



**PRESS RELEASE
For Immediate Publication**

ICEWEB LEVEL 10 (L10) COMPRESSION MODULE NOW SHIPPING

Compression Module to Address the Explosive Growth Demands of Unstructured Data for Cloud Computing, Social Media and Mobile Apps

STERLING, Va. – (MARKET WIRE) – October 20, 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 all IceWEB Storage platforms now include IceWEB Level 10 (L10) compression for enterprise data. IceWEB customers can now choose between 10 levels of compression based on performance and capacity needs. This feature coupled with our De-duplication, thin provisioning and linked clone technology makes IceWEB a leader in storage efficiency technology.

More than 15 petabytes of new data is being created every day (Computerworld, 1/29/2011) and most of this new data is not the structured database records of yesteryear. Instead it's unstructured web pages, digitized images, graphics, maps, CAD, and multi-media voice and video. In fact, IDC reports that 80 percent of new enterprise data today is unstructured.

“With the explosive growth of computer storage being experienced by most companies, IT organizations are looking for ways to provide the storage capacity their applications need without having to endlessly purchase more and more hardware,” said John R. Signorello, IceWEB CEO. “The IceWEB Storage System offers an innovative collection of ‘storage efficiency’ technologies that together dramatically reduce your physical storage requirements while still giving your servers, applications and users the capacity and performance they need. Our customers asked us to compress unstructured data. L10 meets those demands.”

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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