

## **Net1 provides update on SASSA final evaluation process**

JOHANNESBURG, SOUTH AFRICA – July 16, 2007 - Net 1 UEPS Technologies, Inc. (NASDAQ: UEPS) (“Net1” or the “Company”) today announced that the South African Social Security Agency (“SASSA”) has not yet published any information as indicated in the timetable included in the request to submit proposals for the provision of payments services to social assistance grant recipients (the “RFP”).

On May 4, 2007, Net1 filed proposals for each of South Africa’s nine provinces, as well as a proposal for the entire country. According to the SASSA timetable included within the RFP, the final evaluation process was expected to be completed by July 13, 2007. The Company has not received any formal notification that the final evaluation process has been completed and will provide an update if and when such notification is provided.

There can be no assurance that the remainder of the 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 Net1 ([www.net1ueps.com](http://www.net1ueps.com))**

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.

The Company also focuses on the development and provision of secure transaction technology, solutions and services. The Company’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 of Prism Holding Limited, a South African based subsidiary of the Company, and provide the Company with the building blocks for developing secure end-to-end payment solutions.

This announcement contains forward-looking statements pursuant to the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995. These forward looking statements involve known and unknown risks, uncertainties and other factors that may cause the Company’s actual results, levels of activity, performance or

achievements to be materially different from any future results, levels of activity, performance or achievements expressed, implied or inferred by these forward-looking statements, such as the results of the SASSA tender process, implementation of the Company's Prism strategy, product demand, market and customer acceptance, the effect of economic conditions, competition, pricing, development difficulties, foreign currency risks, costs of capital, the ability to consummate and integrate acquisitions, and other risks detailed in the Company's SEC filings. The Company undertakes no obligation to revise any of these statements to reflect future circumstances or the occurrence of unanticipated events.

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