

Forestry Service Latest Government Authority to Purchase VendingMisers® Online from USA Technologies

MALVERN, Pa, October 5, 2005-- USA Technologies (OTCBB: USTT) announced today the US Forestry Service in Montana is one of the latest Government institutions to purchase its product line through the GSA (General Services Administration) Advantage online shopping and ordering system.

USA Technologies reported the order from the US Forestry Service for its VendingMiser energy management solution was one of an increasing number of purchases coming in online through the GSA Advantage system.

"The US Secretary of Energy, Sam Bodman, has called on Americans to conserve energy across the country in every way possible, stating little could be done in the next six months about high price of energy and natural gas," said John McLaughlin, Vice President of Sales. "GSA Advantage makes it extremely simple and convenient for all Government agencies to purchase energy conservation technology at the lowest prices," he said.

The GSA Advantage online system allows State and Federal agencies to purchase product directly from USA Technologies at pre-approved prices without the need for checks and approvals through government purchasing departments.

"The US Forestry Service in Montana and other State and Federal customers are able to simply go to the web site, click on the GSA icon, make their selection and immediately the order is registered, the product is packed and shipped, all in the one, single process," Mr. McLaughlin said.

Using GSA Advantage, customers can go online to search for items using key words, part numbers, manufacturer names, contractor names or numbers. They can compare features, prices and delivery options; configure products and add accessories; place orders directly online; select a payment method; and view order history to track status, reorder or cancel.

The GSS is one of several Federal Government authorities to authorize USA Technologies' energy management products after the US Department of Energy authorized the Company's VendingMiser for inclusion in the Federal Energy Management Program. That authorization led to the Department of Energy recommending VendingMiser for implementation in vending machines located in Federal Government buildings worldwide.

USA Technologies estimates that there are one million vending machines located in State and Federal Government buildings. If VendingMisers were attached to all those machines, USA Technologies estimates the devices would save approximately \$100 million in electrical energy costs per year. VendingMisers have the capability to cut by up to one-half the electrical energy required to operate vending machines.

Statement under the Private Securities Litigation Reform Act:

With the exception of the historical information contained in this release, the matters described herein contain forward-looking statements that involve risk and uncertainties that may individually or mutually impact the matters herein described, including but not limited to product acceptance, the ability to continually obtained increased orders of its products, the ability to meet installation goals, economic, competitive, governmental impacts, whether its pending patents will be granted or defendable; validity of intellectual property and patents of USA, the ability of USA to license its patents, the ability of USA to commercialize its developmental products, technological and/or other factors, which could cause actual results or revenues to differ materially from those contemplated by these statements.