



## Net 1 UEPS Technologies Inc.: South African Social Security Agency Issues Request for Pre-Qualification 'RFQ'

3 August 2006

JOHANNESBURG, SOUTH AFRICA -- (MARKET WIRE) -- August 02, 2006 -- Net 1 UEPS Technologies Inc. (NASDAQ: UEPS) ("Net1") today announced that the South African Social Security Agency ("SASSA") has publicly issued a request to submit proposals to pre-qualify for the provision of payments services to social assistance grants recipients (the "RFQ"). Pursuant to the RFQ, potential bidders are invited to submit proposals to pre-qualify for the provision of a payment service to social welfare grant recipients in South Africa's nine provinces. Net1 currently performs a payment service in five of South Africa's provinces and will participate in the RFQ process. According to the RFQ, submissions of pre-qualification proposals are due by August 21, 2006 and following the evaluation of the RFQs received, SASSA will notify the parties who pre-qualify and issue a Request for Proposal ("RFP") to the pre-qualified bidders. The RFQ states that evaluation of proposals submitted in response to the RFP will be completed on November 27, 2006. There can be no assurance that the RFQ/RFP process will be completed on the announced timetable, or that Net1 will be the successful bidder for any or all of the contracts ultimately to be awarded by SASSA.

### About Net 1

Net1 provides its universal electronic payment system, or UEPS, as an alternative payment system for the unbanked and under-banked populations of developing economies. The Company believes that it is the first company worldwide to implement a system that can enable the estimated four billion people who generally have limited or no access to a bank account to enter affordably into electronic transactions with each other, government agencies, employers, merchants and other financial service providers. To accomplish this, the Company has developed and deployed the UEPS. This system uses secure smart cards that operate in real-time but offline, unlike traditional payment systems offered by major banking institutions that require immediate access through a communications network to a centralized computer. This offline capability means that users of Net1's system can enter into transactions at any time with other card holders in even the most remote areas so long as a portable offline smart card reader is available. In addition to payments and purchases, Net1's system can be used for banking, health care management, international money transfers, voting and identification.

Net1's recently acquired subsidiary, Prism, is a company focused on the development and provision of secure transaction technology, solutions and services. Prism's core competencies around secure online transaction processing, cryptography and integrated circuit card (chip/smart card) technologies are principally applied to electronic commerce transactions in the telecommunications, banking, retail, petroleum and utilities market sectors. These technologies form the cornerstones of the "trusted transactions" environment and provide us with the building blocks for developing secure end-to-end payment solutions.

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