



FOR IMMEDIATE RELEASE

For more information, contact:

Bob Covey
Qualstar Corp.
805.583.7744
covey@qualstar.com

**N2POWER ANNOUNCES CONVECTION COOLING OPTION FOR
XL375 AC-DC POWER SUPPLY FAMILY**

260 watts without fans for the OEM market

SIMI VALLEY, Calif., July 21, 2011 — N2Power, a Qualstar Company (NASDAQ: QBAK), today announced availability of the Convection Cooling Option for its XL375 Series of very compact AC-DC switching power supplies. Eight models feature output voltages from 12V to 56V. The XL375 Series is designed for OEM applications such as industrial automation, telecommunications, gaming systems, security and surveillance systems, and network servers.

The Convection Cooling Option delivers 260 watts across all output voltages and eliminates the fans and fan controllers needed to cool conventional power supplies, saving cost and freeing up valuable component space. Doing away with fans and related components and circuitry is significant to designers tasked with increasing the MTBF and decreasing the noise of products (fans may fail, and they generate most of the audible sound in contemporary designs).

OEMs can design in both convection-cooled and fan-cooled power supplies that use the same very compact, low profile 3.3" x 5" x 1.5" packaging, connectors and layout, saving time and cost. The very low profile packaging is ideally suited to 1U product designs and makes the system designer's job much easier.

"The Convection Cooling Option gives our OEM customers a distinct packaging and cost benefit, while also reducing overall power consumption and cooling requirements," said Randy Johnson, N2Power Vice President and General Manager. "Our unique technology gives OEM engineers new flexibility in power system design that pays real competitive dividends in their final products."

All models offer Active Current Sharing to allow up to four supplies to be operated in parallel for high output applications. The Active OR-ing Mosfet Board option is available for N+1 applications. Both 5V standby and 12V auxiliary outputs can be wired Or-able when the main output is disabled. Synchronous rectification delivers exceptionally high efficiency: up to 93% in some models.

N2Power supplies meet a full range of international agency requirements, including RoHS, UL, DEMKO, CE Mark and FCC Class B.

N2Power power supplies are sold worldwide through a network of authorized representatives and distributors. Sample units are available. Call 805-583-7744, or visit www.n2power.com for further information.

About Qualstar Corporation

Qualstar manufactures automated tape libraries and power supplies. Its products are known throughout the world for energy efficiency and rugged, *Simply Reliable* designs yielding years of trouble-free operation. Qualstar tape libraries are sold, installed and supported worldwide to backup, archive and protect data from incidental and catastrophic loss. Its N2Power brand switching power supplies are sold worldwide to OEM manufacturers who require both industry-leading high power efficiency and very small size for their products. Qualstar Corporation is publicly traded on the NASDAQ National Market under the symbol QBAK. More information is available at www.qualstar.com, 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 tape libraries; 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 other Qualstar 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.

###