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# Integral Technologies, Inc. CEO Letter to Shareholders

BELLINGHAM, Wash., Jan. 23, 2013 /PRNewswire/ -- Integral Technologies, Inc. (OTCQB: ITKG) announces letter to shareholders:

Dear Integral Shareholders,

As your CEO, my primary responsibility is to deliver shareholder value and to insure the worldwide success of our company; my secondary responsibility is to keep shareholders abreast of new developments, challenges and opportunities. These are roles that I am honored and humbled to have. Our team is constantly reminded of your enduring support, and I thank you for your patience, open-mindedness, and lasting commitment that has been, and will continue to be, essential to Integral's success in the months and years ahead.

My association with Integral began as a shareholder. I understand the many ups and downs associated with investing in a company that is launching an innovative technology. As with any new technology, business plans do not always follow the charted course and undoubtedly the road taken is longer than anticipated. As a result, my expectations and concerns mirror those of many other shareholders. Today, as I write to you as your newly-appointed CEO, I have heard many of your concerns and questions. "Do you guys know we're out here?" "Why doesn't the company tell us anything?" "What's this new management team up to?" "What is your plan?"

These are valid concerns and demonstrate our need to do a better job of communicating our vision, progress and direction. Your support, understanding and commitment to us have been, and will continue to be, essential to the success of Integral. To that end, I will focus on the future, not dwell on the past, by pledging to do a better job of keeping you informed – beginning now.

You already know that our foundation for growth consists of an extraordinary cutting-edge technology, a strong Intellectual Property portfolio, a seasoned sales organization and robust engineering capabilities, led by Mo Zeidan. Now we have added a focused, agile and determined board of directors that will enhance our ability to govern and guide our growing company, as it expands its commercialization; a dedicated and experienced ElectriPlast Corp. sales team, led by Herb Reedman; and a dynamic new management team, as a result of significant changes and appointments to key positions at your company. As a consequence of these changes, we are a smarter, more enthused, and a better-managed company.

But we recognize these things alone are not enough. We also need a clear, decisive strategy, focused on achieving rapid growth to commercialization and the realization of revenue. Key to our strategy is the leveraging of relationships.

Our business model includes collaborating with leading technology innovators to develop new product applications for ElectriPlast and to license our IP for its manufacture and commercialization across many industries. The more strategic relationships we are able to achieve, the more rapidly we can expand our global commercialization efforts, and by having multiple sources of revenue we will have a more sustainable and predictable revenue stream.

To this end, we will be announcing multiple joint development agreements, also now in the finalization process, with partners who recognize and want access to our superior technology and who have both the technical and engineering resources to aid in development of large volume applications, as well as the necessary distribution network once the application is commercialized. These partners are industry leaders in their fields that will provide us high profile exposure as well.

Our business model also includes developing multiple licensing and distribution opportunities to allow us to increase sales and revenues. This approach results in revenue generation that is three-pronged: (1) internally selling our proprietary ElectriPlast pellet, (2) selling through a 3rd party with already established distribution channels, and (3) licensing our technology on an upfront fee and royalty basis.

In this regard, we had anticipated finalizing the terms of the MOU with Hanwha L&C much earlier. The negotiations have taken longer than anticipated. We expect to finalize an agreement with them shortly, and we look forward to the prospects of partnering with a world-class global leader with a dominating brand in Asia.

Buoyed by our commercial success with our inclusion in the Fisker Karma, we continue to progress on internal sales efforts that reaches out to our potential customers who are beginning to recognize the advantages of ElectriPlast over competitive products.

I understand that the delivery of results is ultimately the measuring stick of any company, and *2013 is the year we will deliver results*. You will see strategic relationships, further commercialization and a more transparent company, and you will see a driven, management team with a dedicated pursuit of shareholder value. We look ahead to the coming year with excitement and optimism, tempered only by the pragmatism that experience provides. With your sustained support, we will unceasingly endeavor towards turning innovation into convention, technology into profitability, and vision into reality. Our entire management team will work tirelessly to keep you informed, engaged, and proud to be an Integral shareholder.

Warm Regards,

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Safe Harbor Statement

This press release contains "forward-looking statements" within the meaning of Section 27A of the 1933 Securities Act and Section 21E of the 1934 Securities Exchange Act. These statements include, without limitation, predictions and guidance relating to the company's

future financial performance and the research, development and commercialization of its technologies. In some cases, you can identify forward-looking statements by terminology such as "may," "should," "expects," "plans," "anticipates," "believes," "estimates," "predicts," "potential," "continue," or the negative of these terms or other comparable terminology. These forward-looking statements are based on management's current expectations, but they involve a number of risks and uncertainties. Actual results and the timing of events could differ materially from those anticipated in the forward-looking statements, as the result of such factors, risks and uncertainties as (1) competition in the markets for the products and services sold by the company, (2) the ability of the company to execute its plans, (3) other factors detailed in the company's public filings with the SEC, including, without limitation, those described in the Company's annual report on Form 10-K for the year ended June 30, 2011 as filed with the Securities and Exchange Commission and available at [www.sec.gov](http://www.sec.gov), and (4) the parties may be unable to agree upon definitive agreements. You are urged to consider these factors carefully in evaluating the forward-looking statements.

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