



NETLIST

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NETLIST GRANTS STOCK OPTIONS TO JAMES PERROTT, SENIOR VICE PRESIDENT, SALES AND MARKETING

IRVINE, CA (May 8, 2008) . . . Netlist, Inc. (NASDAQ: NLST) today announced that its Board of Directors has approved inducement stock option grants to purchase an aggregate of up to 250,000 shares to James Perrott, Senior Vice President, Sales and Marketing, who joined the Company April 7. The stock options granted on May 2 expire April 7, 2012, with the first tranche of vesting equal to 25 percent occurring April 7, 2009. All have an exercise price of \$1.29 per share, equal to the fair market value of a share of such stock on the grant date. The options are subject to the terms of the Netlist 2006 stock option plan and the underlying shares did not come from the Netlist 2006 stock option pool. The stock option grants meet the “employee inducement” exception to the NASDAQ Marketplace Rule 4350 requiring shareholder approval of equity-based incentive plans.

About Netlist, Inc.

Netlist designs and manufactures high-performance memory subsystems for the server and high-performance computing and communications markets. The Company's memory subsystems are developed for applications in which high-speed, high-capacity memory, 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. Netlist maintains its headquarters in Irvine, California with manufacturing facilities in Irvine and in Suzhou, China.

Safe Harbor Statement

This news release contains forward-looking statements regarding future events and the future performance of Netlist, including future opportunities and growth for the company's business. 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, the rapidly-changing nature of technology; volatility in the pricing of DRAM ICs; uncertainty of customer demand, including delays in expected qualifications; 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; 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 February 29, 2008, and subsequent filings with the U.S. Securities and Exchange Commission made by the Company from time to time. Netlist undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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