



## **PRESS RELEASE**

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## **FOR IMMEDIATE RELEASE**

### **MathStar, Inc. Announces Pricing of Public Offering of Common Stock**

**HILLSBORO, Ore., June 12, 2007** — MathStar, Inc. (NASDAQ: MATH), a fabless semiconductor company specializing in high-performance programmable logic, announced today the pricing of an underwritten public offering of 21,875,000 shares of newly issued common stock at \$1.60 per share before underwriting discounts and commissions. MathStar has granted to the underwriters a 30-day option to purchase up to an additional 3,125,000 shares of common stock to cover any over-allotments.

The underwriters have agreed to purchase the shares from MathStar pursuant to an underwriting agreement subject to customary closing conditions. MathStar intends to use the approximately \$32.4 million in net proceeds, after deducting the underwriting discounts and commissions and its estimated offering expenses, for general corporate purposes, including expanding sales and marketing, customer service and training efforts and investing in product development resources.

The offering is expected to close on June 18, 2007.

MDB Capital Group, LLC is acting as the sole manager for the offering. Feltl and Company is also an underwriter for the offering.

A registration statement relating to these securities has been filed with and declared effective by the Securities and Exchange Commission. The offering of these securities may be made only by means of a prospectus supplement to the prospectus contained in the registration statement. Copies of the final prospectus supplement and accompanying prospectus may be obtained by calling MDB Capital Group, LLC, 401 Wilshire Boulevard, Suite 1020, Santa Monica, California 90401 (telephone (310) 526-5000).

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 at 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](http://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 14, 2007 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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