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

Form 10-Q

(Mark One)

☒ **QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2021

OR

☐ **TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from ________ to _______

COMMISSION FILE NUMBER 000-54697

THE CORETEC GROUP INC.
(Exact Name of small business issuer as specified in its charter)

Oklahoma	73-1479206
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

333 Jackson Plaza, Suite 1200, Ann Arbor, MI 48103
(Address of principal executive offices) (Zip Code)

(866) 916-0833
(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year, if changed since last report)

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

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
None	None	None

Indicate by check mark whether the registrant (1) has filed reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. ☒ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). ☒ Yes ☐ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company or an emerging growth company. See definition of "large accelerated filer", "accelerated filer", "smaller reporting company" and "emerging growth company" in Rule 12b- 2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒	Smaller reporting company	☒
		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. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY
PROCEEDINGS DURING THE PRECEDING FIVE YEARS

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13, or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court. Yes ☐ No ☐

As of August 11, 2021, the issuer had 252,285,750 outstanding shares of Common Stock.

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PART I

Item 1. Financial Statements.

THE CORETEC GROUP INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(unaudited)

	June 30, 2021	December 31, 2020
Assets		
Current assets:		
Cash	$ 4,816,728	$ 22,219
Prepaid expenses	110,195	179,963
Total current assets	4,926,923	202,182
Other assets:		
Intangibles, net	1,030,918	1,059,026
Goodwill	166,000	166,000
Deposits-other	31,696	18,946
Total other assets	1,228,614	1,243,972
Total Assets	$ 6,155,537	$ 1,446,154
Liabilities and Stockholders' Equity		
Current liabilities:		
Notes payable	$ -	$ 46,580
Accounts payable and accrued expenses	319,921	396,019
Total current liabilities	319,921	442,599
Long term debt, net	1,228,991	266,598
Total Liabilities	1,548,912	709,197
Stockholders' equity:		
Preferred stock, Series A convertible, $0.0002 par value, 500,000 shares authorized; 345,000 shares issued and outstanding at June 30, 2021 and December 31, 2020	69	69
Common stock $0.0002 par value, 1,500,000,000 shares authorized; 251,385,754 and 213,751,145 shares issued and outstanding at June 30, 2021 and December 31, 2020, respectively.	50,276	42,750
Additional paid-in capital	14,995,892	8,033,313
Accumulated deficit	(10,439,612)	(7,339,175)
Total Stockholders' Equity	4,606,625	736,957
Total Liabilities and Stockholders' Equity	$ 6,155,537	$ 1,446,154

See notes to unaudited condensed consolidated financial statements

THE CORETEC GROUP INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	**2020**	**2021**	**2020**
Income:				
Revenue	$ -	$ -	$ -	$ -
Expenses:				
Research and development	198,394	36,096	235,996	79,991
General and administrative	2,517,170	198,141	2,859,628	464,114
Interest	72,576	56,645	130,938	277,084
Total expenses	2,788,140	290,882	3,226,562	821,189
Other income	-	1,250	-	1,250
Net loss	$ (2,788,140)	$ (289,632)	$ (3,226,562)	$ (819,939)
Loss per share:				
Basic and diluted	$ (0.011)	$ (0.001)	$ (0.014)	$ (0.004)
Weighted average shares outstanding, basic and diluted	247,060,586	202,710,642	235,063,138	198,166,791

See notes to consolidated financial statements

THE CORETEC GROUP INC.
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
(unaudited)

	Series A Preferred Stock		Common Stock		Additional		
		Par		Par	Paid-In	Accumulated	
	Shares	Value	Shares	Value	Capital	Deficit	Total
Balance December 31, 2020	**345,000**	**$ 69**	**213,751,145**	**$ 42,750**	**$ 8,033,313**	**$ (7,339,175)**	**$ 736,957**
Cumulative change in accounting for beneficial conversion feature	-	-	-	-	(988,900)	126,125	(862,775)
Debt converted to common stock	-	-	1,519,757	304	49,696	-	50,000
Common stock issued for liabilities	-	-	1,716,447	343	69,921	-	70,264
Exchange of stock options for common stock	-	-	1,200,000	240	(240)	-	-
Private placement stock issuance	-	-	23,500,000	4,700	4,908,500	-	4,913,200
Warrants issued	-	-	-	-	62,785	-	62,785
Options issued for compensation and services	-	-	-	-	18,723	-	18,723
Net loss for the period	-	-	-	-	-	(438,422)	(438,422)
Balance March 31, 2021	**345,000**	**$ 69**	**241,687,349**	**$ 48,337**	**12,153,798**	**$ (7,651,472)**	**$ 4,550,732**
Debt converted to common stock	-	-	5,471,125	1,094	178,906	-	180,000
Common stock issued for liabilities	-	-	3,327,280	665	322,645	-	323,310
Exchange of stock options for common stock	-	-	900,000	180	(180)	-	-
Options issued for compensation and services	-	-	-	-	2,340,723	-	2,340,723
Net loss for the period	-	-	-	-	-	(2,788,140)	(2,788,140)
Balance June 30, 2021	**345,000**	**$ 69**	**251,385,754**	**$ 50,276**	**14,995,892**	**$ (10,439,612)**	**$ 4,606,625**
Balance December 31, 2019	**345,000**	**$ 69**	**193,521,506**	**$ 38,704**	**$ 6,135,885**	**$ (5,494,193)**	**$ 680,465**
Debt converted to common stock	-	-	9,129,136	1,826	298,174	-	300,000
Beneficial conversion feature of note payable	-	-	-	-	310,303	-	310,303
Warrants issued	-	-	-	-	53,447	-	53,447
Net loss for the period	-	-	-	-	-	(530,307)	(530,307)
Balance March 31, 2020	**345,000**	**$ 69**	**202,650,642**	**$ 40,530**	**6,797,809**	**$ (6,024,500)**	**$ 813,908**
Warrants issued	-	-	-	-	23,692	-	23,692
Beneficial converson feature of note payable	-	-	-	-	191,839	-	191,839
Exchange of stock options for common shares	-	-	900,000	180	(180)	-	-
Net loss for the period	-	-	-	-	-	(289,632)	(289,632)
Balance June 30, 2020	**345,000**	**$ 69**	**203,550,642**	**$ 40,710**	**7,013,160**	**$ (6,314,132)**	**$ 739,807**

See notes to unaudited condensed consolidated financial statements

THE CORETEC GROUP INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited)

	Six Months Ended June 30,	
	2021	**2020**
Cash Flows from Operating Activities		
Net loss	$ (3,226,562)	$ (819,939)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation	-	126
Amortization - patents and other intangibles	40,115	40,115
Amortization - debt discount	57,752	241,776
Options issued for compensation and services	2,359,446	-
Change in:		
Prepaid expenses	69,768	55,479
Deposits	(12,750)	-
Accounts payable and accrued liabilities	317,476	(137,632)
Net cash used in operating activities	(394,755)	(620,075)
Cash Flows from Investing Activities		
Capitalized website costs	(12,007)	-
Cash Flows from Financing Activities		
Payments on notes payable	(46,580)	(33,546)
Proceeds from debt and warrants issued	334,651	703,249
Proceeds from private placement stock issued	4,913,200	-
Net cash provided by financing activities	5,201,271	669,703
Net change in cash	4,794,509	49,628
Cash, beginning of period	22,219	58,149
Cash, end of period	$ 4,816,728	$ 107,777
Supplemental Disclosure of Cash flow Information		
Cash paid during the period for interest	$ 33,753	$ 36,280
Non-Cash Financing Activities		
Notes payable converted to common stock	$ 230,000	$ 300,000
Stock options exchanged for common stock	$ 420	$ -
Common stock issued to satisfy liabilities	$ 393,574	$ -
Recognition of beneficial conversion feature	$ -	$ 502,142

See notes to consolidated financial statements

Note 1 – Business Organization, Nature of Business and Basis of Presentation

Nature of Business

The Coretec Group Inc. (the "Group") (formerly 3DIcon Corporation) ("3DIcon") was incorporated on August 11, 1995, under the laws of the State of Oklahoma as First Keating Corporation. The articles of incorporation were amended August 1, 2003 to change the name to 3DIcon Corporation. During 2001, First Keating Corporation began to focus on the development of 360-degree holographic technology. From January 1, 2001, 3DIcon's primary activity has been the raising of capital in order to pursue its goal of becoming a significant participant in the development, commercialization and marketing of next generation 3D display technologies.

Coretec Industries, LLC ("Coretec"), a wholly owned subsidiary of the Group (collectively the "Company"), was organized on June 2, 2015 in the state of North Dakota. Coretec is currently developing, testing, and providing new and/or improved technologies, products, and service solutions for energy-related industries including, but not limited to oil/gas, renewable energy, and distributed energy industries. Many of these technologies and products also have application for medical, electronic, photonic, display, and lighting markets among others. Early adoption of these technologies and products is anticipated in markets for energy storage (Li-ion batteries), renewable energy (BIPV), and electronics (Asset Monitoring).

Basis of Presentation

The accompanying condensed consolidated financial statements of the Company have been prepared without audit pursuant to the rules and regulations of the Securities and Exchange Commission ("SEC"). Certain information and footnote disclosures normally included in the consolidated financial statements prepared in accordance with accounting principles generally accepted in the United States of America have been condensed or omitted pursuant to such rules and regulations. The Company believes that the disclosures made are adequate to make the information presented not misleading. These condensed consolidated financial statements should be read in conjunction with the Company's year-end audited consolidated financial statements and related footnotes included in the previously filed Form 10-K, and in the opinion of management, reflects all adjustments, which include only normal recurring adjustments, necessary to present fairly the consolidated financial position of the Company. The consolidated results of operations for interim periods may not be indicative of the results which may be realized for the full year.

Note 2 – Summary of Significant Accounting Policies

Principles of Consolidation

The condensed consolidated financial statements include the accounts of the Group and its wholly owned subsidiary, Coretec. Intercompany transactions and balances have been eliminated in consolidation.

Use of Estimates

The preparation of condensed consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, expenses and the disclosure of contingent assets and liabilities. Actual results could differ from the estimates and assumptions used.

Impairment of Long-Lived Assets

Long-lived assets, such as property and equipment and intangible assets, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If circumstances require a long-lived asset or asset group be tested for possible impairment, the Company first compares undiscounted cash flows expected to be generated by that asset or asset group to its carrying value. If the carrying value of the long-lived asset or asset group is not recoverable on an undiscounted cash flow basis, impairment is recognized to the extent that the carrying value exceeds its fair value. Fair value is determined through various valuation techniques including discounted cash flow models, quoted market values and third-party independent appraisals, as considered necessary.

Fair Value of Financial Instruments

The following methods and assumptions were used to estimate the fair value of each class of financial instrument held by the Company:

Current assets and current liabilities – The carrying value approximates fair value due to the short maturity of these items.

Notes payable – The fair value of the Company's notes payable has been estimated by the Company based upon the liability's characteristics, including interest rates, embedded instruments and conversion discounts. The carrying value approximates fair value.

Reclassification

Certain amounts in the prior period condensed statement of operations have been reclassified to conform to the presentation of the current year. These reclassifications had no effect on the previously reported net loss.

Basic and Diluted Loss Per Common Share

Basic loss per common share is computed by dividing net loss by the weighted average number of vested common shares outstanding during the period. Diluted loss per share reflects the potential dilution that could occur if securities or other instruments to issue common stock were exercised or converted into common stock. The following securities are excluded from the calculation of weighted average dilutive common shares because their inclusion would have been anti-dilutive:

	June 30,	
	2021	**2020**
Options	39,711,609	20,212,174
Warrants	142,604,000	1,440,000
Series A convertible preferred stock	115,000	115,000
Convertible debt	42,249,240	27,355,623
Total potentially dilutive shares	**224,679,849**	**49,122,797**

Subsequent Events

The Company evaluates events that have occurred after the balance sheet date but before the condensed consolidated financial statements are issued. Based upon the evaluation, the Company did not identify any recognized or non-recognized subsequent events that would have required adjustment or disclosure in the consolidated financial statements, except as disclosed in Note 5.

Recent Accounting Pronouncements

The following is a summary of recent accounting pronouncement recently adopted by the Company:

In August 2020, the FASB issued ASU 2020-06, *Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging—Contracts in Entity's Own Equity (Subtopic 815-40).* This ASU simplifies the accounting for convertible instruments. The guidance removes certain accounting models which separate the embedded conversion features from the host contract for convertible instruments. As a result, after adopting ASU 2020-06, the Company no longer separately presents the embedded conversion feature of its convertible debt within stockholders' equity and interest expense is expected to decrease due to the elimination of the related debt discount amortization when compared to prior reporting. ASU 2020-06 was effective for the Company in the first quarter of 2024, with early adoption permitted in the first quarter of 2021 and could have been adopted using either a full or modified retrospective approach. The Company has adopted ASU 2020-06 under the modified retrospective approach for the 2021 fiscal year effective January 1, 2021. Adoption has resulted in an approximate $989,000 decrease in additional paid in capital from the derecognition of the beneficial conversion feature, $863,000 increase in long term debt from the derecognition of the discount associated with the beneficial conversion feature and $126,000 decrease to the opening balance of accumulated deficit, representing the cumulative interest expense recognized related to the amortization of the beneficial conversion feature.

The following is a summary of recent accounting pronouncements that are relevant to the Company:

In May 2021, the FASB issued ASU 2021-04, *Issuer's Accounting for Certain Modifications or Exchanges of Freestanding Equity-Classified Written Call Options* which clarifies the accounting for a modification or an exchange of a freestanding equity-classified written call option that remains equity classified after a modification or exchange and the related EPS effects of such transaction if recognized as an adjustment to equity. Upon adoption on January 1, 2022, the Company will consider this guidance for modifications or exchanges of freestanding equity-classified written call options.

Note 3 –Notes Payable

	June 30, 2021	December 31, 2020
Notes payable:		
3.8% Insurance premium finance agreement due June 2021	$ -	$ 46,580
Long term debt:		
10% Promissory note due January 2024	$ 1,390,000	$ 1,275,000
Less:		
Beneficial conversion feature	-	(862,775)
Warrants issued	(123,539)	(106,167)
Debt issue costs	(37,470)	(39,460)
Total long term debt	**$ 1,228,991**	**$ 266,598**

3.8% Insurance premium finance agreement, due June 2021

The Company entered into an insurance financing agreement in August 2020 totaling $77,151. The monthly payments under the agreement are due in ten installments of $7,849. The Company made the first installment payment in September 2020 and the note has been fully paid as of June 30, 2021.

10% Promissory note due January 2024, net

On October 4, 2019, the Company entered into a Credit Agreement and related Promissory Note with Diversified Alpha Fund of Navigator Global Fund Manager Platform SPC (DAF), the Lender. DAF is a segregated portfolio fund of Navigator Global Fund Manager Platform SPC. DAF is managed and controlled by Mollitium Investment Management (Mollitium). Mollitium utilizes Diversified Global Investment Advisors Ltd. (DGIA) to act in an advisory role. DGIA maintains an Investment Committee to support the services to Mollitium. Simon Calton serves as part of this five-member investment committee and in accordance with the investment committee's guidelines, Mr. Calton does not participate in matters or voting that pertain to the Company due to his conflict of interest. Investment advice provided by DGIA to Mollitium are recommendations only and the final decision on actions are the responsibility of Mollitium. Carlton James Global Management, Ltd (CJGM) serves as a distributer of investments by introducing funds available to the market of which DAF is included in CJGM's group of funds. Compensation to CJGM occurs when investments are made into funds that they introduce. CJGM is part of the Carlton James Group of which Mr. Calton is CEO.

The 10% Promissory Note, in a principal amount of $2,500,000, is due February 15, 2024 and has attached warrants to subscribe for and purchase 3,000,000 shares of common stock at an exercise price of $0.052 per share. Under the terms of the Credit Agreement, DAF will fund the Promissory Note in sixteen (16) tranches in amounts of $125,000 and $175,000 per month beginning in October 2019. The funding of the Promissory Note is at the discretion of DAF and may differ from the planned schedule. As of June 30, 2021, DAF has advanced $2,170,000 with the remaining $330,000 to be funded during 2021. Interest is accrued monthly and paid in advance for the first 12 months and thereafter principal and interest payments shall be paid monthly in equal amounts, amortized over a 36-month period.

Under the terms of the Promissory Note, DAF has the right to elect to convert all or part of the Promissory Notes at a price equal to seventy percent (70%) of the average closing price of the Company'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 loan closing date of October 4, 2019, which calculates to $0.0329 per share.

Under the terms of the DAF Credit Agreement, warrants to subscribe for and purchase 3,000,000 shares of common stock at an exercise price of $0.052 per share are available to be issued to DAF. The warrants will be issued in amounts of 150,000 and 210,000 per month as the advance is received during the funding period. In the event that funding advances deviate from the planned schedule then warrants will be issued pro-rata at 1.2 warrants for every $1 of funding. As of June 30, 2021, 2,604,000 warrants have been granted under the terms of the DAF Credit Agreement. The estimated value of the warrants granted monthly, with each advance, is calculated using the Black-Scholes option pricing model. The resulting estimated value of the warrant is used to proportionally allocate the fair value of the debt advance and the fair value of the warrants. The allocated cost of the warrants amounted to $62,785 and $135,706 during the six months ended June 30, 2021 and the year ended December 31, 2020, respectively, and is being amortized over the life of the debt. $21,942 and $11,471was amortized during the six months ended June 30, 2021 and 2020, respectively.

Additionally, under the terms of the Credit Agreement, the Company agreed to pay a commitment fee of 3% of each advance and reimburse DAF for certain expenses in connection with the preparation, interpretation, performance and enforcement of the Credit Agreement. Those costs amounted to $10,350 and $42,000 for six months ended June 30, 2021 and the year ended December 31, 2020 and are being amortized over the life of the debt. $7,272 and $3,840 was amortized during the six months ended June 30, 2021 and 2020, respectively.

On March 31, 2021, under the terms of the Credit Agreement, DAF converted $50,000 of the principle of the Promissory Note into 1,519,757 shares of common stock at $0.0329 per share. Related charges were made to interest expense for debt issue costs of $5,513 for the warrants and $1,346 for the deferred cost, through March 31, 2021.

On April 29, 2021, under the terms of the Credit Agreement, DAF converted $180,000 of the principle of the Promissory Note into 5,471,125 shares of common stock at $0.0329 per share. Related charges were made to interest expense for debt issue costs of $16,429 for the warrants and $3,772 for the deferred cost, through April 29, 2021.

Note 4 – Commitments and Contingencies

Warrants

Warrants to subscribe for and purchase up to 3,000,000 shares of common stock at an exercise price of $0.052 per share were included under the terms of the DAF Credit Agreement. The warrants will be issued in amounts of 150,000 and 210,000 per month during the funding period. In the event that funding advances deviate from the planned schedule then warrants will be issued pro-rata at 1.2 warrants for every $1 of funding. Warrants granted under the terms of the DAF Credit Agreement as of June 30, 2021 total 2,604,000. The estimated value of the warrants granted monthly, with each advance, is calculated using the Black-Scholes option pricing model. The Company does not plan to pay cash dividends in the foreseeable future, and therefore, it used an expected dividend yield of zero. Expected volatility is based on the historical volatility of our stock. The risk-free interest rate is based on the U.S. Treasury Constant Maturity rates as of the grant date. The expected life of the warrant is based on historical exercise behavior and expected future experience. The resulting estimated value of the warrant is used to proportionally allocate the fair value of the debt advance and the fair value of the warrants.

On March 2, 2021, the Company entered into a securities purchase agreement (the “Purchase Agreement”) with a single institutional investor in a private placement to sell (i) 23,500,000 shares of its common stock, (ii) pre-funded warrants to purchase up to an aggregate of 51,500,000 shares of its common stock, and (iii) warrants to purchase up to an aggregate of 82,500,000 shares of its common stock for gross proceeds of approximately $6,000,000. The combined purchase price for one share of common stock and associated Warrant is $0.08 and for one Pre-Funded Warrant and associated Warrant is $0.0799. The sale of the securities under the Purchase Agreement closed on March 5, 2021. The pre-funded warrants have an exercise price of $0.0001 per share, subject to adjustment as set forth in the pre-funded warrants for stock splits, stock dividends, recapitalizations and similar events. The pre-funded warrants will be exercisable immediately and may be exercised at any time until all of the pre-funded warrants are exercised in full. In addition, the Company agreed to issue to the placement agent (or its designees) warrants to purchase a number of shares equal to 8.0% of the aggregate number of shares and pre-funded warrant shares sold under the Purchase Agreement, or warrants to purchase an aggregate of up to 6,000,000 shares. The placement agent warrants generally will have the same terms as the warrants, except they will have an exercise price of $0.10.

Warrants Summary

The following table summarizes the Company's warrant activity during the six months ended June 30, 2021:

	Number of Warrants	Weighted Average Exercise Price	Weighted Average Remaining Life In Years	Aggregate Intrinsic Value
Outstanding, December 31, 2020	2,190,000	$ 0.0520		
Granted - prefunded	51,500,000	0.0001		
Granted	88,914,000	0.0812		
Outstanding, June 30, 2021	**142,604,000**	**$ 0.0515**	**4.30**	**$ 10,156,953**

Options

Stock options for employees, directors or consultants that vest immediately, are valued at the date of award, which does not precede the approval date, and compensation cost is recognized in the period the options are vested. Stock options generally become exercisable on the date of grant and expire based on the terms of each grant.

The estimated fair value of options for common stock granted is determined using the Black-Scholes option pricing model. The Company does not plan to pay cash dividends in the foreseeable future, and therefore, it used an expected dividend yield of zero. Expected volatility is based on the historical volatility of our stock. The risk-free interest rate is based on the U.S. Treasury Constant Maturity rates as of the grant date. The expected life of the option is based on historical exercise behavior and expected future experience.

On June 8, 2020, the Board of Directors consented to a share exchange agreement with holders of 21,500,000 options awarded on August 7, 2019. The agreement allows for holders to exchange their options for restricted common stock at an exchange rate of 0.6 shares per 1 option. The common stock stock exchanged is subject to certain restrictions and exempt from registration under SEC Rule 144 (Rule 144 Common Stock). The modification of these options did not result in any additional compensation because there was no change in the fair value. During the six months ended June 30, 2021, 3,500,000 options have been exchanged for 2,100,000 shares that were issued under the executed exchange agreement.

The following table summarizes the Company's option activity during the six-month period ended June 30, 2021:

	Number of Options	Weighted Average Exercise Price	Weighted Average Remaining Life In Years	Aggregate Intrinsic Value
Outstanding, December 31, 2020	20,212,174	$ 0.068		
Expired	(565)	420.000		
Exchanged for common stock	(3,500,000)	0.041		
Granted	23,000,000	0.143		
Outstanding, June 30, 2021	**39,711,609**	**$ 0.108**	**4.13**	**$ 1,332,050**
Exercisable, June 30, 2021	**34,211,609**	**$ 0.071**	**4.00**	**$ 1,295,200**

The Company had $650,103 in unrecognized compensation cost related to non-vested options, which is expected to be recognized over a weighted-average period of approximately 0.5 years.

The following table summarizes the Company's options as of June 30, 2021:

Exercise Price		Outstanding Number of Options	Weighted Average Remaining Life In Years	Exercisable Number of Options
$	0.041	15,500,000	3.10	15,500,000
$	0.065	1,000,000	4.00	500,000
$	0.121	5,000,000	4.97	-
$	0.150	18,000,000	4.77	18,000,000
$	0.240	208,160	5.72	208,160
$	70.260	3,449	1.00	3,449
Total		**39,711,609**	**4.13**	**34,211,609**

Litigation, Claims, and Assessments

The Company may be involved in legal proceedings, claims and assessments arising in the ordinary course of business. In the opinion of management, such matters are currently not expected to have a material impact on the Company's condensed consolidated financial statements. The Company records legal costs associated with loss contingencies as incurred and accrues for all probable and estimable settlements.

Office Leases

On June 30, 2020 the Company moved headquarters from Tulsa, Oklahoma to Ann Arbor, Michigan at which time the Company terminated the lease agreement in Tulsa. The Company continued to occupy the office space in Ann Arbor under the lease agreement that was executed on December 3, 2019. The Company signed a one-year lease in Ann Arbor, Michigan commencing January 1, 2020 with an annual rent obligation of $15,120 ($1,260 per month). The Company has renewed the Ann Arbor lease for 2021 under the same terms. Rent expense for the office operating leases was $7,560 and $18,032 for the six months ended June 30, 2021 and 2020, respectively.

Supply Agreement

During June 2020, the Company entered into a supply agreement with Evonik Operations GmbH to purchase 500 grams of cyclohexasilane, Si6H12 (CHS) for $185,000. The supply agreement is valid until March 31, 2021, however, due to delays resulting from Covid-19 and production delays, both companies agreed to extend the contract duration until all 500 grams of cyclohexasilane is delivered by Evonik. The Company paid Evonik Operations GmbH $92,500 on July 20, 2020, to initiate production of CHS, in accordance with the agreement. Initial delivery of 50 grams occurred in June 2021 and upon remaining product delivery and invoicing, the Company will owe the remaining $92,500.

Note 5 – Subsequent Events

In August 2021, an option holder exchange 1,500,000 options for 900,000 shares of restricted common stock. This transaction was pursuant to the June 8, 2020 consent by the Board of Directors for a share exchange agreement (see Note 4).

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Forward-Looking Statements

The information in this report contains forward-looking statements. All statements other than statements of historical fact made in this report are forward looking. In particular, the statements herein regarding industry prospects and future results of operations or financial position are forward-looking statements. These forward-looking statements can be identified by the use of words such as “believes,” “estimates,” “could,” “possibly,” “probably,” “anticipates,” “projects,” “expects,” “may,” “will,” or “should” or other variations or similar words. No assurances can be given that the future results anticipated by the forward-looking statements will be achieved. Forward-looking statements reflect management’s current expectations and are inherently uncertain. Our actual results may differ significantly from management’s expectations.

This Quarterly Report on Form 10-Q includes the accounts of The Coretec Group Inc., an Oklahoma corporation, together with its wholly owned subsidiary, Coretec Industries LLC, a North Dakota limited liability corporation formed in North Dakota (individually referred to as “Coretec”). References in this Report to “we,” “our,” “us” or the “Group” refer to The Coretec Group Inc. and its consolidated subsidiary unless context dictates otherwise. The following discussion and analysis should be read in conjunction with our consolidated financial statements, included herewith. This discussion should not be construed to imply that the results discussed herein will necessarily continue into the future, or that any conclusion reached herein will necessarily be indicative of actual operating results in the future. Such discussion represents only the best present assessment of our management.

Plan of Operation

Background:

On June 22, 2017, the Group filed an Amended Certificate of Incorporation (the “Amendment”) with the Secretary of State of the State of Oklahoma, to (i) change its name from “3DIcon Corporation” to “The Coretec Group Inc.” and to (ii) effect a 1-for-300 reverse stock split. The Name Change and Reverse Split became effective with the State of Oklahoma on June 28, 2017 and with FINRA on June 29, 2017.

The Group was incorporated on August 11, 1995, under the laws of the State of Oklahoma as First Keating Corporation. The articles of incorporation were amended August 1, 2003 to change the name to 3DIcon Corporation. During 2001, First Keating Corporation began to focus on the development of 360-degree holographic technology. On July 15, 2005, the Group entered into a Sponsored Research Agreement (“SRA”) with the University of Oklahoma (the “University” or “OU”), which expired on January 14, 2007, under which they conducted a research project entitled "Investigation of 3-Dimensional Display Technologies”. On February 23, 2007, they entered into an SRA with the University, which expired on March 31, 2010, under which they conducted a research project entitled "3-Dimensional Display Development". The development to date has resulted in multiple new technologies, two working laboratory prototypes (Lab Proto 1 and Lab Proto 2), and eight provisional patents; five of the eight provisional patents have been combined and converted to five utility patents. These patents describe the foundation of what is called CSpace® technology (“CSpace”). Under the SRA, the Group has obtained the exclusive worldwide marketing rights to these 3D display technologies.

Coretec’s Technology. Coretec’s underlying technology is based on the production of a high value liquid silicon precursor, cyclohexasilane (“CHS”). A key advantage of CHS is that it remains in liquid form at room temperature and does not convert to a gas until heated above 450°F. CHS is a superior silicon precursor in many ways compared to materials commonly used for manufacturing silicon-based semiconductors and solar cells (monosilane or trichlorosilane) that have much lower boiling points which leads to higher cost handling and shipping. There are several technical advantages of using CHS versus common silicon precursors and one is that the production rate of the silicon-forming step can be increased by a factor of six, and relative to process temperature up to 10X or more, which leads to significant cost savings. We anticipate that CHS will first be used as an alternative to monosilane or trichlorosilane when adding silicon to lithium ion batteries or when used in manufacturing silicon-based semiconductors.

We also see longer term potential in several emerging markets where there are opportunities in the conversion of CHS into nanoparticles and nanowires for use in such emerging, high-growth markets as:

- Energy storage
- Solid state lighting
- Authentication of critical documentation
- Printable electronics
- Building-integrated solar energy

Enhancement of CSpace. A key challenge in the development of CSpace® is the development of the material used for the image chamber. The Company has explored a variety of glass alternatives. While progress has been made, it has been concluded that limitations remain, primarily in the weight and cost of a glass medium.

A key virtue of having access to the Coretec IP portfolio of silicon-based materials is that we can now use all of the manufacturing infrastructure and knowledge that is available for optical plastics for the CSpace® image chamber. The benefit to CSpace® is that silicon-based optical plastics can be molded into a broad range of shapes and allow the image chamber to be much lighter and much lower in cost than the glass material we worked with before.

Near-Term Revenue Opportunities. Opportunities for near-term revenue continue to be explored in battery and microelectronic markets. Interest in the use of silicon in Li-ion batteries continues to increase driven by the growing demand for electrical vehicles, the exploitation of mobile electronics, and energy storage systems for backup power and improved efficiency of home and commercial wind and solar systems. Discussions are ongoing with suppliers of Li-ion battery anode materials that are seeking next generation materials to further increase performance while improving lifetime, charging time, safety and reliability. We believe these suppliers will be well positioned to take advantage of the benefits provided by CHS when combined as a liquid with other solid-based materials. While we believe the use of CHS in Li-ion batteries will provide near term revenue, we also continue to explore revenue opportunities in microelectronics and especially those early adopter markets where advanced microelectronics are being developed in lower volumes and with less price sensitivity.

Recent Developments.

Private Placement

On March 2, 2021, the Company entered into the Purchase Agreement with the Investor pursuant to which the Company agreed to sell to the Investor in a private placement (i) 23,500,000 Shares, (ii) Pre-Funded Warrants to purchase up to an aggregate of 51,500,000 shares of its common stock, and (iii) the Warrants to purchase up to an aggregate of 82,500,000 shares of its common stock for gross proceeds of approximately $6,000,000. The combined purchase price for one share of common stock and associated Warrant is $0.08 and for one Pre-Funded Warrant and associated Warrant is $0.0799. The sale of the securities under the Purchase Agreement closed on March 5, 2021.

The Warrants are exercisable for a period of five- and one-half years from the date of issuance and have an exercise price of $0.08 per share, subject to adjustment as set forth in the Warrants for stock splits, stock dividends, recapitalizations and similar events. The Investor may exercise the Warrant on a cashless basis if the Warrant Shares are not then registered pursuant to an effective registration statement. The Investor has contractually agreed to restrict its ability to exercise the Warrant such that the number of shares of the Company's common stock held by the Investor and its affiliates after such exercise does not exceed the Beneficial Ownership Limitation set forth in the Warrant which may not exceed initially 4.99% of the Company's then issued and outstanding shares of common stock.

The Pre-Funded Warrants have an exercise price of $0.0001 per share, subject to adjustment as set forth in the Pre-Funded Warrants for stock splits, stock dividends, recapitalizations and similar events. The Pre-Funded Warrants were exercisable immediately and may be exercised at any time until all of the Pre-Funded Warrants are exercised in full.

In connection with the Purchase Agreement, the Company entered into the Registration Rights Agreement with the Investor. Pursuant to the Registration Rights Agreement, the Company was required to file the Registration Statement with the SEC to register for resale of the Shares, Warrant Shares and shares issuable upon exercise of the Pre-Funded Warrants, within 20 days of the Signing Date, and to have such Registration Statement declared effective within 45 days after the Signing Date in the event the Registration Statement was not reviewed by the SEC, or 90 days of the Signing Date in the event the Registration Statement was reviewed by the SEC.

In support of the Purchase Agreement, the Company entered into an engagement with HCW to act as exclusive agent, advisor or underwriter in any offering of securities by the Company. Compensation to HCW includes 8.0% cash fee of gross proceeds and warrant coverage equal to 8% of the aggregate number of shares of common stock placed in each offering at an exercise price equal to 125% of the offering price per share available over a 5-year term. The Company also paid HCW (a) a management fee equal to 1.0% of the gross proceeds raised in each Offering; (b) $35,000 for non-accountable expenses (c) up to $50,000 for fees and expenses of legal counsel and other out-of-pocket expenses. The initial term of the agreement was for one month.

The securities above were offered and sold pursuant to an exemption from the registration requirements under Section 4(a)(2) of the Securities Act since, among other things, the transactions did not involve a public offering.

Options Granted

On April 7, 2021, the Company granted options (“Options”) to purchase a total of 18,000,000 shares of the Company’s common stock, par value $0.0002 per share (the “Common Stock”) at an exercise price of $0.15 per share. The Options are exercisable for a period of five (5) years from the date of issuance. Of the 18,000,000 total Options granted, (i) Options to purchase 2,000,000 shares of Common Stock were granted to Victor Keen, the Company’s co-chairman; (ii) Options to purchase 2,000,000 shares of Common Stock were issued to Simon Calton, the Company’s co-chairman (iii) Options to purchase 1,000,000 shares of Common Stock were issued to Ron Dombrowski, a Director of the Company’s Board of Directors; (iv) Options to purchase 4,000,000 shares of Common Stock were issued to Michael Kraft, the Company’s Chief Executive Officer; (v) Options to purchase 2,000,000 shares of Common Stock were issued to Matthew Hoffman, the Company’s Chief Financial Officer; and (vi) Options to purchase an aggregate of 7,000,000 shares of Common Stock were issued to various employees and consultants of the Company. Specific individuals and positions held are relative to the time of the grant awards.

Conversion of convertible debt

On March 31, 2021, DAF provided notice to convert $50,000 of debt at the stated conversion price of $0.0329 per share, resulting in an issuance of 1,519,757 common shares.

On April 29, 2021, DAF provided notice to convert $180,000 of debt at the stated conversion price of $0.0329 per share, resulting in an issuance of 5,471,125 common shares.

CEO and Board of Directors Appointment

On June 21, 2021, the Company announced the appointment of Matthew J. Kappers as Chief Executive Officer. Kappers will operate in the CEO role as an independent contractor for the period of June 15, 2021 through December 15, 2021. Kappers will be compensated at a monthly rate of $12,500 and received an option grant to purchase 5,000,000 shares of common stock. The options vest on a monthly basis over the term of the CEO agreement.

In addition, Kappers was also appointed to the Board of Directors.

As a result of Mr. Kappers’ appointment, Michael Kraft was transitioned to President and will continue to focus on commercialization of CHS and expanding the IP portfolio.

CFO contract renewal

On June 23, 2021, the Company renewed the CFO and Corporate Secretary contract with Matthew L. Hoffman under similar terms of the intial contract. The new agreement expires on May 31, 2022.

Results of Operations

RESULTS OF OPERATIONS FOR THE THREE MONTHS ENDED JUNE 30, 2021 COMPARED TO THE THREE MONTHS ENDED JUNE 30, 2020.

Revenue

We did not have revenue for the three-month periods ended June 30, 2021 and 2020.

Research and Development Expenses

The research and development expenses were $198,394 and $36,096 for the three months ended June 30, 2021 and June 30, 2020, respectively. These costs represent consulting ($129,000 of stock option expense), amortization of the patent cost, and intangible legal expenses.

General and Administrative Expenses

Our general and administrative expenses were $2,517,170 for the three months ended June 30, 2021, as compared to $198,141 for the three months ended June 30, 2020.

The approximate $2,319,000 expense increase includes an increase in approximately $2,200,000 of stock option expenses, increase in selling and marketing consultants' fees of approximately $53,000, an increase in finance and administration consultants' fees of approximately $7,000, an approximate increase of $54,000 related to selling and marketing expenses. These increases were offset by a net reduction of approximately $7,000 related to various administrative expenses.

Interest Expense

Interest expense for the three months ended June 30, 2021 was $72,576 as compared to $56,645 for the three months ended June 30, 2020. The approximately $16,000 net increase was a result of the accounting change detailed in pronouncement ASU 2020-06, in which the Company will no longer separately present the embedded conversion feature of its convertible debt within stockholders' equity and therefore not amortize those costs to interest expense. This accounting change resulted in a reduction of approximately $32,000. This reduction was offset by an increase of approximately $48,000 for interest expense related to the DAF promissory note and related warrant and deferred costs during the three months ended June 30, 2020.

RESULTS OF OPERATIONS FOR THE SIX MONTHS ENDED JUNE 30, 2021 COMPARED TO THE SIX MONTHS ENDED JUNE 30, 2020.

Revenue

We did not have revenue for the six-month periods ended June 30, 2021 and 2020.

Research and Development Expenses

The research and development expenses were $235,996 and $79,991 for the six months ended June 30, 2021 and June 30, 2020, respectively. These costs represent consulting ($129,000 of stock option expense), amortization of the patent cost, and intangible legal expenses.

General and Administrative Expenses

Our general and administrative expenses were $2,859,628 for the six months ended June 30, 2021, as compared to $464,114 for the six months ended June 30, 2020.

The approximate $2,396,000 expense increase includes an increase in approximately $2,230,000 of stock option expenses, increase in selling and marketing consultants' fees of approximately $89,000, an increase in finance and administration consultants' fees of approximately $39,000, an approximate increase of $67,000 related to selling and marketing expenses and an approximate $14,000 aggregate increase related to insurance, outside services and SEC filing fees. These increases were offset by a reduction of approximately $24,000 for legal expenses incurred in March of 2020, specifically related to due diligence on a potential reverse merger and $19,000 reduction in payroll expenses.

Interest Expense

Interest expense for the six months ended June 30, 2021 was $130,938 as compared to $277,084 for the six months ended June 30, 2020. The approximately $146,000 net decrease was a result of the accounting change detailed in pronouncement ASU 2020-06, in which the Company will no longer separately present the embedded conversion feature of its convertible debt within stockholders' equity and therefore not amortize those costs to interest expense. This accounting change resulted in a reduction of approximately $193,000. This reduction was offset by an increase of approximately $47,000 for interest expense related to the DAF promissory note and related warrant and deferred costs during the six months ended June 30, 2020.

Financial Condition, Liquidity and Capital Resources

Management remains focused on controlling cash expenses. As a result of the securities purchase agreement and capital raise of $6,000,000 detailed in recent developments, management believes that the Company has sufficient capital commitments to fund the development of its planned products and to pay operating expenses for a period of more than one year following the issuance of these consolidated financial statements. In addition, the Company will continue to leverage stock-for-services whenever possible.

The operating budget consists of the following expenses:

- General and administrative expenses: salaries, insurance, investor related expenses, rent, travel, website, etc.
- Hiring and retaining executive officers for technology, operations and finance.
- Professional fees for accounting and audit; legal services for securities and financing; patent research and protection.
- Continued development and production of CHS

We had net cash of $4,816,728 at June 30, 2021.

We had positive working capital of $4,607,002 at June 30, 2021.

During the six months ended June 30, 2021, we used $394,754 of cash for operating activities, a net decrease of $225,321 or 36% compared to the six months ended June 30, 2020. The net decrease in the use of cash for operating activities was a net result of an increase in the net loss of $2,406,623, offset by an increase in stock option expense of $2,359,446, a decrease in the amortization of debt discount of $184,024, a increase in prepaid expenses of $14,289, a decrease in prepaid expenses of $12,750, and an decrease in accounts payable and accrued liabilities of $455,109.

During the six months ended June 30, 2021, we used $12,007 for website development costs compared with $0 used for investing activities during the six months ended June 30, 2020.

During the six months ended June 30, 2021, there was $5,201,270 of net cash provided by financing activities, an increase of $4,531,567 or 677% compared to the six months ended June 30, 2020. The increase was a result of $4,913,200 in net proceeds of private placement stock issued, offset by $368,599 in less net proceeds of debt and warrants issued and $13,034 in more payments on our insurance premium financing.

We expect to fund the ongoing operations through the existing cash on hand and financing in place.

Our ability to fund the operations of the Company is highly dependent on the underlying stock price of the Company.

Off Balance Sheet Arrangements

We do not engage in any off-balance sheet arrangements that are reasonably likely to have a current or future effect on our financial condition, revenues, and results of operations, liquidity or capital expenditures.

Significant Accounting Policies

There has been no change in the significant accounting policies summarized in our Form 10-K for the year ended December 31, 2020, which was filed on March 12, 2021.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

The Company is a smaller reporting company, as defined by Rule 229.10(f)(1) and is not required to provide the information required by this Item.

Item 4. Controls and Procedures.

Limitations on Effectiveness of Controls. In designing and evaluating our disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. In addition, the design of disclosure controls and procedures must reflect the fact that there are resource constraints and that management is required to apply its judgment in evaluating the benefits of possible controls and procedures relative to their costs.

Evaluation of Disclosure Controls and Procedures. Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures as of June 30, 2021. The term "disclosure controls and procedures," as defined in Rule 13a-15 under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), means controls and other procedures of a company that are designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is accumulated and communicated to management, including our principal executive and principal financial officers, as appropriate to allow timely decisions regarding required disclosure.

Based on our evaluation, our Chief Executive Officer and Chief Financial Officer concluded that, as of June 30, 2021, our disclosure controls and procedures were not effective at a reasonable assurance level as we do not have sufficient resources in our accounting function, which restricts the Company's ability to gather, analyze and properly review information related to financial reporting in a timely manner. In addition, due to our size and nature, segregation of all conflicting duties may not always be possible and may not be economically feasible. However, to the extent possible, management will engage financial consultants and perform additional analysis and other procedures to help address this material weakness. Until remediation actions are fully implemented, and the operational effectiveness of related internal controls are validated through testing, the material weaknesses described above will continue to exist.

Notwithstanding the assessment that our disclosure controls and procedures were not effective and that there is a material weakness as identified herein, we believe that our consolidated financial statements contained in this Quarterly Report fairly present our consolidated financial position, results of operations and cash flows for the periods covered thereby in all material respects.

Changes in Disclosure Controls and Procedures. There has been no change in our disclosure controls and procedures identified in connection with the evaluation required by Rule 13a-15(d) of the Exchange Act that occurred during the quarter ended June 30, 2021, that has materially affected, or is reasonably likely to materially affect, our disclosure controls and procedures.

PART II

Item 1. Legal Proceedings.

We are not a party to any pending legal proceeding, nor is our property the subject of a pending legal proceeding, that is not in the ordinary course of business or otherwise material to the financial condition of our business. None of our directors, officers or affiliates is involved in a proceeding adverse to our business or has a material interest adverse to our business.

Item 1A. Risk Factors.

Not Applicable.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

On March 31, 2021, DAF provided notice to convert $50,000 of debt at the stated conversion price of $0.0329 per share, resulting in an issuance of 1,519,757 common shares to DAF.

On April 29, 2021, DAF provided notice to convert $180,000 of debt at the stated conversion price of $0.0329 per share, resulting in an issuance of 5,471,125 common shares to DAF.

The sales of the above-described securities were deemed to be exempt from registration under the Securities Act because they were made in reliance upon the exemption from registration provided under Section 4(a)(2) of the Securities Act.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosure.

Not Applicable.

Item 5. Other Information.

None.

Item 6. Exhibits.

Exhibit Number	Description of Exhibit
10.1	Form of Option Agreement (1)
31.1	Rule 13a-14(a) / 15d-14(a) Certification of Chief Executive Officer.
31.2	Rule 13a-14(a) / 15d-14(a) Certification of Chief Financial Officer.
32.1	Section 1350 Certifications of Chief Executive Officer.
32.2	Section 1350 Certifications of Chief Financial Officer.
101.INS	Inline XBRL Instance
101.SCH	Inline XBRL Taxonomy Extension Schema
101.CAL	Inline XBRL Taxonomy Extension Calculation
101.DEF	Inline XBRL Taxonomy Extension Definition
101.LAB	Inline XBRL Taxonomy Extension Labels
101.PRE	Inline XBRL Taxonomy Extension Presentation
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).
* Filed	herewith
(1)	Incorporated by reference to Current Report on Form 8-K as filed on April 13, 2021 (File No. 000-54697)

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: August 11, 2021

/s/ Matthew J. Kappers

Name:	Matthew J. Kappers
Title:	Chief Executive Officer

/s/ Matthew L. Hoffman

Name:	Matthew L. Hoffman
Title:	Chief Financial Officer

EXHIBIT 31.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO SECTION 302 OF THE
SARBANES-OXLEY ACT OF 2002

I, Matthew J. Kappers, certify that:

1. I have reviewed this quarterly report on Form 10-Q of The Coretec Group Inc.

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal controls over financial reporting (as defined in Exchange46 Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation;

d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting;

5. I have disclosed, based on my most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):

a) all significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial data; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls over financial reporting.

Dated: August 11, 2021

By: /s/ Matthew J. Kappers
Matthew J. Kappers
Chief Executive Officer

EXHIBIT 31.2

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER
PURSUANT TO SECTION 302 OF THE
SARBANES-OXLEY ACT OF 2002

I, Matthew L. Hoffman, certify that:

1. I have reviewed this quarterly report on Form 10-Q of The Coretec Group Inc.

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal controls over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation;

d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting;

5. I have disclosed, based on my most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):

a) all significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial data; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls over financial reporting.

Dated: August 11, 2021

By: /s/ Matthew L. Hoffman
Matthew L. Hoffman
Chief Financial Officer

Exhibit 32.1

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

In connection with the Quarterly Report of The Coretec Group Inc. (the “Company”) on Form 10-Q for the quarter ended June 30, 2021 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Matthew J. Kappers, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. section 1350 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

The foregoing certification is being furnished solely to accompany the Report pursuant to 18 U.S.C. section 1350 and is not being filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and is not to be incorporated by reference into any filing of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

Date: August 11, 2021

By: /s/ Matthew J. Kappers
Matthew J. Kappers
Chief Executive Officer

Exhibit 32.2

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

In connection with the Quarterly Report of The Coretec Group Inc. (the "Company") on Form 10-Q for the quarter ended June 30, 2021 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Matthew L. Hoffman, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. section 1350 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

The foregoing certification is being furnished solely to accompany the Report pursuant to 18 U.S.C. section 1350 and is not being filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and is not to be incorporated by reference into any filing of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

Date: August 11, 2021

By: /s/ Matthew L. Hoffman
Matthew L. Hoffman
Chief Financial Officer