Integral Discusses Current Events


Lighweighting is rapidly becoming an explosive global market and conductive plastics will play a critical role in the lightweighting industry. Integral estimates that the global conductive plastic market will be a $30 billion market by 2020. "We plan on capturing a significant portion of this market and that is why 2014 is a pivotal year for us", states Doug Bathauer, CEO of Integral.

We began 2014, with several objectives:

- Increase sales
- Provide application engineering solutions
- Strengthen balance sheet
- Expand Asian market
- Support and strengthen current partnerships
- Increase manufacturing efficiencies
- Expand IP portfolio
- Establish new partnerships/relationships
- Expand product portfolio

Integral is pleased to say, it has met all these objectives. The ElectriPlast Tech Center, launched in January, has proven to be a tremendous asset. It has been instrumental in supporting key partnerships with BASF, Hanwha and Delphi, as well as developing other key relationships. The Tech Center is generating income, from both ElectriPlast sales and engineering services. It has created several applications for customers that over the next 5 years, could translate to over $100 million in commercial value annually.

In February, Integral appointed a new Chief Financial Officer "CFO", Bart Snell. Bart has been spearheading the effort in positioning the company for expansion opportunities. In June of this year, the company eliminated all convertible debt. This was a significant step in the strengthening of the financials.

In April, Hanwha launched the ElectriPlast manufacturing line in S. Korea. This was a key step in expanding the Asian market. Integral estimates, the annual conductive plastics
market in China, Japan and Korea to be $15 billion, a strong presence in this region is vital. The Integral Asia office team, in Seoul, has been successful in developing new relationships in South Korea as well as in Japan and China, with Tier 1 automotive and technology companies. In particular, the team recently introduced our ElectriPlast technology to an automotive power supply company that provides its products to some of the world's largest Hybrid Electric Vehicle (HEV) and Electric Vehicles (EV) companies. Additionally, they met in Shanghai with global innovation engineers to further the commercialization process with current projects being developed in the U.S.

The Tech Center in Canton, Michigan, was initiated to provide applications design and engineering to support its customer's product development optimization by using conductive plastic to displace metal.

In addition to the progress in the application development areas, the Tech Center has also been focused on expanding the ElectriPlast product portfolio. "Based on numerous independent customer analyses, we believe we are a market leader for highly conductive material for EMI shielding, however, as we strive to become the overall conductive plastics market leader, we need to expand our product portfolio," said ElectriPlast's CTO Mo Zeidan. "A significant growth area is in thermally conductive materials. We have recently developed and delivered this material to multiple Asian customers," stated Zeidan.

By approaching the application with a holistic approach, the Tech Center has been able to work with the customer's engineering teams to achieve breakthroughs that would not have been possible on their own. Slobadan ("Bob") Pavlovic, ElectriPlast Vice President of Engineering, states, "One of our main objectives at the Tech Center is to shorten the education and adoption process by having a hands-on approach with our customers in developing their applications. We have already designed and produced several applications; we are now providing customers with specific application solutions". The Tech Center has also written several patent applications, which will further strengthen the extensive patent portfolio. "The Tech Center not only shortens the sales cycles and helps drive the business, it's also becoming a profit center for our engineering services." stated Integral's CEO Doug Bathauer.

The company also announced it is expanding its manufacturing agreement with longtime manufacturer, Jasper Rubber Products, Inc., allowing Jasper to manufacture ElectriPlast at more than one facility. "We are at the stage that we need to demonstrate, to our key customers, that we have the capacity to support their demand, this may require manufacturing in addition to Jasper's existing facility," stated Bathauer. "As our customers' needs are now transitioning from prototype level demands to commercial production, we need to be sure our manufacturing is in place to support them", concluded Bathauer.

The company is entering into new, exciting sectors of the market commercially and is in multiple contract talks. It is anticipated these contracts will become finalized in the coming weeks.
About Integral Technologies, Inc.

(ITKG) ("Integral"), and wholly owned subsidiary ElectriPlast Corp, engage in the discovery, development, and commercialization of electrically conductive hybrid plastics used primarily as raw materials in the production of industrial, commercial and consumer products and services worldwide. Its core material, ElectriPlast®, is a non-corrosive, electrically conductive resin-based material whose properties allow it to be molded into any of the infinite shapes and sizes associated with plastics, rubbers and other polymers while reducing component weight by 40 to 60%. Integral is a leader in conductive hybrid plastics with a broad Intellectual Property portfolio referencing its ElectriPlast technology. Applications for ElectriPlast include: Shielding Wire, Power Electronics, Connectors, and Cables; Shielding, Conduction, Batteries, Semiconductors, Heated Elements, Sensors, Antennas, Medical Devices, Consumer Electronics and Acoustics, Fuses, Capacitors, Resistors, RFID, Bus bars and Terminals.

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,""could" "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, 2013 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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