

CyberconIQ International Corp (formerly 1292267 B.C., LTD.)

Attachment to Form 8937-Part II

Report of Organizational Actions Affecting Basis of Securities (The Merger)

**Consult your tax advisor:** The information contained herein is being provided pursuant to the requirements of Section 6045B of the Internal Revenue Code of 1986, as amended (the “**Code**”), and includes a general summary regarding the application of certain U.S. federal income tax laws and regulations relating to the effects of the Merger (as defined below) on the tax basis of shares in CyberconIQ International Corp (formerly 1292267 B.C., LTD.) (“**BC LTD**”), in the hands of holders of shares of BC LTD stock who are U.S. taxpayers and who received such shares of BC LTD stock pursuant to the Merger (as defined below) by reason of previously being holders of shares of stock of CyberConIQ, Inc., a Pennsylvania corporation (“**Cybercon**”) (“**U.S. Shareholders**”). This discussion does not constitute tax advice and does not purport to be complete or to describe the consequences that may apply to particular categories of shareholders. Neither BC LTD nor Cybercon provides tax advice to its shareholders. You are urged to consult your own tax advisors regarding the particular consequences of the Merger to you, including the applicability and effect of all U.S. federal, state and local tax laws and foreign tax laws.

For additional information, please read the Agreement and Plan of Merger (the “**Agreement**”) dated as of October 28, 2021 and previously mailed to shareholders of Cybercon.

Item 14. Description of organizational action

Pursuant to the terms and conditions of the Agreement, as amended, to which BC LTD, CIQ, Inc., a corporation wholly-owned by BC LTD and incorporated under the laws of Pennsylvania immediately prior to the effective time of the Merger with no business operations, liabilities or assets (other than a nominal amount of cash received pursuant to its formation) (“**Newco**”), and Cybercon were party, on November 29, 2021, Newco merged with and into Cybercon, whereupon the separate existence of Newco ceased and Cybercon continued as the surviving entity (the “**Merger**”). Pursuant to the Merger, Cybercon shareholders received a pro-rata portion of 40,300,000 BC LTD common shares (the “**BC LTD Shares**”) in exchange for the Class A and Class B Cybercon common shares, including the number of common shares into which shares of Series Seed Preferred Cybercon shares were convertible (collectively, the “**CyberCon Shares**”), held immediately prior to the Merger, resulting in an exchange ratio of approximately 8.5 shares of BC LTD stock being issued in exchange for each share of Cybercon common stock. No cash was paid or payable in the Merger.

BC LTD believes that BC LTD as a result of the Merger was classified, and following the Merger will be classified, as a U.S. domestic corporation for U.S. federal income tax purposes pursuant to the application of Code Section 7874(b), but provides no assurances in this regard. The following discussion in this Attachment assumes that BC LTD as a result of the Merger was classified, and following the Merger will be classified, as a U.S. domestic corporation for U.S. federal income tax purposes pursuant to the application of Code Section 7874(b).

U.S. Shareholders should review the Agreement and consult with their own tax advisors regarding the tax consequences of the Merger to them in light of their particular circumstances.

Part II Item 15. Description of the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer

BC LTD intends that the Merger qualify as a tax-deferred reorganization within the meaning of Code Section 368(a). Provided the Merger qualifies as a tax-deferred reorganization under Code Section 368(a), each U.S. Shareholder should have a tax basis in the BC LTD Shares received pursuant to the Merger equal to such U.S. Shareholder's adjusted tax basis in his, her, or its Cybercon Shares surrendered in exchange therefor.

If a U.S. Shareholder held different blocks of Cybercon common stock (i.e., shares acquired at different times or different prices) at the time of the Merger, such shareholder should consult its own tax advisor with respect to the determination of the tax bases of particular shares of BC LTD common stock received in the Merger.

Part II Item 16. Description of the calculation of the change in basis

Provided the Merger qualifies as a tax-deferred reorganization within the meaning of Code Section 368(a), the aggregate tax basis of the BC LTD Shares received in the Merger will equal the aggregate adjusted tax basis in the shares of Cybercon stock surrendered in exchange therefor.

In the event the Merger is taxable for U.S. federal income tax purposes, for purposes of calculating fair market value, the fair market value of a BC LTD Share on November 29, 2021 is estimated at U.S.\$0.25, but provides no assurances that the IRS or any U.S. court would not take a contrary position regarding the fair market value of a share of BC LTD stock.

Each U.S. Shareholder should consult with his, her or its own tax advisors to determine whether they are required to recognize gain in connection with the Merger and what measure of fair market value is appropriate.

Part II Item 17. (list of applicable Code sections)

BC LTD believes that BC LTD as a result of the Merger was classified, and following the Merger will be classified, as a U.S. domestic corporation for U.S. federal income tax purposes pursuant to the application of Code Section 7874(b), but provides no assurances in this regard. BC LTD further believes that the Merger qualifies as a tax-deferred reorganization within the meaning of Code Section 368(a).

Provided BC LTD as a result of the Merger was classified, and following the Merger will be classified, as a U.S. domestic corporation for U.S. federal income tax purposes pursuant to the application of Code Section 7874(b) and the Merger qualifies as a tax-deferred reorganization under Code Section 368(a), the U.S. federal income tax consequences for U.S. Shareholders should be determined under Code Sections 354, 358, 368, 1223 and 7874.

Part II Item 18. (recognition of loss)

BC LTD believes that BC LTD as a result of the Merger was classified, and following the Merger will be classified, as a U.S. domestic corporation for U.S. federal income tax purposes pursuant to the application of Code Section 7874(b), but provides no assurances in this regard. BC LTD further believes that the Merger qualifies as a tax-deferred reorganization within the meaning of Code Section 368(a).

Provided BC LTD as a result of the Merger was classified, and following the Merger will be classified, as a U.S. domestic corporation for U.S. federal income tax purposes pursuant to the application of Code Section 7874(b) and the Merger qualifies as a tax-deferred reorganization under Code Section 368(a), each U.S. Shareholder which received BC LTD Shares pursuant to the Merger should not recognize any loss.

Part II Item 19. (other information)

The Merger was effective on November 29, 2021. For a U.S. Shareholder which participated in the Merger whose taxable year is a calendar year, the reportable tax year is 2021.