



Overland Expands Strategic Relationship With Sphere 3D

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Overland Partner Sphere 3D Acquires V3 Systems, Creating New Purpose Built VDI Appliance and Software Defined Storage Solution

SAN DIEGO, CA -- (Marketwired) -- 02/12/14 -- Overland Storage (NASDAQ: OVRL), a trusted global provider of unified data management and data protection solutions across the data lifecycle, today announced an expanded relationship with Sphere 3D Corporation (TSX VENTURE: ANY) (OTCQX: SPIHF), a virtualization technology solution provider, as a result of Sphere 3D's recently announced agreement to acquire the product portfolio of V3 Systems. Once completed, this acquisition by Sphere 3D is expected to enable incompatible devices and applications to run over the cloud. Pursuant to Overland's existing supply agreement with Sphere 3D, Overland's NAS platform will be included in the V3 offering, which will be delivered through Overland's channel partners.

Sphere 3D recently announced a definitive agreement to acquire V3 Systems, Inc., of Salt Lake City, Utah. V3 is the creator of the Desktop Cloud Orchestrator™ virtualization software, which is designed to allow administrators to manage local, cloud hosted and hybrid virtual desktop deployments, as well as a series of purpose-built, compact, efficient and easy-to-manage servers, known as V3 Appliances. As an Embedded OEM VMware partner, V3 has revolutionized the speed, ease of deployment and even the size of the data center required for virtual desktop infrastructure (VDI).

According to International Data Corporation (IDC), "The rapidly changing virtualization landscape continues to have a significant impact on storage systems. In 2010, 41.8% of external storage systems' capacity was attached to virtualized environments. IDC expects 2014 to be the crossover year in which more storage capacity will be shipped to virtualized environments than to non-virtualized environments -- a good chunk of this capacity will be for desktop virtualization infrastructures." IDC forecasts that by 2016, storage attached to virtualized x86 workloads will be 71.1% of external storage systems capacity.

"We expect the combination of the joint technologies of Sphere 3D and V3, along with the Overland NAS platform, to create a unique value proposition that satisfies pain points in today's growing market. This new level of flexibility creates an opportunity to deliver new business value to our customers, including faster time to deployment, reduced complexity, increased performance, as well as cost efficiencies that go right to the bottom line," said Eric Kelly, President and CEO of Overland.

V3, Sphere 3D, and Overland have been working closely together for several months and Overland began shipping the V3 Systems products in December 2013. In addition, pursuant to the existing agreements between Overland and Sphere 3D, the parties intend to deliver and provide support for both Sphere 3D's existing and newly acquired V3 product suites through Overland's extensive global network of channel partners and service providers. Peter Tassiopoulos, CEO of Sphere3D, said, "I couldn't be more excited with the blended solution we have created with Overland and V3. Overland's massive global reach will enable us to create the market penetration velocity needed to deliver our solution through a proven and trusted partner."

Sphere 3D's purchase of the V3 product portfolio is subject to various closing conditions, including the completion of due diligence, financing conditions, receipt of approval of the Toronto Stock Exchange and various other conditions customary of a transaction of its nature. Sphere 3D has notified Overland that the closing is expected to occur on or about February 28, 2014.

Safe Harbor Statement

Except for the factual statements made herein, the information contained in this news release consists of forward-looking statements that involve risks, uncertainties and assumptions that are difficult to predict. Words and expressions reflecting optimism, satisfaction or disappointment with current prospects, as well as words such as "believes," "hopes," "intends," "estimates," "expects," "projects," "plans," "anticipates" and variations thereof, or the use of future tense, identify forward-looking statements, but their absence does not mean that a statement is not forward-looking. Such forward-looking statements are not guarantees of performance and our actual results could differ materially from those contained in such statements. Factors that could cause or contribute to such differences include, but are not limited to: risks related to the ability of Sphere3D to raise capital and to close the contemplated transaction with V3, our ability to maintain our relationship with Sphere3D; our ability to maintain and increase sales volumes of our products; our ability to continue to aggressively control costs and operating expenses; our ability to achieve the intended cost savings and maintain quality with our manufacturing partner; our ability to generate cash from operations; the ability of our suppliers to provide an adequate supply of components for our products at prices consistent with historical prices; our ability to raise outside capital and to repay our debt as it comes due; our ability to introduce new competitive products and the degree of market acceptance of such new products; the timing and market acceptance of new products introduced by our competitors; our ability to maintain strong relationships with branded channel partners; our ability to maintain the listing of our common stock on the NASDAQ Capital Market; customers', suppliers' and creditors' perceptions of our continued viability; rescheduling or cancellation of customer orders; loss of a major customer; our ability to enforce our intellectual property rights and protect our intellectual property (including the outcome of our ongoing patent litigation); general competition and price measures in the market place; unexpected shortages of critical components; worldwide information technology spending levels; and general economic conditions. Reference is also made to other factors detailed from time to time in our periodic reports filed with the Securities and Exchange Commission. These forward-looking statements speak only as of the date of this release and we undertake no obligation to publicly update any forward-looking statements to reflect new information, events or circumstances after the date of this release.

About Overland Storage

Overland Storage is a trusted global provider of unified data management and data protection solutions across the data lifecycle. By providing an

integrated range of technologies and services for primary, nearline, offline, and archival data storage, Overland makes it easy and cost effective to manage different tiers of information over time whether distributed data is across the hall or across the globe. Overland SnapScale, SnapServer, SnapSAN, NEO Series and REO Series solutions are available through a select network of value-added resellers and system integrators. For more information, visit www.overlandstorage.com.

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