

Net1 provides update on Cell C and Blue Label transactions

Johannesburg, June 1, 2017 – Net 1 UEPS Technologies, Inc. (“Net1” or the “Company”) (NasdaqGS: [UEPS](#); JSE: NT1) today announced that it will continue to pursue its acquisition of a 15% interest in the issued share capital of Cell C (Pty) Ltd (“Cell C”) for a consideration of ZAR 2 billion.

Blue Label Telecoms Limited (“Blue Label”) and the Company’s subsidiary, Net1 Applied Technologies South Africa (Pty) Ltd (“Net1 SA”), have mutually agreed that Net1 SA will not subscribe for shares in Blue Label and the subscription agreement has therefore been terminated.

The Company has also been released from its ZAR 2 billion guarantee issued by FirstRand Bank Limited, acting through its Rand Merchant Bank division (“RMB”), in favour of Blue Label.

The Company continues to make substantial progress toward finalizing terms to acquire a non-controlling interest in DNI-4PL Contracts (Pty) Ltd (“DNI”), with an option to acquire a controlling stake in DNI in the future.

The proposed investments in Cell C and DNI are subject to certain conditions, including the satisfactory completion of due diligence, the required internal and external approvals and the execution of definitive transaction agreements. The Company intends to settle the purchase consideration for these two investments using a combination of surplus cash and debt. The Company does not intend to issue any shares of common stock to fund these two investments.

About Net1 (www.net1.com)

Net1 is a leading provider of alternative payment systems that leverage its Universal Electronic Payment System (“UEPS”) or utilize its proprietary mobile technologies. The Company operates market-leading payment processors in South Africa and the Republic of Korea. Through Transact24, Net1 offers debit, credit and prepaid processing and issuing services for Visa, MasterCard, ChinaUnionPay, Alipay and WeChat in China and other territories across Asia-Pacific, Europe and Africa, and the United States. Through Masterpayment, Net1 provides payment processing and enables working capital financing in Europe.

UEPS permits the Company to facilitate biometrically secure, real-time electronic transaction processing to unbanked and under-banked populations of developing economies around the world in an online or offline environment. Net1’s UEPS/EMV solution is interoperable with global EMV standards that seamlessly enable access to all the UEPS functionality in a traditional EMV environment. In addition to payments, UEPS can be used for banking, healthcare management, payroll, remittances, voting and identification.

Net1’s mobile technologies include its proprietary mobile payments solution - MVC, which offers secure mobile-based payments, as well as mobile banking and prepaid value-added services in developed and emerging countries.

Net1 has a primary listing on the NASDAQ and a secondary listing on the Johannesburg Stock Exchange.

Forward-Looking Statements

This press release contains forward-looking statements that involve substantial risks and uncertainties. All statements, other than statements of historical fact, included in this press release regarding strategy, future operations, future financial position, future revenues, projected costs, prospects, plans and objectives of management are forward-looking statements. The Company may not actually achieve the plans, intentions or expectations disclosed in its forward-looking statements. Actual results or events could differ materially from the plans, intentions and expectations disclosed in the forward-looking statements that the Company makes. Factors that might cause such differences include, but are not limited to: the proposed investments in Cell C and DNI not closing; failing to obtain the necessary debt financing; or failure by the Company to realize the anticipated benefits from these transactions; and other factors, many of which are beyond the Company's control; and other important factors included in the Company's reports filed with the Securities and Exchange Commission, particularly in the "Risk Factors" section of the Company's Annual Report on Form 10-K for the fiscal year ended June 30, 2016, as such Risk Factors may be updated from time to time in subsequent reports. The Company does not assume any obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise.

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