

Net1 provides further update on SASSA tender process

Johannesburg, South Africa (January 31, 2008) – Net 1 UEPS Technologies, Inc. (“Net1” or the “Company”) (Nasdaq GS:UEPS) today announced that it has received a Notice to Bidders from the South African Social Security Agency (“SASSA”) advising bidders that, due to unforeseen circumstances, the process of evaluating bidders’ proposals and finalizing the adjudication of the SASSA tender has not been completed.

Under the Request for Proposal the bidder’s proposals expire on February 9, 2008, and SASSA has requested bidders to confirm in writing, by 16:00 on February 1, 2008, that the bidders’ proposals will remain valid in all respects and that the bidders are prepared to extend the validity period of their bid proposals to March 31, 2008. Net1 has responded in writing stating that it is prepared to extend the validity period of its bid proposal to March 31, 2008.

About Net1 (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 cardholders 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, 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 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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