

Registration No. 333-\_\_\_\_\_

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

FORM S-8

REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

Integral Technologies, Inc.

(Exact name of registrant as specified in its charter)

Nevada

98-0163519

(State or other jurisdiction of  
incorporation or organization)

(I.R.S. Employer  
Identification No.)

805 W. Orchard Drive, Suite 3, Bellingham, Washington

98225

(Address of Principal Executive Offices)

(Zip Code)

Integral Technologies, Inc. 2003 Stock Plan

(Full title of the plan)

William A. Ince, 805 W. Orchard Drive, Suite 3, Bellingham, Washington 98225

(Name and address of agent for service)

(360) 752-1982

(Telephone number, including area code, of agent for service)

<TABLE>  
<CAPTION>

CALCULATION OF REGISTRATION FEE

Title of securities to be registered	Amount to be Registered (1)	Proposed maximum Offering price Per share (2)	Proposed maximum aggregate offering price (2)	Amount of registration fee (2)
<S> Common Stock \$0.001 par value	<C> 1,500,000	<C> \$ .95	<C> 1,425,000	<C> \$ 115.28
TOTALS	1,500,000		1,425,000	\$ 115.28

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- (1) To be issued, at the sole discretion of the Registrant, directly or pursuant to options under the Integral Technologies, Inc. 2003 Stock Plan.
- (2) Estimated solely for the purpose of calculating the registration fee in accordance with Rule 457(h) under the Securities Act of 1933 as follows: (i) in the case of shares of common stock which may be purchased upon exercise of outstanding options, the fee is calculated on the basis of the price at which the options may be exercised; and (ii) in the case of shares of common stock which have not been issued and/or for which options have not yet been granted and the option price of which is therefore unknown, the fee is calculated on the basis of the average of the bid and asked price per share of the common stock on a date within five (5) business days prior to the date of filing of this registration statement, as reported on the National Association of Securities Dealers, Inc. OTC Bulletin Board.

PART I

INFORMATION REQUIRED IN THE PROSPECTUS

The document(s) containing the information concerning the Integral Technologies, Inc. 2003 Stock Plan, effective as of April 4, 2003 (the "Plan"), required by Item 1 of Form S-8, and the statement of availability of registrant

information and other information required by Item 2 of Form S-8 will be sent or given to participants as specified by Rule 428. In accordance with Rule 428 and the requirements of Part I of Form S-8, such documents are not being filed with the Securities and Exchange Commission (the "Commission") either as part of this registration statement on Form S-8 (the "Registration Statement") or as prospectuses or prospectus supplements pursuant to Rule 424. Integral Technologies, Inc., a Nevada corporation (the "Company"), shall maintain a file of such documents in accordance with the provisions of Rule 428. Upon request, the Company shall furnish to the Commission or its staff a copy or copies of all of the documents included in such file.

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PART II

INFORMATION REQUIRED IN THE REGISTRATION STATEMENT

ITEM 3. INCORPORATION OF DOCUMENTS BY REFERENCE.

The following documents, which have been filed by the Company with the Securities and Exchange Commission (the "Commission") pursuant to the Securities Exchange Act of 1934, as amended (the "Exchange Act"), are incorporated by reference in this registration statement as of their respective dates:

- (a) Annual Report on Form 10-KSB for the fiscal year ended June 30, 2002, filed October 11, 2002;
- (b) Quarterly Report on Form 10-QSB for the period ended September 30, 2002, filed November 14, 2002;
- (c) Quarterly Report on Form 10-QSB for the period ended December 31, 2002 filed February 13, 2003; and
- (d) the description of the Company's common stock contained in the Company's registration statement on Form 10-SB (File No. 000-28353) filed December 2, 1999, including any amendment or reports filed for the purpose of updating such description.

All documents filed by the Company pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act prior to and subsequent to the date hereof shall be deemed to be incorporated by reference into this Registration Statement and to be a part hereof from the date of filing of such documents with the Commission.

Any statement contained in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for purposes of this Registration Statement to the extent that a statement contained herein or in any other subsequently filed document which also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Registration Statement.

ITEM 4. DESCRIPTION OF SECURITIES

A description of the Company's common stock is contained in the Company's registration statement on Form 10-SB (File No. 000-28353) filed December 2, 1999, including any amendment or reports filed for the purpose of updating such description.

ITEM 5. INTERESTS OF NAMED EXPERTS AND COUNSEL.

Members of the law firm of Futro & Trauernicht LLC, Attorneys and Counselors at Law, counsel to the Company, and whose opinion as to the validity of the issuance of shares of Common Stock hereunder is attached as an exhibit hereto, may be issued shares of Common Stock under the Plan or granted options to purchase shares of Common Stock pursuant to the Plan.

ITEM 6. INDEMNIFICATION OF DIRECTORS AND OFFICERS.

Integral's Bylaws permit indemnification to the fullest extent permitted by Nevada law. Section 78.7502 of the Nevada General Corporation Law provides that Integral may indemnify any person who is or was a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding,

whether civil, criminal, administrative or investigative, other than an action by or in the right of Integral, by reason of the fact that the person is or was a director or officer or is or was serving at the request of Integral as a director or officer of another company, partnership, joint venture, trust or other enterprise, against expenses, including attorneys' fees, judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with the action, suit or proceeding if he acted in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of Integral, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful.

Additionally, Integral may indemnify a director or officer who is or was a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of Integral to procure a judgment in its favor by reason of the fact that he is or was a director or officer of Integral, or serving at the request of Integral as a director or officer of another company, partnership, joint venture, trust or other enterprise, against expenses, including amounts paid in settlement and attorneys' fees actually and reasonably incurred by him in connection with the defense or settlement of the action or suit if he acted in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of Integral.

Indemnification may not be made for any claim, issue or matter as to which a director or officer has been adjudged by a court of competent jurisdiction, after exhaustion of all appeals therefrom, to be liable to Integral or for amounts paid in settlement to Integral, unless and only to the extent that the court in which the action or suit was brought or other court of competent jurisdiction determines upon application that in view of all the circumstances of the case, the director or officer is fairly and reasonably entitled to indemnity for such expenses as the court deems proper.

To the extent that a director or officer of Integral has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to above, or in defense of any claim, issue or matter therein, Integral shall indemnify him against expenses, including attorneys' fees, actually and reasonably incurred by him in connection with the defense.

ITEM 7. EXEMPTION FROM REGISTRATION CLAIMED.

Not applicable.

ITEM 8. EXHIBITS.

Exhibit Number	Description
4.10	Articles of Incorporation, as amended and currently in effect, which define the rights of holders of the equity securities being registered. (Incorporated by reference to Exhibit 3.1 of Integral's registration statement on Form 10-SB (file no. 0-28353) filed December 2, 1999).
4.11	Bylaws, as amended and restated on December 31, 1997, which define the rights of holders of the equity securities being registered. (Incorporated by reference to Exhibit 3.2 of Integral's registration statement on Form 10-SB (file no. 0-28353) filed December 2, 1999).
5.05	Opinion of Counsel, Futro & Trauernicht LLC (filed herewith).
10.15	Integral Technologies, Inc. 2003 Stock Plan dated April 4, 2003 (filed herewith).
23.9	Consent of Auditors, Pannell Kerr Forster (Filed herewith).
23.10	Consent of Counsel, Futro & Trauernicht LLC. (Included in Exhibit 5.05.)

ITEM 9. UNDERTAKINGS.

(a) The undersigned hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) To include any prospectus required by Section 10(a)(3) of the Securities Act;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high and of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than 20 percent change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement; and

(iii) To include any material information with respect to the plan of distribution not previously disclosed in this registration statement or any material change to such information in this registration statement;

provided, however, that paragraphs (a)(1)(i) and (a)(1)(ii) do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed with or furnished to the Commission by the Company pursuant to Section 13 or Section 15(d) of the Exchange Act that are incorporated by reference in the registration statement.

(2) That, for the purpose of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(b) The undersigned hereby undertakes that, for purposes of determining any liability under the Securities Act, each filing of the Company's annual report pursuant to Section 13(a) or Section 15(d) of the Exchange Act, (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Exchange Act) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(c) Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the Company pursuant to the foregoing provisions, or otherwise, the Company has been advised that in the opinion of the Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Company of expenses incurred or paid by a director, officer or controlling person of the Company in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Company will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

requirements for filing on Form S-8 and has duly caused this registration statement or amendment to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Bellingham, Washington on this 14th day of April, 2003.

INTEGRAL TECHNOLOGIES, INC.

By: /s/ William A. Ince

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William A. Ince, President, Secretary,  
Chief Financial Officer, Director

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed below by the following persons in the capacities and on the dates indicated.

By: /s/ William A. Ince

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William A. Ince, President, Secretary,  
Chief Financial Officer, Director

Dated: April 14, 2003

By: /s/ William S. Robinson

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William S. Robinson, Chairman, Chief  
Executive Officer, Treasurer and Director

Dated: April 14, 2003

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EXHIBIT INDEX

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23.10	Consent of Counsel, Futro & Trauernicht LLC. (Included in Exhibit 5.05.)

FUTRO & TRAUERNICHT LLC  
Attorneys and Counselors at Law

ALAMO PLAZA  
1401 SEVENTEENTH STREET - 11TH FLOOR  
DENVER, COLORADO 80202

TELEPHONE (303) 295-3360  
FACSIMILE (303) 295-1563

futrofirm@futrofirm.com

April 14, 2003

U.S. Securities and Exchange Commission  
Judiciary Plaza  
450 Fifth Street, N.W.  
Washington D.C. 20549

Re: Integral Technologies, Inc.  
OPINION OF COUNSEL NO. 03-104.1  
Form S-8 Registration Statement for the "Integral Technologies,  
Inc. 2003 Stock Plan"

Ladies and Gentlemen:

We have acted as counsel to Integral Technologies, Inc. (the "Company") in connection with the preparation and filing of a Registration Statement on Form S-8 (the "Registration Statement") covering registration under the Securities Act of 1933, as amended, of 1,500,000 shares of the Company's common stock, \$.001 par value per share (the "Shares"), pursuant to the employee benefit plan of the Company entitled the "Integral Technologies, Inc. 2003 Stock Plan" dated April 4, 2003 (the "Plan"). As such, we have examined the Registration Statement, the Plan, the Company's Articles of Incorporation and Bylaws, as amended, and minutes of meetings of its Board of Directors.

Based upon the foregoing, and assuming that the Shares will be issued as set forth in the Plan and Registration Statement, at a time when effective, and that the Company will fully comply with all applicable securities laws involved under the Securities Act of 1933, as amended, the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated pursuant to said Acts, and in those states or foreign jurisdictions in which the Shares may be sold, we are of the opinion that, upon proper and legal issuance of the Shares and receipt of the consideration to be paid for the Shares, the Shares will be validly issued, fully paid and nonassessable shares of common stock of the Company.

This opinion is not to be used, circulated, quoted or otherwise referred to for any other purpose without our prior written consent. This opinion is based on our knowledge of the law and facts as of the date hereof. This opinion does not address or relate to any specific state securities laws. We assume no duty to communicate with the Company in respect to any matter which comes to our attention hereafter.

We consent to the use of this opinion as an exhibit to the Registration Statement and to the reference to our firm in any prospectus which is incorporated by reference into and made a part of the Registration Statement.

Sincerely,

/s/ Futro & Trauernicht LLC

FUTRO & TRAUERNICHT LLC

## INTEGRAL TECHNOLOGIES, INC. 2003 STOCK PLAN

## SECTION 1. INTRODUCTION

1.1 Establishment. Effective as provided in Section 17, Integral  
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 Technologies, Inc., a Nevada corporation (the "Company"), hereby establishes this plan of stock-based compensation incentives for selected Eligible Participants of the Company and its affiliated corporations. This Plan shall be known as the Integral Technologies, Inc. 2003 Stock Plan (the "Plan").

1.2 Purpose. The purpose of this Plan is to promote the best interest  
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 of the Company, and its stockholders by providing a means of non-cash remuneration to selected Eligible Participants.

## SECTION 2. DEFINITIONS

The following definitions shall be applicable to the terms used in this Plan:

2.1 "Affiliated Corporation" means any corporation that is either a parent corporation with respect to the Company or a subsidiary corporation with respect to the Company (within the meaning of Sections 424(e) and (f), respectively, of the Internal Revenue Code).

2.2 "Code" means the Internal Revenue Code of 1986, as it may be amended from time to time.

2.3 "Committee" means a committee designated by the Board of Directors to administer this Plan or, if no committee is so designated, the Board of Directors. Any Committee member who is also an Eligible Participant may receive an Option or Stock Award only if he abstains from voting in favor of a grant to himself, and the grant is determined and approved by the remaining Committee members. The Board of Directors, in its sole discretion, may at any time remove any member of the Committee and appoint another Director to fill any vacancy on the Committee.

2.4 "Common Stock" means the Company's \$.001 par value common stock.

2.5 "Company" means Integral Technologies, Inc., a Nevada corporation.

2.6 "Effective Date" means the effective date of this Plan, as set forth in Section 17 hereof.

2.7 "Eligible Participant" means any employee, director, officer, consultant, or advisor of the Company who is determined (in accordance with the provisions of Section 4 hereof) to be eligible to receive an Option or Stock Award hereunder.

2.8 "Option" means the grant to an Eligible Participant of a right to acquire shares of Common Stock.

2.9 "Plan" means this Integral Technologies, Inc. 2003 Stock Plan dated April 4, 2003.

2.10 "Stock Award" means the grant to an Eligible Participant of shares of Common Stock issuable directly under this Plan rather than upon exercise of an Option.

Wherever appropriate, words used in this Plan in the singular may mean the plural, the plural may mean the singular, and the masculine may mean the feminine.

Upon adoption by the Company's Board of Directors, this Plan became effective as of April 4, 2003. In the absence of contrary action by the Board of Directors, and except for action taken by the Committee pursuant to Section 4 in connection with the determination of Eligible Participants, any action taken by the Committee or by the Board of Directors with respect to the implementation, interpretation or administration of this Plan shall be final, conclusive and binding.

#### SECTION 4. ELIGIBILITY AND AWARDS

The Committee shall determine at any time and from time to time after the effective date of this Plan: (i) the Eligible Participants; (ii) the number of shares of Common Stock issuable directly or to be granted pursuant to an Option; (iii) the price per share at which each Option may be exercised, in cash or cancellation of fees for services for which the Company is liable, if applicable, or the value per share if a direct issue of stock pursuant to a Stock Award; and (iv) the terms on which each Option may be granted. Such determination, as may from time to time be amended or altered at the sole discretion of the Committee. Notwithstanding the provisions of Section 3 hereof, no such determination by the Committee shall be final, conclusive and binding upon the Company unless and until the Board of Directors has approved the same; provided, however, that if the Committee is composed of a majority of the persons then comprising the Board of Directors of the Company, such approval by the Board of Directors shall not be necessary.

#### SECTION 5. GRANT OF OPTION OR STOCK AWARD

Subject to the terms and provisions of this Plan, the terms and conditions under which an Option or Stock Award may be granted to an Eligible Participant shall be set forth in a written agreement (i.e., a Consulting Agreement, Services Agreement, Fee Agreement, or Employment Agreement) or, if an Option, a written Grant of Option in the form attached hereto as Exhibit A (which may contain such modifications thereto and such other provisions as the Committee, in its sole discretion, may determine).

#### SECTION 6. TOTAL NUMBER OF SHARES OF COMMON STOCK

The total number of shares of Common Stock reserved for issuance by the Company either directly as Stock Awards or underlying Options granted under this Plan shall not be more than 1,500,000. The total number of shares of Common Stock reserved for such issuance may be increased only by a resolution adopted by the Board of Directors and amendment of this Plan. Such Common Stock may be authorized and unissued or reacquired Common Stock of the Company.

#### SECTION 7. PURCHASE OF SHARES OF COMMON STOCK

7.1 As soon as practicable after the determination by the Committee and approval by the Board of Directors (if necessary, pursuant to Section 4 hereof) of the Eligible Participants and the number of shares an Eligible Participant may be issued directly as a Stock Award or eligible to purchase pursuant to an Option, the Committee shall give written notice thereof to each Eligible Participant, which notice may be accompanied by the Grant of Option, if appropriate, to be executed by such Eligible Participant.

7.2 The negotiated cost basis of stock issued directly as a Stock Award or the exercise price for each Option to purchase shares of Common Stock pursuant to paragraph 7.1 shall be as determined by the Committee, it being understood that the price so determined by the Committee may vary from one Eligible Participant to another. In computing the negotiated direct issue price as a Stock Award or the Option exercise price per share of Common Stock, the Committee shall take into consideration, among other factors, the restrictions set forth in Section 11 hereof.

#### SECTION 8. TERMS AND CONDITIONS OF OPTIONS

The Committee shall determine the terms and conditions of each Option granted to Eligible Participants, which terms shall be set forth in writing. The terms and conditions so set by the Committee may vary from one Eligible



Participant to another. In the event that all the Committee approves an Option permitting deferred payments, the Eligible Participant's obligation to pay for such Common Stock may be evidenced by a promissory note executed by such Eligible Participant and containing such modifications thereto and such other provisions as the Committee, in its sole discretion, may determine.

#### SECTION 9. DELIVERY OF SHARES OF COMMON STOCK UPON EXERCISE OF OPTION

The Company shall deliver to each Eligible Participant such number of shares of Common Stock as such Eligible Participant is entitled to receive pursuant to a Stock Award or elects to purchase upon exercise of the Option. Such shares, which shall be fully paid and nonassessable upon the issuance thereof (unless a portion or all of the purchase price shall be paid on a deferred basis) shall be represented by a certificate or certificates registered in the name of the Eligible Participant and stamped with an appropriate legend referring to the restrictions thereon, if any. Subject to the terms and provisions of the Nevada General Corporation Law and the written agreement to which he is a party, an Eligible Participant shall have all the rights of a stockholder with respect to such shares, including the right to vote the shares and to receive all dividends or other distributions paid or made with respect thereto (except to the extent such Eligible Participant defaults under a promissory note, if any, evidencing the deferred purchase price for such shares), provided that such shares shall be subject to the restrictions hereinafter set forth. In the event of a merger or consolidation to which the Company is a party, or of any other acquisition of a majority of the issued and outstanding shares of Common Stock of the Company involving an exchange or a substitution of stock of an acquiring corporation for Common Stock of the Company, or of any transfer of all or substantially all of the assets of the Company in exchange for stock of an acquiring corporation, a determination as to whether the stock of the acquiring corporation so received shall be subject to the restrictions set forth in Section 11 shall be made solely by the acquiring corporation.

#### SECTION 10. RIGHTS OF EMPLOYEES; ELIGIBLE PARTICIPANTS

10.1 Employment. Nothing contained in this Plan or in any Option or

Stock Award granted under this Plan shall confer upon any Eligible Participant any right with respect to the continuation of his or her employment by the Company or any Affiliated Corporation, or interfere in any way with the right of the Company or any Affiliated Corporation, subject to the terms of any separate employment agreement to the contrary, at any time to terminate such employment or to increase or decrease the compensation of the Eligible Participant from the rate in existence at the time of the grant of an Option or Stock Award. Whether an authorized leave of absence, or absence in military or government service, shall constitute termination of employment shall be determined by the Committee at the time.

10.2 Non-transferability. No right or interest of any Eligible

Participant in an Option or Stock Award shall be assignable or transferable during the lifetime of the Eligible Participant, either voluntarily or involuntarily, or subjected to any lien, directly or indirectly, by operation of law, or otherwise, including execution, levy, garnishment, attachment, pledge or bankruptcy. However, the Board of Directors may, in its sole discretion, permit transfers to family members if and to the extent such transfers are permissible under applicable securities laws. In the event of an Eligible Participant's death, an Eligible Participant's rights and interest in an Option or Stock Award shall be transferable by testamentary will or the laws of descent and distribution, and delivery of any shares of Common Stock due under this Plan shall be made to, and exercise of any Options may be made by, the Eligible Participant's legal representatives, heirs or legatees. If in the opinion of the Committee a person entitled to payments or to exercise rights with respect to this Plan is unable to care for his or her affairs because of mental condition, physical condition, or age, payment due such person may be made to, and such rights shall be exercised by, such person's guardian, conservator or other legal personal representative upon furnishing the Committee with evidence satisfactory to the Committee of such status.

SECTION 11. GENERAL RESTRICTIONS

11.1 Representations. The Company may require any Eligible Participant  
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to whom an Option or Stock Award is granted, as a condition of exercising such Option, or receiving such Stock Award, to give written assurances in substance and form satisfactory to the Company and its counsel to the effect that such person is acquiring the Common Stock subject to the Option or Stock Award for his or her own account for investment and not with any present intention of selling or otherwise distributing the same, and to such other effects as the Company deems necessary or appropriate in order to comply with federal and applicable state securities laws.

11.2 Restrictions on Transfer of Common Stock. The shares of Common  
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Stock issuable directly as a Stock Award or upon exercise of an Option may not be offered for sale, sold or otherwise transferred except pursuant to an effective registration statement or pursuant to an exemption from registration, the availability of which is to be established to the satisfaction of the Company, and any certificates representing shares of Common Stock will bear a legend to that effect. However, the Company may, in the sole discretion of the Board of Directors, register with the Securities and Exchange Commission some or all of the shares of Common Stock reserved for issuance under this Plan. Special resale restrictions may, however, continue to apply to officers, directors, control shareholders and affiliates of the Company and such persons will be required to obtain an opinion of counsel as regards their ability to resell shares received pursuant to this Plan.

11.3 Compliance with Securities Laws. Each Option or Stock Award shall  
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be subject to the requirement that if at any time counsel to the Company shall determine that the listing, registration or qualification of the shares of Common Stock subject to such Option or Stock Award upon any securities exchange or under any state or federal law, or the consent or approval of any governmental or regulatory body, is necessary as a condition of, or in connection with, the issuance or purchase of shares thereunder, such Option or Stock Award may not be accepted or exercised in whole or in part unless such listing, registration, qualification, consent or approval shall have been effected or obtained on conditions acceptable to the Committee. Nothing herein shall be deemed to require the Company to apply for or to obtain such listing, registration or qualification.

11.4 Changes in Accounting Rules. Notwithstanding any other provision  
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of this Plan to the contrary, if, during the term of this Plan, any changes in the financial or tax accounting rules applicable to Options or Stock Awards shall occur that, in the sole judgment of the Committee, may have a material adverse effect on the reported earnings, assets or liabilities of the Company, the Committee shall have the right and power to modify as necessary, or cancel, any then outstanding and unexercised Options.

SECTION 12. COMPLIANCE WITH TAX REQUIREMENTS

Each Eligible Participant shall be liable for payment of all applicable federal, state and local income taxes incurred as a result of the receipt of a Stock Award or an Option, the exercise of an Option, and the sale of any shares of Common Stock received pursuant to a Stock Award or upon exercise of an Option. The Company may be required, pursuant to applicable tax regulations, to withhold taxes for an Eligible Participant, in which case the Company's obligations to deliver shares of Common Stock upon the exercise of any Option granted under this Plan or pursuant to any Stock Award, shall be subject to the Eligible Participant's satisfaction of all applicable federal, state and local income and other income tax withholding requirements.

SECTION 13. PLAN BINDING UPON ASSIGNS OR TRANSFEREES

In the event that, at any time or from time to time, any Option or Stock Award is assigned or transferred to any party (other than the Company) pursuant to the provisions of Section 10.2 hereof, such party shall take such Option or Stock Award pursuant to all provisions and conditions of this Plan, and, as a condition precedent to the transfer of such interest, such party shall agree (for and on behalf of himself or itself, his or its legal representatives and his or its transferees and assigns) in writing to be bound by all provisions of

this Plan.

SECTION 14. COSTS AND EXPENSES

All costs and expenses with respect to the adoption, implementation, interpretation and administration of this Plan shall be borne by the Company.

SECTION 15. CHANGES IN CAPITAL STRUCTURE OF THE COMPANY

Appropriate adjustments shall be made to the number of shares of Common Stock issuable pursuant to an incomplete or pending Stock Award that has not yet been delivered or upon exercise of any Options and the exercise price thereof in the event of: (i) a subdivision or combination of any of the shares of capital stock of the Company; (ii) a dividend payable in shares of capital stock of the Company; (iii) a reclassification of any shares of capital stock of the Company; or (iv) any other change in the capital structure of the Company.

SECTION 16. PLAN AMENDMENT, MODIFICATION AND TERMINATION

The Board, upon recommendation of the Committee or at its own initiative, at any time may terminate and at any time and from time to time and in any respect, may amend or modify this Plan, including:

(a) Increase the total amount of Common Stock that may be awarded under this Plan, except as provided in Section 15 of this Plan;

(b) Change the classes of persons from which Eligible Participants may be selected or materially modify the requirements as to eligibility for participation in this Plan;

(c) Increase the benefits accruing to Eligible Participants; or

(d) Extend the duration of this Plan.

Any Option or other Stock Award granted to a Eligible Participant prior to the date this Plan is amended, modified or terminated will remain in effect according to its terms unless otherwise agreed upon by the Eligible Participant; provided, however, that this sentence shall not impair the right of the Committee to take whatever action it deems appropriate under Section 11 or Section 15. The termination or any modification or amendment of this Plan shall not, without the consent of a Eligible Participant, affect his rights under an Option or other Stock Award previously granted to him.

SECTION 17. EFFECTIVE DATE OF THIS PLAN

17.1 Effective Date. This Plan is effective as of April 4, 2003, the  
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date it was adopted by the Board of Directors of the Company.

17.2 Duration of this Plan. This Plan shall terminate at midnight on  
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April 3, 2008, which is the day before the fifth anniversary of the Effective Date, and may be extended thereafter or terminated prior thereto by action of the Board of Directors; and no Option or Stock Award shall be granted after such termination. Options and Stock Awards outstanding at the time of this Plan termination may continue to be exercised, or become free of restrictions, in accordance with their terms.

SECTION 18. BURDEN AND BENEFIT

The terms and provisions of this Plan shall be binding upon, and shall inure to the benefit of, each Eligible Participant, his executives or administrators, heirs, and personal and legal representatives.

Dated as of the 4th day of April 2003.

INTEGRAL TECHNOLOGIES, INC.

By: /s/ William S. Robinson

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William S. Robinson, Chief Executive Officer

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INTEGRAL TECHNOLOGIES, INC. 2003 STOCK PLAN

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EXHIBIT A

FORM OF  
GRANT OF OPTION PURSUANT TO THE  
INTEGRAL TECHNOLOGIES, INC. 2003 STOCK PLAN

Integral Technologies, Inc., a Nevada corporation (the "Company"), hereby grants to \_\_\_\_\_ ("Optionee") an Option to purchase \_\_\_\_\_ shares of common stock, \$.001 par value (the "Shares") of the Company at the purchase price of \$\_\_\_\_\_ per share (the "Purchase Price"), in accordance with and subject to the terms and conditions of the Integral Technologies, Inc. 2003 Stock Plan (the "Plan"). This option is exercisable in whole or in part, and upon payment in cash or cancellation of fees, or other form of payment acceptable to the Company, to the principal office of the Company. This Grant of Option supersedes and replaces any prior notice of option grant, description of vesting terms or similar documents previously delivered to Optionee for options granted on the date stated below.

Unless otherwise set forth in a separate written agreement, in the event that Optionee's employee or consultant status with the Company or any of its subsidiaries ceases or terminates for any reason whatsoever, including, but not limited to, death, disability, or voluntary or involuntary cessation or termination, this Grant of Option shall terminate with respect to any portion of this Grant of Option that has not vested prior to the date of cessation or termination of employee or consultant status, as determined in the sole discretion of the Company. In the event of termination for cause, this Grant of Option shall immediately terminate in full with respect to any un-exercised options, and any vested but un-exercised options shall immediately expire and may not be exercised. Unless otherwise set forth in a separate written agreement, vested options must be exercised within six months after the date of termination (other than for cause), notwithstanding the Expiration Date set forth below.

Subject to the preceding paragraph, this Grant of Option, or any portion hereof, may be exercised only to the extent vested per the attached schedule, and must be exercised by Optionee no later than \_\_\_\_\_ (the "Expiration Date") by (i) notice in writing, signed by Optionee; and (ii) payment of the Purchase Price of a minimum of \$1,000 (unless the Purchase Price for the exercise of all vested options available to be exercised totals less than \$1,000) pursuant to the terms of this Grant of Option and the Plan. Any portion of this Grant of Option that is not exercised on or before the Expiration Date shall lapse. The notice must refer to this Grant of Option, and it must specify the number of shares being purchased, and recite the consideration being paid therefor. Notice shall be deemed given on the date on which the notice is received by the Company.

This Option shall be considered validly exercised once payment therefor has cleared the banking system or the Company has issued a credit memo for services in the appropriate amount, or receives a duly executed acceptable promissory note, if the Option is granted with deferred payment, and the Company has received written notice of such exercise. If payment is not received within two business days after the date the notice is received, the Company may deem the notice to be invalid.

If Optionee fails to exercise this Option in accordance with this Grant of Option, then this Grant of Option shall terminate and have no force and effect, in which event the Company and Optionee shall have no liability to each other with respect to this Grant of Option.

This Option may be executed simultaneously in two or more counterparts,

each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

The validity, construction and enforceability of this Grant of Option shall be construed under and governed by the laws of the State of Nevada, without regard to its rules concerning conflicts of laws, and any action brought to enforce this Grant of Option or resolve any controversy, breach or disagreement

relative hereto shall be brought only in a court of competent jurisdiction within the state and county of the Company's principal office.

The shares of common stock issuable upon exercise of the Option (the "Underlying Shares") may not be sold, exchanged, assigned, transferred or permitted to be transferred, whether voluntarily, involuntarily or by operation of law, delivered, encumbered, discounted, pledged, hypothecated or otherwise disposed of until (i) the Underlying Shares have been registered with the Securities and Exchange Commission pursuant to an effective registration statement on Form S-8, or such other form as may be appropriate, in the discretion of the Company; or (ii) an Opinion of Counsel, satisfactory to the Company, has been received, which opinion sets forth the basis and availability of any exemption for resale or transfer from federal or state securities registration requirements.

This Grant of Option relates to options granted on \_\_\_\_\_, \_\_\_\_\_.

INTEGRAL TECHNOLOGIES, INC.

BY THE BOARD OF DIRECTORS  
OR A SPECIAL COMMITTEE THEREOF

NOT FOR EXECUTION

By: \_\_\_\_\_

OPTIONEE:

NOT FOR EXECUTION

GRANT OF OPTION PURSUANT TO THE  
INTEGRAL TECHNOLOGIES, INC. 2003 STOCK PLAN

OPTIONEE: \_\_\_\_\_  
OPTIONS GRANTED: \_\_\_\_\_  
PURCHASE PRICE: \$\_\_\_\_\_per Share  
DATE OF GRANT: \_\_\_\_\_  
EXERCISE PERIOD: \_\_\_\_\_ to \_\_\_\_\_

VESTING SCHEDULE:	OPTION ON
	#SHARES      DATE VESTED (ASSUMING CONTINUED EMPLOYMENT, ETC.)
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	-----      -----
	-----      -----
	-----      -----
	-----      -----

EXERCISED TO DATE: \_\_\_\_\_ INCLUDING THIS EXERCISE  
BALANCE TO BE EXERCISED: \_\_\_\_\_

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NOTICE OF EXERCISE  
(TO BE SIGNED ONLY UPON EXERCISE OF THE OPTION)

TO: Integral Technologies, Inc. ("Optionor")

The undersigned, the holder of the Option described above, hereby irrevocably elects to exercise the purchase rights represented by such Option for, and to purchase thereunder, \_\_\_\_\_ shares of the Common Stock of

Integral Technologies, Inc., and herewith makes payment of \_\_\_\_\_ therefor. Optionee requests that the certificates for such shares be issued in the name of Optionee and be delivered to Optionee at the address of \_\_\_\_\_

\_\_\_\_\_, and if such shares shall not be all of the shares purchasable hereunder, represents that a new Notice of Exercise of like tenor for the appropriate balance of the shares, or a portion thereof, purchasable under the Grant of Option pursuant to the Integral Technologies, Inc. 2003 Stock Plan, be delivered to Optionor when and as appropriate.

OPTIONEE:

NOT FOR EXECUTION

Dated: \_\_\_\_\_

PANNELL KERR FORSTER

PKF  
worldwide

7th Floor, Marine Building  
355 Burrard St.,  
Vancouver, BC.,  
Canada, V6C 2G8  
Telephone: (604) 687-1231  
Facsimile: (604) 688-4675

April 9, 2003

Board of Directors  
Integral Technologies Inc.  
805 W. Orchard Dr., Suite 3  
Bellingham, Washington 98225

Dear Sirs:

We consent to the incorporation by reference in the Registration Statement of Integral Technologies, Inc. on Form S-8 of our report dated September 23, 2002, relating to the consolidated balance sheets of Integral Technologies Inc. as of June 30, 2002 and 2001 and the related consolidated statements of operations, stockholders' equity and cash flows for the years ended June 30, 2002, 2001 and 2000, which report is included in the Annual Report on Form 10-KSB for the year ended June 30, 2002.

Yours very truly,

/s/ Pannell Kerr Forster

Pannell Kerr Forster

CHARTERED ACCOUNTANTS  
Vancouver, Canada