



PRESS RELEASE
For Immediate Publication

ICEWEB AND NDATASTOR ALIGN TO PROVIDE ENTERPRISE CLASS UNIFIED DATA STORAGE TO MID-MARKET ENTERPRISES

FIRST CLOUD DEPLOYMENT ORDER TO SHIP IMMEDIATELY

STERLING, VA. – (PR NEWswire) – January 12, 2012 – IceWEB, Inc.TM (OTCBB: IWEB), www.IceWEB.com, a leading provider of Unified Data Storage for cloud and virtual environments, announced today that it has signed a strategic alliance with nDataStor, www.ndatastor.com, a leading provider of data storage networking and computing solutions, based in Fairfield, California. Due to pent-up demand for enterprise-class unified data storage solutions for cloud and virtual environments among mid-sized organizations, nDataStor began fulfilling that need with IceWEB arrays shipping immediately. The first install will happen in the current quarter and be followed up with an additional deployment some time during 2012.

IceWEB's Model 6000-HR provides its enterprise class capabilities with a highly-redundant dual-controller configuration that scales to 224TBs with affordable disk shelves, saving the customer the expense of adding controllers to just add capacity. The flexible unified data storage array supports SSD's, ENT SAS and MDL SAS drives. With VMware integration, IceWEB's unified data storage systems support both file and block data, enabling cloud computing providers to dramatically reduce the amount of hardware and physical storage they need to support a growing and diverse customer base – reducing costs and ultimately preserving margins.

According to Enterprise Strategy Group, 47% of storage administrators surveyed planned to deploy unified data storage, due to the inherent cost savings attained through reduced power, cooling, management and optimized storage utilization. Through its proprietary software technology, IceWEB's unified data storage systems optimize storage utilization through thin provisioning, linked clones, inline compression and inline block deduplication, saving up to 90% of storage costs.

“The culmination of cloud and virtualization technologies in mid-market organizations has added unnecessary complexity to these environments, said John R. Signorello, IceWEB's CEO. “IceWEB's unified data storage arrays dramatically simplify these environments by enabling cloud and virtualized environments to standardize on a single, unified platform for both block and file data, while simultaneously leveraging thin provisioning to get the most out of deployed storage capacity throughout the data center. These capabilities and performance requirements have been unserved by traditional storage vendors at a price point suitable for mid-market organizations. IceWEB's unified data storage systems satisfy that need, as demonstrated by today's announcement.”

All IceWEB Unified Storage Platforms are available through the Company's exclusive value-added distributor Promark Technology (800-634-0255). Promark markets IceWEB products throughout the United States through its nationwide network of 1,200 channel partners. For more information, please visit www.promarktech.com.

About IceWEB, Inc.

IceWEB builds award-winning, high performance unified data storage products with enterprise storage management capabilities at a fraction of the price of traditional providers. Through thin provisioning, target deduplication and inline compression, IceWEB's unified storage arrays enable standardization, consolidation and optimized storage utilization for virtual and cloud environments, saving up to 90% of storage costs, while reducing space, power and cooling requirements and simplifying storage management.

IceWEB, Inc., headquartered just outside of Washington, D.C. manufactures and markets data storage products. For more information, please visit www.iceweb.com.

This press release may contain forward-looking statements, which are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. In some cases you can identify those so-called "forward looking statements" by words such as "may," "will," "should," "expects," "plans," "targets," "believes," "anticipates," "estimates," "predicts," "potential," or "continue" or the negative of those words and other comparable words. These forward looking statements are subject to risks and uncertainties, product tests, commercialization risks, availability of financing and results of financing efforts that could cause actual results to differ materially from historical results or those anticipated. Further information regarding these and other risks is described from time to time in the Company's filings with the SEC, which are available on its website at: <http://www.sec.gov>. We assume no obligation to update or alter our forward-looking statements made in this release or in any periodic report filed by us under the Securities Exchange Act of 1934, as amended, or any other document, whether as a result of new information, future events or otherwise, except as otherwise required by applicable federal securities laws.

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