
FOR IMMEDIATE RELEASE

PROSTOR SYSTEMS ANNOUNCES BREAKTHROUGH IN REMOVABLE DISK-BASED TECHNOLOGY FOR DATA BACKUP, RECOVERY AND ARCHIVING

BOULDER, CO – Nov. 2, 2005 – ProStor Systems, a data storage company founded in May 2004, that has attracted some of the most experienced talent from the disk and tape technology industries, made its public debut today by introducing the firm's RDX™ technology, a revolutionary removable disk-based data storage backup, recovery and archive solution that combines the best features of disk and tape and scales from the small enterprise to the data center.

Leading the ProStor team as CEO and president is industry veteran Steve Georgis, who brings more than 28 years of data storage experience from Exabyte, StorageTek and Data General, and holds 15 technology patents. The executive lineup also includes COO and Vice President of Engineering Andrew Goldstein, with 28 years of product development, engineering, manufacturing, quality and executive management experience in the magnetic tape, disk drive and optical communications industries; Vice President of Sales Dave Perry, with 26 years of sales and business development in the data storage industry; Chief Financial Officer Merle McCreery, with 25 years of executive level financial management, administration and operations experience; Vice President of Marketing Liz Coker, with 23 years of experience in product and channel marketing of storage and IT technologies; and Director of Engineering Chris Alaimo, with 15 years of product development and management experience in data storage and telecom equipment industries. Chairman of the Board Peter Behrendt, a storage industry icon, was the former chairman, CEO and president of Exabyte, and is now a venture partner with New Enterprise Associates (NEA).

The company has raised \$8.7 million in financing from New Enterprise Associates, Boulder Ventures and Western Technology Investment. This funding will be used to further develop, manufacture and market the RDX product line.

“I believe ProStor's RDX technology offers a unique combination of specifications customers have long desired and, therefore, will replace tape in many applications and systems environments,” said ProStor Chairman of the Board Peter Behrendt. “Having worked closely with Steve Georgis and the entire executive team, I feel confident that this group of world-class tape and disk storage experts has the technological and business expertise to bring to market an exceptional disk-based solution to the problems inherent in data backup and archive,” he said.

In a separate technology announcement today, ProStor Systems introduced its RDX cartridge technology, the industry's first removable disk media that adds an extra layer of patent-pending enterprise-class data protection while preserving the best attributes of disk and tape. The new disk cartridge technology, which delivers the reliability and fast data backup and restore benefits of disk, with the removability and long media archive life of tape, achieves these characteristics at a price lower than competing tape solutions.

About ProStor Systems

Founded in May 2004, ProStor Systems develops, manufactures and markets the industry's first disk-to-removable-disk backup, recovery and archive technology that brings enterprise-class backup and data protection to servers, networks and professional workstations at an affordable price. ProStor Systems is venture funded by New Enterprise Associates (NEA), Boulder Ventures and Western Technology Investment. The company is headquartered at 5555 Central Avenue, Suite 100, Boulder, CO 80301. For more information, visit <http://www.prostorsystems.com> or contact the company at info@prostorsystems.com or (303) 565-3100. For press and analyst inquiries, contact Susan Merriman at (303) 565-3109 or PR@prostorsystems.com.

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