

SASSA provides update on Social Grants Tender in South African media

Johannesburg, April 21, 2008 – Net 1 UEPS Technologies, Inc. (NASDAQ: UEPS) (“Net1” or the “Company”) today announced that the Department of Social Development and the SA Social Security Agency (SASSA) provided an update on Social Grants Payment Tender.

The following announcement was disseminated in the South African media:

“Update on the Social Grants Payment Tender Tender 19/06/BS

The Evaluation Committee that has been processing the nine provincial tenders for the payment of social grants has completed its work.

In late 2007, the South African Social Security Agency (SASSA) published a tender: Request for Proposals for the Provision of Payment Services (referenced SASSA 19/06BS). The total value is estimated at R 7 billion per annum, over a period of three years.

This is the first time that the quest for services providers for the payment for social grants is coordinated nationally. Prior to the establishment of SASSA in April 2006, provincial Departments of Social Development were responsible and accountable for the administration and payment of social grants. All provincial departments, without exception, outsourced payment services to independent contractors in terms of provincial Tender regulations. During the period leading to the operationalisation of SASSA, it was established that there were variations in the existing payment contracts, which led to system inefficiencies and unequal and inequitable services to the poor. Hence the centralization of the process.

The solution sought is one that would ensure efficiency and effectiveness of service delivery operations, reduce cost of payment and related services, maximise the dignity of service delivery to beneficiaries, and reduce fraud, corruption and leakage

Following the completion of the evaluation process, an Adjudication Committee is in the process of being constituted, which will take over the next phase of the process. Members will comprise senior officials from the Departments of Finance, Social Development and Public Service and Administration, to be joined by an independent accountant and a representative from the legal fraternity who will chair the committee.

The adjudication committee will deliberate on the tender and make a final recommendation on the award per province to the accountable authority. The entire process is being audited by the Office of the Auditor general for compliance with the procurement prescripts. The AG’s office has already commenced auditing phase 1 of this process which involves the opening of Bids and short-listing. They will soon move to Phase 2 which is the evaluation process and thereafter complete Phase 3 which is the Bid Adjudication process.

The tender is one of the major tenders issued by Government in recent times. This has created the absolute need for government to ensure a high level of integrity and due diligence in the entire evaluation and adjudication process.

The magnitude of the Tender Evaluation Process and the public financing and pricing associated with the process has made it difficult to move with the anticipated speed. In addition, since the proposals have been submitted in a provincial-specific manner, this has necessitated a longer evaluation process.

The process is on track and the outcome will be announced as soon as the process is finalized.”

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.

Contact Ilja Graulich, Net1's vice president investor relations at:

Telephone (W): +27-11-343-2019

Telephone (M): +27-83-604-0820

E-mail: iljag@net1ueps.co.za

Or

Contact William Espley at Net1 Investor Relations at:

Telephone: 1-604-484-8750

Toll Free: 1-866-412-NET1 (6381)