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QUALSTAR ANNOUNCES NEW RACK MOUNTABLE TAPE LIBRARIES

New models store 342 terabytes of data in just 10U

SIMI VALLEY, Calif., December 15, 2010 — Qualstar® Corporation (Nasdaq: QBAK), an innovator in automated tape storage solutions, today announced new higher capacity models extending its RLS Rack Mount Tape Library family. The RLS-8560 and RLS-85120 deliver the benefits and features of Qualstar's widely regarded RLS-Series that seamlessly integrate into rack-focused IT architectures. Shipments will begin in the first quarter of 2011.

The new RLS-Series models use just 10U (17.5 in, 44.5 cm) of space, delivering high storage density to customers who have designed their IT environments to leverage industry-standard equipment racks. The new models span native capacities from 81 - 171 terabytes and house up to five encryption-enabled LTO 5 tape drives.

Using typical compression techniques, RLS-8500 capacities can exceed 342 terabytes, while transferring over 5 terabytes of data per hour. A four-slot I/O port is standard in both models allowing easy import and export of tapes for offsite data security. A second port is optional in the RLS-85120 model. N+1 power systems are optional on both models.

Adding capacity or tape drives to the new RLS-8560 model is readily accomplished in the field. A second 60-slot storage matrix and additional tape drives are user-installable in a few minutes. The RLS automatically discovers all added elements, making upgrades easy to do.

The new RLS-8500 models incorporate Q-Link, Qualstar's web browser based remote library manager that enables administrators to configure, upgrade, and monitor an RLS library via a company's intranet, or over the Internet from anywhere in the world. Q-Link extends the capabilities of the library's comprehensive color touch screen front panel menu system.

“Our new RLS-8500 models deliver high density data storage for rack mount systems users. Qualstar is the only tape library manufacturer that backs its products with a three-year warranty, underscoring the benefits of our *Simply Reliable* design philosophy. Easy expansion, a comprehensive feature set and rugged construction means real value for customers today and flexibility to readily meet growth needs in the future,” said William Gervais, Qualstar President and CEO.

RLS-Series Rack Mount Tape Libraries are available exclusively through Qualstar’s worldwide network of Authorized Resellers. Contact Qualstar, an Authorized Reseller or visit www.qualstar.com for more information.

About Qualstar Corporation

Qualstar, founded in 1984, is a diversified electronics manufacturer specializing in data storage and power supplies. The company's products are known throughout the world for high quality and Simply Reliable designs that provide years of trouble-free service. More information is available at www.qualstar.com or www.n2power.com, or by phone at 805-583-7744.

Forward-Looking Statements

Statements concerning the future business, operating results and financial condition of the Company are “forward-looking” statements as defined in the Private Securities Litigation Reform Act of 1995. Such statements are based upon management’s current expectations and are subject to a number of uncertainties that could cause actual performance and results to differ materially from the results discussed in the forward-looking statements. Factors that could affect the Company’s actual results include the Company’s ability to increase sales of its products; rescheduling or cancellation of customer orders; unexpected shortages of critical components; unexpected product design or quality problems; and, adverse changes in market demand for its products. The Company undertakes no obligation to publicly update any forward-looking statements whether as a result of new information, future events or otherwise. Further information on these and other potential factors that could affect the Company’s financial results or condition are included in Qualstar’s filings with the Securities and Exchange Commission. In particular, reference is made to the “Risk Factors” section of the Company’s Annual Report on Form 10-K for the fiscal year ended June 30, 2010, and to the “Management’s Discussion and Analysis of Financial Condition and Results of Operations” sections of its Form 10-K and its most recent Quarterly Report on Form 10-Q.

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