



**Press Release
For Immediate Release**

**Overland Storage and Tributary Systems Announce Expansion of Offerings
for Use with HP NonStop Product Line**

*Overland's NEO Chassis-Based ACLs Now Available
for All HP NonStop Server Platforms*

SAN DIEGO & BEDFORD, TX – October 20, 2008 – Overland Storage (Nasdaq: OVRL) and Tributary Systems, Inc. (TSI), announced today the addition of two new LTO-4 tape automation products, leveraging Overland's NEO tape technology, for the new HP Integrity NonStop BladeSystem and the Integrity NonStop server environments.

TSI's new LTO-4 based product offerings, known as M8605A and M8606A, bring the speed and capacity of LTO-4 drives to the current high-performance automation platform that has been used by TSI and HP for many years. The M8605A and M8606A ACLs are fully read- and write-compatible with third-generation Ultrium data cartridges, and offer a further degree of investment protection through backward-read compatibility with second-generation Ultrium media. Based on projected 2:1 compression, each LTO-4 cartridge can hold 1.6 TBs of data. When coupled with the 15-cartridge ACL, users have 24 TBs of backup capacity in a simple and easy to use backup device.

The new products, along with four existing LTO-3 tape automation products, will be distributed worldwide under TSI's private-label OEM supplier agreement with HP. Products are available with either SCSI or Fibre Channel interfaces and in either rackmount or table top configurations.

HP NonStop Systems power some of the world's most demanding data centers, providing highly available transaction processing for financial services, banking, retail, telecommunications and healthcare customers. Approximately 500 of the world's most prominent banks, including the five largest U.S. banks, use HP NonStop servers. HP NonStop servers also process more than 60 percent of the world's equity transactions while automating 64 of the world's largest exchanges.

TSI has a longstanding partnership with Overland, which has been the company's supplier of tape automation products for over a decade. The most recent offerings are based on Overland's robust and highly scalable NEO platform. "We chose Overland's NEO platform because of its best-of-class performance and proven track record of reliability and high availability," said Shawn Sabanayagam, president and CEO of Tributary Systems, Inc. "Fault-tolerant HP NonStop servers are used by our customers for mission-critical applications and demand backup storage solutions of the highest quality and reliability to ensure continuous operation."

According to Ravi Pendekanti, vice president of worldwide sales and marketing at Overland Storage, a mutual commitment to product excellence has reinforced the continuing success of the partnership between Overland and TSI. “We are extremely proud of our decade-long association with TSI and share their dedication to delivering world-class technology solutions to leading organizations worldwide,” he says. “We look forward to broadening our relationship as part of this latest product line expansion and working together to support ever-evolving mission-critical business environments.”

About Tributary Systems, Inc.

Tributary Systems Inc. (TSI) is the global leader in the development of state-of-the-art secure storage, virtualization and encryption solutions for the HP NonStop platform. TSI's fully integrated solutions are designed for the most demanding high availability backup storage environments running mission critical applications. Founded in 1990, TSI currently provides its customers all tape drive, tape automation, tape library management software, and connectivity solutions sold by HP. TSI also directly serves a broad customer base of Fortune Global 1000 companies, as well as small business enterprises in the financial services, banking, telecom, retail and healthcare industries. For more information on TSI, visit www.tributary.com

About Overland Storage

Overland Storage provides affordable end-to-end data protection solutions that are engineered to store smarter, protect faster and extend anywhere — across networked storage, media types, and multi-site environments. Overland Storage products include award-winning NEO SERIES® and ARCVault™ tape libraries, REO SERIES® disk-based backup and recovery appliances with VTL capabilities, Snap Server® NAS appliances, and ULTAMUS™ RAID high-performance, high-density storage. Overland sells its products through leading OEMs, commercial distributors, storage integrators and value-added resellers. For more information, visit Overland's web site at www.overlandstorage.com

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