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QPC Lasers Successfully Completes DoD Contract; Demonstrates World's First High Power Surface Emitting Eye-safe Laser

**Company Completes Initial Contract with Department of Defense Customer;
Invited to Submit Follow on Contract**

SYLMAR, CA, September 10, 2008 – QPC Lasers, Inc. (OTCBB: QPCI), a world leader in the development and commercialization of high-brightness, high-power semiconductor chip-based lasers for the consumer electronics, medical, defense and industrial markets, today announced that the company has successfully completed its initial Department of Defense contract to develop and deliver high power eye-safe surface-emitting diode pumps for directed energy weapons applications. This milestone development is of key importance in the future of DoD high energy laser applications because this technology enables the fabrication to be wafer based and extremely cost effective. The Company has been invited to submit a proposal for a much larger follow on contract.

"QPC's is proud to be the first laser company in the world to demonstrate this new laser technology, which marries QPC's unique surface-emitting laser design with our leading capabilities in high power long-wavelength "eye-safe" diode arrays. Battlefield lasers using conventional diode pump technologies are prohibitively expensive and present hazards to the eyes of friendly personnel, severely limiting their utility," said Dr. Jeffrey Ungar, co-founder and CEO of QPC. "QPC's demonstration points the way to a new generation of laser weaponry which combines the low cost of "wafer-scale" manufacturing with beams that are 100,000 to 1,000,000 times less hazardous to our soldiers. Besides directed energy weapons, these chip-based lasers have great promise for other defense applications including rangefinding, covert/active illumination for surveillance, and remote sensing," continued Dr. Ungar.

"Going beyond these military applications, we are already shipping our eye-safe wavelength lasers to medical customers for various dermatological and vein treatment applications, and see great promise for eye-safe lasers in commercial applications such as welding and cutting, by eliminating the safety concerns and costs associated with existing industrial lasers such as YAG and fiber lasers," Dr. Ungar concluded.

About QPC Lasers

QPC Lasers, Inc. (OTCBB: QPCI) is a world leader in the development, manufacture and distribution of high-brightness, high-power semiconductor lasers for the consumer electronics, defense, homeland security, industrial, and medical markets. Founded in 2000, QPC is vertically integrated from epitaxy



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through packaging and performs all critical fabrication processes at its state-of-the-art high-technology facility in the Los Angeles area. QPC Lasers holds 16 patents (9 fully issued and 7 pending) and is ISO certified. For more information please visit www.qpclasers.com

Forward Looking Statements

This release and other materials released by the Company from time to time contain or may contain forward looking statements and information that are based upon beliefs of, and information currently available to, the Company's management as well as estimates and assumptions made by the Company's management. When used in the materials the words "anticipate", "believe", "estimate", "expect", "future", "intend", "plan" or the negative of these terms and similar expressions as they relate to the Company or the Company's management identify forward looking statements. Such statements reflect the current view of the Company with respect to future events and are subject to risks, uncertainties, assumptions and other factors (including the risks contained in the sections of the Company's reports filed with the Securities and Exchange Commission entitled "Risk Factors") relating to the Company's industry, the Company's operations and results of operations and any businesses that may be acquired by the Company. Should one or more of these risks or uncertainties materialize, or should the underlying assumptions prove incorrect, actual results may differ significantly from those anticipated, believed, estimated, expected, intended or planned. Although the Company believes that the expectations reflected in the forward looking statements are reasonable, the Company cannot guarantee future results, levels of activity, performance or achievements. Except as required by applicable law, including the securities laws of the United States, the Company does not intend to update any of the forward-looking statements to conform these statements to actual results. The following discussion should be read in conjunction with the Company's reports filed with the Securities and Exchange Commission.

Purchase Orders and Contracts

The Company's purchase orders and contracts are subject to standard commercial cancellation terms and conditions.

Contact QPC Lasers, Inc.

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