares of Stock acquired upon settlement of the PSUs are being acquired for investment and without any present intention to sell or distribute the shares and to make any other representations that Intrepid or its counsel deems necessary or appropriate.

10. No Right to Continued Service. Neither the grant of PSUs nor this Agreement gives you the right to continue Service with Intrepid or its Affiliates in any capacity. Intrepid and its Affiliates reserve the right to terminate your Service at any time and for any reason not prohibited by law.

11. Covenants. You expressly covenant and agree to each of the following:

(a) Confidentiality: You hereby promise and agree not to knowingly use or disclose, or divulge to any person or entity in any manner, any confidential or proprietary information originating with or belonging to the Company, or with respect to any of the officers, directors, members, or partners of the Company or any of its parent, subsidiaries, affiliates, or portfolio companies ("Confidential Information"). Confidential Information includes but is not limited to inventions, research and development, engineering, products, designs, manufacturing, methods, systems, improvements, trade secrets, formulas, processes, marketing, merchandising, selling, licensing, servicing, pricing, personnel information, financial information, consultants and consultant lists, business records, manuals, business strategies, and business plans that are treated and maintained as confidential by the Company. Confidential Information does not include any information which, through no fault or wrongful action by you or anyone acting on your behalf, ceases to be confidential or proprietary, information which arises from your general training, knowledge, skill or experience, whether gained on the job or otherwise, information that is readily ascertainable to the public, or information that you otherwise have a right to disclose as legally protected conduct.

(b) Compliance with Company Policy. You will comply with Intrepid's corporate policies as provided to you, including without limitation Intrepid's Code of Business Conduct and Ethics; Insider Trading Policy; and Confidential Information, Trade Secrets, and Intellectual Property Policy.

(c) Limited Non-Solicitation. You acknowledge that the continued success of Intrepid depends in part on the continuity of its professional relationships. Therefore, for a period of one (1) year following the Grant Date, you agree you will not, acting alone or with others, directly or indirectly, encourage or induce any person or business having a professional or contractual relationship with Intrepid to terminate or alter such relationship with the Company, including but not limited to vendors, services providers, and Continuing Employees of the Company. As used in this provision, "Continuing Employee" means any person who is an employee or a consultant of Intrepid. By way of example but not by way of limitation, by entering into this Agreement you agree not to suggest the name of any Continuing Employee as a possible employee to any entity other than the Company. You agree not to solicit an employment application or resume from any Continuing Employee on behalf of any employer other than the Company. You agree not to participate in interviews or discussions on behalf of any employer concerning hiring or any attempt to hire any Continuing Employee. You agree not to hire or attempt to hire any Continuing Employee on behalf of any employer other than the Company.

(d) Severability. In case any one or more of the provisions contained in this Agreement shall, for any reason, be held by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect the other provisions of this Agreement, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained in this Agreement. If, any one or more of the provisions contained in this Agreement shall for any reason be held to be excessively broad as to duration, geographical scope, activity or subject, it shall be construed by limiting and reducing it, so as to be enforceable for the maximum duration, scope, or geographical area to the extent compatible with the applicable law as it shall then appear.

14. Entire Agreement. This Agreement and the accompany Grant Notice constitute the entire understanding of the parties with respect to the subject matter hereof and supersede all prior agreements, understandings, and negotiations between the parties except to the extent that a matter is specifically addressed by any employment, severance, or change-in-control agreement between Intrepid and Grantee (an "**Applicable Severance Agreement**"), in which instance the relevant terms of the Applicable Severance Agreement will govern.

15. Governing Law. The validity and construction of this Agreement and the Plan will be construed in accordance with and governed by the laws of the State of Delaware other than any conflicts or choice of law rule or principle that might otherwise refer construction or interpretation of the Plan and this Agreement to the substantive laws of any other jurisdiction.

16. Binding Effect. This Agreement will be binding upon and inure to the benefit of Intrepid and you and Intrepid's and your respective heirs, executors, administrators, legal representatives, successors, and assigns.

17. Consent to Electronic Communications. You agree that Intrepid may provide you with any communications associated with this Award in electronic format. Your consent to receive electronic communications includes, but is not limited to, all legal and regulatory disclosures and communications associated with this Award or notices or disclosures about a change in the terms and conditions of this Award.

18. Tax Treatment; Section 409A. You may incur tax liability as a result of the receipt of the PSUs and payments hereunder. You should consult your own tax adviser for tax advice.

PSUs and related Dividend Equivalent Amounts are intended to be exempt from Section 409A of the Code ("**Section 409A**") as short-term deferrals and, accordingly, the terms of this Agreement will be construed to preserve such exemption. However, should this Agreement become subject to Section 409A, this Agreement will be interpreted and administered in accordance with the intent that Grantee not be subject to tax under Section 409A. Accordingly, in the event that Grantee is determined to be a "specified employee" within the meaning of Section 409A, any payments on account of termination of Service that are "nonqualified deferred compensation" subject to Section 409A will be accumulated and paid without interest on the first business day following the date that is six months after the date of Grantee's termination of Service to the extent required to avoid any adverse tax consequences under Section 409A. For purposes of this Agreement, and solely to the extent required for compliance with Section 409A, the terms "separation from service" and "disability" will have the meanings as defined under Section 409A and references to termination of Service will mean a "separation from service.". Each amount to be paid under this Agreement will be construed as a separate identified payment for purposes of Section 409A.

The Committee, in its sole discretion and without Grantee's consent, may amend or modify this Agreement in any manner and delay payment of any amounts payable to satisfy the requirements of Section 409A. Notwithstanding any provision of this Agreement, the Plan, or any Applicable Severance Agreement to the contrary, in no event will Intrepid or any of its Affiliates be liable to Grantee or any other person on account of an Award's failure to (a) qualify for favorable U.S. tax treatment or (b) avoid adverse tax treatment under U.S. law, including, without limitation, Section 409A.

19. Recoupment of Award. This Award is subject to the provisions of the Plan pertaining to recoupment of Awards.

20. Modification of Agreement. This Agreement may be modified or amended only by the written consent of Intrepid and you, except to the extent permitted by Section 18 (regarding Section 409A) or the Plan.

21. No Change to At-Will Status. Unless you have a valid, enforceable employment agreement with the Company, nothing in the Agreement changes your status as an employee-at will. You acknowledge that either you or the Company may terminate your employment at any time, for any or no reason, with no notice.

Accompanying Documents:

Performance Restricted Stock Unit Grant Notice
Amended and Restated Equity Incentive Plan
Amended and Restated Equity Incentive Plan Prospectus

Exhibit 19.1

INTRODUCTION

INTREPID POTASH, INC. INSIDER

TRADING POLICY

PURPOSE

The purpose of this policy is to ensure compliance with the laws prohibiting "insider trading" in Intrepid Securities or Derivative Securities and to avoid the appearance of impropriety and resulting damage to Intrepid's reputation for integrity and ethical conduct.

Please contact Intrepid's General Counsel or Principal Financial Officer with any questions about this policy or its application to any situation involving a purchase, sale, Trade of, or other transaction involving, Intrepid Securities or Derivative Securities. If there is ever a question as to whether it is appropriate for an individual to buy, sell, Trade, or enter into any transaction involving Intrepid Securities or Derivative Securities, it is better to seek advice and limit exposure to potential insider trading allegations to protect Intrepid and the individual.

DEFINITIONS

10b5-1 Plan – A written plan, including "blind trusts," permitting individuals named in the plan to Trade Intrepid Securities or Derivative Securities in the limited circumstances and subject to the terms and conditions specified in the plan provided that the plan (a) is approved in advance in accordance with the terms of this policy, and (b) complies with Rule 10b5-1 under the Securities Exchange Act of 1934 and the guidelines described below under "*10b5-1 Plans.*"

Intrepid Securities – Equity or debt securities of Intrepid.

Derivative Securities – Put or call options or other derivative securities, the value and characteristics of which, depend, in part or whole, on the value and characteristics of Intrepid Securities. Derivative Securities do not include Short Sales, which are specifically prohibited.

Employees – Employees of Intrepid.

Intrepid – Intrepid Potash, Inc. and its subsidiaries.

Material Nonpublic Information – Information concerning Intrepid that is both (a) material (meaning the average investor would want to know the information before deciding whether to buy, sell, or hold Intrepid Securities or Derivative Securities (i.e., such information could affect the market price of Intrepid Securities or Derivative Securities)) and (b) nonpublic (meaning the information has not been disclosed in Intrepid's filings with the SEC or in a press release issued by Intrepid that has been broadly disseminated to the investing public). *Information is not considered public until the second business day after its disclosure in an SEC filing or press release.* See *"Examples of Material Nonpublic Information"* below.

SEC – The U.S. Securities and Exchange Commission.

Senior Employees – Executive officers of Intrepid, Intrepid's mine managers, and any other employees of Intrepid as designated by the General Counsel or Principal Financial Officer from time to time.

Short Sales – Sales of Intrepid Securities not owned by the seller, or, if owned, not delivered immediately against such sale.

Trade or Trading – Buying or selling, or placing an order to buy or sell, securities either now or in the future, including through cashless exercise of stock options where shares are sold to pay the exercise price. The withholding of stock by Intrepid for Employee income tax liability incurred in connection with the vesting of restricted stock or other equity awards is not included in this definition of "Trading."

POLICY

Trading in Intrepid Securities or Derivative Securities

All Employees:

- *Insider Trading Prohibition*. May not purchase or sell Intrepid Securities or Derivative Securities while in possession of Material Nonpublic Information except pursuant to a properly approved and executed 10b5-1 Plan or as otherwise provided in this policy. If the Material Nonpublic Information is disclosed to the public, Employees may not Trade in Intrepid Securities or Derivative Securities until the second business day after that disclosure (i.e., the second day after the applicable SEC filing or press release). This prohibition includes:

  — purchases or sales of Intrepid Securities or Derivative Securities by members of the Employee's household or by family members who do not live in the Employee's household but whose transactions in Intrepid Securities or Derivative Securities are influenced or controlled by the Employee

  — purchases or sales of Intrepid Securities or Derivative Securities by entities controlled by the Employee (corporations, partnerships, trusts, etc.)

  The prohibition on Trading while in possession of Material Nonpublic Information continues for as long as any information you have is both material and nonpublic and can continue even after the Employee's employment or engagement with Intrepid has terminated.

- *Tipping Prohibition*. May not disclose Material Nonpublic Information to other Employees (except on a need to know basis), family members, or any outside party. This is to assure that no Employee becomes a "tipper," liable for the Trading of his "tippee" under federal securities laws.
- *Family Members*. Must instruct household members and any family members who do not live in the Employee's household but whose transactions in Intrepid Securities or Derivative Securities are influenced or controlled by Employee to observe the above rules and take all reasonable precautions to assure such observance.
- *Intrepid Securities.* ***Are encouraged*** to pre-clear any permitted transactions in Intrepid Securities or entry into a 10b5-1 Plan involving Intrepid Securities with Intrepid's General Counsel or Principal Financial Officer.
- *Derivative Securities.* ***Must*** pre-clear any transactions involving Derivative Securities or entry into a 10b5-1 Plan involving Derivative Securities with Intrepid's General Counsel and Principal Financial Officer. The General Counsel and Principal Financial Officer may decline any request in their sole discretion. Transactions in Derivative Securities may allow a person to own securities without the full risks and rewards of ownership and, as a result, a holder of Derivative Securities may no longer have the same objectives as other holders of Intrepid Securities. Accordingly, approval of these transactions will occur only when they do not involve this risk.
- *Gifts*. The restrictions on Trading in Intrepid Securities and Derivative Securities set out in this policy may apply equally to gifts of Intrepid Securities and Derivative Securities, so Employees should pre-clear proposed gifts with Intrepid's General Counsel or Principal Financial Officer before the gift is made.
- *Restricted Transactions*.
  - *Short Sales*. May not engage in Short Sales. Transactions in certain Derivative Securities may in some instances constitute a Short Sale. Section 16(c) of the Securities Exchange Act of 1934 prohibits officers and directors of Intrepid from engaging in Short Sales.
  - *Margin Accounts/ Pledging*. May not hold Intrepid Securities or Derivative Securities in a margin account and may not pledge Intrepid Securities or Derivative Securities as collateral for a loan.

Senior Employees and Members of the Board of Directors:

Are subject to <u>all of the restrictions set forth above</u>, as modified by the following provisions:

- *Intrepid Securities.* ***Must*** pre-clear any transactions in Intrepid Securities or entry into a 10b5-1 Plan involving Intrepid Securities with Intrepid's General Counsel or Principal Financial Officer.
- *Derivative Securities.* ***Must*** pre-clear any transactions in Derivative Securities or entry into a 10b5-1 Plan involving Derivative Securities with the Audit Committee of Intrepid's Board of Directors. Transactions in Derivative Securities may allow a person to own securities without the full risks and rewards of ownership and, as a result, a holder of Derivative Securities may no longer have the same objectives as other holders of Intrepid Securities. Accordingly, approval of these transactions will occur only when they do not involve this risk.
- *Blackout Period*. May not Trade in Intrepid Securities or Derivative Securities during the period commencing at the close of business on the day that is one week before the last day of any fiscal quarter and ending on the second business day after the public release of earnings for that quarter.
- *Material Nonpublic Information.* Are encouraged to Trade only in periods of relative stability for Intrepid, even when they do not know of Material Nonpublic Information and should limit their transactions in Intrepid Securities or Derivative Securities to periods shortly after all Material Nonpublic Information has been disclosed in an SEC filing or press release (but not before the second business day following the disclosure).
- *Pension Fund Blackout.* May not Trade in Intrepid Securities during any "pension fund blackout period," which is defined as the period during which employees participating in Intrepid stock plans are not permitted to execute transactions in Intrepid Securities. All Senior Employees and members of Intrepid's Board of Directors will be notified of any pension fund blackout periods.

- *Margin Accounts.* May not establish a margin account for the purposes of buying, carrying, or selling Intrepid Securities or Derivative Securities.

- *Pledging.* Directors and executive officers of Intrepid are prohibited from pledging Intrepid Securities as collateral for a loan except under special circumstances approved by Intrepid's Audit Committee. An exception to this prohibition on pledging Intrepid Securities may be granted by the Audit Committee where a director or executive officer wishes to pledge Intrepid Securities as collateral for a loan (not including margin debt) on such terms and conditions determined to be appropriate under the circumstances by the Audit Committee, which shall include, among other conditions, a clear demonstration of the director's or executive officer's financial capacity to repay the loan without resort to the pledged Intrepid Securities.

Special Circumstances and Restrictions

At times, Intrepid may determine that it is prudent to restrict Trading by certain employees or groups. Intrepid may also determine that other persons, such as contractors or consultants to Intrepid who have access to Material Nonpublic Information, should be subject to this policy. Intrepid will provide notification of these additional restrictions to any covered employees, contractors, or consultants.

Transactions Under Intrepid Plans

Stock Option Exercises. This policy does not apply to the exercise of an employee stock option. This policy does apply, however, to all sales of Intrepid stock upon the exercise of a stock option, regardless of whether such sale is for the purpose of generating cash needed to pay the exercise price or income tax liability.

Vesting of Restricted Stock or Other Equity Awards. This policy does not apply to the withholding of stock by Intrepid for Employee income tax liability incurred in connection with the vesting of restricted stock or other equity awards.

401(k) Plan. This policy does not apply to purchases of Intrepid stock through Intrepid's 401(k) plan resulting from periodic contributions of money to the 401(k) plan pursuant to an Employee's payroll deduction. This policy does apply, however, to certain elections Employees may make under the 401(k) plan, including elections which affect the acquisition or disposition of Intrepid stock.

10b5-1 Plans. Trades in Intrepid Securities that are executed pursuant to a duly adopted 10b5-1 Plan are exempt from the prohibitions contained in this policy.

In general, Rule 10b5-l under the Securities Exchange Act of 1934 provides an affirmative defense from insider trading liability under the federal securities laws for trading plans that meet certain requirements. A 10b5-l Plan generally may not be adopted during a blackout period and may only be adopted when the person adopting the plan is unaware of Material Nonpublic Information. Once the 10b5-1 Plan is adopted, the participant must not exercise any influence over the amount of securities to be Traded thereunder, the price at which they are to be Traded or the date of the trades. The 10b5-1 Plan must either specify (including by formula) the amount, pricing, and timing of transactions in advance of any trades or delegate discretion on those matters to an independent third party.

Consequences

Securities market surveillance techniques are very sophisticated, and federal authorities often detect and prosecute even apparently minor insider trading violations. The consequences of an insider trading violation can be severe:

- Failure by any Employee to abide by this policy will result in sanctions, which may include termination of employment.

- Any sanctions imposed upon or liabilities incurred by an Employee for insider trading will be the sole responsibility of the Employee. Intrepid will not cover or indemnify the Employee for these costs.

- Trading on Material Nonpublic Information is a crime subject to fines of up to $5 million and jail terms of up to twenty years for individuals. In addition, the SEC may seek civil penalties of up to three times the profits made or losses avoided from insider trading. Inside traders must also disgorge any profits made and may be subject to civil liability to private plaintiffs.

- Employers and other controlling persons are also at risk under federal law and may be fined if they recklessly fail to take preventive steps to control insider trading.

Examples of Material Nonpublic Information

The following is a list of common types of information that might (depending on the circumstances) be considered “material” and thus considered inside information if it is not generally known or available to the public:

- Earnings information or other operating data for Intrepid or a company doing business with Intrepid, including revenue results, sales data, or other revenue projections
- A pending or potential merger, joint venture, acquisition, disposition, tender offer, or other significant changes in assets by Intrepid or a company doing business with Intrepid
- Material legal actions filed or threatened against Intrepid or material developments with respect to any actions
- A material change, either up or down, in Intrepid’s business, financial condition, or operating results, or in the business, financial condition, or operating results of a company doing business with Intrepid
- Pending or potential changes in dividend or share repurchase policies, or proposals for a stock split or the offering of additional securities
- A change in management
- News about a major contract, lease, or cancellation of an existing contract or lease
- Significant developments regarding customers
- Significant personnel or operations changes
- Financial liquidity problems

- Changes in Intrepid's auditors or a notification from its auditors that Intrepid may no longer rely on the auditors' report
- Major financing transactions
- Material write-offs or restructurings
- Anything that is likely to affect the market price of Intrepid Securities, either positively or negatively

Both positive and negative information can be material. Because Trading that receives scrutiny will be evaluated after the fact with the benefit of hindsight, questions concerning the materiality of particular information should be resolved in favor of materiality, and Trading should be avoided. **This list is provided for informational purposes only and is not exhaustive.**

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the registration statement (No. 333-277761) on Form S-3 and registration statements (Nos. 333-266585, 333-233057, 333-218423, 333-211650, and 333-150444) on Form S-8 of our report dated March 4, 2025, with respect to the consolidated financial statements and financial statement schedule II of Intrepid Potash, Inc. and the effectiveness of internal control over financial reporting.

/s/ KPMG LLP

Denver, Colorado
March 4, 2025

Exhibit 23.2

CONSENT OF QUALIFIED PERSON

RESPEC LLC ("RESPEC"), in connection with the Annual Report on Form 10-K for the year ended December 31, 2024 (the "Form 10-K") of Intrepid Potash, Inc. (the "Company"), hereby consents to:

- the public filing by the Company and use of (i) the technical report titled "Technical Report Summary of the 2024 Estimated Resources and Reserves at Intrepid Potash-New Mexico" with an effective date of December 31, 2024 and dated February 11, 2025, (ii) the technical report titled "Technical Report Summary of the 2023 Estimated Resources and Reserves at Intrepid Potash-Moab" with an effective date of December 31, 2023 and dated February 14, 2024, and (iii) the technical report titled "Technical Report Summary of the 2023 Estimated Resources and Reserves at Intrepid Potash-Wendover" with an effective date of December 31, 2023 and dated February 14, 2024 (collectively, the "Technical Report Summaries"), in each case that were prepared in accordance with Subpart 1300 of Regulation S-K promulgated by the U.S. Securities and Exchange Commission (the "Commission"), as exhibits to this Form 10-K and incorporated by reference therein;

- the incorporation by reference of the Technical Report Summaries into the Company's Registration Statements on Form S-3 (No. 333-277761) and Form S-8 (Nos. 333-150444, 333-211650, 333-218423, 333-233057 and 333-266585) (collectively, the "Registration Statements");

- the use of and references to our name, including our status as an expert or "qualified person" (as defined in Subpart 1300 of Regulation S-K promulgated by the Commission), in connection with the Form 10-K, the Registration Statements and the Technical Report Summaries; and

- any extracts from or a summary of the Technical Report Summaries in the Form 10-K and incorporated by reference in the Registration Statements and the use of any information derived, summarized, quoted, or referenced from the Technical Report Summaries, or portions thereof, that was prepared by the Company, that we supervised the preparation of, and/or that was reviewed and approved by us, that is included or incorporated by reference in the Form 10-K and the Registration Statements.

RESPEC is responsible for authoring, and this consent pertains to, the Technical Report Summaries. RESPEC certifies that it has read the Form 10-K and that it fairly and accurately represents the information in the Technical Report Summaries for which it is responsible.

By: */s/ Susan B. Patton*
Name: Susan B. Patton, P.E.
Title: Principal

Grand Junction, Colorado
March 4, 2025

Exhibit 31.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER

PURSUANT TO 15 U.S.C. SECTION 7241, AS

ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Kevin S. Crutchfield, certify that:

1. I have reviewed this annual report on Form 10-K of Intrepid Potash, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's Board of Directors (or persons performing the equivalent functions):
    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: March 4, 2025

/s/ Kevin S. Crutchfield

Kevin S. Crutchfield

Chief Executive Officer

Exhibit 31.2

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER

PURSUANT TO 15 U.S.C. SECTION 7241, AS

ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Matthew D. Preston, certify that:

1. I have reviewed this annual report on Form 10-K of Intrepid Potash, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's Board of Directors (or persons performing the equivalent functions):
    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: March 4, 2025	/s/ *Matthew D. Preston*
Matthew D. Preston
Chief Financial Officer

Exhibit 32.1

CERTIFICATION OF

PRINCIPAL EXECUTIVE OFFICER

PURSUANT TO 18 U.S.C. SECTION 1350,

AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the filing of the Annual Report on Form 10-K for the year ended December 31, 2024 (the "Report"), of Intrepid Potash, Inc. (the "Registrant") with the Securities and Exchange Commission and pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, I, Kevin S. Crutchfield, Chief Executive Officer of the Registrant, certify that to the best of my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"); and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Registrant.

Dated: March 4, 2025

/s/ Kevin S. Crutchfield

Kevin S. Crutchfield
Chief Executive Officer

This certification is furnished with this Report pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and will not, except to the extent required by such Act, be deemed filed by the Registrant for purposes of Section 18 of the Exchange Act. This certification will not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, except to the extent that the Registrant specifically incorporates it by reference.

Exhibit 32.2

CERTIFICATION OF

PRINCIPAL FINANCIAL OFFICER

PURSUANT TO 18 U.S.C. SECTION 1350,

AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the filing of the Annual Report on Form 10-K for the year ended December 31, 2024 (the "Report"), of Intrepid Potash, Inc. (the "Registrant") with the Securities and Exchange Commission and pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, I, Matthew D. Preston, Chief Financial Officer of the Registrant, certify that to the best of my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"); and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Registrant.

Dated: March 4, 2025

/s/ Matthew D. Preston

Matthew D. Preston

Chief Financial Officer

This certification is furnished with this Report pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and will not, except to the extent required by such Act, be deemed filed by the Registrant for purposes of Section 18 of the Exchange Act. This certification will not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, except to the extent that the Registrant specifically incorporates it by reference.

Exhibit 95.1

The table below provides information for the year ended December 31, 2024, about certain mine safety and health citations issued to Intrepid or its subsidiaries by the Mine Safety and Health Administration ("MSHA") under the Federal Mine Safety and Health Act of 1977 (the "Mine Act") and about certain other regulatory matters.

Mine Name and MSHA Identification Number	Section 104 S&S Citations	Section 104(b) Orders	Section 104(d) Citations and Orders	Section 110(b)(2) Violations	Section 107(a) Orders	Total Dollar Value of MSHA Assessments Proposed	Total Number of Mining-Related Fatalities	Received Notice of Pattern of Violations Under Section 104(e)	Received Notice of Potential to Have Pattern under Section 104(e)	Legal Actions Pending as of the End of the Period	Legal Actions Initiated During the Period	Legal Actions Resolved During the Period
Intrepid Potash East (29-00170)	1	—	—	—	—	$3,686	—	—	—	—	—	2
Intrepid Potash West (29-00175)	—	—	—	—	—	$147	—	—	—	—	—	—
Intrepid Potash North (29-02028)	—	—	—	—	—	$—	—	—	—	—	—	—

Below are additional details about the information provided in the table above:

- *General* - In general, the number of citations and orders will vary depending on the size of the mine, the individual inspector assigned to the mine, and the specific mine characteristics. Citations and orders can be contested and appealed and, in that process, are often reduced in severity and amount and are sometimes vacated.
- *MSHA Identification Numbers* - MSHA assigns an identification number to each mine and may or may not assign separate identification numbers to related facilities. We provide the information in the table by MSHA identification number.
- *Section 104 Significant and Substantial ("S&S") Citations* - These citations are issued for alleged violations of a mining safety standard or regulation where there exists a reasonable likelihood that the hazard contributed to or will result in an injury or illness of a reasonably serious nature.
- *Section 104(b) Orders* - These orders are issued for alleged failure to totally abate the subject matter of a Section 104(a) citation within the period specified in the citation.
- *Section 104(d) Citations and Orders* - These citations and orders are issued for an alleged unwarrantable failure (i.e., aggravated conduct constituting more than ordinary negligence) to comply with a mining safety standard or regulation.
- *Section 110(b)(2) Violations* - These violations are issued, and penalties are assessed, for flagrant violations (i.e., a reckless or repeated failure to make reasonable efforts to eliminate a known violation that substantially and proximately caused, or reasonably could have been expected to cause, death or serious bodily injury).
- *Section 107(a) Orders* - These orders are issued for an imminent danger to immediately remove miners.
- *Total Dollar Value of MSHA Assessments Proposed* - Proposed assessments issued during the period do not necessarily relate to the citations or orders issued by MSHA during that period or to the pending legal actions reported in the table.
- *Notice of Pattern of Violations Under Section 104(e); Notice of Potential to Have Pattern under Section 104(e)* - These notices are issued for a pattern of violation of mandatory health or safety standards or for the potential to have such a pattern.
- *Legal Actions Pending, Initiated, and Resolved* - The Federal Mine Safety and Health Review Commission (the "Commission") is an independent adjudicative agency that provides administrative trial and appellate review of legal disputes arising under the Mine Act. Each legal action is assigned a docket number by the Commission and may have as its subject matter one or more citations, orders, penalties, or complaints.

The table below summarizes the types of legal actions that were pending as of December 31, 2024
:

Mine Name and MSHA Identification Number	Contests of Citations and Orders	Contests of Proposed Penalties	Complaints for Compensation	Complaints of Discharge, Discrimination or Interference	Applications for Temporary Relief	Appeals of Judges' Decisions or Orders	Total
Intrepid Potash East (29-00170)	—	—	—	—	—	—	—
Intrepid Potash West (29-00175)	—	—	—	—	—	—	—
Intrepid Potash North (29-02028)	—	—	—	—	—	—	—

- *Contests of Citations and Orders* relate to challenges by operators, miners or miners' representatives to the issuance of a citation or order issued by MSHA.
- *Contests of Proposed Penalties (Petitions for Assessment of Penalties)* are administrative proceedings challenging a civil penalty that MSHA has proposed for the violation contained in a citation or order.
- *Complaints for Compensation* are filed by miners entitled to compensation when a mine is closed by certain withdrawal orders issued by MSHA for the purpose of determining the amount of compensation, if any, due miners idled by the orders.
- *Complaints of Discharge, Discrimination or Interference* involve a miner's allegation that he or she has suffered a wrong by the operator because he or she engaged in some type of activity protected under the Mine Act, such as making a safety complaint, or that he or she has suffered discrimination and lost his or her position.

Technical Report Summary

of the

2024 Estimated Resources and Reserves at Intrepid Potash-New Mexico

Prepared for:

Intrepid Potash–New Mexico, LLC

Revised Report Date:

February 11, 2025

Effective Date:

December 31, 2024

Prepared by:

660 Rood Avenue, Suite A

Grand Junction, Colorado 81501

Date and Signature Page

This report titled "Technical Report Summary of the 2024 Estimated Resources and Reserves at Intrepid Potash-New Mexico" is effective as of December 31, 2024, and was prepared and signed by RESPEC Company, LLC, acting as a Qualified Person Firm.

Signed and Dated February 11, 2025.

signed/ RESPEC Company, LLC

Susan B Patton, PE

Principal

On behalf of RESPEC Company, LLC

Technical Report Summary
of the
2024 Estimated Resources and Reserves at Intrepid Potash-New Mexico

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List of Abbreviations

°	degree
%	percent
AMAX	AMAX/Horizon Mine
APR	Annual Percentage Rate
BLM	United States Bureau of Land Management
BNSF	Burlington Northern Santa Fe
CFR	Code of Federal Regulations
CL	Competitive Lease
COGS	cost of goods sold
CPD	Carlsbad Potash District
DMS	dense media separation
DOI	United States Department of Interior
EA	Environmental Audit
EIS	Environmental Impact Statement
EOY	end of year
F	Fahrenheit
FR	Federal Register
ft	feet or foot
ft^3	cubic foot
ft%	feet-percent
g	grams
g/cm^3	grams per cubic centimeter
gpm	gallons per minute
GT	grade thickness
hp	horsepower
ID^2	inverse distance squared
Intrepid	Intrepid Potash, Inc.
IPNM	Intrepid Potash–New Mexico, LLC
K_2O	potassium oxide
$K_2SO_4 \cdot 2MgSO_4$	langbeinite
KCl	sylvite or potassium chloride
KPLA	Known Potash Leasing Area
LOM	Life-of-Mine
NMED	New Mexico Environmental Department
M	million

MOP	Muriate of Potash
MSHA	Mine Safety and Health Administration
msl	mean sea level
mm	millimeter
Mt	million tons
Mtpy	million tons per year
NaCl	halite
NCL	Non-Competitive Lease
NPV	Net Present Value
NAD	North American Datum
OSHA	Occupational Safety and Health Administration
PFD	process flow diagrams
PRL	Preference Rights Lease
QP	Qualified Person
RC	reflux classifier
REC	Recognized Environmental Concerns
RESPEC	RESPEC Company LLC
SEC	United States Securities Exchange Commission
SME	Society for Mining, Metallurgy & Exploration
SOE	statement of earnings
SOP	standard operating procedure
t	ton
TOC	Total Organic Carbon
tph	tons per hour
tpy	tons per year
TSF	Tailings Storage Facility
US	United States
USGS	United States Geological Survey
WIPP	Waste Isolation Pilot Plant
XRD	X-ray Diffraction

1.0 Executive Summary

RESPEC Company, LLC. was commissioned by Intrepid Potash, Inc. (Intrepid) to prepare the 2024 Technical Report Summary (TRS) filed as Exhibit 96.1 with the Intrepid Potash 10-K for End of Year (EOY) 2024 for the Intrepid Potash-New Mexico (IPNM) property. See Table 2-1 for previous TRS filings for the property. This report updates resource and reserve tables and updates the cash flow and economic analysis to reflect the change in mine plan for the sylvinite deposit and lease boundary adjustments. The resources and reserves are estimated according to United States (US) Securities and Exchange Commission (SEC) S-K 1300 regulations.

1.1 Property Description and Ownership

The property includes two operating mines, the East Underground mine and the HB Solar Solution Mines (HB Mine), the idled West Mine, and the North Mine which was shut down in the early 1980’s. The property is located in Eddy and Lea Counties, near Carlsbad, New Mexico.

The East Plant processes the underground room-and-pillar-mined langbeinite ore into Trio®. The long-term underground mining plan is undecided and therefore previously reported reserves have been reestablished as resources. The HB Plant produces Muriate of Potash (MOP) from the solution mine brine. Solution mining of the 1st and 3rd ore zones in previously mined-out areas of the property is planned to continue long term.

1.2 Geology and Mineralization

The geology of the potash-bearing beds of the Carlsbad area has been well documented. Overall, the potash-bearing beds may be described as bedded sedimentary rocks, deposited across the Delaware Basin and Northwest Shelf backreef from the Capitan Reef.

1.3 Status of Exploration, Development and Operations

The property has been in continuous operation by IPNM since 2004. Confirmation drilling, channel sampling, and mine development are an integral part of the mine operations.

1.4 Mineral Resource Estimates

The resource model created from the database of exploration and sampling data served as the basis for the mineral resource estimate. The sampling data includes channel samples from the active mining horizon. The resources reported as mineralized rock in place, exclusive of mineral reserves effective December 31, 2024, are shown in Table 1-1 and Table 1-2.

Table 1-1. Mineral Resource Estimate Summary effective December 31, 2024

IPNM - Summary of Mineral Resources in millions of tons of Sylvinite in Place effective December 31, 2024, based on $450/Product Ton Mine Site

	Resources				
	Sylvinite[1] (Mt)	Grade ($\%K_2O$)	Contained K_2O (Mt)	Mining Cutoff[2] (ft-$\%K_2O$)	Processing Recovery (%)
Measured Mineral Resources	288	16	45	54-64	75-85
Indicated Mineral Resources	164	14	24	54-64	75-85
Measured + Indicated Mineral Resources	452	15	69		
Inferred Mineral Resources					

[1] Sylvinite is a mixed evaporite containing NaCl and KCl.
[2] Solution mining resource cutoff for flooded old working is the mining extents boundary.
Mineral Resources were prepared by RESPEC, a qualified firm for the estimate and independent of Intrepid Potash, for EOY 2024.
Mineral Resources are reported exclusive of Mineral Reserves, on a 100% basis.

Mt = million tons, % = percentage, K_2O = potassium oxide, ft = feet

Table 1-2. Mineral Resource Estimate Summary effective December 31, 2024

IPNM - Summary of Mineral Resources in millions of tons of Langbeinite Mineralized Rock in Place effective December 31, 2024 based on $470/Product Ton Mine Site

	Resources				
	Langbeinite Mineralized Rock (Mt)	**Grade ($\%K_2O$)**	**Contained K_2O (Mt)**	**Mining Cutoff (ft-$\%K_2O$)**	**Processing Recovery (%)**
Measured Mineral Resources	67	10	6	25	68
Indicated Mineral Resources	59	10	6	25	68
Measured + Indicated Mineral Resources	126	10	12		
Inferred Mineral Resources					

Mineral Resources were prepared by RESPEC, a qualified firm for the estimate and independent of Intrepid Potash, for EOY 2024.

Mineral Resources are reported exclusive of Mineral Reserves, on a 100% basis.

Mt = million tons, % = percentage, K_2O = potassium oxide, ft = feet

1.5 Mineral Reserve Estimates

Using the mineral resource grids, applying a reserve cut-off and modifying factors to a 25-year detailed mine plan reserves for the HB mine were estimated. Table 1-3 shows the estimated reserve summaries in product tons effective December 31, 2024.

Table 1-3. IPNM Mineral Reserve Estimate Summary effective December 31, 2024

IPNM - Summary of Potash Mineral Reserves effective December 31, 2024 based on $360/Product Ton Mine Site

	Reserves				
	In-Place KCl (Mt)	In-Situ Grade[1] ($\%K_2O$)	Product[2] (Mt)	Brine Cutoff Grade[3] ($\%K_2O$)	Processing Recovery (%)
Proven Mineral Reserves	5.3	22.9	3.4	2.9	83
Probable Mineral Reserves					
Total Mineral Reserves	5.3	22.9	3.4		

[1] In-situ grade is the amount of K_2O in the contact area of the caverns and is used to calculate the In-Place KCl.
[2] Product is calculated by multiplying In-Place KCl by: dissolution factor of 96%, areal recovery of 100%, geologic factor of 94.2%, plant recovery of 83%, cavern loss factor of 98%, a product purity factor of 103%, a bitterns loss factor of 88% and handling loss factor of 97%.
[3] Brine cutoff grade is the amount of K_2O in the extracted brine necessary to cover the cash costs of production.
Mineral Reserves were prepared by RESPEC, a qualified firm for the estimate and independent of Intrepid Potash, for EOY 2024.
Mineral Reserves are reported exclusive of Mineral Resources, on a 100% basis.

Mt = million tons, % = percent, K_2O = potassium oxide, ft = feet

1.6 Summary of Capital and Operating Cost Estimates

Operating cash cost per ton of product is estimated from actual operating data to average $260 with a credit for by-product sales of $57/ton resulting in a net operating cost per ton of product of $203.

Capital investment necessary to complete the HB 25-year mine plan includes pipeline upgrades, and well infrastructure to bring the AMAX/Horizon Mine (AMAX) into solution mining production. Capital is introduced in Year 25 for reclamation requirements if mining were to end in the 25th year. This investment is in addition to the sustaining capital requirements.

1.7 Economic Analysis

The Net Present Value (NPV) at 8% Annual Percentage Rate (APR) for the before- and after-tax estimated cash flow is positive. The sensitivity to product price and operating cost for an 8% APR was evaluated. Varying costs and sales price plus and minus 10% results in a positive NPV for all options.

1.8 Permitting Requirements

The mines are in operation and necessary state and federal operating permits are in place for current operations. IPNM has timely applied for new permits and permit renewals necessary to continue operations, which are being reviewed by regulatory agencies.

1.9 Conclusions and Recommendations

The QP recommends that IPNM continue planning for the challenges in solution mining with the presence of low levels of carnallite. No additional exploration work is recommended beyond the ongoing confirmation drilling.

2.0 Introduction

This document was prepared to report the IPNM mineral resources in terms of in-situ tons and reserves in terms of saleable product at IPNM under the SEC S-K 1300 rules (2018). The Society for Mining, Metallurgy & Exploration (SME) Guide for Reporting Exploration Information, Mineral Resources and Mineral Reserves (SME 2017) (The SME Guide) supplements the modifying factors used to convert mineral resources to mineral reserves. Previous TRS's filed for the property are listed in Table 2-1.

2.1 Terms of Reference

According to 17 Code of Federal Regulations (CFR) § 229.1300 (2025), the following definitions are included for reference:

An inferred mineral resource is that part of a mineral resource for which quantity and grade or quality are estimated on the basis of limited geological evidence and sampling. The level of geological uncertainty associated with an inferred mineral resource is too high to apply relevant technical and economic factors likely to influence the prospects of economic extraction in a manner useful for evaluation of economic viability. Because an inferred mineral resource has the lowest level of geological confidence of all mineral resources, which prevents the application of the modifying factors in a manner useful for evaluation of economic viability, an inferred mineral resource may not be considered when assessing the economic viability of a mining project, and may not be converted to a mineral reserve.

An indicated mineral resource is that part of a mineral resource for which quantity and grade or quality are estimated on the basis of adequate geological evidence and sampling. The level of geological certainty associated with an indicated mineral resource is sufficient to allow a qualified person to apply modifying factors in sufficient detail to support mine planning and evaluation of the economic viability of the deposit. Because an indicated mineral resource has a lower level of confidence than the level of confidence of a measured mineral resource, an indicated mineral resource may only be converted to a probable mineral reserve.

A measured mineral resource is that part of a mineral resource for which quantity and grade or quality are estimated on the basis of conclusive geological evidence and sampling. The level of geological certainty associated with a measured mineral resource is sufficient to allow a qualified person to apply modifying factors, as defined in this section, in sufficient detail to support detailed mine planning and final evaluation of the economic viability of the deposit. Because a measured mineral resource has a higher level of confidence than the level of confidence of either an indicated mineral resource or an inferred mineral resource, a measured mineral resource may be converted to a proven mineral reserve or to a probable mineral reserve.

Modifying factors are the factors that a qualified person must apply to indicated and measured mineral resources and then evaluate in order to establish the economic viability of mineral reserves. A qualified person must apply and evaluate modifying factors to convert measured and indicated mineral resources to proven and probable mineral reserves. These factors include but are not restricted to mining; processing; metallurgical; infrastructure; economic; marketing; legal; environmental compliance; plans, negotiations, or agreements with local individuals or groups; and governmental factors. A *probable mineral reserve* is the economically mineable part of an indicated and, in some cases, a measured mineral resource.

A proven mineral reserve is the economically mineable part of a measured mineral resource.

Throughout this report, reserves are presented in tons of K_2O and potassium chloride (KCl). Historically, assay data have been reported in terms of %K_2O and reserves in equivalent tons of K_2O. Sylvite is KCl and, in many historical reports, reserve tons or product tons are recorded in terms of tons of KCl. Pure KCl equates to 63.17% K_2O by mass. To convert tonnages from K_2O to KCl, multiply by 1.583.

2.2 Sources of Information

Previously completed reserve estimations under SEC Guide 7 (2008) rules for this property and TRS's reporting mineral resources and mineral reserves under the SEC S-K 1300 rules are listed in Table 2-1.

2.3 Personal Inspection

Personal inspection of the properties has occurred over the years by the QP. The most recent inspection of the property took place on November 6 and 7, 2019. The inspection included an underground and surface visit to the East, West, and HB Mines.

Table 2-1. Summary of Reserve Reports

Effective EOY	Title	Notes	Reference
2006	Determination of Reserves for IPNM of the Carlsbad East and West Mines	Included North Mine reserves hoisted through the West Mine Facilities.	Agapito 2007
2007	Determination of Estimated Proven and Probable Reserves for the Planned HB Solution Mine for Intrepid Mining, LLC		Agapito 2008
2008	Reserve Update for the Carlsbad HB, East and West Mines for Intrepid Potash, Inc.		Agapito 2009
2009	Determination of Estimated Proven and Probable Reserves at Intrepid Potash–New Mexico, LLC		Agapito 2010
2010	Determination of Estimated Proven and Probable Reserves at Intrepid Potash–New Mexico, LLC	AAI updated the reserve estimate by adjusting for the mined-out areas of the LOMP.	Agapito 2011
2011	Determination of Estimated Proven and Probable Reserves at Intrepid Potash–New Mexico, LLC	Reserve estimate as of EOY 2011 based on depletion by extraction of the IPNM's LOMP.	Agapito 2012
2012	Determination of Estimated Proven and Probable Reserves at Intrepid Potash–New Mexico, LLC	New deposit information, lease boundaries, and an updated LOMP were incorporated into the reserve estimate.	Agapito 2013
2013	Determination of Estimated Proven and Probable Reserves at Intrepid Potash–New Mexico, LLC	EOY 2012 estimate was updated to account for depletion by extraction for 2013.	Agapito 2014
2014	Determination of Estimated Proven and Probable Reserves at Intrepid Potash–New Mexico, LLC	EOY 2012 estimate was updated to account for depletion by extraction for the 2013 and 2014 reserve estimate.	Agapito 2015
2015	End-of-Year 2015 Intrepid Potash, Inc. Reserve for the Carlsbad HB Solar Solution, East and West Mines Intrepid Potash–New Mexico, LLC	Updated lease maps, geologic database as of June 24, 2015, monthly lease reports, production maps, planning maps, and financial documents including sales and costs associated with the HB Solar Solution, West, and East Mines.	Agapito 2016
2016	End-of-Year 2016 Intrepid Potash, Inc. Reserve for the Carlsbad HB Solar Solution, East and West Mines Intrepid Potash–New Mexico, LLC	Depletion by extraction in the 1st, 3rd, 5th, and 7th ore zones from the 2015 EOY.	Agapito 2017
2017	End-of-Year 2017 Intrepid Potash, Inc. Reserve for the Carlsbad HB Solar Solution, East and West Mines	Conventional extraction of langbeinite at the IPNM East Mine 5th ore zone and solution extraction in the 1st and 3rd ore zones at the IPNM HB Solar Solution Mine with updated economic cutoff grades and drill island impacts.	Agapito 2018
2018	2018 Determination of Estimated Proven and Probable Reserves for the Carlsbad HB Solar Solution, East and West Mines	Updated lease maps, geologic database as of July 7, 2018, monthly lease reports, production maps, planning maps, and financial documents including sales and costs associated with the IPNM HB Solar Solution, West, and East Mines.	Agapito 2019
2019	2019 Determination of Estimated Proven and Probable Reserves for the Carlsbad HB Solar Solution, East and West Mines	Extraction, cutoff changes due to economic parameters, new exploration and channel sample data, drill islands, and financial data.	Agapito 2020
2020	2020 Determination of Estimated Proven and Probable Reserves for the Carlsbad HB Solar Solution, East and West Mines	Depletion by extraction in the 1st, 3rd, 5th, and 7th ore zones 2020 EOY.	Agapito 2021
2021	Technical Report Summary, 2021 Estimated Resources and Reserves at Intrepid Potash-New Mexico	Resources and reserves for all applicable zones EOY 2021	Agapito 2022
2021	Technical Report Summary, REVISED 2021 Estimated Resources and Reserves at Intrepid Potash-New Mexico	Added clarification to resource and reserve estimation methodology, added detail to the operating cost and cash flow methodology	RESPEC 2023
2023	Technical Report Summary of the 2023 Estimated Resources and Reserves at Intrepid Potash-New Mexico	Updated resources and reserves, and economics for new HB mine plan and depletion by extraction and lease modifications.	RESPEC 2024

3.0 Property Description

3.1 Location and Area of the Property

The IPNM Carlsbad HB Solar Solution, East, West, and North Mines are located in southeastern New Mexico in Eddy and Lea Counties in the Carlsbad Potash District (CPD), as shown in Figure 3-1. The location is further defined by the boundary of the Known Potash Leasing Area (KPLA) as shown in Figure 3-2. This United States Bureau of Land Management (BLM) managed area consists of that part of the district where the co-development guidelines for oil and gas and potash are in effect for federal lands under the Secretary's Order 3324 dated December 4, 2012 (Federal Register [FR] 2012-29393). This order revises and supersedes the Order of the Secretary of the Interior, dated October 28, 1986 (51 FR 39425), and corrected on August 26, 1987 (52 FR 32171). The 2012 Secretary's Order does not alter the boundaries of the area. The area also contains state lands that are managed by the state under the New Mexico Oil Conservation Division Order R-111-Q (State of New Mexico Energy, Mineral, and Natural Resources). In general, the stated objective of the Secretary's Order and R-111-Q is to prevent waste of petroleum and mineral resources and maximize the economic recovery of oil, gas, and potash minerals in the area.

3.2 Mineral Rights

IPNM controls the right to mine approximately 127,000 acres in New Mexico. Of that acreage, 21,000 acres are leased from the State of New Mexico, 106,000 acres are leased from the United States government through the BLM, and 300 acres of mineral rights are leased from private owners. IPNM owns 4,700 surface acres near the mine site, adjacent to the federal and state mining leases. Most mining operations are on properties leased from the state or the federal government. These leases generally contain stipulations that require IPNM to commence mining operations within a specified term and continue mining to retain the lease. The stipulations on IPNM leases are subject to periodic readjustment by the applicable state government and the federal government. Federal leases are for indefinite terms subject to readjustment of the lease stipulations, including the royalty payable to the federal government, every 20 years. Leases with the State of New Mexico are issued for terms of 10 years and for as long thereafter as potash is produced in commercial quantities and are subject to readjustment of the lease stipulations, including the royalty payable to the state. Table 3-1 lists the leases and the terms.

3.3 Significant Encumbrances

The IPNM properties are pledged as collateral for Intrepid's revolving credit facility Various reclamation bonds totaling $4.057 million are in place as of December 31, 2024.

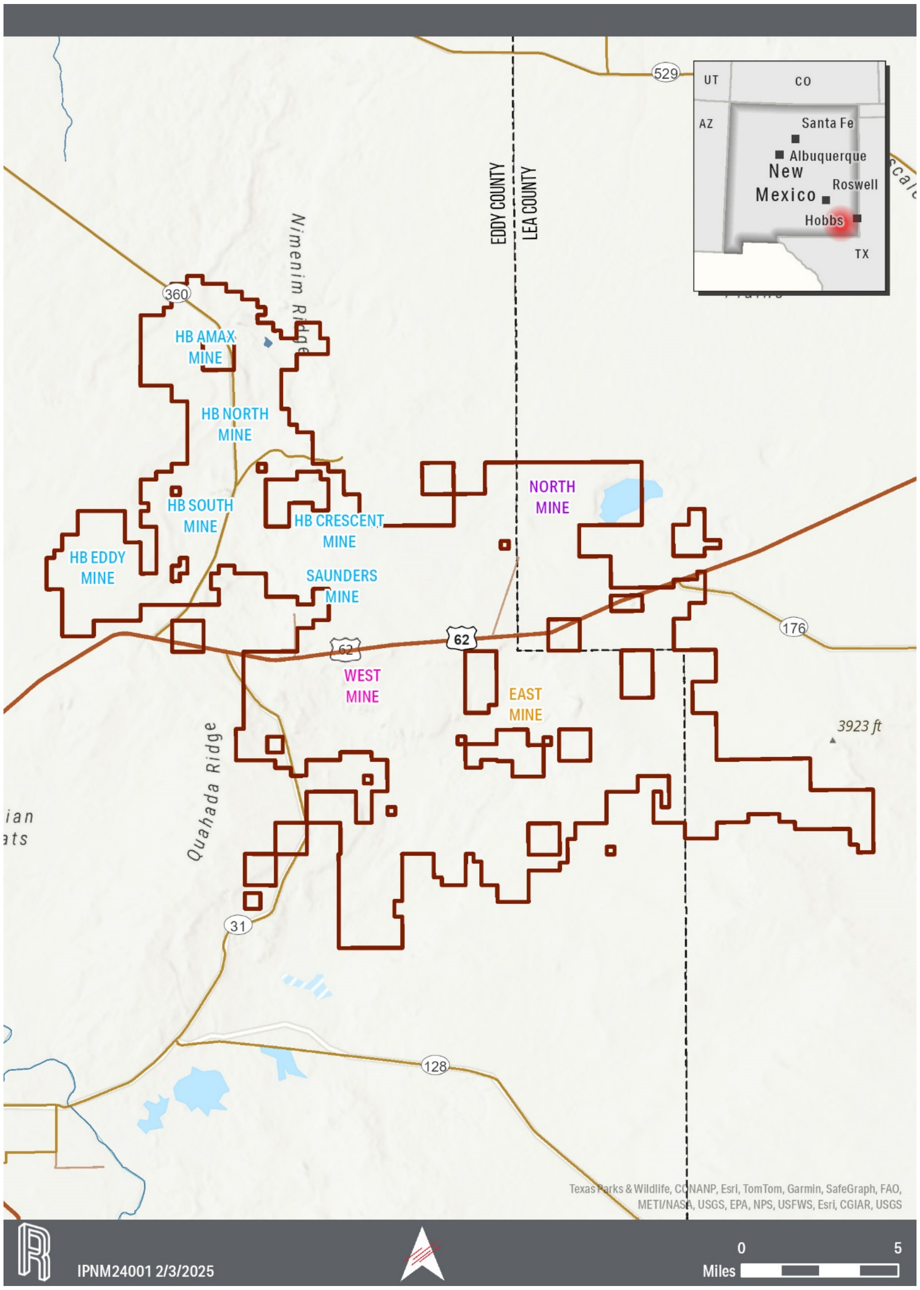

Figure 3-1. Location Map for the IPNM HB, East, West, and North Mines near Carlsbad, New Mexico

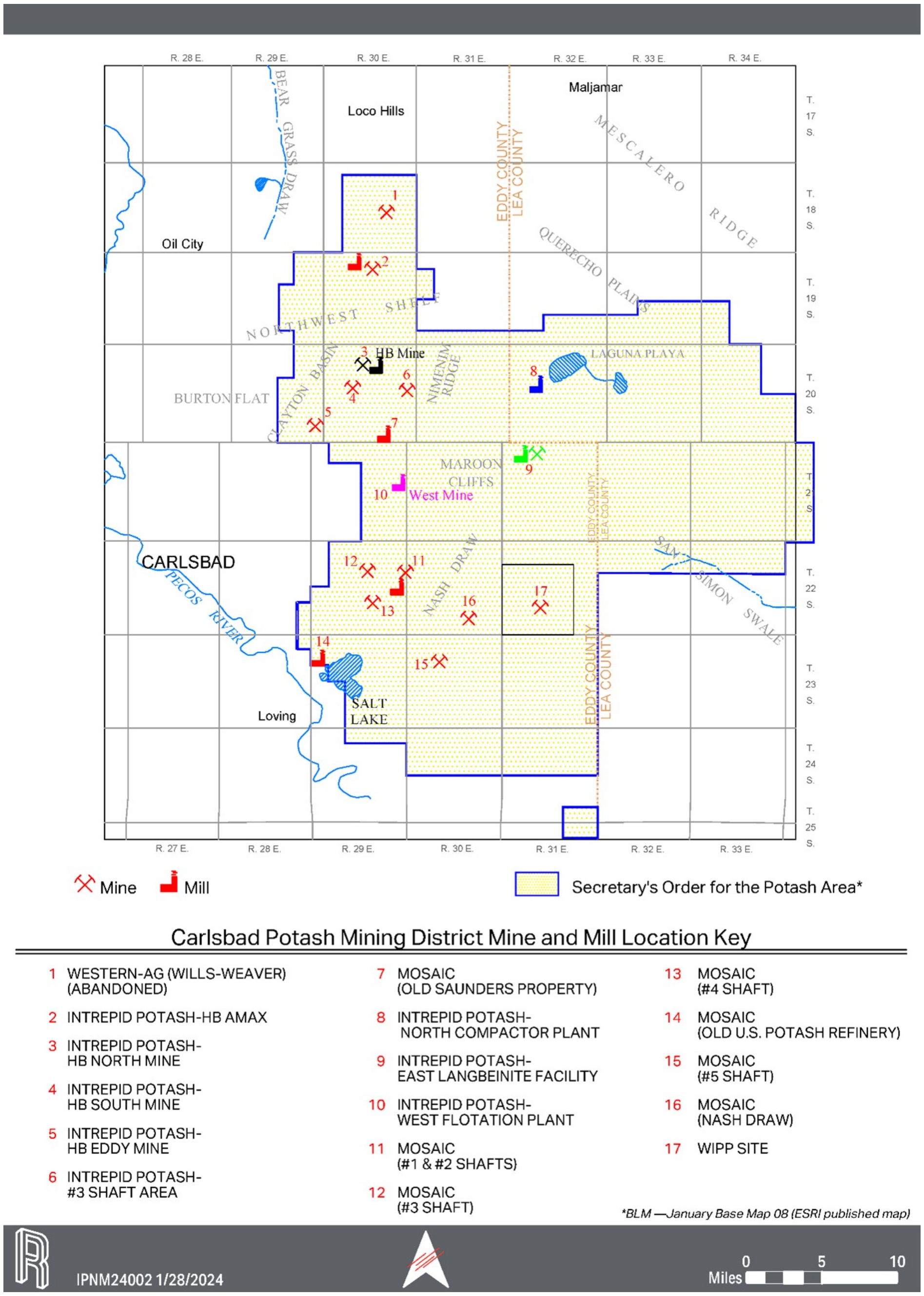

Figure 3-2. Location Map Depicting the Secretary's Order for the Potash Area

Table 3-1. Property Lease Details

Federal Land Lease Number	Lease Type	Mine	Date	Royalty Rate	Acres (BLM)	Readjustment Due	Amount Paid	Date Paid
NMNM 029268401	Potassium PRL	East	1966		2,546	12/1/2026	$10,184.00	12/18/2024
NMNM 012181001	Potassium PRL	HB	1965	5% Leased Deposits	640	1/1/2045	$2,560.00	12/18/2024
NMNM 005728701	Potassium PRL	East	1963		2,461	1/1/2044	$9,848.00	12/18/2024
NMNM 002362301	Potassium PRL	HB	1962	5% Leased Deposits	400	2/1/2042	$1,600.00	12/18/2024
NMNM 001654001	Potassium PRL	West	1960		120	4/1/2040	$480.00	12/18/2024
NMNM 001474201	Potassium PRL	East	1963		640	8/1/2043	$2,560.00	12/18/2024
NMNM 000685901	Potassium PRL	East	1953		2,554	10/26/2033	$10,220.00	12/18/2024
NMNM 000610101	Potassium PRL	West	1958		1,200	2/1/2038	$4,800.00	12/18/2024
NMNM 0554864	Potassium PRL	East	1953		1,250	2/24/2033	$5,004.00	12/18/2024
NMNM 0554863	Potassium PRL	East	1953		200	2/24/2033	$800.00	12/18/2024
NMNM 0554862	Pot Fringe Acre NCL	East	1953		480	2/24/2033	$1,920.00	12/18/2024
NMNM 0220116	Potassium CL	HB	1961	5% Leased Deposits	2,552	12/1/2041	$10,208.00	12/18/2024
NMNM 0184150	Potassium PRL	West	1949		240	11/30/2029	$960.00	12/18/2024
NMNM 0184149	Potassium PRL	West	1955		80	1/1/2035	$320.00	12/18/2024
NMNM 0135065	Pot Fringe Acre NCL	HB	1961	5%+1cent mrt	200	6/1/2041	$800.00	12/18/2024
NMNM 131012	Pot Fringe Acre NCL	East	2016		1,320	3/1/2036	$5,280.00	12/18/2024
NMNM 131011	Pot Fringe Acre NCL	East	2016		2,000	3/1/2036	$8,000.00	12/18/2024
NMNM 131010	Pot Fringe Acre NCL	East	2016		1,280	3/1/2036	$5,120.00	12/18/2024
NMNM 120103	Pot Fringe Acre NCL	East	2012		1,920	10/1/2032	$7,680.00	12/18/2024
NMNM 120102	Pot Fringe Acre NCL	West	2012		1,560	10/1/2032	$6,240.00	12/18/2024
NMNM 120101	Pot Fringe Acre NCL	East	2012		2,240	10/1/2032	$8,960.00	12/18/2024
NMNM 118970	Potassium CL	East	2008		320	1/1/2028	$1,280.00	12/18/2024
NMNM 118969	Potassium CL	East	2008		320	1/1/2028	$1,280.00	12/18/2024
NMNM 113457	Pot Fringe Acre NCL	HB	2012	5% Leased Deposits	560	10/1/2032	$2,240.00	12/18/2024
NMNM 113456	Pot Fringe Acre NCL	HB	2012	5% Leased Deposits	2,480	10/1/2032	$9,920.00	12/18/2024
NMNM 113455	Pot Fringe Acre NCL	HB	2012	5% Leased Deposits	2,401	10/1/2032	$9,604.00	12/18/2024
NMNM 112199	Pot Fringe Acre NCL	HB	2007	Sliding Scale (POT); 5% Lang	434	2/1/2027	$1,740.00	12/18/2024
NMNM 110949	Pot Fringe Acre NCL	East	2004		1,918	12/1/2044	$7,672.00	12/18/2024
NMNM 0088285	Pot Fringe Acre NCL	HB	1960	5%+1cent mrt	120	8/1/2040	$480.00	12/18/2024
NMNM 080707	Pot Fringe Acre NCL	East	1963		2,520	8/1/2043	$10,080.00	12/18/2024
NMNM 0070607	Pot Fringe Acre NCL	West	1960		552	2/1/2040	$2,208.00	12/18/2024
NMNM 0063880	Pot Fringe Acre NCL	West	1959		120	7/1/2039	$480.00	12/18/2024
NMNM 054619	Pot Fringe Acre NCL	East	1983		2,092	3/1/2043	$8,368.00	12/18/2024
NMNM 0050249A	Potassium PRL	HB	1963	5% Leased Deposits	920	9/1/2043	$3,680.00	12/18/2024
NMNM 047021	Pot Fringe Acre NCL	East	1982		1,105	7/1/2042	$4,424.00	12/18/2024
NMNM 0045410	Potassium PRL	East	1958		2,438	6/1/2038	$9,756.00	12/18/2024

Federal Land Lease Number	Lease Type	Mine	Date	Royalty Rate	Acres (BLM)	Readjustment Due	Amount Paid	Date Paid
NMNM 041639	Pot Fringe Acre NCL	East	1981		120	7/1/2041	$480	12/18/2024
NMNM 040362	Pot Fringe Acre NCL	East	1980		280	12/1/2040	$1,120	12/18/2024
NMNM 040071	Potassium CL	North	1980		2,080	5/1/2040	$8,320	12/18/2024
NMNM 0036791	Potassium CL	HB	1957	5% Leased Deposits	1,840	10/1/1037	$7,360	12/18/2024
NMNM 0035383	Potassium CL	East	1957		2,400	1/1/2038	$9,600	12/18/2024
NMNM 0033696A	Potassium PRL	East	1957		1,241	3/1/2038	$4,964	12/18/2024
NMNM 0033696	Potassium PRL	West	1958		960	3/1/2038	$3,840	12/18/2024
NMNM 028916	Pot Fringe Acre NCL	West	1963		880	8/1/2043	$3,520	12/18/2024
NMNM 028915	Potassium PRL	East	1958		118	6/1/2038	$472	12/18/2024
NMNM 025234	Potassium PRL	West	1949		80	11/30/2029	$320	12/18/2024
NMNM 025233	Potassium PRL	West	1952		1,600	1/2/2032	$6,400	12/18/2024
NMNM 025232	Potassium PRL	West	1951		1,600	7/6/2031	$6,400	12/18/2024
NMNM 024522	Pot Fringe Acre NCL	West	1982		800	3/1/2042	$3,200	12/18/2024
NMNM 018417	Pot Fringe Acre NCL	East	1952		160	1/9/2032	$640	12/18/2024
NMNM 0015064C	Potassium PRL	East	1953		1,049	10/25/2033	$4,200	12/18/2024
NMNM 0015064B	Potassium PRL	East	1953		1,280	10/26/2033	$5,120	12/18/2024
NMNM 0015064A	Potassium PRL	East	1953		1,600	10/26/2033	$6,400	12/18/2024
NMNM 013933	Pot Fringe Acre NCL	HB	1971	5% Leased Deposits	80	10/1/2031	$320	12/18/2024
NMNM 013932	Pot Fringe Acre NCL	West	1974		640	11/1/2034	$2,560	12/18/2024
NMNM 012763	Pot Fringe Acre NCL	HB	1971	5% Leased Deposits	160	6/1/2031	$640	12/18/2024
NMNM 0011777	Pot Fringe Acre NCL	North	1952	1% ORRI	1,118	1/9/2032	$4,472	12/18/2024
NMNM 0011776	Pot Fringe Acre NCL	North	1952	1% ORRI	2,559	1/9/2032	$10,240	12/18/2024
NMNM 0007005	Potassium PRL	West	1952		2,073	1/2/2032	$8,296	12/18/2024
NMNM 0003468	Pot Fringe Acre NCL	West	1958		960	7/1/2038	$3,840	12/18/2024
NMLC 007186801	Potassium PRL	East	1955		1,938	9/1/2035	$7,756	12/18/2024
NMLC 007014101	Potassium PRL	HB	1959	5%+1cent mrt	439	1/1/2039	$1,756	12/18/2024
NMLC 006839701	Potassium PRL	North	1952	1% ORRI	1,920	1/9/2032	$7,680	12/18/2024
NMLC 006602601	Potassium PRL	HB	1955	5% + 1cent mrt	200	9/1/2035	$800	12/18/2024
NMLC 006569301	Potassium PRL	West	1958		560	2/1/2038	$2,240	12/18/2024
NMLC 006556601	Potassium PRL	HB	1951	5% Leased Deposits; 1.0987% ORRI	720	9/28/2031	$2,880	12/18/2024
NMLC 006528601	Potassium PRL	North	1952	1% ORRI	2,554	1/9/2032	$10,216	12/18/2024
NMLC 006527501	Potassium PRL	North	1952	1% ORRI	2,551	1/9/2032	$10,204	12/18/2024
NMLC 006508101	Potassium PRL	HB	1950	Sliding Scale (POT); 1.0987% ORRI	560	12/6/2030	$2,240	12/18/2024
NMLC 006184701	Potassium PRL	West	1951	1.0987% ORRI	1,275	7/6/2031	$5,104	12/18/2024
NMLC 0050063F	Potassium PRL	HB	1939	5% Leased Deposits; 1.0987% ORRI	2,358	4/15/2039	$9,436	12/18/2024
NMLC 0050063B	Potassium PRL	HB	1939	5% Leased Deposits; 1.0987% ORRI	2,560	4/15/2039	$10,240	12/18/2024

Federal Land Lease Number	Lease Type	Mine	Date	Royalty Rate	Acres (BLM)	Readjustment Due	Amount Paid	Date Paid
NMLC 0046729D	Pot Fringe Acre NCL	HB	1933	5% Leased Deposits; 1.0987% ORRI	2,560	1/18/2033	$10,240	12/18/2024
NMLC 0046729C	Pot Fringe Acre NCL	HB	1933	5% Leased Deposits; 1.0987% ORRI	2,280	1/18/2033	$9,120	12/18/2024
NMLC 0046729A	Pot Fringe Acre NCL	HB	1933	5% Leased Deposits; 1.0987% ORRI	2,559	1/18/2033	$10,236	12/18/2024
NMLC 0044752	Pot Fringe Acre NCL	HB	1956	5% Lang	240	9/1/2036	$960	12/18/2024
NMLC 0043636C	Pot Fringe Acre NCL	West	1932		920	6/20/2032	$3,680	12/18/2024
NMLC 0043636B	Pot Fringe Acre NCL	West	1932		2,312	6/20/2032	$9,248	12/18/2024
NMLC 0043636A	Pot Fringe Acre NCL	West	1932		1,044	6/20/2032	$4,180	12/18/2024
NMLC 0036092C	Pot Fringe Acre NCL	West	1929		2,559	11/21/2029	$10,240	12/18/2024
NMLC 0036092B	Pot Fringe Acre NCL	West	1929		2,026	11/21/2029	$8,104	12/18/2024
NMLC 0036092A	Pot Fringe Acre NCL	West	1929		2,437	11/21/2029	$9,748	12/18/2024

State of New Mexico Land Lease Number	Lease Type	Issue Date	Acres (State)		Amount Paid	Date Paid
HP00050001	Potash	2005	3,200	HBP	$3,200	5/23/2024
M006510011	Potash	1936	17,486	HBP	$1,749	1/21/2024

NOTE—Coordinate System: Shifted from North American Datum (NAD) 27 New Mexico State Plane North to Local Mine Grid

PRL = Preference Rights Lease; CL = Competitive Lease; NCL = Non-Competitive Lease

3.4 Significant Factors

There are no significant factors or risks that may affect access, title, or the right or ability to perform work on the property.

4.0 Accessibility

4.1 Topography, Elevation, and Vegetation

The topography is explained in the HB Mine Environmental Impact Statement (EIS) (United States Department of Interior [DOI] 2012) as a karst topography with sinkholes, caves, and enclosed depressions. The topography is the result of the dissolution of evaporite deposits in the subsurface. The vegetation cover in the permit area is typical of the Pecos Valley on the eastern edge of the Guadalupe Mountains. The area is dominated by desert scrub, mesquite upland scrub, and grasslands (DOI 2012). The mines are located at an approximate surface elevation of 3,500-ft mean sea level (msl).

4.2 Property Access

The mining facilities are accessible by both road and rail as shown in Figure 4-1. Adequate infrastructure is in place to meet production requirements. Shipment of product is by truck and rail via paved United States Highway 180-W and the Burlington Northern Santa Fe (BNSF) rail link. The area is served by small air carriers at the Cavern City Terminal located in Carlsbad, New Mexico. Airports are located in Midland, Texas and El Paso, Texas, approximately 125 and 200 miles from the property, respectively.

4.3 Climate

The climate is generally mild with an average temperature of 62.4 degrees Fahrenheit (°F). The precipitation, as rainfall during the monsoon season from May to September, averages 13.4 inches. Average annual snowfall is 3 inches (US Climate Data 2020). The weather is favorable to conducting solar evaporation. Operations continue throughout the year without significant weather disruption.

4.4 Infrastructure Availability

IPNM has sufficient water rights, reliable electric power, and a robust supply chain. IPNM competes with other industries in the Carlsbad area for qualified labor. Layoffs in market downturns may make it more difficult to re-hire personnel as needed.

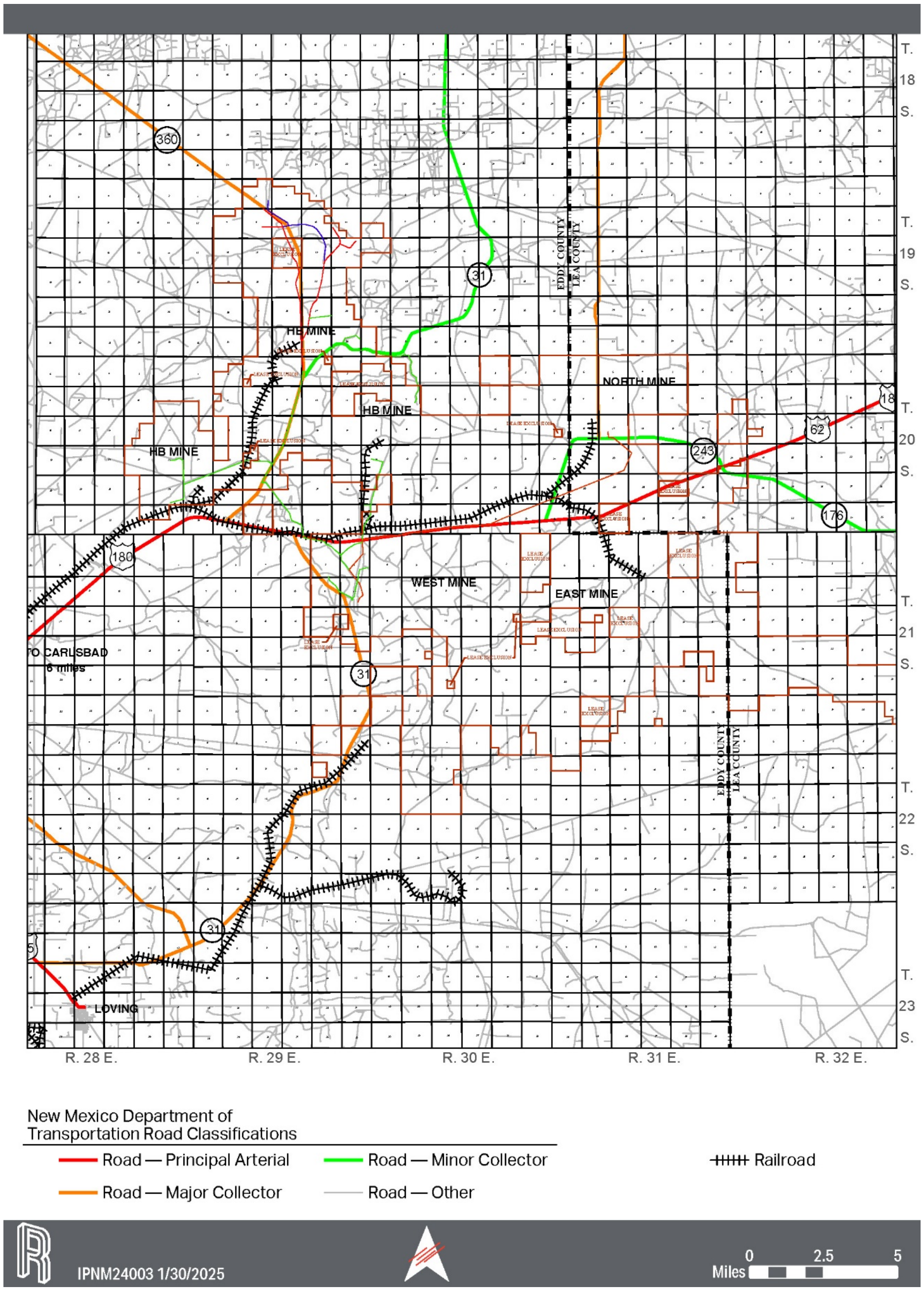

Figure 4-1. Mine Locations showing Property Access

5.0 History

Potash was first discovered in southeast New Mexico in 1925 in Eddy County, New Mexico, in Snowden McSweeney Well No. I on a V. H. McNutt permit near the center of the portion of what is now the KPLA. Commercial shipments began in 1931. The ownership history is listed in Table 5-1.

Table 5-1. Mine Ownership History

Property	Owner	Date
East Mine	Kerr-McGee Chemical Corporation	1961–1985
	New Mexico Potash Corporation (Trans Resources, Inc.)	1985–1996
	Mississippi Potash Inc.	1996–2004
	Intrepid Potash, Inc. (Intrepid Mining- NM, LLC)	2004–Present
West Mine	U. S. Potash Company	1929–1956
	U.S. Borax and Chemical Corporation	1956–1968
	U.S. Potash and Chemical	1968–1970
	Continental American Royalty Corporation	1970–1972
	Teledyne	1972–1974
	Mississippi Chemical Company (MCC)	1974–1996
	Mississippi Potash, Inc. (MPI) (a subsidiary of MCC)	1996–2004
	Intrepid Potash, Inc. (Intrepid Mining - NM, LLC)	2004–Present
North Mine	National Potash Company (Freeport Sulphur Company)	1957–1982
	New Mexico Potash Corporation (Trans Resources Inc.)	1982
	Mississippi Chemical Corporation	1985–1988
	Mississippi Chemical Corporation	1992–1996
	Mississippi Potash Inc.	1996–2004
	Intrepid Potash, Inc. (Intrepid Mining- NM, LLC)	2004–Present
AMAX Mine	Southwest Potash Corporation	1948
	AMAX Potash	1986–1992
	Horizon Gold (Horizon Potash)	1992–1995
	Intrepid Potash, Inc. (Intrepid Mining - NM, LLC)	2012–Present
HB Mine	Potash Corp of America	1934–1967
	Ideal Basic	1967–1985
	Lundberg Industries	1985–1987
	Trans-Resource (Eddy Potash)	1987–1996
	Mississippi Potash, Inc.	1996–2004
	Intrepid Potash, Inc. (Intrepid Mining NM, LLC)	2004–Present

6.0 Geologic Setting

The term “potash” is a generic term describing potassium in combination with chloride, sulfates, or nitrates. Potassium is one of the key nutrients for plants in fertilizer with nitrogen and phosphorus. Potash-bearing evaporites are typically formed as the result of evaporation of brine in basins with restricted outlets. Potash zones are found near the top of halite beds because potash is precipitated from the concentrated brines found at the end of the evaporation sequence. Important natural and commercial soluble potassium salts are sylvite (KCl) and langbeinite, a potassium magnesium double salt ($K2SO4 \cdot 2MgSO4$) (Barker and Austin 1999).

6.1 Deposit Type

The geology of the potash-bearing beds of the Carlsbad area has been well documented. Overall, the potash-bearing beds may be described as bedded sedimentary rocks, deposited across the Delaware Basin and Northwest Shelf backreef from the Capitan Reef. The depositional sequences that developed in the Salado Formation consist of repetitive cycles that can be recognized by changes in mineralogy, sedimentary textures, and structures. Two types of cycles are differentiated as Type I and Type II. A complete Type I cycle ranges in thickness from 3 ft to 33- ft and consists of (in ascending order):

- A basal, mixed siliciclastic and carbonate mudstone
- Laminated to massive anhydrite-polyhalite
- Halite
- Halite with mud (argillaceous halite)

Type II is a thinner, less complete sequence and consists of halite that grades upward into argillaceous halite (Lowenstein 1988). The anhydrite-polyhalite beds are laterally continuous over large distances and are used as marker beds for correlation. Potash beds are not included in these sequences because potash is secondary and formed later than the basic depositional sequence.

6.2 Regional Geology

The Carlsbad area falls within the Delaware Basin of Permian Age. The Delaware Basin has a maximum width of approximately 100 miles and a length of approximately 150 miles, extending from north of Carlsbad, New Mexico, to Pecos County, Texas.

The Permian Age sequence comprises the Ochoan, Guadalupe, Leonard, and Wolfcamp series in order of increasing age (Linn and Adams 1966). Laterally extensive, evaporite beds containing deposits of halite, sylvite, langbeinite, kainite, carnallite, and other evaporite minerals are found within the Ochoan Series, whose top ranges from a depth of 2,000 ft near the Texas State line to approximately 200 ft below surface north of Carlsbad.

The Ochoan Series is divided into four formations as follows, in order of increasing depth (Vine 1963):

- Dewey Lake Red Beds, which consist of 200 to 250 ft of fine-grained sandstone, siltstone, and shale of low permeability that is absent west of the Pecos River.
- Rustler Formation, which consists of approximately 350 ft of dolomite and anhydrite beds that outcrop along the Pecos River west of the potash area.
- Salado Formation, which was originally called the Upper Castile Formation and was separated from the underlying Castile based on a potash content of more than 1% K_2O (Kroenlein 1939). The Salado Formation contains 12 potash zones, of which 6 have been or are currently being mined.
- Castile Formation, which is laterally bounded by the Guadalupian Age Capitan Reef limestones that define the Delaware Basin and consists of calcite-banded anhydrite and halite formed in a deep-water environment (Cheeseman 1978).

The Salado Formation thickness ranges from 1,200 ft to 2,300 ft and consists of an unnamed Upper Member, the McNutt Potash Member, and an unnamed Lower Member. Much of the variation in thickness is due to removal of halite by dissolution. It is an evaporite sequence dominated by 650 to 1,300 ft of halite and argillaceous halite and contains over 42 informally named or numbered marker beds in addition to 11 numbered potash zones within the McNutt Potash Member (Table 6-1). Figure 6-1 shows the zones in a cross section through the Property.

Table 6-1. The Potash Zones in the McNutt Potash Member

Potash Zone	Marker Bed	Thickness (ft)	Approximate Depth from Top of Salado (ft)	Lithology
	MB103	20	180	Anhydrite
	MB109	20	320	Anhydrite, finely crystalline, interbedded with stringers of halite, polyhalite and mudstone
	Vaca Triste	10	540	Siltstone and silty mudstone interbedded with halite
11				Mostly carnallite, minor sylvite, leonite
	MB117			Polyhalite
	MB119			Polyhalite
10				Sylvite, sylvinite
	MB120			Anhydrite
9				Carnallite, kieserite, sylvite
	MB121			Polyhalite
	MB122			Polyhalite
8				Sylvite
	Union Anhydrite	15-20	760	Anhydrite, finely crystalline with stringers of halite
7				Sylvite, sylvinite
6				Carnallite, kieserite, etc.
5				Sylvite, langbeinite
	MB123	5-10	845	Halite and polyhalite
	MB124	5-10	870	Anhydrite, finely crystalline laminated. May have stringers of mudstone
4				Langbeinite, sylvite
3				Sylvite, sylvinite
2				Carnallite, kieserite, etc.
	MB125			Polyhalite
1				Sylvite and sylvinite
	MB126			Polyhalite
	MB134	10-15	1,260	Anhydrite
	MB136	10-15	1,340	Anhydrite. May have interbeds of halite or polyhalite
	MB142	15	1,550	Anhydrite with interbeds of halite and stringers of mudstone
	Cowden Anhydrite	20	1,700	Anhydrite, finely crystalline, laminated. May have thin interbeds of magnesite and mudstone. Divided into two beds by intervening halite in SE Eddy County

Source: Backman (1984); Griswold (1982)

6.3 Property Geology

Sylvinite is currently being mined using solution methods in the 1st and 3rd ore zone. Historically, sylvinite has been conventionally underground mined in the 1st, 3rd, 5th, 7th, and 10th ore zones.

Mechanical mining of langbeinite is currently occurring in the 3rd and 5th ore zones at the East Mine. Langbeinite is prevalent in the 3rd and 4th ore zones in the southern part of the Delaware Basin, part of the Permian Basin, and occurs mixed with sylvite in the 5th ore zone.

The property stratigraphic column is shown in Figure 6-2.

6.3.1 East Mine

Historically, the East Mine primarily mined sylvinite in the 10th ore zone. Current mining is predominantly taking place on the 5th mixed and 3rd langbeinite ore zones. The 5th ore zone is a mixed ore consisting of variable amounts of K_2O as langbeinite and sylvite. The 5th ore zone, predominant in langbeinite, is mined and blended with the 3rd langbeinite ore. The common minerals found at the mine are halite, sylvite, clay (montmorillonite), sulfate minerals, and carnallite. The eastern sections of the mine have large deposits of carnallite and kieserite. The 10th ore zone is also characterized by isolated pods of barren clays. These clay pods range in size from a few square feet to several hundred thousand square feet. The location of these pods is random, and there is no known practical method of predicting their location.

6.3.2 West Mine

The potash deposits at the West Mine consist of mixed sylvite (KCl) and halite (NaCl) in two distinct zones within one of the flat-lying halite beds. This bed is located near the middle of the Salado Formation. Thin zones of enriched potash-bearing minerals are located within the 150-ft deposit.

Mining activities most recently took place in the 5th, 7th, and 10th ore zones. In most parts of the deposit, the vertical change from ore to barren salt is abrupt, while the lateral transition at the edges of the ore body is gradual. Barren masses of halite, known as “salt horses,” are scattered irregularly throughout the ore body. The ore is an intimate intergrowth of crystalline NaCl and KCl in various proportions, with sylvite typically less than 35% by weight. Sylvite is milky or faintly bluish gray but is often stained red by iron oxide around the crystals. Halite commonly is clear, grayish, or orange/yellow with occasional red staining. Blue halite is occasionally found associated with the sylvite.

6.3.3 North Mine

In the vicinity of the North Mine, the 10^{th} ore zone is encountered at depths of between approximately 1,400 and 1,900 ft below ground surface. The 10^{th} ore zone consists of two sylvinite beds separated by a halite unit. The lower member, or zone 10C, is the target ore bed for the North Mine and may vary in thickness from 3 to 8 ft.

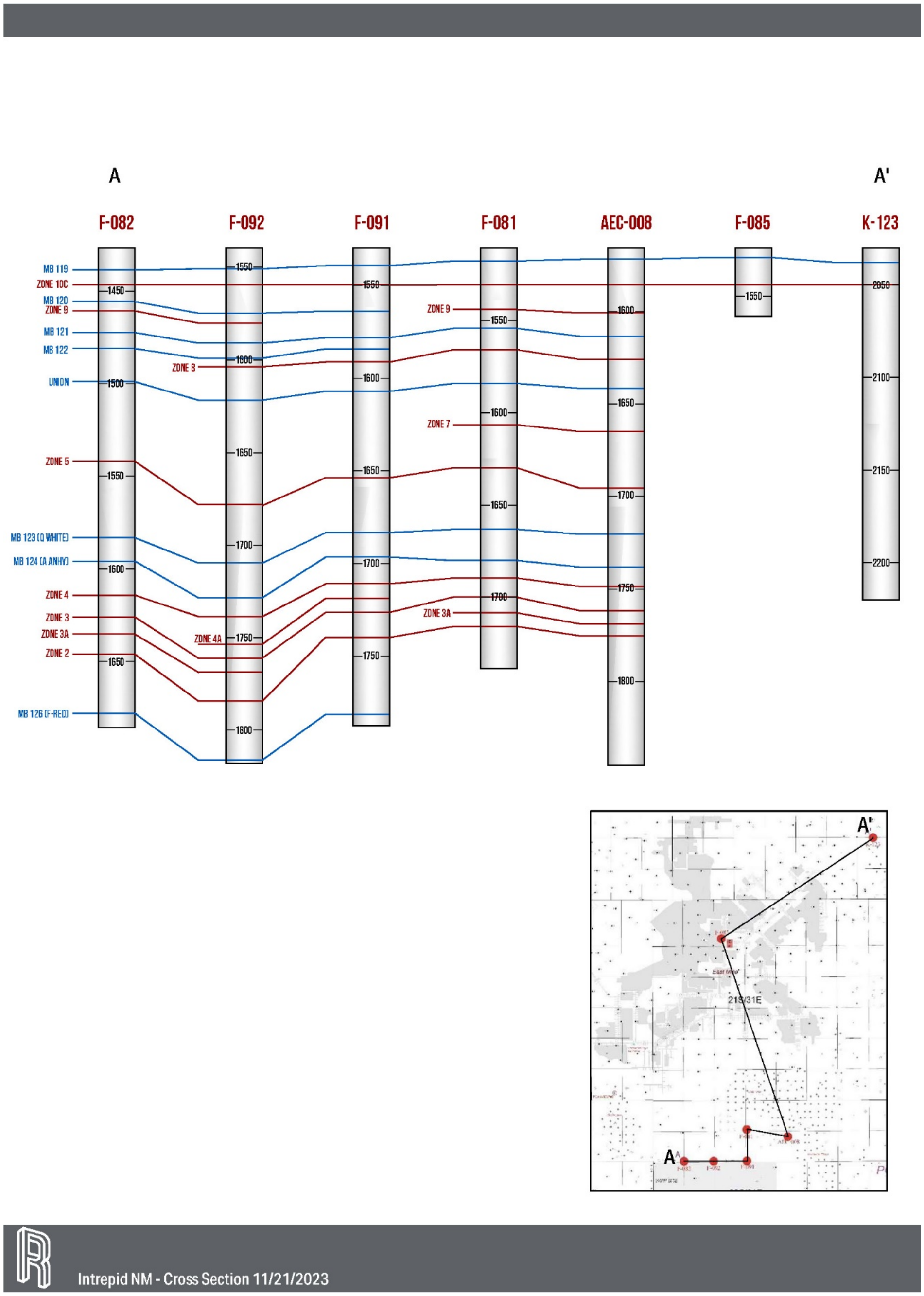

Figure 6-1. Carlsbad Potash District Regional Cross Section (Lewis 2007)

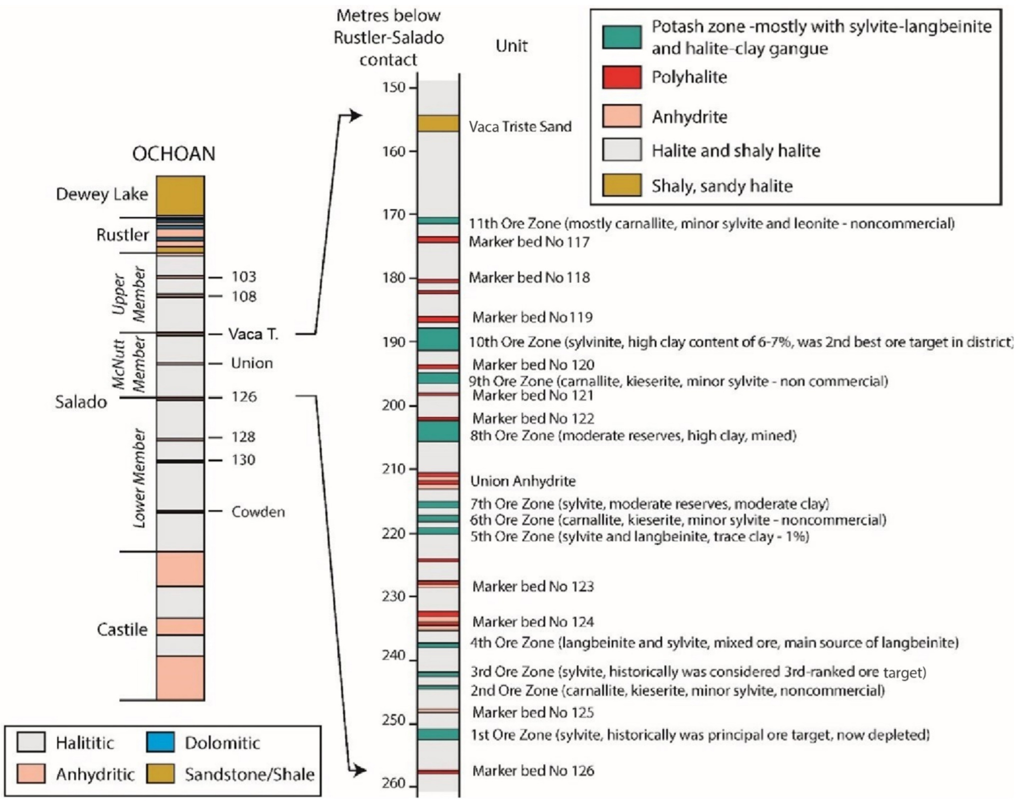

Figure 6-2. Typical Stratigraphic Column of the Ochoan (Warren 2018; Barker et al 1993)

6.3.4 HB Solar Solution Mine

The HB Mine, which was formerly owned by the Eddy Potash, Co., and mined on the 1st and 3rd ore zones (Barker and Austin 1999), has been flooded and is currently being solution mined with brines to obtain potash from the remaining pillars.

6.4 Mineralization

In the Carlsbad Area, the potassium minerals, in order of decreasing abundance, are polyhalite, sylvite, carnallite, langbeinite, kainite, and leonite. Other potassium minerals occur only in minor amounts in association with the principal potassium minerals listed previously. The mineralogy of the zones found in the Carlsbad Area are summarized in Table 6-2.

Table 6-2. Carlsbad Area Minerals and Their Compositions

Ore Zone	Closest Marker Bed		Approximate Bed Depth (ft-bgs)	Bed Thickness (ft)	Clay Content (%)	Mineralogy	Mineability and Status
	Above Ore Zone	Below Ore Zone					
Eleventh	Vaca Triste	MB117				Mostly carnallite, minor silvite and leonite	Not commercial
Tenth	MB119	MB120	700	5–12	5–7	Sylvite	Second best in District; in production
Ninth	MB120	MB121					Not commercial
						Carnallite, kieserite, minor sylvite	
Eighth	MB122	Union			6–7	Sylvite	Moderate size; unmined
Seventh	Union			5–9	3–4	Sylvite	Formerly mined; standby
Sixth	Union					Carnallite, kieserite, etc.	Not commercial
Fifth	Union	MB123	800	4.7–5	1	Sylvite and langbeinite	In production
Fourth	MB 124		850	4		Langbeinite and sylvite	Principal source of langbeinite; in production
Third	MB 124		865	3-6		Langbeinite and sylvite	In solution mining production of sylvite in Amax, In conventional production for langbeinite in East mine
Second	MB 124	MB125				Carnallite, kieserite, etc.	Not commercial
First	MB125	MB126	900	8–14	2	Sylvite	Long-time producer; currently flooded with brine for solution mining

Source: Barker and Austin (1993); Swales (1966); Pierce (1936); Haworth (1949); Bruhn and Miller (1954); Jones et al. (1954); Kirby (1974); Herne and McGuire (2001)

The minerals listed above can be described as follows (Schaller and Henderson 1932):

- Polyhalite is the most abundant potassium mineral in the Carlsbad Area. Beds of nearly pure polyhalite have thicknesses up to 8 ft and beds a foot or more thick are numerous.
- Sylvite often has a dark red or reddish-brown color due to hematite inclusions. Sylvite without the inclusions is a milky white color. Sylvite is typically mixed with halite and where clay is present in the mixture, it is in bands distinct from the sylvite.
- Carnallite is massive and compact showing no crystal faces. Crystals where seen are typically less than 1 millimeter (mm) in diameter. It occurs in small blebs with halite and sylvite.
- Langbeinite is found in distinct tetrahedral crystals that reach sizes up to ¾ inch. It is typically associated with halite and sylvite and often some kieserite. It has a distinct pink color in most samples and has a higher compressive strength than sylvite.

- Kainite is massive with poorly developed fibrous fracture surfaces and has a characteristic honey-yellow color. It is found in narrow bands between sylvite and langbeinite and is apparently a result of a reaction between the two.
- Leonite is typically found in small quantities in mixtures of other minerals, notably kainite and sylvite. Its color ranges from colorless to pale yellow. It is also found with polyhalite and anhydrite, but the relationship is unclear. It has also been found as a secondary replacement for kieserite.

6.5 Geologic Structure

The potash-bearing beds in the Carlsbad Area may be affected by several types of anomalies:

- "Salt horses" (Gunn and Hills 1978)
- "Mud horses" (Simmons 2013)
- Dissolution and collapse anomalies ("breccia chimneys")
- Igneous dykes

The presence of high concentrations of non-economic evaporite minerals, insolubles, or geologic disturbances that influence the normal character of the potash-bearing beds is considered an "anomaly" and may be unsuitable for mining. These anomalies range from localized features significantly less than a square kilometer to disturbances that are regional (i.e., several square kilometers in extent).

7.0 Exploration

7.1 Exploration Other than Drilling

No exploration other than confirmation drilling has been performed.

7.2 Drilling Exploration

Intrepid partakes in ongoing exploration as a part of operational long-term planning. Core holes are drilled from the surface and underground, and channel samples are collected as mining advances. Intrepid provided the QP their dataset beginning in 2007. Since that time, multiple data points have been added and several drillholes were reassessed. Potash is also identified from gamma ray geophysical logs in oil and gas wells. Bed thickness and potash grade are estimated and quantified with input from 2,928 sample points. Extensive work was completed with geophysical tools in collaboration with the United States Geologic Survey (USGS) (Nelson 2007) to determine and verify potash grades from gamma logs (Lewis 2006). The sample database for this exploration work is shown in Table 7-1. The dataset is from oil and gas wells, surface core holes, underground core holes, channel samples, shaft samples, and roof bolt holes. The key sample types include 7,209 drillholes and channel samples and are broken down by mining zone. Figure 7-1 shows the exploration drillhole and channel sample locations and regional topography. The dataset used for this reserve evaluation is shown in Table 7-2.

Table 7-1. Data Sample Sets—All Available Holes

Ore Zone	Oil/Gas Wells	Surface Core Holes	Underground Core Holes	Channel Samples	Shaft	Roof Bolt	Total Samples
Zone 2	—	2	—	1	—	—	2
Zone 3	478	560	57	743	3	—	1,171
Zone 3A	—	1	—	6	—	—	1
Zone 4	480	544	62	5	3	—	1,094
Zone 4A	—	2	—	—	—	—	2
Zone 5	488	572	114	2,616	4	42	3,234
Zone 7	484	611	89	805	4	7	2,000
Zone 8	492	613	53	—	3	—	1,161
Zone 9	—	1	—	—	—	—	1
Zone 10C	506	843	7	181	3	—	1,540
Total	2,928	3,749	382	4,357	20	49	**10,206**

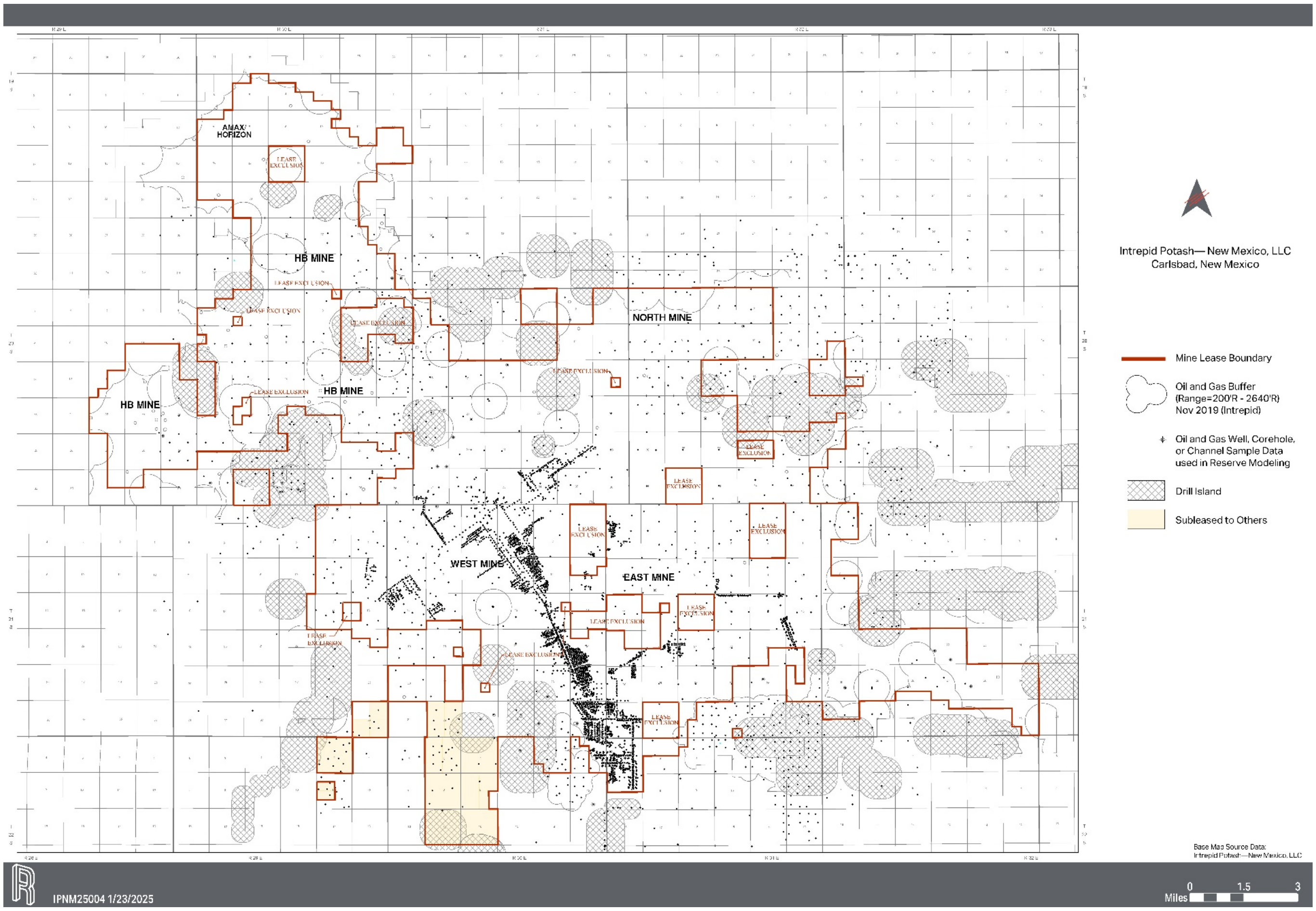

Figure 7-1. Base Map, Lease Lines, and Drillholes

Table 7-2. Data Sample Sets—Resource Evaluation Dataset

Ore Zone	Oil/Gas Wells	Core Holes	Channel Samples	Total Samples
Zone 3	463	542	73	1,078
Zone 4	469	619	12	1,100
Zone 5	482	651	1,979	3,112
Zone 7	480	609	831	1,920
Zone 8	476	576	2	1,054
Zone 10	486	729	183	1,398

7.3 Characterization of Hydrogeology Data

The characterization of the hydrogeology was completed for the HB Solar Solution Mine by AECCOM in 2011 and is included as part of the publicly available EIS (DOI 2012). The study confirmed the availability of water for the initial flooding of the solution mines at a pumping rate ranging from 177 to 1,440 gallons per minute (gpm).

7.4 Characterization of Geotechnical Data

Not applicable.

8.0 Sample Preparation

IPNM has standard operating procedures (SOP) in place for logging and sampling core from underground and surface core drilling. According to the SOP's, the geologist uses gamma ray to initially select the sample interval prior to prepping the sample for analysis. The samples are assayed at the on-site laboratory. The site laboratory has the capability to conduct X-ray Diffraction (XRD), Total Organic Carbon (TOC), and flame photometry laboratory techniques.

The mineral analysis for all core and channel samples is analyzed with the XRD. A sample of approximately 300–500 grams (g) is collected. The sample is split down to around 100 g and run through a grinding mill to reduce the size down to approximately –100 mesh. A sample is weighed out to 5 g and put into a micronizing mill that reduces the particle size to ~10 microns and pressed into a sample holder. The sample is inserted into the instrument and a diffraction pattern is retrieved. The diffraction pattern is then analyzed using the Rietveld refinement software, reporting weight percent of solid mineral in the sample.

The sample preparation, security, and laboratory analytical procedures are conventional industry practice and are adequate for the reporting of resources and reserves.

9.0 Data Verification

Due to the proximity of the location to the DOI Waste Isolation Pilot Plant (WIPP) site, and the intensive oil and gas drilling in the Permian Basin, there is geologic data publicly available for comparison. Data was also verified for beds with an extraction history by reconciling actual mining with the planned mining based on geologic modeling from the exploration database.

9.1 Data Verification Procedure

The property has been producing for many years. Mining and processing of the ore to successfully marketed products is verification of the exploration data.

9.2 Limitations on Verification

There are no limitations on the verification.

9.3 Adequacy of the Data

It is the opinion of the Qualified Person (QP) that the data is adequate for the determination of resources and reserves. The deposit has historically and continues to be mined with plans based on the data.

10.0 Mineral Processing and Metallurgical Testing

IPNM has a long history of processing ores on-site. Recovery estimates are based on past plant performance, current performance, and anticipated future performance based on laboratory or metallurgical testing of the anticipated plant feed. Over time, the appropriate capital modifications to the plants have been made to accommodate changes in ore feed and market requirements.

10.1 Adequacy of the Data

It is the opinion of the QP that the data is adequate for the determination of resources and reserves. The deposit has historically and continues to be processed successfully.

11.0 Mineral Resource Estimates

According to 17 CFR § 229.1300 (2025), the following definitions of mineral resource categories are included for reference:

An *inferred mineral resource* is that part of a mineral resource for which quantity and grade or quality are estimated on the basis of limited geological evidence and sampling. The level of geological uncertainty associated with an inferred mineral resource is too high to apply relevant technical and economic factors likely to influence the prospects of economic extraction in a manner useful for evaluation of economic viability. Because an inferred mineral resource has the lowest level of geological confidence of all mineral resources, which prevents the application of the modifying factors in a manner useful for evaluation of economic viability, an inferred mineral resource may not be considered when assessing the economic viability of a mining project, and may not be converted to a mineral reserve.

An *indicated mineral resource* is that part of a mineral resource for which quantity and grade or quality are estimated on the basis of adequate geological evidence and sampling. The level of geological certainty associated with an indicated mineral resource is sufficient to allow a qualified person to apply modifying factors in sufficient detail to support mine planning and evaluation of the economic viability of the deposit. Because an indicated mineral resource has a lower level of confidence than the level of confidence of a measured mineral resource, an indicated mineral resource may only be converted to a probable mineral reserve.

A measured mineral resource is that part of a mineral resource for which quantity and grade or quality are estimated on the basis of conclusive geological evidence and sampling. The level of geological certainty associated with a measured mineral resource is sufficient to allow a qualified person to apply modifying factors, as defined in this section, in sufficient detail to support detailed mine planning and final evaluation of the economic viability of the deposit. Because a measured mineral resource has a higher level of confidence than the level of confidence of either an indicated mineral resource or an inferred mineral resource, a measured mineral resource may be converted to a proven mineral reserve or to a probable mineral reserve.

11.1 Key Assumptions, Parameters and Methods

The exploration drillhole and channel sample data were compiled to form the database that serves as the basis for estimating the resources. The geologic setting was evaluated, and bed assignments reviewed. Of the data within the lease boundary, all data points contribute bed thickness, and several have assay information.

The geology was modeled using Carlson Software (2020). A basic inverse distance-squared (ID2) algorithm was used with a search radius of ¾ mile to prepare the 100-ft x 100-ft grids for bed thickness and grade. The search radius was applied for Measured and Indicated Resources of ¼ mile and ¾ mile, respectively. Where data is dense, the nearest 25 data points were used to assign values for the grid block. The grids were multiplied by each other to compile a grade-thickness (GT) grid within the lease boundaries held by IPNM. The base grid was adjusted for each ore type cutoff. Key assumptions and parameters for resource estimation are listed in Table 11-1.

The classification of cutoff in terms of GT in units of ft% was defined in the Secretaries Order dated October 21, 1986 (51 FR 39425) for mechanically mined potash deposits. The criteria

Table 11-1. Parameter Assumptions

	Resources	
	Measured	**Indicated**
Proximity to sample point	1,320 ft (1/4 mile)	3,960 ft (3/4 mile)
GT for sylvinite mechanical mining	54 ft% K2O	
GT for high-insoluble sylvinite mechanical mining*	64 ft% K2O	
GT for langbeinite mechanical mining	25 ft% K2O	
Flood elevation HB South	2,525 ft	
Flood Elevation HB North	2,325 ft	
Flood Elevation HB Eddy	2,675 ft	
Flood Elevation HB AMAX	2,500 ft	
Carnallite content mechanical mining	Less than 6%	
Mineability	Reasonably expected to be feasible to mine	

* High-insoluble sylvinite zones 8 and 10

are not dependent on thickness or grade, but on the product of the thickness and grade. To evaluate the viability of mining the IPNM mechanically mined resources, a cutoff GT was established. Inputs to the estimation of the cutoff analysis are cost of goods sold, product sale price, mill recovery, and nominal grade. The cutoff for solution mining in flooded abandoned underground potash mines is a function of the grade of the brine being extracted which results in enough product tons to just cover the cost of production.

The estimated cost of goods sold (COGS) and sales price used in the cutoff evaluation are outlined in Table 11-2.

Intrepid has a long history of sales and marketing of their products. Sales are managed for all properties through the corporate office. Intrepid provided the historical demand and sales pricing through the statements of earnings (SOE) from 2012 to 2024. Forward-looking pricing was provided by Intrepid marketing. The product sale prices selected for analysis of cutoff grade are shown in Table 11-2. These values are 25% greater than the product sales price for the reserve estimate.

Table 11-2. Cost of Goods Sold and Sales Price Assumptions

Product	Sale Price	Freight	Net Sales Price	Cost of Goods Sold (not including by-product credit)
Langbeinite	$470/t	$90/t	$380/t	$272/t
Sylvite Solution Mining	$450/t	$30/t	$420/t	$260/t
Sylvite Mechanical Mining	$450/t	$30/t	$420/t	$272/t

Economic modeling indicates cutoff grades at the IPNM East Mine of 25 ft %K_2O for langbeinite resource. Modeling also indicates a cutoff of 64 ft% K_2O for the high-insoluble sylvinite resources in the 8^{th} and 10^{th} zones, which requires the capital investment of a new plant and refurbishment of shafts. A cutoff of 54 ft% K_2O is indicated for the West sylvinite resources which requires the processing plant, mine equipment, and associated infrastructure to be rehabilitated. Cutoff grades are listed in Table 11-3.

Table 11-3. Cutoff Grade Analysis for Mechanical Mining

Ore Mineral	Pure Mineral (%)	Nominal Grade Cutoffs (% K_2O)	Nominal Grade Cutoffs (% KCl or Lang)	Mill Recovery (%)	Grade-Thickness Cutoff[1] (ft%)	Applicable Ore Zones
Carlsbad East Mine						
Langbeinite[2]	22.70%	5.2%	23.0%	68%	25	East–3, 4 and 5, West–4
Carlsbad West/North Mine						
High-Insolubles Sylvite with CAPEX Burden	63.17%	14.4%	22.8%	75%	64	8 and 10
Carlsbad West Mine						
Sylvinite with CAPEX Burden	63.17%	11.8%	18.7%	80%	54	West–3, 4, 5, 7 North–3 and 4

[1] Equivalent to 5.0-ft-thick ore at nominal grades in the East Mine and 4.5-ft-thick ore at nominal grades in the West and North Mines.
[2] All langbeinite is processed at the East Plant.
CAPEX = capital expenditure

By definition, the cutoff grade is the grade that determines the destination of the material during mining. The cutoff grade for resources of abandoned underground sylvinite is not a parameter for use in the estimation of solution mining resources but does establish an operational minimum limit for the brine grade reserves. The solution mining resources are the pillars remaining after mining and the fringe boundary of the mine. Resources could also be unmined sylvinite left behind to provide geotechnical support. An operational limit of the flood elevation establishes the cutoff between resource and reserve for this deposit. When mining using solution methods in proximity to other mines, or other underground mines not within the control of IPNM, the critical factor in establishing a flood elevation is to keep adjoining properties dry or to protect structures such as shafts.

Resource maps for sylvinite by zones 10, 8, 7, 5, 4, 3, and 1 are included in Figures 11-1 through 11-7, respectively. The langbeinite mineral resource maps for zones 5, 4, and 3 are included in Figures 11-8 through 11-10.

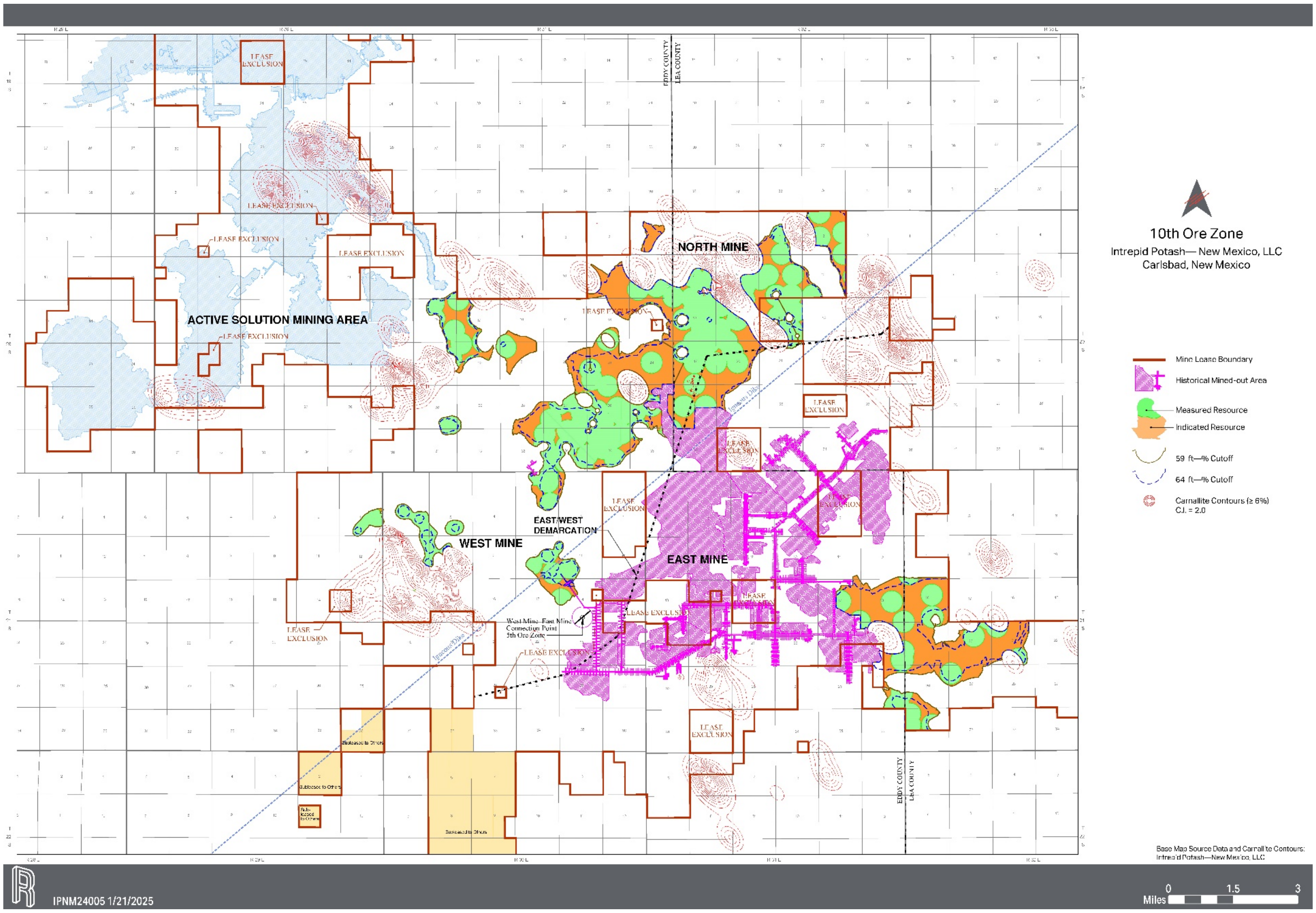

Figure 11-1. 10th Ore Zone Mineral Resources, Sylvinite Ore

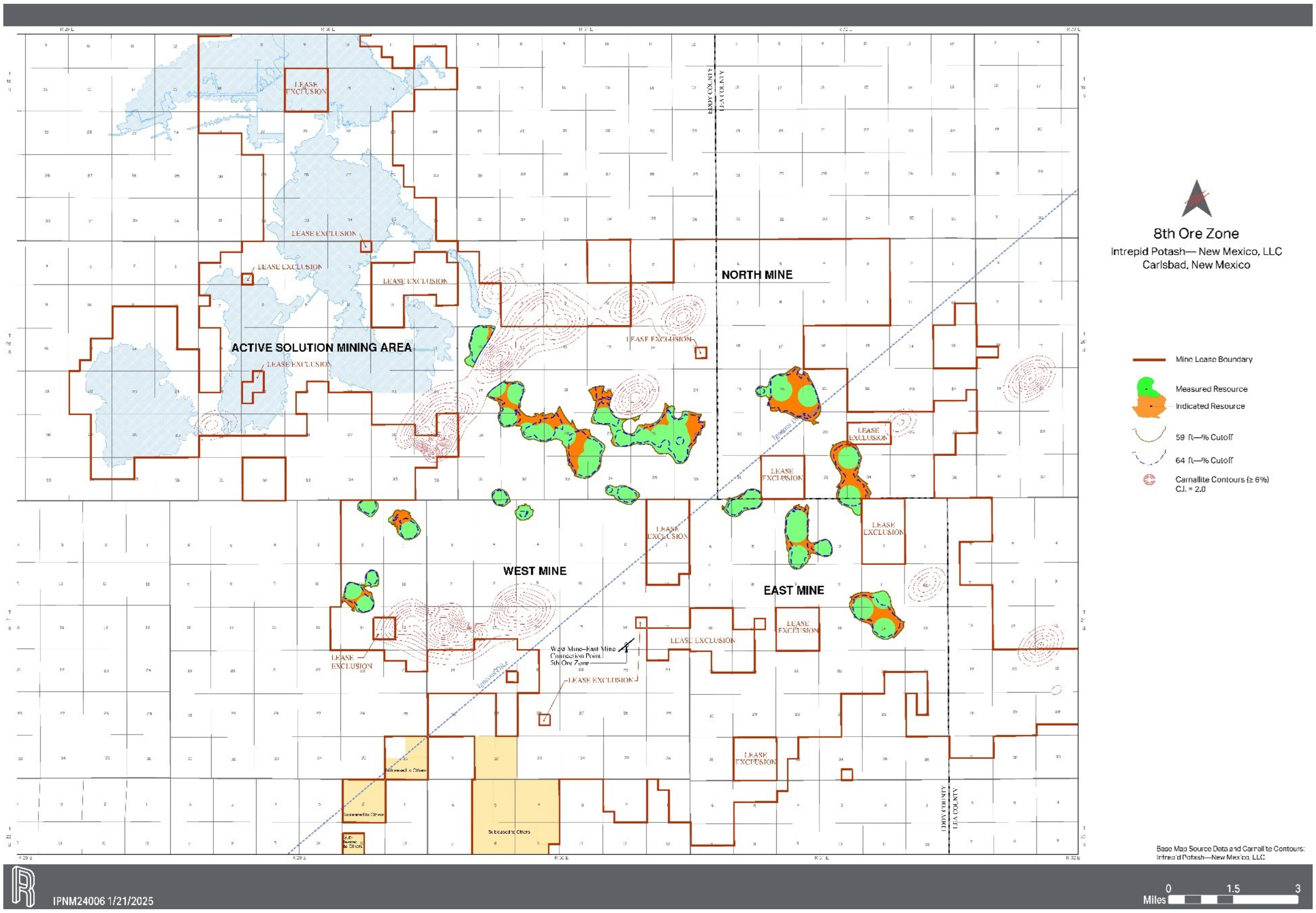

Figure 11-2. 8th Ore Zone Mineral Resources, Sylvinite Ore

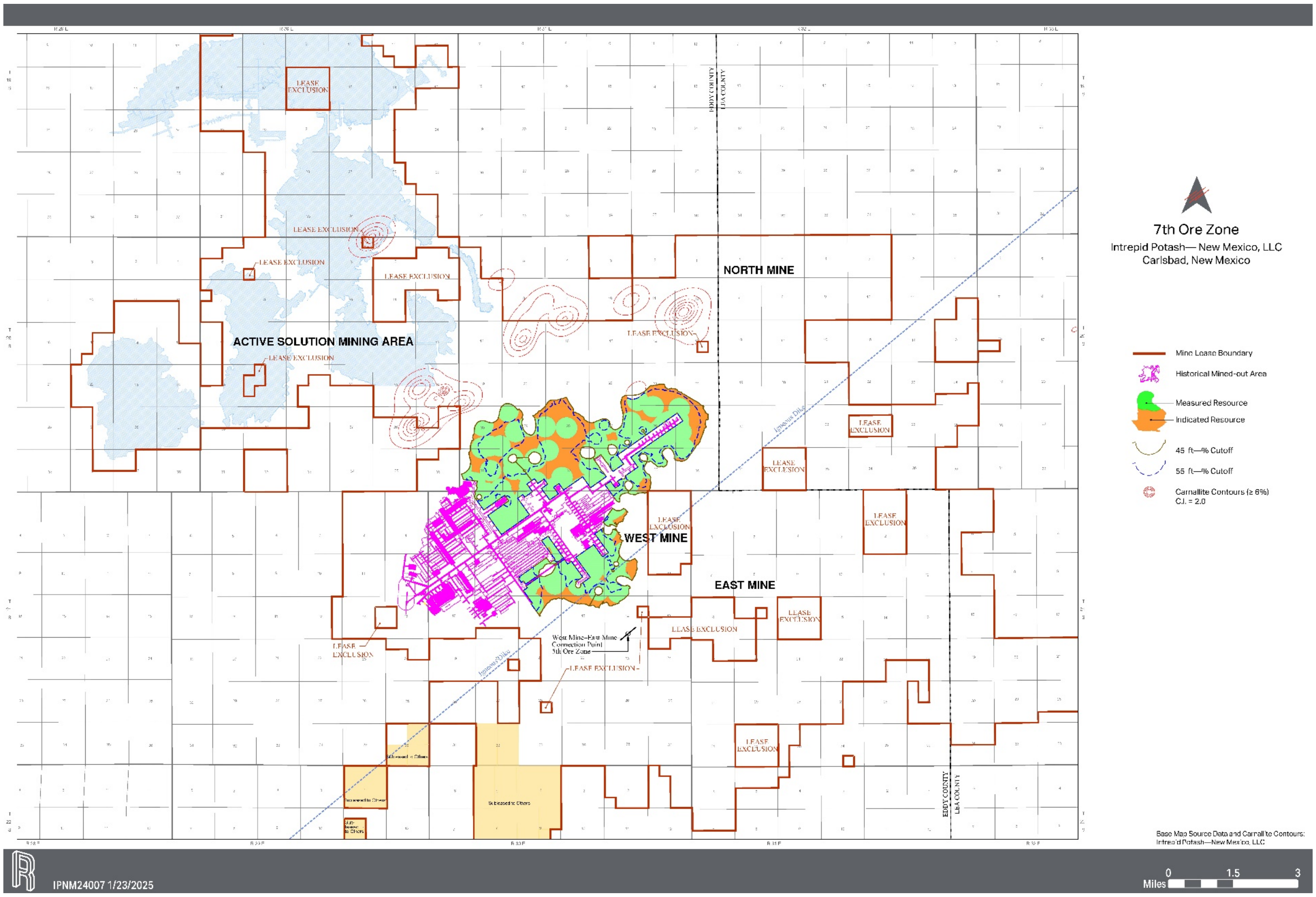

Figure 11-3. 7[th] Ore Zone Mineral Resources, Sylvinite Ore

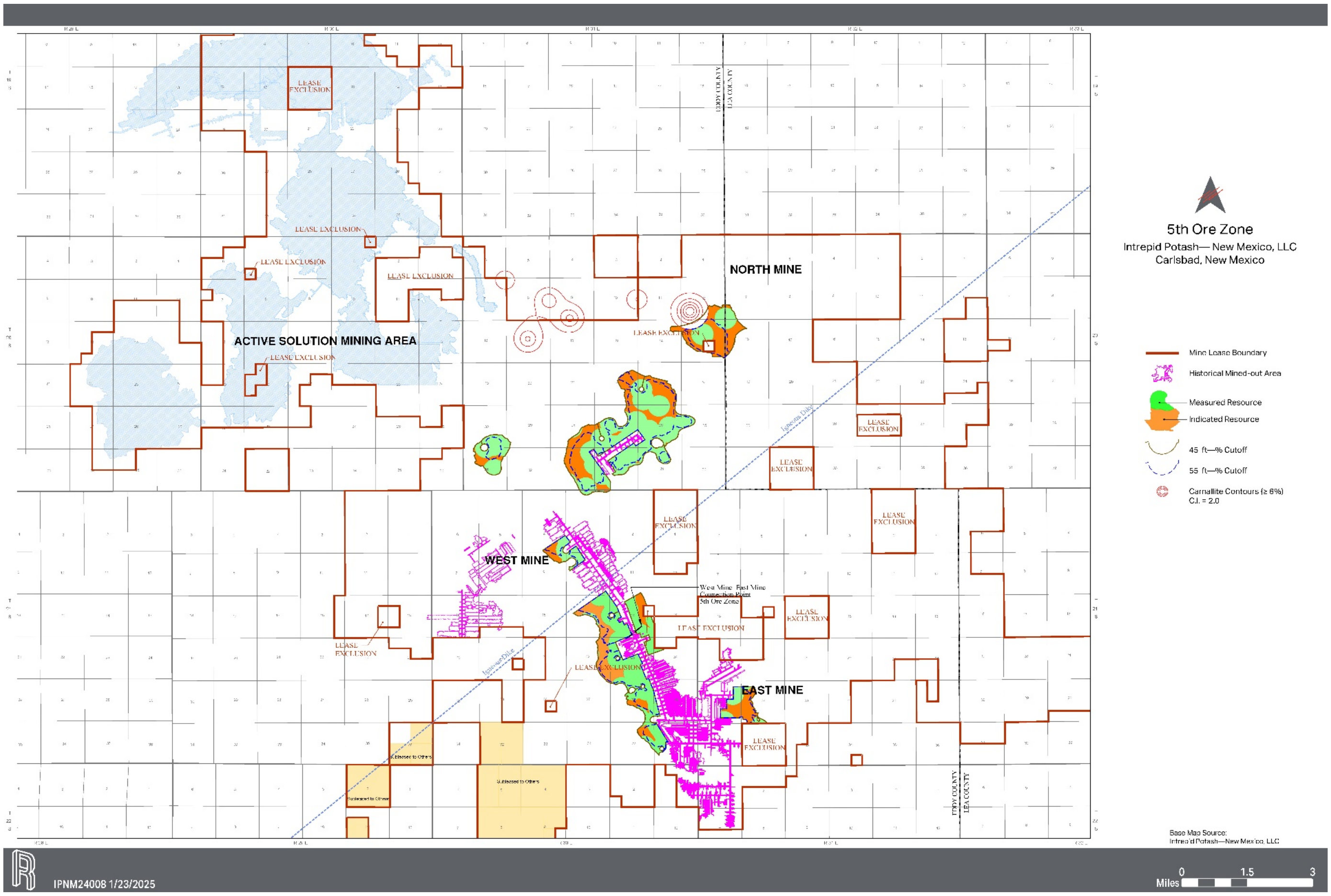

Figure 11-4. 5th Ore Zone Mineral Resources, Sylvinite Ore

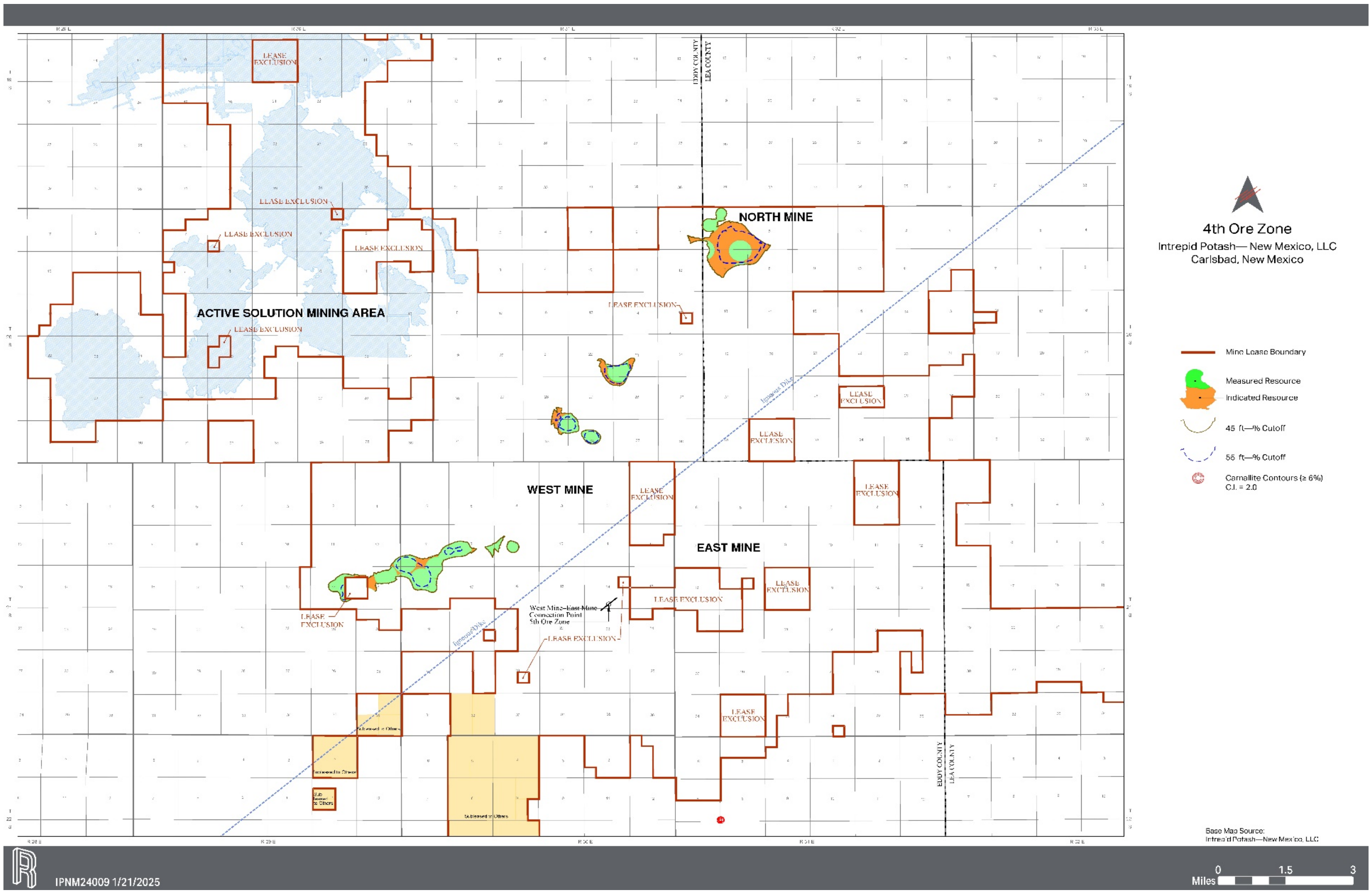

Figure 11-5. 4th Ore Zone Mineral Resources, Sylvinite Ore

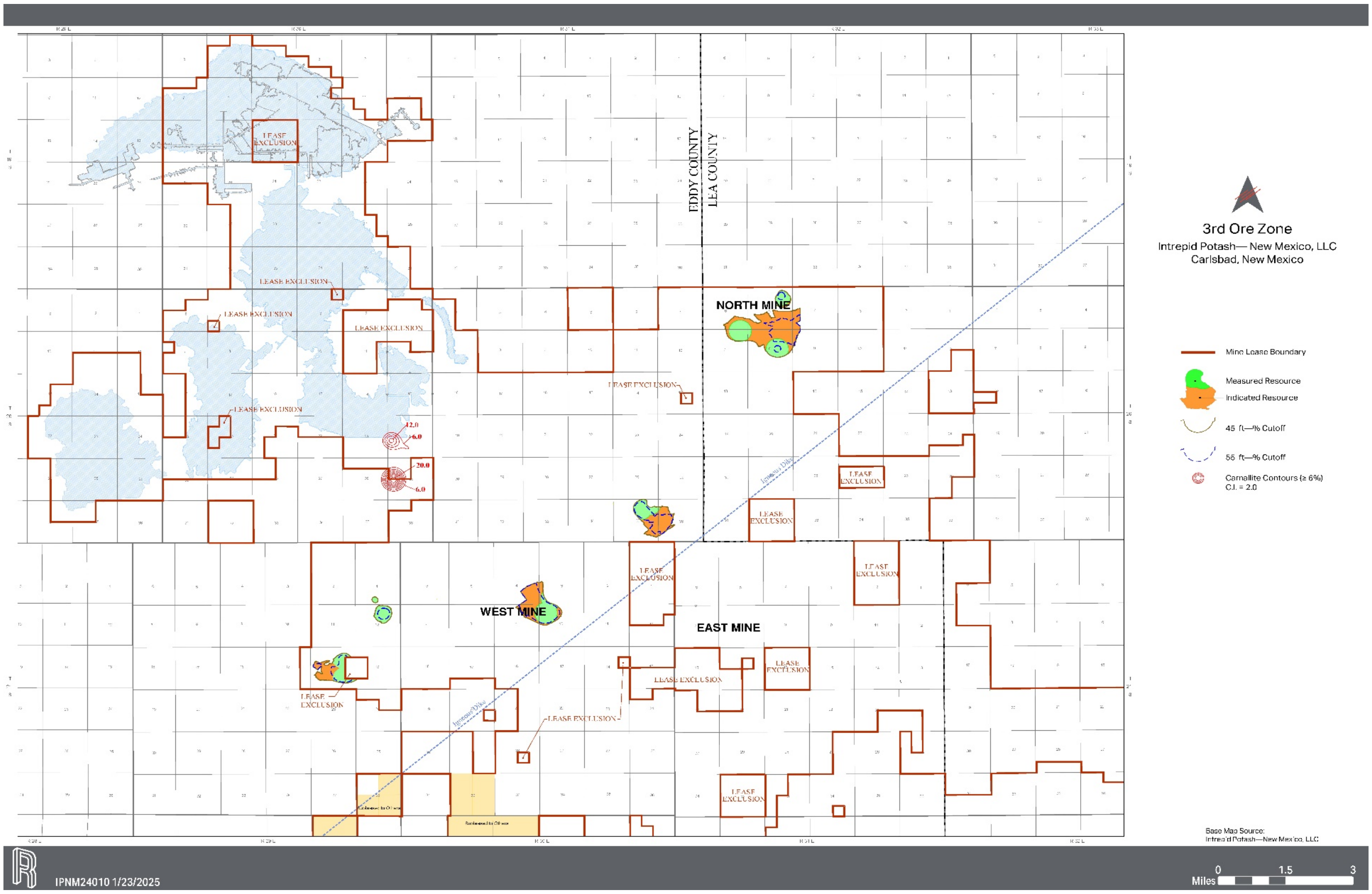

Figure 11-6. 3rd Ore Zone Mineral Resources, Sylvinite Ore

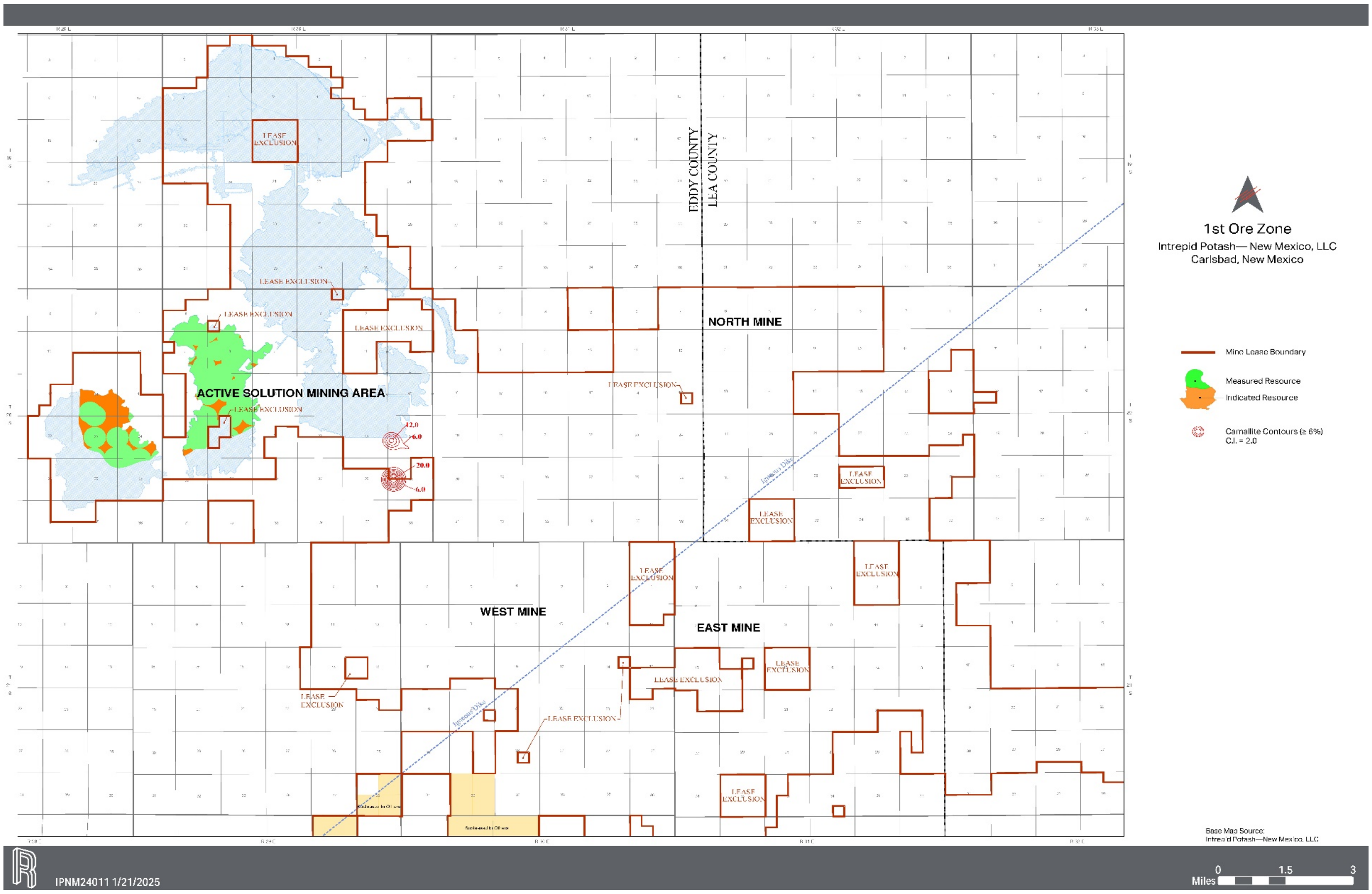

Figure 11-7. 1st Ore Zone Mineral Resources, Sylvinite Ore

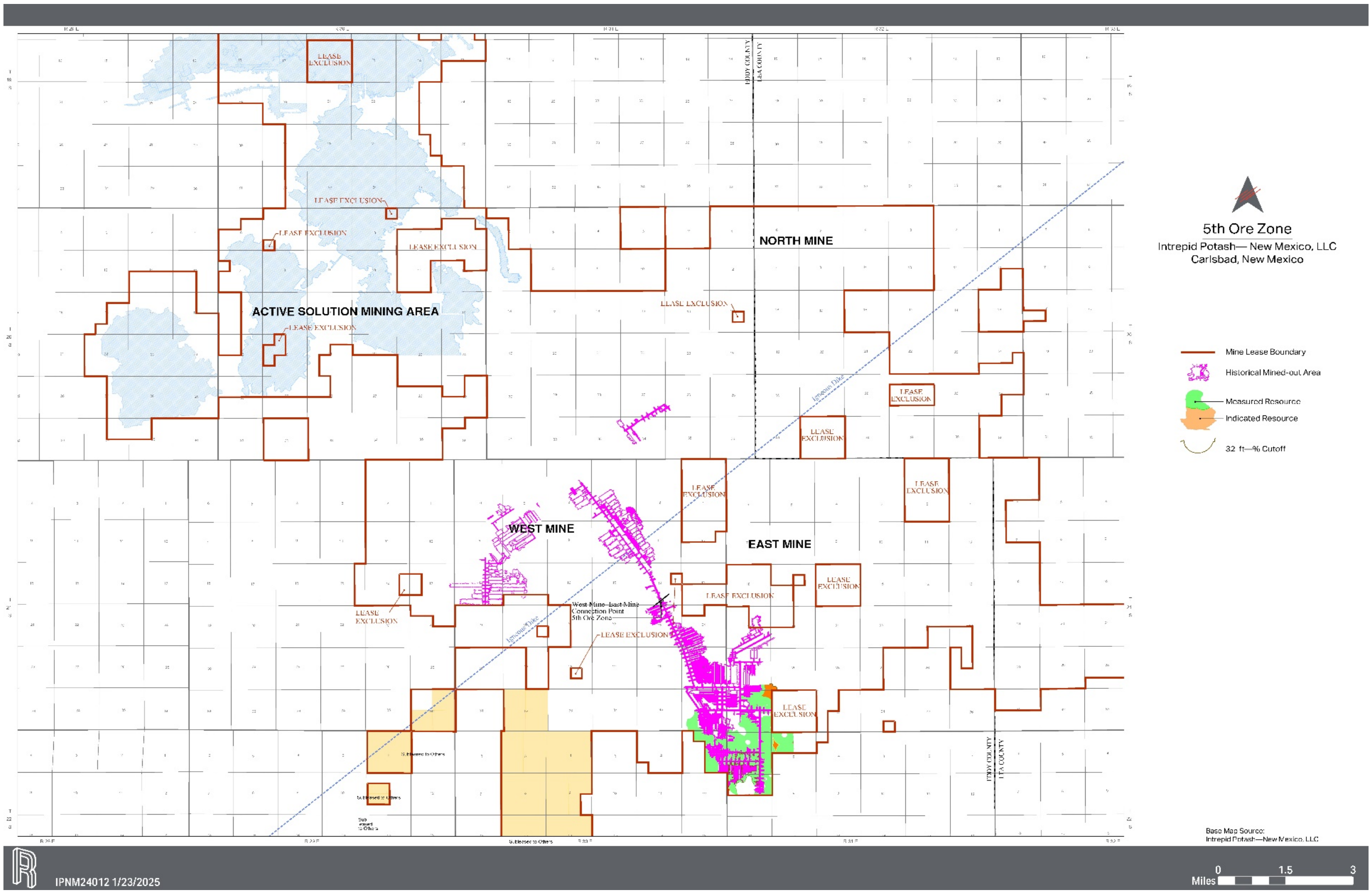

Figure 11-8. 5th Ore Zone Mineral Resources, Langbeinite Ore

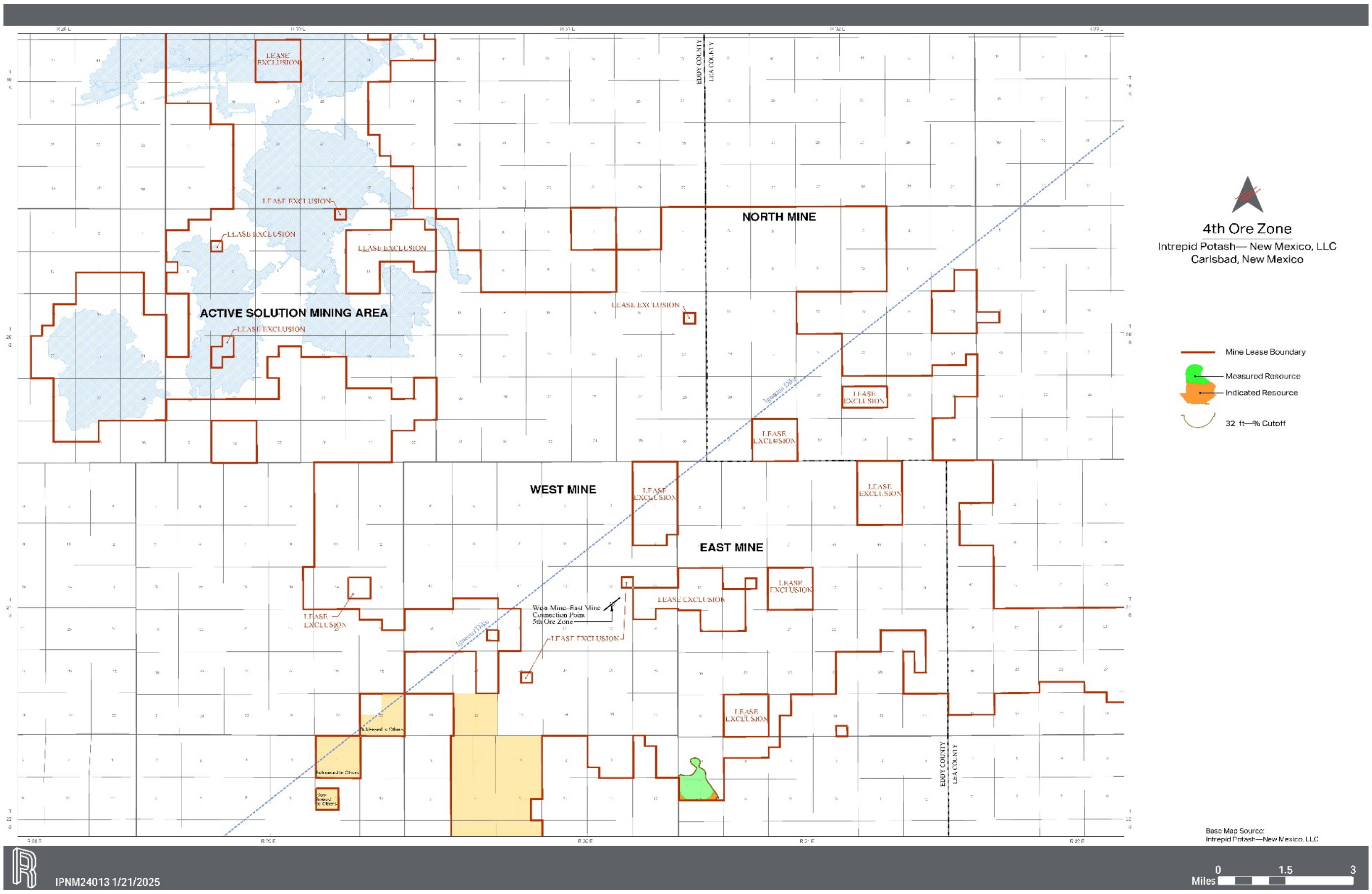

Figure 11-9. 4th Ore Zone Mineral Resources, Langbeinite Ore

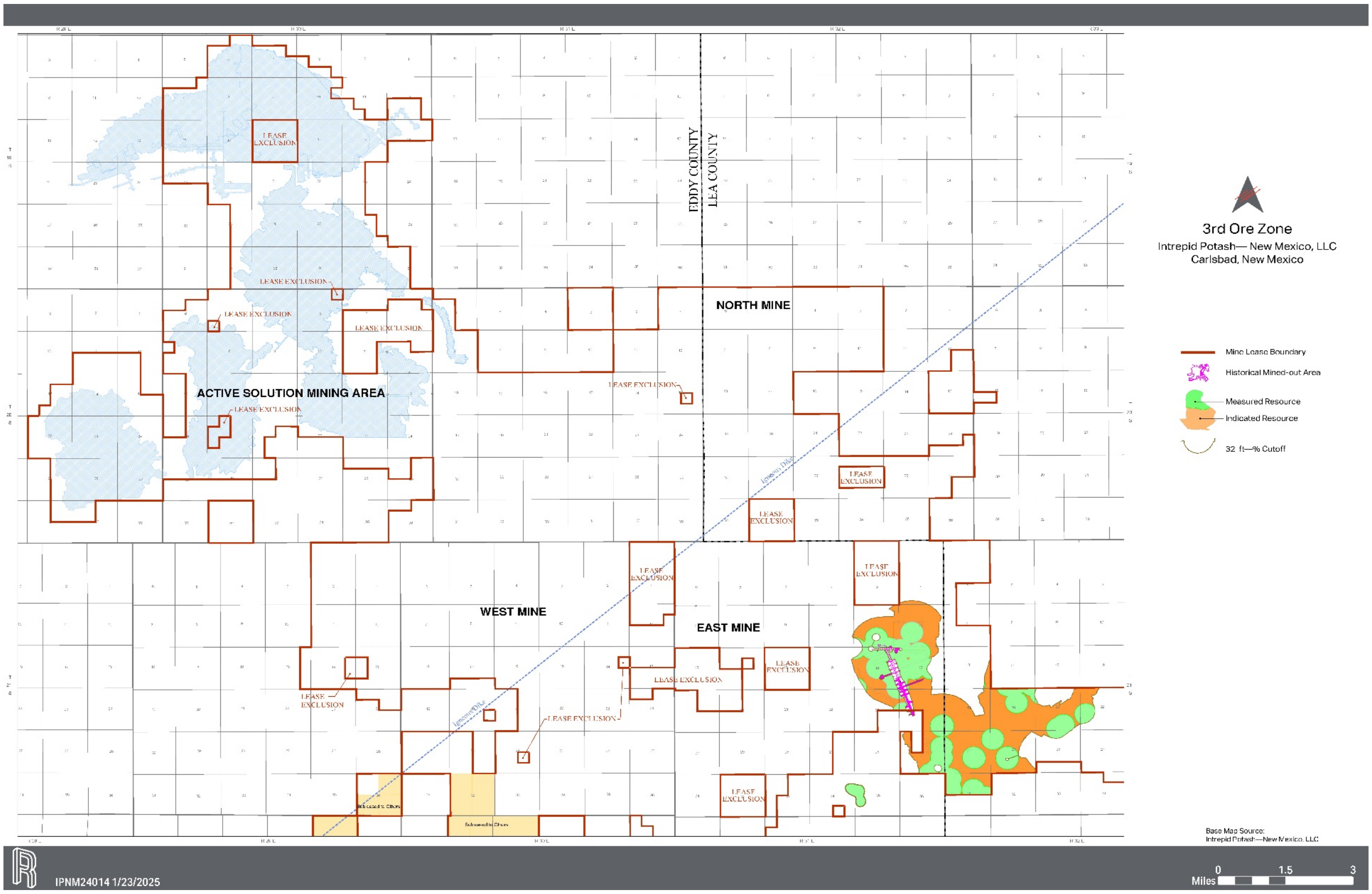

Figure 11-10. 3rd Ore Zone Mineral Resources, Langbeinite Ore

11.2 Mineral Resource Estimate

The estimate of measured and indicated mineral resources effective December 31, 2024, extracted from the application of the resource cutoffs to the geologic model is listed in Table 11-4 and Table 11-5.

Table 11-4. Mineral Resource Estimate Summary effective December 31, 2024

IPNM - Summary of Mineral Resources in millions of tons of Sylvinite in Place effective December 31, 2024, based on $450/product ton mine site

	Resources				
	Sylvinite[1] (Mt)	Grade ($\%K_2O$)	Contained K_2O (Mt)	Mining Cutoff[2] (ft-$\%K_2O$)	Processing Recovery (%)
Measured Mineral Resources	288	16	45	54-64	75-85
Indicated Mineral Resources	164	14	24	54-64	75-85
Measured + Indicated Mineral Resources	452	15	69		
Inferred Mineral Resources					

[1] Sylvinite is a mixed evaporite containing NaCl and KCl.
[2] Solution mining resource cutoff for flooded old working is the mining extents boundary.
Mineral Resources were prepared by RESPEC, a qualified firm for the estimate and independent of Intrepid Potash, for EOY 2024.
Mineral Resources are reported exclusive of Mineral Reserves, on a 100% basis.

Mt = million tons, % = percentage, K_2O = potassium oxide, ft = feet

Table 11-5. Mineral Resource Estimate Summary effective December 31, 2024

IPNM - Summary of Mineral Resources in millions of tons of Langbeinite Mineralized Rock in Place effective December 31, 2024, based on $470/Product Ton Mine Site

	Resources				
	Langbeinite Mineralized Rock (Mt)	Grade (%K_2O)	Contained K_2O (Mt)	Mining Cutoff (ft-%K_2O)	Processing Recovery (%)
Measured Mineral Resources	67	10	6	25	68
Indicated Mineral Resources	59	10	6	25	68
Measured + Indicated Mineral Resources	126	10	12		
Inferred Mineral Resources					

Mineral Resources were prepared by RESPEC, a qualified firm for the estimate and independent of Intrepid Potash, for EOY 2024.
Mineral Resources are reported exclusive of Mineral Reserves, on a 100% basis.

Mt = million tons, % = percentage, K_2O = potassium oxide, ft = feet

11.3 Discussion of Future Work

IPNM has historically and is currently producing from this property. There are no relevant technical or economic factors that need to be resolved.

12.0 Mineral Reserve Estimates

Mineral reserves that are to be mined using mechanical methods are estimated by the application of a detailed mine plan for the measured and indicated resources within the boundaries of the cutoff GT for reserves. The plan sets the basis for the estimation of annual production of product. The income from product sales and the operating and capital costs to mine the resource is fundamental to the cash flow used to establish economic viability.

Mineral reserves that are mined using solution mining methods are not subject to the traditional application of a cutoff grade but instead of operational limitations. An operational limit of the flood elevation establishes the cutoff between resource and reserve for this deposit.

According to 17 CFR § 229.1300 (2025), the following definitions are included for reference:

A *probable mineral reserve* is the economically mineable part of an indicated and, in some cases, a measured mineral resource.

A *proven mineral reserve* is the economically mineable part of a measured mineral resource.

12.1 Key Assumptions, Parameters, and Methods

By definition, modifying factors are the factors applied to indicated and measured mineral resources and then evaluated in order to establish the economic viability of mineral reserves. These factors for IPNM include mechanical and solution mining parameters; mineral processing; oil and gas drill islands and well locations; economic cutoff GT; deleterious minerology; legal, environmental permitting and lease boundaries.

Intrepid has a long history of sales and marketing of their products. Sales are managed for all properties through the corporate office. Intrepid provided the historical demand and sales pricing through their SOEs from 2012 to 2024. Potash market is discussed in Section 16. The product sales price selected for Reserve evaluation is shown in Table 12-1.

Table 12-1. Product Sales Price (Reserves)

Product	Sale Price	Freight	Net Sales Price	Cost of Goods Sold with by-product credit
Sylvite	$360/t	$30/t	$330/t	$203/t

Cutoff grade for brine production is listed in Table 12-2.

12.2 Mineral Reserves Estimate

The mine plan boundary determines the technical feasibility of mining the reserves for zones. The mine plan layout for the solution mining is a flood elevation indicating the limit of the fluid injection boundary. The proven and probable reserves are included in Table 12-3 and are shown in Figure 12-1 for ore zone 1, respectively.

Table 12-2. Cutoff for Solution Mined Reserves

5-Yr Basis (2025-2029)	
Total production costs ($/ton of product)	$260
Net revenue from byproducts ($/ton of product)	($57)
Total Cost ($/ton of product)	$203
Potash	
Price per ton less shipping ($/ton)	$330
Tons sold	726,500
Net potash sales ($)	$239,731,000
Cutoff Analysis	
Breakeven tons (tonnage to cover the costs)	446,034
Net concentration of production brine (% KCl)	8.4
Cutoff net concentration (% KCl)	4.8
Cutoff net concentration (% K_2O)	2.9

Table 12-3. Mineral Reserve Estimate effective December 31, 2024

IPNM -Summary of Potash Mineral Reserves effective December 31, 2024 based on $360/Product Ton Mine Site

	Reserves				
	In-Place KCl (Mt)	In-Situ Grade[1] (%K_2O)	Product[2] (Mt)	Brine Cutoff Grade[3] (%K_2O)	Processing Recovery (%)
Proven Mineral Reserves	5.3	22.9	3.4	2.9	83
Probable Mineral Reserves					
Total Mineral Reserves	5.3	22.9	3.4		

[1] In-situ grade is the amount of K_2O in the contact area of the caverns and is used to calculate the In-Place KCl.
[2] Product is calculated by multiplying In-Place KCl by: dissolution factor of 96%, areal recovery of 100%, geologic factor of 94.2%, plant recovery of 83%, cavern loss factor of 98%, a product purity factor of 103%, a bitterns loss factor of 88% and handling loss factor of 97%.
[3] Brine cutoff grade is the amount of K_2O in the extracted brine necessary to cover the cash costs of production.
Mineral Reserves were prepared by RESPEC, a qualified firm for the estimate and independent of Intrepid Potash, for EOY 2024.
Mineral Reserves are reported exclusive of Mineral Resources, on a 100% basis.

Mt = million tons, % = percent, K_2O = potassium oxide, ft = feet

12.3 Risk Factors

Mineral reserves are an estimate from sparse data sampling points in a geologic setting that can be highly variable. The risk of material changes to the geologic interpretation is tempered by the application of the anomaly factor and the long history of mining in this deposit. Costs are subject to impact by the broader economy and can be impacted by the weather and other natural forces. A change in rules or regulations can result in unanticipated cost increases.

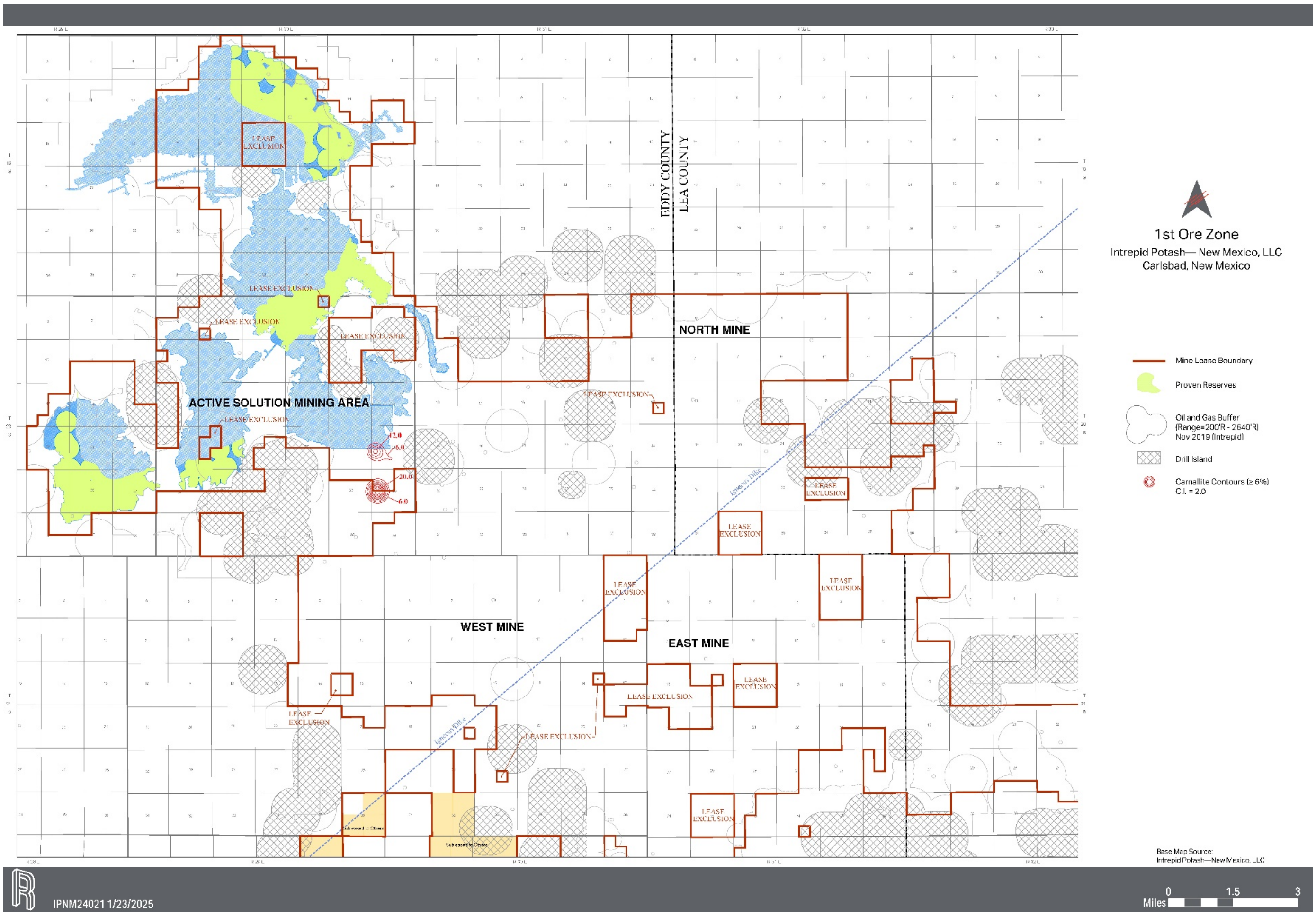

Figure 12-1. 1st Ore Zone Mineral Reserves, Sylvinite Ore

13.0 Mining Methods

The two mining methods currently in practice at IPNM are high-extraction mechanical underground room-and-pillar mining and solution mining. Mechanical mining is well suited to bedded deposits. All MOP production at IPNM comes from the HB Solar Solution Mine in the 1st and 3rd ore zones. Trio® production is from langbeinite mined using room-and-pillar mechanical mining methods at the East Mine in the 3rd, 4th, and 5th ore zones. Historically, MOP was sourced from the West Mine 5th, 7th, and 10th ore zones. Approximately 300 people are employed at the property.

The East Mine is a high-extraction, mechanical room-and-pillar mine. Potash was the primary product until mining progressed to the mixed langbeinite and potash ore in the 5th ore zone. The mixed ore was processed into two products: MOP sourced from the sylvinite portion of the mixed ore, and Trio® sourced from the langbeinite portion of the mixed ore. The East Mine plant was converted to a langbeinite-only operation in April 2016 and potash is no longer produced from the East Mine. The maximum productive capacity of the plant is 400,000 t of Trio® concentrate annually.

There are five active sections with a miner and a shuttle car loading onto a belt conveyor. Each mining section produces approximately 240,000 t of run-of-mine ore each year. The long-range production balanced with sales projections results in a long-term annual production of 1.2 Mt of ore for 250,000 t of Trio®.

Historical room-and pillar-mining operations at the HB Mine recovered about 70% of the ore, leaving approximately 30% of the ore available for secondary recovery in pillars plus what can be recovered beyond the limits of the conventional mine works. Mining at the HB Solar Solution Mine recovers potash by injecting saturated saline NaCl brine into the old mine works to create underground leach lakes. Over time, the solution becomes enriched with potash and is pumped to the surface to solar evaporation ponds. Selective solar evaporation leaves behind a potash-enriched salt that is collected using scrapers, pumped, and processed at the HB Plant. The solution mine comprises six injection wells, five extraction wells, and two monitoring wells.

The North Mine operated from 1957 to 1982 when it was idled, mainly due to low potash prices and a change in the mineralogy of the readily accessible remaining reserves which negatively impacted mineral processing. Although the mining and processing equipment has been removed, the mine shafts remain open. The compaction facility at the North Mine is where the HB potash product is granulated, stored, and shipped. The North Facility receives compactor feed from the HB Solar Solution Mine via truck and converts the compactor feed to finished granular-sized product and standard-sized product.

The extents of the mine plan for this reserve estimate is shown in Figure 13-1 and included in tabular format in Table 13-1. The life of the resources and reserves at IPNM exceeds 25 years.

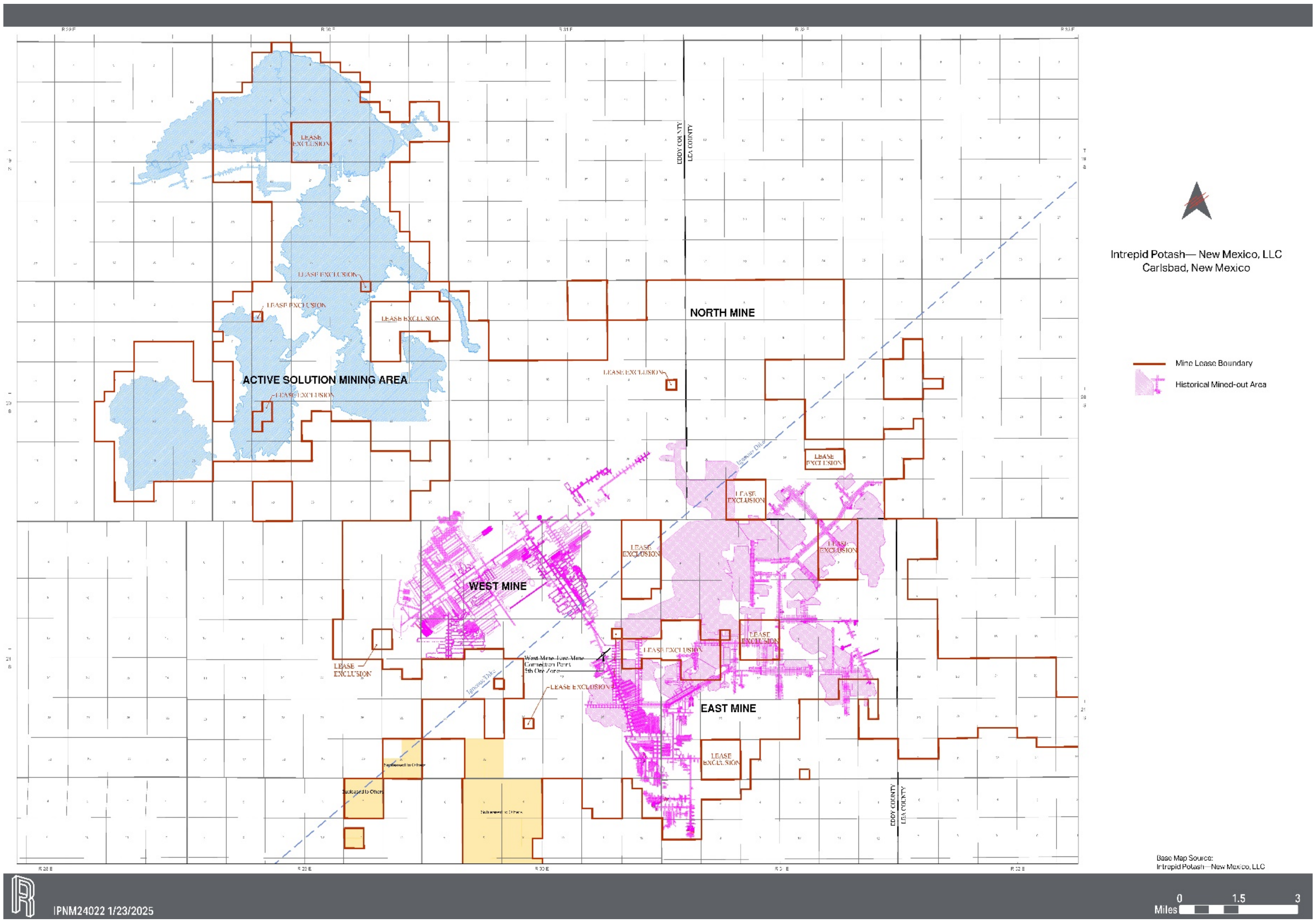

Figure 13-1. Underground and Solution Mining Extents

Table 13-1. IPNM 25-Year Mine Plan

Calendar Year	Plan Year	MOP					
		R	S	T	U	V	W
		Brine Extracted (Gallons)	Brine Grade (%K_2O)	K2O (Tons)	Product KCl (Tons)	Handling Losses (Tons)	MOP (Tons)
2025	**Year 1**	534,816,000	4.83	132,400	142,000	4,300	137,700
2026	**Year 2**	533,808,000	4.97	136,100	146,000	4,400	141,600
2027	**Year 3**	532,584,000	5.09	139,000	149,100	4,500	144,600
2028	**Year 4**	533,376,000	5.30	145,000	155,600	4,700	150,900
2029	**Year 5**	535,392,000	5.30	145,500	156,100	4,700	151,400
2030	**Year 6**	536,688,000	5.32	146,300	157,000	4,700	152,300
2031	**Year 7**	534,600,000	5.21	143,000	153,400	4,600	148,800
2032	**Year 8**	535,032,000	5.31	145,600	156,300	4,700	151,600
2033	**Year 9**	534,456,000	5.18	142,000	152,300	4,600	147,700
2034	**Year 10**	536,714,000	5.09	140,000	150,200	4,500	145,700
2035	**Year 11**	537,434,000	5.00	137,900	147,900	4,400	143,500
2036	**Year 12**	538,154,000	4.92	135,700	145,600	4,400	141,200
2037	**Year 13**	537,434,000	4.83	133,200	142,900	4,300	138,600
2038	**Year 14**	536,714,000	4.75	130,700	140,200	4,200	136,000
2039	**Year 15**	535,994,000	4.66	128,200	137,500	4,100	133,400
2040	**Year 16**	537,434,000	4.58	126,300	135,400	4,100	131,300
2041	**Year 17**	537,434,000	4.50	123,900	133,000	4,000	129,000
2042	**Year 18**	537,434,000	4.41	121,600	130,500	3,900	126,600
2043	**Year 19**	536,996,000	4.35	119,800	128,500	3,900	124,600
2044	**Year 20**	535,002,000	4.48	122,800	131,800	4,000	127,800
2045	**Year 21**	536,608,000	4.42	121,600	130,400	3,900	126,500
2046	**Year 22**	533,834,400	4.34	118,800	127,400	3,800	123,600
2047	**Year 23**	534,242,400	4.26	116,600	125,100	3,800	121,300
2048	**Year 24**	534,526,800	4.16	114,000	122,300	3,700	118,600
2049	**Year 25**	536,442,000	4.07	112,100	120,200	3,600	116,600

Extraction brine density - 1.23

KCl plant recovery - 83%

Product purity - 97%

Pond recovery – 90%

Pure KCl equates to 63.17% K2O by mass

Handling losses – 3%; Bitterns Losses – 12%

T = (R*(S/100)*1.23*8.34/2000)

U = (T/0.6317)*(0.83*0.90*0.88)/0.97

V = U*0.03

W = U-V

14.0 Processing and Recovery Methods

All IPNM ores are processed on-site. There are two active processing plants: the East Plant and HB Plant. The West Plant was idled in 2016. The North Compactor was completed in early 2013 and is used to granulate, store, and ship product from the HB Plant.

Declining ore grades coupled with market conditions have resulted in IPNM shuttering much of it sylvite capacity in the previous years. Historically, the East Plant produced white sylvite by evaporative crystallization and langbeinite (K2SO4·2MgSO4) by dense media separation of the coarse fraction (+20 mesh) of ore mined from the 3rd, 4th, and 5th ore zones. In 2016, sylvite production permanently ceased and the East Plant became a langbeinite-only producer. Langbeinite recoveries have since improved to as high as 72%.

14.1 HB Processing Facility

In 2012, IPNM commenced filling the HB solar evaporation ponds (Figure 14-1). The extraction brine sourced from the mined-out areas of the 1st ore zones of the former underground workings of portions of HB Eddy, HB South, HB North, and the HB Crescent, collectively referred to as the HB Mine. The brine is collected and crystallized in 18 solar evaporation ponds. The HB flotation mill processes the harvested potash and salts from the solar evaporation ponds.

Conditioned injectate, made with NaCl-saturated brine, is injected to create underground leach lakes in the lower portions of abandoned subsurface mine workings. The solution mine comprises six injection wells, five extraction wells, and two monitoring/extraction wells.

The simplified process flow diagram (PFD) is shown in Figure 14-2. NaCl-saturated brine is injected into the mines producing about 535 million gallons of brine at an estimated grade of 7.6% KCl and 21% NaCl. The evaporation ponds concentrate and crystallize the brine to produce about 700,000 - 900,000 tpy of crystal at 12–14% K_2O (19–22% KCl) with the remainder being largely halite. The crystals are mechanically harvested, re-pulped in double-saturated brine and pumped to the HB processing facility.

The crystals are statically screened with the oversize processed through a crusher and recycled. The screened crystal is combined with reagents and fed to flotation cells. The rougher flotation concentrate is forwarded to the agitated leach tank.

The leached solids are at a product grade of >95.5% KCl with a range of 60.5% to 62% K_2O. The solids are dried, sampled, and conveyed to storage bins prior to transfer to the North Plant for compaction and shipment to sales.

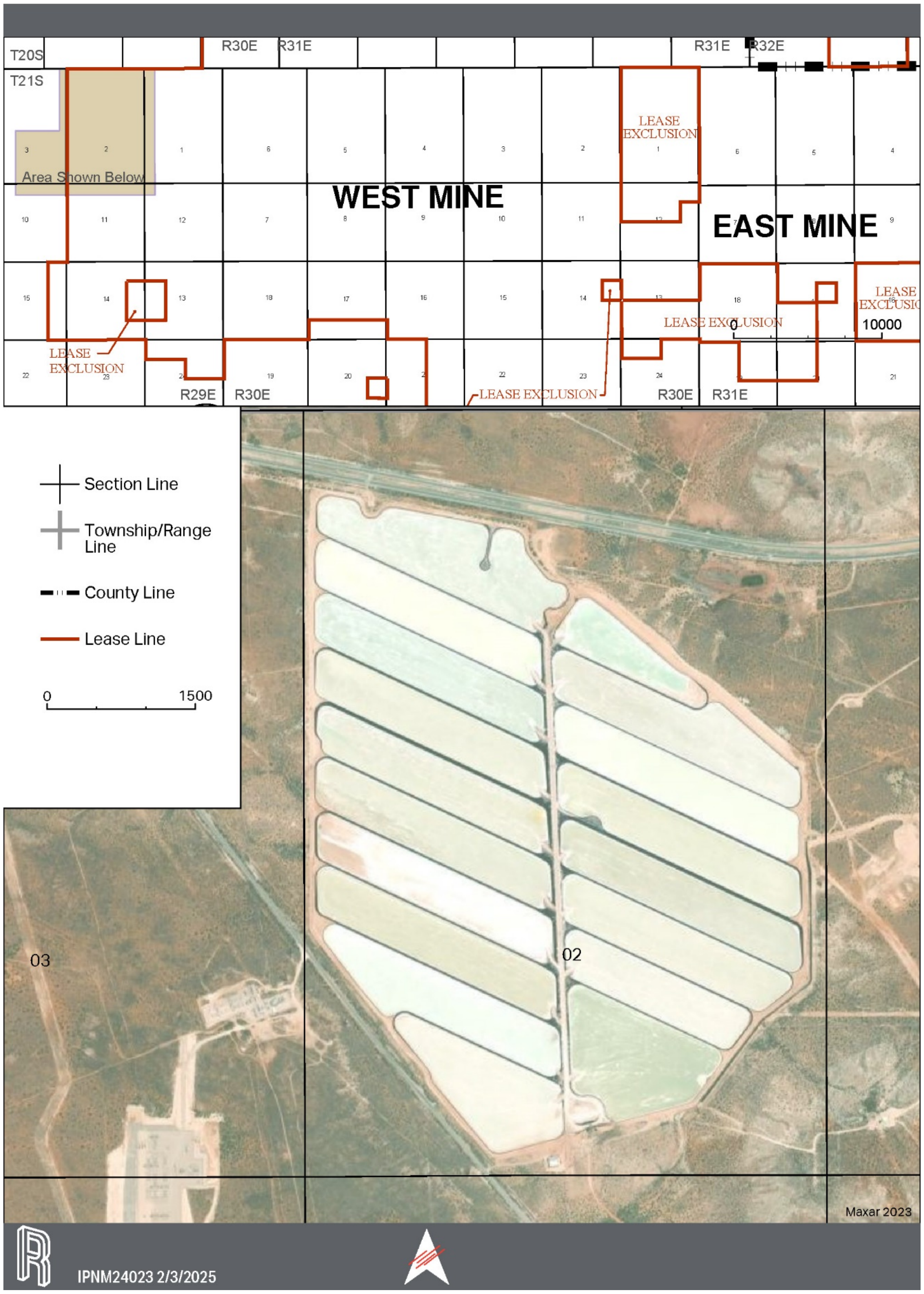

Figure 14-1. HB Evaporation Ponds

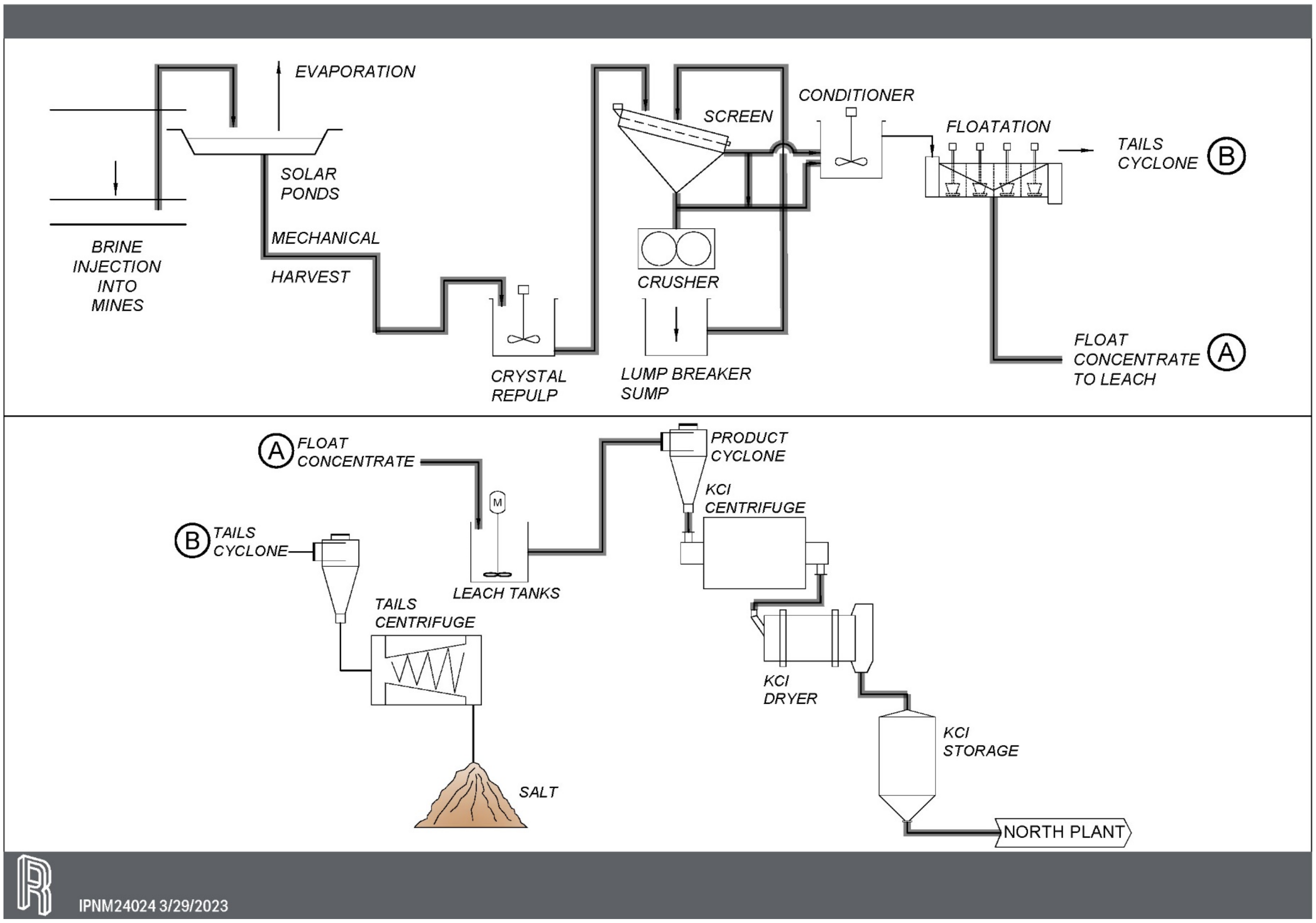

Figure 14-2. HB Process Flow Diagram

14.2 Langbeinite Processing Facility

The East Plant was modified in 2003–2004 to allow dual processing to recover the K_2O value from both the sylvite and langbeinite fractions of the ore. In 2016, the sylvite circuit was permanently closed. Langbeinite, marketed as the fertilizer Trio® brand of products, is recovered using dense media separation and a fine langbeinite recovery circuit. A simplified process flow diagram is included as Figure 14-3.

Currently about 1.2 million tpy (Mtpy) of ore is processed at a rate of 300 tph. The ore is crushed, screened, pulped, and rescreened. Coarse material is forwarded to the dense media separation (DMS) circuit. The DMS concentrate is water leached, debrined, and dried. The coarse product is separated into the three Trio® products. Fine material from the screening process is recovered using gravity separation, leaching, debrining, and drying. Fine material is upgraded to premium product using pelletization.

14.3 North Compaction Plant

The North Plant provides classification, compaction, quality control, and load-out services for production from the HB Solar Solution Mine. A simplified flow diagram for the North Compaction Plant is presented in Figure 14-4.

Belly dump trucks unload HB product into a dump pocket. The material is then sent to surge bins. The product is screened, preheated, weighed, and sent to a compactor feed bin.

Material is screened to produce standard product or fed to the roll compactor, and resulting flakes are further reduced in size with the subsequent flake breaker and crusher to produce granular product. Product is then screened and sent to the curing dryer and screened once again before being sent to final product storage.

The product is shipped to market in trucks or rail cars.

14.4 Tailings Facilities

There are three tailings storage facilities (TSF) at IPNM: East, West, and North.

The East TSF is shown in Figure 14-5. The New Mexico State Engineer in the Dam Safety Bureau required IPNM to evaluate as-built conditions and stability of the East TSF due to the lack of original construction calculations and drawings. IPNM completed the required geotechnical evaluation assessment in 2018. Based on that evaluation, a conceptual improvement plan was developed to address identified freeboard, spillway capacity, and embankment stability issues. IPNM is working with the New Mexico State Engineer to prioritize, approve and implement the plan. Full implementation will be phased over several years.

The West TSF, in Figure 14-6, is permitted for tailings disposal from the West Plant. Unsaturated brine is pumped onto the tailings where it is contacted with NaCl to produce a saturated brine for injection. The saturated brine flows to ponds below the tailings pile that manage brine inventory for injection into the HB Mine. The West TSF also stores tails from the West Plant, which is on care and maintenance. Total tailings volume is being reduced by the brine saturation process.

The North TSF in Figure 14-7 is only used to handle excess brine/water and has ample capacity.

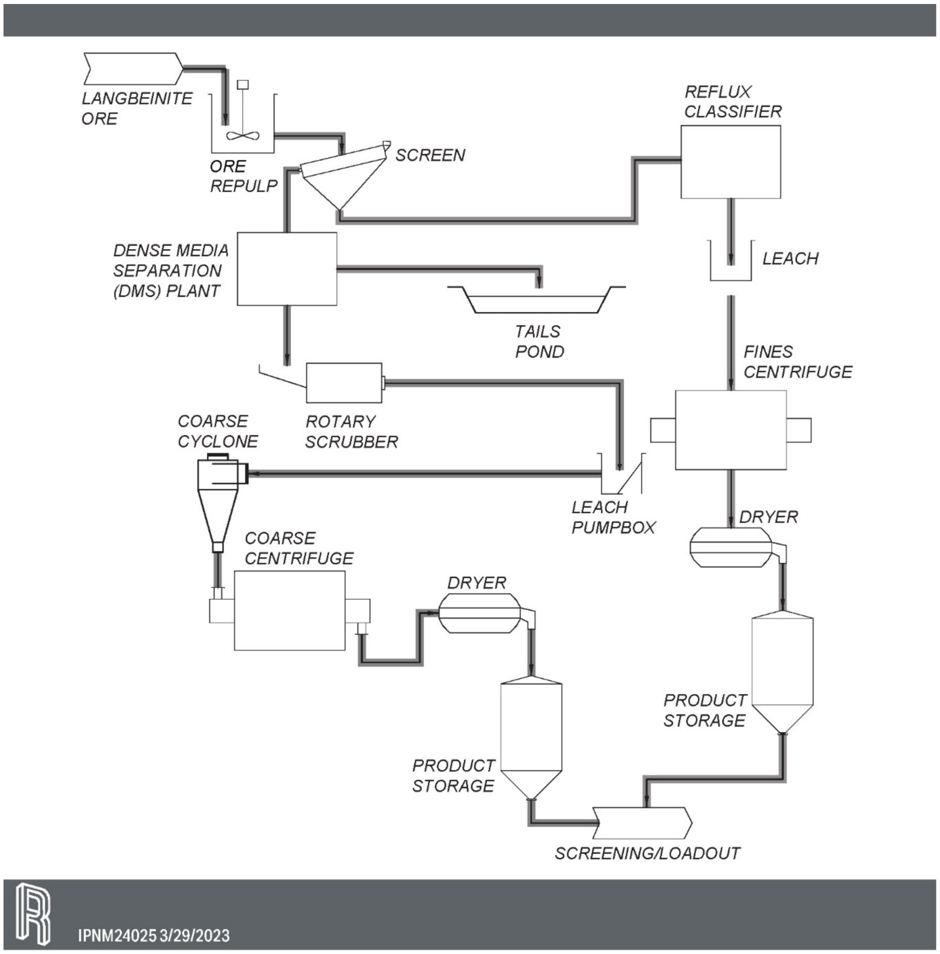

Figure 14-3. East Plant Process Simplified Flow Diagram

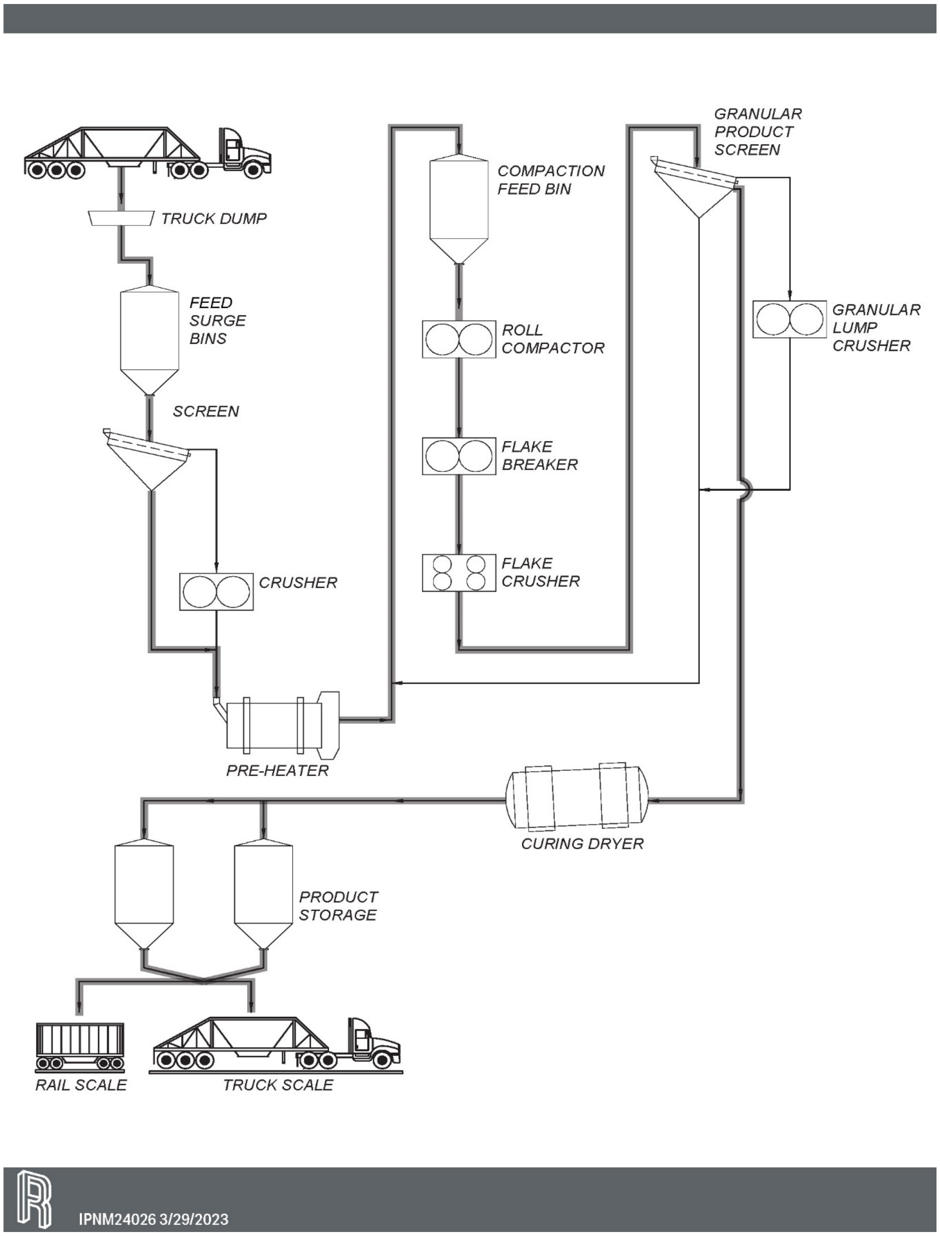

Figure 14-4. North Plant Simplified Process Flow Diagram

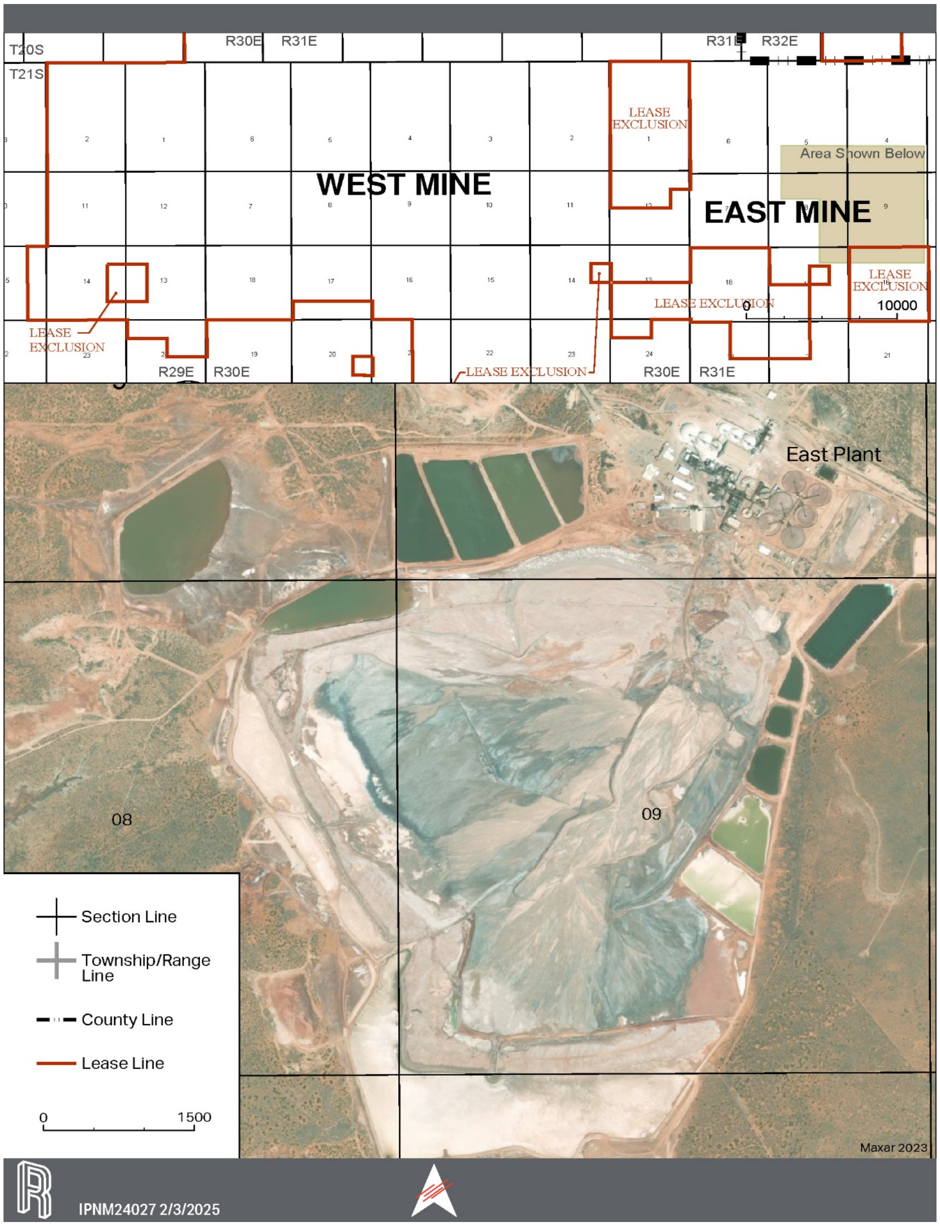

Figure 14-5. East Tailings Storage Facility

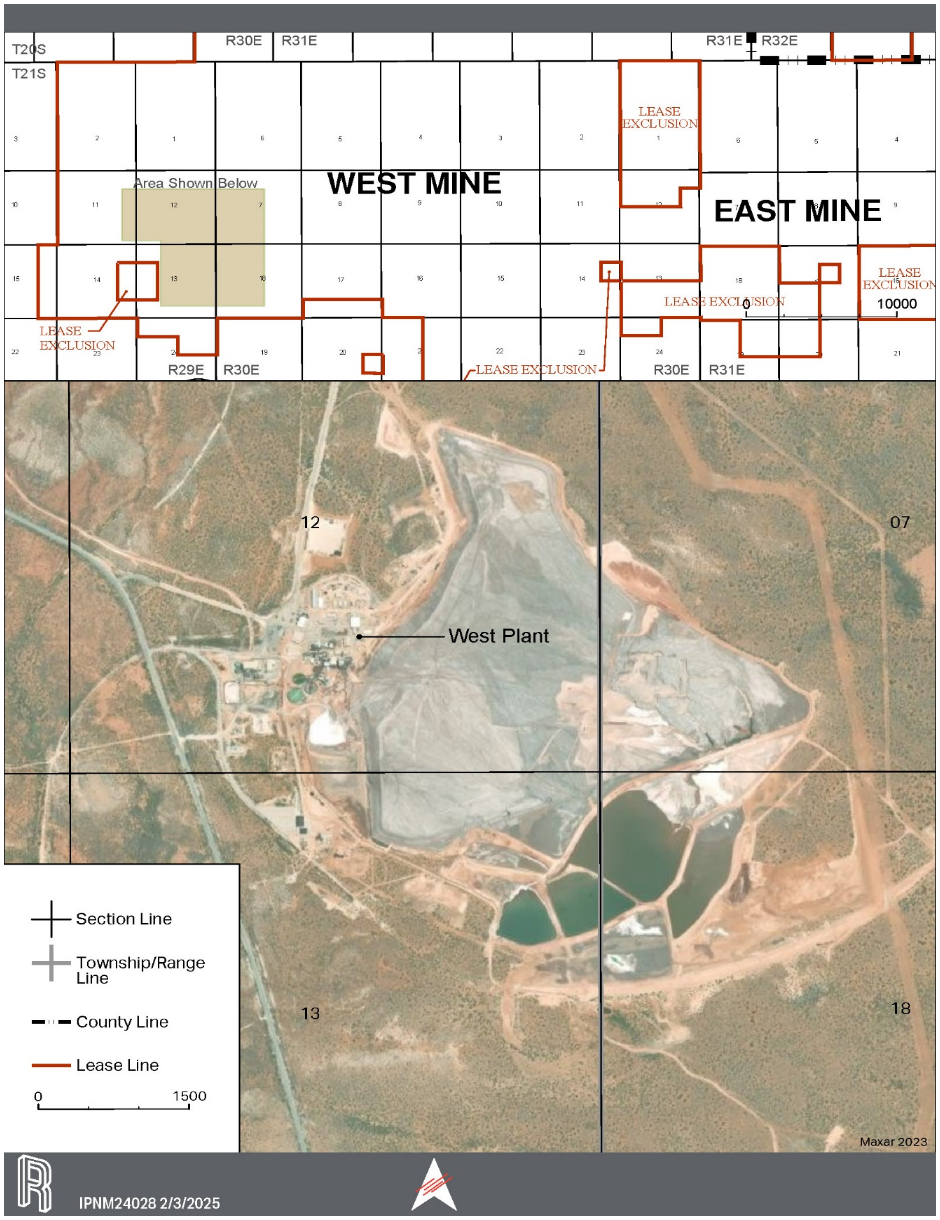

Figure 14-6. West Tailings Storage Facility (HB Brine Recirculation)

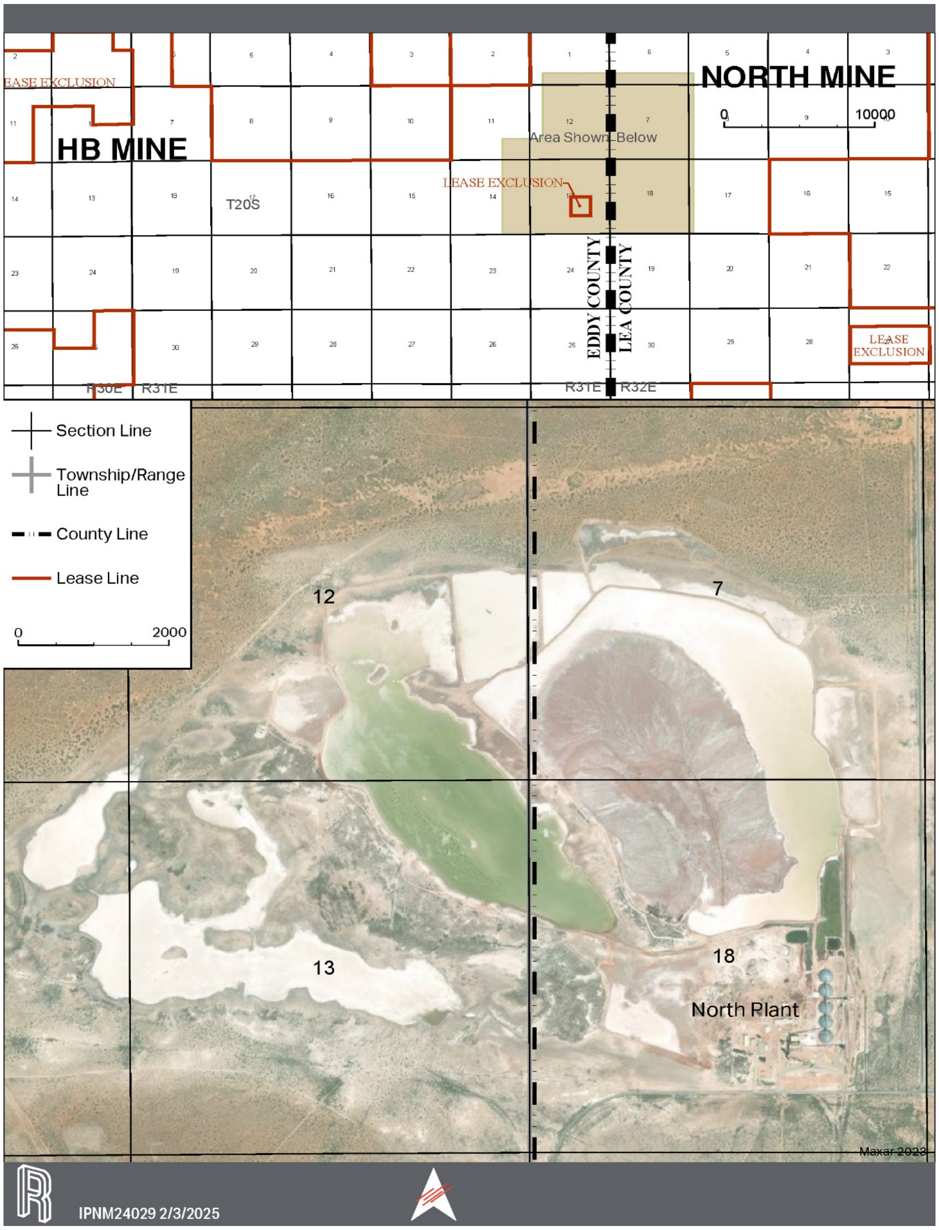

Figure 14-7. North Tailings Storage Facility (inactive)

15.0 Infrastructure

The IPNM mines have a robust infrastructure in place. IPNM has adequate water rights at each of the mine properties. All of the mining operations are accessible by paved state or county highways and are accessible by rail. All of the operations obtain electric power from local utilities fed to recently upgraded substations. The infrastructure layout is shown in Figure 15-1.

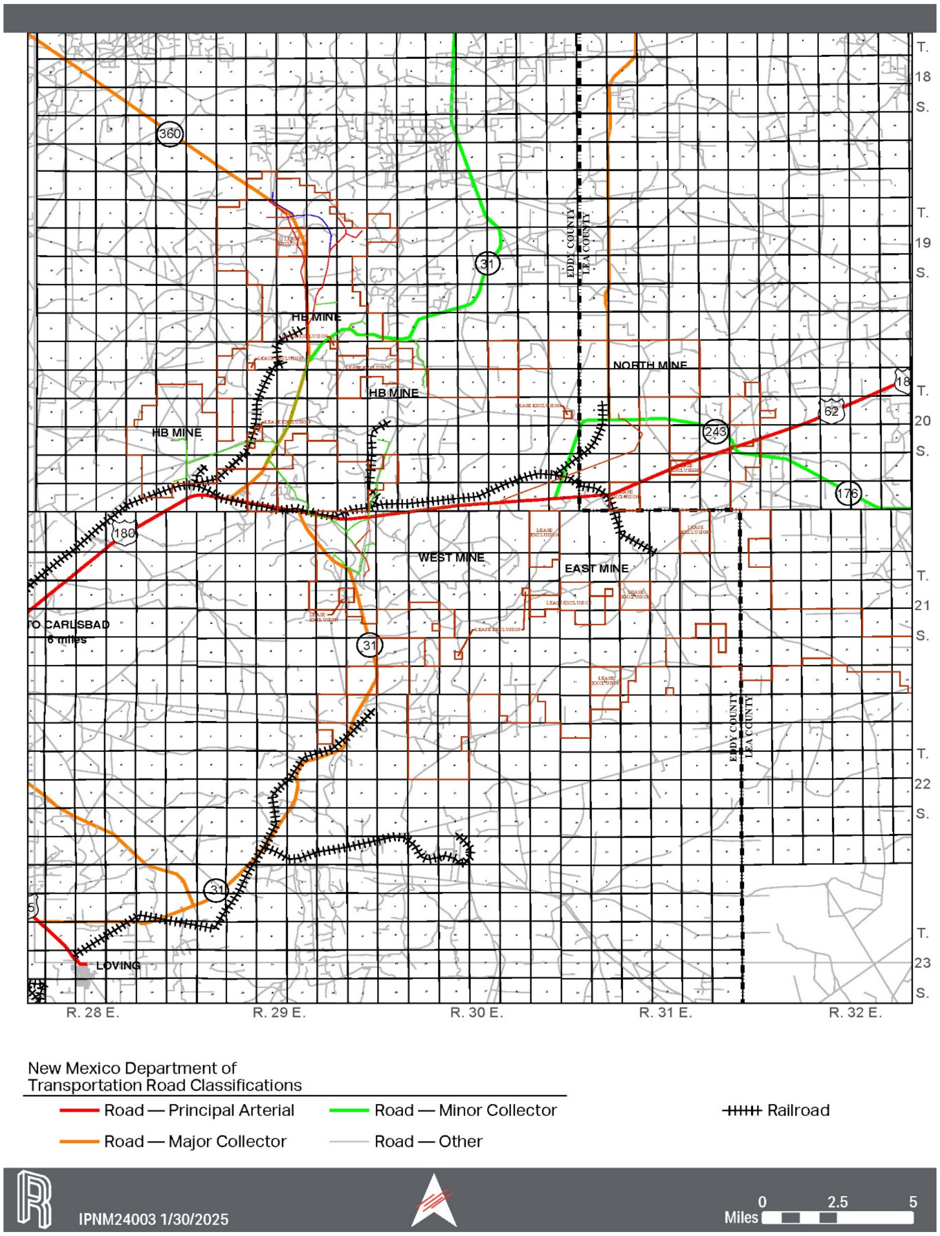

Figure 15-1. Layout of the Infrastructure

16.0 Market Studies

Price projections are based on a combination of historic pricing trends and expectations of future potash consumption and production. Intrepid uses a variety of sources including, but not limited to, industry reports, company announcements, third-party market studies, and internal estimates when establishing a forecasted price. Intrepid compares its historic realized pricing to widely available benchmark prices, specifically the Midwest Warehouse potash price and the U.S. New Orleans Louisiana ("NOLA") Barge Market potash price, to establish a historic price differential which it uses when analyzing future price expectations.

17.0 Environmental Studies, Permitting, and Plans

IPNM holds numerous environmental, mining, safety, and other permits and governmental approvals authorizing the operations at each of the facilities. Operations are subject to permits for, among other things, extraction of salt and brine, discharges of process materials and waste to air and surface water, and injection of brine. IPNM is obligated to reclaim and remediate disturbed lands when they cease operations.

17.1 Environmental Studies

IPNM has all necessary operating permits for the current operations and is in production, both underground and solution mining, and through the permit reporting maintains environmental compliance. Environmental studies are conducted for major project expansions. The most recent Environmental Assessment (EA) was completed in 2024 for the construction of new injection piping for the HB In-situ Solution mine. The work referenced the initial EIS for the HB In-Situ Solar Solution Mining Project EIS (DOI 2012).

17.2 Waste and Tailings Disposal, Site Monitoring, and Water Management During and After Mine Closure

The property has three tailings' impoundments, one of which is in current operation, that were described in Section 14. Tailings brine water is recycled for use in processing plants and solution wells. At closure, the tailings piles will dry and form a very hard, stable crust. No recontouring or revegetation of tailings piles are anticipated because the hard crust will provide adequate slope stability. The perimeter dikes will be stabilized for long-term integrity. Precipitation on the pile will dissolve some of the salt as it moves down into the brine pond, but is not anticipated to be saturated when it exits the pile. The tailings areas will be fenced off to minimize public access. Intrepid is in the process of reviewing the closure plan with the Bureau of Land Management and the New Mexico Environment Department Ground Water Quality Bureau.

17.3 Permitting Status and Reclamation Bonds

The permitting status of each of the major permits is listed in Table 17-1. Bonds for mine closure and groundwater discharge are currently at a value of $4.057 million.

IPNM has timely applied for new permits and permit renewals necessary for continued operations, which are under review by regulatory agencies. Upon issuance, some of these permits may require us to increase our reclamation bonds.

17.4 Agreements with Local Individuals

There are no specific agreements with local individuals or groups.

Table 17-1. Permitting Status

Common Name	Issuing Agency	Permit ID	Effective Date	Expiration Date	Bond Value	Note
Air Permit	New Mexico Environment Department (NMED) Air Quality Bureau	Title V Air Operating Permit P009-R3M1 (East Plant)	24-Apr-20	4-Apr-25	None	Title V operating permits have a 5-year permit term; a renewal application was timely filed. The application was ruled complete and is undergoing technical review by NMED.
Air Permit	NMED Air Quality Bureau	Title V Air Operating Permit P261-R1 (North Compaction Plant [NSR 0321-M8], West Floatation Plant [NSR 0421-M5, 0421-M5R1], HB Plant [NSR 4332-M21R3])	20-Dec-24	20-Dec-29	None	
Groundwater Discharge Permit	New Mexico Environment: Department Ground Water Bureau (Water Quality Control Commission Regulations)	Discharge Permit No.: DP-1681	10-Jul-15	10-Jul-20	$3,349,000	Application for renewal submitted January 2020. Additional modification applications have been filed since the 2020 renewal application. MMED is reviewing the modification and has indicated they will issue modifications with the permit renewal upon completions of the review. Existing permit remains in effect until agency issues the renewed permit. Current bond amount is shown. Intrepid provided an updated Mine Reclamation and Closure Plan Cost Estimate to NMED GWB in June 2021 for the amount of $4.475 million. Awaiting NMED acceptance before updating bond. Bond currently held by NMED and covered in joint bonding arrangement with the Bureau of Land Management.
West/HB Plant Liquid Waste Permit	NMED Health Bureau	Permit No. 008609	25-Sep-18	Good for the life of the system.	None	HB reclaim
West/HB Plant Liquid Waste Permits	NMED Health Bureau	Permit No. 004446, 004447, 004448, 004449, 004450, 004451, 004452, 004453	9-Jan-18	Good for the life of the system.	None	Various West/HB liquid waste permits
East Plant Liquid Waste Permits	NMED Health Bureau	Permit No. 004437, 004438, 004439, 004440, 004441, 004442, 004444, 004445	9-Jan-18	Good for the life of the system.	None	Various East Plant liquid waste permits.
East Plant Liquid Waste Permit	NMED Health Bureau	Permit No. 004439	14-Jun-19	Good for the life of the system.	None	East Loadout tank 3A
East Plant Liquid Waste Permit	NMED Health Bureau	Permit No. 009340	4-Sep-19	Good for the life of the system.	None	East Leachfield LF1A
North Plant Liquid Waste Permits	NMED Health Bureau	Permit No. 004454, 004455, 004457, 004458	9-Jan-18	Good for the life of the system.	None	Various North Plant liquid waste permits
Radioactive Devices	NMED Radiation Control Bureau	License Number GA417-17	22-Oct-24	30-Nov-24	None	An extension of 120 days has been granted until the license renewal is completed by NMED RCB
Waterfowl Hazing Plan and Reporting	Bureau of Land Management – Carlsbad Field Office	HB Project Solar Evaporation Ponds, Stepped Avian Monitoring and Mitigation Plan	1-Jan-12	None	None	Intrepid New Mexico submits quarterly reports on its activities
Brine Effects on State Trust Lands	New Mexico State Land Office	Remediation of Brine Effects on State Trust Lands, Lease Numbers bl-0559 and hp-0005	11-April-18	N/A	$250,000	Remediation of brine release on State Trust Lands
Fresh Water Easements	new Mexico State Land Office, Oil, Gas and Minerals Division	Damage bond for freshwater easements WR-813	29-August-23	N/A	$43,000	
CAM Plan	NMED Air Quality Bureau	West North and HB Compliance Assurance Monitoring Plan required by Title V Air Operating Permit P261-R1	Same as Title V permit	Same as Title V permit	None	
CAM Plan	NMED Air Quality Bureau	East Compliance Assurance Monitoring Plan required by Title V Air Operating Permit P009-R3M1	Same as Title V permit	Same as Title V permit	None	
Federal Explosives License	Bureau of Alcohol, Tobacco, and Firearms	Permit #5-NM-015-33-9J-00293		1-Sep-25	None	License covers shell crackers for shotguns. Used to control or scare away waterfowl from the ponds at all sites. This license is for all of Intrepid New Mexico.
Mine Operations and Closure Plans	Bureau of Land Management – Carlsbad Field Office	HB Solar Mine Operations and Closure Plan	31-May-21	31-May-31	$415,000	Intrepid NM provided an updated Mine Reclamation and Closure Plan and Closure Cost Estimate for HB to NMED GWB and concurrently with the BLM in June 2021 for the amount of $4.475 million. Awaiting

						NMED and BLM acceptance before updating the bond.
Mine Operations and Closure Plans	Bureau of Land Management – Carlsbad Field Office	East Mine Operations and Closure Plan North Mine Operations and Closure Plan West Mine Operations and Closure Plan	1977 1977 1977			Intrepid submitted draft Operations and Closure Plans to BLM. Those applications have not been approved and earlier plans remain in effect. Intrepid is working to provide revised Operations and Closure Plans to the BLM for these mines.
Well Permits	NM Office of State Engineer	Injection, Extraction, and Rustler Wells	Various	None	None	Permit status is undetermined at this time.

17.5 Closure Plans

Closure plans include the repurposing, demolition, and removal of surface infrastructure and safely securing shafts for public safety. Mine operations and closure plans are periodically filed with the BLM. The proposed methods of abandonment are designed to protect unmined recoverable reserves and other resources. While each mine area has specific detailed closure requirements, the major closure steps include closure of shafts and relief wells, tailings stabilization, asbestos removal, building demolition, reclamation of building footprints; reclamation of other areas, disposal of any contaminated soils, reclamation of landfills, reclamation of roads, and remediation of Recognized Environmental Concerns (REC).

Upon completion of solution mining operations at the HB Mine, all structures, wells, pipelines, and ancillary equipment located on Federal, State, and Intrepid fee land will be abandoned, demolished, razed, and hauled to an appropriately permitted local landfill for proper disposal.

17.6 Adequacy of Current Plans and Compliance

It is the QP’s opinion that the current plans are adequate to address any issues related to environmental compliance, permitting, and local individuals or groups.

18.0 Capital and Operating Costs

18.1 Capital Cost Estimate

Capital items necessary to complete the mine plan include the pipeline and injection/extraction wells for the AMAX extension of the HB Solar Solution Mine. The budgeted mine reclamation capital costs are included for 2025 through 2028. Intrepid has provided the mining costs history and sales data since 2007 and budgeted capital costs. With the West Mine taken offline, many of the capital items were recovered from the West Mine for use in the East Mine, reducing the amount of new capital required to sustain East Mine operations. The remaining reclamation cost is included in year 2049 as $45.6 million. Any necessary reclamation work beyond Year 25 is allocated to Year 25 to establish contracting. The sustaining capital is outlined in the budget and includes major equipment replacement. Capital costs are shown in Table 18-1.

18.2 Operating Cost Estimate

Intrepid provided the mining costs history and sales data since 2007. The cash operating cost including warehouse, handling, and royalty is provided in Table 18-1. These costs are subject to vary with changes in production. Cash production costs do not include interest, depreciation, depletion, or income taxes. A by-product credit of $57 per ton is applicable.

18.3 Accuracy Discussion

Because the operating costs are based on historical actual expenses, the cost estimates are at an accuracy of at least +/- 15%.

Capital costs are based on actual bids or recent purchases of capital items plus an inflation factor. The capital costs estimates are at an accuracy of at least +/- 25% and contingency levels are less than 25%.

Reclamation costs are based on the most recent reclamation bond update and asset retirement obligations and are estimated to be accurate to at least +/- 15%.

Table 18-1. Major Remediation and Capital Cost Estimate

Year Number	Year	Remediation	Sustaining Capital	Capital
1	2025	$200,000	$6,800,000	$7,300,000
2	2026	$900,000	$5,500,000	$2,600,000
3	2027	$1,325,000	$5,700,000	$7,000,000
4	2028	$2,921,500	$5,700,000	
5	2029		$5,700,000	
6	2030		$5,700,000	
7	2031		$5,700,000	
8	2032		$5,700,000	
9	2033		$5,700,000	
10	2034		$5,700,000	
11	2035		$5,700,000	
12	2036		$5,700,000	
13	2037		$5,700,000	
14	2038		$5,700,000	
15	2039		$5,700,000	
16	2040		$5,700,000	
17	2041		$5,700,000	
18	2042		$5,700,000	
19	2043		$5,700,000	
20	2044		$5,700,000	
21	2045		$5,700,000	
22	2046		$5,700,000	
23	2047		$5,700,000	
24	2048		$5,700,000	
25	2049	$45,595,200	$5,700,000	

Table 18-2. Unit Mining Cost 2025-2029

Cost Category	Cost ($/Product Ton)	Cost Distribution
Labor	122	47 %
Maintenance Supplies	24	9 %
Operating Supplies Including Reagents	23	9 %
Natural Gas, Electricity and Fuel	15	6 %
Leases, Property Tax, Insurance, etc.	26	10 %
Subtotal	211	81 %
Warehouse	17	7 %
Royalties	17	6 %
Environmental Remediation and Other	15	6 %
Cost of Goods Sold	260	100 %
By-product Credit	57	
Cost of Goods Sold with By-product credit	203	

19.0 Economic Analysis

To evaluate the viability of mining the IPNM mines' reserves, an economic analysis was conducted. Annual revenue and production cost schedules were used to build a projected cash flow to accompany the mine plan. The costs and sales price parameters were assumed to be constant US dollars.

19.1 Key Assumptions, Parameters, and Methods

The property has a long history of operation at this location. The assumption list for the economic analysis is shown in Table 19-1.

Table 19-1. Economic Analysis Assumptions

Parameter	Assumption
Potash Sale Price (mine site)	$360/t
Shipping Potash	$30/t
Average Potash Production Target (25-yr avg.)	136,500 tpy
Interest Rate	0–12% APR
Income Taxes (State and Federal)	26%

19.2 Economic Analysis

For a property in operation, the economic viability may be implied. The cash flow was developed using the mine plan and is listed in Table 19-2. The after-tax cash flow is listed in Table 19-3. The cashflows are shown graphically in Figures 19-1 and 19-2 for pre- and after-tax, respectively. Annual ore production, ore grade and tons of product produced used in both the pre-tax and after-tax cash flow analyses are taken from the annual life of mine production schedule as shown in Section 13: Mining Methods included in this Technical Report Summary. The annual life of mine production schedule provides the calculation of product tons resulting from tons of ore mined and the associated grade of ore mined. The East Mine has a remediation cost of $17.6 M not included in the HB Mine reserves cash flow.

19.3 Sensitivity Analysis

NPV sensitivity analyses were run using variants in commodity price and operating costs for the pre-tax cash flow. The results of the sensitivity analysis are shown in Table 19-4 and graphically in Figure 19-3.

19.4 Discussion

Economic analysis using the price and cost assumptions shows the operation is expected to continue to be profitable over the reserve life.

Table 19-2. Estimated Pre-Tax Cash Flow

Item	Five-Year Periods 2025 - 2029	2030 - 2034	2035 - 2039	2040 - 2044	2045 - 2049
Tons of product production	726,500	746,100	692,800	639,400	606,700
Potash Sales price per ton mine site	$ 360	$ 360	$ 360	$ 360	$ 360
Transportation cost per ton	$ 30	$ 30	$ 30	$ 30	$ 30
Net sales price per ton	$ 330	$ 330	$ 330	$ 330	$ 330
Period net revenue	$ 239,731,000	$ 246,202,000	$ 228,608,000	$ 210,989,000	$ 200,222,000
Cost per product ton, excluding depreciation	$ 211	$ 206	$ 219	$ 234	$ 245
Warehouse & Handling per product ton	$ 17	$ 17	$ 17	$ 17	$ 17
Royalties per product ton	$ 17	$ 17	$ 17	$ 17	$ 17
Environmental remediation and other non-inventory costs	$ 15	$ 15	$ 16	$ 17	$ 18
Less byproduct revenues	$ (57)	$ (56)	$ (60)	$ (65)	$ (68)
Operating costs per production ton, excluding depreciation	$ 203	$ 199	$ 209	$ 220	$ 228
Less period operating costs, excluding depreciation	$ (147,191,000)	$ (148,601,000)	$ (144,770,000)	$ (140,930,000)	$ (138,584,000)
Less period capital	$ (46,300,000)	$ (28,500,000)	$ (28,500,000)	$ (28,500,000)	$ (28,500,000)
Less period remediation	$ (5,347,000)	-	-	-	$ (45,595,000)
Estimated period pre-tax cashflow	$ 40,893,000	$ 69,101,000	$ 55,338,000	$ 41,559,000	$ (12,457,000)

Table 19-3. Estimated After-Tax Cash Flow

Item	Five-Year Periods 2025 - 2029	2030 - 2034	2035 - 2039	2040 - 2044	2045 - 2049
Tons of product production	726,500	746,100	692,800	639,400	606,700
Potash Sales price per ton mine site	$ 360	$ 360	$ 360	$ 360	$ 360
Transportation cost per ton	$ 30	$ 30	$ 30	$ 30	$ 30
Net sales price per ton	$ 330	$ 330	$ 330	$ 330	$ 330
Period net revenue	$ 239,731,000	$ 246,202,000	$ 228,608,000	$ 210,989,000	$ 200,222,000
Cost per product ton, excluding depreciation	$ 211	$ 206	$ 219	$ 234	$ 245
Warehouse & Handling per product ton	$ 17	$ 17	$ 17	$ 17	$ 17
Royalties per product ton	$ 17	$ 17	$ 17	$ 17	$ 17
Environmental remediation and other non-inventory costs	$ 15	$ 15	$ 16	$ 17	$ 18
Depreciation and Depletion	$ 106	$ 103	$ 111	$ 120	$ 127
Less byproduct revenues	$ (57)	$ (56)	$ (60)	$ (65)	$ (68)
Total Operating Costs	$ 309	$ 302	$ 320	$ 341	$ 355
Total operating costs	$ (224,121,000)	$ (225,531,000)	$ (221,700,000)	$ (217,860,000)	$ (215,514,000)
Estimated Pre-tax Income	$ 15,610,000	$ 20,671,000	$ 6,908,000	$ (6,871,000)	$ (15,292,000)
Estimated Taxes at 26%	$ (4,059,000)	$ (5,374,000)	$ (1,796,000)	$ 1,786,000	$ 3,976,000
Estimated After Tax Income	$ 11,551,000	$ 15,297,000	$ 5,112,000	$ (5,085,000)	$ (11,316,000)
Add back Depreciation and Depletion	$ 76,930,000	$ 76,930,000	$ 76,930,000	$ 76,930,000	$ 76,930,000
Less Capital	$ (46,300,000)	$ (28,500,000)	$ (28,500,000)	$ (28,500,000)	$ (28,500,000)
Less Remediation	$ (5,347,000)	$ —	$ —	$ —	$ (45,595,000)
After-Tax Cash Flow	$ 36,834,000	$ 63,727,000	$ 53,542,000	$ 43,345,000	$ (8,481,000)

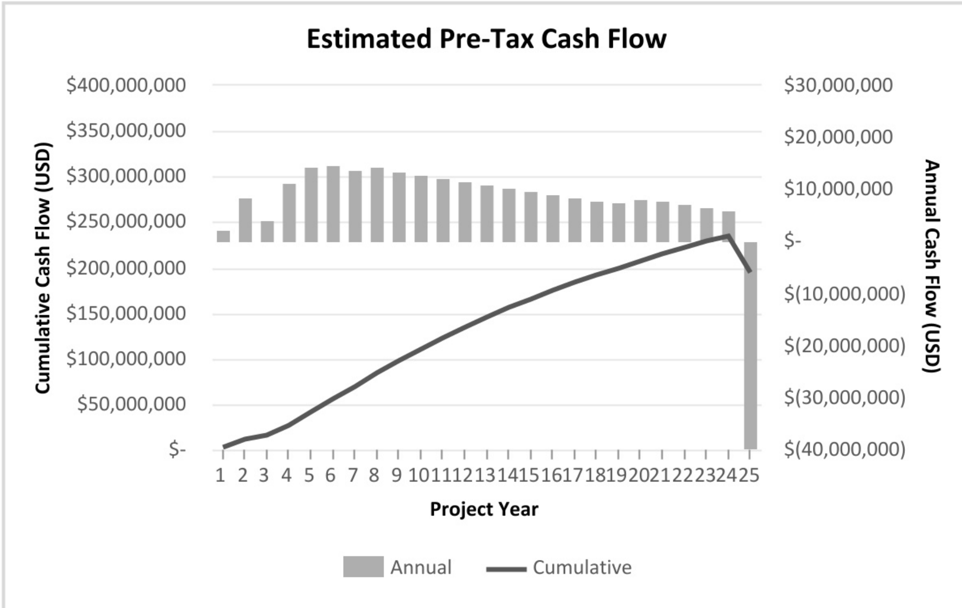

Figure 19-1. Estimated Pre-Tax Cash Flow

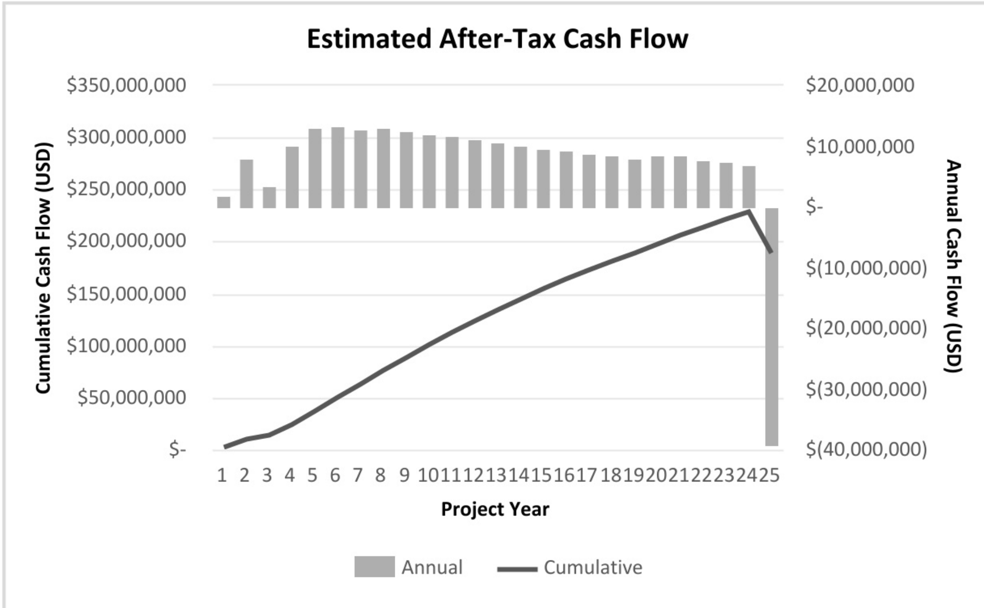

Figure 19-2. Estimated After-Tax Cash Flow

Table 19-4. NPV Pre-Tax Estimate

Interest Rate (% APR)	NPV ($Million)
0	$194
5	$126
8	$99
10	$85
12	$74

Table 19-5. NPV After-Tax Estimate

Interest Rate (% APR)	NPV ($Million)
0	$189
5	$120
8	$93
10	$80
12	$69

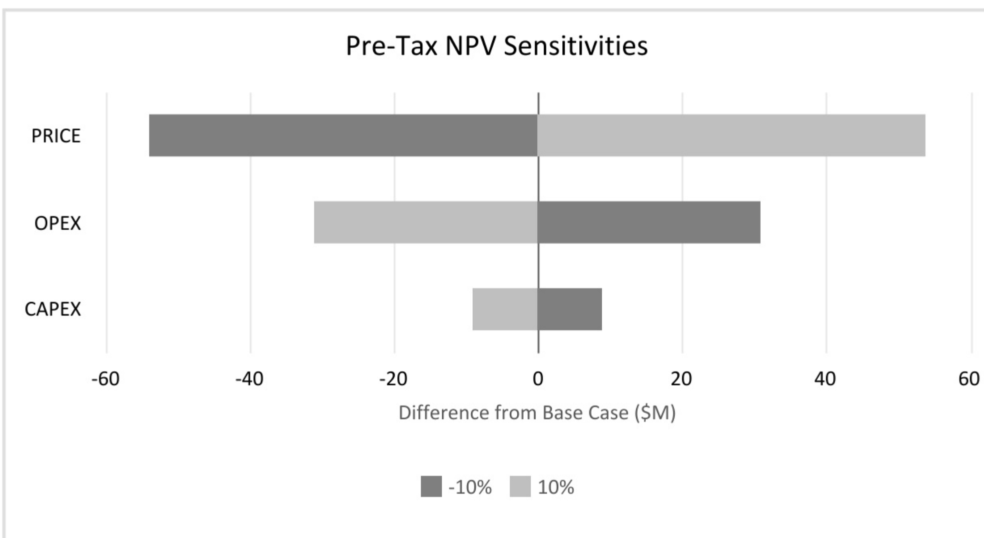

Figure 19-3. Pre-Tax NPV Sensitivities (APR 8%)

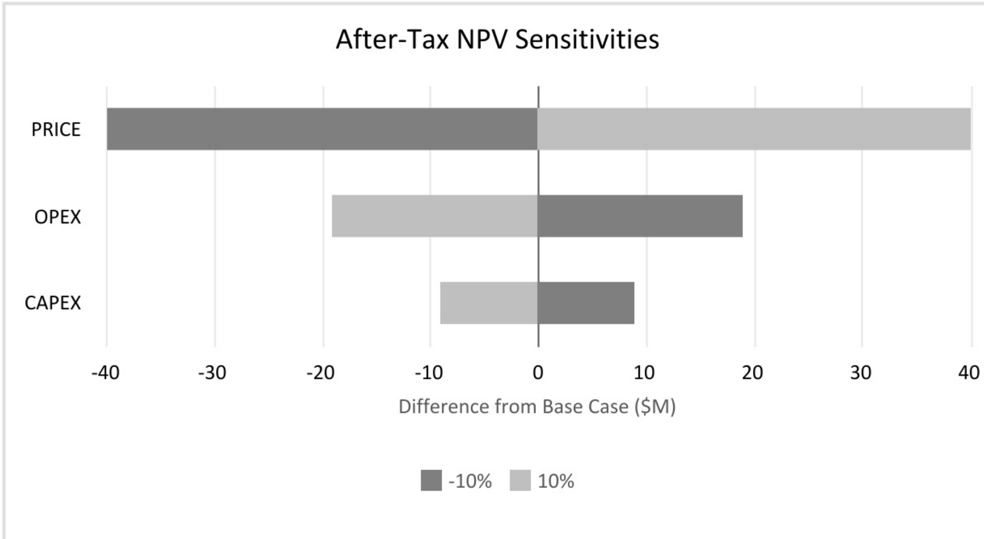

Figure 19-4. After-Tax NPV Sensitivities (APR 8%)

20.0 Adjacent Properties

In preparing the report, the QP indicated that the IPNM operations and The Mosaic Company operations, although mining in the same geologic deposit, each has its own plants and infrastructure and are entirely independent of each other. It is the qualified person's opinion that The Mosaic Company operations are not material in relation to IPNM.

21.0 Other Relevant Data and Information

The Mine Safety and Health Administration (MSHA) is the governing agency for IPNM's underground mines and related surface facilities in New Mexico. As required, these operations are regularly inspected by MSHA personnel. The HB Plant is governed by the Occupational Safety and Health Administration (OSHA).

22.0 Interpretation and Conclusions

RESPEC's QP review and resource and reserve estimations were performed to obtain a reasonable assurance of the estimates from the data provided by Intrepid and IPNM. The QP believes the findings are reasonable and realistic and have been developed using accepted engineering practices.

As with all geologic estimations, there is a level of risk and uncertainty because of sparse data. These estimates are considered reliable based on the historical success of mining operations recovering langbeinite and potash from this deposit. There is more uncertainty in future mining of the ore zones that have not been historically mined.

23.0 Recommendations

The QP recommends that IPNM continue planning for the challenges in solution mining with the presence of low levels of carnallite and plan for the expansion pipeline and wells for the AMAX mine. The property is in operation, and no additional work beyond current confirmation drilling is recommended.

24.0 References

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25.0 Reliance on Information

The QP relied on lease holdings and permitting status provided by Intrepid and IPNM for this reserve evaluation.