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

FORM 10-QSB

[X] QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 FOR THE QUARTERLY PERIOD ENDED JUNE 30, 2006.

[ ] TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE EXCHANGE ACT FOR THE TRANSITION PERIOD FROM _____ to_____

Commission file number: 0-16159

LECTEC CORPORATION

(Exact name of small business issuer as specified in its charter)

<TABLE>
<S> <C>

Minnesota	41-1301878
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
5610 Lincoln Drive, Edina, Minnesota	55436
(Address of principal executive offices)	(Zip Code)

</TABLE>

(952) 933-2291
(Issuer's telephone number)

Not Applicable
(Former name, former address and former fiscal year, if changed since last report)

Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days:

Yes [X] No [ ]

Indicate by check mark whether registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes [ ] No [X]

The number of shares outstanding of the issuer's common stock as of August 14, 2006 was 4,148,998 shares.

Transitional Small Business Disclosure Format (Check one):

Yes [ ] No [X]

LECTEC CORPORATION

REPORT ON FORM 10-QSB FOR THE QUARTERLY PERIOD ENDED JUNE 30, 2006

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FORWARD-LOOKING STATEMENTS

From time to time, in reports filed with the Securities and Exchange Commission (including this Form 10-QSB), in press releases, and in other communications to shareholders or the investment community, the Company may provide forward-looking statements concerning possible or anticipated future results of operations or business developments which are typically preceded by the words "believes," "expects," "anticipates," "intends," "will," "may," "should" or similar expressions. Such forward-looking statements are subject to risks and uncertainties, which could cause results or developments to differ materially from those indicated in the forward-looking statements. Such risks and uncertainties include, but are not limited to, the Company's dependence on royalty payments from Novartis Consumer Health, Inc. ("Novartis"), which is not currently selling the Company's licensed product, the Company's dependence on key personnel, the success or failure of any attempt by the Company to protect or enforce its patents, the issuance of new accounting pronouncements, the availability of opportunities for licensing agreements related to patents that the Company holds, limitations on market expansion opportunities, and other risks and uncertainties as described in the "Cautionary Statements" filed as Exhibit 99.01 to Form 10-KSB for the year ended December 31, 2005.

PART 1 - FINANCIAL INFORMATION

ITEM 1 - CONDENSED FINANCIAL STATEMENTS AND NOTES TO CONDENSED FINANCIAL STATEMENTS

LECTEC CORPORATION
CONDENSED BALANCE SHEETS

<TABLE>
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	June 30, 2006	December 31, 2005
	(Unaudited)	
<S>	<C>	<C>
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 1,445,630	$ 1,310,578
Royalty receivable	-	214,906
Prepaid expenses and other	56,594	66,735
Total current assets	1,502,224	1,592,219
OTHER ASSETS:		
Patent costs	77,530	90,651
Prepaid insurance - director and officer	121,676	141,955
	199,206	232,606
	$ 1,701,430	$ 1,824,825
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable	$ 28,145	$ 10,495
Accrued expenses	68,605	52,015
Discontinued operations	98,350	98,350

</TABLE>

Total current liabilities	*195,100*	*160,860*
COMMITMENTS AND CONTINGENCIES	*–*	*–*
SHAREHOLDERS' EQUITY:		
Common stock, $.01 par value; 15,000,000 shares authorized; 4,148,998 shares issued and outstanding at June 30, 2006 and December 31, 2005	*41,490*	*41,490*
Additional contributed capital	*11,847,536*	*11,847,536*
Accumulated deficit	*(10,382,696)*	*(10,225,061)*
	1,506,330	*1,663,965*
	$ 1,701,430	*$ 1,824,825*

</TABLE>

The accompanying notes are an integral part of these condensed financial statements.

LECTEC CORPORATION
CONDENSED STATEMENTS OF OPERATIONS
(Unaudited)

<TABLE>
<CAPTION>

	Three Months Ended June 30,		*Six Months Ended June 30,*	
	2006	*2005*	*2006*	*2005*
<S>	*<C>*	*<C>*	*<C>*	*<C>*
CONTINUING OPERATIONS:				
Revenue – royalty and licensing income	*$ –*	*$ 39,182*	*$ 92,277*	*$ 120,478*
Operating expenses	*106,062*	*105,835*	*249,912*	*565,442*
Loss from continuing operations	*(106,062)*	*(66,653)*	*(157,635)*	*(444,964)*
DISCONTINUED OPERATIONS:				
Loss from discontinued operations	*–*	*(15,666)*	*–*	*(225,602)*
Net loss	*$ (106,062)*	*$ (82,319)*	*$ (157,635)*	*$ (670,566)*
Weighted average common shares outstanding:				
Basic and diluted	*4,148,998*	*4,148,723*	*4,148,998*	*4,119,228*
Loss per common share – basic and diluted:				
Continuing operations	*$ (0.03)*	*$ (0.02)*	*$ (0.04)*	*$ (0.11)*
Discontinued operations	*0.00*	*0.00*	*0.00*	*(0.05)*
Total	*$ (0.03)*	*$ (0.02)*	*$ (0.04)*	*$ (0.16)*

</TABLE>

The accompanying notes are an integral part of these condensed financial statements.

LECTEC CORPORATION
CONDENSED STATEMENTS OF CASH FLOWS
(Unaudited)

<TABLE>
<CAPTION>

	Six Months ended June 30,	
	2006	*2005*

<S>	<C>	Revised (1) <C>
Cash flows from operating activities:		
Net loss	$ (157,635)	$ (670,566)
Discontinued operations, net of tax	-	225,602
Loss from continuing operations, net of tax	(157,635)	(444,964)
Adjustments to reconcile net loss from continuing operations to net cash provided by (used in) operating activities:		
Compensation expense related to stock options	-	38,200
Amortization	13,121	8,926
Changes in operating assets and liabilities of continuing operations:		
Royalty receivable	214,906	(39,182)
Prepaid expenses and other	30,420	95,000
Accounts payable	17,650	4,377
Accrued expenses	16,590	(162,633)
Net cash provided by (used in) operating activities from continuing operations	135,052	(500,276)
Cash flows from financing activities from continuing operations:		
Payment of cash dividend	-	(246,824)
Proceeds from exercises of stock options	-	6,447
Repayment of long-term obligations	-	(2,525)
Net cash used in financing activities from continuing operations	-	(242,902)
Discontinued operations:		
Used in operating activities	-	(169,697)
Provided by investing activities	-	67,352
Provided by financing activities	-	83,780
Net cash used in discontinued operations	-	(18,565)
Net increase (decrease) in cash and cash equivalents	135,052	(761,743)
Cash and cash equivalents - beginning of period	1,310,578	2,239,318
Cash and cash equivalents - end of period	$ 1,445,630	$ 1,477,575

</TABLE>

(1) The Company revised the statement of cash flows for the six months ended June 30, 2005 to present cash flows from discontinued operations for each of the operating, investing and financing activities. Previously, the components were not broken out separately.

The accompanying notes are an integral part of these condensed financial statements.

LECTEC CORPORATION
NOTES TO CONDENSED FINANCIAL STATEMENTS
JUNE 30, 2006 AND 2005
(UNAUDITED)

(1) GENERAL

The accompanying condensed financial statements include the accounts of LecTec Corporation (the "Company") as of June 30, 2006 and December 31, 2005 and for the three and six month periods ended June 30, 2006 and 2005. The Company's condensed financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America and should be read in conjunction with the Company's Annual Report on Form 10-KSB for the year ended December 31, 2005. The interim condensed financial statements are unaudited and, in the opinion of management, reflect all adjustments necessary for a fair presentation of results for the periods presented. Results for interim periods are not necessarily indicative of results for the full year.

(2) BUSINESS SUMMARY AND CRITICAL ACCOUNTING POLICIES

BUSINESS SUMMARY

The Company is an intellectual property licensing and holding company. The Company receives royalties and licensing fees from licensing agreements pertaining to the Company's patents. The Company has one licensing agreement ("Novartis Agreement" or "Agreement") with Novartis, which pays royalties to the Company from time to time (usually quarterly), based upon a percentage of Novartis net sales of licensed products. Previously, the Company was a contract manufacturer of hydrogel topical patches which were sold to major pharmaceutical customers until the Company ceased its manufacturing operations in December 2004. See the discussion under "Novartis Licensing and Supply Agreement" in Note 5.

In June 2006, Novartis issued a recall of all of its Triaminic(R) vapor patch product in the United States. See "Novartis Product Recall" (Note 6).

CRITICAL ACCOUNTING POLICIES

Some of the Company's most critical accounting policies include:

Revenue Recognition. Royalty and licensing income is recognized when earned under the terms of the agreements with customers and collection is reasonably assured.

Patent Costs. The carrying value of patent costs is reviewed periodically or when factors indicating impairment are present. Any impairment loss is measured as the amount by which the carrying value of the assets exceeds the fair value of the assets. The Company believes no impairment existed at June 30, 2006.

Royalty Receivable (Continuing Operations). The Company grants credit to its only customer, Novartis, in the normal course of business and under the terms contained in the Agreement. Pursuant to the Agreement, Novartis pays royalty income within the terms defined in the Agreement. At June 30, 2006, the Company did not have an outstanding royalty receivable with Novartis due to a voluntary recall of licensed products of the Company by Novartis. The Company believes it has earned a royalty for the second quarter ended June 30, 2006 irrespective of the recall but has not recorded the royalties given the uncertainty related to its collectibility as a result of the recall.

Accounting for Discontinued Operations. The Company exited from manufacturing operations of topical patches and sold off all of its manufacturing assets related to the production of patches to its only remaining customer, Novartis, as of December 31, 2004. The assets related to the Company's manufacturing operations have been classified as discontinued operations due to the sale of the manufacturing assets by December 31, 2004. The operations and cash flows of the contract manufacturing operations have been eliminated from the ongoing operations as a result of the sale transaction. The Company does not have any significant involvement in the operations of the previously sold manufacturing operations. It is therefore management's position that the conditions for reporting the Company's balance sheets, statements of operations, and cash flows under the requirements of Statement of Financial Accounting Standard ("SFAS") No. 144 as discontinued operations are appropriate.

The Company used reasonable judgment combined with quantitative analysis in determining the amounts of assets, liabilities, revenues and expenses that are allocated between continuing operations and discontinued operations.

Stock-Based Compensation. In January 2005, the Company extended the exercise period for options held by two former executive officers of the Company and one former employee by two years from the date of their respective termination dates (but not longer than the options normal expiration date, if earlier). There were 222,667 options with a weighted average exercise price of $0.83 per share subject to this modification to the exercise period. Normally these options would have expired 90 days from the employee's termination date. Because of this modification to the exercise period of these options for those former employees, the Company recorded compensation expense of $99,957 for the first quarter ended March 31, 2005.

Prior to January 1, 2006, the Company utilized the intrinsic value

method of accounting for stock-based employee compensation plans. All options granted had an exercise price equal to the market value of the underlying common stock on the date of grant, and no compensation cost related to stock option grants was reflected in the net loss for the three and six months ended June 30, 2006 and 2005.

Had the Company applied the fair value recognition provisions of SFAS No. 123, "Accounting for Stock Based Compensation," the net loss and net loss per common share for the three and six months ended June 30, 2005 would not be materially different.

In December 2004, the Financial Accounting Standards Board issued SFAS No. 123(R), "Share-Based Payment," which requires that compensation cost relating to share-based payment transactions (including the cost of all employee stock options) be recognized in the financial statements. That cost is measured based on the estimated fair value of the equity or liability instruments issued. SFAS No. 123(R) covers a wide range of share-based compensation arrangements including share options, restricted share plans, performance-based awards, share appreciation rights, and employee share purchase plans. SFAS No. 123(R) replaces SFAS No. 123, "Accounting for Stock-Based Compensation," and supersedes Accounting Principles Board ("APB") Opinion No. 25, "Accounting for Stock Issued to Employees". The Company was required to apply SFAS No. 123(R) effective January 1, 2006. Thus, the Company's financial statements reflect the cost for (a) all share-based compensation arrangements granted after December 31, 2005 and for any such arrangements that are modified, cancelled, or repurchased after that date, and (b) the portion of previous share-based awards for which the requisite service had not been rendered as of that date, based on the grant date estimated fair value.

All of the Company's options were fully vested as of December 31, 2005 and there were no new grants, or modifications to existing grants, during the three and six months ended June 30, 2006. Therefore, the adoption of SFAS No, 123(R) had no impact on the Company's financial statements.

(3) NET LOSS PER COMMON SHARE

Basic net loss per common share is computed by dividing the net loss by the weighted average number of common shares outstanding. Diluted net loss per common share is computed by dividing the net loss by the weighted average number of common shares outstanding and common share equivalents related to stock options and warrants when dilutive.

Common stock options and warrants to purchase 421,250 and 446,250 shares of common stock with a weighted average exercise price of $2.02 and $2.02 were outstanding during the three and six months ended June 30, 2006, respectively. Common stock options and warrants to purchase 598,250 and 615,500 shares of common stock with a weighted average exercise price of $1.95 and $1.97 were outstanding during the three and six months ended June 30, 2005, respectively. Because the Company had a loss from continuing operations during the three and six months ended June 30, 2006 and 2005, those options and warrants were excluded from the net loss per share computations because they were antidilutive.

(4) INCOME TAXES

The provision for income tax benefits for the three and six months ended June 30, 2006 and 2005, was offset principally by a valuation allowance for deferred taxes. No federal or state income tax benefit was provided for the three and six months ended June 30, 2006 and 2005, as the realization of such benefits is not reasonably assured.

(5) NOVARTIS LICENSING AND SUPPLY AGREEMENT

On July 19, 2004, the Company entered into the Novartis Agreement, effective as of January 1, 2004. The Agreement replaced the Company's prior licensing and supply agreement with Novartis dated May 8, 2002. The Agreement required the Company to manufacture, sell and deliver to Novartis vapor patches for sale to the pediatric market in the United States, Canada and Mexico. In order to provide the Company with working capital funds necessary to enable it to manufacture and deliver vapor patches to Novartis in accordance with the Agreement, Novartis advanced up to $2,000,000 for use by the Company to pay current accounts payable and expenses incurred exclusively for the manufacture and delivery of vapor patches. In consideration of any advanced funds, the Company executed and delivered to Novartis a promissory note of $2,000,000 and a

security agreement. Under the security agreement, the Company pledged substantially all of its assets. The note was repaid by the Company by the delivery to Novartis of vapor patches under the Agreement. All amounts owed were repaid as of December 31, 2004. Under the Agreement, Novartis had the option until March 31, 2005, to extend the use of vapor patches to the adult cough/cold category in the United States, Canada and Mexico at no additional cost and under the same terms and conditions as set forth in the Agreement. On March 31, 2005, Novartis notified the Company of its intention to enter the adult market pursuant to the Agreement. However, there can be no assurance that Novartis is obligated or will enter the adult market under the terms of the Agreement.

Under the Agreement, the Company granted Novartis an exclusive license (the "License") to all of the intellectual property of the Company to the extent that it is used or useful in the production of the vapor patches being supplied under the Agreement for a fee of $1,065,000, which was paid to the Company by Novartis as follows: (1) release of $250,000 in promissory note debt as of the date of the Agreement, (2) payment of $407,500 in cash in July 2004, and (3) payment of $407,500 in cash in September 2004. The License began on July 19, 2004, and will continue for the duration of any patents included in the licensed intellectual property and, with respect to all other elements of the licensed intellectual property, for the maximum duration permitted under applicable law (14 years). Upon the expiration of the patents included in the licensed intellectual property, Novartis will have a non-revocable, perpetual, fully paid-up license to the intellectual property used or useful in the production of vapor patches for the pediatric market and the adult cough/cold market. Commencing on January 1, 2005, Novartis was required by the Agreement to pay royalties, at an agreed upon percentage, to the Company, based upon the net semi-annual or quarterly sales of vapor patches by Novartis for each year the License is in effect.

The supply portion of the Agreement continued in effect until February 5, 2005, except that the provisions relating to the License will continue in effect until the conclusion of the term of the License. The Company may not assign or otherwise transfer the Agreement (other than to an affiliate) without the prior written consent of Novartis, except that the Company may assign the Agreement in connection with the transfer or sale of all or substantially all of its assets or business or its merger or consolidation with another company, so long as (1) such acquirer or successor in interest agrees in writing to be bound by all conditions of the Agreement, and (2) the Company gives Novartis written notice of any such assignment and 15 days to object. Novartis may object to an assignment only if such acquirer or successor is a direct competitor of Novartis.

(6) NOVARTIS PRODUCT RECALL

On June 21, 2006, the Company issued a press release noting that Novartis had issued a recall of all of its Triaminic(R) Vapor Patch product in the United States. Royalties received by the Company from Novartis based on sales of this patch represented substantially all of the Company's revenues in fiscal year 2005 and the first quarter of 2006. As a result of this development, unless and until Novartis reintroduces this patch product or the Company develops another source of revenue, the Company will have no immediate source of revenue.

In a press release issued by Novartis, Novartis explained that the recall was "due to the serious adverse health effects that could result if the product is ingested by the child removing the patch and chewing on it." At the same

time that Novartis announced this voluntary recall, the U. S. Food and Drug Administration issued a release warning consumers "not to use the Triaminic Vapor Patch due to reports of serious adverse events associated with accidental ingestion by children."

According to news reports, the recall was triggered by an adverse event experienced by a child who suffered a seizure after chewing on a Triaminic Vapor Patch. Novartis confirmed to the Company that the patch involved in this incident was not manufactured by the Company. A representative of Novartis also indicated that no decision had yet been made whether to reintroduce the product in certain markets, although the vapor patches would not be reintroduced for use with young children.

The Board of Directors and management of the Company are currently assessing the Company's position and strategy in light of this new development.

(7) DISCONTINUED OPERATIONS

There were no assets of discontinued operations at June 30, 2006 or December 31, 2005. However, the Company has immaterial fully depreciated assets on hand that may be sold from time to time. Liabilities of discontinued operations at June 30, 2006 and December 31, 2005, consisted of a $98,350 reserve for sales returns and credits related to previous sales to customers of products that the Company produced before the Company ceased its manufacturing operations. Included in the loss from discontinued operations for the three and six months ended June 30, 2005 was a gain of $2,730 and $67,352, respectively, on the sale of fully depreciated property and equipment related to discontinued operations.

ITEM 2 - MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATION

RESULTS OF OPERATIONS

In July 2004, management determined that the Company would wind down and cease its contract manufacturing operations by December 31, 2004. Because of this, the past and future financial results related to contract manufacturing have been treated as discontinued operations for financial reporting purposes. Continuing operations consist of operations related to the surviving intellectual property licensing and holding company. The Company accounts for its discontinued operations under the provisions of SFAS No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets." Accordingly, results of operations and the related charges for discontinued operations have been classified as "Loss from discontinued operations" in the accompanying Condensed Statements of Operations. Assets and liabilities of the discontinued operations have been classified and reflected on the accompanying Balance Sheets as "Discontinued operations."

COMPARISON OF THE THREE AND SIX MONTHS ENDED JUNE 30, 2006 AND 2005

RESULTS OF CONTINUING OPERATIONS

The Company recorded royalty income of $0 and $92,637 during the three and six months ended June 30, 2006, respectively, related to its licensing Agreement with Novartis. The decrease in royalty income for the quarter ended June 30, 2006 from the comparable quarter of 2005 is attributable to Novartis' nationwide voluntary recall of its Triaminic(R) Vapor Patch product in the United States during June 2006. The Company decided not to record royalty income for the second quarter of 2006 pending further discussion with Novartis regarding whether the Agreement permits recalled product to be netted against royalty income earned during the second quarter of 2006. The Company recorded royalty income of $39,183 and $120,478 during the three and six months ended June 30, 2005, respectively.

For the second quarter ended June 30, 2006, the Company recorded a net loss from continuing operations of $(106,062), or $(0.03) per basic and diluted share, compared to a net loss from continuing operations of $(66,653), or $(0.02) per basic and diluted share, for the same quarter in 2005. For the six months ended June 30, 2006, the Company recorded a net loss from continuing operations of $(157,635), or $(0.04) per basic and diluted share, compared to a net loss from continuing operations of $(444,964), or $(0.11) per basic and diluted share, for the same period in the 2005. The increase in net loss from continuing operations for the three month period ended June 30, 2006 from the comparable period in 2005 is due to the non-recognition of royalty income during the second quarter of 2006 as a result of the Novartis recall. The decrease in net loss from continuing operations for the six months ended June 30, 2006 from the comparable period in 2005 is due primarily to reductions in general operating expenses for 2006, partially offset by a reduction in royalty income during the second quarter of 2006.

RESULTS OF DISCONTINUED OPERATIONS

There was no loss from discontinued operations for the three and six month periods ended June 30, 2006. The loss from discontinued operations for the second quarter ended June 30, 2005 was $(15,666), or $(0.00) per basic and diluted share. For the six months ended June 30, 2005, the loss from discontinued operations was $(225,602), or $(0.05) per basic and diluted share. The loss from discontinued operations for the three and six month periods ended June 30, 2005, was attributable to the wind down of the Company's manufacturing operations.

NET RESULTS OF OPERATIONS

The net loss for the second quarter ended June 30, 2006 was $(106,062), or $(0.03) per basic and diluted share, compared to a net loss of $(82,319), or $(0.02) per basic and diluted share for the same period in 2005. The increase in net loss is primarily attributable to the non-recognition of royalty income during the second quarter ended June 30, 2006 compared to the same quarter of 2005. For the six months ended June 30, 2006, the net loss was $(157,635), or $(0.04) per basic and diluted share, compared to a net loss of $(670,566), or $(0.16) per basic and diluted share for the same period in 2005. The decline in net loss for the six month period ended June 30, 2006 from the same period in the prior year is primarily due to the reasons stated above.

INCOME TAXES

The provision for income tax benefits for the three and six months ended June 30, 2006 and 2005 was offset principally by a valuation allowance for deferred taxes. No federal or state income taxes were provided for the three and six months ended June 30, 2006 and 2005, as the realization of such benefits is not reasonably assured.

EFFECT OF INFLATION

Inflation has not had a significant impact on the Company's operations or cash flow.

LIQUIDITY AND CAPITAL RESOURCES

Cash and cash equivalents increased by $135,052 during the first six months of 2006 to $1,445,630 at June 30, 2006. The increase in cash and cash equivalents during the six months ended June 30, 2006 from the end of 2005, was due to cash generated from continuing operations, primarily related to cash received under the Novartis Agreement, coupled with a general reduction in operating expenses related to continuing operations.

During the first six months of 2006, the Company received $217,793 in royalty income under the Novartis Agreement, compared to royalty income collected of $81,296 during the comparable period of 2005, which was related to fourth quarter and first quarter sales by Novartis of products covered under the Agreement for 2006 and 2005, respectively. There were no material commitments for capital expenditures at June 30, 2006.

The Company had working capital of $1,307,124 and a current ratio of 7.70 at June 30, 2006 compared to working capital of $1,431,359 and a current ratio of 9.90 at December 31, 2005. The decrease in working capital of $124,235 during the six months of 2006 was primarily due to the net loss of the Company during the six months ended June 30, 2006.

Shareholders' equity decreased to $1,506,330 at June 30, 2006 from $1,663,965 at December 31, 2005, due to the net loss for six months ended June 30, 2006.

The Company believes its existing cash and cash equivalents will be sufficient to fund continuing operations through 2006. However, cash and cash equivalents may not be sufficient to fund continuing operations beyond 2006. The Company's working capital requirements are dependent upon adequate levels of royalty and licensing income to fund continuing operations. Royalty income is uncertain because it is subject to factors that the Company cannot control. Such factors include, but are not limited to, seasonality of the product, marketing efforts by Novartis, markets Novartis enters the product into, product recalls and other factors which can cause fluctuations in the amount of royalty income the Company earns. There can be no assurance because of these uncertainties that future royalty income will be earned or sufficient to fund continuing operations. The royalty income of $92,277 recorded during the six months ended June 30, 2006 was based upon information provided by Novartis. Novartis has paid all royalty obligations through the first quarter of 2006. The Company did not record any royalty income for the second quarter of 2006 due to the product recall situation that arose in June 2006. There can be no assurance current results will be indicative of results for the full year. Furthermore, future royalties and licensing income the Company anticipates earning is dependent on the success of the product in the marketplace by Novartis and other firms or individuals with whom the Company may enter into licensing agreements. Additionally, the Company does not presently have any other financing resources

in place from which it can borrow or obtain additional working capital.

CRITICAL ACCOUNTING POLICIES

Management believes that the Company has not adopted any critical accounting policies which, if changed, would result in a material change in financial estimates, financial condition, results of operation or cash flows for the three months ended June 30, 2006 and 2005. The critical accounting policies appear in Note 2 of Notes to Condensed Financial Statements in this Form 10-QSB.

ITEM 3 - CONTROLS AND PROCEDURES

Under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, we have 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")). Based upon this evaluation, the principal executive officer and principal financial officer have concluded that, as of the end of the period covered by this report, our disclosure controls and procedures were effective.

During the three months ended June 30, 2006, there were no changes in the Company's 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, the Company's internal control over financial reporting.

PART II - OTHER INFORMATION

ITEM 1 - LEGAL PROCEEDINGS

None.

ITEM 2 - UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

None.

ITEM 3 - DEFAULTS UPON SENIOR SECURITIES

None.

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

None.

ITEM 5 - OTHER INFORMATION

None.

ITEM 6 - EXHIBITS

<TABLE>
<CAPTION>

Exhibit No.	Description
<S>	<C>
3.01	Articles of Incorporation of LecTec Corporation, as amended (Incorporated herein by reference to the Company's Form S-1 Registration Statement (file number 33-9774C) filed on October 31, 1986 and amended on December 12, 1986).
3.02	Bylaws of LecTec Corporation (Incorporated herein by reference to the Company's Form S-1 Registration Statement (file number 33-9774C) filed on October 31, 1986 and amended on December 12, 1986).
31.01	Certification of Principal Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, filed herewith.
31.02	Certification of Principal Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, filed herewith.

32.01	Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, filed herewith.
99.01	Cautionary Statements (Incorporated herein by reference to Exhibit 99.01 to the Company's Report on Form 10-KSB for the fiscal year ended December 31, 2005).

SIGNATURES

In accordance with the requirements of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

LECTEC CORPORATION

Date August 14, 2006

By /s/ Alan C. Hymes, M.D.

Alan C. Hymes, M.D.
Chief Executive Officer, Chief Financial Officer, & Director
(principal executive and financial officer and duly authorized officer)

EXHIBIT INDEX

Exhibit No.	Description
3.01	Articles of Incorporation of LecTec Corporation, as amended (Incorporated herein by reference to the Company's Form S-1 Registration Statement (file number 33-9774C) filed on October 31, 1986 and amended on December 12, 1986).
3.02	Bylaws of LecTec Corporation (Incorporated herein by reference to the Company's Form S-1 Registration Statement (file number 33-9774C) filed on October 31, 1986 and amended on December 12, 1986).
31.01	Certification of Principal Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, filed herewith.
31.02	Certification of Principle Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, filed herewith.
32.01	Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, filed herewith.
99.01	Cautionary Statements (Incorporated herein by reference to Exhibit 99.01 to the Company's Report on Form 10-KSB for the fiscal year ended December 31, 2005).

EXHIBIT 31.01

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER

I, Alan C. Hymes, M.D., certify that:

1. I have reviewed this Quarterly Report on Form 10-QSB of LecTec Corporation;

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

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

4. The small business issuer's other certifying officers 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)) for the small business issuer 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 small business issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Evaluated the effectiveness of the small business issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

c) Disclosed in this report any change in the small business issuer's internal control over financial reporting that occurred during the small business issuer's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the small business issuer's internal control over financial reporting; and

5. The small business issuer's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the small business issuer's auditors and the audit committee of the small business issuer's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the small business issuer's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the small business issuer's internal control over financial reporting.

Date: August 14, 2006

/s/ Alan C. Hymes, M.D.

Alan C. Hymes, M.D.
Chief Executive Officer

EXHIBIT 31.02

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER

I, Alan C. Hymes, M.D. certify that:

1. I have reviewed this Quarterly Report on Form 10-QSB of LecTec Corporation;

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

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

4. The small business issuer's other certifying officers 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)) for the small business issuer 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 small business issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Evaluated the effectiveness of the small business issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

c) Disclosed in this report any change in the small business issuer's internal control over financial reporting that occurred during the small business issuer's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the small business issuer's internal control over financial reporting; and

5. The small business issuer's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the small business issuer's auditors and the audit committee of the small business issuer's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the small business issuer's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the small business issuer's internal control over financial reporting.

Date: August 14, 2006

/s/ Alan C. Hymes, M.D.

Alan C. Hymes, M.D.
Chief Financial Officer

EXHIBIT 32.01

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 LecTec Corporation (the "Company") on Form 10-QSB for the quarter ended June 30, 2006 as filed with the Securities and Exchange Commission (the "Report"), I, Alan C. Hymes, M.D., Chief Executive Officer and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to the best of my knowledge 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.*

/s/ Alan C. Hymes, M.D.

Alan C. Hymes, M.D.
Chief Executive Officer
(principal executive and financial officer)
August 14, 2006