

December 1, 2016



Integral Technologies, Inc. CEO Letter to Shareholders

EVANSVILLE, Ind., Dec. 1, 2016 /PRNewswire/ -- Integral Technologies, Inc. (OTC-QB: ITKG) ("Integral") announces letter to shareholders.

Dear Integral Shareholders:

I first want to thank you for your overwhelming support of the recent proxy vote approving the increase in authorized shares. Nearly 90% of the shareholders that voted supported the proposal. This is a testimony to the support we are fortunate to continually receive from our shareholders.

Like many of you, I have been a long time shareholder of Integral. I do understand the elation, frustration, and sometimes anger as the stock goes through fluctuations and developments take longer to come to fruition than anticipated. There are times even as CEO, particularly in the last couple of months, I can get caught up in such emotions. With that said, I feel this is an opportune time to reflect on the past as well as look forward to our future.

Commercializing a new technology can be difficult and time consuming, this certainly has been the case for ElectriPlast. We have never been more optimistic about the opportunities for ElectriPlast. We believe that the global macro environment continues to push towards the electrification of transportation as well as light weighting and our highly conductive ElectriPlast is still positioned to capitalize on these trends. Of course the opportunities are great but we know that we can't control the sales cycle or adoption rates. We also know that a business model cannot be built on optimism alone, we must create a sustainable and predictable revenue stream. This was one of the key factors in the decision to expand our ElectriPlast product portfolio. We believe that this will provide us with a sustainable revenue as we continue to pursue licensing and distribution opportunities.

During the last conference call I discussed the expansion of our ElectriPlast conductive plastic portfolio. This includes materials for electrostatic dissipation (ESD) solutions, as well as other lower conductive applications. The importance of this accomplishment is our portfolio now meets the demands for highly conductive applications, while also meeting the needs and price points for lower conductive applications. The lower conductive market is also strategic for Integral, as it represents immediate customer adoption and sales opportunities as well as significant revenue potential.

Although we have just begun our sales efforts of our lower conductive material, we've been quite pleased with response we have received. To date in 2016, we have fulfilled commercial orders from five separate companies, and each customer is in different vertical industries. We have completed multiple orders for two customers, one of which is an

automotive Tier 1 to which we delivered three separate orders for the same material. We're excited about building success in this part of our portfolio and look forward to further growth with aggressive sales and marketing efforts.

We continue to see tremendous growth opportunity in the highly conductive application market segment based on the global trends for the electrification of transportation and vehicle light-weighting. We are seeing increased interest in use of our material in electric and hybrid/electric vehicles. We have recently received orders from an Automotive Tier 1 for applications in electric and hybrid/electric vehicles for both domestic and global OEM'S. We hope to be able to provide further details on these orders in the near future.

The expansion of our ElectriPlast product portfolio was in part made possible by the relocation of our manufacturing to Nova Polymers. With the move, we have been able to significantly improve our manufacturing process and even more importantly, we now have the manufacturing capacity to operate in a high volume sales environment. In conjunction with Nova Polymers, our annual capacity potential is currently over 50 million pounds. This is more than ample capacity for the foreseeable future.

Slobodan Pavlovic has been working with industry decision makers in the lead acid battery arena to advance our bipolar technology to meet the environmental CAFÉ standards for 2022. We are laser-focused on increasing the strategic value of our bipolar battery technology and to monetize the technology. We continue to work with The Ultimate Battery Company as well as several others in an effort to achieve this.

I want to be sure and address some specific concerns we have heard, in particular the late filings of our 10k and our 10q. We are not pleased to be in this position, which is not consistent with our history of on-time filing. We believe we are addressing the issues that have prevented a timely filing and we are making every effort to be current by the end of this year. Once we have become current with our filings, our stock will transition back to the OTC QB. Our practice is not to make financial projections or give forward guidance. That being said, we believe the results of our 2016 10k will be in line with prior quarters and our other shareholder communications.

In closing, I want to thank you for your continued support and wish you and your family a Happy Holiday Season.

Warm Regards,
Doug Batahauer
Chief Executive Officer
Integral Technologies, Inc.

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, 2015 as filed with the Securities and Exchange Commission and available at 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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