



Sphere 3D's HVE Technology Selected by Award Winning Texas Spine and Joint Hospital

Medical community looks to IT modernization to enhance patient care services

SAN JOSE, CA – February 23, 2017 – Sphere 3D Corp. (NASDAQ: ANY), a containerization, virtualization, and data management solutions provider, today announced that Texas Spine and Joint Hospital has selected the company's HVE technology for a complete upgrade of its server, storage, and end-user environments through authorized reseller, Cynergy Technology.

The Information Technology (IT) infrastructure of healthcare organizations is one of the most complex business environments. Primarily, they face extreme challenges in three areas: massive amounts of data, which increase with each patient visit, federal requirements with patients' private medical information as well as stringent procedures for backing up data and recovering data in disaster and emergency situations.

Increasingly, healthcare organizations are looking for a simpler and more efficient approach to solve these IT issues within their own data centers. As a result, organizations look for a modern technology experience that provides better performance, economics and ease of use, without sacrificing existing policies, controls and security.

After assessing its environment and interviewing its technology staff and critical end users, it was apparent that Texas Spine and Joint Hospital needed to upgrade outdated networking and datacenter computing platforms to improve overall performance, reliability, and deployment of critical EMR systems and applications. The HVE team, along with Cynergy, developed a complete virtualization stack utilizing HVE's next-generation compute and storage platforms. Texas Spine and Joint Hospital chose to invest in the HVE solution for its peerless IT service in order to offload internal IT team pressures by deploying HVE-STAGE for server virtualization, HVE-VAULT for back up and HVE-VDI for desktop virtualization.

To meet the requirements for business continuity and disaster recovery, the team proposed an HVE converged appliance for backup, replication, and disaster recovery. With the installation of this appliance, the hospital now has the speed and reliability required for system restoration at all levels. Texas Spine and Joint Hospital, as with many healthcare providers, has mandates for compliance and security that are always under review from internal and external entities. Providing local and remote access to EMR applications and documents is a key part of the hospital's offerings to its end user community.

For VDI, HVE implemented a 50 concurrent user appliance. This implementation allows current and visiting physicians access to virtual desktops that are secure and compliant with applicable

regulations, and allows IT admins to update applications on the fly while providing a secure end user platform that can scale as needed.

The comprehensive HVE solution provides a seamless software defined data center approach for business continuity, disaster recovery, end-user computing, and server virtualization. The investment in this digital transformation enables the hospital's IT department to focus resources on improving patient care through innovation and the adoption of new technology while spending less time dealing with multiple environments, redundant systems, or providing continuous OS and application patching for users.

Quotes

"Reliability and response are key to our very existence. We have to be able to have minimal downtime and fast response. With HVE's ease of management and support from their office and the ease of onsite administration, we have had complete uptime with our Virtual Appliances powered by HVE," said Gregory Bryant, IT Director, Texas Spine and Joint Hospital.

Joseph O'Daniel, President of Virtualization and Professional Services at Sphere 3D, stated: "Maximizing IT infrastructure performance, availability and utilization tops the list of the healthcare industry's demands, and we are honored to be selected by an organization of the caliber of Texas Spine and Joint Hospital. By delivering a high availability, software-defined solution to support healthcare operations, we help ensure that critical health information systems are available on demand. The enhanced security and central management of the HVE solution provides additional peace of mind when dealing with mission critical data and privacy".

About Texas Spine and Joint Hospital

Texas Spine and Joint Hospital is an award-winning hospital that earlier this year opened a new \$27 million-dollar state-of-the-art facility in Tyler, Texas as well as three satellite sites that include an Outpatient Surgical Services center, a clinic in Longview, and an Urgent Care Clinic. Having received Healthgrades Specialty Excellence Awards as one of "America's 100 Best Hospitals for Joint Replacement Award™" and "America's 100 Best Hospitals for Spine Surgery Award™" in 2015, 2016, and 2017, Texas Spine and Joint is committed to patient care, innovation and IT excellence within their operations.

About HVE

HVE ConneXions, recently acquired by Sphere 3D, is a fast growing technology manufacturer of next generation storage and virtualization hardware. 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 hardware. For more information and technical specifications on the HVE product line, visit www.hveconnexions.com.

About Cynergy Technology

Cynergy Technology is a recognized regional technology leader with expertise in the fields of Systems Design, Technology Integration, Support Services, and End-User Training. They provide organizations with advanced solutions engineered to the most critical information systems specifications, providing consultation, development, design engineering, acquisition, installation,

configuration, technical support, warranty repair, and custom training. Visit www.cynergytech.com for more information on Cynergy Technology.

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 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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