tZERO Issues Preferred tZERO Security Tokens

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Blockchain Pioneer Completes Another Capital Markets Milestone

NEW YORK, Oct. 16, 2018 (GLOBE NEWSWIRE) -- tZERO, the global leader in blockchain innovation for capital markets, today announced it has completed the issuance of preferred tZERO security tokens. Tokens were issued to investors who had fully funded signed agreements for future equity (SAFEs) prior to the August 6, 2018 close of the company's Security Token Offering (STO). tZERO raised $134 million from over 1,000 global investors during its STO.

"This is one of the first Security Token Offerings on a decentralized public network, and was conducted in full compliance with the U.S. securities laws," said tZERO CEO Saum Noursalehi. "This is an exciting milestone for tZERO, and we are even more enthusiastic about the opportunities this will create for private and public companies wishing to raise capital through security token offerings, and for investors who wish to trade those securities."

tZERO deployed its token contract, minted its security tokens, and issued into a tZERO custodial wallet on behalf of investors on October 12, 2018. To ensure compliance with federal securities law and regulations, and in accordance with the terms of the tokens themselves, the tokens will be locked up in the custodial wallet until January 10, 2019 (90 days after issuance). After the 90-day period expires, tZERO intends on offering holders the opportunity to trade tokens, pursuant to private resale transactions, with other accredited investors on a platform that tZERO is in the process of developing with a broker-dealer partner. In addition, tZERO intends that new investors who are accredited will also be able to open an account to buy tokens following the 90-day period.

"The issuance of the world's first public cryptosecurity, OSTKP, in 2016 was tZERO's Chuck Yeager moment: we broke the speed of sound by introducing the concept of real-time trade settlement. Today marks our Yuri Gagarin moment, where we leave behind the confines of the known world of traditional capital markets and take the first steps towards a new market powered by blockchain," said Patrick M. Byrne, tZERO executive chairman and the CEO and founder of Overstock.com *(NASDAQ:OSTK)*. "My humblest thanks to all the colleagues and investors that have shared our belief in a system of securities trading based on trust, transparency, and integrity through cryptography-based technologies, rather than one that relies on the mercy of middlemen who may not have the investors' best interest at heart (and who may even, at times, be bent on mischief)."

tZERO also plans to designate an approved trading platform by August 6, 2019, one year after consummation of the STO, so holders may then resell their tokens to non-accredited investors. tZERO also plans to register the securities to enable secondary trading in more robust trading environments, such as the domestic (USA) exchange it is building in partnership with BOX Digital Markets, as well as international securities exchanges.

tZERO was founded in 2014 with the goal of utilizing blockchain technology to revolutionize Wall Street so that financial processes could become less beholden to traditional institutional market structures and the mischief and financial instability they have been known, on occasion, to permit. tZERO is a portfolio company of Medici Ventures, Overstock.com's blockchain subsidiary. For more information on tZERO, please visit: tZERO.com.

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About tZERO
tZERO Group, Inc. ("tZERO") is a majority owned subsidiary of Overstock.com, focusing on the development and commercialization of financial technology (FinTech) based on cryptographically-secured, decentralized ledgers – more commonly known as blockchain technologies. Since its inception, tZERO has pioneered the effort to bring greater efficiency and transparency to capital markets through the integration of blockchain technology.

About Overstock.com
Overstock.com, Inc. *Common Shares (NASDAQ:OSTK) / Series A Preferred (Medici Ventures' tZERO platform: OSTKP) / Series B Preferred (OTCQX:OSTBP)* is an online retailer based in Salt Lake City, Utah that sells a broad range of products at low prices,

including furniture, décor, rugs, bedding, and home improvement. In addition to home goods, Overstock.com offers a variety of products including jewelry, electronics, apparel, and more, as well as a marketplace providing customers access to hundreds of thousands of products from third-party sellers. Additional stores include Pet Adoptions and Worldstock.com dedicated to selling artisan-crafted products from around the world. Forbes ranked Overstock in its list of the Top 100 Most Trustworthy Companies in 2014. Overstock regularly posts information about the company and other related matters under Investor Relations on its website, http://www.overstock.com.

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This press release contains certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Such forward-looking statements include all statements other than statements of historical fact. Additional information regarding factors that could materially affect results and the accuracy of the forward-looking statements contained herein may be found in the company's Form 10-Q for the quarter ended June 30, 2018, which was filed with the SEC on August 9, 2018, and any subsequent filings with the SEC.

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