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, 2013

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

3DICON CORPORATION
(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.)

6804 South Canton Avenue, Suite 150, Tulsa, Oklahoma 74136
(Address of principal executive offices) (Zip Code)

Issuer's Telephone Number: (918) 494-0505

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

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted 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 and post such files). Yes ☒ No ☐

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

Large accelerated filer ☐	Accelerated filer ☐	Non-accelerated filer ☐ (do not check if smaller reporting company)	Smaller reporting company ☒

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

As of August 13, 2013, the issuer had 96,883,036 outstanding shares of Common Stock.

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PART I

Item 1. Financial Statements.

INDEX TO FINANCIAL STATEMENTS

3DIcon CORPORATION
(A Development Stage Company)
BALANCE SHEETS
June 30, 2013 and December 31, 2012

	June 30, 2013 (Unaudited)	December 31, 2012 (Audited)
Assets		
Current assets:		
Cash	$ 119,445	$ 1,350
Prepaid expenses	6,553	12,610
Accounts receivable	-	78,428
Total current assets	125,998	92,388
Net property and equipment	1,198	4,280
Deposits-other	2,315	2,315
Total Assets	$ 129,511	$ 98,983
Liabilities and Stockholders' Deficiency		
Current liabilities:		
Current maturities of convertible notes and debentures payable	$ 540,855	$ 660,840
Warrant exercise advances	46,851	1
Accounts payable	503,457	324,473
Accrued salaries	19,652	10,958
Accrued interest on debentures	15,953	12,246
Total current liabilities	1,126,768	1,008,518
Convertible debentures payable	70,825	73,665
Long term debt	70,825	73,665
Total Liabilities	1,197,593	1,082,183
Common stock subject to put rights and call right, 1,685,714 shares	485,649	485,649
Stockholders' deficiency:		
Common stock $.0002 par, 1,500,000,000 shares authorized; 76,597,574 and 45,934,839 shares issued and outstanding at June 30, 2013 and December 31, 2012, respectively	15,320	9,187
Additional paid-in capital	17,780,948	17,044,786
Deficit accumulated during development stage	(19,349,999)	(18,522,822)
Total Stockholders' Deficiency	(1,553,731)	(1,468,849)
Total Liabilities and Stockholders' Deficiency	$ 129,511	$ 98,983

Presentation gives effect to the Reverse Stock Split, which occurred on April 27, 2012 (see note 5)

See notes to financial statements

3DIcon CORPORATION
(A Development Stage Company)

STATEMENTS OF OPERATIONS

Three and Six Months Ended June 30, 2013 and 2012 and
Period from Inception (January 1, 2001) to June 30, 2013
(unaudited)

	Three Months Ended June 30, 2013	Three Months Ended June 30, 2012	Six Months Ended June 30, 2013	Six Months Ended June 30, 2012	Inception to June 30, 2013
Income:					
License fee	$ -	$ -	$ -	$ -	$ 25,000
Sales	-	-	1,500	-	42,297
Grant income	-	11,020	-	63,668	281,492
Total income	-	11,020	1,500	63,668	348,789
Expenses:					
Research and development	86,837	152,908	190,442	286,389	4,868,117
General and administrative	320,880	323,198	584,852	618,192	14,179,149
Interest	33,116	2,830	53,383	4,710	651,522
Total expenses	440,833	478,936	828,677	909,291	19,698,788
Net loss	$ (440,833)	$ (467,916)	$ (827,177)	$ (845,623))	$ (19,349,999)
Loss per share:					
Basic and diluted	$ (0.007)	$ (0.013)	$ (0.014)	$ (0.024)	
Weighted average shares outstanding, Basic and diluted	65,014,503	37,051,815	58,135,328	35,466,209	

Presentation gives effect to the Reverse Stock Split, which occurred on April 27, 2012 (see note 5)

See notes to financial statements

3DIcon CORPORATION
(A Development Stage Company)
STATEMENTS OF CHANGES IN STOCKHOLDERS' DEFICIENCY
Period from Inception (January 1, 2001) to June 30, 2013
(unaudited)

	Common Stock Shares	Common Stock Par Value	Additional Paid-In Capital	Deficit Accumulated During the Development Stage	Total
Balance, January 1, 2001 – as reorganized	27,723,750	$ 27,724	$ 193,488	$ -	$ 221,212
Accrue compensation earned but unrecorded	-	-	-	(60,000)	(60,000)
Stock issued for services	2,681,310	2,681	185,450	-	188,131
Stock issued for cash	728,500	729	72,121	-	72,850
Net loss for the year	-	-	-	(259,221)	(259,221)
Balance, December 31, 2001	31,133,560	31,134	451,059	(319,221)	162,972
Accrue compensation earned but unrecorded	-	-	-	(60,000)	(60,000)
Stock issued for services	3,077,000	3,077	126,371	-	129,448
Stock issued for cash	1,479,000	1,479	146,421	-	147,900
Net loss for the year	-	-	-	(267,887)	(267,887)
Balance, December 31, 2002	35,689,560	35,690	723,851	(647,108	112,433
Accrue compensation earned but unrecorded	-	-	-	(90,000)	(90,000)
Stock issued for services	15,347,000	15,347	-	-	15,347
Stock issued for cash	1,380,000	1,380	33,620	-	35,000
Reverse split 1:10	(47,174,904)	-	-	-	-
Par value $0.0001 to $0.0002	-	(51,369)	51,369	-	-
Net loss for the year	-	-	-	(51,851)	(51,851)
Balance, December 31, 2003	5,241,656	1,048	808,840	(788,959)	20,929
Additional founders shares issued	25,000,000	5,000	(5,000)	-	-
Stock issued for services	24,036,000	4,807	71,682	-	76,489
Stock issued for cash	360,000	72	28,736	-	28,808
Warrants issued to purchase common stock at $.025	-	-	18,900	-	18,900
Warrants issued to purchase common stock at $.05	-	-	42,292	-	42,292
Stock warrants exercised	2,100,000	420	60,580	-	61,000
Net loss for the year	-	-	-	(617,875)	(617,875)
Balance, December 31, 2004	56,737,656	11,347	1,026,030	(1,406,834)	(369,457)
Stock issued for services	5,850,000	1,170	25,201	-	26,371
Stock issued to settle liabilities	5,000,000	1,000	99,000	-	100,000
Stock issued for cash	1,100,000	220	72,080	-	72,300
Warrants issued to purchase common stock at $.025	-	-	62,300	-	62,300
Warrants issued to purchase common stock at $.05	-	-	140,400	-	140,400
Stock warrants exercised	5,260,000	1,052	172,948	-	174,000
Net loss for the year	-	-	-	(592,811)	(592,811)
Balance, December 31, 2005	73,947,656	14,789	1,597,959	(1,999,645	(386,897)
Stock issued for services	4,700,000	940	205,597	-	206,537
Debentures converted	3,000,000	600	149,400	-	150,000
Stock issued for cash	200,000	40	16,160	-	16,200
Warrants issued to purchase common stock	-	-	33,800	-	33,800
Warrants converted to purchase common stock	16,489,000	3,297	565,203	-	568,500
Net loss for the year	-	-	-	(1,469,888)	(1,469,888)
Balance, December 31, 2006	98,336,656	19,666	2,568,119	(3,469,533)	(881,748)

Stock issued for services	817,727	164	155,262	-	155,426
Stock issued for interest	767,026	153	38,198	-	38,351
Stock based compensation	-	-	1,274,666	-	1,274,666
Debentures converted	17,215,200	3,442	1,673,741	-	1,677,183
Stock issued for cash	1,188,960	238	191,898	-	192,136
Options exercised	222,707	45	(45)	-	-
Warrants issued to purchase common stock	-	-	87,864	-	87,864
Warrants converted to purchase common stock	8,585,956	1,717	462,203	-	463,920
Net loss for the year	-	-	-	(3,928,996)	(3,928,996)
Balance, December 31, 2007	127,125,232	25,425	6,451,906	(7,398,529)	(921,198)
Stock issued for cash	515,677	103	24,897	-	25,000
Warrants exercised	1,347,261	269	362,425	-	362,694
Stock based compensation	-	-	654,199	-	654,199
Debentures converted	15,257,163	3,052	962,257	-	965,309
Options exercised and escrowed shares	8,671,460	1,734	(1734)	-	-
Stocks issued for service	4,598,973	920	312,880	-	313,800
Net loss for the year	-	-	-	(3,611,550)	(3,611,550)
Balance, December 31, 2008	157,515,766	31,503	8,766,830	(11,010,079)	(2,211,746)
Stock issued for cash	20,607,841	4,122	197,878	-	202,000
Warrants exercised	35,100	7	382,583	-	382,590
Debentures converted	77,451,141	15,490	467,514	-	483,004
Stocks issued for service	68,506,130	13,701	524,653	-	538,354
Stock issued for accounts payable	11,264,706	2,253	321,409	-	323,662
Stock issued for interest	8,310,128	1,662	41,647	-	43,309
Warrants issued for accounts payable	-	-	13,505	-	13,505
Net loss for the year	-	-	-	(1,566,835)	(1,566,835)
Balance, December 31, 2009	343,690,812	68,738	10,716,019	(12,576,914	(1,792,157)
Stock issued for cash	5,714,286	1,143	8,857	-	10,000
Warrants exercised	47,523	9	517,991	-	518,000
Debentures converted	255,650,977	51,130	228,061	-	279,191
Stock issued for services	97,684,416	19,538	213,348	-	232,886
Stock issued for liabilities	48,657,897	9,732	204,682	-	214,414
Stock issued for interest	6,093,396	1,218	15,843	-	17,061
Stock based compensation	-	-	418,112	-	418,112
Net loss for the year	-	-	-	(1,523,737)	(1,523,737)
Balance, December 31, 2010	757,539,307	151,508	12,322,913	(14,100,651)	(1,626,230)
Warrants and options exercised	12,308,915	2,462	754,378	-	756,840
Debentures converted	252,267,600	50,453	653,093	-	703,546
Stock issued for services	30,072,595	6,015	349,190	-	355,205
Stock issued for liabilities	97,530,393	19,506	536,521	-	556,027
Stock issued for interest	7,094,511	1,419	41,533	-	42,952
Escrowed shares cancelled	(4,310,446)	(862)	862	-	-
Stock based compensation	-	-	285,600	-	285,600
Retrospective adjustment for the 1:35 reverse common stock split on April 27, 2012	(1,119,574,221)	(223,915)	223,915		
Net loss for the period	-	-	-	(2,320,469)	(2,320,469)
Balance, December 31, 2011	32,928,654	6,586	15,168,005	(16,421,120)	(1,246,529)
Warrants and options exercised	2,285	1	871,051	-	871,052
Debentures converted	9,884,674	1,976	37,803	-	39,779
Stock issued for interest	1,076	1	2,046	-	2,047
Stock issued for services	2,248,640	450	245,650	-	246,100
Stock issued for liabilities	869,510	173	366,191	-	366,364
Stock based compensation	-	-	354,040	-	354,040
Net loss for the period	-	-	-	(2,101,702)	(2,101,702)
Balance, December 31, 2012	45,934,839	9,187	17,044,786	(18,522,822)	(1,468,849)
Warrants and options exercised	811	1	309,559	-	309,560
Debentures converted	26,906,923	5,381	233,304	-	238,685
Stock issued for services	2,656,250	531	62,019		62,550
Stock issued for liabilities	1,098,751	220	31,280		31,500
Options issued for cash	-	-	100,000		100,000
Net loss for the period	-	-	-	(827,177)	(827,177)

Balance June 30, 2013	76,597,574	$ 15,320	$ 17,780,948	$ (19,349,999)	$ (1,553,731)

Presentation gives effect to the Reverse Stock Split, which occurred on April 27, 2012 (see note 5)

See notes to financial statements

3DIcon CORPORATION
(A Development Stage Company)
STATEMENTS OF CASH FLOWS
Six Months Ended June 30, 2013 and 2012
and Period from Inception (January 1, 2001) to June 30, 2013
(unaudited)

	Six Months Ended June 30, 2013	Six Months Ended June 30, 2012	Inception to June 30, 2013
Cash Flows from Operating Activities			
Net loss	$ (827,177)	$ (845,623)	$ (19,349,999)
Adjustments to reconcile net loss to net cash used in operating activities:			
Options issued for services		72,520	2,986,618
Stock issued for services	62,550	183,100	2,546,645
Stock issued for interest	-	-	143,719
Book value of assets retired	-	-	6,529
Amortization of debt issuance costs	30,860	332	280,107
Depreciation	3,082	2,870	35,802
Impairment of assets	-	-	292,202
Change in:			
Accounts receivable	13,028	3,971	-
Prepaid expenses and other assets	6,057	(17,313)	(257,268)
Accounts payable and accrued liabilities	222,885	(70,593)	2,731,642
Net cash used in operating activities	(488,715)	(670,736)	(10,584,003)
Cash Flows from Investing Activities			
Purchase of office furniture and equipment	-	-	(43,529)
Net cash used in investing activities	-	-	(43,529)
Cash Flows from Financing Activities			
Proceeds from stock and warrant sales, exercise of warrants and warrant exercise advances	421,810	638,831	5,699,376
Proceeds from issuance of debentures, notes and options	185,000	46,000	5,047,591
Net cash provided by financing activities	606,810	684,831	10,746,967
Net increase in cash	118,095	14,095	119,435
Cash, beginning of period	1,350	17,666	10
Cash, end of period	$ 119,445	$ 31,761	$ 119,445
Supplemental Disclosures			
Non-Cash Investing and Financing Activities			
Conversion of debentures to common stock (net)	$ 238,685	$ 3,563	$ 4,536,145
Cash paid for interest	$ 18,816	$ 1,634	$ 322,512
Stock issued to satisfy payables	$ 31,500	$ 366,364	$ 2,385,117
Debenture issued to satisfy payable	$ -	$ -	$ 154,916
Stock issued subject to put rights and call right to satisfy payables	$ -	$ -	$ 485,649

Presentation gives effect to the Reverse Stock Split, which occurred on April 27, 2012 (see note 5)

See notes to financial statements

3DIcon CORPORATION
(A Development Stage Company)

NOTES TO FINANCIAL STATEMENTS
(Unaudited)

Note 1 – Uncertainties and Use of Estimates

Basis of Presentation

The accompanying financial statements of 3DIcon Corporation (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 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 financial statements should be read in conjunction with the Company's year-end audited financial statements and related footnotes included in the previously filed 10-K. In the opinion of management, all adjustments, consisting only of normal recurring adjustments, necessary to present fairly the financial position of the Company as of June 30, 2013, and the statements of its operations for the three and six months ended June 30, 2013 and 2012, and the period from inception (January 1, 2001) to June 30, 2013, and cash flows for the six-month periods ended June 30, 2013 and 2012, and the period from inception (January 1, 2001) to June 30, 2013, have been included. The results of operations for interim periods may not be indicative of the results which may be realized for the full year.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles 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.

Revenue Recognition

Revenues from software license fees are accounted for in accordance with Accounting Standards Codification (“ASC”) 985-605, “Software Revenue Recognition”. The Company recognizes revenue when (i) persuasive evidence of an arrangement exists; (ii) delivery has occurred or services have been rendered; (iii) the sales price is fixed or determinable; and (iv) collectability is reasonably assured.

Grant revenue is recognized when earned.

Recent Accounting Pronouncements

Based on management's assessment no new accounting standards, if adopted, would have a material impact on the accompanying financial statements.

Uncertainties

The accompanying financial statements have been prepared on a going concern basis. The Company is in the development stage and has insufficient revenue and capital commitments to fund the development of its planned product and to pay operating expenses.

The Company has realized a cumulative net loss of $19,349,999 for the period from inception (January 1, 2001) to June 30, 2013, and a net loss of $827,177 and $845,623 for the six-months ended June 30, 2013 and 2012, respectively.

The ability of the Company to continue as a going concern during the next year depends on the successful completion of the Company's capital raising efforts to fund the development of its planned products. The financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern.

Management plans to fund the future operations of the Company with existing cash, grants and investor funding. Pursuant to the 4.75% Convertible Debenture due in December 2014, beginning in November 2007, Golden State is obligated to submit conversion notices in an amount such that Golden State receives 1% of the outstanding shares of the Company every calendar quarter for a period of one year or until the Debenture is converted in full. In connection with each conversion, Golden State is expected to simultaneously exercise a percentage of warrants equal to the percentage of the principal being converted. The warrants are exercisable at $381.50 per share. The number of warrants exercisable is subject to certain beneficial ownership limitations contained in the 4.75% Convertible Debenture (“the Beneficial Ownership Limitations”). The Beneficial Ownership Limitations prevent Golden State from converting on the 4.75% Convertible Debenture or exercising warrants if such conversion or exercise would cause Golden State’s holdings to exceed 9.99% of the Company’s issued and outstanding common stock. Subject to the Beneficial Ownership Limitations and provided that Golden State is able to sell the shares under Rule 144, Golden State is required to convert $85.71 of the 4.75% Convertible Debenture and exercise 857 warrants per month. Based upon our current stock price, our issued and outstanding shares as of June 30, 2013 and ignoring the impact of the Beneficial Ownership Limitations, the Company may receive up to $327,000 per month in funding from Golden State as a result of warrant exercises. During the six-months ended June 30, 2013, the Company received $421,810 in funding under the terms of the 4.75% Convertible Debenture (see Note 4).

Additionally, the Company is continuing to pursue financing through private offerings of debt or common stock.

Registration Statement on Form S-1

Pursuant to a Registration Statement on Form S-1 and the prospectus therein, filed on July 3, 2012, and amendment thereto, the Registration Statement was declared effective on February 13, 2013.

Note 2 – Sponsored Research Agreement ("SRA") Common Stock Subject to Put Right and Call Right

Since April 20, 2002, the Company has entered into a number of Sponsored Research Agreements with the University of Oklahoma (“OU”) as follows:

Phase I: “Pilot Study to Investigate Digital Holography”, April 20, 2004. The Company paid OU $14,116.

Phase II: “Investigation of 3-Dimensional Display Technologies”, April 15, 2005, as amended. The Company paid OU $528,843.

Phase III: “3-Dimensional Display Development”. The Company made partial payment to OU by issuing 121,848 post-split equivalent shares with a market price of $290,000 on October 14, 2008 and final payment on December 1, 2010 in the amount of $525,481 of which $40,481 was in cash and 1,685,714 post-split equivalent shares of Company stock (the “Shares”). The Shares are subject to an OU ‘put’ right and a 3DIcon ‘call’ right.

OU “Put” Right on the Shares

First “put” period: December 1, 2012 to November 31, 2013. If the Shares (held plus previously sold) are valued at less than $100,000 then OU can “put” one-tenth of the Shares for $50,000 plus accrued interest retroactive to December 1, 2012 less the value of sold shares.

Second “put” period: December 1, 2013 to November 31, 2014. If the Shares (held & previously sold) are valued at less than $970,000 then OU can “put” the remaining Shares for $485,000 plus accrued interest retroactive to December 1, 2012 less the value of shares previously sold or redeemed during the first “put”.

3DIcon “Call” Right on the Shares

Commencing December 1, 2012, the Company shall have the right to "call" the Shares for an amount equal to $970,000 less the amount (if any) of prior Shares by OU including amounts "put" to 3DIcon.

The Company has presented the Shares outside of deficit in the mezzanine section of the balance sheets, as the Agreement includes a put right, which is not solely within the control of the Company.

The Agreement also amended the existing agreements between the Company and OU such that all intellectual property, including all inventions and or discoveries, patentable or un-patentable, developed before July 28, 2008 by OU under the SRA is owned by OU. All intellectual property, including all inventions and/or discoveries, patentable or un-patentable, developed jointly by the Company and OU at any time is jointly owned by the Company and OU. Finally, all intellectual property developed by the Company after July 28, 2008, including all inventions and or discoveries, patentable or un-patentable, is owned by the Company.

Note 3 – OCAST Grant

The Oklahoma Center for the Advancement of Science and Technology approved the Company's application for funding of a matching grant titled 800 Million Voxels Volumetric Display, on November 19, 2008. The two-year matching grant, totaling $299,984, had a start date of January 1, 2009. The Company received approval for a no cost extension request for the first year of the contract. With the new modification, the first year ended on August 31, 2010. The award is for a maximum of $149,940 for 2009 and the remainder for 2011. The Company earned $-0- and $63,688 from the grant during the six-month periods ended June 30, 2013 and 2012, respectively and $281,492 from inception to date. The Company received approval for a no cost extension request for the second year of the contract and, with the new modification, the second year ended on August 31, 2012.

During the six-month periods ended June 30, 2013 and 2012, the Company charged operations $-0- and $9,780, respectively, pursuant to the direct costs incurred and for the use of the OU lab facilities in regard to the OCAST grant.

Note 4 – Debentures and Notes Payable

Debentures payable consist of the following:

	June 30, 2013	December 31, 2012
Senior Convertible Debentures:		
10% convertible debentures from Directors due June 2014	$ 30,000	$ -
10% Debenture due 2013	29,007	29,007
4.75% Debenture due 2014	70,825	73,665
5.0% Notes due 2013 (net of $4,006 and $6,167 OID)	96,848	168,833
15% Bridge notes due 2013	385,000	463,000
Total Debentures	611,680	734,505
Less - Current Maturities	(540,855)	(660,840)
Long-term Debentures	$ 70,825	$ 73,665

Director Debenture

On June 24, 2013, the Company issued to Victor Keen and Martin Keating, Directors of the Company, ("Directors") 10% convertible debentures in a principal amount of $15,000 each, due June 26, 2014. The Directors may elect to convert all or any portion of the outstanding principal amount of the debentures at an exercise price of $0.01 per share. Provided that the debentures are paid in full or on before the maturity date, no interest shall accrue on the unpaid balance of the principal amount. In the event that the debentures are not paid in full on or before the maturity date, interest shall accrue on the unpaid outstanding balance of the principal amount of the debentures from June 26, 2013, until paid, at the fixed rate of ten percent (10%) per annum.

Newton, O'Connor, Turner & Ketchum 10% Convertible Debenture

On December 20, 2012, the Company issued to Newton, O'Connor, Turner & Ketchum ("NOTK") a 10% convertible debenture in a principal amount of $29,007, due September 30, 2013. NOTK may elect to convert all or any portion of the outstanding principal amount of the debenture at an exercise price of $0.02534 per share. The Company was indebted to NOTK for legal services performed for the Company and reimbursement of expenses in rendition of those services for the period ended December 31, 2012. The debenture was issued in settlement of the indebtedness.

4.75% Convertible Debenture due December 31, 2014

On November 3, 2006, the Company also issued to Golden State a 4.75% convertible debenture in a principal amount of $100,000, due 2014, and warrants to buy 28,571 post-split equivalent shares of the common stock at an exercise price of $381.50 per post-split share. In connection with each conversion, Golden State is expected to simultaneously exercise a percentage of warrants equal to the percentage of the principal being converted. During the year ended December 31, 2012, Golden State converted $7,991 of the $100,000 debenture into 9,577,906 post-split shares of common stock, exercised warrants to purchase 2,285 post-split shares of common stock at $381.50 per share based on the formula in the convertible debenture. Additionally Golden Gate advanced $789,111 against future exercises of warrants of which $805,652 was applied to the exercise of warrants leaving $1.00 of unapplied advances at December 31, 2012. During 2013, Golden State converted $2,840 of the $100,000 debenture into 13,423,644 post-split shares of common stock, exercised warrants to purchase 811 post-split shares of common stock at $381.50 per share based on the formula in the convertible debenture. Additionally Golden State advanced $421,810 against future exercises of warrants of which $309,560 was applied to the exercise of warrants leaving $46,851 of unapplied advances at June 30, 2013.

The conversion price for the 4.75% $100,000 convertible debenture is the lesser of (i) $4.00 (pre-split) or (ii) 80% of the average of the five lowest volume weighted average prices during the twenty (20) trading days prior to the conversion. If Golden State elects to convert a portion of the debenture and, on the day that the election is made, the volume weighted average pre-split price is below $0.02, the Company shall have the right to prepay that portion of the debenture that Golden State elected to convert, plus any accrued and unpaid interest, at 135% of such amount.

5% Convertible Promissory Note #1

On June 6, 2012, the Company issued and sold a convertible promissory note ("Note #1") in the principal amount of $275,000 to JMJ Financial ("JMJ"). Note #1 includes a $25,000 original issue discount (the "OID") that will be prorated based on the advances actually paid to the Company. JMJ advanced $75,000 and collected $6,000 OID during 2012. During 2013, JMJ advanced an additional $55,000 on the note and collected $15,500 OID. Additionally, JMJ converted $86,625 of the note into 6,057,305 shares of common stock at an average of $0.0143 per share based on the formula in the note. In addition to the OID, Note #1 provides for a one-time interest charge of 5% to be applied to the principal sum advanced. Pursuant to the terms of Note #1, JMJ may, at its election, convert all or a part of Note #1 into shares of the Company's common stock at a conversion rate equal to the lesser of (i) $0.35 or (ii) 70% of the lowest trade price during the twenty-five trading days prior to JMJ's election to convert. If the Company repays Note #1 on or before ninety days from the date it was issued, the interest rate will be zero percent. If the Company does not repay Note #1 on or before ninety days from the date it was issued, a one-time interest charge of 5% shall be applied to the principal sum. The Company did not repay Note #1 within the ninety-day period and $2,500 of interest has been accrued. The principal of Note #1 is due one year from the date of each of the principal amounts advanced.

5% Convertible Promissory Note #2

On August 1, 2012, the Company issued and sold a convertible promissory note #2 ("Note #2") in the principal amount of $140,000 to JMJ. Note #2 includes a $15,000 OID that will be prorated based on the advances actually paid to the Company. During 2012, JMJ advanced $75,000 on Note #2 and collected $6,000 OID. During 2013 JMJ converted $71,220 of the note into 5,400,000 shares of common stock at an average of $0.0077 per share based on the formula in the note. In addition to the OID, Note #2 provides for a one-time interest charge of 5% to be applied to the principal sum advanced. Pursuant to the terms of Note #2, JMJ may, at its election, convert all or a part of Note #2 into shares of the Company's common stock at a conversion rate equal to the lesser of (i) $0.15 or (ii) 70% of the lowest trade price during the twenty-five trading days prior to JMJ's election to convert. If the Company repays Note #2 on or before ninety days from the date it was issued, the interest rate will be zero percent. If the Company does not repay Note #2 on or before ninety days from the date it was issued, a one-time interest charge of 5% shall be applied to the principal. The Company did not repay Note #2 within the ninety day period and $5,000 of interest has been accrued. The principal of Note #2 is due one year from the date of each of the principal amounts advanced.

The Notes were subject to a Mandatory Registration Agreement (the "Agreement") whereby no later than August 31, 2012, the Company agreed to file, at its own expense, an amendment to the S-1 Registration Statement which the Company filed with the SEC on July 3, 2012, to include in such Registration Statement 4,750,000 shares of common stock issuable under the Notes as set forth below. The Company thereafter used its best efforts to cause such Registration Statement to become effective as soon as possible after such filing but in no event later than one hundred and twenty (120) days from August 1, 2012, the date of the Agreement. Failure to have the Registration Statement declared effective within 120 days of the date of the Agreement resulted in a penalty/liquidated damages of $25,000. Any such penalties/liquidated damages were added to the balance of either the Note #1 or the Note #2 at the Holder's discretion (under the Holder's and the Company's expectation that those penalties/liquidated damages will tack back to the date of such Note for purposes of Rule 144).

The registration was not declared effective within the 120 day period as specified in the Agreement and $25,000 was added to the principal of Note #2. The Registration Statement was declared effective on February 13, 2013.

15% Convertible Bridge Notes

On August 24, 2012, August 28, 2012 and September 11, 2012, the Company issued and sold to accredited investors Convertible Bridge Notes (the "Bridge Notes") in the aggregate principal amount of $438,000. The note sold on September 10, 2012 was purchased by Victor Keen, a director of the Company. The Notes included a $73,000 original issue discount. Accordingly, the Company received $365,000 gross proceeds from which the Company paid legal fees and placement agent fees totaling $77,700.

The Bridge Notes mature 90 days from their date of issuance and, other than the original issue discount, the Bridge Notes do not carry interest. However, in the event the Bridge Notes are not paid on maturity, all past due amounts will accrue interest at 15% per annum. Upon maturity of the Bridge Notes, the holders of the Bridge Notes may elect to convert all or any portion of the outstanding principal amount of the Bridge Notes into (i) the securities to be sold pursuant to the Registration Statement on Form S-1 and the prospectus therein, filed on July 3, 2012, or amendment thereto at the offering price of such offering; (ii) or shares of the Company's common stock at a conversion price equal to the lesser of 100% of the Volume Weighted Average Price (VWAP), as reported for the 5 trading days prior to (a) the date of issuance of the Bridge Notes, (b) the maturity date of the Bridge Notes, or (c) the first closing date of the securities sold pursuant to the Registration Statement.

In the event that the Registration Statement is not declared effective 90 days from the date of the issuance of the Bridge Notes (the "Required Effective Date"), the Company agreed to register the common stock of the Company into which the Bridge Notes are convertible. The Company agreed to bear the cost of such registration. Furthermore, if the Registration Statement is not declared effective by the Required Effective Date and the Bridge Notes are not paid in full by the Company, the Company will incur liquidated damages equal to 2% of the outstanding principal for each 30 day period after the Required Effective Date the Registration Statement is not declared effective, which amount will be increase to 3% per 30 days in the event that the Registration Statement is not declared effective within 120 days.

On January 26, 2013, the Company entered into two amendment agreements (the "Amendment Agreements") with the two accredited investors, the holders of certain Convertible Bridge Notes (the "Bridge Notes") in principal amounts of $78,000 and $60,000, which Bridge Notes were issued by the Company on August 28, 2012 and September 10, 2012, respectively. Victor Keen, a director on the Company's Board of Directors, is a holder of the $60,000 Bridge Note.

On or about November 26, 2012 and December 10, 2012, the Bridge Note reached their maturity dates, on which dates all past due amounts of the Bridge Notes began accruing interest at 15% per annum. Furthermore, because the shares of the Company's common stock into which the Bridge Notes are convertible were not registered under an effective registration statement (the "Registration Statement"), the holders were entitled to liquidated damages equal to 2% of the outstanding principal for each 30 day period the Registration Statement is not declared effective after the maturity of the Bridge Notes (the "Liquidated Damages").

Pursuant to the Amendments, the holders agreed to extend the maturity of the Bridge Note to April 30, 2013 and waive any and all defaults, default interest and Liquidated Damages then due to each of the holders. Upon maturity, George Widener converted the entire balance of his $78,000 Bridge Note into 2,025,974 shares of common stock. Victor Keen extended the maturity of his Bridge Note to May 15, 2013.

Note 5 – Common Stock and Paid-In Capital

Reverse Stock Split

The Board of Directors, subject to the approval of the shareholders of the Company, authorized an amendment to the Company's Certificate of Incorporation in order to effect a reverse split of the Company's common stock in a ratio in the range between 1 for 15 and 1 for 35, as will be selected by the Company's Board of Directors (the "Reverse Split"). On October 15, 2011, the Company held an annual meeting of stockholders, at which annual meeting the stockholders approved the Reverse Split and approved the filing of an Amended Certificate of Incorporation to effect the Reverse Split at the discretion of the Board of Directors. On April 27, 2012 the Company filed an Amended Certificate of Incorporation to effect a 1-for-35 reverse split of the Company's common stock. The reverse stock split was announced by Financial Industry Regulatory Authority on April 26, 2012 and became effective on April 27, 2012. On April 27, 2012, the effective date, every 35 shares of the Company's issued and outstanding common stocks were combined into one share of common stock. The Company did not issue any fractional shares in connection with the reverse stock split. Stockholders of record who otherwise would have been entitled to receive fractional shares were entitled to, upon surrender to the Company's transfer agent of certificates representing such shares, cash in lieu thereof.

Warrants issued

As of June 30, 2013, there are warrants outstanding to purchase 125,098 shares of common stock at a price of $3.15 per share that expire on May 22, 2014 and, warrants to purchase 96,024 shares of common stock at a price of $3.15 per share that expire on June 1, 2015. Additionally, Golden State has warrants outstanding to purchase 20,234 shares of common stock at a price of $381.50 per share which expire December 31, 2014.

Common stock and options issued for services and liabilities

During the six-month periods ended June 30, 2013 and 2012, shares of common stock totaling 2,656,250 and 1,183,942, respectively were issued for consulting services for which the Company recognized $62,550 and $183,100 of expense, respectively. Additionally, during the period ending June 30, 2013 and 2012, shares totaling 1,098,751 and 869,510, respectively were issued to consultants for previous services provided to the Company for which the accounts payable liability was reduced by $31,500 and $366,364, respectively.

Employment Agreement - On March 19, 2012 the Company announced that Sidney Aroesty would resign as CEO and join the Board of Directors.

Employment Agreement - On March 13, 2012, the Company entered into a one (1) year Agreement for At-Will Employment with Assignment of Inventions ("Employment Agreement") with Mark Willner, pursuant to which Mr. Willner began serving as the Company's Chief Executive Officer, effective immediately. Under the terms of the Employment Agreement, Mr. Willner is entitled to an annual base salary of $180,000, and, at the discretion of the Company's Board of Directors, performance-based bonuses and/or salary increases. Pursuant to the Employment Agreement, the Company granted Mr. Willner five-year stock options to purchase 57,143 shares at a price equal to the average price of the five day period prior to March 19, 2012 which was $0.35 (the "Strike Price"). Furthermore, since Mr. Willner remained employed by the Company at the end of each quarter ending June 30, 2012, September 30, 2012 and December 31, 2012, he received additional stock options to purchase 28,571.5 shares at the Strike Price. In addition, since the Company achieved certain quarterly business objectives, Mr. Willner received, at the end of each such quarterly period, a further grant of stock options to purchase 28,571.5 shares at the Strike Price. The estimated fair value of each of the 57,143 block of options, valued at $18,840, was determined using the Black-Scholes option pricing model and was charged to operations in March 2012, June 2012, September 2012 and December 2012. The expected dividend yield of $-0- is based on the average annual dividend yield as of the grant date. Expected volatility of 163% is based on the historical volatility of the stock since July 25, 2007, the day the Company began trading on the Over-The-Counter Bulletin Board. The risk-free interest rate of 1.87% is based on the U.S. Treasury Constant Maturity rates as of the grant date. The expected life of the option of five years is based on historical exercise behavior and expected future experience.

The Employment Agreement may be terminated with or without reason by either the Company or Mr. Willner and at any time, upon sixty (60) days written notice. The terms of the Employment Agreement will remain effective for one (1) year and will automatically renew, subject to the same termination rights. Upon termination, the Company will pay any base pay, bonus and benefits that have been earned and are due as of the date of the termination.

Employment Agreement - On March 16, 2012, the Company entered into a one (1) year Agreement for At-Will Employment with Assignment of Inventions ("Employment Agreement") with George Melnik, pursuant to which Mr. Melnik began serving as the Company's Senior Technical Advisor, effective immediately. Under the terms of the Employment Agreement, Mr. Melnik is entitled to an annual base salary of $144,000, and, at the discretion of the Company's Board of Directors, performance-based bonuses and/or salary increases. Pursuant to the Employment Agreement, the Company granted Mr. Melnik five-year stock options to purchase 28,571 shares at a price equal to the average price of the five day period prior to March 16, 2012 which was $0.35 (the "Strike Price"). Furthermore, since Mr. Melnik remained employed by the Company at the end of each quarter ending June 30, 2012, September 30, 2012 and December 31, 2012, he received additional stock options to purchase 28,571 shares at the Strike Price. In addition, since the Company achieved certain quarterly business objectives, Mr. Melnik received, at the end of each such quarterly period, a further grant of stock options to purchase 28,571 shares at the Strike Price. The estimated fair value of each of the 28,571 block of options, valued at $9,420, was determined using the Black-Scholes option pricing model and was charged to operations in March 2012, June 2012, September 2012 and December 2012. The expected dividend yield of $-0- is based on the average annual dividend yield as of the grant date. Expected volatility of 163% is based on the historical volatility of the stock since July 25, 2007, the day the Company began trading on the Over-The-Counter Bulletin Board. The risk-free interest rate of 1.87% is based on the U.S. Treasury Constant Maturity rates as of the grant date. The expected life of the option of five years is based on historical exercise behavior and expected future experience.

The Employment Agreement may be terminated with or without reason by either the Company or Mr. Melnik and at any time, upon sixty (60) days written notice. The terms of the Employment Agreement will remain effective for one (1) year and will automatically renew, subject to the same termination rights. Upon termination, the Company will pay any base pay, bonus and benefits that have been earned and are due as of the date of the termination.

Employment Agreement - On January 28, 2013, the Board of Directors of the Company appointed Ronald Robinson to serve as the Company's Chief Financial Officer. Accordingly, the Company decided not to renew its agreement with Christopher T. Dunstan pursuant to which Mr. Dunstan served as the Company's Interim Chief Financial Officer. The Company's appointment of Mr. Robinson and decision not to renew its agreement with Mr. Dunstan was not as a result of any disagreement between the Company and Mr. Dunstan.

On April 11, 2013, the Company completed the sale of two options, each to purchase 10,000,000 shares of the Company's common stock (the "Option Agreements") to two accredited investors. One of the accredited investors was Victor Keen, a director on the Board of Directors of the Company. Each of the Option Agreements provide for the option to purchase up to 10,000,000 shares of restricted common stock at a purchase price of $0.01 per share. The holders of the Option Agreements may exercise the option to purchase common stock on a cashless basis for a period of five years. Furthermore, the holders of the Option Agreements were granted "piggyback" registration rights for the inclusion, on a subsequent registration statement, the shares of common stock underlying the Option Agreements. The gross proceeds to the Company for the sale of both Option Agreements were $100,000.

The following summary reflects warrant and option activity for the six-month period ended June 30, 2013:

	Attached Warrants	Golden State Warrants	Options
Outstanding December 31, 2012	221,122	21,045	3,045,989
Granted/purchased	-	-	20,000,000
Exercised	-	(811)	-
Cancelled	-	-	-
Outstanding June 30, 2013	221,122	20,234	23,045,989

Stock options 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 granted. 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 was determined using the Black-Scholes option pricing model. The expected dividend yield is based on the average annual dividend yield as of the grant date. 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.

Note 6 – Incentive Stock Plan

In January 2011, the Company established the 3DIcon Corporation 2011 Equity Incentive Stock Plan (the "2011 EIP"). The total number of shares of stock which may be purchased or granted directly by options, stock awards or restricted stock purchase offers, or purchased indirectly through exercise of options granted under the 2011 EIP shall not exceed one hundred million (100,000,000) shares. The shares are included in a registration statement filed January 14, 2011. There are currently 44,673 shares available for issuance under the 2011 EIP.

In April 2012, the Company established the 3DIcon Corporation 2012 Equity Incentive Plan (the "2012 EIP"). The total number of shares of stock which may be purchased or granted directly by options, stock awards or restricted stock purchase offers, or purchased indirectly through exercise of options granted under the 2012 EIP shall not exceed five million (5,000,000) post-split shares. The shares are included in a registration statement filed May 3, 2012. Post-split shares totaling 1,755,001 and 2,172,463 were issued from the 2012 EIP during 2013 and 2012 respectively, for services rendered and to satisfy accounts payable to the Company. There are currently 1,072,536 shares available for issuance under the 2012 EIP.

In June 2013, the Company established the 3DIcon Corporation 2013 Equity Incentive Plan (the "2013 EIP"). The total number of shares of stock which may be purchased or granted directly by options, stock awards or restricted stock purchase offers, or purchased indirectly through exercise of options granted under the 2013 EIP shall not exceed twenty million (20,000,000) post-split shares. The shares are included in a registration statement filed June 10, 2013. Post-split shares totaling 2,000,000 were issued from the 2013 EIP during 2013 for services rendered. There are currently 18,000,000 shares available for issuance under the 2013 EIP.

Note 7 – Office Lease

The Company signed an Office Lease Agreement (the "Lease Agreement") on April 24, 2008. The Lease Agreement commenced on June 1, 2008 and expired June 1, 2011. On March 8, 2011 the Lease Agreement was amended (amendment 1) to extend the expiration date to May 31, 2012. On July 24, 2012 the Lease Agreement was amended (amendment 2) to extend the expiration date to July 31, 2015. The minimum future lease payments to be paid annually under the three-year non-cancellable amended operating lease for office space are as follows:

2013	$	12,000
2014		23,000
2015		13,000
Total	$	48,000

Note 8 – Related Party Transaction

3DIcon has engaged the law firm of Newton, O'Connor, Turner & Ketchum as its outside corporate counsel since 2005. John O'Connor, a director of 3DIcon, is the Chairman of Newton, O'Connor, Turner & Ketchum. During the periods ended June 30, 2013 and June 30, 2012, the Company incurred legal fees to Newton, O'Connor, Turner & Ketchum in the amount of $14,539 and $14,438, respectively.

Note 9 – Dimension Technologies Inc. - Non-Binding Letter of Intent

As previously disclosed in the Company's Current Report on Form 8-K, filed with the SEC on July 19, 2012, on July 13, 2012, 3DIcon Corporation executed a non-binding letter of intent (the "Letter of Intent") outlining the principal terms and conditions to acquire Dimension Technologies Inc., a privately held New York corporation ("DTI"). DTI is a developer of glasses-free flat screen 3D display technologies and products that are 2D/3D switchable. Founded in 1986, DTI's intellectual property portfolio includes 10 patents that have been granted in multiple countries. The Letter of Intent is not binding on either party and there is no assurance that the parties will reach a definitive agreement, and if they do, there is no assurance that the conditions there under will be met to consummate the acquisition. Furthermore, if the acquisition is consummated, there is no assurance that the anticipated effects of the transaction will be realized.

In a letter to the shareholders of the Company, issued on February 20, 2013, the Company's Chief Executive Officer, Mark Willner, provided an update on the progress the Company is making in its continued efforts to improve the performance of its CSpace technology and to seek out potential acquisitions that would allow the Company to enter the glasses-free flat screen 3D space. The letter to shareholders explains that the Company and DTI mutually agreed not to renew the non-binding letter of intent after a determination was made that DTI's technology does not fit the specifics of the Company's business model. At this time, the Company does not have any definitive agreement in place and no assurances can be made the Company will be able to consummate a transaction that would allow such entry into the glasses-free flat screen 3D space.

Note 10 – Subsequent Events

GCASIF Convertible Bridge Note

On July 22, 2013, the Company entered into a third amendment agreement (the "Third Amendment") with CP US Income Group LLC ("CPUS"), the successor in interest of GCA Strategic Investment Fund Limited to that certain Convertible Bridge Note in principal amount of $300,000 and due November 26, 2012, as amended on December 21, 2012 to increase the principal amount to $325,000 and on May 28, 2013 to extend the maturity date to August 1, 2013 (the "Assigned Note") and that certain Securities Purchase Agreement dated as of August 24, 2012, as amended on December 21, 2012 and May 28, 2013 (the "Assigned SPA").

Pursuant to the Amendment, CPUS agreed to extend the maturity of the Assigned Note from August 1, 2013 to July 22, 2014 and to waive, if any, existing or prior defaults under the Assigned Note or Assigned SPA and the Company agreed to (i) amend the conversion price of the Assigned Note to the greater of (x) the par value of the Common Stock, or (y) 60% of the lowest closing bid price, as reported by Bloomberg, L.P., for the 10 trading days prior to the date CPUS requests conversion of all or part of the Assigned Note; and (ii) agreed to file a prospectus supplement to the Form 424B3 filed by the Company on February 15, 2013 in order to identify CPUS as a Selling Stockholder in place of GCASIF.

Keen Convertible Bridge Note

On July 30, 2013 (the "Amendment Date"), the Company entered into a second amendment agreement (the "Second Keen Amendment") with Victor Keen, a Director on the Board of Directors of the Company, to amend that certain Convertible Bridge Note in principal amount of $60,000 and due December 10, 2012, as amended by that certain Amendment to Securities Purchase Agreement dated as of January 23, 2013, extending the maturity date to April 30, 2013, and by letter agreement dated May 1, 2013, extending the maturity date to May 15, 2013 and that certain Securities Purchase Agreement dated as of September 10, 2012, as amended on January 23, 2013 (the "Keen SPA").

Pursuant to the Second Keen Amendment, Mr. Keen agreed to extend the maturity of the Note from May 15, 2013 to August 31, 2013 (the "New Maturity Date") and to waive, if any, existing or prior defaults under the Keen Bridge Note or the Keen SPA and the Company agreed to (i) amend the conversion provision to allow for conversions based on a conversion price calculated on the Amendment Date or the New Maturity Date; and (ii) to include an interest rate equal to 10% per annum, payable on the New Maturity Date, as amended, which accrual shall commence on December 10, 2012.

Settlement Agreement

On July 26, 2013, the Circuit Court in the 12th Judicial Circuit in and for Sarasota County, Florida (the "Court"), entered an Order Granting Approval of Settlement Agreement (the "Order") approving, among other things, the fairness of the terms and conditions of an exchange pursuant to Section 3(a)(10) of the Securities Act of 1933, as amended, in accordance with a Settlement Agreement (the "Settlement Agreement") between the Company and IBC Funds, LLC, a Nevada limited liability company ("IBC"), in the matter entitled IBC Funds, LLC v. 3DIcon Corporation, Case No. 2013 CA 5705 NC (the "Action"). IBC commenced the Action against the Company on July 19, 2013 to recover an aggregate of $197,630.64 of past-due accounts payable of the Company, which IBC had purchased from certain vendors of the Company pursuant to the terms of separate claim purchase agreements between IBC and each of such vendors (the "Assigned Accounts"), plus fees and costs (the "Claim"). The Assigned Accounts relate to certain research, technical, development, accounting and legal services. The Order provides for the full and final settlement of the Claim and the Action. The Settlement Agreement became effective and binding upon the Company and IBC upon execution of the Order by the Court on July 26, 2013.

Pursuant to the terms of the Settlement Agreement approved by the Order, on July 26, 2013, the Company issued 650,000 shares of Common Stock as a settlement fee and agreed to issue, in one or more tranches as necessary, that number of shares equal to $197,630.64 upon conversion to Common Stock at a conversion rate equal to 65% of the lowest closing bid price of the Common Stock during the ten trading days prior to the date the conversion is requested by IBC minus $0.002.

Common stock issued for services and liabilities

Subsequent to June 30, 2013, shares of common stock totaling 5,160,599 were issued for consulting services for which the Company recognized $108,300 of expense.

Subsequent to June 30, 2013, shares of common stock totaling 4,000,000 were issued in connection with the Settlement Agreement and the liabilities contained thereunder.

Subsequent to June 30, 2013, shares of common stock totaling 9,439,419 were issued upon conversion of $106,696 in principal of outstanding convertible promissory notes of the Company.

Subsequent to June 30, 2013, shares of common stock totaling 86 were issued upon exercise of 86 warrants at $381.50 per share for $32,700 and advanced $100,000 for future exercise of warrants under the terms of the securities purchase agreements.

OCAST Grant

On July 2, 2013, the Company issued a press release announcing that the Company was awarded a $300,000 grant in this year's Oklahoma Applied Research Support competition sponsored by the Oklahoma Center for the Advancement of Science and Technology. The Company explained that the grant money will be used to support the development of the Company's first Product Platform, which will be the basis for a family of products based on the Company's CSpace® volumetric 3D display technology.

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.

The following discussion and analysis should be read in conjunction with our 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:

3DIcon Corporation ("3DIcon," "the Company," "we," "us" or "our") was incorporated on August 11, 1995, under the laws of the State of Oklahoma as First Keating Corporation. Our articles of incorporation were amended August 1, 2003 to change the name to 3DIcon Corporation. The initial focus of First Keating Corporation was to market and distribute books written by its founder, Martin Keating. During 2001, First Keating Corporation began to focus on the development of 360-degree holographic technology. The effective date of this transition is January 1, 2001. We have accounted for this transition as reorganization and accordingly, restated its capital accounts as of January 1, 2001. At the inception on January 1, 2001, our primary activity was the raising of capital in order to pursue its goal of becoming a significant participant in the formation and commercialization of interactive, optical holography for the communications and entertainment industries.

In April 2004, we engaged the University of Oklahoma to conduct a pilot study to determine the opportunity and feasibility for the creation of volumetric three dimensional display systems.

On July 15, 2005, we entered into a Sponsored Research Agreement with the University, which expired on January 14, 2007. Under this agreement, the University conducted a research project entitled "Investigation of 3-Dimensional Display Technologies".

On February 23, 2007, we entered into an SRA with the University, which SRA expired on March 31, 2010. Under this agreement, the University conducted a research project entitled "3-Dimensional Display Development".

In the fourth quarter of 2007 we announced the release of our first product, "Pixel Precision". On February 12, 2009, version 2.0 of Pixel Precision was released to expand its capabilities and provide new compatibility with Texas Instrument's newly released DLP® Discovery 4000 kits. This is a companion software application to the DMD Discovery line of products manufactured by Texas Instruments®.

The Oklahoma Center for the Advancement of Science and Technology approved the Company's application for funding of a matching grant titled 800 Million Voxels Volumetric Display, on November 19, 2008. The two-year matching grant, totaling $299,984, had a start date of January 1, 2009. The Company received approval for a no cost extension request for the first year of the contract. Accordingly, the first year ended on August 31, 2010. The award was for a maximum of $149,940 for 2009 and the remainder for 2011. The Company received approval for a no cost extension request for the second year of the contract, extending the second year to August 31, 2012. The Company earned $63,668 and $86,323 from the grant during the years ended December 31, 2012 and 2011, respectively and $281,492 from inception to December 31, 2012. The Company applied for and received the remaining $13,029 of grant funds in 2013 that were earned through the end of the grant period, August 31, 2012.

In July 2013, the Company won first place in the Oklahoma Center for the Advancement of Science and Technology's Oklahoma Applied Research Support competition, securing $300,000 in grant funding. The Company intends to use the funds provided by the grant to support the development of its First Product Platform, which will be the basis of a family of products leveraging the Company's CSpace® volumetric 3D display technology.

Overview of Business

3DIcon is a small public company that is further developing a patented volumetric 3D display technology that was developed by and with the University of Oklahoma (the "University" or "OU") under a Sponsored Research Agreement. 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. Under the Sponsored Research Agreement, the Company has obtained the exclusive worldwide marketing rights to these 3D display technologies.

On May 26, 2009, the United States Patent and Trademark Office ("USPTO") approved the pending patent called "Volumetric Liquid Crystal Display" for rendering a three-dimensional image and converted it to US patent No. 7,537,345. On December 28, 2010, USPTO approved the pending patent called “Light Surface Display for Rendering a Three-Dimensional Image,” and issued the United States Patent No. 7,858,913. On August 21, 2012, the USPTO approved a continuation patent called “3D Volumetric Display” and issued the US Patent No. 8,247,755. Under our agreement with the University of Oklahoma, the University filed a continuation patent application on November 19, 2010, called “3D Light Surface Display”. This application provides additional protections of our CSpace® technology. These patents describe what we are calling our CSpace® technology (“CSpace”).

At this time, we do not own any intellectual property rights in these technologies, and, apart from the Sponsored Research Agreement with the University, have no contracts or agreements pending to acquire such rights or any other interest in such rights. We plan to further develop and commercialize this technology and the intellectual property developed by the University. 3DIcon plans to initially target high value professional applications with products based on this technology within the government and industrial sectors including but not limited to the following: air traffic control, passenger, luggage screening, battle space visualization, underwater targeting, navigation, and exploration, simulation and training, medical imaging, oil and gas exploration, weather forecasting, and automotive and aerospace design.. On April 6, 2009, we filed a provisional patent on an emissive two-dimensional screen that is controlled and driven by a standard digital light projector or other optical input source. This provisional patent is called "Flexible/Inflexible Front/Back Projection screen or display" and owned solely by 3DIcon Corporation. On March 12, 2013, we filed a provisional patent application for glasses-free rear projection 3D display with a new architecture that we believe will significantly lower the cost of this type of display. This provisional patent application is called “Holoform Projection Display” and is solely owned by 3DIcon. On July 26th, 2013, we filed a provisional patent application called “Ultra High Resolution Three-Dimensional Display” for a Z-axis scanning system that significantly enhances the performance of the CSpace technology and that is solely owned by 3DIcon.

Since March of 2012, the Company has been exploring the possibility of developing and/or marketing glasses-free flat screen 3D displays based on next generation glasses-free flat screen 3D display technology internally developed, acquired or licensed from another company. This technology and any resultant display products would be in addition to and complementary with our internally developed CSpace glasses-free volumetric 3D display technology. In 2012, the company met with multiple glasses-free flat screen 3D display companies, and has had discussions with several of these companies about a potential acquisition or partnership. Currently, we do not have any agreements in place that would allow such entry into the flat screen segment of the glasses-free 3D display industry and no assurances can be made, if an acquisition or partnership is consummated, that the Company could successfully bring to market such technology.

Progress on Research and Development Activities

Through a Sponsored Research Agreement with the University of Oklahoma, we have obtained the exclusive worldwide marketing rights to certain 3D display technologies under development by the University. The development to date has resulted in the University filing eight provisional patents; five of the eight provisional patents have been combined and converted to five utility US patents, one pending European patent and one pending Japanese patent.

List of the issued US patents:

- ”Computer System with Digital Micromirror Device,” United State Patent 8,487,865. July 16, 2013.
- ”3D Volumetric Display,” United State Patent 8,247,755. August 21, 2012.
- ”3D Light Surface Display,” United State Patent 8,075,139, December 13, 2011.
- ”Light Surface Display for Rendering a Three-Dimensional Image,” United State Patent 7,858,913, December, 28, 2010.
- “Volumetric liquid crystal display for rendering a three-dimensional image,” United States Patent 7,537,345, May 26, 2009.

List of the pending patents:

European, pending
”Light Surface Display for Rendering a Three-Dimensional Image,” European Application Number EP07755984. Filed April 25, 2007.

Japanese, pending
“Light Surface Display for Rendering a Three-Dimensional Image.” Japanese Patent Application No. 2009-507766.

As mentioned above, 3DIcon has been aggressively working to enhance the performance of CSpace display and create new 3D display technologies. Up-to-date, we filed two provisional patents that are solely owned by 3DIcon

List of filed provisional patents owned by 3DIcon

- “Holoform Projection Display” US Provisional Patent filed on March 12, 2013
- “Ultra High Resolution Three-Dimensional Display” US Provisional Patent filed on July 26, 2013

RESULTS OF OPERATIONS FOR THE THREE MONTHS ENDED JUNE 30, 2013 COMPARED TO THE THREE MONTHS ENDED JUNE 30, 2012

Revenue

The Company completed the OCAST grant in August 2012. However, we did receive the remaining OCAST grant earnings during the three months ended June 30, 2013 for grant funding approved through August 2012. We earned $11,020 from the OCAST grant during the three months ended June 30, 2012.

In January 2008 we launched our first software product Pixel Precision. We appointed Digital Light Innovations for the sales and distribution of this product in March 2008. We have not earned any income from the sales of Pixel Precision for the three-months ended June 30, 2013 and June 30, 2012, respectively.

We expect sales of Pixel Precision to the installed and active user base of the earlier D1100 and D3000 systems in the near term and as companion product sales to D4000 systems. We expect that the revenue from this product to contribute to the operating expenses (general and administrative, research and development, interest) but do not expect the revenue generated in 2013 to cover the operating expenses.

Research and Development Expenses

The research and development expenses were $86,837 for the three months ended June 30, 2013, as compared to $152,908 for the three months ended June 30, 2012. The net decrease was a result of the decrease in cost for engaging outside research and development consultants of approximately $18,890, travel of $5,387, patents of $10,845, options issued of $18,840, and the purchase of approximately $12,393 of R & D equipment.

General and Administrative Expenses

Our general and administrative expenses were $320,880 for the three months ended June 30, 2013, as compared to $323,198 for the three months ended June 30, 2012. The net decrease is due primarily to a $59,387 increase in legal fees regarding the DTC chill in 2013, a decrease of $18,840 in options issued to the new CEO in 2012, a decrease in accounting fees of $17,500 a decrease in filing fees of $11,109, a decrease in various administrative expenses of $8,000 and a $3,352 decrease due to the completion of management consultant contracted in early 2012.

Interest Expense

Interest expense for the three months ended June 30, 2013 was $33,116 as compared to $2,830 for the three months ended June 30, 2012. The net increase was a result of an increase in the amounts outstanding on our JMJ convertible notes, bridge notes, OID amortization of $14,600, extension fee of $15,000 and a decrease in interest costs on our 4.75% Convertible Debenture.

RESULTS OF OPERATIONS FOR THE SIX MONTHS ENDED JUNE 30, 2013 COMPARED TO THE SIX MONTHS ENDED JUNE 30, 2012

Revenue

The Company completed the OCAST grant in August 2012. However, we did receive the remaining OCAST grant earnings during the six months ended June 30, 2013 for grant funding approved through August 2012. We earned $63,668 from the OCAST grant during the six months ended June 30, 2012.

In January 2008 we launched our first software product Pixel Precision. We appointed Digital Light Innovations for the sales and distribution of this product in March 2008. We have earned income of $1,500 and $-0- before commissions and costs from the sales of Pixel Precision for the six-months ended June 30, 2013 and June 30, 2012, respectively.

We expect sales of Pixel Precision to the installed and active user base of the earlier D1100 and D3000 systems in the near term and as companion product sales to D4000 systems. We expect that the revenue from this product to contribute to the operating expenses (general and administrative, research and development, interest) but do not expect the revenue generated in 2013 to cover the operating expenses.

Research and Development Expenses

The research and development expenses were $190,442 for the six months ended June 30, 2013, as compared to $286,389 for the six months ended June 30, 2012. The net decrease was a result of the decrease in cost for engaging outside research and development consultants of approximately $66,671, patents $11,865, and options issued for $18,840.

General and Administrative Expenses

Our general and administrative expenses were $584,852 for the six months ended June 30, 2013, as compared to $618,192 for the six months ended June 30, 2012. The net decrease is due primarily to a $76,800 increase in legal fees regarding the DTC chill in 2013, a decrease of $37,680 in options issued to the new CEO in 2012, decreases in accounting fees of $14,094, outside consultants of $4,250, payroll taxes of $5,966, insurance of $3,956, filing fees of $7,170, and rent of $2,800.

Interest Expense

Interest expense for the six months ended June 30, 2013 was $53,383 as compared to $4,710 for the six months ended June 30, 2012. The net increase was a result of an increase in the amounts outstanding on our convertible notes, bridge notes, $30,860 OID amortized on our new notes, an extension fee of $15,000 and a decrease of $1,352 in interest costs on our 4.75% Convertible Debenture.

Financial Condition, Liquidity and Capital Resources

Management remains focused on controlling cash expenses. We recognize our limited cash resources and plan our expenses accordingly. We intend to leverage stock-for-services wherever possible. The operating budget consists of the following expenses:

- Research and development expenses pursuant to our SRA with the University. This includes development of an initial demonstrable prototype and a second prototype for static volume technology.
- Acceleration of research and development through increased research personnel as well as other research agencies.
- General and administrative expenses: salaries, insurance, investor related expenses, rent, travel, website, etc.
- Hiring executive officers for technology, operations and finance.
- Development, support and operational costs related to Pixel Precision software.
- Professional fees for accounting and audit; legal services for securities and financing; patent research and protection.

Our independent registered public accountants, in their audit report accompanying our financial statements for the year ended December 31, 2012, expressed substantial doubt about our ability to continue as a going concern due to our status as a development stage organization with insufficient revenues to fund development and operating expenses.

We had net cash of $119,445 at June 30, 2013.

We had negative working capital of $1,000,770 at June 30, 2013.

During the six months ended June 30, 2013, we used $488,715 of cash for operating activities, a decrease of $182,021 or 27% compared to the six months ended June 30, 2012. The decrease in the use of cash for operating activities was a result of the increase in accounts payable.

There was no cash used in investing activities during the six months ended June 30, 2013 or for the six months ended June 30, 2012.

Cash provided by financing activities during the six months ended June 30, 2012 was $606,810, a decrease of $78,021 or 11% compared to the six months ended June 30, 2012. The decrease was the result of warrant exercise advances from Golden State under the terms of our 4.75% convertible debenture.

We expect to fund the ongoing operations through the existing financing in place (see below); through raising additional funds as permitted by the terms of Golden State financing as well as reducing our monthly expenses.

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

On November 3, 2006, the Company issued to Golden State a 4.75% convertible debenture in a principal amount of $100,000, due 2014, and warrants to buy 1,000,000 shares of the common stock at a pre-split exercise price of $10.90 per share. In connection with each conversion, Golden State is expected to simultaneously exercise a percentage of warrants equal to the percentage of the principal being converted. During 2012, Golden State converted $7,991 of the $100,000 debenture into 9,577,906 post-split shares of common stock, exercised warrants to purchase 2,285 post-split shares of common stock at $381.50 per share based on the formula in the convertible debenture. Additionally Golden State advanced $789,111 against future exercises of warrants of which $805,652 was applied to the exercise of warrants leaving $1.00 of unapplied advances at December 31, 2012. During 2013, Golden State converted $2,840of the $100,000 debenture into 13,423,644post-split shares of common stock, exercised warrants to purchase 811post-split shares of common stock at $381.50 per share based on the formula in the convertible debenture. Additionally Golden Gate advanced $421,810against future exercises of warrants of which $309,560was applied to the exercise of warrants leaving $46,851of unapplied advances at June 30, 2013.

The Oklahoma Center for the Advancement of Science and Technology approved the Company's application for funding of a matching grant titled 800 Million Voxels Volumetric Display, on November 19, 2008. The two-year matching grant, totaling $299,984, had a start date of January 1, 2009. The Company received approval for a no cost extension request for the first year of the contract. Accordingly, the first year ended on August 31, 2010. The award was for a maximum of $149,940 for 2009 and the remainder for 2011. The Company received approval for a no cost extension request for the second year of the contract, extending the second year to August 31, 2012. The Company earned $63,668 and $86,323 from the grant during the years ended December 31, 2012 and 2011, respectively and $281,492 from inception to December 31, 2012. The Company applied for and received the remaining $13,029 of grant funds in 2013 that were earned through the end of the grant period, August 31, 2012.

On October 31, 2008, OU agreed to revise the payment terms under the SRA from a fixed monthly payment to a reimbursable cost payment basis effective September 1, 2008. As of September 30, 2008 the Company had a remaining obligation under the previous SRA payment schedule of $2,665,818 which included monthly payments due for December 2007 through August 31, 2008 of $861,131. The $1,804,687 balance of the remaining scheduled payment obligation was cancelled. Under the terms of the revised base payments schedule, the arrearages would be paid in nine monthly base installments from October 31, 2008 to June 30, 2009 of amounts ranging from $35,000 to $101,132 leaving a remaining balance after the base payments of $290,000. In addition to the monthly base payments, the Company agreed to make additional payments on the $861,131 arrearages based on a formula of 50% of funding in excess of $120,000 plus the base monthly payment. In the event funding did not provide for any additional payments, the remaining balance would be $290,000, which OU agreed to accept 4,264,707 shares of the Company's common stock based on the October 14, 2008 market price as reported on the OTC Bulletin Board of $0.068 per share as payment on June 30, 2009. The Company had the option to repurchase the shares at $0.068 per share by September 30, 2009 or at market value, but not less than $0.068 per share, if the repurchase occurred after September 30, 2009.

The Company was unable to meet the revised payment schedule and on May 18, 2009 the University agreed to revise the payment terms. Under the terms of the revised base payments schedule, the arrearages scheduled to be paid in nine monthly base installments from October 31, 2008 to June 30, 2009 of amounts ranging from $35,000 to $101,132, were deferred to a monthly payment schedule of July 2009 through February 2010. On February 19, 2010, the University agreed to modify the repayment plan to retire the outstanding debt of $525,481. Under the terms of the modified repayment plan the Company agreed to make payments to the University, not less than quarterly, in an amount equal to 22.5% of any funding received by the Company. The Company complied with the agreed upon payment schedule and on December 1, 2010 the Company entered into an agreement with OU pursuant to which OU agreed to convert all sums due to it from the Company in connection with its SRA with the Company, which as of December 1, 2010 amounted to approximately $485,000, into an aggregate of 59,000,000 pre-split shares of the Company's common stock. As a result of the debt conversion, OU became the holder of approximately 8% of the outstanding common stock of the Company. Pursuant to the agreement, the shares are subject to a put option allowing OU to require the Company to purchase certain of the shares upon the occurrence of certain events. In addition, the shares are subject to a call option allowing the Company to require OU to sell to the Company the shares then held by OU in accordance with the terms of the agreement.

Director Debenture

On June 24, 2013, the Company issued to Victor Keen and Martin Keating, Directors of the Company, (“Directors”) 10% convertible debentures in a principal amount of $15,000 each, due June 26, 2014. The Directors may elect to convert all or any portion of the outstanding principal amount of the debentures at an exercise price of $0.01 per share. Provided that the debentures are paid in full or on before the maturity date, no interest shall accrue on the unpaid balance of the principal amount. In the event that the debentures are not paid in full on or before the maturity date, interest shall accrue on the unpaid outstanding balance of the principal amount of the debentures from June 26, 2013, until paid, at the fixed rate of ten percent (10%) per annum.

5% Convertible Promissory Note #1

On June 6, 2012 (the “Effective Date”), the Company issued and sold to JMJ Financial (“JMJ”) a convertible promissory note ("Note #1"), which Note #1 allows the Company to request advances of principal up to its face amount of $275,000. Note #1 includes a $25,000 original issue discount (the “OID”) that will be prorated based on the advances actually paid to the Company. On June 6, 2012, JMJ advanced $50,000 on Note #1 and collected $4,000 OID, bringing the principal amount borrowed by the Company of Note #1 to $54,000. During 2013, JMJ advanced an additional $48,500 towards Note #1 and collected $23,500 OID. Additionally JMJ converted $52,767 of Note #1 into 2,400,000 shares of common stock at $0.022 per share based on the formula in Note #1. In addition to the OID, Note #1 provides for a one-time interest charge of 5% to be applied to the principal sum advanced. Pursuant to the terms of Note #1, JMJ may, at its election, convert all or a part of Note #1 into shares of the Company's common stock at a conversion rate equal to the lesser of (i) $0.35 or (ii) 70% of the lowest trade price during the twenty-five trading days prior to JMJ’s election to convert. In addition, pursuant to the terms of Note #1, the Company agreed to include on the next registration statement filed by the Company with the SEC all shares issuable upon conversion of Note #1. Failure to do so will result in liquidated damages of 25% of the outstanding principal balance of Note #1. If the Company repays Note #1 on or before ninety days from the Effective Date, the interest rate will be zero percent. If the Company does not repay Note #1 on or before ninety days from the Effective Date, a one-time interest charge of 5% shall be applied to the principal sum of $275,000. The principal of Note #1 is due one year from the date of each of the principal amounts advanced.

5% Convertible Promissory Note #2

On August 1, 2012 (the “Note #2 Effective Date”), the Company issued and sold to JMJ a convertible promissory note #2 (“Note #2"), which Note #2 allows the Company to request advances of principal up to its face amount of $140,000. Note #2 includes a $15,000 original issue discount that will be prorated based on the advances actually paid to the Company. On August 1, 2012, JMJ advanced $75,000 and collected $9,000 OID, bringing the principal amount borrowed by the Company of Note #2 to $84,000. No further advances were requested by or paid to the Company. In addition to the OID, Note #2 provides for a one-time interest charge of 5% to be applied to the principal sum advanced. Pursuant to the terms of Note #2, JMJ may, at its election, convert all or a part of Note #2 into shares of the Company's common stock at a conversion rate equal to the lesser of (i) $0.15 or (ii) 70% of the lowest trade price during the twenty-five trading days prior to JMJ’s election to convert. In addition, pursuant to the terms of Note #2, the Company agreed to include on the next registration statement filed by the Company with the SEC all shares issuable upon conversion of Note #2. Failure to do so will result in liquidated damages of 25% of the outstanding principal balance of Note #2. The principal of Note #2 is due one year from the date of each of the principal amounts advanced.

Note #1 and Note #2 were subject to a Mandatory Registration Agreement (the “Registration Agreement”) whereby no later than August 31, 2012, the Company agreed to file, at its own expense, an amendment (the “Amendment”) to the S-1 Registration Statement (the “Registration Statement”) the Company filed with the SEC on July 3, 2012, to include in such Amendment 4,750,000 shares of common stock issuable under Note #1 and the Note #2. The Company agreed, thereafter, to use its best efforts to cause such Registration Statement to become effective as soon as possible after such filing but in no event later than one hundred and twenty (120) days from the date of the Registration Agreement. Since the Company failed to get the Registration Statement declared effective within the 120 days of the date of the Registration Agreement, a penalty/liquidated damages of $25,000 was added to the balance of Note #2.

Newton, O'Connor, Turner & Ketchum 10% Convertible Debenture

On December 20, 2012, the Company issued to Newton, O'Connor, Turner & Ketchum (“NOTK”) a 10% convertible debenture in a principal amount of $29,007, due September 30, 2013. NOTK may elect to convert all or any portion of the outstanding principal amount of the debenture at an exercise price of $0.02534 per share. The Company was indebted to NOTK for legal services performed for the Company and reimbursement of expenses in rendition of those services for the period ended December 31, 2012. The debenture was issued in settlement of the indebtedness.

Convertible Bridge Notes

On August 24, 2012, August 28, 2012 and September 10, 2012, the Company issued and sold to three accredited investors Convertible Bridge Notes (the “Bridge Notes”) in the aggregate principal amount of $438,000. The note sold on August 24, 2012, in principal amount of $300,000, was purchased by GCA Strategic Investment Fund Limited, a Bermuda corporation ("GCASIF"). The note sold August 28, 2012, in principal amount of $78,000, was purchased by George Widener. The note sold on September 10, 2012, in principal amount of $60,000, was purchased by Victor Keen, a director of the Company.

The sale of the Bridge Notes in aggregate principal of $438,000 included a $73,000 original issue discount. Accordingly, the Company received $365,000 gross proceeds from which the Company paid legal fees of $25,000 and placement agent fees of $27,675. The Bridge Notes mature in 90 days from their date of issuance and, other than the original issue discount, the Bridge Notes do not carry interest. However, in the event the Bridge Notes are not paid on maturity, all past due amounts will accrue interest at 15% per annum. Upon maturity of the Bridge Notes, the holders of the Bridge Notes may elect to convert all or any portion of the outstanding principal amount of the Bridge

Notes into (i) securities sold pursuant to an effective registration statement at the applicable offering price; or (ii) shares of common stock at a conversion price equal to the lesser of 100% of the Volume Weighted Average Price (VWAP), as reported for the 5 trading days prior to (a) the date of issuance of the Bridge Notes, (b) the maturity date of the Bridge Notes, or (c) the first closing date of the securities sold pursuant an effective registration statement.

On December 21, 2012, the Company entered into an amendment agreement (the "GCASIF Amendment") with GCASIF, the holder of that certain Convertible Bridge Note (the "GCA Bridge Note") in the principal amount of $300,000.

The GCA Bridge Note matured on or about November 22, 2012, on which date all past due amounts of the GCA Bridge Note began accruing interest at 15% per annum. Furthermore, on November 22, 2012, because the shares of the Company's common stock into which the GCA Bridge Note is convertible were not registered under an effective registration statement (the "Registration Statement"), GCASIF was entitled to liquidated damages equal to 2% of the outstanding principal for each 30 day period after the November 22, 2012 the Registration Statement is not declared effective (the "Liquidated Damages").

Pursuant to the GCASIF Amendment, GCASIF agreed to extend the maturity of the GCA Bridge Note from November 22, 2012 to March 21, 2013 and the Company agreed to (i) increase the principal amount of the GCA Bridge Note from $300,000 to $325,000; (ii) amend the conversion price of the GCA Bridge Note to the lesser of $0.04, or 100% of the Volume Weighted Average Price, as reported by Bloomberg, L.P., for the 5 trading days prior to the effective date of the Registration Statement; and (iii) grant additional registration rights to GCASIF from 5,172,414 shares to 8,000,000 shares of the Company's common stock into which the GCA Bridge Note may be convertible. Furthermore, GCASIF agreed to waive any and all defaults, default interest and the Liquidated Damages due to GCASIF. In connection with the GCASIF Amendment, the Company agreed to pay GCASIF a fee of $20,000. Subsequent to March 21, 2013, GCASIF agreed to waive any defaults resulting from the non-payment of the GCA Bridge Note, so long as, GCASIF is paid in full by April 15, 2013 or GCASIF elects to convert the GCA Bridge Note into shares of the Company's common stock on or before April 15, 2013. Subsequent to April 15, 2013, the GCA Bridge Note was assigned to a successor in interest and the Company executed an amendment to the GCA Bridge Note in order to extend the maturity until July 22, 2014 and reduce the conversion price to the greater of (x) the par value of the Common Stock, or (y) 60% of the lowest closing bid price, as reported by Bloomberg, L.P., for the 10 trading days prior to the date the conversion of all or part of its principal and interest are requested.

On January 26, 2013, the Company entered into an amendment agreement (the "Widener Amendment") with George Widener, the holder of that certain Convertible Bridge Note (the "Widener Bridge Note") in the principal amount of $78,000 issued by the Company on August 30, 2012.

The Widener Bridge Note matured on or about November 26, 2012, on which date all past due amounts of the Widener Bridge Note began accruing interest at 15% per annum. Pursuant to the Widener Amendment, Mr. Widener agreed to extend the maturity date of the Widener Bridge Note from November 26, 2012 to April 30, 2013 and to waive any and all defaults, default interest and Liquidated Damages then due to Mr. Widener. Subsequent to April 30, 2013, Mr. Widener converted the entire $78,000 balance of the Widener Bridge Note into 2,025,974 shares of common stock.

On January 26, 2013, the Company entered into an amendment agreement (the "Keen Amendment") with Victor F. Keen, the holder of that certain Convertible Bridge Note (the "Keen Bridge Note") in the principal amount of $60,000 issued by the Company on September 10, 2012.

The Keen Bridge Note matured on or about December 10, 2012, on which date all past due amounts of the Keen Bridge Note began accruing interest at 15% per annum. Pursuant to the Keen Amendment, Mr. Keen agreed to extend the maturity date of the Keen Bridge Note from December 10, 2012 to April 30, 2013 and to waive any and all defaults, default interest and Liquidated Damages then due to Mr. Keen. Subsequent to April 30, 2013, Mr. Keen agreed to waive any defaults for non-payment of the Keen Bridge Note or failure to issue shares of our common stock upon conversion until August 31, 2013.

Off Balance Sheet Arrangements

The Company does 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

Research and Development Costs

The Company expenses all research and development costs as incurred. Until we have developed a commercial product, all costs incurred in connection with the SRA with the University, as well as all other research and development costs incurred, will be expensed as incurred. After a commercial product has been developed, we will report costs incurred in producing products for sale as assets, but we will continue to expense costs incurred for further product research and development activities.

Stock-Based Compensation

Since its inception 3DIcon has used its common stock or warrants to purchase its common stock as a means of compensating our employees and consultants. Financial Accounting Standards Board ("FASB") guidance on accounting for share based payments requires us to estimate the value of securities used for compensation and to charge such amounts to expense over the periods benefited.

The estimated fair value at date of grant of options for our common stock is estimated using the Black-Scholes option pricing model, as follows:

The expected dividend yield is based on the average annual dividend yield as of the grant date. 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.

Subsequent Events

GCASIF Convertible Bridge Note

On July 22, 2013, the Company entered into a third amendment agreement (the "Third Amendment") with CP US Income Group LLC ("CPUS"), the successor in interest of GCA Strategic Investment Fund Limited to that certain Convertible Bridge Note in principal amount of $300,000 and due November 26, 2012, as amended on December 21, 2012 to increase the principal amount to $325,000 and on May 28, 2013 to extend the maturity date to August 1, 2013 (the "Assigned Note") and that certain Securities Purchase Agreement dated as of August 24, 2012, as amended on December 21, 2012 and May 28, 2013 (the "Assigned SPA").

Pursuant to the Amendment, CPUS agreed to extend the maturity of the Assigned Note from August 1, 2013 to July 22, 2014 and to waive, if any, existing or prior defaults under the Assigned Note or Assigned SPA and the Company agreed to (i) amend the conversion price of the Assigned Note to the greater of (x) the par value of the Common Stock, or (y) 60% of the lowest closing bid price, as reported by Bloomberg, L.P., for the 10 trading days prior to the date CPUS requests conversion of all or part of the Assigned Note; and (ii) agreed to file a prospectus supplement to the Form 424B3 filed by the Company on February 15, 2013 in order to identify CPUS as a Selling Stockholder in place of GCASIF.

Keen Convertible Bridge Note

On July 30, 2013 (the "Amendment Date"), the Company entered into a second amendment agreement (the "Second Keen Amendment") with Victor Keen, a Director on the Board of Directors of the Company, to amend that certain Convertible Bridge Note in principal amount of $60,000 and due December 10, 2012, as amended by that certain Amendment to Securities Purchase Agreement dated as of January 23, 2013, extending the maturity date to April 30, 2013, and by letter agreement dated May 1, 2013, extending the maturity date to May 15, 2013 and that certain Securities Purchase Agreement dated as of September 10, 2012, as amended on January 23, 2013 (the "Keen SPA").

Pursuant to the Second Keen Amendment, Mr. Keen agreed to extend the maturity of the Note from May 15, 2013 to August 31, 2013 (the "New Maturity Date") and to waive, if any, existing or prior defaults under the Keen Bridge Note or the Keen SPA and the Company agreed to (i) amend the conversion provision to allow for conversions based on a conversion price calculated on the Amendment Date or the New Maturity Date; and (ii) to include an interest rate equal to 10% per annum, payable on the New Maturity Date, as amended, which accrual shall commence on December 10, 2012.

Settlement Agreement

On July 26, 2013, the Circuit Court in the 12th Judicial Circuit in and for Sarasota County, Florida (the "Court"), entered an Order Granting Approval of Settlement Agreement (the "Order") approving, among other things, the fairness of the terms and conditions of an exchange pursuant to Section 3(a)(10) of the Securities Act of 1933, as amended, in accordance with a Settlement Agreement (the "Settlement Agreement") between the Company and IBC Funds, LLC, a Nevada limited liability company ("IBC"), in the matter entitled IBC Funds, LLC v. 3DIcon Corporation, Case No. 2013 CA 5705 NC (the "Action"). IBC commenced the Action against the Company on July 19, 2013 to recover an aggregate of $197,630.64 of past-due accounts payable of the Company, which IBC had purchased from certain vendors of the Company pursuant to the terms of separate claim purchase agreements between IBC and each of such vendors (the "Assigned Accounts"), plus fees and costs (the "Claim"). The Assigned Accounts relate to certain research, technical, development, accounting and legal services. The Order provides for the full and final settlement of the Claim and the Action. The Settlement Agreement became effective and binding upon the Company and IBC upon execution of the Order by the Court on July 26, 2013.

Pursuant to the terms of the Settlement Agreement approved by the Order, on July 26, 2013, the Company issued 650,000 shares of Common Stock as a settlement fee and agreed to issue, in one or more tranches as necessary, that number of shares equal to $197,630.64 upon conversion to Common Stock at a conversion rate equal to 65% of the lowest closing bid price of the Common Stock during the ten trading days prior to the date the conversion is requested by IBC minus $0.002.

Common stock issued for services and liabilities

Subsequent to June 30, 2013, shares of common stock totaling 5,160,599 were issued for consulting services for which the Company recognized $108,300 of expense.

Subsequent to June 30, 2013, shares of common stock totaling 4,000,000 were issued in connection with the Settlement Agreement and the liabilities contained thereunder.

Subsequent to June 30, 2013, shares of common stock totaling 9,439,419 were issued upon conversion of $106,696 in principal of outstanding convertible promissory notes of the Company.

Subsequent to June 30, 2013, shares of common stock totaling 86 were issued upon exercise of 86 warrants at $381.50 per share for $32,700 and advanced $100,000 for future exercise of warrants under the terms of the securities purchase agreements.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

Not Applicable.

Item 4. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures. Under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, we evaluated the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rule 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934 (the "Exchange Act")) as of the end of the period covered by this report. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures as of the end of the period covered by this report were effective such that the information required to be disclosed by us in reports filed under the Securities Exchange Act of 1934 is (i) recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and (ii) accumulated and communicated to our management to allow timely decisions regarding disclosure. A controls system cannot provide absolute assurance, however, that the objectives of the controls system are met, and no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within a company have been detected.

Changes in Internal Control Over Financial Reporting. During the most recent quarter ended June 30, 2013, there has been no change in our internal control over financial reporting (as defined in Rule 13a-15(f) and 15d-15(f) under the Exchange Act) that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

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.

During the six-month period ended June 30, 2013, shares of common stock totaling 2,656,250 were issued for consulting services for which the Company charged operations $62,550.

During the six-month period ended June 30, 2013, an aggregate of $238,685 of outstanding convertible debentures were converted into 26,906,923 shares of common stock.

During the six-month period ended June 30, 2013, an aggregate of 811 warrants to purchase shares of common stock were exercised at a purchase price of $381.50 per share.

On June 25, 2013, the Company issued two Convertible Debentures (the "Convertible Debentures"), each with a principal amount of $15,000, to two members of the Company's Board of Directors, Victor Keen and Martin Keating. The Company received proceeds of $30,000 for the sale of the Convertible Debentures. The Convertible Debentures mature on June 26, 2014 and accrue interest at a 10% per annum interest rate. The Convertible Notes are convertible in whole or part at a conversion rate equal to $0.01 per share. The proceeds of from the sale of the Convertible Debentures will be used by the Company for general working capital. The securities were sold and/or issued only to "accredited investors," as such term is defined in the Securities Act of 1933 (the "Securities Act") in a transaction that did not involve any underwriters, underwriting discounts or commissions, or any public offering were not registered under the Securities Act or the securities laws of any state, and were offered and sold in reliance on the exemption from registration afforded by Section 4(2) under the Securities Act and corresponding provisions of state securities laws.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosure.

None.

Item 5. Other Information.

None.

Item 6. Exhibits.

Exhibit Number	Description of Exhibit
10.1	Form of Convertible Debenture dated June 25, 2013
31.1	Certifications required by Rule 13a-14, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certifications required by Rule 13a-14, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of Chief Executive Officer pursuant to 18 U.S.C. § 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification of Principal Accounting Officer pursuant to 18 U.S.C. § 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS**	XBRL Instance
101.SCH**	XBRL Taxonomy Extension Schema
101.CAL**	XBRL Taxonomy Extension Calculation
101.DEF**	XBRL Taxonomy Extension Definition
101.LAB**	XBRL Taxonomy Extension Labels
101.PRE**	XBRL Taxonomy Extension Presentation

** In accordance with Rule 406T of Regulation S-T, the XBRL related information in Exhibit 101 to this Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2013 shall not be deemed to be "filed" for purposes of Section 18 of the Exchange Act, or otherwise subject to the liability of that section, and shall not be incorporated by reference into any registration statement or other document filed under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

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.

3DICON CORPORATION

Date: August 14, 2013

/s/ Mark Willner
Name: Mark Willner
Title: Chief Executive Officer
(Principal Executive Officer)

/s/ Ronald Robinson
Name: Ronald Robinson
Title: Chief Financial Officer
(Principal Financial Officer)

THE SECURITIES REPRESENTED BY THIS DEBENTURE AND THE STOCK REFERENCED HEREIN HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 OR UNDER THE OKLAHOMA SECURITIES ACT OR ANY OTHER STATE SECURITIES LAW, AND SUCH SECURITIES MAY NOT BE OFFERED, RESOLD, ASSIGNED OR TRANSFERRED BY A PURCHASER THEREOF WITHOUT BEING REGISTERED UNDER THE SECURITIES ACT OF 1933, THE OKLAHOMA SECURITIES ACT AND ANY OTHER APPLICABLE STATE SECURITIES LAW OR UNLESS AN EXEMPTION FROM REGISTRATION IS AVAILABLE IN THE OPINION OF COUNSEL TO THE COMPANY. THIS IS A LIMITED OFFERING TO BE MADE ONLY PURSUANT TO EXEMPTIONS PROVIDED BY THE SECURITIES ACT OF 1933 AND APPLICABLE STATE SECURITIES LAWS. NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE AGENCY HAS PASSED UPON THE VALUE OF THESE SECURITIES, APPROVED OR DISAPPROVED THIS OFFERING OR PASSED UPON THE ADEQUACY OR ACCURACY OF ANY INFORMATION PROVIDED TO THE UNDERSIGNED.

CONVERTIBLE DEBENTURE

$15,000.00 **June 25, 2013**

FOR VALUE RECEIVED, 3DIcon Corporation, an Oklahoma corporation (the "**Company**"), promises to pay to the order of _________, whose address is __________________________ (the "**Holder**") the principal sum of Fifteen Thousand Six and 00/100 Dollars ($15,000.00) (the "**Principal Amount**"), together with interest thereon as set forth below, on or before the Maturity Date, as defined below, at the Holder's address or such other place as the Holder may designate in writing to the Company. In accordance with the terms hereof, the Holder shall have the right, from time to time and subject to the terms of this Debenture, to convert all or any part of the sums due for principal and interest (if any) under this Debenture to common stock of the Company.

1. Interest. Provided that this Debenture is paid in full or on before the Maturity Date, no interest shall accrue on the unpaid balance of the Principal Amount. In the event that this Debenture is not paid in full on or before the Maturity Date, interest shall accrue on the unpaid outstanding balance of the Principal Amount of this Debenture from June 26, 2013, until paid, at the fixed rate of ten percent (10%) per annum (the "**Interest Rate**"). In the event all or part of the Principal Amount of this Debenture is converted at any time, interest shall accrue on said converted Principal Amount from June 26, 2013, until the Conversion Date, defined below, at the Interest Rate and such interest shall be converted with the Principal Interest shall be calculated on the basis of the actual number of days elapsed over a 360 day year.

2. Payment Provisions.

(a) Interest Payments. Subject to the provisions in Section 1 of this Debenture, the Company shall pay to the Holder interest accrued to the date upon which this Debenture is paid in full.

(b) Principal Payments. On June 26, 2014 (the "**Maturity Date**"), the outstanding balance of the Principal Amount shall be due and payable in full by the Company to the Holder. Not less than ten business days' before any sum of principal is paid on this Debenture, even if such payment is intended to be made on or after the Maturity Date, the Company shall give the Holder written or electronic notice of such intended payment. At any time during the ten day period following the Holder's receipt of the Company's notice of payment, the Holder may exercise its right to convert to Common Stock all or any part of the amount of the payment stated in the notice under the terms of this Debenture. The Holder shall notify the Company in writing or electronically of its election within said ten day period. In the event and to the extent that the Holder exercises his right to convert all or part of the Principal Amount to stock, interest shall be calculated on the converted Principal Amount from the date of this Debenture, but only if such interest is converted along with such Principal Amount.

(c) Prepayments; Application of Payments. Subject to the Holder's right to convert to common stock, the Company may at any time and from time to time prepay all or any part of the outstanding balance of the Principal Amount, together with all of the interest due on the amount to be prepaid, as evidenced by this Debenture, without penalty upon at least ten business days' prior written or electronic notice to the Holder. At any time during the ten day period following the Holder's receipt of the Company's notice of prepayment, the Holder may exercise its right to convert to Common Stock all or any part of the principal amount of the prepayment stated in the notice, along with the interest accrued thereon pursuant to Section 1 of this Debenture, under the terms of this Debenture. The Holder shall notify the Company in writing or electronically of its election within said ten day period. The Holder shall apply payments received from the Company on this Debenture first against the accrued interest, if any, to the date of the payment and then against the outstanding balance of the Principal Amount.

3. Representations and Warranties of Company. The Company hereby represents and warrants to the Holder that, the statements contained in the following paragraphs of this Section 3 are all true and correct as of the date this Debenture is signed by the Company:

(a) Organization and Standing. The Company is a corporation duly organized, validly existing and in good standing under the laws of the State of Oklahoma and has all requisite corporate power and authority to carry on its business as now conducted.

(b) Corporate Authority. The Company has all requisite legal and corporate authority to enter into, execute and deliver this Debenture. This Debenture will be valid and binding obligations of the Company, enforceable in accordance with their terms, except as the same may be limited by bankruptcy, insolvency, moratorium, and other laws of general application affecting the enforcement of creditors' rights.

(c) Authorization.

(1) Corporate Action. All corporate and legal action on the part of the Company, its officers, directors and shareholders necessary for the execution and delivery of this Debenture and the issuance of the shares to be issued in the event of the conversion of this Debenture, and the performance of Company's obligations hereunder have been taken.

(2) Valid Issuance. This Debenture and the shares of the Company's Common Stock to be issued upon conversion of this Debenture (collectively, the "**Securities**"), when issued in compliance with the provisions of this Debenture will be validly issued and will be free of any liens or encumbrances; **provided, however, that the Securities are subject to restrictions on transfer under state or federal securities laws, and as may be required by future changes in such laws.**

4. Representations and Warranties By Holder. The Holder represents and warrants to the Company, as of the date of this Debenture, as follows:

(a) Investment Intent Authority. This Debenture is executed and delivered to the Holder in reliance upon the Holder's representation to Company that: (i) the Holder is acquiring this Debenture and any Securities that may be acquired upon the conversion of this Debenture, for investment for the Holder's own account, not as nominee or agent, for investment and not with a view to, or for resale in connection with, any distribution or public offering thereof within the meaning of the Securities Act of 1933, as amended, (the "**Securities Act**"); and (ii) the Holder has the full right, power, authority and capacity to make the loan evidenced by this Debenture.

(b) **Securities Not Registered. The Holder understands and acknowledges that the offering of the Securities represented by this Debenture and the Warrant will not be registered under any federal or State securities laws or regulations.**

5. Conversion.

(a) Conversion at Option of Holder. For as long as any sum of principal is outstanding on this Debenture, this Debenture shall be convertible in whole or in any part into shares of the Company's restricted Common Stock at the option of the Holder. The number of shares of Common Stock issuable upon a conversion hereunder equals the quotient obtained by dividing (x) the outstanding principal amount of this Debenture to be converted, along with interest calculated at the Interest Rate on said principal amount, by (y) the Conversion Price (as defined in Section 5(d)(i)). The Company shall deliver Common Stock certificates to the Holder prior to the tenth (10^{th}) business day after each Conversion Date as defined below.

(b) Surrender Upon Payment. Upon the payment in full of all amounts due on this Debenture or the conversion of the amount due under this Debenture into shares of Common Stock, the Holder will surrender this Debenture.

(c) Conversion Procedure. The Holder shall effect a conversion by delivering (by mail, delivery or email) to the Company a completed notice in the form attached hereto as EXHIBIT A (a "**Conversion Notice**"). The date on which a Conversion Notice is delivered is the "**Conversion Date**". A conversion hereunder shall have the effect of paying that portion of the outstanding principal amount of this Debenture noted on the Conversion Notice. The Holder and the Company shall maintain records showing the amounts converted and the dates of such conversions.

(d) Conversion Price and Adjustments to Conversion Price.

(1) The conversion price is $.01 per share (the "**Conversion Price**"). The Conversion Price may be adjusted pursuant to the terms of this Debenture.

(2) If the Company, at any time while this Debenture is outstanding, shall (a) pay a stock dividend or otherwise make a distribution or distributions on shares of its Common Stock or any other equity or equity equivalent securities payable in shares of Common Stock, (b) subdivide outstanding shares of Common Stock into a larger number of shares, (c) combine (including by way of reverse stock split) outstanding shares of Common Stock into a smaller number of shares, or (d) issue by reclassification of shares of the Common Stock any shares of capital stock of the Company, then the Conversion Price shall be multiplied by a fraction of which the numerator shall be the number of shares of Common Stock (excluding treasury shares, if any) outstanding before such event and of which the denominator shall be the number of shares of Common Stock outstanding after such event. Any adjustment made pursuant to this Section shall become effective immediately upon the latter of the following events: (i) the expiration of a period of ten days following written notice to the Holder of such prospective adjustment; or (ii) the record date for the determination of stockholders entitled to receive such dividend or distribution and shall become effective immediately after the effective date, in the case of a subdivision, combination or re-classification.

(3) Whenever the Conversion Price is adjusted pursuant to this Section, the Company shall promptly mail to the Holder a notice setting forth the Conversion Price after such adjustment and setting forth a brief statement of the facts requiring such adjustment.

(4) If (A) the Company shall declare a dividend (or any other distribution) on the Common Stock; (B) the Company shall authorize the granting to all holders of the Common Stock rights or warrants to subscribe for or purchase any shares of capital stock of any class or of any rights; (C) the approval of any stockholders of the Company shall be required in connection with any reclassification of the Common Stock, any consolidation or merger to which the Company is a party, any sale or transfer of all or substantially all of the assets of the Company, of any compulsory share exchange whereby the Common Stock is converted into other securities, cash or property; or (D) the Company shall authorize the voluntary or involuntary dissolution, liquidation or winding up of the affairs of the Company; then, in each case, the Company shall cause to be filed at each office or agency maintained for the purpose of conversion of this Debenture, and shall cause to be mailed to the Holder at its last address as it shall appear upon the stock books of the Company, at least twenty (20) calendar days prior to the applicable record or effective date hereinafter specified, a notice stating (x) the date on which a record is to be taken for the purpose of such dividend, distribution, redemption, rights or warrants, or if a record is not to be taken, the date as of which the holders of the Common Stock of record to be entitled to such dividend, distributions, redemption, rights or warrants are to be determined or (y) the date on which such reclassification, consolidation, merger, sale, transfer or share exchange is expected to become effective or close, and the date as of which it is expected that holders of the Common Stock of record shall be entitled to exchange their shares of the Common Stock for securities, cash or other property deliverable upon such reclassification, consolidation, merger, sale, transfer or share exchange, provided, that the failure to mail such notice or any defect therein or in the mailing thereof shall not affect the validity of the corporate action required to be specified in such notice. The Holder is entitled to convert this Debenture during the 20-day calendar period commencing the date of such notice to the effective date of the event triggering such notice. The Holder shall not be entitled to vote any shares into which this Debenture is convertible until the Conversion Date, and, in that instance, only if the Conversion Date is on or before 8:00 a.m., Central, on the record date of any vote.

6. Assignment. This Debenture and the obligations hereunder may not be assigned by the Company without the prior written consent of the Holder.

7. Default and Remedies. The occurrence of an event of default under this Debenture shall entitle the Holder to exercise the rights and remedies of a creditor under law or in equity.

8. Waivers. The Company hereby waives presentment, demand, protest or further notice of any kind to the extent permitted by applicable law.

9. Controlling Law; Jurisdiction; Attorneys' Fees. This Debenture and all matters related hereto shall be governed, construed and interpreted in accordance with the laws of the State of Oklahoma, without regard to its principles of conflicts of laws. In the event an action is brought to enforce this Debenture, the action shall be brought in the federal or state courts sitting in Tulsa County, Oklahoma, and the prevailing party in such action shall be entitled to recover a reasonable attorney's fee and costs to be set by the court from the other party.

10. Purpose of Loan. The Company represents and warrants that this Debenture evidences its obligation to the Holder for monies loaned to the Company.

11. Waiver of Trial by Jury. The Company and the Holder agree that any suit, action or proceeding, whether claim or counterclaim, brought or instituted by the Company or the Holder on or with respect to this Debenture or any event, transaction or occurrence arising out of or in any way connected therewith or dealing with the parties hereto, shall be tried only by a court and not by a jury. **THE COMPANY AND THE HOLDER HEREBY EXPRESSLY WAIVE ANY RIGHT TO A TRIAL BY JURY IN ANY SUCH SUIT, ACTION OR PROCEEDING.**

12. Severability. In the event any one or more of the provisions contained in this Debenture shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Debenture, but this Debenture shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein or therein. There are no promises or conditions to payment which are not expressly set forth herein.

13. Entire Agreement; Amendment Provision. This Debenture contains the entire understanding and agreement of the parties in regard to this loan and it supercedes and voids any previous agreements or understandings in regard to this loan. This Debenture may only be amended by means of a written agreement which is signed by Borrower and Holder and which expressly states that it amends this Debenture. The term "**Debenture**" and all reference thereto, as used throughout this instrument, shall mean this instrument as originally executed, or if later amended or supplemented, then as so amended or supplemented, and any successor instrument as it may be amended or supplemented.

IN WITNESS WHEREOF, the undersigned have caused this Debenture to be executed on the day and year first above written.

BORROWER:	**HOLDER:**
3DIcon Corporation	
By ______________________________	______________________________
Mark Willner, CEO	

exhibit a

3DIcon Corporation

<u>CONVERSATION NOTICE</u>

(To be executed by the Holder in order to convert all or party of the $15,000.00 Convertible Debenture issued by 3DIcon Corporation, dated June 25, 2013 [the "Debenture"])

The undersigned hereby irrevocably elects to convert $__________ of the outstanding principal amount of the above Debenture, into shares of Common Stock of 3DIcon Corporation, according to the conditions stated therein, as of the conversion date written below.

Conversion Date: ______________________________

Principal Amount to be converted: $______________________________

Interest Amount to be converted: ______________________________

Total Amount to be converted: $______________________________

Conversion Price: $.01 / share

Number of shares of Common Stock to be issued: ______________________________

Please issue the shares of Common Stock in the following name and send the certificates to ____________________________________:

Issue to:

Name	Shares
______________________________	______________________________

Debenture Holder: ______________________________

Authorized Signature: ______________________________

Name: ______________________________

Title: ______________________________

EXHIBIT 31.1

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

I, Mark Willner, certify that:

1. I have reviewed this quarterly report on Form 10-Q of 3DIcon Corporation.

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 14, 2013

By: /s/ Mark Willner
Mark Willner
Chief Executive Officer

EXHIBIT 31.2

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

I, Ronald Robinson, certify that:

1. I have reviewed this quarterly report on Form 10-Q of 3DIcon Corporation.

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 14, 2013

By: /s/ Ronald Robinson
Ronald Robinson
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 3DIcon Corporation (the “Company”) on Form 10-Q for the quarter ended June 30, 2013 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Mark Willner, 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 14, 2013

By: /s/ Mark Willner
Mark Willner
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 3DIcon Corporation (the “Company”) on Form 10-Q for the quarter ended June 30, 2013 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Ronald Robinson, 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 14, 2013

By: /s/ Ronald Robinson
Ronald Robinson
Chief Financial Officer