



Chartwell Technology

Chartwell Reiterates European Focus

Chartwell Technology Inc.

TSX:CWH

Calgary, Canada, October 3, 2006, Chartwell Technology Inc. (TSX:CWH), a leading provider of gaming software systems to the online and remote gaming industry wishes to reiterate its long-standing European market focus and the geographical diversity of its revenue sources given recent regulatory developments in the US.

On Saturday September 30th, 2006 the US Congress passed the Port Security Bill with an online gaming funding ban as an attachment. While still requiring the signature of President Bush to become law, its aim is to restrict funding of online gaming accounts of US residents by preventing banks and credit card companies from making payments to online gaming sites.

Since the inception of its online gaming software development business, Chartwell has consistently focused on building its licensing relationships with operators who target gaming friendly jurisdictions. Revenues have reflected this geographic alignment.

“Chartwell’s business and client base has always been focused on the European market”, states Darold H. Parken, President and CEO. “As such, we have positioned Chartwell to benefit from a move towards regulation in the European Union or, as in the current environment, to mitigate any significant losses in revenue as a result of US prohibition”. Mr Parken adds, “The US position on the industry has been uncertain for quite some time now and we recognized early on that the immediate growth of the industry would be in the European Union and accordingly, that was and remains our focus. Fortunately, the recent US actions shouldn’t really impact our business or our plans for the future.”

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

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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