



Chartwell Technology

CHARTWELL ANNOUNCES FINANCIAL RESULTS FOR THE THREE MONTHS ENDED JANUARY 31, 2007

Chartwell Technology Inc.

TSX: CWH

Calgary, Canada, March 19, 2007, Chartwell Technology Inc. (“Chartwell” or the “Company”) (TSX: CWH), a leading provider of gaming software systems and entertainment content to the online and remote gaming industry, announces unaudited financial results for the three months ended January 31, 2007.

Highlights for first quarter 2007

- new corporate revenue record for a quarter at \$5.5 million, a 24% increase from the comparable quarter in 2006
- new corporate record for license fee revenue for a quarter at \$5.3 million, a 24% increase from the comparable quarter in 2006
- Earnings per share of \$0.03 for first quarter 2007 compared to \$0.05 for the entire fiscal year 2006
- completed development and launch of European-style 32 Card Poker in Flash
- signed long standing customer Coral Eurobet to a Flash poker agreement

Three months ended January 31, 2007

Revenue for this year’s first quarter was \$5.5 million compared to \$4.4 million for the same period a year earlier. The period over period increase of 24% was from new business agreements signed in 2006 as well as revenue growth from existing clients. Net earnings for the first quarter were \$0.5 million or \$0.03 per share (basic and fully diluted); the same as the first quarter of 2006.

On a sequential basis, revenue for the first quarter of 2007 increased by 17% compared to the fourth quarter of 2006. Likewise, net earnings for the first quarter of 2007 improved by \$0.7 million compared to the fourth quarter of 2006, resulting in earnings per share of \$0.03 compared to a loss of \$0.01 a share in the fourth quarter 2006. This is the result of higher revenues and lower levels of expenses in the 2007 first quarter.

Software development and support expense, net of deferred software development costs, was \$2.5 million in the first quarter compared to \$1.8 million for the same period of fiscal 2006. Although reported expense for the year over year comparable periods reflects a 38% increase, the amount of software development costs deferred has declined. This decline in deferred software development costs increases the total software development and support expense. On a gross cost basis, the period over period increase was approximately 18%, representing primarily higher staff levels and increased poker community related costs.

Sales and marketing expenses were \$0.9 million for the three months ended January 31, 2007, compared to \$0.6 million a year earlier reflecting greater sales and marketing activity.

General and administrative (“G&A”) expense was \$1 million in the first quarter of fiscal 2007 compared to \$0.5 million a year earlier. The increase in G&A period over period was due principally to changes and additions to the executive management group together with higher regulatory and compliance costs.

Balance sheet strength

The Company continued to maintain a strong balance sheet through positive cash flow and maintaining positive working capital. At January 31, 2007 the Company had \$14.6 million of cash and short-term investments compared to \$12.7 million at October 31, 2006.

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:

**Dale Kearns, Chief Operating & Financial
Officer
(877) 261-6619 or (403) 261-6619**

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

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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, except as required by law. 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 and information provided by third party sources considered to be accurate 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: a failure to complete the business combination referred to herein, the impact of government regulation and laws affecting international operations, 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