

Net1 requested by SASSA to extend validity of bid proposal to October 31, 2008

Johannesburg, South Africa, September 29, 2008 – Net 1 UEPS Technologies, Inc. (NASDAQ: UEPS) (“Net1” or the “Company”) today announced that it has received Bidders’ Notice number 10 from the South African Social Security Agency (“SASSA”) advising bidders that the Bid Adjudication Committee is finalizing its report on recommendations in respect of the SASSA tender and will submit its report to SASSA’s chief executive officer by September 26, 2008 for his consideration. SASSA’s chief executive officer will be required to consider the recommendation made by the Bid Adjudication Committee and to then adjudicate the tender.

SASSA has advised all bidders that this process will not be completed by September 30, 2008, when the validity of current bid proposals will expire. Accordingly, SASSA has asked all bidders to once again extend the validity period of their bid proposals until October 31, 2008, in order to provide SASSA’s chief executive officer with sufficient time to consider the Bid Adjudication Committee’s recommendations.

Net1 has responded in writing stating that the Company is prepared to extend the validity period of its bid proposal until October 31, 2008.

“We are cautiously encouraged by the completion of both the evaluation and adjudication processes and hope that the tender can now be finalised without any further delays. I am confident that we have done all we could to offer the best possible solution to SASSA on both technological and business levels. We certainly welcome the rigorous reviews which SASSA reports have been completed by the different committees and look forward to its final findings, recommendations and awards.” said Dr. Serge C.P. Belamant, Chairman and CEO of Net1.

About Net1 (www.net1ueps.com)

Net1 provides its universal electronic payment system (“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, Net1 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.

Net1 also focuses on the development and provision of secure transaction technology, solutions and services. Its 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.

Net1 recently acquired 80.1% of BGS Smartcard System AG (“BGS”), an Austrian company, whose core business consists of developing and integrating smart card-based offline and online financial transaction systems. Since 1993, BGS has implemented tailor-made smart card-based payment solutions, focusing on emerging economies and in cooperation with banks, enterprises and government authorities. BGS is headquartered in Vienna, Austria, and has subsidiaries in India and Russia, and a branch office in the Ukraine. Distributors are located in Asia, Central and South America, the Commonwealth of Independent States and the Middle East.

Forward-Looking Statements

This announcement contains forward-looking statements that involve known and unknown risks and uncertainties. A discussion of various factors that could cause the Company's actual results, levels of activity, performance or achievements to differ materially from those expressed in such forward-looking statements are included in the Company's filings with the Securities and Exchange Commission. The Company undertakes no obligation to revise any of these statements to reflect future circumstances or the occurrence of unanticipated events.

Contact William Espley at Net1 Investor Relations at:

Telephone: 1-604-484-8750

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