



**PRESS RELEASE
For Immediate Publication**

ICEWEB RECEIVES DATA STORAGE CONTRACT FROM FEDERAL PARTNER

STERLING, Va. – (PR NEWSWIRE) – August 5, 2010 – IceWEB, Inc. (OTCBB:IWEB), www.iceweb.com, a leading provider of Unified Data Storage and building blocks for cloud storage networks, announced today that the Company received a multi-terabyte SSD (Solid State Drive) storage system order from Channel Partner Honeywell Federal Manufacturing & Technologies for use by a United States Federal Government Agency.

This initial order will be deployed in the current quarter and will feature our newly released 5000HP series SSD drive configuration. The storage platforms are configured with 26 - 200GB SLC (single-level cell) SSD drives to create two large volumes for read intensive database requirements. Additionally, each system will have two 10Gbs Ethernet interfaces and four 8GB Fibre channel interfaces. The IceWEB 5000 will also be utilized to manage the customer's third party Sun 4500 existing storage platforms.

“The IceWEB 5000 has been configured using SSD technology to meet the high performance requirements for this application. The IceWEB 5000 platform has the unique ability to utilize Solid State Disk drives to increase read write cache, manage log data and/or to build high performance data volumes, which will provide an energy efficient, lightning fast end customer experience,” said Tim McNamee, IceWEB Federal Channel Manager. “The 5000 has been engineered to provide managed storage at a price that won't break the bank. Now with the SSD configured unit, government customers especially, can optimize power consumption, without sacrificing performance.”

“Our channel partners have been instrumental in communicating the IceWEB 5000 Storage System price/performance message to the marketplace,” stated John R. Signorello, CEO of IceWEB. “The benefits we anticipated when we adopted a channel marketing approach are proving productive as we are receiving a growing number of Request for Proposals (“RFPs”) and for additional information. We are continuing to add to our growing list of marketing professionals and qualified value added resellers and expect increasing market acceptance and sales growth as a result of their sales efforts.”

About IceWEB, Inc.

Headquartered just outside of Washington, D.C., IceWEB 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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