



PRESS RELEASE

Investor Contact:

Jennifer Crane
Crossroads Systems
jcrane@crossroads.com
512.928.6897 or 800.643.7148

Investor Contact:

Scott Liolios or Matt Glover
Liolios Group
info@liolios.com
949.574.3860

Press Contact:

Matthew Zintel
Zintel Public Relations
matthew.zintel@zintelpr.com
317.848.8804

FOR IMMEDIATE RELEASE

Crossroads Systems Moves to NASDAQ Capital Market Under Symbol “CRDS”

Austin, Texas – September 2, 2011 – Crossroads Systems, Inc. (NASDAQ: CRDS) (OTC.PK: CRDSD), a global provider of solutions and services that ensure stored data is proactively protected and reliably recovered, will begin trading on the NASDAQ Capital Market exchange at the open of trading today, September 2, 2011. The stock will no longer be quoted on the Pink Sheets, but will maintain its symbol “CRDS.”

“Our move to the NASDAQ Capital Market today represents another important milestone for Crossroads,” said the company’s president and CEO, Rob Sims. “We believe it raises our visibility in the financial community and enhances our standing in the eyes of potential customers around the world who are looking to entrust us with their business-critical data. We also expect this NASDAQ listing to provide improved liquidity and shareholder value, as it may open the door to institutional investors and security analysts whose involvement in non-listed securities may be limited.”

About Crossroads Systems

Crossroads Systems, Inc. (NASDAQ: CRDS) (OTC.PK: CRDSD), is a global provider of solutions and services that ensure stored data is proactively protected and reliably recovered. Crossroads offers organizations powerful data protection, proactive data security, intelligent storage connectivity, unmatched performance, and significant cost savings. Founded in 1996 and headquartered in Austin, Texas, Crossroads holds more than 100 patents granted and pending and has been honored with numerous industry awards for innovation in data protection and storage. Visit www.crossroads.com.

Important Cautions Regarding Forward-Looking Statements

This press release includes forward-looking statements that relate to the business and future events or future performance of Crossroads Systems, Inc. and involve known and unknown risks, uncertainties and other factors that may cause its actual results, levels of activity,

performance or achievements to differ materially from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements. Words such as, but not limited to, "believe," "expect," "anticipate," "estimate," "intend," "plan," "targets," "likely," "will," "would," "could," and similar expressions or phrases identify forward-looking statements. Forward-looking statements include, but are not limited to, statements about Crossroads Systems' ability to implement its business strategy, including the transition from a hardware storage company to a software solutions and services provider, its ability to expand its distribution channels, its ability to maintain or broaden relationships with existing distribution channels and strategic alliances and develop new industry relationships, the performance of third parties in its distribution channels and of its strategic alliances, uncertainties relating to product development and commercialization, the ability to obtain, maintain or protect patent and other proprietary intellectual property rights, technological change in its industry, market acceptance of its products and services, future capital requirements, regulatory actions or delays, competition in general and other factors that may cause actual results to be materially different from those described herein. Forward-looking statements in this press release are based on management's beliefs and opinions at the time the statements are made. Crossroads Systems does not intend, and undertakes no duty, to update this information to reflect future events or circumstances.

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