





Sphere 3D and Datrium Partner to Accelerate Open Convergence Adoption for the Private Cloud Data Center

Sphere 3D releases its first set "Datrium ready" node bundles for simple, blazing fast virtual server and desktop performance

SAN JOSE, Calif. and SUNNYVALE, Calif. – May 2, 2017 – Sphere 3D Corp. (NASDAQ: ANY), a containerization, virtualization, and data management solutions provider, and <u>Datrium</u>, the leading provider of Open Converged Infrastructure for private clouds, are pleased to announce Sphere 3D's HVE line has obtained "Datrium ready" nodes classification.

The data center has undergone a momentous transformation since the UNIX server days when the solution for increasing performance was to buy bigger proprietary RISC based boxes and scale out was considered wishful thinking. Today's data center is built on converged, hyperconverged, and open-converged technologies that allow for a software centric approach for incredible performance and a lower total cost of ownership (TCO). These transformations have led to an \$11.3 billion converged systems market in 2016 per IDC and a hyperconverged market predicted to grow to almost \$5 billion by 2019 according to Gartner.

Sphere 3D and Datrium have created a series of HVE bundles to accelerate the transformation by incorporating proven solution designs to meet both performance and capacity demands, and scale as needed.

Sphere 3D has introduced HVE "Datrium ready" node bundles available in two distinct sets of configurations for different workloads:

- Server virtualization bundles are benchmarked to provide 50, 100, and 200+ virtual machines with consistent application performance and scalability.
- Virtual Desktop Infrastructure (VDI), bundles are benchmarked to provide 250, 500, or 1000+ virtual desktops with predictable end-user friendly performance and scalability.

HVE "Datrium ready" node bundles combine Datrium DVX data nodes with optimized HVE servers as compute nodes. The HVE servers are preconfigured with Datrium DVX software and host-local flash, together with the appropriate networking to support a turnkey implementation.

Datrium DVX with HVE "Datrium ready" nodes

HVE "Datrium ready" node bundles combine a turnkey experience with advanced features like automatic performance isolation for workload scalability, robust end-to-end data security, and powerful cloud data management capabilities for data protection and disaster recovery. Effectively Datrium DVX with HVE "Datrium ready" node bundles offer a single, open converged

infrastructure platform for both high performance, primary application workloads, and costeffective secondary storage workloads, all at a fraction of the cost and effort of traditional infrastructure alternatives.

"Azle Independent School District (ISD) has been partnering with HVE for more than four years. Their VDI products as well as their server virtualization has been a key part of our operations. This past year, we purchased Datrium. The integration of Datrium into our existing HVE server virtualization has been seamless and connected with our network without issue. We are very pleased with our open convergence solution," stated Eddie Alford, Director of Technology, Azle ISD.

About Datrium

Datrium is the leader in Open Convergence for private clouds. Datrium converges storage and compute in a radical new way—modeled on public cloud IaaS versus traditional converged infrastructure or hyper-convergence—for vastly simpler performance and predictability. The company is led by the founders and early top architects of Data Domain and VMware. Datrium has been named to Gartner's Cool Vendors in Storage Technologies, 2016. For more information, visit www.datrium.com and follow @datriumstorage on Twitter.

About HVE

HVE ConneXions, recently acquired by Sphere 3D, is a fast growing technology provider of next generation converged and hyperconverged infrastructure. Its engineering philosophy is dedicated to creating Manageable, Scalable, Reproducible, and Predictable (MSRP) solutions based on proven virtualization technologies running on high-performance, next generation platforms. For more information and technical specifications on the HVE product line, visit www.hveconnexions.com.

About Sphere 3D

Sphere 3D Corp. (NASDAQ: ANY) delivers containerization, virtualization, and data management solutions via hybrid cloud, cloud and on-premises implementations through its global reseller network and professional services organization. Sphere 3D, along with its wholly owned subsidiaries Overland Storage, and Tandberg Data, has a strong portfolio of brands, including HVE ConneXions and UCX ConneXions, dedicated to helping customers achieve their IT goals. For more information, visit www.sphere3d.com. Follow us on Twitter @Sphere3D, @overlandstorage, and @tandbergdata

Safe Harbor Statement

This press release contains forward-looking statements that involve risks, uncertainties, and assumptions that are difficult to predict. Actual results and the timing of events could differ materially from those anticipated in such forward-looking statements as a result of risks and uncertainties, including the decision by our customers to continue to purchase our products and services; our inability to comply with the covenants in our credit facilities or to obtain additional debt or equity financing; any increase in our future

cash needs; our ability to successfully integrate the UCX and HVE ConneXions business with Sphere 3D's other businesses; our ability to regain compliance with the NASDAQ minimum closing bid price requirement between now and July 31, 2017; our inability to take other actions to regain compliance with the NASDAQ minimum closing bid price requirement; our ability to maintain compliance with other NASDAQ Capital Market listing requirements; unforeseen changes in the course of Sphere 3D's business or the business of its wholly-owned subsidiaries, including, without limitation, Overland Storage and Tandberg Data; market adoption and performance of our products; the level of success of our collaborations and business partnerships; possible actions by customers, partners, suppliers, competitors or regulatory authorities; and other risks detailed from time to time in Sphere 3D's periodic reports contained in our Annual Information Form and other filings with Canadian securities regulators (www.sedar.com) and in prior periodic reports filed with the United States Securities and Exchange Commission (www.sec.gov). Sphere 3D undertakes no obligation to update any forward-looking statement, whether written or oral, that may be made from time to time, whether as a result of new information, future developments or otherwise, except as required by law.

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Source: IDC Worldwide Quarterly Converged Systems Tracker, March 23, 2017. https://www.idc.com/getdoc.jsp?containerld=prUS42312117

ii Source: "Gartner Says Hyperconverged Integrated Systems will be Mainstream in Five Years". http://www.gartner.com/newsroom/id/3308017