
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): June 4, 2015

NOVATEL WIRELESS, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of Incorporation)

000-31659
(Commission
File Number)

86-0824673
(I.R.S. Employer
Identification number)

9645 Scranton Road
San Diego, CA 92121
(Address of Principal Executive Offices) (Zip Code)

(858) 812-3400
(Registrant's telephone number, including area code)

Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 1.01. Entry into a Material Definitive Agreement.

On June 4, 2015, Novatel Wireless, Inc. (the “*Company*”) and certain of its subsidiaries, as guarantors, entered into a Third Amendment to Credit and Security Agreement (the “*Third Amendment*”), which amends the Credit and Security Agreement by and between the Company and Wells Fargo Bank, National Association, dated as of October 31, 2014, as amended (the “*Credit Agreement*”). The Third Amendment, among other things, permits the Company to offer and issue convertible senior notes, as described below in more detail. However, the Third Amendment provides that the Company will not be permitted to redeem or repurchase the notes or satisfy any conversion obligation with respect to the notes in cash (or partially in cash), except for cash paid in lieu of any fractional share of the Company's common stock, unless (i) no Default or Event of Default (each as defined in the Credit Agreement) has occurred and is continuing or would result from such cash payment and (ii) the Company has Excess Availability (as defined in the Credit Agreement) in an amount equal to or greater than \$10,000,000 on a pro forma basis for the 60-day period both immediately preceding the date of such cash payment and immediately after giving effect to any such cash payment.

The foregoing description of the Third Amendment does not purport to be complete and is subject to, and qualified in its entirety by, the full text of the Third Amendment, a copy of which is attached hereto as Exhibit 10.1, and the terms of which are incorporated herein by reference.

Item 7.01. Regulation FD Disclosure.

On June 4, 2015, the Company issued a press release announcing that it has priced a private offering of \$120 million principal amount of convertible senior notes due 2020 (the “*Offering*”), which are convertible into cash, shares of the Company's common stock (together with cash in lieu of fractional shares of the Company's common stock) or a combination of cash and shares of the Company's common stock, at the Company's election, and are to be offered and sold in a private placement under Rule 4(a)(2) of the Securities Act of 1933 (the “*Securities Act*”) only to qualified institutional buyers, as defined in Rule 144A under the Securities Act, or to accredited investors, as defined in Rule 501 of Regulation D under the Securities Act. The Company plans to use the gross proceeds of the Offering to finance proposed acquisitions of, or investments in, complementary businesses, products, services and technologies, including its potential acquisition of DigiCore Holdings Limited, to pay fees and expenses related to such proposed acquisitions and the Offering, and for general corporate purposes. A copy of the press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

The press release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of, these securities in any state in which the offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of any state.

Forward-Looking Statements

Certain statements in this Current Report on Form 8-K and in the attached exhibits may constitute “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements relate to a variety of matters, including, without limitation, the Company's expectations regarding the sale of its securities in the Offering, the Company's intended use of the gross proceeds from the Offering, including its potential acquisition of DigiCore Holdings Limited, the anticipated closing date of the Offering and other statements that are not purely statements of historical fact. These forward-looking statements are made on the basis of the current beliefs, expectations and assumptions of the management of the Company and are subject to significant risks and uncertainty. All such forward-looking statements speak only as of the date they are made, and the Company undertakes no obligation to update or revise these statements, whether as a result of new information, future events or otherwise.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

- 10.1 Third Amendment to Credit and Security Agreement, dated June 4, 2015, by and among Novatel Wireless, Inc., Enfora, Inc., Feeney Wireless, LLC and Wells Fargo Bank, National Association.
- 99.1 Press release, dated June 4, 2015, announcing the pricing of Novatel Wireless Inc.'s offering of \$120 million principal amount of convertible senior notes due 2020 and targeting of potential acquisition candidates, including DigiCore Holdings Limited.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

NOVATEL WIRELESS, INC.

Date: June 4, 2015

By: /s/ Lance Bridges

Lance Bridges

Senior Vice President and General Counsel

**THIRD AMENDMENT TO
CREDIT AND SECURITY AGREEMENT**

THIS THIRD AMENDMENT TO CREDIT AND SECURITY AGREEMENT (this "Amendment"), dated as of June 4, 2015, is entered into by and among **NOVATEL WIRELESS, INC.**, a Delaware corporation ("Novatel"), **ENFORA, INC.**, a Delaware corporation ("Enfora"), and **FEENEY WIRELESS, LLC**, an Oregon limited liability company ("Feeney Wireless"; Novatel, Enfora and Feeney Wireless are sometimes referred to in this Amendment individually as a "Borrower" and collectively as the "Borrowers"), and **WELLS FARGO BANK, NATIONAL ASSOCIATION** (the "Lender"). Terms used herein without definition shall have the meanings ascribed to them in the Credit Agreement defined below.

RECITALS

A. The Lender and Borrowers have previously entered into that certain Credit and Security Agreement dated as of October 31, 2014 (as amended, modified and supplemented from time to time, the "Credit Agreement"), pursuant to which the Lender has made certain loans and financial accommodations available to Borrowers.

B. Borrowers have requested that certain amendments be made to the Credit Agreement, and Lender is willing to agree to such amendments pursuant to the terms and conditions set forth herein.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. Amendments to Credit Agreement.

1.1 Section 7.9 of the Credit Agreement is hereby amended by deleting the word "and" at the end of clause (c) thereof, replacing the "." at the end of clause (d) thereof with ",", and adding a new clause (e) and (f) to read in their entirety as follows:

“(e) The issuance of Stock upon the conversion of the Convertible Notes to the extent deemed a Restricted Junior Payment; and

(f) Payments on the Convertible Notes permitted pursuant to clause (q) of the definition of "Permitted Indebtedness" to the extent deemed a Restricted Junior Payment.”

1.2 Section 9.7 of the Credit Agreement is hereby amended to read in its entirety as follows:

“9.7 If there is (a) a default in one or more agreements to which a Loan Party or any of its Subsidiaries is a party with one or more third Persons relative to the

Indebtedness of such Loan Party or such Subsidiary involving an aggregate amount of \$250,000 or more, and such default (i) occurs at the final maturity of the obligations thereunder, or (ii) results in a right by such third Person, irrespective of whether exercised, to accelerate the maturity of such Loan Party's or its Subsidiary's obligations thereunder, (b) a default in or an involuntary early termination of one or more Hedge Agreements to which a Loan Party or any of its Subsidiaries is a party, or (c) an "event of default" under the Convertible Note Documents; provided that, in the case of clauses (a), (b) and (c), if such default is cured or waived and no third party thereunder has any right to exercise any rights or remedies in connection therewith, there shall be no Event of Default hereunder;"

1.3 The following new defined terms are hereby added to Schedule 1.1 to the Credit Agreement in the appropriate alphabetical position:

““Convertible Note Documents” means the Convertible Notes, the Indenture dated on or about June 10, 2015 between Novatel Wireless, Inc. and Wilmington Trust, National Association, as trustee, substantially in the form attached hereto as Exhibit G, with such changes, if any, that are not materially adverse to the interests of Lender or are made solely to conform to the terms set forth in the Private Placement Memorandum, and all other documents related thereto and executed in connection therewith.”

““Convertible Notes” means Novatel Wireless, Inc.’s 5.50% Convertible Senior Notes Due 2020 as described in the Private Placement Memorandum.”

““Private Placement Memorandum” means that certain Private Placement Memorandum dated June 1, 2015 of Novatel Wireless, Inc. as supplemented by the related Pricing Term Sheet dated June 4, 2015.”

1.4 The definition of “Permitted Indebtedness” set forth in Schedule 1.1 to the Credit Agreement is hereby amended by deleting the word “and” at the end of clause (p) thereof, renumbering clause (q) as clause (r), and adding a new clause (q) to read in its entirety as follows:

“(q) the unsecured Indebtedness of Novatel Wireless, Inc. incurred pursuant to and in accordance with the Convertible Note Documents in an aggregate principal amount not to exceed \$125,000,000; provided, that Novatel Wireless, Inc. shall not redeem, repurchase or satisfy any conversion obligation under any Convertible Note in cash (or partially in cash), other than with respect to cash paid in lieu of fractional shares, unless (i) no Default or Event of Default has occurred and is continuing or would result from such cash payment and (ii) Borrowers shall have Excess Availability in an amount equal to or greater than \$10,000,000 on a pro-forma basis for the 60-day period both immediately preceding the date of such cash payment and immediately after giving effect to any such cash payment; and”

1.5 A new Exhibit G is hereby added to the Credit Agreement to read in its entirety as set forth on Annex A attached to this Amendment.

2. Amendment Fee. Intentionally Omitted.

3. Effectiveness of this Amendment. This Amendment shall be effective upon Lender's receipt of the following items, in form and content acceptable to the Lender:

3.1 This Amendment, duly executed in a sufficient number of counterparts for distribution to all parties;

3.2 The Acknowledgment by Guarantors, in the form attached to this Amendment;

3.3 The representations and warranties set forth in this Amendment must be true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof); and

3.4 All other documents and legal matters in connection with the transactions contemplated by this Amendment shall have been delivered or executed or recorded, as reasonably required by the Lender.

4. Representations and Warranties. Each Borrower represents and warrants as follows:

4.1 Authority. Each Borrower has the requisite corporate or limited liability company, as applicable, power and authority to execute and deliver this Amendment, and to perform its obligations hereunder and under the Loan Documents (as amended or modified hereby) to which it is a party. The execution, delivery and performance by Borrowers of this Amendment have been duly approved by all necessary corporate or limited liability company, as applicable, action and no other corporate or limited liability company, as applicable, proceedings are necessary to consummate such transactions.

4.2 Enforceability. This Amendment has been duly executed and delivered by Borrowers. This Amendment and each Loan Document (as amended or modified hereby) is the legal, valid and binding obligation of each Borrower, enforceable against each Borrower in accordance with its terms, except as enforcement may be limited by equitable principles or by bankruptcy, insolvency, reorganization, moratorium, or similar laws relating to or limiting creditors' rights generally, and is in full force and effect.

4.3 Representations and Warranties. The representations and warranties contained in each Loan Document (other than any such representations or warranties that, by their terms, are specifically made as of a date other than the date hereof) are true and correct in all material respects on and as of the date hereof as though made on and as of the date hereof.

4.4 Due Execution. The execution, delivery and performance of this Amendment are within the corporate or limited liability company, as applicable, power of each Borrower, have been duly authorized by all necessary action, have received all necessary governmental approval, if any, and do not contravene any law or any contractual restrictions binding on any Borrower except to the extent that any such contravention could not individually or in the aggregate reasonably be expected to cause a Material Adverse Change.

4.5 No Default. No event has occurred and is continuing that constitutes a Default or an Event of Default.

5. No Waiver. Except as otherwise expressly provided herein, the execution of this Amendment and the acceptance of all other agreements and instruments related hereto shall not be deemed to be a waiver of any Default or Event of Default under the Credit Agreement or a waiver of any breach, default or event of default under any other Loan Document or other document held by Lender, whether or not known to Lender and whether or not existing on the date of this Amendment.

6. Release. Each of the Borrowers and Guarantors hereby absolutely and unconditionally releases and forever discharges Lender, and any and all participants, parent corporations, subsidiary corporations, affiliated corporations, insurers, indemnitors, successors and assigns thereof, together with all of the present and former directors, officers, agents and employees of any of the foregoing, from any and all claims, demands or causes of action of any kind, nature or description, whether arising in law or equity or upon contract or tort or under any state or federal law or otherwise, which Borrowers or Guarantors have had, now have or have made claim to have against any such person for or by reason of any act, omission, matter, cause or thing whatsoever arising from the beginning of time to and including the date of this Amendment, whether such claims, demands and causes of action are matured or unmatured or known or unknown. It is the intention of the Borrowers and Guarantors in executing this release that the same shall be effective as a bar to each and every claim, demand and cause of action specified and in furtherance of this intention Borrowers and Guarantors each waives and relinquishes all rights and benefits under Section 1542 of the Civil Code of the State of California, which provides:

“A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MIGHT HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.”

The parties acknowledge that each may hereafter discover facts different from or in addition to those now known or believed to be true with respect to such claims, demands, or causes of action and agree that this instrument shall be and remain effective in all respects notwithstanding any such differences or additional facts.

7. Costs and Expenses. Borrowers hereby reaffirm their agreement under the Credit Agreement to pay or reimburse Lender on demand for all Lender Expenses incurred by Lender in connection with the Loan Documents. Without limiting the generality of the foregoing, Borrowers specifically agree to pay all reasonable and documented (to the extent such documentation is reasonably requested by Borrowers) out-of-pocket fees and disbursements of counsel to Lender for the services performed by such counsel in connection with the preparation of this Amendment and the documents and instruments incidental hereto. Borrowers hereby agree that Lender may, at any time or from time to time in its sole discretion and without further authorization by Borrowers, make an Advance to the Borrowers under the Credit Agreement, or apply the proceeds of any Advance, for the purpose of paying any such fees, disbursements, costs and expenses.

8. Choice of Law; Venue; Jury Trial Waiver; Arbitration. The validity of this Amendment, its construction, interpretation and enforcement, and the rights of the parties hereunder shall be determined under, governed by, and construed in accordance with the internal laws of the State of California governing contracts only to be performed in that State. All of the terms of Section 13 of the Credit Agreement are hereby incorporated by reference into this Amendment, *mutatis mutandis*.

9. Counterparts. This Amendment may be executed in any number of counterparts and by different parties and separate counterparts, each of which when so executed and delivered, shall be deemed an original, and all of which, when taken together, shall constitute one and the same instrument. Delivery of an executed counterpart of a signature page to this Amendment by telefacsimile or “pdf” file or other similar method of electronic transmission shall be effective as delivery of a manually executed counterpart of this Amendment.

10. Reference to and Effect on the Loan Documents.

10.1 Upon and after the effectiveness of this Amendment, each reference in the Credit Agreement to “this Agreement”, “hereunder”, “hereof” or words of like import referring to the Credit Agreement, and each reference in the other Loan Documents to “the Credit Agreement”, “thereof” or words of like import referring to the Credit Agreement, shall mean and be a reference to the Credit Agreement as modified and amended hereby.

10.2 Except as specifically amended by this Amendment, the Credit Agreement and all other Loan Documents, are and shall continue to be in full force and effect and are hereby in all respects ratified and confirmed and shall constitute the legal, valid, binding and enforceable obligations of the Borrowers to the Lender and Bank Product Providers, except as enforcement may be limited by equitable principles or by bankruptcy, insolvency, reorganization, moratorium, or similar laws relating to or limiting creditors’ rights generally.

10.3 The execution, delivery and effectiveness of this Amendment shall not, except as expressly provided herein, operate as a waiver of any right, power or remedy of the Lender under any of the Loan Documents, nor constitute a waiver of any provision of any of the Loan Documents.

10.4 To the extent that any terms and conditions in any of the Loan Documents shall contradict or be in conflict with any terms or conditions of the Credit Agreement, after giving effect to this Amendment, such terms and conditions are hereby deemed modified or amended accordingly to reflect the terms and conditions of the Credit Agreement as modified or amended hereby.

10.5 This Amendment shall be deemed to be a “Loan Document” (as defined in the Credit Agreement).

11. Ratification. Borrowers hereby restate, ratify and reaffirm each and every term and condition set forth in the Credit Agreement and the other Loan Documents, in each case as amended by this Amendment, effective as of the date hereof.

12. Estoppel. To induce the Lender to enter into this Amendment and to continue to make Advances or issue Letters of Credit to or for the account of the Borrowers under the Credit Agreement, Borrowers hereby acknowledge and agree that, as of the date hereof, there exists no right of offset, defense, counterclaim or objection in favor of Borrowers as against the Lender or any Bank Product Provider with respect to the Obligations.

13. Integration; Conflict; Successors and Assigns; Amendment. This Amendment, together with the other Loan Documents, incorporates all negotiations of the parties hereto with respect to the subject matter hereof and is the final expression and agreement of the parties hereto with respect to the subject matter hereof. In the event of any conflict between this Amendment and the Credit Agreement, the terms of this Amendment shall govern. This Amendment shall bind and inure to the benefit of the respective successors and assigns of each of the parties, subject to the provisions of the Credit Agreement and the other Loan Documents. No amendment or modification of this Amendment shall be effective unless it has been agreed to by Lender in a writing that specifically states that it is intended to amend or modify this Amendment.

14. Severability. In case any provision in this Amendment shall be invalid, illegal or unenforceable, such provision shall be severable from the remainder of this Amendment and the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

[signature pages follow]

IN WITNESS WHEREOF, the parties have entered into this Amendment as of the date first above written.

BORROWERS:

NOVATEL WIRELESS, INC.

By: /s/ Michael Newman
Name: Michael Newman
Title: Chief Financial Officer

ENFORA, INC.

By: /s/ Michael Newman
Name: Michael Newman
Title: Chief Financial Officer

FEENEY WIRELESS, LLC

By: /s/ Michael Newman
Name: Michael Newman
Title: Secretary

LENDER:

**WELLS FARGO BANK,
NATIONAL ASSOCIATION**

By: /s/ Robin Van Meter

Name: Robin Van Meter

Title: Authorized Signatory

ACKNOWLEDGMENT BY GUARANTORS

Dated as of June 4, 2015

Each of the undersigned, being a "Guarantor" ("Guarantor") under that certain Continuing Guaranty, dated as of March 27, 2015, executed in favor of Wells Fargo Bank, National Association ("Lender") (as amended, modified or supplemented, the "Guaranty"), hereby (i) acknowledges and agrees to the foregoing Third Amendment to Credit and Security Agreement (the "Amendment"; to which reference is made for capitalized terms used but not defined in this Acknowledgment by Guarantors), including, without limitation, the release set forth in Section 6 of the Amendment, and (ii) confirms and agrees that the Guaranty is and shall continue to be, in full force and effect and is hereby ratified and confirmed in all respects except that, upon the effectiveness of, and on and after the date of the Amendment, each reference in the Guaranty to the Credit Agreement (as defined in the Amendment), "thereunder", "thereof" or words of like import referring to the "Credit Agreement", shall mean and be a reference to the Credit Agreement as amended or modified by the Amendment. Although Lender has informed each Guarantor of the matters set forth above, and each Guarantor has acknowledged the same, each Guarantor understands and agrees that Lender has no duty under the Credit Agreement, the Guaranty or any other agreement with any Guarantor to so notify any Guarantor or to seek such an acknowledgement, and nothing contained herein is intended to or shall create such a duty as to any advances or transaction hereafter.

R.E.R. ENTERPRISES, INC.

By: /s/ Michael Newman

Name: Michael Newman

Title: Secretary

FEENEY WIRELESS IC-DISC, INC.

By: /s/ Michael Newman

Name: Michael Newman

Title: Secretary



Novatel Wireless Announces Pricing of Private Offering of \$120 Million of 5.50% Convertible Senior Notes Due 2020

Targets Potential Acquisition Candidates, Including DigiCore Holdings Limited

SAN DIEGO, CA—June 4, 2015 — Novatel Wireless, Inc. (NASDAQ: MIFI) (the “Company”), a leading provider of solutions for the Internet of Things (IoT) and inventors of MiFi® technology, today announced that it has priced a private offering of \$120 million aggregate principal amount of the Company’s 5.50% Convertible Senior Notes due 2020 (the “Convertible Notes”).

The Convertible Notes will be senior unsecured obligations of the Company. The closing of the sale of the Convertible Notes is expected to occur on June 10, 2015, subject to the satisfaction of customary closing conditions.

The Convertible Notes will pay interest semi-annually at a rate of 5.50% per year and will mature on June 15, 2020, unless redeemed, repurchased or converted in accordance with their terms prior to such date. The Convertible Notes will have an initial conversion rate, subject to adjustment, of 200.0000 shares of the Company’s common stock per \$1,000 principal amount of the Convertible Notes, representing a conversion price of \$5.00 per share of the Company’s common stock, representing a conversion premium of 25% over the last reported sale price of \$4.00 per share of the Company’s common stock on June 4, 2015.

Prior to December 15, 2019, the Convertible Notes will be convertible at the option of the holders of the Convertible Notes only upon the satisfaction of certain conditions and during certain periods, and, thereafter, at any time until the close of business on the business day immediately preceding the maturity date. Upon conversion, the Convertible Notes will be convertible into cash, shares of the Company’s common stock (together with cash in lieu of fractional shares) or a combination of cash and shares of the Company’s common stock, at the Company’s election.

On or after June 15, 2018, the Company will have the right to redeem the Convertible Notes for cash, in whole or in part, if the last reported sale price per share of the Company’s common stock equals or exceeds 140% of the then-current conversion price for a specified period of time. The redemption price will equal 100% of the principal amount of the Convertible Notes to be redeemed, plus accrued and unpaid interest.

The offer and sale of the Convertible Notes and any shares of the Company’s common stock that may be issued upon conversion of the Convertible Notes have not been registered under the Securities Act of 1933 (the “Securities Act”) or any state securities laws and, unless so registered, the Convertible Notes and any such shares may not be offered or sold in the United States, except pursuant to an exemption from the registration requirements of the Securities Act and applicable state laws.

The gross proceeds from the offering will be \$120 million. The Company expects to use the gross proceeds from this offering to finance proposed acquisitions of, or investments in, complementary businesses, products, services and technologies, to pay fees and expenses related to such proposed acquisitions and the offering, and for general corporate purposes.

Targets Potential Acquisition Candidates, including DigiCore Holdings Limited

The Company is currently engaged in negotiations with respect to several contemplated acquisitions, including the Company’s proposed acquisition of all of the issued ordinary shares of DigiCore Holdings Limited, a South African company traded on the JSE Limited stock exchange (“DigiCore”), at a proposed

purchase price of 4.00 South Africa Rand per share, or a total purchase price of approximately \$80 million. DigiCore specializes in the research, development, manufacturing, sales and marketing of telematics tools used for fleet management and consumer and enterprise-level vehicle tracking for an international client base. The Company believes that its acquisition of DigiCore would establish the Company's position as a lead player in the global asset tracking and management market, and would provide immediate top-line contribution and meaningful EBITDA contribution in 2016. More information about DigiCore is available on DigiCore's website at <http://www.ctrack.com/> and in its public filings on the JSE Limited's Stock Exchange News Service at <https://www.jse.co.za/current-companies/companies-and-financial-instruments>. Information found on, or accessible through, such websites is not a part of, and is not incorporated into, this press release.

Notwithstanding such negotiations, as of the date hereof, the parties have not entered into any binding agreements with respect to any proposed transaction. Although substantial due diligence has already been conducted and a transaction agreement is being negotiated, neither DigiCore nor the Company are under any obligation to enter into any such agreement or to continue any such discussions and negotiations. The Company cannot give any assurance that the parties will be able to reach an agreement on the terms of any proposed transaction or reach an agreement with respect to the terms and conditions to be contained in any definitive agreement. The execution of any definitive agreement would also be subject to the satisfactory completion of business, technical, financial and legal due diligence. Even if the parties are successful in entering into a definitive agreement, any transaction would be subject to a number of conditions which would need to be satisfied before such transaction could be consummated, including foreign anti-competition and other regulatory approvals, approval by the JSE Limited, approval by or acceptance of DigiCore's stockholders and the availability to the Company of sufficient funds to consummate the transaction.

This release does not constitute an offer to sell or a solicitation of an offer to buy any of the Convertible Notes or shares of the Company's common stock, nor shall there be any sale in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to the registration or qualification thereof under the securities laws of any such jurisdiction. Any offers of the securities will be made only by means of a private offering circular.

Cautionary Note Regarding Forward-Looking Statements

Certain statements in this press release may constitute “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements relate to a variety of matters, including, without limitation, statements regarding the completion, timing and size of the proposed private offering, the Company's anticipated proceeds from the offering and its use of those proceeds, including the potential acquisition of DigiCore, and other statements that are not purely statements of historical fact. These forward-looking statements are made on the basis of the current beliefs, expectations and assumptions of the management of the Company and are subject to significant risks and uncertainty. Investors are cautioned not to place undue reliance on any such forward-looking statements. All such forward-looking statements speak only as of the date they are made, and the Company undertakes no obligation to update or revise these statements, whether as a result of new information, future events or otherwise. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, these statements involve many risks and uncertainties that may cause actual results to differ materially from what may be expressed or implied in these forward-looking statements. For further discussion of risks and uncertainties that could cause actual results to differ from those expressed in these forward-looking statements, as well as risks relating to the business of the Company in general, see the risk disclosures in the Company's Annual Report on Form 10-K for the year ended December 31, 2014 and in subsequent reports on Forms 10-Q and 8-K and other filings made with the SEC by the Company.

ABOUT NOVATEL WIRELESS

Novatel Wireless, Inc. (NASDAQ: MIFI) is a leader in the design and development of M2M wireless solutions based on 3G and 4G technologies. The Company delivers Internet of Things (IoT) and Cloud SaaS services to carriers, distributors, retailers, OEMs and vertical markets worldwide. Product lines include MiFi® Mobile Hotspots, USB modems, Expedite® and Enabler embedded modules, Mobile Tracking Solutions and Asset Tracking Solutions. These innovative products provide anywhere, anytime communications solutions for consumers and enterprises. Novatel Wireless is headquartered in San Diego, California. For more information please visit www.novatelwireless.com. @MIFI

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Source: Novatel Wireless, Inc.