



PRESS RELEASE

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FOR IMMEDIATE RELEASE

MathStar Announces Proposed Public Offering of Common Stock

HILLSBORO, Ore., March 16, 2007 – MathStar (NASDAQ: MATH) announced today that it has filed a shelf registration statement for the offer and sale of up to \$40,000,000 in the aggregate of shares of common stock, warrants to purchase shares of common stock or units consisting of the foregoing securities. Any shares offered and sold are to be sold by MathStar.

A registration statement relating to these securities has been filed with the Securities and Exchange Commission but has not yet become effective. These securities may not be sold nor may offers to buy be accepted prior to the time the registration statement becomes effective. This press release shall not constitute an offer to sell, or the solicitation of an offer to buy, any of the securities, nor shall there be any sale of these securities, in any state in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state.

About MathStar, Inc.

MathStar is a fabless semiconductor company offering best in class, high-performance programmable logic solutions. MathStar's field programmable object array (FPOA) can process arithmetic and logic operations at clock rates of 1 gigahertz, which is up to four times faster than even the most advanced FPGA architectures in many applications. MathStar's Arrix™ family of FPOAs are high-performance programmable solutions that enable customers in the machine vision, high-performance video, medical imaging, security & surveillance and military markets to rapidly and cost effectively innovate and differentiate their products. FPOAs are available now and are supported by development tools, IP libraries, application notes and technical documentation. For more information, please visit www.mathstar.com.

Statements in this press release, other than historical information, may be "forward-looking" in nature within the meaning of Section 21E the Private Securities Litigation Reform Act of 1995 and are subject to various risks, uncertainties and assumptions. These statements are based on management's current expectations, estimates and projections about MathStar and its industry and include, but are not limited to, those set forth in the section of MathStar's Annual Report on

Form 10-K filed with the Securities and Exchange Commission on March 31, 2006 under the heading "Risk Factors." MathStar undertakes no obligation to update any forward-looking statements in order to reflect events or circumstances that may arise after the date of this release.

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