

Netlist Comments on Us Patent Office Communication

April 19, 2011

IRVINE, Calif., April 19, 2011 /PRNewswire/ -- **Netlist, Inc.** (NASDAQ: NLST), a designer and manufacturer of high-performance memory subsystems, today said that it is confident it will ultimately prevail in the ongoing legal actions related to its rank multiplication technologies. A recent communication received from the US Patent & Trademark Office (USPTO) in early April "in no way changes Netlist's outlook or the fact that its core technologies are protected and enforceable under the law," said Netlist President and CEO, C.K. Hong.

In what is characterized as a "non-final office action," the USPTO rejected the majority of the claims in a reexamination of Netlist's U.S. Patent No. 7,619,912 ("the '912 patent"), granted to Netlist in 2009 and one of Netlist's patents on the Company's innovative memory rank multiplication technology. However, Netlist now has the opportunity to respond to the USPTO by refuting these rejections and presenting its arguments in support of the patentability of the claims of the '912 patent.

Such reexaminations typically take years before the USPTO reaches its final determination. In doing so, the USPTO will consider Netlist's arguments and the comments of the parties that requested reexamination. It is common for the USPTO to revise its determination during such reexamination proceedings. For example, at an earlier stage of the reexamination process, the USPTO had reaffirmed the patentability of all 51 claims of the '912 patent.

Hong said that the recent reversal of the prior ruling by the USPTO will "allow us to make a strong case supporting our development and ownership of this technology, although the process will likely take years to conclude. We are at an early stage of the process in the USPTO, and the patent in question will remain valid and enforceable during the proceedings. Also, it is important to note that none of our current or pipeline technologies rely on any single piece of intellectual property for protection and commercialization."

About Netlist:

Netlist, Inc. designs and manufactures high-performance, logic-based memory subsystems for datacenter server and high-performance computing and communications markets. Netlist's flagship products include HyperCloud Memory, which breaks traditional memory barriers and NetVault, a flash memory-based subsystem that enables data retention weeks following a disaster. The memory technologies are developed for applications in which high-speed, high-capacity memory, enhanced functionality, small form factor, and heat dissipation are key requirements. These applications include tower-servers, rack-mounted servers, blade servers, high-performance computing clusters, engineering workstations, and telecommunication equipment. Founded in 2000, Netlist is headquartered in Irvine, California with manufacturing facilities in Suzhou, People's Republic of China. For more information, visit the company's website at www.netlist.com.

Safe Harbor Statement:

This news release contains forward-looking statements regarding future events and the future performance of Netlist. These forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those expected or projected. These risks and

uncertainties include, but are not limited to, continuing development, qualification and volume production of EXPRESSvault™, NVvault™ and HyperCloud™; the rapidly-changing nature of technology; risks associated with intellectual property, including the costs and unpredictability of litigation over infringement of our intellectual property and the possibility of the Company's patents being re-examined by the United States Patent and Trademark office; volatility in the pricing of DRAM ICs and NAND; changes in and uncertainty of customer acceptance of, and demand for, our existing products and products under development, including uncertainty of and/or delays in product orders and product qualifications; delays in the Company's and its customers' product releases and development; introductions of new products by competitors; changes in end-user demand for technology solutions; the Company's ability to attract and retain skilled personnel; the Company's reliance on suppliers of critical components; fluctuations in the market price of critical components; evolving industry standards; and the political and regulatory environment in the People's Republic of China. Other risks and uncertainties are described in the Company's annual report on Form 10-K, dated March 3, 2011, and subsequent filings with the U.S. Securities and Exchange Commission made by the Company from time to time. Except as required by law, Netlist undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Contact: Allen & Caron Inc

Jill Bertotti (investors)

jill@allencaron.com

(949) 474-4300

SOURCE Netlist, Inc.

Apr 19, 2011