



Sphere 3D Launches HVE NVMe Appliances

Supports next-generation high-speed performance, reliability, and immediate accessibility demands

SAN JOSE, CA – June 14, 2017 – <u>Sphere 3D Corp.</u> (NASDAQ: ANY), a containerization, virtualization, and data management solutions provider, is pleased to announce the release of its new HVE Appliances supporting Non-Volatile Memory express (NVMe) technology. These NVMe enabled appliances allow for over 3 times the drive read / write performance when compared to SSD only platforms, and are available as either converged and hyperconverged appliances or "Datrium Ready" open converged nodes.

The amount of data being stored and accessed continues to increase and the demands for faster processing, larger-capacity memory, and storage grow with it. Whether utilizing applications that leverage large quantities of data such as video or imagery, or legacy structured and unstructured data from financial, healthcare, and government verticals, the need for immediate access to this data is placing significant pressure on infrastructure in the data center to try and keep up. NVMe, often referred to as "Flash 2.0", can be utilized for executing heavily loaded or mission-critical business applications and is a key component of future data centers.

Adopting standardized protocols and interfaces like NVMe is an important next step in the popularization of flash SSD storage. Per G2M research, the NVMe market is growing fast, with a 95% CAGR rate and a forecast of 60% of enterprise storage appliances adopting the NVMe technology by 2020. NVMe provides a standard access method which reduces latency while significantly improving storage performance.

"The HVE NVMe solution coupled with our proprietary software defined storage, our Desktop Cloud Orchestrator™ (DCO) software, and our VDI software is what differentiates our offering from others in the market," said Dave Harmon, Vice President of Virtualization. He added, "Our introduction of these NVMe appliances furthers our mission to revolutionize the approach to virtualization of intense workloads like database access (OLTP), server virtualization, desktop virtualization, and high-transaction based applications."

Availability and Configurations

• Available to order now through authorized resellers and distributors in North America.

- 1U and 2U form factor with support for 50-800 virtual desktops.
- VMware Horizon View ready.
- Converged server virtualization nodes.
- Datrium Ready nodes.
- High-density, scalable, 2U, 4 node platforms with support for 100G Ethernet interfaces and industry leading price/performance levels.
- For additional information, contact sales@hveconnexions.com

The HVE NVMe appliances have technologies for on-board I/O priority scheduling adjustment, large block sequential write, global garbage collection, and other utilities to achieve predictable 500 μ s latency. With endurance ratings of 3 ^(1,2)DWPD and up to 17.5 ⁽³⁾PBW per drive, NVMe technology provides a much-improved endurance and reliability solution per performance option than eMLC SSD technology. Able to deliver up to 800K/200K R/W stable random IOPs^(4,5) per drive with 88 μ s⁽⁶⁾ latency, the new HVE appliance performance makes it an industry leader.

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 <u>Overland Storage</u>, and <u>Tandberg Data</u>, has a strong portfolio of brands, including <u>HVE ConneXions</u> and <u>UCX ConneXions</u>, dedicated to helping customers achieve their IT goals. For more information, visit <u>www.sphere3d.com.</u> Follow us on Twitter <u>@Sphere3D</u>, <u>@overlandstorage</u>, and <u>@tandbergdata</u>

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Notes:

- 1. 5-year Endurance (DWPD, Disk Writes per Day): Disk write times per day over 5 years
- 2. DWPD endurance: 8 KB alignment, 8 KB data block, 100% random write
- 3. Maximum Data Written (PBW, Petabyte Writes): 100% random write tested with 4 KB IO size and 4 KB alignment
- 4. Bandwidth testing standard: RHEL 7.0 OS, FIO tool, 1 thread 512 QD 1 MB data block sequential R/W
- 5. IOPS testing standard: RHEL 7.0 OS, FIO tool, 8 thread/64 QD/4 KB data block random R/W
- 6. Latency testing standard: RHEL 7.0 OS, FIO tool, 1 thread/1 QD/4 KB data block random R/W

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 market adoption, actual performance and functionality of our products; 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; 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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