

## **T.B. Mining Ventures Inc. Enters Into Letter of Intent to Acquire Sphere 3D**

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**TORONTO, ONTARIO**—(Marketwire – Aug. 10, 2012) - **T.B. Mining Ventures Inc.** (TSX VENTURE:TBV.P), a capital pool company ("**T.B. Mining**") is pleased to announce that it has entered into a letter of intent dated August 1, 2012, (the "**LOI**"), with Sphere 3D Inc., a private Ontario corporation ("**Sphere 3D**"), to acquire all the issued and outstanding securities of Sphere 3D by way of a three cornered amalgamation of Sphere 3D, T.B. Mining and a wholly owned subsidiary of T.B. Mining (the "**Transaction**").

The Transaction is subject to TSX Venture Exchange ("**TSXV**") approval and is intended to constitute the Qualifying Transaction of T.B. Mining as such term is defined in Policy 2.4 of the TSXV. It is intended that the Transaction shall be completed by way of a three cornered amalgamation of Sphere 3D, T.B. Mining and a wholly owned subsidiary of T.B. Mining ("**T.B. Subco**") to form a new company ("**Amalco**"), provided however that, by mutual agreement, the parties may revise the structure to comply with all necessary legal and regulatory requirements, to minimize or eliminate any adverse tax consequences or to increase cost effectiveness. The Transaction is intended to result in a reverse take-over of T.B. Mining by Sphere 3D's shareholders. The Transaction will not be a Non Arm's Length Qualifying Transaction, as defined in the policies of the TSXV and, as such, it is not anticipated that the approval of the shareholders of T.B. Mining will be required.

### **Terms of the Agreement**

Subject to the terms hereof and all requisite approvals, on or prior to the closing of the Transaction (the "**Closing Date**"), T.B. Subco will amalgamate with Sphere 3D to form Amalco and T.B. Mining will issue post-consolidated common shares of T.B. Mining to the shareholders of Sphere 3D, in consideration for the transfer of their Sphere 3D common shares to T.B. Mining, on the basis that each common share held by shareholders of Sphere 3D will be exchanged for one post-consolidation common share of T.B. Mining resulting in Amalco becoming a wholly-owned subsidiary of T.B. Mining. In addition, T.B. Mining will also issue post-consolidation options and warrants to the holders of such securities of Sphere 3D with substantially the same terms, in consideration for the transfer of such securities to T.B. Mining.

T.B. Mining and Sphere 3D have agreed to use all commercially reasonable efforts to close the Transaction prior to October 15, 2012. The LOI will terminate in the event the parties fail to enter into a definitive amalgamation agreement on or prior to August 17, 2012, unless a later date is otherwise mutually agreed to by the parties.

### **Capitalization**

As of the date hereof, T.B. Mining has 3,025,000 common shares issued and outstanding, 300,000 incentive stock options outstanding and 75,000 non-transferable share purchase warrants outstanding. Under the terms of the LOI, T.B. Mining will consolidate all of its issued and outstanding securities on a one (1) for four (4) basis (or such other ratio as may be required by TSXV policies) and will have at the Closing Date no more than 850,000 shares outstanding on a fully diluted basis. Sphere 3D will have at the Closing Date, no more than 12,858,155 shares outstanding on a fully diluted basis, excluding shares and warrants issued in connection with the Financing (as defined below). Upon completion of the Transaction, existing shareholders of Sphere 3D will hold approximately 97% of the issued and outstanding fully diluted consolidated shares of T.B. Mining (approximately 94% pre-Financing). T.B. Mining will own approximately 3% of the issued and outstanding fully diluted consolidated shares of T.B. Mining (approximately 6% pre-Financing).

### **Conditions for Closing**

The LOI provides that closing of the Transaction is subject to several conditions including, among other things: (i) receipt of all regulatory approvals, including that of the TSXV; (ii) requisite corporate approval of the various transactions contemplated by the Transaction from the directors and shareholders of T.B. Mining and Sphere 3D, as applicable; (iii) closing of the Financing, as described below; and (iv) approval by the security holders of T.B. Mining of the consolidation

of all of its outstanding shares and options on a one (1) for four (4) basis on or before the Closing Date.

## Financing

Prior to the closing of the Transaction, Sphere 3D is required to have completed a private placement to raise gross proceeds of not less than \$2,000,000 at a price of \$0.85 per security (the “**Financing**”). The financing consists of a private placement offering of Units (the “**Units**”) by Sphere 3D. Each Unit consists of one common share of Sphere 3D and one warrant to purchase one common share of Sphere 3D at a price of \$1.00 per share for a period of 24 months from the date of listing of the common shares of Sphere 3D on a recognized stock exchange. The funds raised in the Financing will be used by the Resulting Issuer for applications development, infrastructure and general working capital.

Jennings Capital Inc. has been engaged to act as lead agent on a “best efforts” basis for the Financing and in connection therewith shall be paid a cash commission of 8% of the gross proceeds of the Financing and agents options equal to 10% of the aggregate number of Units issued pursuant to the Financing. Each agent’s option will entitle the holder to purchase one Unit at the offering price exercisable for a period of 24 months from the date of the listing of the common shares of Sphere 3D on a recognized stock exchange.

The first tranche of the Financing, for gross proceeds of approximately \$1 million, was closed on Thursday July 26<sup>th</sup>, 2012.

## Business of Sphere 3D

Sphere 3D is a Canadian controlled private corporation based in Mississauga, Ontario. It was incorporated federally in Canada on October 20, 2009. The major shareholders, holding greater than 10% of the issued and outstanding shares of Sphere 3D are Mario Biasini of Oakville, Ontario, who holds 24.4% directly and indirectly, and John Morelli of Toronto, Ontario who holds 16.4% directly, respectively. In addition, Mr. Morelli has an option to purchase a 571,429 common shares, representing 4.5% of the issued and outstanding shares of Sphere 3D, from Mr. Biasini on commercial terms.

Sphere 3D is a technology driven solution provider with a focus on delivering advanced device and software interactions through the use of its proprietary web-based technology.

Sphere 3D has created emulation and virtualization technology that allows for the ubiquitous access to third party software on any cloud connected device, independent of the user’s operating system or the local device’s hardware limitations.

Through Sphere 3D’s patent pending technology, end users can experience the full features and functionality of digital products or software, from most devices, without the inherent time, space and compatibility issues of downloading software on to their systems.

The selected financial information for Sphere 3D as at June 30, 2012 and December 31, 2011 is as follows:

	June 30, 2012	December 31, 2011
	\$	\$
	(unaudited)	(audited)
Total Assets	1,409,492	1,782,607
Total Liabilities	409,177	391,457
Shareholders’ Equity	1,000,315	1,391,150

The selected unaudited financial information for Sphere 3D for the six month periods ended June 30, 2012 and 2011 is as follows:

	June 30, 2012	June 30, 2011
	\$	\$
	(unaudited)	(unaudited)
	(876,585)	(268,687)
Loss per share	(0.080)	(0.032)

### **The Resulting Issuer**

On the closing of the Transaction, T.B. Mining, the resulting issuer, anticipates being classified as a “Tier 2” issuer that will meet the TSXV’s initial listing requirements for an emerging technology company.

T.B. Mining and Sphere 3D have agreed that upon the Closing Date, the board of directors of the resulting issuer shall consist of directors to be appointed by Sphere 3D. Such appointments are subject to the approval of the TSXV. The names and backgrounds of each of these persons will be published in a later press release upon determination of which nominees of Sphere 3D will serve as directors and/or officers of the resulting issuer, upon closing of the Transaction.

### **Management of the Resulting Issuer After the Qualifying Transaction**

It is expected that management of the Resulting Issuer will be as follows:

#### **Mario Biasini, *President***

One of the original founders of Sphere 3D Inc. Mr. Biasini is also the Founder and President of Promotion Depot Inc., a private company in the graphic arts, lithographic printing, digital reproductions and promotional product industry since 2003.

#### **John Morelli, *Chief Technology Officer***

Mr. Morelli has over 15 years of R & D and manufacturing development experience. Mr. Morelli has serviced and designed satellite communications for Northern Telecom; managed production for CTcell Limited, a Canadian cellular phone company, and spearheaded its DOC/FCC approvals, including filing and being awarded a FCC license for Cellular Telecommunication: co-developed and tested Phillips Semi-Conductors Canada’s I2C Bus/USB 1.0; co-sponsored The Insurance Bureau of Canada’s filing of the Electronic Driver License System; developed and acquired approval for the Emergency Alert System (EAS) automotive design and testing, which included the Metro Toronto Police, Metro Toronto Ambulance and Fire Department.

#### **Scott Worthington, *Chief Financial Officer***

Mr. Worthington has over 30 years of experience in finance and administration at the Chief Financial Officer level. Mr. Worthington’s CFO level experience includes three companies, Dell Computer Corporation, in Canada (1988-1996), WaveRider Communications (1996-2006) and NetShelter Media Communications (2008-2010), which have been listed as members of the fastest growing companies in Canada.

### **Sponsorship**

Sponsorship of a qualifying transaction of a capital pool company is required by the TSXV unless an exemption from the sponsorship requirement is available. T.B. Mining intends to apply for an exemption from the sponsorship requirement. There is no assurance that T.B. Mining will be able to obtain such an exemption.

### **Trading Halt**

T.B. Mining's common shares are currently halted and T.B. Mining anticipates they will remain halted until the documentation required by the TSXV for the proposed Transaction can be provided to the TSXV.

*Completion of the Transaction is subject to a number of conditions, including but not limited to, TSXV acceptance and, if applicable pursuant to TSXV requirements, majority of the minority approval of the shareholders of T.B. Mining. Where applicable, the Transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the Transaction will be completed as proposed or at all.*

*Investors are cautioned that, except as disclosed in the management information circular or filing statement to be prepared in connection with the Transaction, any information released or received with respect to the Transaction may not be accurate or complete and should not be relied upon. Trading in the securities of a capital pool company should be considered highly speculative.*

*The TSXV has in no way passed upon the merits of the proposed Transaction and has neither approved nor disapproved the contents of this press release. Neither the TSXV nor its Regulation Services Provider (as that term is defined in the policies of the TSXV) accepts responsibility for the adequacy or accuracy of this release.*

*This press release contains forward-looking information within the meaning of Canadian securities laws. Such information includes, without limitation, information regarding the completion of the proposed Transaction, the Financing, and the anticipated business plan of T.B. Mining subsequent to completion of the Transaction. Although T.B. Mining believes that such information is reasonable, it can give no assurance that such expectations will prove to be correct.*

*Forward looking information is typically identified by words such as: believe, expect, anticipate, intend, estimate, postulate and similar expressions, or are those, which, by their nature, refer to future events. T.B. Mining cautions investors that any forward-looking information provided by T.B. Mining are not guarantees of future results or performance, and that actual results may differ materially from those in forward looking information as a result of various factors, including, but not limited to: T.B. Mining's ability to complete the proposed Transaction; the state of the financial markets for T.B. Mining's equity securities; the state of the market for gold or other minerals that may be produced generally by the resulting issuer in the event the Transaction is completed; recent market volatility; T.B. Mining's ability to raise the necessary capital or to be fully able to implement its business strategies; and other risks and factors that T.B. Mining is unaware of at this time. The reader is referred to T.B. Mining's most recent annual and interim Management's Discussion and Analysis for a more complete discussion of such risk factors and their potential effects, copies of which may be accessed through T.B. Mining's page on SEDAR at [www.sedar.com](http://www.sedar.com).*

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

## **Contact Information**

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