



Chartwell Technology

CHARTWELL ANNOUNCES FINANCIAL RESULTS FOR THE THREE AND SIX MONTHS ENDED APRIL 30, 2007

Chartwell Technology Inc.

TSX: CWH

Calgary, Canada, June 13, 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 and six months ended April 30, 2007.

Highlights for the second quarter of 2007:

- Company completes acquisition of the Poker Community Management business
- New corporate revenue record for a quarter at \$5.6 million, a 17% increase from the comparable quarter in 2006
- License fee revenue matches the corporate record set in the first quarter at \$5.3 million, a 20% increase from the comparable quarter in 2006
- Earnings per share of \$0.01 for second quarter 2007 which compares to \$0.01 in the second quarter of 2006
- Launched expanded suite of Poker variants for unique European markets

Three months ended April 30, 2007

Total revenue for this year’s second quarter was \$5.6 million compared to \$4.8 million for the same period a year earlier. License fee revenue increased 19.9% to \$5.3 million from \$4.4 million in the second quarter of 2006. This increase in license fee revenue was from new business agreements signed in 2006 as well as revenue growth from existing clients. Net earnings for the second quarter were \$0.1 million or \$0.01 per share (basic and fully diluted); the same as the second quarter of 2006.

Net earnings for the second quarter of 2007 was \$0.1 million as compared to \$0.1 million for the second quarter of 2006. Generally higher operating expenses, higher amortization charges for both tangible and intangible assets as well as a foreign exchange loss contributed to the net earnings matching the second quarter of 2006, a quarter that included \$1.0 million in bad debt expense.

EBITDA for the quarter was \$0.6 million as compared to \$0.4 million in the same quarter in 2006. Without the effect of foreign exchange, the EBITDA was \$0.9 million in the second quarter of 2007. This compares to \$0.4 million in EBITDA in the second quarter of 2006 when the effect of foreign exchange is eliminated. Sequentially, EBITDA, without the effect of foreign exchange, rose from \$0.8 million in the first quarter of 2007 to \$0.9 million in the second quarter.

Software development and support expense, net of deferred software development costs, was \$2.4 million and \$4.8 million in the three and six months ended April 30, 2007. This compared to \$1.7 million and \$3.5 million for the same periods of fiscal 2006. As the Company's Poker product matures, we are deferring less software development. As a result, the Company now amortizes more deferred software development costs than it defers. The gross cost increase was 8.1% and 13.0% for the three and six months ended April 30, 2007.

Sales and marketing expenses were \$0.7 million and \$1.6 million for the three months and six months ended April 30, 2007, compared to \$0.5 million and \$1.1 million for the same periods in 2006, as a result of greater sales and marketing activity.

General and administrative ("G&A") expense was \$1.3 million and \$2.3 million in the three and six months ended April 30, 2007 as compared to \$1.6 million and \$2.2 million in the same periods in 2006. Taking out the effect of a bad debt expense of \$1.0 million in 2006, the gross costs in G&A increased in the respective periods in 2007 over 2006. The Company experienced higher expenses due to the management of the Poker Community as well as higher expenses related to additional staff and overall inflation.

Balance sheet strength

The Company continued to maintain a strong balance sheet through positive cash flow and maintaining positive working capital. At April 30, 2007 the Company had \$13.8 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:

Alan Richter, Chief 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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“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