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QUALSTAR EXTENDS XLS ENTERPRISE LIBRARY FAMILY

New model expands XLS market reach, providing enterprise-class features and functionality at lower initial price point

SIMI VALLEY, Calif., September 13, 2006 — Qualstar® Corporation (Nasdaq: QBAK), an innovator in automated tape storage solutions, today announced the XLS-812300, the third member of the XLS Enterprise Tape Library System family. The new model delivers many of the features of the XLS architecture at a lower entry cost to enable more users to leverage the advantages of XLS for their enterprise backup, archive and data security solutions. Shipments will begin in October.

The XLS-812300 delivers an initial native capacity of 118 terabytes in less than nine square feet of floor space and houses up to 12 IBM LTO™ (Ultrium™) tape drives, which yield aggregate data transfer rates exceeding 6.9 TB/hr. Two expansion options are available to easily grow capacity in cost-effective increments to over 428 terabytes, using typical LTO 3 compression techniques.

“The low entry cost of the new XLS-812300 enables more users to take advantage of the benefits that we designed into our new XLS with Compass Architecture™,” said William Gervais, Qualstar president and CEO. “Easy expansion, advanced manageability and great flexibility means that XLS delivers real value to customers needing enterprise features without enterprise costs.”

Like the larger XLS models, the XLS-812300 also incorporates X-Link™, the intelligent, single-view management interface that provides powerful tools and comprehensive information to monitor and manage library operations around the clock, throughout the enterprise or across the globe. Identical X-Link access is delivered locally via the 15” color touch screen built into every XLS, and remotely via an intranet connection or the Internet. Authorizations, passwords and user group controls give administrators the

security tools needed to organize, manage and customize individual user access to up to eight independent logical library partitions. With appropriate permissions, Qualstar Technical Support technicians can also remotely access an XLS via X-Link to review event logs and run diagnostics.

The XLS-812300 will be available exclusively through Qualstar's worldwide network of Authorized Reseller Partners. Contact Qualstar, one of Qualstar's Reseller Partners or visit <http://www.qualstar.com/xls> for more information.

About Qualstar Corporation

Qualstar is a manufacturer of automated tape libraries used for backup, archival storage, data protection and disaster recovery. Its products are known throughout the world for their rugged, *Simply Reliable* design yielding years of trouble-free operation. Qualstar tape libraries are sold, installed and supported worldwide by authorized Value Added Resellers, Systems Integrators and Original Equipment Manufacturers. Qualstar also designs, manufactures and sells ultra small, high efficiency open-frame switching power supplies under the "N2Power" brand name to OEMs. Qualstar Corporation is publicly traded on the NASDAQ National Market under the symbol QBAK. More information is available at www.qualstar.com or by phone at 805-583-7744.

Forward-Looking Statements

Statements in this press release 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 tape libraries, whether development of the Company's new enterprise-class tape libraries will be completed on time and achieve customer acceptance, rescheduling or cancellation of customer orders, unexpected shortages of critical components, unexpected product design or quality problems, and adverse changes in market demand for tape libraries or Qualstar's 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, 2005, 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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