



Chartwell Technology

CHARTWELL APPROVES ADOPTION OF SHAREHOLDER RIGHTS PLAN AND ANNOUNCES NOTICE OF INTENTION TO MAKE NORMAL COURSE ISSUER BID

Chartwell Technology Inc.

TSX:CWH

Calgary, Alberta, Canada, January 16, 2008, Chartwell Technology Inc. (“Chartwell” or the “Corporation”) (TSX:CWH), a leading provider of gaming software systems to the online and remote gaming industry announced today that its Board of Directors has approved the adoption of a Shareholder Rights Plan (the “Plan”), subject to acceptance by the Toronto Stock Exchange (the “TSX”). The Plan, which is to be filed with the TSX as soon as practicable, is designed to ensure the fair treatment of shareholders in the event of any take-over bid or any other attempt to acquire a controlling interest in the Corporation and to give the Corporation adequate time to identify alternative value enhancing transactions.

Chartwell is not adopting the Plan in response to, or in anticipation of, any specific take-over bid for the outstanding shares of the Corporation. The Plan is similar to shareholder rights plans adopted by other Canadian corporations.

Under the terms of the Plan, one right (“Right”) will be issued by Chartwell in respect of each outstanding common share of the Corporation (“Common Share”) to the shareholders of record, as well as one Right in respect of each Common Share subsequently issued by Chartwell. The Rights issued under the Plan will only become exercisable when a person, including any party related to it, acquires or announces its intention to acquire 20% or more of the outstanding Common Shares of the Corporation without complying with the Plan’s “permitted bid” provisions. “Permitted bids” must, among other requirements more fully described in the Plan, be made to all Chartwell shareholders and must remain open for acceptance for a minimum of 60 days.

The Plan is subject to acceptance by the TSX, and is subject to ratification by Chartwell’s shareholders at the Corporation’s annual meeting of shareholders scheduled for March, 2008. If confirmed by the shareholders at that meeting, the Plan will need to be reconfirmed at Chartwell’s annual meeting in 2011.

The Plan will also be made available for viewing on the SEDAR website at www.sedar.com, once it has been filed with the TSX.

In addition, Chartwell intends to file with the TSX a notice of its intention to make a normal course issuer bid (the “NCIB”) for its Common Shares through the facilities of the TSX (the “Notice”).

Subject to TSX approval, the Notice provides that Chartwell may, during the twelve-month period commencing after TSX acceptance of the Notice, purchase on the TSX up to 1,725,000 Common Shares, being approximately 10% of the “public float” (as defined in the policies of the TSX) as at January 15, 2008. The price that Chartwell will pay for any such Common Shares will be the market price at the time of acquisition and any Common Shares purchased under the NCIB will be cancelled. The actual number of Common Shares that may be purchased and the timing of any such purchases will be determined by Chartwell. Chartwell’s previous NCIB expired on September 25, 2006; accordingly, no Common Shares have been repurchased by the Corporation in the previous 12 months.

Chartwell believes that its Common Shares currently trade in a price range that does not adequately reflect their underlying value based on Chartwell’s assets and future business prospects. As a result, depending upon future price movements and other factors, Chartwell believes that its outstanding Common Shares represent an attractive investment and a desirable use of a portion of its available funds.

A copy of the Notice may be obtained by any shareholder of Chartwell, without charge, by contacting Chartwell’s head office and will be available for reviewing on the SEDAR website at www.sedar.com.

About Chartwell

Chartwell specializes in the development of leading-edge gaming applications and entertainment content for the Internet and wireless platforms and other remote access devices. Chartwell's Java and Flash based software products and games are designed for deployment in gaming, entertainment, advertising and promotional applications. Chartwell does not participate in the online gaming business of its clients. Chartwell's team of highly trained professionals is committed to delivering the highest quality software and maintaining its leading edge through continuous development and unparalleled customer support.

Chartwell invites you to preview our company and gaming applications at www.chartwelltechnology.com

For further information, please contact:

Chartwell Technology Inc.
Alan Richter, Chief Financial Officer
(877) 261-6619 or (403) 261-6619
arichter@chartwelltechnology.com

Chartwell Technology Inc.
David Bajwa, Investor Relations
(877) 669-4180 or (604) 669-4180
info@chartwelltechnology.com

The TSX does not accept responsibility for the adequacy or accuracy of this release.

Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995: Certain statements contained herein may constitute forward-looking statements. These statements relate to future events or our future performance. All statements other than statements of historical fact may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar expressions. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. We believe that the expectations reflected in the forward-looking statements are reasonable based upon management's current views but no assurance can be given that these expectations will prove to be correct and such forward-looking statements should not be unduly relied upon. These statements speak only as of the date hereof. We do not intend, and do not assume any obligation, to update conclusions, forecasts or projections that may be contained in these forward-looking statements, whether as a result of new information, future events or otherwise. No assurance can be given that actual results, performance or achievement expressed in, or implied by these forward-looking statements will occur, or if they do, that any benefits may be derived from them. Past results have been applied in drawing a conclusion or making a forecast or projection set out in the forward-looking information.

Our actual results could differ materially from those anticipated in these forward-looking statements as a result of factors that may include, but are not limited to: the impact of government regulation, the impact of price competition, loss of business or credit risks associated with current and prospective major customers, general industry and market conditions and growth rates, currency rate fluctuations, the impact of consolidations in the online gaming industry and other risks detailed from time to time in Chartwell's Annual Information Form and Management's Discussion and Analysis, both of which may be found at www.sedar.com