

Netlist Announces Pricing Of \$10 Million Registered Offering

September 12, 2018

IRVINE, Calif., Sept. 12, 2018 /PRNewswire/ -- [Netlist, Inc.](#) (NASDAQ: NLST) today announced that it has entered into a definitive agreement with institutional investors for a registered direct offering of securities for gross proceeds of approximately \$10 million. The closing of the offering is expected to take place on or about September 14, 2018, subject to the satisfaction of customary closing conditions.

In connection with the offering, the Company will issue approximately 22.22 million registered shares of common stock at a purchase price of \$0.45 per share. Additionally, for each share of common stock purchased by an investor, such investor will receive from the Company a registered warrant to purchase one half of a share of common stock. The warrants have an exercise price of \$0.655 per share, will be exercisable six months from the date of issuance, and will expire five years from the initial exercise date.

Roth Capital Partners, served as sole placement agent for the transaction. After the placement agent fees and estimated offering expenses payable by the company, the Company expects to receive net proceeds of approximately \$9.1 million.

The Company intends to use the net proceeds from the offering for general corporate purposes, including working capital and other general and administrative purposes.

The securities described above are being offered by Netlist, Inc. pursuant to a registration statement previously filed with and subsequently declared effective by the Securities and Exchange Commission. A prospectus supplement relating to the offering will be filed with the SEC and will be available on the SEC's website at <http://www.sec.gov>.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy any of the securities described herein, nor shall there be any sale of these securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction. Copies of the prospectus supplement and accompanying base prospectus relating to this offering may be obtained from Roth Capital Partners, 888 San Clemente Drive, Suite 400, Newport Beach, CA 92660, (800) 678-9147 or by accessing the SEC's website, www.sec.gov.

About Netlist, Inc.

Netlist provides high-performance SSDs and modular memory subsystems to enterprise customers in diverse industries. Flagship products NVvault® and EXPRESSvault™ enable customers to accelerate data in their servers and storage and reliably protect enterprise-level cache, metadata and log data in the event of a system failure or power outage. HybriDIMM™, Netlist's next-generation storage class memory product, addresses the growing need for real-time analytics in Big Data applications, in-memory databases, high-performance computing and advanced data storage solutions. Netlist also manufactures and provides a line of specialty and legacy memory products to storage customers, appliance customers, system builders and cloud and datacenter customers. Netlist holds a portfolio of patents, many seminal, in the areas of hybrid memory, storage class memory, rank multiplication and load reduction. To learn more, visit www.netlist.com.

Safe Harbor Statement

This news release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are statements other than historical facts and often address future events or Netlist's future performance. Forward-looking statements contained in this news release include statements about the anticipated closing of the offering.

All forward-looking statements reflect management's present assumptions, expectations and beliefs regarding future events and are subject to known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from those expressed in or implied by any forward-looking statements. These risks, uncertainties and other factors include, among others, risks associated with patent infringement litigation initiated by Netlist, such as ongoing proceedings against SK hynix Inc., as well as the costs and unpredictability of any such litigation and Netlist's strategies in connection with such litigation. These and other risks and uncertainties are described in Netlist's annual report on Form 10-K for its most recently completed fiscal year filed on March 30, 2018, and the other filings it makes with the U.S. Securities and Exchange Commission from time to time, including any subsequently filed quarterly and current reports. In light of these risks, uncertainties and other factors, these forward-looking statements should not be relied on as predictions of future events. These forward-looking statements represent Netlist's assumptions, expectations and beliefs only as of the date they are made, and except as required by law, Netlist undertakes no obligation to revise or update any forward-looking statements for any reason.

For more information, please contact:

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