



## Chartwell Technology Inc.

### NOTICE OF INTENTION TO INCREASE NORMAL COURSE ISSUER BID

Chartwell Technology Inc.

TSX:CWH

Calgary, Alberta, Canada, May 17, 2006, 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 it has filed with the Toronto Stock Exchange (the “TSX”) a notice of its intention to amend the terms of its normal course issuer bid (the “NCIB”) for its common shares (“Common Shares”) through the facilities of the TSX (the “Amended Notice”) in order to increase the maximum number of Common Shares that may be purchased pursuant to the NCIB by 791,854 Common Shares.

The Amended Notice provides that Chartwell may, during the twelve-month period which commenced on September 26, 2005 and will end on September 25, 2006, purchase on the TSX up to 1,761,854 Common Shares, being approximately 10% of the “public float” (as defined in the policies of the TSX) on September 21, 2005, the date that the original Notice of Intention to Make a Normal Course Issuer Bid was filed with the TSX. 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. As of May 15, 2006, 866,000 Common Shares had been purchased under the NCIB at an average price of \$3.76 per share.

Chartwell considers the filing of the Amended Notice to be in the best interests of the Corporation and its shareholders. The maximum number of Common Shares originally approved for purchase under the NCIB has nearly been reached, although the NCIB does not expire until September 25, 2006. Chartwell believes that its Common Shares currently trade in a price range that does not adequately reflect their value in relation to Chartwell’s business and future business prospects. In addition, there may be times over the next several months when Chartwell’s Common Shares may continue to trade in a price range that does not adequately reflect their value in relation to Chartwell’s business and future business prospects. As a result, depending upon future price movements and other factors, Chartwell believes that its outstanding Common Shares may represent an attractive investment and a desirable use of a portion of its available funds.

A copy of the Amended Notice may be obtained by any shareholder of Chartwell, without charge, by contacting Chartwell’s head office.

#### 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](http://www.chartwelltechnology.com)

For further information, please contact:

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*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](http://www.sedar.com)*