



PRESS RELEASE
For Immediate Publication

**ICEWEB RECEIVES ORDER FROM CLOUD COMPUTING SERVICE PROVIDER
FOR AN ICEWEB 6000-HR UNIFIED DATA STORAGE SYSTEM**

Initial System to be Installed in New York; Second System to go into Culpeper, Virginia

STERLING, VA. – (PR NEWSWIRE) – October 12, 2011 – IceWEB, Inc.TM (OTCBB: IWEB), www.IceWEB.com, a leading provider of Unified Data Storage and building blocks for cloud storage networks, announced today that it has received an order from a New York city-based, cloud computing services company. The Model 6000-HR will be deployed in their cloud-based, VMware server environment.

According to market research firm Gartner, Inc., the market for disk storage in cloud computing deployments is forecast to grow from \$267.4 million in 2010 to \$1.45 billion in 2015 and is on pace to total \$417.3 in 2011, a 56% increase from 2010.

“Cloud computing providers from all over the nation are showing ever-increasing interest in our high-end storage platforms,” said Mr. Tim McNamee, IceWEB VP of Sales and Marketing. “IceWEB has maintained a serious presence in the cloud computing space for a number of years and it is now starting to pay real dividends. Many cloud providers are in the early build-out stage which is why this segment of the market is growing exponentially faster than the overall market.”

The IceWEB Model 6000-HR is 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 6000-HR supports ENT SAS and MDL SAS drives. Because IceWEB’s VMware integrated, unified data storage systems support both file and block data, cloud computing providers are able to dramatically reduce the amount of hardware and physical storage they need to support a growing and diverse customer base.

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, 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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