

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

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): September 7, 2017 (September 6, 2017)

Integral Technologies, Inc.

(Exact Name of Company as Specified in Charter)

Nevada	000-28353	98-0163519
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)
2605 Eastside Park Road Suite 1, Evansville, Indiana		47715
(Address of principal executive offices)		(Zip Code)

Company's telephone number, including area code: (812) 550-1770

(Former name or former address, if changed since last
report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 DFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4 (c) under the Exchange Act (17 CFR 240.13e-4)

Indicate by check mark whether the registrant is an emerging growth company as defined in as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company []

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. []

Item 1.01 Entry into a Material Definitive Agreement.**Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.**

On September 6, 2017, Integral Technologies, Inc. (the “Company”) entered into letter agreements (the “Letter Agreements”) eliminating approximately \$1,100,000 of unpaid debt the Company had been carrying on its balance sheet. The Letter Agreements require the Company to issue to certain consultants, employees, officers and directors options to purchase up to 5,000,000 shares of the Company’s common stock (the “Options”) in full satisfaction of an aggregate of the approximately \$1,100,000 owed by the Company for services provided by these individuals. The Options shall be issued outside of the Company’s equity incentive plans. The Options have an exercise price of \$0.05 per share and a term of 3 years.

As part of these transactions, the Company on September 6, 2017 entered into Letter Agreements with certain of its officers and directors pursuant to which they released the Company of the following debts in exchange for the issuance of Options to purchase shares:

- Doug Bathauer, the Company’s Chief Executive Officer and a director, released \$170,800 in accrued debt. The Company granted Mr. Bathauer Options to purchase 1,324,374 shares.
- Eli Dusenbury, the Company’s Chief Financial Officer, released \$96,000 of accrued debt. The Company granted Mr. Dusenbury Options to purchase 674,928 shares.
- James Eagan, a director and the Chairman of the Board, released \$145,000 in accrued debt. The Company granted Mr. Eagan Options to purchase 1,093,454 shares.
- Jeff Babka, a director, released \$60,000 in accrued debt. The Company granted Mr. Babka Options to purchase 421,800 shares.

The foregoing description of the Letter Agreement and the Options are qualified in their entirety by reference to the form of Letter Agreement and Form of Option Agreement, copies of which are filed as Exhibits 10.1 and 10.2, respectively, to this report and are incorporated by reference herein.

Item 3.02 Unregistered Sales of Equity Securities.

The information set forth in Items 1.01 and 5.02 is incorporated by reference herein.

The issuance of the Options described above was completed in accordance with the exemption provided by Section 4(a)(2) of the Securities Act of 1933, as amended (the “Securities Act”), as a transaction by an issuer not involving a public offering. The Options have not been registered under the Securities Act and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

[10.1 Form of Letter Agreement](#)

[10.2 Form of Option Agreement](#)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Company has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

INTEGRAL TECHNOLOGIES, INC.

Dated: September 7, 2017

By: /s/ Doug Bathauer

Name: Doug Bathauer

Title: Chief Executive Officer

[Company Letterhead to be Inserted]

September __, 2017

[Insert Addressee]

Dear [Insert Name]:

The following letter agreement (“Agreement”) shall memorialize and set forth the terms of the understanding between you (the “Provider”) and Integral Technologies, Inc. (the “Company”) in connection with the services you have provided to the Company prior to the date of this Agreement and the services to be provided to the Company on and after the date of this Agreement. The Provider and the Company shall be referred to together in this Agreement as “Parties.”

1. Accrued Debt. By execution hereof, the Parties acknowledge and agree that pursuant to the services provided to the Company by the Provider prior to the date of this Agreement, any and all payables due to the Provider by the Company through June 30, 2017 is equal to an aggregate of \$[INSERT Debt] (the “Accrued Payables”).
2. Settlement. Each of the Parties hereby agrees to forever cancel, terminate and discharge the Accrued Payables in its entirety and the Company shall, in full settlement of the Accrued Debt, make the following issuance to the Provider:

The Issuance of the following securities of the Company to the Provider as follows:

On the date of this Agreement – Options to purchase [INSERT #####] shares of the Company’s common stock at an exercise price of \$[INSERT AMOUNT], which options shall expire [###] years from the date of issuance.

The above issuance represents full settlement of any claims of whatever nature arising out of the Accrued Payables.

- 3 . Provider Release. Without any further action by the Provider or the Company, upon making the required issuance hereunder, the Provider shall irrevocably and unconditionally releases the Company, its officers, directors, advisors and agents and the Company’s predecessors, subsidiaries, affiliates, and all successors and assigns of any of the foregoing (collectively, the “**Releasees**”), of and from covenants, obligations and agreements that the Provider or the Provider’s heirs or assigns, ever had, now has, or hereafter can, shall, or may have, against the Releasees, arising out of the Provider’s services to the Company and the Accrued Payables.
 - 4 . Future Services. The Company agrees to engage and the Provider agrees to be engaged to provide the Company services commensurate to the services previously provided by the Provider to the Company pursuant to the terms outlined in a separate Consulting Agreement [entered into as of the date hereof].
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5 . Further Assurances. Each Party agrees promptly to execute and deliver, or cause to be executed and delivered, any instruments, documents or agreements as may be necessary or desirable to consummate the transactions contemplated under this letter agreement.

6 . Governing Law. This letter agreement will be governed by and construed in accordance with the internal laws of the State of New York without giving effect to any choice or conflict of law provision or rule (whether of the State of New York or any other jurisdiction) that would cause the application of Laws of any jurisdiction other than those of the State of New York.

7 . Counterparts. This letter agreement may be executed in one or more counterparts, all of which shall be considered one and the same agreement. In the event that any signature is delivered by facsimile transmission or by an e-mail which contains a portable document format (.pdf) file of an executed signature page, such signature page shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such signature page were an original thereof.

INTEGRAL TECHNOLOGIES, INC.

By _____
Name:
Title:

Agreed and Accepted:

[Insert Name of Consultant/Employee]

By _____
Name:
Title:

INTEGRAL TECHNOLOGIES, INC.
STOCK OPTION AGREEMENT

This STOCK OPTION AGREEMENT (the "Option Agreement"), dated as of the ____ day of ____ 2017 (the "Grant Date"), is between INTEGRAL TECHNOLOGIES, INC., a Nevada corporation (the "Company"), and _____ (the "Optionee").

WHEREAS, the Company desires to give the Optionee the opportunity to purchase _____ shares of common stock of the Company, par value \$0.001 per share ("Common Shares");

NOW, THEREFORE, in consideration of the mutual covenants hereinafter set forth and for other good and valuable consideration, the parties hereto, intending to be legally bound hereby, agree as follows:

1. Grant of Option. The Company hereby grants to the Optionee the right and option (the "Option") to purchase all or any part of an aggregate of _____ Common Shares. The Option is in all respects limited and conditioned as hereinafter provided. The Option is not issued under any of the Company's existing equity incentive plans and is not governed by the terms of such plans.

2. Exercise Price. The exercise price of the Common Shares covered by this Option shall be \$.05 per share.

3. Term. Unless earlier terminated pursuant to any provision of this Option Agreement, this Option shall expire 3 years from date of grant (the "Expiration Date"). This Option shall not be exercisable on or after the Expiration Date.

4. Exercise of Option. The Option shall vest at such time as the Company has sufficient authorized common stock such that 25 million shares shall be available for issuance, and will remain exercisable until it is exercised or until it terminates

5. Method of Exercising Option. Subject to the terms and conditions of this Option Agreement, the Option may be exercised by written notice to the Company at its principal office. The form of such notice is attached hereto and shall state the election to exercise the Option and the number of whole shares with respect to which it is being exercised; shall be signed by the person or persons so exercising the Option; and shall be accompanied by payment of the full exercise price of such shares. Only full shares will be issued.

The exercise price shall be paid to the Company:

- (a) in cash, or by certified check, bank draft, or postal or express money order;
 - (b) through the delivery of Common Shares previously acquired by the Optionee;
 - (c) by delivering a properly executed notice of exercise of the Option to the Company and a broker, with irrevocable instructions to the broker promptly to deliver to the Company the amount necessary to pay the exercise price of the Option;
 - (d) in Common Shares newly acquired by the Optionee upon exercise of the Option; or
 - (e) in any combination of (a), (b), (c) or (d) above.
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In the event the exercise price is paid, in whole or in part, with Common Shares, the portion of the exercise price so paid shall be equal to the Fair Market Value of the Common Shares surrendered on the date of exercise. "Fair Market Value" means the closing price on the final trading day immediately prior to the Grant Date of the Common Shares on the principal securities exchange on which the Common Shares are listed (if the Common Shares are so listed), or on the NASDAQ Stock Market or OTC Bulletin Board (if the Common Shares are regularly quoted on the NASDAQ Stock Market or OTC Bulletin Board, as the case may be), or, if not so listed, the mean between the closing bid and asked prices the Common Shares in the over the counter market, or, if such bid and asked prices shall not be available, as reported by any nationally recognized quotation service selected by the Company, or as determined by the Board. Anything in this Section 2 to the contrary notwithstanding, in no event shall the purchase price per share of the Common Shares be less than the minimum price permitted under the rules and policies of any national securities exchange on which Common Shares are listed.

Upon receipt of notice of exercise and payment, the Company shall deliver a certificate or certificates representing the Common Shares with respect to which the Option is so exercised. The Optionee shall obtain the rights of a shareholder upon receipt of a certificate(s) representing such Common Shares.

Such certificate(s) shall be registered in the name of the person so exercising the Option (or, if the Option is exercised by the Optionee and if the Optionee so requests in the notice exercising the Option, shall be registered in the name of the Optionee and the Optionee's spouse, jointly, with right of survivorship), and shall be delivered as provided above to, or upon the written order of, the person exercising the Option. In the event the Option is exercised by any person after the death or disability of the Optionee, the notice shall be accompanied by appropriate proof of the right of such person to exercise the Option. All Common Shares that are purchased upon exercise of the Option as provided herein shall be fully paid and non-assessable.

Upon exercise of the Option, Optionee shall be responsible for all employment and income taxes then or thereafter due (whether Federal, State or local), and if the Optionee does not remit to the Company sufficient cash (or, with the consent of the Board, Common Shares) to satisfy all applicable withholding requirements, the Company shall be entitled to satisfy any withholding requirements for any such tax by disposing of Common Shares at exercise, withholding cash from Optionee's salary or other compensation or such other means as the Board considers appropriate to the fullest extent permitted by applicable law.

6. Non-Transferability of Option. This Option is not assignable or transferable, in whole or in part, by the Optionee other than by will or by the laws of descent and distribution. During the lifetime of the Optionee, the Option shall be exercisable only by the Optionee or, in the event of his or her disability, by his or her guardian or legal representative.

7. Disability. If the Optionee becomes disabled prior to the Expiration Date, then this Option may be exercised by the Optionee or by the Optionee's legal representative.

8. Death. If the Optionee dies prior to the Expiration Date, then this Option may be exercised by the Optionee's estate, personal representative or beneficiary who acquired the right to exercise this Option by bequest or inheritance or by reason of the Optionee's death, to the extent of the number of Common Shares with respect to which the Optionee could have exercised it on the date of his or her death, at any time prior to the later of (i) the Expiration Date or (ii) one year after the date of the Optionee's death. Any part of the Option that was not exercisable immediately before the Optionee's death shall terminate at that time.

10. Securities Matters. (a) If, at any time, counsel to the Company shall determine that the listing, registration or qualification of the Common Shares subject to the Option upon any securities exchange or under any state or federal law, or the consent or approval of any governmental or regulatory body, or that the disclosure of non-public information or the satisfaction of any other condition is necessary as a condition of, or in connection with, the issuance or purchase of Common Shares hereunder, such Option may not be exercised, in whole or in part, unless such listing, registration, qualification, consent or approval, or satisfaction of such condition shall have been effected or obtained on conditions acceptable to the Board of Directors. The Company shall be under no obligation to apply for or to obtain such listing, registration or qualification, or to satisfy such condition. The Board shall inform the Optionee in writing of any decision to defer or prohibit the exercise of an Option. During the period that the effectiveness of the exercise of an Option has been deferred or prohibited, the Optionee may, by written notice, withdraw the Optionee's decision to exercise and obtain a refund of any amount paid with respect thereto.

(b) The Company may require: (i) the Optionee (or any other person exercising the Option in the case of the Optionee's death or disability) as a condition of exercising the Option, to give written assurances, in substance and form satisfactory to the Company, to the effect that such person is acquiring the Common Shares subject to the Option for his or her own account for investment and not with any present intention of selling or otherwise distributing the same, and to make such other representations or covenants; and (ii) that any certificates for Common Shares delivered in connection with the exercise of the Option bear such legends, in each case as the Company deems necessary or appropriate, in order to comply with federal and applicable state securities laws, to comply with covenants or representations made by the Company in connection with any public offering of its Common Shares or otherwise. The Optionee specifically understands and agrees that the Common Shares, if and when issued upon exercise of the Option, may be "restricted securities," as that term is defined in Rule 144 under the Securities Act of 1933 and, accordingly, the Optionee may be required to hold the shares indefinitely unless they are registered under such Securities Act of 1933, as amended, or an exemption from such registration is available.

(c) The Optionee shall have no rights as a shareholder with respect to any Common Shares covered by the Option (including, without limitation, any rights to receive dividends or non-cash distributions with respect to such shares) until the date of issue of a stock certificate to the Optionee for such Common Shares. No adjustment shall be made for dividends or other rights for which the record date is prior to the date such stock certificate is issued.

11. Governing Law. The laws of the State of New York (without reference to the principles of conflict of laws) shall govern the operation of, and the rights of the Optionee and the Options granted herein.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Company has caused this Stock Option Agreement to be duly executed by its duly authorized officer, and the Optionee has hereunto set his hand and seal, all as of the ___ day of _____ 2017.

INTEGRAL TECHNOLOGIES, INC.

By: _____

Name:

Title:

By: _____

Name: Optionee

INTEGRAL TECHNOLOGIES, INC.
Notice of Exercise of Stock Option

I hereby exercise the stock option granted to me pursuant to the Stock Option Agreement dated as of _____, 2017, by INTEGRAL TECHNOLOGIES, INC. (the "Company"), with respect to the following number of shares of the Company's common stock ("Shares"), par value \$0.001 per Share, covered by said option:

Number of Shares to be purchased: _____

Purchase price per Share: \$ _____

Total purchase price: \$ _____

- A. Enclosed is cash or my certified check, bank draft, or postal or express money order in the amount of \$ _____ in full/partial **[circle one]** payment for such Shares;

and/or

- B. Enclosed is/are Share(s) with a total Fair Market Value of \$ _____ in full/partial **[circle one]** payment for such Shares;

and/or

- C. I have provided notice to **[insert name of broker]**, a broker, who will render full/partial **[circle one]** payment for such Shares. **[Optionee should attach to the notice of exercise provided to such broker a copy of this Notice of Exercise and irrevocable instructions to pay to the Company the full exercise price.]**

and/or

- D. I elect to satisfy the payment for Shares purchased hereunder by having the Company withhold newly acquired Shares pursuant to the exercise of the Option.

Please have the certificate or certificates representing the purchased Shares registered in the following name or names*: ; and sent to .

DATED: _____
Optionee's Signature

*Certificates may be registered in the name of the Optionee alone or in the joint names (with right of survivorship) of the Optionee and his or her spouse.