

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): October 15, 2019 (October 11, 2019)

THE CORETEC GROUP INC.

(Exact name of registrant as specified in its charter)

Oklahoma

(State or other jurisdiction
of incorporation or organization)

000-54697

(Commission
File Number)

73-1479206

IRS Employer
Identification No.)

**6804 South Canton Avenue, Suite 150
Tulsa, OK**

(Address of Principal Executive Offices)

74136

(Zip Code)

(918) 494-0505

(Registrant's telephone number, including area code)

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
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act
- 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(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class N/A	Trading Symbol(s) N/A	Name of each exchange on which registered N/A
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Indicate by check mark whether the registrant is an emerging growth company 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 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant

On October 15, 2019, The Coretec Group, Inc. (the “Company”) received the first advance of financing under a credit agreement (the “Credit Agreement”) and related convertible promissory note (the “Note”) that the Company entered into, on October 11, 2019, with Diversified Alpha Fund of Navigator Global Fund Manager Platform SPC, a Grand Cayman entity (the “Lender”).

The Credit Agreement and Note, among other things, provide for borrowings by the Company from the Lender in an aggregate principal amount of up to \$2,500,000, to be issued in advances from time to time in aggregate amounts not to exceed \$175,000 in any thirty day period. Interest and fees payable under the Agreement shall be determined pursuant to the terms set forth in the Credit Agreement and Note.

Pursuant to the Credit Agreement and Note, the Lender has the right to convert all or part of the Note to shares of common stock of the Company at a price determined by the terms set forth in the Credit Agreement and Note. All shares underlying the Note that may be issued to the Lender shall be fully paid, non-assessable restricted shares of common stock of the Company.

In addition, as an inducement to enter into the Credit Agreement and to fund each advance thereunder, the Company issued to the Lender a warrant (the “Warrant”) to purchase up to 3,000,000 shares of the Company’s common stock (“Common Stock”), which number of Common Stock issuable upon exercise of the Warrant shall be proportionate, as set forth in the Warrant, to the principal amount under the Note actually advanced.

The foregoing descriptions of the Credit Agreement, the Note and the Warrant, do not purport to be complete and are subject to and qualified by reference to the full text of such documents, which are attached as exhibits to this Form 8-K.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
10.1	Credit Agreement dated as of October 4, 2019
10.2	Promissory Note dated as of October 4, 2019
10.3	Warrant dated as of October 4, 2019

SIGNATURES

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

THE CORETEC GROUP, INC.

Date: October 15, 2019

By: /s/ Ronald W. Robinson
Name: Ronald W. Robinson
Title: Chief Financial Officer

CREDIT AGREEMENT

by and between

The Coretec Group Inc.

and

**Diversified Alpha Fund of Navigator Global
Fund Manager Platform SPC**

Dated as of October 4, 2019

CREDIT AGREEMENT

THIS CREDIT AGREEMENT (this “**Agreement**”) is made effective as of this 4th day of October, 2019, by and between **The Coretec Group Inc.**, an Oklahoma corporation (“**Borrower**”), and **Diversified Alpha Fund of Navigator Global Fund Manager Platform SPC**, a Grand Cayman entity, located at c/o Mainstream Fund Services Ltd., 3rd Floor, Citrus Grove, Goring Avenue, P.O. Box 10364, Grand Cayman (“**Lender**”).

RECITALS:

- A. Borrower wishes to borrow from Lender funds in an amount of up to Two Million Five Hundred Thousand and 00/100th Dollars (\$2,500,000.00) in accordance with the terms and conditions of this Agreement.
- B. As of the date hereof, Lender has not advanced any amounts to Borrower.
- C. Defined terms used in this Agreement have the meanings ascribed to them in the Definitions set forth below.
- D. The Loan is evidenced by the Note and the other Loan Documents.

DEFINITIONS:

For the purposes of this Agreement, the following terms shall have the following respective meanings, unless the context hereof clearly requires otherwise:

Advance: An advance of the Loan funds by Lender to Borrower. The Advance received by Borrower shall be reduced by the Commitment Fee, all reasonable legal and out-of-pocket expenses incurred by Lender related to this Agreement and interest equal to six (6) months of interest on the Advance (which shall be credited by Lender when earned after the first two quarterly interest payments on the Advance are due).

Agreement: This Credit Agreement, including any amendments hereof and supplements hereto, executed by Borrower and Lender.

Borrower: The Coretec Group, Inc., an Oklahoma corporation.

Business Day: Any day other than a Saturday, a Sunday, or a legal holiday in the State of Minnesota.

Code: The Internal Revenue Code of 1986, as amended.

Commitment Fee: Commitment fee payable by Borrower to Lender in an amount equal to three percent (3%) of each Advance. The Commitment Fee is due upon each Advance and shall be withheld from each Advance.

Event of Default: An Event of Default specified in Section 6.1 hereof.

Governmental Requirements: All laws, statutes, codes, ordinances, and governmental rules, regulations, and requirements applicable to Borrower and Lender.

Indebtedness: As to any Person means (i) all items (except items of capital stock or of surplus) which in accordance with GAAP would be included in determining total liabilities as shown on the liability side of a balance sheet of such Person as at the date as of which Indebtedness is to be determined; (ii) to the extent not included in the foregoing, all indebtedness, obligations, and liabilities secured by any mortgage, pledge, lien, conditional sale or other title retention agreement or other security interest to which any property or asset owned or held by such Person is subject, whether or not the indebtedness or liabilities secured thereby shall have been assumed by such Person; and (iii) to the extent not included in the foregoing, all indebtedness and liabilities of others which such Person has directly or indirectly guaranteed, endorsed (other than for collection or deposit in the ordinary course of business), sold with recourse, or agreed (contingently or otherwise) to purchase or repurchase or otherwise acquire or in respect of which such Person has agreed to supply or advance funds (whether by way of loan, stock purchase, capital contribution or otherwise) or otherwise to become directly or indirectly liable.

Lender: Diversified Alpha Fund of Navigator Global Fund Manager Platform SPC, a Grand Cayman entity, and its successors and/or assigns.

Loan: The Advances made pursuant to Section 3 of this Agreement in an outstanding amount that at any time shall not exceed Two Million Five Hundred Thousand and 00/100th Dollars (\$2,500,000.00) of principal or such additional amounts as approved by the Lender in its sole discretion and evidenced by the Note. Advances shall be made as provided in the Schedule attached as Exhibit B and incorporated herewith, subject to the limitations as provided herein.

Loan Closing Date: The date on which the Loan Documents are executed and delivered by Borrower and Lender, as applicable, and Borrower, Lender, and any third parties, as applicable.

Loan Documents: The documents described in this Agreement, which evidence the Loan, including, but not limited to:

- (i) the Note;
- (ii) this Agreement;
- (iii) such other documents as Lender may require to evidence the Loan; and
- (iv) any amendments and/or restatements thereof and supplements thereto executed by Borrower and Lender, as applicable, and Borrower, Lender, and any third parties, as applicable.

Note: That certain Promissory Note of even date herewith in the form attached hereto as Exhibit A from Borrower to Lender in the principal amount of up to Two Million Five Hundred Thousand and 00/100th Dollars (\$2,500,000.00), which evidences Borrower's obligation to repay the Loan with interest and other fees/costs, and each amendment, modification, extension, or renewal thereof.

Person: an individual, a corporation, partnership, limited liability company or a government or any agency or subdivision thereof, or any other entity.

AGREEMENT:

1. Loan.

1.1 Principal. Subject to the conditions and upon the terms herein provided, Lender irrevocably agrees to make future Advances to Borrower from time to time, in accordance with the schedule set forth in Exhibit B, during the term of this Agreement in an aggregate amount not to exceed at any time Two Million Five Hundred Thousand and 00/100th Dollars (\$2,500,000.00). Such Advances shall not exceed One Hundred Seventy-Five Thousand and 00/100th Dollars (\$175,000.00) in any thirty (30) day period. Although the Note will be in the face amount of the total amount of the Loan, Borrower shall be obligated to pay only the amounts actually disbursed and unpaid hereunder, together with interest on the outstanding principal balance thereof at the rate specified in the Note and such other charges provided for in this Agreement and the other Loan Documents.

1.2 Interest. Borrower shall pay to Lender interest in compliance with the terms of the Note. In the event that the interest and/or charges in the nature of interest, if any, provided for by the Note, or by any other Loan Document, shall contravene a legal or statutory limitation applicable to the Loan, if any, Borrower shall pay only such amounts as would legally be permitted; provided, however, that if the defense of usury and all similar defenses are unavailable to Borrower, Borrower shall pay all amounts provided for herein. If, for any reason, amounts in excess of the amounts permitted in the foregoing sentence shall have been paid, received, collected, or applied hereunder, whether by reason of acceleration or otherwise, then, and in that event, any such excess amounts shall be applied to principal, unless principal has been fully paid, in which event such excess amount shall be refunded to Borrower. Borrower hereby represents and warrants that the Loan will be solely used for business purposes.

1.3 Prepayment. Prepayment of the principal advanced hereunder and of accrued interest thereon, in full or in part, shall be made in compliance with the terms of the Note.

1.4 Commitment Fee. The Borrower agrees to pay the Commitment Fee to the Lender upon each and every Advance made by Lender to Borrower, which is due and payable upon the extension of each Advance by Lender and which shall be withheld by Lender from each Advance.

1.5 Reimbursement of Expenses. The Borrower shall promptly pay and reimburse the Lender for any and all out-of-pocket expenses, fees and disbursements including, but not limited to, reasonable attorneys' fees, incurred in connection with the preparation, interpretation, performance and enforcement of this Credit Agreement, the Loan Documents and any other documents related thereto, and pay on demand all costs and expenses of enforcement and collection of the Loans made hereunder or any loan to be made hereinafter including, but not limited to, attorneys' fees, whether or not suit is filed or for the pursuance of, or defense of, any litigation, appellate, bankruptcy or insolvency proceeding. Such payments may be withheld from any current or future Advance from the Lender to the Borrower as determined by the Lender in its sole discretion.

1.6 Optional Conversion. Lender shall have the right to elect to convert all or part of the Note to common stock of the Borrower at a price equal to seventy percent (70%) of the average closing price of the Borrower's common stock as reported on the over-the-counter quotation system on the OTC Markets during the fifteen (15) calendar days prior to the date of the Loan Closing Date (i.e., if the common stock's average over-the-counter market price is \$0.10 per share and the total principal and accrued interest payable is \$2,000,000, Lender would be entitled to 28,571,429 (\$2,000,000/\$0.07 per share at discount value) common shares of the Borrower). In the event of Lender's election to convert, Lender shall provide Borrower with written notice of its election to convert the Note to common stock of the Borrower. A closing (the "Closing") on the conversion shall occur not more than thirty (30) days after Lender's written notice as mutually agreed by the parties. At the Closing, if the Lender exercises the Lender's optional right to conversion, (i) all or a portion of the principal and accrued interest payable under the Note issued hereunder as designated by the Lender or Borrower shall be automatically converted into shares of restricted common stock, as provided herein; (ii) the Lender shall deliver the Note to the Borrower for cancellation if the Note is fully converted; and (iii) the Note shall immediately become null, void, and of no further force and effect if the Note is fully converted regardless of its delivery to and receipt by the Borrower and shall be deemed to represent only shares of the common stock into which it has been converted if the Note is fully converted. The Borrower shall, during the time that the Note remains outstanding, reserve and keep available out of its authorized but unissued shares a sufficient number of shares to effect the conversion of the Note. In the event that, on the date of conversion of the Note, the number of authorized but unissued shares of the Borrower is not sufficient to enable the Borrower to issue the number of shares issuable upon such conversion or exercise, the Borrower shall forthwith use its best efforts to cause its Articles of Incorporation to be amended to increase the number of authorized shares to an amount at least sufficient to enable the Lender to convert the Note.

2. Conditions of Borrowing. Lender shall not be required to make any Advances hereunder until the pre-closing requirements, conditions, and other requirements set forth in this Section 2 have been completed and fulfilled to the sole satisfaction of Lender, and the further conditions set forth in Section 3 are completed and fulfilled. On or before the Loan Closing Date, Borrower shall execute and deliver (or cause to be executed and delivered) to Lender the Note, this Agreement and all other documents required by the Lender. For the avoidance of doubt, the Borrower, in its sole discretion, shall not be required to accept any Advances and that the Borrower's decision to reject any particular Advance shall not constitute a breach of any Loan Documents or an Event of Default.

3. Advances of Loan Proceeds. Upon fulfillment of the applicable conditions precedent set forth in this Section 3, Lender shall make Advances to Borrower pursuant to the Schedule set forth in Exhibit B by Lender subject to the conditions precedent to the Advances as set forth below.

3.1 Loan Documents. Prior to any Advance on the Loan Closing Date, Borrower shall deliver each of the Loan Documents, except as otherwise provided herein, duly executed by Borrower, as applicable, all in accordance with terms and conditions acceptable to Lender.

3.2 No Default by Borrower. As to any future Advance, there shall be no Event of Default.

3.3 Not to Exceed Amount. As to any Advance, the total of the outstanding principal balance under this Agreement and the Note, plus the amount of such Advance, shall in no event at any time exceed Two Million Five Hundred Thousand and 00/100th Dollars (\$2,500,000.00) except as approved by the Lender in its sole discretion. In the event that at any time the outstanding principal balance of the Note exceeds the limit imposed by this subsection, within three (3) Business Days after receiving notice from Lender of such violation, Borrower shall cause a payment to be made to Lender in the amount necessary to become in compliance with such limit, except as approved by the Lender in its sole discretion.

3.4 Good Standing. As a condition to any Advance, Borrower, if and only if requested by the Lender, shall have provided evidence to Lender that Borrower is in good standing, and duly qualified to do business, in the State of Oklahoma and any other state in which it does business.

3.5 Solvency. The Borrower shall not have filed for or have had a bankruptcy or insolvency proceeding filed against it and shall be able to carry on business in its regular course as reasonably determined by the Lender.

3.6 Golden State Investors. Prior to the initial Advance hereunder, the Borrower shall have entered into a written agreement with Golden State Investors ("GSI") to repay its Indebtedness to GSI immediately after the initial Advance in an amount not greater than Ninety Thousand and 00/100th Dollars (\$90,000.00).

3.7 Capital. The Lender has raised capital sufficient to fund its other investments and the Advance as determined by the Lender in its sole discretion.

3.8 Management. The Borrower shall have entered into a contract engaging (i) with respect to any Advance after the second Advance the Borrower's chief executive officer under an agreement satisfactory to the Lender as determined in its sole discretion, and (ii) with respect to any Advance after the fifth Advance, a public relations/marketing manager under an agreement satisfactory to the Lender as determined in its sole discretion.

4. Representations and Warranties of Borrower. While this Agreement is in effect, and until Lender has been paid in full the principal and interest on all Advances made by Lender hereunder and under the other Loan Documents, Borrower represents and warrants to Lender that:

4.1 Authority of Borrower. The Borrower has all power, authority, permits, consents, authorizations, and licenses necessary to carry on its business and to execute, deliver, and perform Loan Documents to which each is a party; this Agreement and the other Loan Documents as provided herein have been duly authorized, executed, and delivered by Borrower so as to constitute the valid and binding obligations of Borrower, enforceable in accordance with their terms and as provided herein; and the Borrower is qualified to do business in all locations in which it is doing business.

4.2 No Breach of Applicable Agreements or Laws. The consummation of the transactions contemplated hereby and the execution, delivery, and/or performance of this Agreement and the other Loan Documents will not result in any breach of or constitute a default under any mortgage, deed of trust, lease, bank loan, credit agreement, or other instrument or violate any Governmental Requirements to which Borrower is a party, or by which Borrower may be bound or affected.

4.3 No Litigation or Defaults. There are no actions, suits, or proceedings pending or, to the knowledge of Borrower, threatened against or affecting Borrower or involving the validity or enforceability of the Loan Documents or the priority of the lien thereof, at law or in equity; and Borrower is not in default under any order, writ, injunction, decree, or demand of any court or any administrative body having jurisdiction over Borrower.

4.4 Financial and Other Information. The financial statements of Borrower previously or hereafter delivered to Lender were, or will be, prepared by Borrower from its books and records and fairly present, or will fairly present, the financial condition of Borrower, each as of the dates of such statements, including, without limitation, all contingent liabilities (to the extent required to be reflected on a balance sheet prepared in accordance with GAAP) and guaranties by Borrower of third party obligations. To the best knowledge of Borrower, there is no fact which materially adversely affects or is reasonably likely to materially adversely affect the business or prospects or condition (financial or other) of Borrower or its properties or assets, which has not been set forth herein or in a certificate or statement furnished to Lender by Borrower.

4.5 Tax Returns. All tax returns and reports of Borrower required to be filed, have been filed, and Borrower has paid all taxes due and payable. Borrower knows of no basis for additional assessments with respect to any taxes.

4.6 Insolvency. Any borrowing made by Borrower under this Agreement does not and will not render Borrower insolvent under the Bankruptcy Code, as amended; Borrower is not contemplating either the filing of a petition by it under any state or federal Bankruptcy or insolvency laws or the liquidating of all or a major portion of their respective properties, and Borrower has no knowledge of any person contemplating the filing of any such petition against Borrower.

4.7 Title to Assets. Except as contemplated by this Agreement or as previously disclosed in the financial statements of Borrower or in writing to Lender and accepted by Lender, Borrower owns and has good title to all of its assets free and clear of all security interests, and has not executed any security documents or financing statements relating to such assets. All assets of Borrower are titled in its respective legal name and Borrower has not used or filed a financing statement under any other name.

4.8 Environmental Matters. Borrower is in compliance in all material respects with all applicable federal or state environmental, hazardous waste, health and safety statutes, and any rules or regulations adopted pursuant thereto, which govern or affect any of its operations and/or properties, including without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, the Superfund Amendments and Reauthorization Act of 1986, the Federal Resource Conservation and Recovery Act of 1976, and the Federal Toxic Substances Control Act, as any of the same may be amended, modified or supplemented from time to time. None of the operations of Borrower is the subject of any federal or state investigation evaluating whether any remedial action involving a material expenditure is needed to respond to a release of any toxic or hazardous waste or substance into the environment. Borrower does not have any contingent liability in connection with any release of any toxic or hazardous waste or substance into the environment.

4.9 Patriot Act. Borrower is not acting, directly or indirectly for, or on behalf of, any person, group, entity or nation named by any Executive Order of the President of the United States of America (including the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism) or the United States Treasury Department, as a terrorist, "Specially Designated National and Blocked Person," or other banned or blocked person, entity, or nation pursuant to any law that is enforced or administered by the United States Office of Foreign Assets Control, and is not engaging in this transaction, directly or indirectly, on behalf of, or instigating or facilitating this transaction, directly or indirectly, on behalf of, any such person, group, entity or nation.

4.10 Non-Foreign Entity. Borrower is not a "foreign person" or "foreign corporation" as those terms are defined in the Code and the regulations promulgated thereunder.

4.11 Condemnation. There is no condemnation or eminent domain proceeding pending or, to the actual knowledge of Borrower, threatened against any of the Borrower's assets.

5. Covenants of Borrower. While this Agreement is in effect, and until Lender has been paid in full the principal of and interest on all Advances made by Lender hereunder and under the other Loan Documents or unless Lender otherwise consents or waives:

5.1 Keeping of Records. Borrower shall set up and maintain accurate and complete books, accounts, and records pertaining to the Borrower's assets in a manner acceptable to Lender. Borrower shall permit representatives of Lender to have free access to and to inspect and copy all such books, records, and contracts of Borrower, upon reasonable advance written notice to Borrower. Any such inspection by Lender shall be for the sole benefit and protection of Lender, and Lender, may, but shall have no obligation to, disclose the results thereof to Borrower. Lender or its designated representative shall, at all times while sums under the Loan are outstanding, during normal business hours, have the right to inspect all books, leases, contracts, and records, including, but not limited to, financial records of Borrower relating to the Borrower's assets; provided, however, that reasonable arrangements are made to minimize disruption of the business of Borrower.

5.2 Notice to Lender of Litigation, Etc. Borrower shall promptly advise Lender in writing of: (i) all litigation, regardless of amount, affecting Borrower or any part of the Borrower's assets; and (ii) all notices, complaints, and charges made by any governmental authority affecting the Borrower's assets, Borrower or any of its businesses.

5.3 Transferring, Conveying, or Encumbering the Borrower's Property. Borrower shall not voluntarily or involuntarily, other than in the ordinary course of business and consistent with the Borrower's Business Plan approved by the Lender, agree to, cause, suffer, or permit: (i) any sale, transfer or conveyance of any interest of Borrower, legal or equitable, in the Borrower's assets or any part or portion thereof after its acquisition; or (ii) any pledge, encumbrance, or lien to be imposed or remain outstanding against the Borrower's assets after its acquisition except as created, allowed or contemplated by the Loan Documents, without, in each instance, the prior written consent of Lender.

5.4 Redemptions or Transfers. Without the express written consent of the Lender, Borrower shall not directly or indirectly (i) pay any dividends or make any distributions to its shareholders; or (ii) make any payments to the Borrower's shareholders or any person related, directly or indirectly, to the Borrower's shareholders, other than payments for salary, management fees, existing indebtedness or service fees (the "Permitted Payments"), provided such Permitted Payments are upon terms and conditions that are intrinsically fair, commercially reasonable and substantially similar to those that would be available on an arms-length basis with third parties who are not Borrower's shareholders or any person related, directly or indirectly, to the Borrower's shareholders except as otherwise provided in the Business Plan approved by Lender.

5.5 Compliance with the Loan Documents and Other Documents. Borrower shall comply with and perform all of their respective agreements and obligations under the Loan Documents and under all other contracts and agreements to which Borrower is a party, and shall comply with all requests by Lender which are consistent with the terms thereof.

5.6 Existence and Identity. Borrower shall not change its status as a corporation without the prior written consent of Lender, which consent may be withheld in Lender's sole and absolute discretion, nor shall Borrower cease to do business or engage in any line of business materially different from its current business by Borrower and discussed with the Lender and its related advisors.

5.7 Consolidation and Mergers. Borrower shall not consolidate with or merge into any other entity or person, or permit any other entity or person to merge into it.

5.8 Anti-Terrorism. Borrower shall not: (i) conduct any business or engage in making or receiving any contribution of funds, goods, or services to or for the benefit of any person which conduct is prohibited under the laws of the United States; (ii) deal in, or otherwise engage in any transaction relating to, any property or interests in property blocked pursuant to the executive order or any other laws of the United States; (iii) engage in or conspire to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set forth in any laws of the United States; or (iv) be or become subject at any time to any law, regulation or list of any government agency (including, without limitation, the United States Office of Foreign Asset Control list) that prohibits or limits Lender from making any advance or extension of credit to Borrower or from otherwise conducting business with Borrower.

5.9 Taxes. Borrower shall pay and discharge all lawful claims, including taxes, assessments and governmental charges or levies, imposed upon Borrower, the income or profits of Borrower, and upon all properties belonging to Borrower, prior to the date upon which penalties attach thereto; provided, however, that so long as no Event of Default is then continuing, Borrower shall not be required to pay any such tax, assessment, charge or levy, the payment of which is being contested in good faith and by proper proceedings.

5.10 Compliance with Laws. Borrower shall comply with all Governmental Requirements and all orders of all governmental authorities or courts having jurisdiction over Borrower.

5.11 Insurance. Borrower shall keep and maintain adequate insurance issued by an insurer acceptable to Lender, in amounts acceptable to Lender in its reasonable discretion (at least adequate to comply with any co-insurance provisions) and against all such liability and hazards as are usually carried by entities engaged in the same or a similar business similarly situated or as may be reasonably required by Lender. All Borrower's insurance shall be maintained by insurance companies reasonably acceptable to Lender. Borrower shall cause to be delivered to Lender the insurance policies therefor or in the alternative, evidence of insurance and at least thirty (30) days prior to the expiration of any such insurance, additional policies or duplicates thereof or in the alternative, evidence of insurance evidencing the renewal of such insurance and payment of the premiums therefor.

5.12 Indebtedness. Borrower shall not have at any time outstanding to any person other than Lender, any Indebtedness for borrowed money, capitalized lease obligations, or any outstanding letters of credit, except (i) accounts payable incurred in the ordinary course of their respective businesses, accrued expenses and other items arising out of transactions (other than borrowings) in the ordinary course of their respective businesses, and (ii) any indebtedness as reported on the Borrower's current financial statements.

5.13 Reporting. Borrower shall furnish to the Lender (i) quarterly internally prepared financial statements of Borrower within forty-five (45) days after the end of each quarter ended March 31, June 30, September 30 and within ninety (90) days after the end of the year ended December 31, prepared to the satisfaction of Lender and in accordance with generally acceptable accounting principles; (ii) annual audited financial statements within one-hundred and five (105) days of the end of the Borrower's fiscal year; and (iii) true, correct, and complete signed copies of annual federal tax returns for Borrower within one hundred twenty (120) days of the expiration of the respective fiscal years of Borrower.

5.14 Insurance. At all times there remains outstanding an amount under the Note, the Borrower shall maintain a key man life insurance policy in the amount not less than Two Million Five Hundred Thousand and 00/100 (\$2,500,000.00) for the benefit of the Lender who shall be named the sole beneficiary under the life insurance policy as determined by the Lender. Such requirement may be modified from time to time as mutually agreed by the parties.

6. Defaults.

6.1 Events of Default. Any of the following events, unless waived by the Lender, shall constitute an "Event of Default" under this Agreement:

- (a) Borrower shall default in the payment of principal or interest due according to the terms hereof or of the Note;

(b) Borrower shall default in the performance or observance of Sections 5.3, 5.4, 5.6, 5.7, or 5.12 of this Agreement;

(c) Borrower shall default in the performance or observance of any other agreement, covenant, or condition required to be performed or observed by Borrower under the terms of this Agreement or any of the other Loan Documents (exclusive of those defaults covered under Section 6.1(a) or 6.1(b)) and such default shall continue for ten (10) days after the date of written notice thereof from Lender to Borrower;

(d) Any material representation, warranty, or covenant made by Borrower in this Agreement, in any of the other Loan Documents, or in any certificate or document furnished under the terms of this Agreement or in connection with the Loan, shall be untrue or incomplete in any material respect;

(e) Borrower shall apply for, consent to, or permit the appointment of a receiver, custodian, trustee or liquidator for it or any of its property or assets; or shall fail to, or admit in writing its inability to, pay its debts as they mature; or shall make a general assignment for the benefit of creditors or shall be adjudicated bankrupt or insolvent; or shall take other similar action for the benefit or protection of its creditors; or shall give notice to any governmental body of insolvency or pending insolvency or suspension of operations; or shall file a voluntary petition in bankruptcy or a petition or an answer seeking reorganization or an arrangement with creditors, or to take advantage of any bankruptcy, reorganization, insolvency, readjustment of debt, rearrangement, dissolution, liquidation or other similar debtor relief law or statute; or shall file an answer admitting the material allegations of a petition filed against it in any proceeding under any such law or statute; or shall be dissolved, liquidated, terminated or merged; or shall effect a plan or other arrangement with creditors; or a trustee, receiver, liquidator or custodian shall be appointed for it or for any of its property or assets and shall not be discharged within sixty (60) days after the date of its appointment; or a petition in involuntary bankruptcy, reorganization or similar proceedings is filed against it and is not dismissed within sixty (60) days after the date of its filing; or

(f) Any material adverse change in the financial condition of Borrower from the financial condition represented to Lender as of the date hereof as determined by Lender in good faith in its sole discretion.

6.2 Rights and Remedies. Upon the occurrence of an Event of Default, unless such Event of Default is subsequently waived in writing by Lender, Lender shall be entitled, at the option of Lender, to exercise any or all of the following rights and remedies, consecutively or simultaneously, and in any order:

(a) Lender may suspend its obligation to make Advances under this Agreement, without notice to Borrower.

(b) Lender may terminate its obligation to make Advances under this Agreement, and may declare the entire unpaid principal balance of the Advances made under this Agreement to be immediately due and payable, together with accrued and unpaid interest on such Advances, without notice to or demand on Borrower.

(c) Lender may exercise any or all remedies specified herein and in the other Loan Documents, including any remedies which it may have therefor at law, in equity, or under statute.

(d) Lender may cure the Event of Default on behalf of Borrower, and, in doing so, may expend such sums as he may deem desirable, including attorneys' fees, all of which shall be deemed to be Advances hereunder, even though causing the Loan to exceed the face amount of the Note, shall bear interest at the interest rate as set forth in the Note and shall be payable by Borrower on demand.

6.3 Rights and Remedies Cumulative; No Waiver. No delay on the part of Lender in exercising any right, remedy, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power or privilege hereunder constitute such a waiver or exhaust the same, all of which shall be continuing. Any waiver under any of the Loan Documents must be in writing and shall be limited to its specific terms. The rights and remedies of Lender specified in this Agreement shall be in addition to, and not exclusive of, any other rights and remedies which Lender would otherwise have at law, in equity or by statute, and all such rights and remedies, together with Lender's rights and remedies under the other Loan Documents, are cumulative and may be exercised individually, concurrently, successively, and in any order.

7. Miscellaneous.

7.1 Binding Effect. The provisions of this Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns; provided, however, that neither this Agreement nor the proceeds of the Loan may be assigned by Borrower voluntarily, by operation of law or otherwise, without the prior written consent of Lender.

7.2 Survival. All agreements, representations and warranties made in this Agreement shall survive the execution of this Agreement, the making of the Advance by Lender, and the execution of the other Loan Documents, and shall continue until Lender receives payment in full of all indebtedness of Borrower incurred under this Agreement and under the other Loan Documents.

7.3 Governing Law; Waiver of Jury Trial; Venue. This Agreement and the rights of the parties shall be governed by, construed and enforced in accordance with the laws of the State of Minnesota. The venue of any actions or lawsuits under this Agreement shall exclusively be in the United States District Court for the District of Minnesota or the courts of the State of Minnesota located in Hennepin County. The parties hereby consent and submit to the personal jurisdiction of said courts. **BORROWER HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY AND ALL RIGHTS TO TRIAL BY JURY IN ANY ACTION, SUIT OR COUNTERCLAIM ARISING IN CONNECTION WITH, OUT OF, OR OTHERWISE RELATING TO THE NOTE, THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT.**

7.4 Counterparts. This Agreement and any amendment hereto may be executed in counterpart, including by pdf or facsimile, each of which shall be deemed an original agreement and all of which shall constitute one and the same agreement.

7.5 Notices. Any notice required or permitted to be given by either party hereto to the other under the terms of this Agreement, or documents related hereto, shall be deemed to have been given: (i) three (3) business days after the date the same is deposited in the United States Mail, registered or certified, return receipt requested, postage prepaid; or (ii) one (1) business day following deposit with a reputable overnight courier providing a receipt for overnight delivery, addressed as follows:

If to Borrower: The Coretec Group Inc.

If to Lender: Diversified Alpha Fund of Navigator Global Fund Manager Platform SPC
c/o Mainstream Fund Services Ltd.
3rd Floor, Citrus Grove
Goring Avenue
P.O. Box 10364
Grand Cayman

with a copy to: Moss & Barnett, PA
Attn: Yuri B. Berndt, Esq.
150 South Fifth Street
Suite 1200
Minneapolis, MN 55402

or to such party at any other address specified in a notice given by such party to the other not less than ten (10) days prior to the effective date of the address change.

7.6 No Third Party Reliance. No third party shall be entitled to rely upon this Agreement or to have any of the benefits of Lender's interest hereunder, unless such third party is an express assignee of all or a portion of Lender's interest hereunder.

7.7 Time of the Essence. Time is of the essence hereof with respect to the dates, terms and conditions of this Agreement.

7.8 Entire Agreement; No Oral Modifications. This Agreement, the other Loan Documents and the other documents mentioned herein set forth the entire agreement of the parties with respect to the Loan and supersede all prior written or oral understandings and agreements with respect thereto. No modification or waiver of any provision of this Agreement shall be effective unless set forth in writing and signed by the parties hereto. Any reference to the Loan Documents themselves in any of the Loan Documents shall include all amendments, renewals or extensions approved by Lender.

7.9 Captions. The headings or captions of the Sections set forth herein are for convenience only, are not a part of this Agreement and are not to be considered in interpreting this Agreement.

7.10 Borrower-Lender Relationship. The relationship between Borrower and Lender created hereby and by the other Loan Documents shall be that of a borrower and a lender only, and in no event shall Lender be deemed to be a partner of, or a joint venturer with, Borrower with respect to the Loan. Lender's actions with respect to the Loan shall not be limited or subject to a member's duty or obligation as a member of the Borrower, to the maximum extent as allowed by law.

7.11 Severability. The invalidity or partial invalidity of any portions of this Agreement shall not invalidate the remainder hereof and said remainder shall remain in full force and effect.

7.12 Indemnification. Borrower shall indemnify and hold Lender harmless from and against any and all loss or damages of whatsoever kind and from any suits, claims, or demands, including Lender's reasonable legal fees and expenses and appellate legal fees, on account of any matter or thing arising out of this Agreement or in connection therewith or arising from any defective workmanship or materials. The provisions of this Section will survive the termination of this Agreement and the repayment of the Loan.

7.13 Lender's Expenses. Borrower shall pay to Lender, either (i) by withholding such amounts directly from an Advance or (ii) within ten (10) days after demand by Lender or within such shorter period of time as may be provided elsewhere in this Agreement, all reasonable and necessary expenses incurred by Lender incidental to the Loan, including, without limitation, all commitment fees, appraisal fees and attorneys' fees. Any amounts not timely paid by Borrower shall thereafter bear interest as provided herein from the date such expenses were paid by Lender until repaid.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

BORROWER:

The Coretec Group Inc.

By: _____
Its: _____

LENDER:

Diversified Alpha Fund of Navigator Global
Fund Manager Platform SPC

By: _____
Its: _____

Exhibit A

Form Promissory Note

(See attached)

A-1

Exhibit B

Advance Schedule

(See attached)

PROMISSORY NOTE

\$2,500,000.00

October 4, 2019
Minneapolis, Minnesota

The Coretec Group Inc., an Oklahoma corporation (“Borrower”), for value received, hereby promises to pay to the order of Diversified Alpha Fund of Navigator Global Fund Manager Platform SPC, a Grand Cayman entity (“Lender”), with an office at c/o Mainstream Fund Services Ltd., 3rd Floor, Citrus Grove, Goring Avenue, P.O. Box 10364, Grand Cayman, or its assigns, in lawful money of the United States of America, up to the principal sum of Two Million Five Hundred Thousand and 00/100th Dollars (\$2,500,000.00), or such amount as has been advanced by Lender as shown on the Lender’s records and may be outstanding at any time, together with interest at a rate of ten percent (10%) per annum. Interest shall be computed based on the actual number of days elapsed in a 360-day year. Interest shall accrue and be payable monthly. The interest payments shall be payable on the 15th day of the 1st month after an Advance under this Note and on the 15th day of each month thereafter for the first 12 months. Principal and interest payments shall be paid monthly after the first 12 months in equal amounts, amortized over a 36-month period, with the first principal and interest payment due on the 15th day of the 13th month after an Advance under this Note and on the 15th day of each month thereafter under this Note until the 24th principal and interest payment at which time the entire outstanding principal and accrued interest shall be paid in full (or upon mutual agreement of the Maker and Holder, such payment may be extended or incorporated into a new Advance). (This is a balloon payment.) Notwithstanding the above, on February 15, 2024 (“Maturity Date”), the entire principal balance and all accrued and unpaid interest thereon shall be due and payable in full. All payments shall be applied first to the payment of the unpaid Commitment Fees, legal fees and other Lender out-of-pocket expenses related to this Note and related documents, and then to interest, and thereafter to reduction of principal.

The Lender and Borrower have entered into a Credit Agreement of even date herewith (the “Credit Agreement”) that governs the issuance of this Note. Capitalized terms not defined herein shall have the meaning as set forth in the Credit Agreement.

This Note may be prepaid, in full or in part, at any time after the initial 6-month period after the initial Advance. Borrower shall pay Lender a prepayment fee equal to two and five-tenths percent (2.5%) on any prepaid principal amount received more than 20 days prior to its due date. Borrower shall pay to Lender a late charge of five percent (5%) of any payment not received by Lender within 15 days of its due date.

Upon the occurrence of an Event of Default as defined in the Credit Agreement, Lender may, at Lender’s option, declare the unpaid principal amount of this Note and any accrued interest thereon immediately due and payable, in addition to any other rights or remedies Lender may have at law or in equity.

If an Event of Default has occurred, the Borrower agrees to pay all costs of collection, including reasonable attorneys' fees, litigation expenses and court costs, incurred in enforcing its rights hereunder. Upon the occurrence and during the continuance of an Event of Default, the outstanding principal amount hereof shall automatically bear interest at the rate stated hereinabove plus five percent (5%) per annum without any notice to Borrower. The Borrower hereby waives presentment or other demand for payment, protest and notice of dishonor, and exonerates the holder hereof from any and all duty and obligation to make demand on anyone for payment or to give notice to anyone of non-payment hereof. This Note and the rights of the parties shall be governed by, construed and enforced in accordance with the laws of the State of Minnesota. The venue of any actions or lawsuits under this Agreement shall exclusively be in the United States District Court for the State of Minnesota or the Fourth Judicial District Court (Hennepin County) for the State of Minnesota. The parties hereby consent and submit to the personal jurisdiction of said courts. **BORROWER HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY AND ALL RIGHTS TO TRIAL BY JURY IN ANY ACTION, SUIT OR COUNTERCLAIM ARISING IN CONNECTION WITH, OUT OF, OR OTHERWISE RELATING TO THIS NOTE, THE CREDIT AGREEMENT OR ANY OTHER LOAN DOCUMENT.**

Lender specifically reserves the right to further extend this Note. Any such extension may provide for an extended period of time for principal repayment, an increase or decrease in the interest rate, advancement of additional principal sums, or any combination thereof (together with the inclusion of fees and costs related to such extension) resulting in principal and interest payment amounts equal to or exceeding those originally stated in this Note. The provisions of this Note shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns; provided, however, that this Note may not be assigned by Borrower voluntarily, by operation of law or otherwise, without the prior written consent of Lender.

BORROWER:

The Coretec Group Inc.

By: _____
Its: _____

THE SECURITIES REPRESENTED BY THIS INSTRUMENT HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR QUALIFIED UNDER APPLICABLE STATE SECURITIES LAWS AND HAVE BEEN TAKEN FOR INVESTMENT PURPOSES ONLY AND NOT WITH A VIEW TO OR FOR SALE IN CONNECTION WITH ANY DISTRIBUTION THEREOF. THE SECURITIES MAY NOT BE SOLD OR OTHERWISE TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION AND QUALIFICATION WITHOUT, EXCEPT UNDER CERTAIN SPECIFIC LIMITED CIRCUMSTANCES, AN OPINION OF COUNSEL FOR THE HOLDER, CONCURRED IN BY COUNSEL FOR THE COMPANY THAT SUCH REGISTRATION AND QUALIFICATION ARE NOT REQUIRED.

WARRANT

TO PURCHASE UP TO 3,000,000 SHARES OF COMMON STOCK
OF
THE CORETEC GROUP INC., AN OKLAHOMA CORPORATION

THIS CERTIFIES THAT, for good and valuable consideration Diversified Alpha Fund of Navigator Global Fund Manager Platform SPC c/o Mainstream Fund Services Ltd., 3rd Floor, Citrus Grove, Goring Avenue, P.O. Box 10364, Grand Cayman (“**Holder**”) or assigns, is entitled to subscribe for and purchase from **The Coretec Group Inc.**, an Oklahoma corporation (the “**Company**”), at any time on or before five (5) years after the date of initial issuance, of up to an aggregate total of Three Million and No/100 Dollars (3,000,000.00) fully paid and nonassessable shares of the Common Stock, \$0.0002 par value per share (“**Warrant Shares**”), of the Company, the number of which Warrant Shares shall be determined and subject to each tranche as provided in Exhibit A attached hereto and incorporated herewith, at the Warrant Exercise Price (defined below).

Holder is being granted the Warrant Shares in consideration for certain financial accommodations made by Holder for the benefit of the Company pursuant to a Credit Agreement dated October 4, 2019 incorporated into this Warrant by reference as though fully set forth.

The “**Warrant Exercise Price**” per share of Common Stock shall be Fifty-Two-One-Thousandths of a Dollar (\$0.052). The number of shares subject to this Warrant and the Warrant Exercise Price shall be adjusted as provided in Section 5 hereof.

As used herein, the term “**Holder**” means Diversified Alpha Fund of Navigator Global Fund Manager Platform SPC, any party who acquires all or a part of this Warrant as a registered transferee of Diversified Alpha Fund of Navigator Global Fund Manager Platform SPC, or any record holder or holders of the Warrant Shares issued upon exercise, whether in whole or in part, of the Warrant. The term “**Common Stock**” means and includes the Company’s presently authorized common stock, par value \$0.0002 per share.

This Warrant is subject to the following provisions, terms and conditions:

1. **Exercise; Transferability.**

- 1.1 Exercise. The rights represented by this Warrant may be exercised by the Holder hereof, in whole or in part (but not as to a fractional share of Common Stock), by written notice of exercise (in the form attached hereto) delivered to the Company at the principal office of the Company prior to the expiration of this Warrant and accompanied or preceded by the surrender of this Warrant along with a check in payment of the Warrant Exercise Price for such shares.
-

1.2 **Cashless Exercise.** If at the time of exercise hereof there is no effective registration statement registering, or the prospectus contained therein is not available for the issuance of the Warrant Shares to the Holder and all of the Warrant Shares are not then registered for resale by Holder into the market at market prices from time to time on an effective registration statement for use on a continuous basis (or the prospectus contained therein is not available for use), then this Warrant may be exercised, in whole or in part, at such time by means of a “cashless exercise” in which the Holder shall be entitled to receive a certificate for the number of Warrant Shares equal to the quotient obtained by dividing [(A-B) (X)] by (A), where:

(A) = the VWAP on the Trading Day immediately preceding the date on which Holder elects to exercise this Warrant by means of a “cashless exercise,” as set forth in the applicable Notice of Exercise;

(B) = the Exercise Price of this Warrant, as adjusted hereunder; and

(X) = the number of Warrant Shares that would be issuable upon exercise of this Warrant in accordance with the terms of this Warrant if such exercise were by means of a cash exercise rather than a cashless exercise.

“VWAP” means, for any date, the price determined by the first of the following clauses that applies: (a) if the Common Stock is then listed or quoted on a Trading Market, the daily volume weighted average price of the Common Stock for such date (or the nearest preceding date) on the Trading Market on which the Common Stock is then listed or quoted as reported by Bloomberg L.P. (based on a Trading Day from 9:30 a.m. (New York City time) to 4:02 p.m. (New York City time), (b) if the OTC Bulletin Board is not a Trading Market, the volume weighted average price of the Common Stock for such date (or the nearest preceding date) on the OTC Bulletin Board, (c) if the Common Stock is not then listed or quoted for trading on the OTC Bulletin Board and if prices for the Common Stock are then reported in the “Pink Sheets” published by Pink OTC Markets, Inc. (or a similar organization or agency succeeding to its functions of reporting prices), the most recent bid price per share of the Common Stock so reported, or (d) in all other cases, the fair market value of a share of Common Stock as determined by an independent appraiser selected in good faith by the Holders of a majority in interest of the Securities then outstanding and reasonably acceptable to the Company, the fees and expenses of which shall be paid by the Company.

1.3 **Transfer.** This Warrant may be assigned, sold, transferred, or divided into two or more Warrants of smaller denominations to assignees who are accredited investors as defined in the federal securities regulations. The Warrant and any Warrant Shares issued pursuant to exercise of this Warrant may be transferred only as provided in Section 7 hereof, and the Warrant may not be hypothecated.

2. **Exchange and Replacement.** Subject to Sections 1 and 7 hereof, this Warrant is exchangeable upon the surrender hereof by the Holder to the Company at its office for new Warrants of like tenor and date representing in the aggregate the right to purchase the number of Warrant Shares purchasable hereunder, each of such new Warrants to represent the right to purchase such number of Warrant Shares (not to exceed the aggregate total number purchasable hereunder) as shall be designated by the Holder at the time of such surrender. Upon receipt by the Company of evidence reasonably satisfactory to it of the loss, theft, destruction, or mutilation of this Warrant, and, in case of loss, theft or destruction, of indemnity or security reasonably satisfactory to it, and upon surrender and cancellation of this Warrant, if mutilated, the Company will make and deliver a new Warrant of like tenor, in lieu of this Warrant. This Warrant shall be promptly canceled by the Company upon the surrender hereof in connection with any exchange or replacement. The Company shall pay customary expenses (but not stock transfer taxes or any other taxes), payable in connection with the preparation, execution, and delivery of Warrants pursuant to this Section 2.

3. **Issuance of the Warrant Shares.**

3.1 **Issuance.** The Company agrees that the shares of Common Stock purchased hereby shall be and are deemed to be issued to the Holder as of the close of business on the date on which this Warrant shall have been surrendered and the payment made for such Warrant Shares as aforesaid. Subject to the provisions of the next section, certificates for the Warrant Shares so purchased shall be delivered to the Holder within a reasonable time, not exceeding fifteen (15) days after the rights represented by this Warrant shall have been so exercised, and, unless this Warrant has expired, a new Warrant representing the right to purchase the number of Warrant Shares, if any, with respect to which this Warrant shall not then have been exercised shall also be delivered to the Holder within such time. All Warrant Shares that may be issued upon the exercise of the rights represented by this Warrant will, upon exercise, be fully paid and nonassessable and free from liens and charges with respect to the issue thereof.

3.2 **Delivery.** Notwithstanding the foregoing, however, the Company shall not be required to deliver any certificate for Warrant Shares upon exercise of this Warrant except in accordance with exemptions from the applicable securities registration requirements or registrations under applicable securities laws. Nothing herein, however, shall obligate the Company to effect registrations under federal or state securities laws. If registrations are not in effect and if exemptions are not available when the Holder seeks to exercise the Warrant, the Warrant exercise period will be extended, if need be, to prevent the Warrant from expiring, until such time as either registrations become effective or exemptions are available, and the Warrant shall then remain exercisable for a period of at least 30 calendar days from the date the Company delivers to the Holder written notice of the availability of such registrations or exemptions. The Holder agrees to execute such documents and make such representations, warranties, and agreements as may be required solely to comply with the exemptions relied upon by the Company, or the registrations made, for the issuance of the Warrant Shares.

4. **Covenants of the Company.** The Company covenants and agrees that all Warrant Shares will, upon issuance, be duly authorized and issued, fully paid, nonassessable, and free from all liens and charges with respect to the issue thereof. The Company further covenants and agrees that during the period within which the rights represented by this Warrant may be exercised, the Company will at all times have authorized and reserved for the purpose of issue or transfer upon exercise of the subscription rights evidenced by this Warrant a sufficient number of shares of Common Stock to provide for the exercise of the rights represented by this Warrant.

5. **Antidilution Adjustments.** The provisions of this Warrant are subject to adjustment as provided in this Section 5.

5.1 **Price Adjustment.** The Warrant Exercise Price shall be adjusted from time to time such that in case the Company shall hereafter:

5.1.1 pay any dividends on the Common Stock of the Company payable in Common Stock or securities convertible into Common Stock;

- 5.1.2 subdivide its then outstanding shares of Common Stock into a greater number of shares; or
- 5.1.3 combine outstanding shares of Common Stock, by reclassification or otherwise;

then, in any such event, the Warrant Exercise Price in effect immediately prior to such event shall (until adjusted again pursuant hereto) be adjusted immediately after such event to a price (calculated to the nearest full cent) determined by dividing (a) the number of shares of Common Stock outstanding immediately prior to such event, multiplied by the then existing Warrant Exercise Price, by (b) the total number of shares of Common Stock outstanding immediately after such event (including the maximum number of shares of Common Stock issuable in respect of any securities convertible into Common Stock), and the resulting quotient shall be the adjusted Warrant Exercise Price per share. An adjustment made pursuant to this Section 5.1 shall become effective immediately after the effective date of the event causing the adjustment. If, as a result of an adjustment made pursuant to this Section 5.1, the Holder of any Warrant thereafter surrendered for exercise shall become entitled to receive shares of two or more classes of capital stock or shares of Common Stock, the Board of Directors (whose determination shall be conclusive) shall determine the allocation of the adjusted Warrant Exercise Price between or among shares of such classes of capital stock or shares of Common Stock and other capital stock. All calculations under this Section 5.1 shall be made to the nearest cent or to the nearest 1/100 of a share, as the case may be. In the event that at any time as a result of an adjustment made pursuant to this Section 5.1, the Holder of any Warrant thereafter surrendered for exercise shall become entitled to receive any shares of the Company other than shares of Common Stock, thereafter the Warrant Exercise Price of such other shares so receivable upon exercise of any Warrant shall be subject to adjustment from time to time in a manner and on terms as nearly equivalent as practicable to the provisions with respect to Common Stock contained in this Section.

- 5.2 Share Adjustment. Upon each adjustment of the Warrant Exercise Price pursuant to Section 5.1 above, the Holder of each Warrant shall thereafter (until another such adjustment) be entitled to purchase at the adjusted Warrant Exercise Price the number of shares, calculated to the nearest full share, obtained by multiplying the number of shares specified in such Warrant (as adjusted as a result of all adjustments in the Warrant Exercise Price in effect prior to such adjustment) by the Warrant Exercise Price in effect prior to such adjustment and dividing the product so obtained by the adjusted Warrant Exercise Price.
- 5.3 Consolidation or Merger. In case of any consolidation or merger to which the Company is a party or in case of any sale or conveyance to another corporation of the property of the Company as an entirety or substantially as an entirety, or in the case of any statutory exchange of securities with another corporation (including any exchange effected in connection with a merger of a third corporation into the Company), there shall be no adjustment under Section 5.1 above but the Holder of each Warrant then outstanding shall have the right thereafter to exercise such Warrant for the kind and amount of shares of stock and other securities and property such Holder would have owned or have been entitled to receive immediately after such consolidation, merger, statutory exchange, sale or conveyance had such Warrant been exercised immediately prior to the effective date of such consolidation, merger, statutory exchange, sale or conveyance, and in any such case, if necessary, appropriate adjustment shall be made in the application of the provisions set forth in this Section 5 with respect to the rights and interests thereafter of any Holders of the Warrant, to the end that the provisions set forth in this Section 5 shall thereafter correspondingly be made applicable, as nearly as may reasonably be, in relation to any shares of stock and other securities and property thereafter deliverable on the exercise of the Warrant. The provisions of this Section 5.3 shall similarly apply to successive consolidations, mergers, statutory exchanges, sales or conveyances.

- 5.4 Warrant Exercise Price Adjustment. Upon any adjustment of the Warrant Exercise Price, then and in each such case, the Company shall give written notice thereof, by first-class mail, postage prepaid, addressed to the Holder as shown on the books of the Company, which notice shall state the Warrant Exercise Price resulting from such adjustment and the increase or decrease, if any, in the number of shares of Common Stock purchasable at such price upon the exercise of this Warrant, setting forth in reasonable detail the method of calculation and the facts upon which such calculation is based.
6. **No Voting Rights**. This Warrant shall not entitle the Holder to any voting rights or other rights as a shareholder of the Company.
7. **Notice of Transfer of Warrant or Resale of the Warrant Shares**.
- 7.1 Notice of Intent to Transfer. Subject to the sale, assignment, hypothecation, or other transfer restrictions set forth in Sections 1.1 and 1.2, the Holder, by acceptance hereof, agrees to give written notice to the Company before transferring this Warrant or transferring any Warrant Shares of such Holder's intention to do so, describing briefly the manner of any proposed transfer. Promptly upon receiving such written notice, the Company shall present copies thereof to the Company's counsel. If in the opinion of such counsel the proposed transfer may be effected without registration or qualification (under any federal or state securities laws), the Company, as promptly as practicable, shall notify the Holder of such opinion, whereupon the Holder shall be entitled to transfer this Warrant or to dispose of Warrant Shares received upon the previous exercise of this Warrant, all in accordance with the terms of the notice delivered by the Holder to the Company; provided that an appropriate legend may be endorsed on this Warrant or the certificates for such Warrant Shares respecting restrictions upon transfer thereof necessary or advisable in the opinion of counsel and satisfactory to the Company to prevent further transfers which would be in violation of Section 5 of the Securities Act of 1933, as amended (the "**1933 Act**") and applicable state securities laws; and provided further that the prospective transferee or purchaser shall execute such documents and make such representations, warranties, and agreements as may be required solely to comply with the exemptions relied upon by the Company for the transfer or disposition of the Warrant or Warrant Shares.
- 7.2 Opinion of Counsel. If in the opinion of the counsel referred to in this Section 7, the proposed transfer or disposition of this Warrant or such Warrant Shares described in the written notice given pursuant to this Section 7 may not be effected without registration or qualification of this Warrant or such Warrant Shares, the Company shall promptly give written notice thereof to the Holder, and the Holder will limit its activities in respect to such as, in the opinion of such counsel, are permitted by law.

8. **Fractional Shares.** Fractional shares shall not be issued upon the exercise of this Warrant, but in any case where the Holder would, except for the provisions of this Section 8, be entitled under the terms hereof to receive a fractional share, the Company shall, upon the exercise of this Warrant for the largest number of whole shares then called for, pay a sum in cash equal to the sum of (a) the excess, if any, of the Market Price of such fractional share over the proportional part of the Warrant Exercise Price represented by such fractional share, plus (b) the proportional part of the Warrant Exercise Price represented by such fractional share. For purposes of this Section 8, the term "**Market Price**" with respect to shares of Common Stock of any class or series means:

- 8.1 if the Company's Common Stock is traded on the over-the-counter market, then the average closing bid and asked prices reported for the ten (10) business days immediately preceding the exercise of the Warrant, and
- 8.2 if the Company's Common Stock is not traded on an exchange, the Nasdaq Stock Market, or the over-the-counter market, then the price established in good faith by the Company's Board of Directors.

IN WITNESS WHEREOF, The Coretec Group Inc. has caused this Warrant to be signed by its duly authorized officer and this Warrant to be dated October 4, 2019.

THE CORETEC GROUP INC.,
AN OKLAHOMA CORPORATION

By: _____
Its: _____

Accepted this 4th day of October, 2019

HOLDER:
Diversified Alpha Fund of Navigator Global Fund Manager Platform SPC

By: _____
Its: _____

c/o Mainstream Fund Services Ltd.
3rd Floor, Citrus Grove
Goring Avenue
P.O. Box 10364
Grand Cayman

Exhibit A
Warrant Issuance Schedule

Warrant Schedule Issuance ProRata to Actual Funding
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Loan Advance Amount	Number of Warrants to Issue	Advance Date
\$125,000	150,000	10/2019
\$125,000	150,000	11/2019
\$125,000	150,000	12/2019
\$125,000	150,000	1/2020
\$125,000	150,000	2/2020
\$125,000	150,000	3/2020
\$175,000	210,000	4/2020
\$175,000	210,000	5/2020
\$175,000	210,000	6/2020
\$175,000	210,000	7/2020
\$175,000	210,000	8/2020
\$175,000	210,000	9/2020
\$175,000	210,000	10/2020
\$175,000	210,000	11/2020
\$175,000	210,000	12/2020
\$175,000	210,000	1/2021
	3,000,000	

*- Warrants are issued upon Borrower's receipt of the respective Advance.

To: The Coretec Group Inc., an Oklahoma corporation

NOTICE OF EXERCISE OF WARRANT
To Be Executed by the Registered Holder in Order to Exercise the Warrant

The undersigned hereby irrevocably elects to exercise the attached Warrant to purchase for cash, _____ of the shares issuable upon the exercise of such Warrant, and requests that certificates for such shares (together with a new Warrant to purchase the number of shares, if any, with respect to which this Warrant is not exercised) shall be issued in the name of:

Diversified Alpha Fund of Navigator Global Fund Manager Platform SPC*

Please insert social security or other identifying number of registered Holder of certificate

Address:

c/o Mainstream Fund Services Ltd.
3rd Floor, Citrus Grove
Goring Avenue
P.O. Box 10364
Grand Cayman

Date: _____

The Coretec Group Inc.

By: _____

Its: _____

*The signature on the Notice of Exercise of Warrant must correspond to the name as written upon the face of the Warrant in every particular without alteration or enlargement or any change whatsoever or must be accompanied by assignment documents. When signing on behalf of a corporation, partnership, trust or other entity, PLEASE indicate your position(s) and title(s) with such entity and reference the entity above your signature with your position or title noted below your signature. It would also be helpful if you would print (either next to your signature or below your signature) your name as signed.

ASSIGNMENT FORM

To be signed upon transfer of Warrants.

FOR VALUE RECEIVED, the undersigned hereby sells, assigns, and transfers unto _____ the right to purchase shares of Common Stock of The Coretec Group Inc. to which the Warrant relates and appoints _____, attorney, to transfer said right on the books of The Coretec Group Inc. with full power of substitution in the premises.

Date: _____

Signature*

Address:

*The signature on the Assignment Form must correspond to the name as written upon the face of the Warrant in every particular without alteration or enlargement or any change whatsoever. When signing on behalf of a corporation, partnership, trust or other entity, PLEASE indicate your position(s) and title(s) with such entity and reference the entity above your signature with your position or title noted below your signature. It would also be helpful if you would print (either next to your signature or below your signature) your name as signed.