

FOR IMMEDIATE RELEASE



**QUALSTAR CORPORATION ANNOUNCES LTO TAPE LIBRARY
SHIPMENTS**

Qualstar and Hewlett Packard partner to deliver LTO tape library solutions

Canoga Park, California – October 4, 2000 – Qualstar Corporation (Nasdaq: QBAK), today announced that production shipments of its TLS-8000 Ultrium™ LTO (Linear Tape Open) Tape Libraries have begun based on LTO Ultrium technology from Hewlett Packard, a founding member of the LTO consortium.

The TLS-8000 LTO Tape Library Family includes seven models, offering capacities from 1.1 terabytes (native) to over 52 terabytes using data compression. Aggregate data transfer rates can exceed 860 gigabytes per hour. Most models can be configured with Qualstar's SANSmart™ Fibre Channel technology.

“HP is delighted to have worked in close co-operation with Qualstar from the beginning of its LTO Ultrium program,” says Adam Thew General Manager, OEM business, HP Storage Organization. “Qualstar’s partnership with HP offers customers previously unmatched levels of performance, capacity, and reliability in Qualstar’s industry-leading SANSmart™ TLS-8000 Series Tape Library Family.”

LTO technology establishes a new open format specification for high capacity, high-performance tape storage products for midrange and network server environments, and addresses growing customer need for improved data interchange across heterogeneous platforms. Ultrium is a high-capacity format that offers up to 100 GB of native capacity per tape cartridge, yielding a substantial increase in storage density, especially when used in libraries such as the TLS-8000 Family.

About Qualstar Corporation

Founded in 1984, Qualstar designs and manufactures automated cartridge tape libraries and 9-track tape drives, with an installed base of over 35,000 units. Qualstar's tape libraries span capacities from 200 gigabytes to over 30 terabytes of native (uncompressed) storage capacity, in several popular tape formats. The TLS-Series library families are compatible with most networks, operating systems, and storage management software applications. Qualstar's products are sold worldwide, primarily to value added resellers and original equipment manufacturers.

For further information, contact Bob Covey at Qualstar Corporation,
6709 Independence Ave., Canoga Park, CA 91303
Phone: 818/592-0061. FAX: 818/592-0116
E-mail: Covey@qualstar.com

More information about Qualstar can be found on its web site at www.Qualstar.com.

Statements in this press release concerning the future business 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 risks and uncertainties that could cause actual performance and results to differ materially from the results discussed in the forward-looking statements. Factors that could effect the Company's actual results include unexpected shortages of critical components, delays in the availability of LTO Ultrium tape drives and media, unexpected product design problems, and adverse changes in market demand for tape libraries or Qualstar's products. Further information on these and other potential factors that could affect the Company's financial results are included in Qualstar's Prospectus dated June 23, 2000 filed with the Securities and Exchange Commission.

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