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

FORM 10-KSB

[X] ANNUAL REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended June 30, 2004

[_] TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE EXCHANGE ACT

For the transition period from: _____ to_____

Commission file number: 0-28353

INTEGRAL TECHNOLOGIES, INC.

(Name of small business issuer as specified in its charter)

Nevada	98-0163519
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)

805 W. Orchard Drive, Suite 3, Bellingham, Washington 98225

(Address of principal executive offices) (Zip Code)

Issuer's telephone number: (360) 752-1982

Securities registered under Section 12(b) of the Exchange Act: None

Securities registered under Section 12(g) of the Exchange Act: Common Stock

Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 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 [X] No [_]

Check if there is no disclosure of delinquent filers in response to Item 405 of Regulation S-B is not contained in this form, and no disclosure will be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-KSB or any amendment to this Form 10-KSB. [_]

State issuer's revenues for its most recent fiscal year. $1,483.

As of September 20, 2004, the aggregate market value of the voting stock held by non-affiliates, approximately 36,138,483 shares of Common Stock, was approximately $27.1 million based on an average of the bid and ask prices of approximately $.75 per share of Common Stock on such date.

The number of shares outstanding of the issuer's Common Stock, $.001 par value, as of September 20, 2004 was 40,225,849 shares.

DOCUMENTS INCORPORATED BY REFERENCE: None.

Transitional Small Business Disclosure Format (check one):

Yes [_]; No [X]

PART I

CAUTIONARY STATEMENT IDENTIFYING IMPORTANT FACTORS THAT COULD CAUSE THE COMPANY'S ACTUAL RESULTS TO DIFFER FROM THOSE PROJECTED IN FORWARD LOOKING STATEMENTS

Readers of this document and any document incorporated by reference herein, are advised that this document and documents incorporated by reference into this document contain both statements of historical facts and forward looking statements. Forward looking statements are subject to certain risks and uncertainties, which could cause actual results to differ materially for those indicated by the forward looking statements. Examples of forward looking statements include, but are not limited to (i) projections of revenues, income or loss, earning or loss per share, capital expenditures, dividends, capital structure and other financial items, (ii) statements of the plans and objectives of the Company or its management or Board of Directors, including the introduction of new products, or estimates or predictions of actions by customers, suppliers, competitors or regulatory authorities, (iii) statements of future economic performance, and (iv) statements of assumptions underlying other statements and statements about the Company or its business.

This document and any documents incorporated by reference herein also identify important factors which could cause actual results to differ materially from those indicated by forward looking statements. These risks and uncertainties include price competition, the decisions of customers, the actions

of competitors, the effects of government regulation, possible delays in the introduction of new products and services, customer acceptance of products and services, the Company's ability to secure debt and/or equity financing on reasonable terms, and other factors which are described herein and/or in documents incorporated by reference herein.

The cautionary statements made above and elsewhere by the Company should not be construed as exhaustive or as any admission regarding the adequacy of disclosures made by the Company. Forward looking statements are beyond the ability of the Company to control and in many cases the Company cannot predict what factors would cause results to differ materially from those indicated by the forward looking statements.

ITEM 1. DESCRIPTION OF BUSINESS.

BUSINESS DEVELOPMENT

Integral Technologies, Inc. ("Integral," the "Company" or the "Registrant") is a development stage company, incorporated under the laws of the State of Nevada on February 12, 1996. To date, Integral, directly and through its subsidiaries, has expended its resources on the research and development of several different types of technologies.

Presently, Integral is focusing substantially all of its resources on the researching, developing and commercializing of new antenna and electriplast technologies, directly and through its wholly-owned subsidiary, Antek Wireless, Inc.

PRODUCTS

The Company is focusing its marketing efforts through to the end of calendar 2004 on wireless market segments. The Company's technology will be marketed to manufacturers of such wireless devices as cellular phones, portable phones, paging communicators, satellite communications, global positioning systems (GPS) and wireless based networks. The Company's GPS/LEO antenna is for use in mobile asset tracking and fleet management, utilizing GPS satellite tracking and low earth orbit (LEO) satellite data communications to trucking fleets, heavy equipment, marine vessels, railway cars, shipping containers, transit vehicles, all via satellite interface communications. Presently, the Company is focusing all of its resources on the researching, developing and commercializing its Plastenna and Electriplast technologies.

Plastenna

The Company has developed and prototyped a new antenna technology. The pioneering aspect of the Plastenna technology is that it opens the doors to vast new horizons in antenna design and manufacturing processes. The combination of the Company's proprietary recipe of conductive materials, and a selection of resins from various resin suppliers results in a covert moldable antenna, that can become part of the shell or case of any wireless device, be it phones, radios, or even body parts of vehicles, or new designs for conventional antennas as we know them today. Our research indicates that the Plastenna technology vastly improves design flexibility, increases signal performance, reduces manufacturing costs, and shows a marked reduction in power consumption.

GPS/LEOS Antenna

Integral has recently finalized the development of a "ruggedized" GPS/LEO antenna, measuring only 13.25 inches by 9.90 inches, and .870 inches in height. The term "ruggedized" is used to describe the durability of this antenna, that is to say it can withstand the elements and yet endure significant shock and vibration effects. This antenna is for use in mobile asset tracking and fleet management, utilizing GPS satellite tracking and LEO satellite data communications to trucking fleets, heavy equipment, marine vessels, railway cars, shipping containers, transit vehicles, all via satellite interface communications.

Integral continues to advance to the next stage of the commercialization of its proprietary antenna technologies. The Company's Plastenna and GPS/LEO antenna technologies are currently undergoing pilot projects with a number of wireless companies around the world.

Flat Panel Antennas

The Company has also been developing several new flat panel antenna designs for use in different wireless technology markets.

Electriplast

The Company has recently developed a new family of innovative applications, deemed "Electriplast", based upon the Company's extensive research and development of its Plastenna technology. Electriplast is the utilization of Integral's proprietary recipe of conductive materials, combined with a selection of resins from various resin suppliers to conduct electricity in multiple applications.

Patents on Technologies

Integral has completed a patent review of the antenna technologies and has

filed 80 U.S. patent applications, 47 of which are currently provisional patents, 28 are pending final approval, and 5 have been granted. No assurances can be given that all patent applications will be approved; however, to the extent that patents are not granted, Integral will continue to attempt to commercialize these technologies without the protection of patents. As patents are issued, Integral will have the exclusive right to use in the U.S. the design(s) described in each issued patent for the 18-year life of the patent.

The Company's intellectual property portfolio consists of over nine years of accumulated research and design knowledge and trade secrets relating to antenna design & components as well as proprietary manufacturing processes.

Product Manufacturing and Distribution

The Company is not in the manufacturing business. The Company relies on third-party manufacturing companies to manufacture antenna products.

The Company's antenna products will not be sold directly to the general public, but rather to businesses and manufacturers who will use the antennas in their products.

Barriers to Entry into Market Segment

In the antenna market, Integral will be competing with other established antenna providers that are much larger and better capitalized than Integral. In order to compete, management believes that Integral must demonstrate to potential users that its antenna products have an advantage over other antennas on the market in terms of performance and cost.

EMPLOYEES

Integral and its subsidiaries currently employ a total of 5 people on a full-time basis and one person on a part-time basis. However, Integral also relies on the expertise of several technical advisors who are consulted as needed on a part-time, contract basis.

ITEM 2. DESCRIPTION OF PROPERTY.

Neither the Company nor its subsidiaries own any real property. The Company and its subsidiaries lease office space in Bellingham, Washington and Vancouver, B.C., Canada.

ITEM 3. LEGAL PROCEEDINGS.

In April 2003, James E. Smith, a shareholder and co-founder of the Company, filed suit against the Company and its transfer agent in the Circuit Court of Monongalia County, West Virginia. The Complaint alleges breach of contract, negligence and fraud claims, and alleges damages in excess of $1 million. The Company was successful in having the case moved to federal court in the U.S. District Court for the Northern District of West Virginia. The Company filed an Answer denying the claims, asserted several affirmative defenses, and filed Counterclaims against Mr. Smith for the following claims for relief: (1) Intentional Misrepresentation; (2) Breach of Oral Contract; (3) Breach of Written Contract; (4) Negligent Misrepresentation; and (5) Rescission and Restitution. On August 30, 2004, the Court dismissed Mr. Smith's claims for fraud and negligence, and also dismissed the Company's counterclaim for breach of oral contract and partially dismissed the counterclaims for intentional and negligent misrepresentation. The case is scheduled to go to trial in March 2005.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS.

No matters were submitted to a vote of security holders during the fourth quarter of the fiscal year ended June 30, 2004.

PART II

ITEM 5. MARKET FOR COMMON EQUITY AND RELATED STOCKHOLDER MATTERS.

(a) Market Information

There is a limited public market for the common stock of the Company. The Company's common stock is quoted on the NASD OTC Bulletin Board under the symbol "ITKG."

The following table sets forth the range of high and low bid quotations for the Company's common stock on the OTC Bulletin Board for each quarter of the fiscal years ended June 30, 2003 and 2004.

Quarter Ended	Low Bid	High Bid
September 30, 2002	$ 0.66	$ 1.06

December 31, 2002	$ 0.49	$ 0.88
March 31, 2003	$ 0.68	$ 1.26
June 30, 2003	$ 0.72	$ 1.05
September 30, 2003	$ 0.77	$ 1.40
December 31, 2003	$ 1.04	$ 1.50
March 31, 2004	$ 0.88	$ 1.54
June 30, 2004	$ 0.71	$ 1.26

The source of this information is the OTC Bulletin Board and other quotation services. The quotations reflect inter-dealer prices, without retail markup, markdown or commission and may not represent actual transactions.

(b) Holders

As of September 20, 2004 there were approximately 207 holders of record of the Company's common stock (this number does not include beneficial owners who hold shares at broker/dealers in "street-name").

(c) Dividends

To date, the Company has not paid any dividends on its common stock and does not expect to declare or pay any dividends on such common stock in the foreseeable future. Payment of any dividends will be dependent upon future earnings, if any, the financial condition of the Company, and other factors as deemed relevant by the Company's Board of Directors.

(d) Recent Sales of Unregistered Securities

Set forth below is information regarding the issuance and sales of securities of the Company without registration within the past three fiscal years.

(a) Within the past three fiscal years the Company sold securities from time to time pursuant to an Investment Agreement with Swartz Private Equity, LLC ("Swartz") that was executed in May 2000 and terminated in May 2003. Pursuant to the terms of the Investment Agreement, the Company periodically sold ("put") shares of common stock to Swartz. In partial consideration of the Investment Agreement, the Company issued a Commitment Warrants to Swartz to purchase 495,000 shares of Common Stock for five years, at an adjusted exercise price of $.50 per share. The Company believes that these transactions are exempt from registration pursuant to Section 4(2) of the Securities Act and/or Rule 506 of Regulation D. Following is a summary of completed put transactions:

Put Date	No. Shares	Price Per Share	Gross Proceeds	No. Warrants	Warrant Exercise Price (as adjusted)
09-28-2000	81,885	$ 1.25	$ 102,356	8,189	$ 0.5126
09-26-2001	67,635	$ 0.45	$ 30,436	6,764	$ 0.561
12-12-2001	547,865	$ 1.34	$ 734,139	54,787	$ 1.0406
01-23-2002	51,000	$ 1.30	$ 66,300	5,100	$ 0.814
02-28-2002	109,475	$ 1.13	$ 123,707	10,948	$ 1.188
TOTALS	857,860		$1,056,938	85,788	

(b) In August 2001, the Company issued an aggregate of 858,500 shares of its common stock to 3 persons (including two officers) upon exercise of options pursuant to the Employee Benefit and Consulting Services Compensation Plan. The options had various exercise prices, ranging from $0.15 to $.33 per share. The Company issued the shares in consideration for an aggregate of $52,305 in cash and $124,200 in lieu of accrued salaries payable. These transactions did not involve any public offering, the securities were issued under a plan structured in compliance with Rule 701 of the Securities Act, no sales commissions were paid, and a restrictive legend was placed on each certificate evidencing the shares. The Company believes that each transaction was exempt from registration pursuant to Rule 701 of the Securities Act.

(c) In September 2001, the Company issued an aggregate of 325,000 shares to eight persons pursuant to the exercise of warrants previously issued in connection with a private placement in March 2000, for aggregate proceeds of $130,000. In August 2001, the exercise price of the warrants had been temporarily reduced from $1.80 to $.40 per share through September 2001. The transaction did not involve any public offering, no sales commissions were paid and a restrictive legend was placed on each certificate evidencing the shares. The Company believes that the transaction was exempt from registration pursuant to Section 4(2) and Section 4(6) of the Securities Act and/or Rule 506 of Regulation D.

(d) In January 2002, the Company issued 100,000 shares of its common stock pursuant to its employee benefit and consulting services plan to one person. The exercise price of the shares was $.40 per share and the exercise price was paid in cash. The transaction did not involve any public offering, the securities were issued under a plan structured in compliance with Rule 701 of the Securities Act, no sales commissions were paid and a restrictive legend was placed on each certificate evidencing the shares. The Company believes that the transaction was exempt from registration pursuant to Rule 701 of the Securities

Act.

(e) In January 2002, the Company issued an aggregate of 450,000 shares of common stock to two employees in consideration of the execution of a "Proprietary, Non-Disclosure and Non-Solicitation Agreement" by each person. A restrictive legend was placed on each certificate evidencing the shares. The Company believes that the transactions were exempt from registration pursuant to Section 4(2) of the Securities Act of 1933, as amended, and/or Rule 506 of Regulation D.

(f) In October 2002, the Company issued 144,793 shares of restricted common stock to Swartz Private Equity, LLC ("Swartz"), pursuant to an agreement to settle a non-use fee of $104,541.84 that had accrued pursuant to the Investment Agreement between the Company and Swartz. The transaction did not involve any public offering, no sales commissions were paid and a restrictive legend was placed on each certificate evidencing the shares. The Company believes that the transaction was exempt from registration pursuant to Section 4(2) and Section 4(6) of the Securities Act and/or Rule 506 of Regulation D.

(g) In November 2002, the Company completed a private placement with eight investors and sold 1,684,000 shares of its common stock at $.50 per share and warrants to purchase 842,000 shares of its common stock within two years at an exercise price of $.75 per share. Aggregate proceeds from the sale of the common stock was $842,000. In connection with the offering, the Company agreed to use its best efforts to register the shares of common stock (including the shares underlying the warrants) for resale by the investors within 180 days after the close of the offering. The transaction did not involve any public offering, no sales commissions were paid and a restrictive legend was placed on each certificate evidencing the shares. The Company believes that the transaction was exempt from registration pursuant to Section 4(2) and Section 4(6) of the Securities Act and/or Rule 506 of Regulation D.

(h) In February 2003, Swartz Private Equity, LLC ("Swartz") exercised a portion of an outstanding warrant for $27,500 ($.50 per share) and the Company issued to Swartz 55,000 shares of restricted common stock. The transaction did not involve any public offering, no sales commissions were paid and a restrictive legend was placed on each certificate evidencing the shares. The Company believes that the transaction was exempt from registration pursuant to Section 4(2) and Section 4(6) of the Securities Act and/or Rule 506 of Regulation D.

(i) In May 2003 issued 200,000 shares of restricted common stock to The Investor Relations Group, Inc. pursuant to a one-year service agreement dated February 27, 2003. The transaction did not involve any public offering, no sales commissions were paid and a restrictive legend was placed on each certificate evidencing the shares. The Company believes that the transaction was exempt from registration pursuant to Section 4(2) and Section 4(6) of the Securities Act and/or Rule 506 of Regulation D.

(j) In September 2003, the Company completed a private placement with ten investors and sold 898,336 shares of its common stock at $.75 per share and warrants to purchase 449,168 shares of its common stock within two years at an exercise price of $1.00 per share. Aggregate proceeds from the sale of the common stock was $673,752. In connection with the offering, the Company agreed to use its best efforts to register the shares of common stock (including the shares underlying the warrants) for resale by the investors within 180 days after the close of the offering. The transaction did not involve any public offering, no sales commissions were paid and a restrictive legend was placed on each certificate evidencing the shares. The Company believes that the transaction was exempt from registration pursuant to Section 4(2) and Section 4(6) of the Securities Act and/or Rule 506 of Regulation D.

(k) In September 2003, the Company issued 37,500 shares of restricted common stock valued at $35,250 in connection with a settlement of a legal dispute with Joffre J. Rolland, Jr. and Robyn Rolland, pursuant to a mutual release executed in August 2003. The transaction did not involve any public offering, no sales commissions were paid and a restrictive legend was placed on each certificate evidencing the shares. The Company believes that the transaction was exempt from registration pursuant to Section 4(2) of the Securities Act and/or Rule 506 of Regulation D.

(l) In January 2004, Swartz Private Equity, LLC ("Swartz") exercised outstanding warrants pursuant to a cashless exercise provision and the Company issued to Swartz 170,648 shares of common stock. The transaction did not involve any public offering and no sales commissions were paid. The Company believes that the transaction was exempt from registration pursuant to Section 4(2) and Section 4(6) of the Securities Act and/or Rule 506 of Regulation D.

(m) On January 14, 2004, the Company completed a private placement of its securities and raised $5,711,000 in gross proceeds. The transaction was completed pursuant to a Securities Purchase Agreement dated December 26, 2003, between the Company and Wellington Management Company, LLP, for a private offering of 57,110 units ("Units") of equity securities, each Unit consisting of 100 shares of common stock (the "Common Stock"), and one warrant (the "Warrant") convertible at no cost into 30 shares of Common Stock, at a purchase price of $100.00 per Unit. Wellington Management Company, LLP acted as an investment advisor on behalf of eleven institutional investors. By mutual agreement with the Investors, closing occurred on January 14, 2004.

Each Warrant may be exercised in whole or in part at any time, and from time to time, during the period commencing on April 30, 2004 and expiring on December 31, 2009, and entitles the holder to receive shares of common stock for no additional consideration.

Pursuant to the Securities Purchase Agreement, the Company filed a registration statement to register the shares of common stock (including the share of common stock underlying the Warrants) for resale by the investors.

Wells Fargo Securities, LLC, served as placement agent for the Company and received a fee of six percent of the gross proceeds raised from the offering.

The transaction did not involve any public offering, and a restrictive legend was placed on each certificate evidencing the securities. The Company believes that the transaction was exempt from registration pursuant to Section 4(2) of the Securities Act and/or Rule 506 of Regulation D.

(n) In June 2004, Swartz Private Equity, LLC ("Swartz") exercised an outstanding warrant pursuant to a cashless exercise provision and the Company issued to Swartz 117,650 shares of common stock. The transaction did not involve any public offering and no sales commissions were paid. The Company believes that the transaction was exempt from registration pursuant to Section 4(2) and Section 4(6) of the Securities Act and/or Rule 506 of Regulation D.

ITEM 6. MANAGEMENT'S PLAN OF OPERATION.

Statements contained herein that are not historical facts are forward-looking statements as that term is defined by the Private Securities Litigation Reform Act of 1995. Although we believe that the expectations reflected in such forward-looking statements are reasonable, the forward-looking statements are subject to risks and uncertainties that could cause actual results to differ from those projected. We caution investors that any forward-looking statements made by us are not guarantees of future performance and that actual results may differ materially from those in the forward-looking statements. Such risks and uncertainties include, without limitation: well-established competitors who have substantially greater financial resources and longer operating histories, regulatory delays or denials, ability to compete as a start-up company in a highly competitive market, and access to sources of capital.

The following discussion and analysis should be read in conjunction with our financial statements and notes thereto included elsewhere in this Form 10-KSB. Except for the historical information contained herein, the discussion in this Form 10-KSB contains certain forward-looking statements that involve risks and uncertainties, such as statements of our plans, objectives, expectations and intentions. The cautionary statements made in this Form 10-KSB should be read as being applicable to all related forward-looking statements wherever they appear in this Form 10-KSB. The Company's actual results could differ materially from those discussed here.

To date the Company has recorded nominal revenues from the sales of prototypes. The Company is still considered a development stage company for accounting purposes. From inception on February 12, 1996 through June 30, 2004, the Company has accrued an accumulated deficit of approximately $17.5 million.

The Company's net loss for the year ended June 30, 2004 was $2,543,848, compared to a net loss of $1,346,833 for the prior fiscal year. The primary expenses during the year ended June 30, 2004 were salaries ($685,023), consulting fees ($536,728) and legal and accounting ($909,398). Legal fees were exceptionally high and primarily related to costs associated with pursuing and maintaining technology patent filings and costs incurred in defending the lawsuit filed by James E. Smith (described above in Part I, Item 3).

As a result of the commercial interest in the Company's antenna technologies, the Company presently intends to focus substantially all of its resources on the commercialization and sales of Plastenna and Electriplast technologies, and the Company will not be devoting any of its resources on the further research, development and commercialization of the other technologies in which it has an interest.

The Company's business strategy focuses on leveraging its intellectual property rights on its antenna technologies, its strengths in antenna design, material innovation, and an understanding of the wireless marketplace.

The Company is not in the manufacturing business and does not expect to make any capital purchases of a manufacturing plant or significant equipment in the next twelve months. The Company will be relying on contract manufacturers to produce the antenna products.

The Company is focusing its marketing efforts through to the end of calendar 2004 on wireless market segments. The Company's technology will be marketed to manufacturers of such wireless devices as cellular phones, portable phones, paging communicators, satellite communications, global positioning systems (GPS) and wireless based networks. The Company's GPS/LEO antenna is for use in mobile asset tracking and fleet management, utilizing GPS satellite tracking and low earth orbit (LEO) satellite data communications to trucking fleets, heavy equipment, marine vessels, railway cars, shipping containers, transit vehicles, all via satellite interface communications. Presently, the Company is focusing all of its resources on the researching, developing and commercializing its Plastenna and Electriplast technologies.

The Company anticipates spending approximately $250,000 over the next twelve months on ongoing research and development (primarily salaries) of the different applications and uses of its antenna technologies.

During the next twelve months, the Company does not anticipate increasing its staff.

To date, the Company has relied on loans from management and management's ability to raise capital through debt and equity private placement financings to fund its operations. During the current fiscal year, the Company raised capital through two private placements by selling common stock and common stock purchase warrants:

1. In September 2003, the Company completed a private placement with ten investors and sold 898,336 shares of its common stock at $.75 per share and warrants to purchase 449,168 shares of its common stock within two years at an exercise price of $1.00 per share. Aggregate proceeds from the sale of the common stock was $673,752. Pursuant to the terms of the offering, the Company filed a registration statement to register the shares of common stock (including the share of common stock underlying the warrants), for resale by the investors.

2. On January 14, 2004, the Company completed a private placement of its securities and raised $5,711,000 in gross proceeds. The transaction was completed pursuant to a Securities Purchase Agreement dated December 26, 2003, between the Company and Wellington Management Company, LLP, for a private offering of 57,115 units ("Units") of equity securities, each Unit consisting of 100 shares of common stock (the "Common Stock"), and one warrant (the "Warrant") convertible into 30 shares of Common Stock, at a purchase price of $100.00 per Unit. Wellington Management Company, LLP acted as an investment advisor on behalf of eleven institutional investors. By mutual agreement with the Investors, closing occurred on January 14, 2004. Each Warrant may be exercised in whole or in part at any time, and from time to time, during the period commencing on April 30, 2004 and expiring on December 31, 2009, and entitles the holder to receive shares of common stock for no additional consideration. Pursuant to the Securities Purchase Agreement, the Company filed a registration statement to register the shares of common stock (including the share of common stock underlying the Warrants), for resale by the investors. Wells Fargo Securities, LLC, served as placement agent for the Company and was paid a fee of six percent of the gross proceeds raised from the offering.

As a result of the private placement financing that was completed in January 2004, the Company will have adequate funds available to fund its operations over the next twelve months.

ITEM 7. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA.

The information required by Item 7 and an index thereto commences on the index to the financial statements, which page follows this page.

ITEM 8. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE.

None.

ITEM 8A. CONTROLS AND PROCEDURES.

Based on their most recent evaluation, which was completed as of the end of the period covered by this annual report on Form 10-KSB, the Company's Chief Executive Officer and Chief Financial Officer believe the Company's disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) are effective to ensure that information required to be disclosed by the Company in this report is accumulated and communicated to the Company's management, including its principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosure. During the last fiscal quarter to which this report relates, there were no significant changes in the Company's internal controls or other factors that could significantly affect these controls subsequent to the date of their evaluation and there were no corrective actions with regard to significant deficiencies and material weaknesses.

INTEGRAL TECHNOLOGIES, INC.
(A DEVELOPMENT STAGE COMPANY)

CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2004, 2003 AND 2002
(U.S. DOLLARS)

INDEX

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

TO THE DIRECTORS AND STOCKHOLDERS OF
INTEGRAL TECHNOLOGIES, INC.
(A DEVELOPMENT STAGE COMPANY)

We have audited the consolidated balance sheets of Integral Technologies, Inc. (A Development Stage Company) as of June 30, 2004 and 2003 and the related consolidated statements of operations, stockholders' equity (deficit) and cash flows for each of the years ended June 30, 2004, 2003 and 2002 and the cumulative totals for the development stage of operations from February 12, 1996 (inception) through June 30, 2004. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits. The financial statements of Integral Technologies, Inc. from February 12, 1996 (inception) through June 30, 1996 were audited by other auditors whose report dated November 20, 1996, expressed an unqualified opinion on those statements. Our opinion insofar as it relates to the cumulative totals for development stage operations from February 12, 1996 (inception) through June 30, 1996, is based solely on the report of the other auditors.

We conducted our audits in accordance with auditing standard of the Public Company Accounting Oversight Board (United States of America). Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits and the report of the other auditors provide a reasonable basis for our opinion.

In our opinion, based on our audit and the report of the other auditors, these consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at June 30, 2004 and 2003 and the consolidated results of its operations and its cash flows for each of the years ended June 30, 2004, 2003 and 2002 and the cumulative totals for the development stage of operations from February 12, 1996 (inception) through June 30, 2004 in conformity with accounting principles generally accepted in the United States of America.

"Pannell Kerr Forster"

Registered Independent
Chartered Accountants

Vancouver, Canada
September 23, 2004

<TABLE>
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INTEGRAL TECHNOLOGIES, INC.
(A DEVELOPMENT STAGE COMPANY)
CONSOLIDATED BALANCE SHEETS
JUNE 30
(U.S. DOLLARS)

	2004	2003
<S>	<C>	<C>
ASSETS		
CURRENT		
Cash	$ 3,905,773	$ 174,210
Accounts receivable	0	1,141
Prepaid expenses	26,091	11,844
TOTAL CURRENT ASSETS	3,931,864	187,195
PROPERTY AND EQUIPMENT (note 3)	31,250	54,282
INVESTMENTS (note 4)	1	1
TOTAL ASSETS	$ 3,963,115	$ 241,478
LIABILITIES		
CURRENT		
Accounts payable and accruals (note 7)	$ 522,337	$ 472,254
Due to West Virginia University Research Corporation (note 9(a))	397,296	397,296
TOTAL CURRENT LIABILITIES	919,633	869,550
CONTINGENCIES (note 9)		
STOCKHOLDERS' EQUITY (DEFICIT) (note 5)		
PREFERRED STOCK AND PAID-IN CAPITAL IN EXCESS OF $0.001 PAR VALUE		
20,000,000 Shares authorized		

321,038 (2003 - 439,610) Shares issued and outstanding (note 5(b))	321,038	439,610
COMMON STOCK AND PAID-IN CAPITAL IN EXCESS OF $0.001 PAR VALUE		
50,000,000 Shares authorized		
40,181,849 (2003 - 32,923,855) Shares issued and outstanding (note 5(a))	20,197,085	13,335,752
PROMISSORY NOTES RECEIVABLE (note 5(e))	(66,500)	(66,500)
SHARE SUBSCRIPTIONS	0	211,915
OTHER COMPREHENSIVE INCOME	46,267	46,267
DEFICIT ACCUMULATED DURING THE DEVELOPMENT STAGE	(17,454,408)	(14,595,116)
TOTAL STOCKHOLDERS' EQUITY(DEFICIT)	3,043,482	(628,072)
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	$ 3,963,115	$ 241,478

</TABLE>

See notes to consolidated financial statements.

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INTEGRAL TECHNOLOGIES, INC.
(A DEVELOPMENT STAGE COMPANY)
CONSOLIDATED STATEMENTS OF OPERATIONS
(U.S. DOLLARS)

	YEARS JUNE 30, ENDED			PERIOD FROM FEBRUARY 12, 1996 (INCEPTION) THROUGH
	2004	2003	2002	JUNE 30, 2004
REVENUE	$ 1,483	$ 21,355	$ 27,686	$ 238,150
COST OF SALES	0	0	13,468	216,016
	1,483	21,355	14,218	22,134
EXPENSES				
Legal and accounting	909,398	151,651	169,247	2,085,567
Salaries	685,023	467,093	547,272	3,941,471
Consulting	536,728	445,193	663,795	2,692,245
Travel and entertainment	133,132	93,879	122,898	876,800
General and administrative	123,596	57,515	97,458	630,013
Telephone	38,375	29,892	33,169	295,675
Rent	33,631	31,838	34,102	287,249
Financing fees	25,000	0	104,542	129,542
Bank charges and interest, net	55,374	1,498	10,053	163,229
Advertising	6,000	9,360	13,348	277,255
Settlement of lawsuit (note 9(b))	0	45,250	0	45,250
Research and development	0	1,234	8,401	1,244,755
Remuneration pursuant to proprietary, non-competition agreement (note 5(a)(i))	0	0	711,000	711,000
Write-down of license and operating assets	0	0	48,919	1,855,619
Interest on beneficial conversion feature	0	0	0	566,456
Write-off of investments (note 4)	0	0	1,249,999	1,249,999
Cancellation of debt	0	0	0	(602,843)
Bad debts (recovery)	(23,958)	10,753	14,500	52,613
Depreciation and amortization	23,032	23,032	21,706	293,136
	2,545,331	1,368,188	3,850,409	16,795,031
NET LOSS FOR YEAR	$ (2,543,848)	$(1,346,833)	$(3,836,191)	$ (16,772,897)
NET LOSS PER COMMON SHARE	$ (0.07)	$ (0.04)	$ (0.13)	
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING	36,391,491	31,928,310	29,064,780	

</TABLE>

See notes to consolidated financial statements.

<TABLE>
<CAPTION>
INTEGRAL TECHNOLOGIES, INC.
(A DEVELOPMENT STAGE COMPANY)
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (DEFICIT)

(U.S. DOLLARS)

	SHARES OF COMMON STOCK ISSUED	COMMON STOCK AND PAID-IN CAPITAL IN EXCESS OF PAR	SHARES OF PREFERRED STOCK ISSUED	PREFERRED STOCK AND PAID-IN CAPITAL IN EXCESS OF PAR	PROMISSORY NOTES RECEIVABLE	SHARE SUBSCRIPTIONS
<S>	<C>	<C>	<C>	<C>	<C>	<C>
SHARES ISSUED FOR						
Cash	1,000,000	$ 10,000	0	$ 0	$ 0	$ 0
Property and equipment (to officers and directors)	1,500,000	15,000	0	0	0	0
Services (provided by officers and directors)	2,000,000	20,000	0	0	0	0
Services (others)	1,500,000	15,000	0	0	0	0
Foreign currency translation	0	0	0	0	0	0
Net loss for year	0	0	0	0	0	0
BALANCE, JUNE 30, 1996	6,000,000	60,000	0	0	0	0
SHARES ISSUED FOR						
Cash	5,086,000	865,514	0	0	0	0
Share issue costs	0	(48,920)	0	0	0	0
Services	564,000	63,036	0	0	0	0
Acquisition of subsidiary	100,000	275,000	0	0	0	0
Foreign currency translation	0	0	0	0	0	0
Net loss for year	0	0	0	0	0	0
BALANCE, JUNE 30, 1997	11,750,000	1,214,630	0	0	0	0
SHARES ISSUED FOR						
Cash	825,396	650,000	0	0	0	0
Share issue costs	0	(78,000)	0	0	0	0
Foreign currency translation	0	0	0	0	0	0
Net loss for year	0	0	0	0	0	0
BALANCE, JUNE 30, 1998	12,575,396	$ 1,786,630	0	$ 0	$ 0	$ 0

	OTHER COMPREHENSIVE INCOME	DEFICIT ACCUMULATED DURING THE DEVELOPMENT STAGE	TOTAL STOCKHOLDERS' EQUITY (DEFICIT)
<S>	<C>	<C>	<C>
SHARES ISSUED FOR			
Cash	$ 0	$ 0	$ 10,000
Property and equipment (to officers and directors)	0	0	15,000
Services (provided by officers and directors)	0	0	20,000
Services (others)	0	0	15,000
Foreign currency translation	(1,226)	0	(1,226)
Net loss for year	0	(344,843)	(344,843)
BALANCE, JUNE 30, 1996	(1,226)	(344,843)	(286,069)
SHARES ISSUED FOR			
Cash	0	0	865,514
Share issue costs	0	0	(48,920)
Services	0	0	63,036
Acquisition of subsidiary	0	0	275,000
Foreign currency translation	12,601	0	12,601
Net loss for year	0	(822,217)	(822,217)
BALANCE, JUNE 30, 1997	11,375	(1,167,060)	58,945
SHARES ISSUED FOR			
Cash	0	0	650,000
Share issue costs	0	0	(78,000)
Foreign currency translation	24,860	0	24,860
Net loss for year	0	(937,373)	(937,373)
BALANCE, JUNE 30, 1998	$ 36,235	$ (2,104,433)	$ (281,568)

</TABLE>

See notes to consolidated financial statements.

<TABLE>
<CAPTION>
INTEGRAL TECHNOLOGIES, INC.
(A DEVELOPMENT STAGE COMPANY)
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (DEFICIT)
(U.S. DOLLARS)

	SHARES OF COMMON STOCK ISSUED	COMMON STOCK AND PAID-IN CAPITAL IN EXCESS OF PAR	SHARES OF PREFERRED STOCK ISSUED	PREFERRED STOCK AND PAID-IN CAPITAL IN EXCESS OF PAR	PROMISSORY NOTES RECEIVABLE	SHARE SUBSCRIPTIONS
<S>	<C>	<C>	<C>	<C>	<C>	<C>
BALANCE, JUNE 30, 1998	12,575,396	$ 1,786,630	0	$ 0	$ 0	$ 0
SHARES ISSUED FOR						
Cash	200,000	50,000	0	0	0	0
Exercise of stock options	445,000	80,500	0	0	0	0
Promissory note	1,683,789	252,568	0	0	(284,068)	0
Settlement of lawsuit	150,000	15,000	0	0	0	0
Services (provided by officers and directors)	666,666	100,000	0	0	0	0
Share issue costs	0	(100,500)	0	0	0	0
Services	250,000	50,000	0	0	0	0
Conversion of convertible debentures	3,869,120	525,813	0	0	0	0
Acquisition of subsidiary	1,800,000	619,200	0	0	0	0
Held in escrow	447,091	0	0	0	0	0
Stock option benefit	0	70,600	0	0	0	0
Beneficial conversion feature	0	566,456	0	0	0	0
Foreign currency translation	0	0	0	0	0	0
Net loss for year	0	0	0	0	0	0
BALANCE JUNE 30, 1999	22,087,062	4,016,267	0	0	(284,068)	0
SHARES ISSUED FOR						
Cash on private placement	2,650,000	3,975,000	0	0	0	0
Exercise of options	1,245,000	256,700	0	0	0	0
Services	50,000	13,000	0	0	0	0
Settlement of debt	0	0	664,410	664,410	0	0
Shares released from escrow	0	75,558	0	0	0	0
Stock option benefit	0	48,256	0	0	0	0
Promissory note repayment	0	0	0	0	225,568	0
Foreign currency translation	0	0	0	0	0	0
Net loss for year	0	0	0	0	0	0
BALANCE, JUNE 30, 2000	26,032,062	$ 8,384,781	664,410	$ 664,410	$ (58,500)	$ 0

	OTHER COMPREHENSIVE INCOME	DEFICIT ACCUMULATED DURING THE DEVELOPMENT STAGE	TOTAL STOCKHOLDERS' EQUITY (DEFICIT)
<S>	<C>	<C>	<C>
BALANCE, JUNE 30, 1998	$ 36,235	$ (2,104,433)	$ (281,568)
SHARES ISSUED FOR			
Cash	0	0	50,000
Exercise of stock options	0	0	80,500
Promissory note	0	0	(31,500)
Settlement of lawsuit	0	0	15,000
Services (provided by officers and directors)	0	0	100,000
Share issue costs	0	0	(100,500)
Services	0	0	50,000
Conversion of convertible debentures	0	0	525,813
Acquisition of subsidiary	0	0	619,200
Held in escrow	0	0	0
Stock option benefit	0	0	70,600
Beneficial conversion feature	0	0	566,456
Foreign currency translation	8,444	0	8,444
Net loss for year	0	(1,404,021)	(1,404,021)
BALANCE JUNE 30, 1999	44,679	(3,508,454)	268,424
SHARES ISSUED FOR			
Cash on private placement	0	0	3,975,000
Exercise of options	0	0	256,700
Services	0	0	13,000
Settlement of debt	0	0	664,410
Shares released from escrow	0	0	75,558
Stock option benefit	0	0	48,256
Promissory note repayment	0	0	225,568
Foreign currency translation	1,614	0	1,614
Net loss for year	0	(1,537,402)	(1,537,402)
BALANCE, JUNE 30, 2000	$ 46,293	$ (5,045,856)	$ 3,991,128

</TABLE>

See notes to consolidated financial statements.

<TABLE>
<CAPTION>
INTEGRAL TECHNOLOGIES, INC.
(A DEVELOPMENT STAGE COMPANY)
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (DEFICIT)
(U.S. DOLLARS)

	SHARES OF COMMON STOCK ISSUED	COMMON STOCK AND PAID IN CAPITAL IN EXCESS OF PAR	SHARES OF PREFERRED STOCK ISSUED	PREFERRED STOCK AND PAID- IN CAPITAL IN EXCESS OF PAR	PROMISSORY NOTES RECEIVABLE	SHARE SUBSCRIPTIONS
<S>	<C>	<C>	<C>	<C>	<C>	<C>
BALANCE, JUNE 30, 2000	26,032,062	$ 8,384,781	664,410	$ 664,410	$ (58,500)	$ 0
SHARES ISSUED FOR						
Cash on private placement	81,885	112,480	0	0	0	0
Exercise of options	517,000	91,515	0	0	0	0
Services	100,000	40,000	0	0	0	0
Held in escrow (note 5(a)(ii)(b)(i))	218,115	0	0	0	0	0
Stock option benefit	0	272,207	0	0	0	0
Dividends on preferred shares	0	0	0	0	0	0
Share subscriptions	0	0	0	0	0	50,000
Redeemed shares	0	0	(100,000)	(100,000)	0	0
Foreign currency translation	0	0	0	0	0	0
Net loss for year	0	0	0	0	0	0
BALANCE, JUNE 30, 2001	26,949,062	8,900,983	564,410	564,410	(58,500)	50,000
SHARES ISSUED FOR						
Proprietary non-competition agreement (note 5(a)(i))	450,000	711,000	0	0	0	0
Held in escrow	700,000	0	0	0	0	0
Exercise of options	2,263,500	971,200	0	0	(15,000)	(10,000)
Exercise of warrants	325,000	130,000	0	0	0	0
Subscriptions	100,000	40,000	0	0	0	(40,000)
Stock option compensation	0	415,685	0	0	0	0
Shares released from escrow	0	954,582	0	0	0	0
Dividends on preferred shares	0	0	0	0	0	0
Redeemed shares	0	0	(124,800)	(124,800)	0	0
Write-off of promissory note receivable	0	(7,000)	0	0	7,000	0
Net loss for year	0	0	0	0	0	0
BALANCE, JUNE 30, 2002	30,787,562	$ 12,116,450	439,610	$ 439,610	$ (66,500)	$ 0

	OTHER COMPREHENSIVE INCOME	DEFICIT ACCUMULATED DURING THE DEVELOPMENT STAGE	TOTAL STOCKHOLDERS' EQUITY (DEFICIT)
<S>	<C>	<C>	<C>
BALANCE, JUNE 30, 2000	$ 46,293	$ (5,045,856)	$ 3,991,128
SHARES ISSUED FOR			
Cash on private placement	0	0	112,480
Exercise of options	0	0	91,515
Services	0	0	40,000
Held in escrow (note 5(a)(ii)(b)(i))	0	0	0
Stock option benefit	0	0	272,207
Dividends on preferred shares	0	(30,720)	(30,720)
Share subscriptions	0	0	50,000
Redeemed shares	0	(100,000)	(200,000)
Foreign currency translation	(26)	0	(26)
Net loss for year	0	(4,000,169)	(4,000,169)
BALANCE, JUNE 30, 2001	46,267	(9,176,745)	326,415
SHARES ISSUED FOR			
Proprietary non-competition agreement (note 5(a)(i))	0	0	711,000
Held in escrow	0	0	0
Exercise of options	0	0	946,200
Exercise of warrants	0	0	130,000
Subscriptions	0	0	0
Stock option compensation	0	0	415,685
Shares released from escrow	0	0	954,582
Dividends on preferred shares	0	(26,087)	(26,087)
Redeemed shares	0	(187,200)	(312,000)
Write-off of promissory note receivable	0	0	0
Net loss for year	0	(3,836,191)	(3,836,191)
BALANCE, JUNE 30, 2002	$ 46,267	$(13,226,223)	$ (690,396)

</TABLE>

See notes to consolidated financial statements.

<TABLE>
<CAPTION>
INTEGRAL TECHNOLOGIES, INC.
(A DEVELOPMENT STAGE COMPANY)
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (DEFICIT)
(U.S. DOLLARS)

	SHARES OF COMMON STOCK ISSUED	COMMON STOCK AND PAID-IN CAPITAL IN EXCESS OF PAR	SHARES OF PREFERRED STOCK ISSUED	PREFERRED STOCK AND PAID IN-CAPITAL IN EXCESS OF PAR	PROMISSORY NOTES RECEIVABLE	SHARE SUBSCRIPTIONS
<S>	<C>	<C>	<C>	<C>	<C>	<C>
BALANCE, JUNE 30, 2002	30,787,562	$ 12,116,450	439,610	$ 439,610	$ (66,500)	$ 0
SHARES ISSUED FOR						
Cash on private placement	1,684,000	842,050	0	0	0	0
Settlement of debt	144,793	104,542	0	0	0	0
Services	200,000	196,000	0	0	0	0
Exercise of options	52,500	43,750	0	0	0	0
Exercise of warrants	55,000	27,500	0	0	0	0
Subscription received note 6(a)(vi))	0	0	0	0	0	176,665
Stock option compensation	0	5,460	0	0	0	0
Settlement of lawsuit (note 9(b))	0	0	0	0	0	35,250
Dividends on preferred shares	0	0	0	0	0	0
Net loss for year	0	0	0	0	0	0
BALANCE, JUNE 30, 2003	32,923,855	13,335,752	439,610	439,610	(66,500)	211,915
SHARES ISSUED FOR						
Cash on private placement	6,609,336	6,042,935	0	0	0	(211,915)
Cash on exercise of options	25,000	25,000	0	0	0	0
Settlement of lawsuit (note 9(b))	37,500	35,250	0	0	0	0
Services	25,000	21,873	0	0	0	0
Redemption of preferred shares	415,000	415,000	(118,572)	(118,572)	0	0
Exercise warrants	288,298	0	0	0	0	0
Shares returned to treasury for Cancellation	(142,140)	0	0	0	0	0
Stock option compensation	0	321,275	0	0	0	0
Dividends on preferred shares	0	0	0	0	0	0
Net loss for year	0	0	0	0	0	0
BALANCE, JUNE 30, 2004	40,181,849	$ 20,197,085	321,038	$ 321,038	$ (66,500)	$ 0

	OTHER COMPREHENSIVE INCOME	DEFICIT ACCUMULATED DURING THE DEVELOPMENT STAGE	TOTAL STOCKHOLDERS' EQUITY (DEFICIT)
<S>	<C>	<C>	<C>
BALANCE, JUNE 30, 2002	$ 46,267	$(13,226,223)	$ (690,396)
SHARES ISSUED FOR			
Cash on private placement	0	0	842,050
Settlement of debt	0	0	104,542
Services	0	0	196,000
Exercise of options	0	0	43,750
Exercise of warrants	0	0	27,500
Subscription received note 6(a)(vi))	0	0	176,665
Stock option compensation	0	0	5,460
Settlement of lawsuit (note 9(b))	0	0	35,250
Dividends on preferred shares	0	(22,060)	(22,060)
Net loss for year	0	(1,346,833)	(1,346,833)
BALANCE, JUNE 30, 2003	46,267	(14,595,116)	(628,072)
SHARES ISSUED FOR			
Cash on private placement	0	0	5,831,020
Cash on exercise of options	0	0	25,000
Settlement of lawsuit (note 9(b))	0	0	35,250
Services	0	0	21,873
Redemption of preferred shares	0	(296,428)	0
Exercise warrants	0	0	0
Shares returned to treasury for Cancellation	0	0	0
Stock option compensation	0	0	321,275
Dividends on preferred shares	0	(19,016)	(19,016)
Net loss for year	0	(2,543,848)	(2,543,848)
BALANCE, JUNE 30, 2004	$ 46,267	$(17,454,408)	$ 3,043,482

</TABLE>

See notes to consolidated financial statements.

<TABLE>
<CAPTION>
INTEGRAL TECHNOLOGIES, INC.
(A DEVELOPMENT STAGE COMPANY)
CONSOLIDATED STATEMENTS OF CASH FLOWS
(U.S. DOLLARS)

	YEARS ENDED JUNE 30, 2004	2003	2002	PERIOD FROM FEBRUARY 12, 1996 (INCEPTION) THROUGH JUNE 30, 2004

<S>	<C>	<C>	<C>	<C>
OPERATING ACTIVITIES				
Net loss	$(2,543,848)	$(1,346,833)	$(3,836,191)	$ (16,772,897)
Adjustments to reconcile net loss to net cash used by operating activities				
Write-down of investment	0	0	1,249,999	1,249,999
Cancellation of debt	0	0	0	(602,843)
Proprietary, non-competition agreement (note 5(a)(i))	0	0	711,000	711,000
Consulting services and financing fees	61,873	223,500	254,792	957,273
Depreciation and amortization	23,032	24,302	28,983	318,691
Stock option compensation	321,275	5,460	415,685	1,133,483
Interest on beneficial conversion	0	0	0	566,456
Settlement of lawsuit	0	45,250	0	60,250
Write-down of license and operating assets	0	0	46,842	1,853,542
Bad debt	1,141	10,752	14,500	77,712
Changes in non-cash working capital				
Due from affiliated company	0	0	0	(116,000)
Notes and accounts receivable	0	3,873	(2,923)	(109,213)
Inventory	0	0	0	(46,842)
Prepaid expenses	(14,247)	3,249	(14,928)	(26,091)
Deferred revenue and other	0	(13,232)	0	(2,609)
Accounts payable and accruals	31,067	(112,371)	(95,852)	746,895
Due to West Virginia University Research Corporation	0	0	0	397,296
NET CASH USED BY OPERATING ACTIVITIES	(2,119,707)	(1,156,050)	(1,228,093)	(9,603,898)
INVESTING ACTIVITIES				
Purchase of property, equipment and Intangibles assets	0	0	0	(200,935)
Assets acquired and liabilities assumed on purchase of subsidiary	0	0	0	(129,474)
Investment in and advances to affiliate companies	0	0	0	(2,000,000)
License agreements	0	0	0	(124,835)
NET CASH USED BY INVESTING ACTIVITIES	0	0	0	(2,455,244)
FINANCING ACTIVITIES				
Repayment of loan	0	0	0	(45,000)
Advances from stockholders	0	0	0	1,078,284
Repayments to stockholders	0	0	0	(94,046)
Subscriptions received	0	176,665	0	226,665
Proceeds from issuance of common stock	5,851,270	885,800	1,426,332	14,380,165
Proceeds from convertible debentures	0	0	0	600,000
Share issue costs	0	0	0	(227,420)
NET CASH PROVIDED BY FINANCING ACTIVITIES	5,851,270	1,062,465	1,426,332	15,918,648
EFFECT OF FOREIGN CURRENCY TRANSLATION ON CASH	0	0	0	46,267
INCREASE (DECREASE) IN CASH	3,731,563	(93,585)	198,239	3,905,773
CASH, BEGINNING OF YEAR	174,210	267,795	69,556	0
CASH, END OF YEAR	$ 3,905,773	$ 174,210	$ 267,795	$ 3,905,773

</TABLE>

Supplemental cash flow information (note 6)

See notes to consolidated financial statements.

INTEGRAL TECHNOLOGIES, INC.
(A DEVELOPMENT STAGE COMPANY)
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2004, 2003 AND 2002
(U.S. DOLLARS)

1. INCORPORATION AND NATURE OF OPERATIONS

The Company was incorporated under the laws of the State of Nevada on February 12, 1996 and has its head office in Bellingham, Washington, U.S.A. The Company is in the development stage as more fully defined in Statement No. 7 of the Financial Accounting Standards Board. The Company is in the business of researching, developing and commercializing new antenna technologies.

The Company will be devoting all of its resources to the research, development and commercialization of its antenna technologies. As a consequence, the value for the license of all other technologies was written off in 2001.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Principles of consolidation

These financial statements include the accounts of Integral Technologies, Inc. (a development stage company), its wholly-owned subsidiaries, Integral Vision Systems, Inc. ("IVSI"), Antek Wireless Inc. ("Antek") and Plastenna, Inc. ("Plastenna") a Delaware corporation and its 76.625% owned subsidiary, Emergent Technologies Corp. ("ETC"). All intercompany balances and transactions have been eliminated. Investment in Continental Divide Robotics, Inc. ("CDRI") is accounted for using the cost method since the Company exerts no

significant influence (note 4).

(b) Depreciation

Depreciation is provided using the straight-line method based on the following estimated useful lives:

Machinery, furniture and equipment	-	5 Years
Computer hardware and software	-	5 Years
Molds	-	5 Years

The Company reviews long-term assets to determine if the carrying amount is recoverable based on the estimate of future cash flow expected to result from the use of the asset and its eventual disposition. If in this determination there is an apparent shortfall, the loss will be recognized as a current charge to operations.

(c) Loss per share

Loss per share computations are based on the weighted average number of common shares outstanding during the period. Common share equivalents consisting of stock options and warrants are not considered in the computation because their effect would be anti-dilutive.

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) Stock issued in exchange for services

The valuation of the common stock issued in exchange for services is valued at an estimated fair market value as determined by officers and directors of the Company based upon other sales and issuances of the Company's common stock within the same general time period.

(e) Revenue recognition

As the Company is continuing development of its technologies, no significant revenues have been earned to date. The Company recognizes revenues at the time of delivery of the product to the customers.

(f) Foreign currency translation

Assets and liabilities of non-U.S. subsidiaries that operate in a local currency environment are translated to U.S. dollars at year-end exchange rates. Income and expense items are translated at weighted-average rates of exchange prevailing during the year. Translation adjustments are recorded in accumulated gains and losses not affecting accumulated deficit within stockholders' equity (deficit).

Property and equipment and other non-monetary assets and liabilities of non-U.S. subsidiaries and branches that operate in U.S. dollars, or whose economic environment is highly inflationary, are translated at approximate exchange rates prevailing when the Company acquired the assets or liabilities. All other assets and liabilities are translated at year-end exchange rates. Cost of sales and depreciation are translated at historical exchange rates. All other income and expense items are translated at the weighted-average rates of exchange prevailing during the year. Gains and losses that result from translation are included in the determination of net loss.

The Company's transactions in foreign currencies have been minimal in the last few years, as a result foreign exchange gains and losses have been immaterial.

(g) Research and development

Research and development expenditures are charged to operations as incurred.

(h) Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and would impact future results of operations and cash flows.

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Financial instruments

(i) Fair value

The carrying value of cash, accounts receivable, accounts payable and accruals and due to West Virginia University Research Corporation approximate their fair value because of the short maturity of these financial instruments.

(ii) Interest rate risk

The Company is not exposed to significant interest rate risk due to the short-term maturity of its monetary current assets and current liabilities.

(iii) Credit risk

The Company's financial assets that are exposed to credit risk consist primarily of cash which is placed with major financial institutions.

(iv) Translation risk

The Company translates the results of non-US operations into US currency using rates approximating the average exchange rate for the year. The exchange rate may vary from time to time. This risk is considered nominal as the Company does not incur any significant transactions in non-US currency.

(j) Income taxes

The Company uses the asset and liability approach in its method of accounting for income taxes which requires the recognition of deferred tax liabilities and assets for expected future tax consequences of temporary differences between the carrying amounts and the tax basis of assets and liabilities. A valuation allowance against deferred tax assets is recorded if, based upon weighted available evidence, it is more likely than not that some or all of the deferred tax assets will not be realized.

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) Stock-based compensation

The Company applies APB Opinion No. 25 and related interpretations in accounting for its stock options granted to employees. During the year the Company extended the expiry date of some of its options and as a result these options became variable options, and accordingly, compensation expense of $136,750 (2003 - Nil; 2002 -$7,800) was recognized as salaries expense. Had compensation expense been determined as provided in SFAS 123 using the Black-Scholes option - pricing model, the pro-forma effect on the Company's net loss and per share amounts would have been as follows:

<TABLE>
<CAPTION>

	2004	2003	2002
<S>	<C>	<C>	<C>
Net loss, as reported	$(2,543,848)	$(1,346,833)	$(3,836,191)
Add: Stock-based employee compensation expense under intrinsic value method included in reported net loss, net of related tax effects	136,750	0	7,800
Deduct: Total stock-based compensation expense determined under fair value based method for all awards, net of related tax effects	(14,159)	(230,180)	(320,640)
Net loss, pro-forma	$(2,421,257)	$(1,577,013)	$(4,149,031)
Net loss per share, as reported	$ (0.07)	$ (0.04)	$ (0.13)
Add: Stock-based employee compensation expense under intrinsic value method included in reported net loss, net of related tax			

effects	0.00	0.00	0.00
Deduct: Total stock-based compensation expense determined under fair value based method for all awards, net of related tax effects	0.00	(0.01)	(0.01)
Net loss per share, pro-forma	$ (0.07)	$ (0.05)	$ (0.14)

</TABLE>

The Company applies SFAS 123 in accounting for its stock options granted to non-employees, and accordingly, compensation expense of $184,525 (2003 - $5,460; 2002 - $Nil) was recognized as consulting expense for fixed and variable options.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(k) Stock based compensation (Continued)

The fair value of each option grant is calculated using the following weighted average assumptions:

	2004	2003	2002
Expected life (years)	1	2.2	2
Interest rate	3.50%	3.00%	4.38%
Volatility	72.50%	51.50%	71.86%
Dividend yield	0.00%	0.00%	0.00%

(l) Comprehensive income

Other comprehensive income includes revenues and expenses and unrealized gains and losses that under accounting principles generally accepted in the United States of America are excluded from net income (loss) and are recorded directly as an adjustment to stockholders' equity, net of tax. When the unrealized gains and losses are realized they are reclassified from other comprehensive income and included in net income. The Company's other comprehensive income (loss) is composed of unrealized gains and losses from foreign currency translation adjustments. (see note 10)

(m) Recent accounting pronouncements

(i) In January 2003, the FASB issued Interpretation No. 46, Consolidation of Variable Interest Entities, an interpretation of Accounting Research Bulletin No. 51, Consolidated Financial Statements. Interpretation 46 establishes accounting guidance for consolidation of variable interest entities that function to support the activities of the primary beneficiary. Interpretation 46 applies to any business enterprise both public and private, that has a controlling interest, contractual relationship or other business relationship with a variable interest entity. The Company has no investment in or contractual relationship or other business relationship with a variable interest entity and therefore the adoption did not have any impact on the Company's consolidated financial position, results of operations or cash flows.

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(m) Recent accounting pronouncements (Continued)

(ii) On April 30, 2003, the FASB issued Statement No. 149,Amendment of Statement 133 on Derivative Instruments and Hedging Activities. Statement 149 is intended to result in more consistent reporting of contracts as either freestanding derivative instruments subject to Statement 133 in its entirety, or as hybrid instruments with debt host contracts and embedded derivative features. In addition, Statement 149 clarifies the definition of a derivative by providing guidance on the meaning of initial net investments related to derivatives. Statement 149 is effective for contracts entered into or modified after June 30, 2003. The adoption of Statement 149 did not have any effect

on the Company's consolidated financial position, results of operations or cash flows.

(iii) On May 15, 2003, the FASB issued Statement No. 150, Accounting for Certain Financial Instruments with Characteristics of both Liabilities and Equity. Statement 150 establishes standards for classifying and measuring as liabilities certain financial instruments that embody obligations of the issuer and have characteristics of both liabilities and equity. Statement 150 represents a significant change in practice in the accounting for a number of financial instruments, including mandatorily redeemable equity instruments and certain equity derivatives that frequently are used in connection with share repurchase programs. Statement 150 is effective for all financial instruments created or modified after May 31, 2003, and to other instruments as of September 1, 2003. The Company adopted Statement 150 on July 1, 2003. The effect of adopting this statement did not have any effect on the Company's consolidated financial position, results of operations or cash flows.

(iv) On April 2002, the FASB issued statement No. 145, Rescission of FASB No. 4 Reporting Gains and Losses from Extinguishment of Debt, and amendment of FASB No. 64 Extinguishment of Debt made to Satisfy Sinking-Fund Requirements. This statement also rescinds FASB No. 44 Accounting for Intangible Assets of Motor Carriers and also amends FASB No. 13 Accounting for leases to eliminate an inconsistency in accounting for sale-leaseback. The Company adopted this statement effective July 1, 2002. The impact of adopting this statement is the reclassification of cancellation of debt, previously recorded as extraordinary item, to other income.

3. PROPERTY AND EQUIPMENT

	2004	2003
Machinery, furniture and equipment	$ 148,940	$ 148,940
Computer hardware and software	39,419	39,419
Molds	4,800	4,800
	193,159	193,159
Less: Accumulated depreciation	(161,909)	(138,877)
	$ 31,250	$ 54,282

4. INVESTMENTS

In July 2000, the Company executed a Stock Purchase Agreement with Continental Divide Robotics Inc. ("CDRI") related to the acquisition of a minority interest in CDRI. CDRI has developed certain proprietary hardware and software systems that use a radio-navigation, satellite-based Global Positioning System to track individuals, on a real time basis.

Pursuant to the agreement, the Company invested $1.25 million dollars to acquire 20.33% of the outstanding common stock of CDRI. Because the Company has no influence or control over CDRI, and no ability to exercise significant influence over CDRI, the Company's investment has been recorded at cost using the cost method.

CDRI is a privately held company and there is no public market for its common stock. CDRI has a working capital deficiency and has sustained continued significant operating losses. Due to the Company's lack of control over the operations of CDRI, lack of information concerning the business prospects of CDRI, lack of financial information concerning the ability of CDRI to continue as a going concern, and lack of liquidity for the Company's investment in CDRI during the year ended June 30, 2002, the Company wrote down its investment in CDRI from $1,250,000 to a nominal value of $1. This decision was made in consideration of the foregoing, and in order to conform with accounting principles generally accepted in the United States of America. However, CDRI remains an active business entity, possessing proprietary technology, and continues to market its technology. The Company has no current information to suggest that the CDRI technology or the business opportunity for such technology has been negatively impacted. The Company continues to retain its ownership position in CDRI.

5. STOCKHOLDERS' EQUITY (DEFICIT)

(a) Common stock

(i) During the year ended June 30, 2002, the Company entered into a proprietary, non-disclosure and non-solicitation agreement with two of its employees whereby, for a total of 450,000 common shares, these employees will not disclose any information that is defined as confidential by the Company in this agreement; the

employees will work for the Company exclusively while employed by the Company and will not work for a competitor for a period of at least three years after leaving the Company. These shares were recorded at $1.58 per common share being the market price at the date of issue for a total charge to operations of $711,000.

5. STOCKHOLDERS' EQUITY (DEFICIT) (Continued)

(a) Common stock (Continued)

(ii) Private placement agreement

(a) During the year ended June 30, 2000, the Company entered into a private placement agreement with Swartz Private Equity, LLC ("Swartz") which called for periodic purchases over a three year period of up to $25,000,000 of the Company's common stock. This agreement expired May 2003.

Each periodic purchase ("put") has a purchase price equal to the lesser of the market price minus $0.25, or 91% of the market price, but not less than a stated minimum purchase price as set in the advance put notice, which cannot be greater than 80% of the market price on that date.

Each put cannot exceed the lesser of:

(i) $2,000,000 worth of common stock;
(ii) 15% of the aggregate reported trading volume of the Company's common stock during the 20 business days before and after the date of notice to exercise each put; and,
(iii) a number of shares that would cause Swartz to acquire in a 31 day period preceding the put date, in total in excess of 9.99% of the Company's total number of shares of common stock outstanding at that time.

At the time of each put, the Company will issue Swartz a purchase warrant which will give Swartz the right to purchase up to 10% of the number of shares issued in the put. Each warrant will be immediately exercisable for a five year period for a price equal to 110% of the market price for such put.

If the Company has not put a minimum of $1,000,000 in aggregate Put Dollar Amount during any six month period of time during the term of the Investment Agreement, the Company will be required to pay Swartz a non-usage fee equal to the difference of $100,000 minus 10% of the aggregate Put Dollar Amount of the Put Shares put to Swartz during such six month period. In the event that the Company delivers a termination notice to Swartz or an automatic termination occurs, the Company must pay Swartz a termination fee equal to the greater of the non-usage fee for the applicable period or the difference of $200,000 minus 10% of the aggregate Put Dollar Amount of the Put Shares put to Swartz during all Puts to such date. The non-usage fee for the year ended June 30, 2003 was waived as the agreement expired. The non-usage fee for the year ended June 30, 2002 of $104,542 was settled in 2003 by issuance of 144,793 shares of common stock. The non-usage fee for the period prior to August 3, 2001 was waived by Swartz.

5. STOCKHOLDERS' EQUITY (DEFICIT) (Continued)

(a) Common stock (Continued)

(ii) Private placement agreement (Continued)

(b) Pursuant to this agreement:

(i) During the year ended June 30, 2001, the Company issued 300,000 shares to be held in escrow to exercise a put. Of these, 81,885 shares were released on the exercise of the put and 218,115 are held in escrow for future put exercises.

As partial consideration of the investment

agreement the Company issued warrants to Swartz to purchase 495,000 shares of common stock.

(ii) During the year ended June 30, 2002, the Company issued 700,000 shares held in escrow to exercise puts. 775,975 shares were released on the exercise of these puts for total proceeds of $954,582, leaving 142,140 shares in escrow at June 30, 2002. As part of these puts 85,788 warrants were issued.

(iii) During the year ended June 30, 2003, the Company settled the non-usage fee of $104,542 due to Swartz by issuing 144,793 shares of common stock.

(iv) Subsequent to June 30, 2003, the 142,140 shares in escrow were returned to the Company and cancelled.

(iii) During the year ended June 30, 2003, the Company entered into a private placement agreement with various investors whereby the Company issued 1,684,000 units consisting of one share of common stock and one-half a share purchase warrant at a price of $0.50 per unit. Each whole warrant is exercisable at a price of $0.75 per share and expires two years after the date of grant.

(iv) During the year ended June 30, 2003, the Company entered into a letter of agreement whereby the Company will pay a monthly fee of $10,000 for investor relations and maintenance fees commencing March 7, 2003 for a period of one year. For introductions for private placement money, the Company will pay a three percent fee for every one million dollars raised through this agreement.

As part of this agreement, the Company agreed to issue 200,000 common shares which was recognized as consulting expense at market value on the date of the transaction for a total of $196,000.

5. STOCKHOLDERS' EQUITY (DEFICIT) (Continued)

(a) Common stock (Continued)

(v) During the year ended June 30, 2003, the Company issued 55,000 shares at a price of $0.50 per share on exercise of warrants.

(vi) During the year ended June 30, 2004, the Company:

(a) entered into a private placement whereby the Company issued 898,336 shares at a price of $0.75 per share and 449,268 share purchase warrants exercisable within two years with an exercise price of $1.00 per share. Of which 20,000 shares were paid for with services valued at $15,000.

(b) received for cancellation 142,140 shares previously issued and held in escrow under the Swartz agreement which expired during the year ended June 30, 2003.

(c) issued 37,500 shares as part of the mutual release agreement in settlement of all claims related to the Joffre J. Rolland and Robin L. Rolland claims.

(d) issued 25,000 shares at a price of $1.00 per share on exercise of options.

(e) redeemed 118,572 shares of Series A convertible preferred stock from an officer of the Company. The redemption price of $3.50 per share was used as consideration for the exercise of 415,000 options to purchase common stock of the Company at a price of $1.00 per share.

(f) issued 288,298 shares upon the exercise of warrants held by Swartz. The warrants were exercised under a cashless exercise provision. No cash consideration was received by the Company.

(g) entered into a private placement whereby the Company issued 57,110 units at $100 per unit for gross proceeds of $5,711,000 less a private placement fee of 6% of gross proceeds. Each unit is comprised of 100 newly issued shares of the Company's common stock and one warrant convertible into 30 additional shares of common stock. Each warrant may be exercised in whole or in part at any time, during the period commencing on April 30, 2004 and expiring on December 31, 2009, and entitles the holder to receive shares of common stock for no additional consideration.

(vii) Subsequent to June 30, 2004, the Company issued 44,000 shares to settle debt for $55,000.

5. STOCKHOLDERS' EQUITY (DEFICIT) (Continued)

(b) Preferred stock

The preferred stock may be issued in one or more series. The distinguishing features of each series including preference, rights and restriction are to be determined by the Company's Board of Directors upon the establishment of each such series.

During the year ended June 30, 2000, the Company designated 1,000,000 of its authorized 20,000,000 preferred shares as Series A Convertible Preferred Stock with a par value of $0.001 each and a stated value and liquidation preference of $1.00 per share. Cumulative dividends are accrued at the rate of 5% annually, payable at the option of the Company. The shares may be converted to restricted shares of common stock at the average trading price ten days prior to conversion, and entitled to votes equal to the number of shares of common stock into which each series of preferred stock may be converted. Each Series A Convertible Preferred Stock may be redeemed by the Company for $1.50 each within one year after the date of issue, and for $2.00, $2.50, $3.00 and $3.50 per share in each of the subsequent four years after the date of issue.

During the year ended June 30, 2000, the Company agreed to settle $383,228 of accounts payable and $281,182 of long-term debt, both amounts owed to officers and directors of the Company, by issuing 664,410 shares of Series A convertible preferred stock at a par value of $0.001 and a stated value of $1.00 per share.

During the year ended June 30, 2004, the Company redeemed 118,572 (2003 - $Nil; 2002 - 124,800) preferred shares at a total cost of $415,000 (2003 - $Nil; 2002 $312,000)

5. STOCKHOLDERS' EQUITY (DEFICIT) (Continued)

(c) Stock options

In January 2001 the Company adopted the "Integral Technologies, Inc. 2001 Stock Plan" (the "2001 Plan"), a non-qualified stock option plan under which the Company may issue up to 2,500,000 stock options and stock bonuses of common stock of the Company to provide incentives to officers, directors, key employees and other persons who contribute to the success of the Company. This plan was amended December 2001 to increase the number of common share options which may be granted from 2,500,000 to 3,500,000 stock options.

The following table summarizes the Company's stock option activity for the years ended June 30, 2003, 2002 and 2001:

	Number of Shares	Exercise Price Per Share	Weighted Average Exercise Price
Balance, June 30, 2001	1,338,500	$0.15 to $1.00	$ 0.35
Granted during the year June 30, 2002	2,430,000	$0.40 to $1.50	$ 0.63
Exercised	(2,463,500)	$0.15 to $1.20	$ 0.41
Balance, June 30, 2002	1,305,000	$0.40 to $1.50	$ 0.76
Granted during the year June 30, 2003	1,230,000	$ 1.00	$ 1.00
Exercised	(52,500)	$0.69 to $1.50	$ 0.83
Cancelled	(575,000)	$0.40 to $1.00	$ 0.66
Balance, June 30, 2003	1,907,500	$0.40 to $1.50	$ 0.94
Granted during the year June 30, 2004	255,000	$ 1.00	$ 1.00
Cancelled	(175,000)	$0.65 to $1.50	$ 0.77
Exercised	(440,000)	$ 1.00	$ 1.00
Balance, June 30, 2004	1,547,500	$0.64 to $1.50	$ 0.94

The following summarizes the options outstanding at June 30, 2004 and

2003 all of which were fully vested at these dates:

Expiry Date	Exercise Price	Number of Shares 2004	2003
August 31, 2004	$0.40 to $1.50	877,500	1,077,500
August 31, 2005	$ 1.00	255,000	0
December 31, 2005	$ 1.00	415,000	830,000
Total	$0.40 to $1.50	1,547,500	1,907,500

5. STOCKHOLDERS' EQUITY (DEFICIT) (Continued)

(c) Stock options (Continued)

Pursuant to the 2001 Plan:

(i) During the year ended June 30, 2004, the Company granted a total of 255,000 stock options to consultants at an exercise price of $1.00 per common share. All options are fully vested at the date of grant and expire August 31, 2005.

(ii) During the year ended June 30, 2003, the Company granted a total of 1,230,000 stock options to officers, directors and key employees at an exercise price of $1.00 per common share. 400,000 of these options are fully vested at the date of grant and expire August 31, 2003 and 830,000 vested January 1, 2003 and expire December 31, 2005.

(iii) During the year ended June 30, 2004, the expiry date of 790,000 options was extended to August 31, 2004 as such the options became variable options (note 2(k)). Subsequent to year-end, the expiry date of 730,000 of these options was extended again to August 31, 2005.

In April 2003, the Company adopted the "Integral Technologies, Inc. 2003 Stock Plan" (the "2003 Plan"), a non-qualified stock option plan under which the Company may issue up to 1,500,000 stock options. As of June 30, 2003, no options have been granted with respect to this plan.

(d) Stock purchase warrants

At June 30, 2004, the following stock purchase warrants were outstanding:

(i) Nil (2003 - 440,000) with an adjusted exercise price of $0.50 exercisable before November 10, 2005;

(ii) 45,496 (2003 - 77,599) with exercise prices ranging from $0.51 to $1.18 exercisable on or before November 10, 2005; and

(iii) 842,000 with exercise price of $0.75 exercisable before November 1, 2004.

(iv) 449,170 with exercise price of $1.00 exercisable before September 25, 2005.

(v) 1,713,300 with exercise price of $Nil exercisable before December 31, 2009.

Both (i) and (ii) above have reset provisions, whereby the exercise price is adjusted to 110% of the five day average on every month's anniversary of the warrants.

5. STOCKHOLDERS' EQUITY (DEFICIT)(Continued)

(e) Promissory notes receivable at June 30, 2004 includes:

(i) $31,500 (2003 - $31,500) due on exercise of 210,000 stock options, interest at 10% per annum, due November 1, 2002, subsequently extended to June 30, 2003.

(ii) $20,000 (2003 - $20,000) due on exercise of 100,000 stock options, interest at 8% per annum due June 6, 2002.

(iii) $15,000 (2003 - $15,000) due on exercise of 23,000 stock options, interest at 10% per annum due June 30, 2003.

As at September 3, 2004, these notes have not been collected. Shares issued on exercise of options are restricted for trading by the Company. The restrictions will not be removed until the respective notes are paid to the Company.

6. SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

<TABLE>
<CAPTION>

	2004	2003	2002	PERIOD FROM FEBRUARY 12, 1996 (INCEPTION) THROUGH JUNE 30, 2004
<S>	<C>	<C>	<C>	<C>
SUPPLEMENTAL DISCLOSURE OF NON-CASH TRANSACTIONS				
SHARES ISSUED				
For redemption of preferred shares	$ 415,000	$ 0	$ 0	$ 415,000
For property and equipment	0	0	18,000	23,000
For proprietary agreement	0	0	711,000	711,000
For settlement of accounts payable	0	104,542	124,200	228,742
For services (provided by officers and directors)	0	0	0	120,000
For settlement of lawsuit	0	0	0	15,000
For services	61,873	223,500	150,250	696,784
For acquisition of subsidiary	0	0	0	894,200
SUPPLEMENT CASH FLOW INFORMATION				
Interest paid	0	0	0	81,111
Income tax paid	0	0	0	0

</TABLE>

7. RELATED PARTY TRANSACTIONS

(a) Accounts payable at June 30, 2004 includes $29,290 (2003 - $269,660) due to two directors and officers of the Company.

(b) The Company incurred $398,777 (2003 - $340,000; 2002 - $312,000) for wages due to two directors and officers of the Company.

(c) The Company incurred $37,000 (2003 - $nil; 2002 - $nil) for interest paid to two directors and officers of the Company. This charge was authorized by the board of directors for amounts owed since fiscal year ended June 30, 2001.

8. INCOME TAXES

Deferred income taxes reflect the tax effect of the temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for tax purposes. The components of the net deferred income tax assets are as follows:

	2004	2003	2002
Deferred income tax assets			
Net operating loss and credit Carryforwards	$ 5,800,000	$ 4,900,000	$ 3,400,000
Accrued liabilities	40,000	40,000	40,000
Temporary differences on property and equipment depreciation	(3,000)	(3,000)	(1,000)
Gross deferred tax assets	5,837,000	4,937,000	3,399,000
Valuation allowance	(5,837,000)	(4,937,000)	(3,399,000)
	$ 0	$ 0	$ 0

As at June 30, 2004 the Company's net operating loss carryforwards for income tax purposes were approximately $16,700,000(2003 - $14,100,000). If not utilized, they will start to expire in 2017.

9. CONTINGENCIES

(a) A dispute exists between West Virginia University Research Corporation ("WVURC") and the Company with respect to the development work performed by WVURC on the Plasma Ignition System and the Counterfeit

Detection Technology. The Company has included in its accounts the amount alleged by WVURC to be owing to WVURC of $397,296, however, it is the opinion of management that this amount should be reduced to an amount not greater than $43,052. Management intends to defend this position. As the actual outcome cannot be determined at this time, any adjustments required will be recorded by the Company when settlement occurs.

9. CONTINGENCIES (Continued)

(b) On August 9, 2000, the Company filed a Petition for Order to Compel Arbitration against Joffre Rolland in the District Court of Clark County, State of Nevada. The purpose of the Petition for Order to Compel Arbitration was to require Joffre Rolland, a former employee, to arbitrate employment issues that had arisen under contracts he had entered into with the Company. On November 3, 2000, the Nevada State Court ordered Joffre Rolland to arbitrate the dispute in the State of Nevada. Instead of arbitrating as required by the Nevada State Court Order, Joffre Rolland and Robin Rolland (the "Rollands") filed suit against the Company and ETC in October 2000 in the Circuit Court of Harrison County, West Virginia. The Rollands' complaint alleges that they suffered damages and are seeking in excess of $18 million in damages (including at least $18 million for lost sales royalties) for their claims for relief. The Company filed a petition in the U.S. District Court, District of Nevada, for an order compelling arbitration. On June 6, 2001, the U.S. District Court of Nevada ordered the dispute between the parties be arbitrated in Nevada, and that the action pending before the West Virginia State Court be stayed pending completion of the arbitration.

In a mutual release in full of all claims dated August 5, 2003, the Rollands received the following consideration:

(a) Integral agreed to amend U.S. patent number 6,320,548 B1 and U.S. patent number 6,329,950 B1 to add Joffre Rolland Jr. as an inventor.

(b) Joffre J. Rolland Jr. will be entitled to receive future royalties on any sales of products covered by U.S. patent number 6,320,548 B1 and U.S. patent number 6,329,950 B1.

(c) Joffre J. Rolland Jr. received $10,000 in cash and 37,500 shares of Integral common stock, issued pursuant to Rule 144.

The settlement has been recorded in the accounts at June 30, 2003.

(c) On April 4, 2003, a suit was filed against the Company by James E. Smith seeking damages in excess of one million dollars for claims for relief of Breach of Contract, Quantum Mervit and/or Promissory Estoppel, Fraud, Conversion and Negligence. The Company has denied these allegations and asserted several Affirmative Defenses.

In addition, the Company filed counter-claims against James E. Smith for relief of Intentional Misrepresentation, Breach of Contract Negligence, Misrepresentation, Rescission and Restitution. On August 30, 2004, the Court dismissed James E. Smith's claims for fraud and negligence by way of the Company's counter-claim for breach of oral contract and partially dismissed the counter-claims for intentional and negligent misrepresentation by way of James E. Smith's motion for summary judgement.

Trial is scheduled to commence on March 8, 2005.

10. COMPREHENSIVE LOSS

	2004	2003	2002	PERIOD FROM FEBRUARY 12, 1996 (INCEPTION) THROUGH JUNE 30, 2004
Net loss	$(2,543,848)	$(1,346,833)	$(3,836,191)	$ (16,772,897)
Other comprehensive income	0	0	0	46,267

Comprehensive loss	$(2,543,848)	$(1,346,833)	$(3,836,191)	$ (16,726,630)

PART III

ITEM 9. DIRECTORS, EXECUTIVE OFFICERS, PROMOTERS AND CONTROL PERSONS; COMPLIANCE WITH SECTION 16(A) OF THE EXCHANGE ACT.

Directors and Executive Officers of Registrant. The Company has a Board of Directors which is currently comprised of two members. Each director holds office until the next annual meeting of shareholders or until a successor is elected or appointed. The members of the Board and the executive officers of the Company and their respective age and position are as follows:

<TABLE>
<CAPTION>

Name	Age	Position with Registrant	Director of Registrant Since
<S>	<C>	<C>	<C>
William S. Robinson	47	Chairman, CEO and Treasurer	February 1996
William A. Ince	53	Director, President, Secretary and Chief Financial Officer	February 1996

</TABLE>

DIRECTORS AND EXECUTIVE OFFICERS OF INTEGRAL

WILLIAM ROBINSON
(Chairman, CEO and Treasurer)

As a co-founder of the Company (since 1996), Mr. Robinson has been responsible since the inception of Integral for securing funding in order to ensure the ongoing operations of Integral and its subsidiaries. Together with Mr. Ince, he has been responsible for the development and implementation of corporate strategies.

Mr. Robinson brings many years of management experience in finance, banking and corporate development. Previously, he acted as a director of a number of companies involved in natural resources, sales and marketing, and computer technologies.

WILLIAM A. INCE
(Director, President, Secretary and Chief Financial Officer)

Mr. Ince, a co-founder of the Company (since 1996), is responsible, along with Mr. Robinson, for the development and implementation of corporate strategies. He is also responsible for the accounting and financial systems and record-keeping of Integral and its subsidiaries.

Mr. Ince brings with him a background as a professional accountant and experience from management positions in finance and operations in several private companies. He has consulted to both private and public companies in the areas of marketing and finance, as well as turn-around situations. Mr. Ince has been responsible for "team building" efforts to ensure that each project is brought to fruition on a timely basis.

SIGNIFICANT EMPLOYEES OF THE COMPANY AND ITS SUBSIDIARIES

TOM AISENBREY, General Manager and Chief Technology Officer, has been with the Company since February 2001. Mr. Aisenbrey is an accomplished executive program manager with 27 years of experience in a variety of electronic industries, with design & development of multiple computer oriented products, specializing in wireless products. Mr. Aisenbrey is responsible for the development of the Company's antenna technologies.

AUDIT COMMITTEE AND AUDIT COMMITTEE FINANCIAL EXPERT DISCLOSURE

The Company does not have a separately-designated standing audit committee at this time because it is not required to do so. Accordingly, the Company does not have an audit committee financial expert.

CODE OF ETHICS

On September 20, 2004, the Board of Directors established a written code of ethics that applies to the Company's senior executive and financial officers. A copy of the code of ethics is included as an exhibit to this annual report.

SECTION 16(A) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Securities Exchange Act of 1934 requires the Company's officers and directors, and persons who own more than 10% of a registered class of the Company's equity securities, to file reports of ownership and changes in ownership with the Securities and Exchange Commission ("SEC"). Officers,

directors, and greater than 10% shareholders are required by SEC regulation to furnish the Company with copies of all Section 16(a) forms they file. Based solely on its review of copies of such reports received or written representations from certain reporting persons, the Company believes that, during the year ended June 30, 2003, all Section 16(a) filing requirements applicable to its officers, directors and ten percent shareholders were complied with by such persons.

ITEM 10. EXECUTIVE COMPENSATION.

(a) General

The following information discloses all plan and non-plan compensation awarded to, earned by, or paid to the executive officers of the Company, and other individuals for whom disclosure is required, for all services rendered in all capacities to the Company and its subsidiaries.

(b) Summary Compensation Table

The following table sets forth all compensation, including bonuses, stock option awards and other payments, paid or accrued by Integral and/or its subsidiaries, to or for Integral's Chief Executive Officer and each of the other executive officers of Integral, during the fiscal years ended June 30, 2004, 2003 and 2002.

		Annual Compensation		
(a) Name And Principal Position	(b) Year Ended June 30	(c) Salary ($)	(d) Bonus ($)	(e) Other Annual Compensation ($)
William S. Robinson, Director, Chairman, CEO, Treasurer	2004	$ 170,000	$ 57,110	-0-
	2003	$ 170,000	-0-	-0-
	2002	$ 156,000	-0-	-0-
William A. Ince, Director, President, Secretary, CFO	2004	$ 170,000	-0-	-0-
	2003	$ 170,000	-0-	-0-
	2002	$ 156,000	-0-	-0-

<TABLE>
<CAPTION>

			Long Term Compensation		
			Awards	Payouts	
(a) Name And Principal Position	(b) Year Ended June 30	(f) Restricted Stock Award(s) ($)	(g) Shares Underlying Options	(h) LTIP Payouts ($)	(i) All Other Compensation ($)
<S>	<C>	<C>	<C>	<C>	<C>
William S. Robinson, Chairman, CEO, Treasurer	2004	-0-	-0-	-0-	$368,943(n1,n2)
	2003	-0-	415,000	-0-	-0-
	2002	-0-	-0-	-0-	$ 93,600 (n3)
William A. Ince, Director, President, Secretary, CFO	2004	-0-	-0-	-0-	$ 32,268 (n2)
	2003	-0-	415,000	-0-	-0-
	2002	-0-	-0-	-0-	$ 93,600 (n3)

<FN>

(n1) In December 2003, the Company redeemed an aggregate of 118,572 shares of Series A Preferred Stock from Mr. Robinson at a predetermined redemption price of $3.50 per share. The stated value of the Series A Preferred Stock is $1.00 per share, which resulted in a redemption premium of $2.50 per share over the stated value (an aggregate of $296,430). Mr. Robinson tendered the shares of Series A Preferred Stock in payment of the aggregate exercise price of $415,000 for the exercise of 415,000 options to purchase common stock, and no cash was paid to Mr. Robinson.

(n2) A 5% dividend on the Series A Preferred Stock, payable in cash or shares of common stock at the election of the Company, had been accrued for the period from September 30, 1999 (date of issuance) to June 30, 2003, and was paid in cash during the fiscal year end June 30, 2004, with $72,513 paid to William S. Robinson and $32,268 paid to William A. Ince.

(n2) In March 2002, the Company redeemed an aggregate of 124,800 shares of Series A Preferred Stock from Mr. Robinson (62,400 shares) and Mr. Ince (62,400 shares) at a predetermined redemption price of $2.50 per share. The stated value of the Series A Preferred Stock is $1.00 per share, which resulted in a redemption premium of $1.50 per share over the stated value.

</TABLE>

(c) Option/SAR Grants in Last Fiscal Year

The information provided in the table below provides information with respect to individual grants of stock options for the year ended June 30, 2004 to each of the persons named in the Summary Compensation Table above. Integral did not grant any stock appreciation rights for the year ended June 30, 2004.

<TABLE>
<CAPTION>

OPTION/SAR GRANTS IN LAST FISCAL YEAR

Individual Grants

(a)	(b)	(c)	(d)	(e)
Name	Number of Securities Underlying Options/SARs Granted (#)	% of Total Options/SARS Granted to Employees in Fiscal Year (n1)	Exercise or Base Price ($/Sh)	Expiration Date
<S>	<C>	<C>	<C>	<C>
William S. Robinson, Chairman, CEO, Treasurer	-0-	-0-	N/A	N/A
William A. Ince, Director, President, Secretary, CFO	-0-	-0-	N/A	N/A

<FN>

(n1) The percentage of total options granted (255,000) in the fiscal year is based upon all options granted to eligible participants, which includes officers, directors, employees, consultants and advisors, under Integral's 2001 Stock Plan during the year ended June 30, 2004.

</TABLE>

(d) Aggregated Option/SAR Exercises in Last Fiscal Year and Fiscal Year-End Option/SAR Values

The information provided in the table below provides information with respect to each exercise of stock options during most recent fiscal year ended June 30, 2004 by the persons named in the Summary Compensation Table and the fiscal year end value of unexercised options.

<TABLE>
<CAPTION>

(a)	(b)	(c)	(d)	(e)
Name	Shares Acquired on Exercise (#)	Value Realized ($)(n1)	Number of Securities Underlying Unexercised Options/SARs at FY-End (#) Exercisable/ Unexercisable	Value of Unexercised In-the-Money Options/SARs at FY-End($) Exercisable/ Unexercisable(n1)
<S>	<C>	<C>	<C>	<C>
William S. Robinson Director, Chairman, CEO, Treasurer	415,000	$ 41,500	-0-/-0-	-0-/-0-
William A. Ince Director, President, Secretary, CFO	-0-	N/A	415,000/-0-	$ 62,250/-0-

</TABLE>

(n1) The aggregate dollar values in columns (c) and (e) are calculated by determining the difference between the fair market value of the common stock underlying the options and the exercise price of the options at exercise or fiscal year end, respectively.

(e) Long-Term Incentive Plans ("LTIP") - Awards in Last Fiscal Year

This table has been omitted, as no executive officers named in the Summary Compensation Table above received any awards pursuant to any LTIP during the fiscal year ended June 30, 2004.

(f) Compensation of Directors

No compensation was paid by Integral to its Directors for any service provided as a Director during the fiscal year ended June 30, 2004. There are no other formal or informal understandings or arrangements relating to compensation; however, Directors may be reimbursed for all reasonable expenses incurred by them in conducting Integral's business. These expenses would include out-of-pocket expenses for such items as travel, telephone, and postage.

(g) Employment Contracts and Termination of Employment and Change-in-Control Arrangements

As of the date of filing of this report, the current executive officers do not have written employment contracts.

Integral's Board of Directors has complete discretion as to the appropriateness of (a) key-man life insurance, (b) obtaining officer and

director liability insurance, (c) employment contracts with and compensation of executive officers and directors, (d) indemnification contracts, and (e) incentive plan to award executive officers and key employees.

Integral's Board of Directors is responsible for reviewing and determining the annual salary and other compensation of the executive officers and key employees of Integral. The goals of Integral are to align compensation with business objectives and performance and to enable Integral to attract, retain and reward executive officers and other key employees who contribute to the long-term success of Integral. Integral intends to provide base salaries to its executive officers and key employees sufficient to provide motivation to achieve certain operating goals. Although salaries are not specifically tied into performance, incentive bonuses may be available to certain executive officers and key employees. In the future, executive compensation may include without limitation cash bonuses, stock option grants and stock reward grants.

(h) Employee Benefit and Consulting Services Compensation Plans

As of June 30, 2004, Integral had two Employee Benefit and Consulting Services Compensation Plans in effect.

On January 2, 2001, Integral adopted an employee benefit and consulting services compensation plan entitled the Integral Technologies, Inc. 2001 Stock Plan (the "2001 Plan"), which was amended on December 17, 2001. As amended, the 2001 Plan covers up to 3,500,000 shares of common stock. The 2001 Plan has not previously been approved by security holders.

On April 4, 2003, Integral adopted an employee benefit and consulting services compensation plan entitled the Integral Technologies, Inc. 2003 Stock Plan (the "2003 Plan"). The 2003 Plan covers up to 1,500,000 shares of common stock. The 2003 Plan has not previously been approved by security holders.

Under both Plans, Integral may issue common stock and/or options to purchase common stock to certain officers, directors and employees and consultants of Integral and its subsidiaries. The purpose of the Plans is to promote the best interests of Integral and its shareholders by providing a means of non-cash remuneration to eligible participants who contribute to operating progress and earning power of Integral. The Plans are administered by Integral's Board of Directors or a committee thereof which has the discretion to determine from time to time the eligible participants to receive an award; the number of shares of stock issuable directly or to be granted pursuant to option; the price at which the option may be exercised or the price per share in cash or cancellation of fees or other payment which Integral or its subsidiaries is liable if a direct issue of stock and all other terms on which each option shall be granted.

ITEM 11. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS..

A. Common Stock

The following table sets forth, as of September 20, 2004 the stock ownership of each person known by Integral to be the beneficial owner of five percent or more of Integral's common stock, each Officer and Director individually and all Directors and Officers of Integral as a group. Each person is believed to have sole voting and investment power over the shares except as noted.

<TABLE>
<CAPTION>

Name and Address of Beneficial Owner (1)	Amount and Nature of Beneficial Ownership(1)(2)	Percent of Class (3)
<S>	<C>	<C>
William S. Robinson (4) #3 1070 West Pender St. Vancouver, B.C. V6E 2N7	2,373,533	5.9%
William A. Ince (5) 805 W. Orchard Dr., Suite #3 Bellingham, WA 98225	2,128,833	5.2%
All officers and directors of Integral as a group (2 persons)	4,502,366	11.1%

<FN>

(1) Unless otherwise indicated, all shares are directly beneficially owned and investing power is held by the persons named.

(2) Includes vested options beneficially owned but not yet exercised and outstanding, if any. The table does not include the effects of conversion by Mr. Robinson and Mr. Ince of their shares of Series A Convertible Preferred Stock ("Series A"), which are convertible into shares of common stock at a conversion rate that varies with the market price of the common stock at the time of conversion. The conversion rate is determined by dividing the number of shares of Series A being converted by the average of the high and low bid prices of Integral's common stock reported by the OTC Bulletin Board over the ten trading days preceding the date of conversion. Mr. Robinson owns 211,225 shares of Series A and Mr. Ince owns 109,813 shares of Series A. As of September 20, 2004, the conversion rate was $.78

per share, so Mr. Robinson's 211,225 shares of Series A were convertible into 270,801 shares of common stock, and Mr. Ince's 109,813 shares of Series A were convertible into 140,786 shares of common stock. The actual number of shares of common stock receivable by Messrs. Robinson and Ince upon conversion of the Series A would depend on the actual conversion rate in effect at the time of conversion.

(3) Based upon 40,225,849 shares issued and outstanding, plus the amount of shares each person or group has the right to acquire within 60 days pursuant to options, warrants, conversion privileges or other rights.

(4) Mr. Robinson is an officer and director of Integral and each of its subsidiaries.

(5) Mr. Ince is an officer and director of Integral and each of its subsidiaries. Beneficial ownership figure includes 415,000 shares underlying options.

</TABLE>

B. Series A Convertible Preferred Stock

The following table sets forth, as of September 20, 2004, the stock ownership of each person known by Integral to be the beneficial owner of five percent or more of Integral's Series A Convertible Preferred Stock, each Officer and Director individually and all Directors and Officers of Integral as a group. Each person is believed to have sole voting and investment power over the shares except as noted.

<TABLE>
<CAPTION>

Name and Address of Beneficial Owner (1)	Amount and Nature of Beneficial Ownership(1)	Percent of Class (2)
<S>	<C>	<C>
William S. Robinson (3) - #3 1070 West Pender St. Vancouver, B.C. V6E 2N7	211,225	65.8%
William A. Ince (4) - 805 W. Orchard Dr., Suite #3 Bellingham, WA 98225	109,813	34.2%
All officers and directors of Integral as a group (2 persons)	321,038	100%

<FN>

(1) Unless otherwise indicated, all shares are directly beneficially owned and investing power is held by the persons named.

(2) Based upon 321,038 Series A Convertible Preferred shares issued and outstanding.

(3) Mr. Robinson is an officer and director of Integral and each of its subsidiaries.

(4) Mr. Ince is an officer and director of Integral and each of its subsidiaries.

</TABLE>

EQUITY COMPENSATION PLAN INFORMATION

The following information concerning the Company's equity compensation plans is as of the end of the fiscal year ended June 30, 2004:

<TABLE>
<CAPTION>

Plan category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of options, warrants and rights (b)	Number of securities available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
<S>	<C>	<C>	<C>
Equity compensation plans approved by security holders	N/A	N/A	N/A
Equity compensation plans not approved by security holders	1,922,500	$ 0.94	1,530,000
Total	1,922,500	$ 0.94	1,530,000

</TABLE>

As of June 30, 2004, Integral had two Employee Benefit and Consulting Services Compensation Plans in effect.

On January 2, 2001, Integral adopted an employee benefit and consulting services compensation plan entitled the Integral Technologies, Inc. 2001 Stock Plan (the "2001 Plan"), which was amended on December 17, 2001. As amended, the 2001 Plan covers up to 3,500,000 shares of common stock. The 2001 Plan has not previously been approved by security holders.

On April 4, 2003, Integral adopted an employee benefit and consulting services compensation plan entitled the Integral Technologies, Inc. 2003 Stock Plan (the "2003 Plan"). The 2003 Plan covers up to 1,500,000 shares of common stock. The 2003 Plan has not previously been approved by security holders.

Under both Plans, Integral may issue common stock and/or options to purchase common stock to certain officers, directors and employees and consultants of Integral and its subsidiaries. The purpose of the Plans is to promote the best interests of Integral and its shareholders by providing a means of non-cash remuneration to eligible participants who contribute to operating progress and earning power of Integral. The Plans are administered by Integral's Board of Directors or a committee thereof which has the discretion to determine from time to time the eligible participants to receive an award; the number of shares of stock issuable directly or to be granted pursuant to option; the price at which the option may be exercised or the price per share in cash or cancellation of fees or other payment which Integral or its subsidiaries is liable if a direct issue of stock and all other terms on which each option shall be granted.

ITEM 12. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS.

During the last two fiscal years, the Company entered into the following transactions in with its officers and directors have a material interest:

(a) A 5% dividend on the Series A Preferred Stock, payable in cash or shares of common stock at the election of the Company, had been accrued for the period from September 30, 1999 (date of issuance) to June 30, 2003, and was paid in cash during the fiscal year end June 30, 2004, with $72,513 paid to William S. Robinson and $32,268 paid to William A. Ince. For the year ended June 30, 2004, $13,536 was accrued to Mr. Robinson and $5,491 was accrued to Mr. Ince.

(b) In December 2003, the Company redeemed 118,572 shares of Series A Preferred Stock from Mr. Robinson at a predetermined redemption price of $3.50 per share. The stated value of the Series A Preferred Stock is $1.00 per share, which resulted in a redemption premium of $2.50 per share over the stated value.

(c) During the fiscal year ended June 30, 2004, the Board of Directors authorized the payment of accrued interest on amounts since July 1, 2001 for loans made to the Company by officers and directors, at an average annual interest rate of 8%. A total of $15,000 was accrued to Mr. Robinson and a total of $22,000 was accrued to Mr. Ince.

ITEM 13. EXHIBITS AND REPORTS ON FORM 8-K.

(a) List of Exhibits.

<TABLE>
<CAPTION>

Exhibit No.	Description
<C>	<S>
3.1	Articles of Incorporation, as amended and currently in effect. (Incorporated by reference to Exhibit 3.1 of Integral's registration statement on Form 10-SB (file no. 0-28353) filed December 2, 1999.)
3.2	Bylaws, as amended and restated on December 31, 1997. (Incorporated by reference to Exhibit 3.2 of Integral's registration statement on Form 10-SB (file no. 0-28353) filed December 2, 1999.)
10.12	Integral Technologies, Inc. 2001 Stock Plan dated January 2, 2001, as amended December 17, 2001. (Incorporated by reference to Exhibit 10.12 of Integral's registration statement on Form S-8 (file no. 333-76058).)
10.15	Integral Technologies, Inc. 2003 Stock Plan dated April 4, 2003 (Incorporated by reference to Exhibit 10.15 of Integral's registration statement on Form S-8 (file no. 333-104522).)
10.16	Securities Purchase Agreement dated December 26, 2003, between the Registrant and Wellington Management Company, LLP. (Incorporated by reference to Exhibit 10.16 of Integral's Current Report on Form 8-K dated January 14, 2004 (filed January 28, 2004).)
10.17	Form of Common Stock Purchase Warrant related to the offering of securities described in Exhibit 10.16. (Incorporated by reference to Exhibit 10.17 of Integral's Current Report on Form 8-K dated January 14, 2004 (filed January 28, 2004).)
14.1	Code of Ethics adopted September 20, 2004. (Filed herewith.)
21.4	List of Subsidiaries. (Filed herewith.)
31.1	Section 302 Certification by the Corporation's Chief Executive Officer. (Filed herewith).
31.2	Section 302 Certification by the Corporation's Chief Financial Officer. (Filed herewith).
32.1	Section 906 Certification by the Corporation's Chief Executive Officer. (Filed herewith).
32.2	Section 906 Certification by the Corporation's Chief Financial Officer. (Filed herewith).

</TABLE>

(b) Reports on Form 8-K.

No current reports on Form 8-K were filed during the last quarter of the fiscal year ended June 30, 2004.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES.

The Company's board of directors reviews and approves audit and permissible non-audit services performed by Pannell Kerr Forster, Vancouver, Canada ("PKF"), as well as the fees charged by PKF for such services. In its review of non-audit service fees and its appointment of PKF as the Company's independent accountants, the board of directors considered whether the provision of such services is compatible with maintaining PKF's independence. All of the services provided and fees charged by PKF in the fiscal year ended June 30, 2004 were pre-approved by the board of directors.

AUDIT FEES

The aggregate fees billed for professional services rendered by PKF for the audit of our annual financial statements and the reviews of the financial statements included in our quarterly reports on Form 10-QSB for fiscal years ended June 30, 2004 and 2003 were $33,900 and $25,500, respectively.

AUDIT-RELATED FEES

There were no other fees billed by PKF during the last two fiscal years for assurance and related services that were reasonably related to the performance of the audit or review of the Company's financial statements and not reported under "Audit Fees" above.

TAX FEES

The were no fees billed for professional services rendered by PKF for tax compliance services in fiscal years ended June 30, 2004 and 2003.

ALL OTHER FEES

There were no other fees billed by PKF during the last two fiscal years for products and services provided by PKF.

SIGNATURES

In accordance with Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended, the Registrant caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized.

INTEGRAL TECHNOLOGIES, INC

Dated: October 4, 2004

/s/ William S. Robinson
William S. Robinson, Chief Executive Officer

/s/ William A. Ince
William A. Ince, Chief Financial Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, this Report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

Name	Title	Date
/s/ William S. Robinson William S. Robinson	Director, Chief Executive Officer	October 4, 2004
/s/ William A. Ince William A. Ince	Director, Chief Financial Officer	October 4, 2004

EXHIBIT INDEX

<TABLE>
<CAPTION>

Exhibit No.	Description
<C>	<S>
3.1	Articles of Incorporation, as amended and currently in effect. (Incorporated by reference to Exhibit 3.1 of Integral's registration statement on Form 10-SB (file no. 0-28353) filed December 2, 1999.)
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32.2	Section 906 Certification by the Corporation's Chief Financial Officer. (Filed herewith).

</TABLE>

INTEGRAL TECHNOLOGIES, INC.

CODE OF ETHICS

Adopted September 20, 2004

To further the Company's fundamental principles of honesty, loyalty, and fairness, the Company's Board of Directors (the "Board") has established and adopted this Code of Ethics (this "Code"). This Code strives to deter its Senior Financial Officers, including its principal executive officer, principal financial officer, principal accounting officer or persons performing similar functions, from any wrongdoing and to promote professional and ethical conduct. To the best of their knowledge and ability, the Senior Financial Officers shall:

- act with honesty and integrity including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;

- comply with applicable governmental laws, rules and regulations;

- provide full, fair, accurate, timely, and understandable disclosure in reports that the Company files with or submits to the Securities and Exchange Commission and in other public communications;

- promote the prompt internal reporting of violations of this Code to the Board;

- respect the confidentiality of information acquired in the course of employment; and

- be accountable for adherence to this Code.

This Code is subject to periodic review by the Board to ensure that this Code continues to support the interests of the shareholders and to meet any modifications required by changes in law or changes in activities of the Company. The Board shall be authorized to determine the appropriate actions taken in the event of a violation of this Code by any Senior Financial Officer.

EXHIBIT 21.4

LIST OF SUBSIDIARIES

1. Antek Wireless, Inc., a wholly-owned subsidiary of the Registrant, was incorporated in the State of Delaware on November 2, 1999.

2. Emergent Technologies Corp. was incorporated in the State of West Virginia on September 29, 1995. The Registrant holds an 76.625% equity interest in Emergent.

3. Integral Vision Systems Inc. was incorporated in the State of West Virginia on January 20, 1994. The Registrant acquired a 100% equity interest in Integral Vision in March 1997.

4. Plastenna, Inc., a wholly-owned subsidiary of the Registrant, was incorporated in the State of Delaware on February 16, 2001.

Exhibit 31.1

CERTIFICATION PURSUANT TO
18 U.S.C. ss.1350, AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, William S. Robinson, Chief Executive Officer of Integral Technologies, Inc., certify that:

1. I have reviewed this annual report on Form 10-KSB for the period ended June 30, 2004 of Integral Technologies, 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(s) 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(s) 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.

October 4, 2004

/s/ William S. Robinson

- ---
William S. Robinson, Chief Executive Officer

Exhibit 31.2

CERTIFICATION PURSUANT TO
18 U.S.C. ss.1350, AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, William A. Ince, Chief Financial Officer of Integral Technologies, Inc., certify that:

1. I have reviewed this annual report on Form 10-KSB for the period ended June 30, 2004 of Integral Technologies, 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(s) 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(s) 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.

October 4, 2004

/s/ William A. Ince

- ---

William A Ince, Chief Financial Officer

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. ss.1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

Solely for the purposes of complying with, and the extent required by 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned certifies, in his capacity as the Chief Executive Officer of Integral Technologies, Inc., that, to his knowledge, the annual report of the company on Form 10-KSB for the period ended June 30, 2004, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that the information contained in the report fairly presents, in all material respects, the company's financial condition and results of operations.

October 4, 2004

/s/ William S. Robinson
- ----------
William S. Robinson, Chief Executive Officer

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. ss.1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

Solely for the purposes of complying with, and the extent required by 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned certifies, in his capacity as the Chief Financial Officer of Integral Technologies, Inc., that, to his knowledge, the annual report of the company on Form 10-KSB for the period ended June 30, 2004, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that the information contained in the report fairly presents, in all material respects, the company's financial condition and results of operations.

October 4, 2004

/s/ William A. Ince
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William A. Ince, Chief Financial Officer