

# CHARTWELL TECHNOLOGY INC.

## Consolidated Balance Sheets

As at April 30

(Unaudited)

	<u>2000</u>	<u>1999</u>
<b>Assets</b>		
<b>Current assets:</b>		
Cash	\$ 9,232,849	\$ 612,132
Accounts receivable	392,878	60,038
Prepaid expenses	91,694	82,564
Agreement receivable		117,287
	<u>9,717,421</u>	<u>872,021</u>
 Capital assets	 238,895	 133,161
 Deferred software development costs	 385,947	 397,310
	<u>\$ 10,342,263</u>	<u>\$ 1,402,492</u>
 <b>Liabilities and Shareholders' Equity</b>		
<b>Current liabilities:</b>		
Accounts payable and accrued liabilities	\$ 515,120	\$ 263,703
Current portion of obligations under capital lease	241,793	83,924
Current portion of deferred revenue	336,510	
	<u>1,093,423</u>	<u>347,627</u>
 Long-term debt	 44,673	 542,625
 Deferred revenue	 314,152	 93,798
 Obligations under capital lease	 17,211	 169,201
 <b>Shareholders' equity</b>		
Share capital	13,106,183	2,264,751
Deficit	(4,233,379)	(2,015,510)
	<u>8,872,804</u>	<u>249,241</u>
	<u>\$ 10,342,263</u>	<u>\$ 1,402,492</u>

# CHARTWELL TECHNOLOGY INC.

## Consolidated Statements of Loss and Deficit

For the six months ended April 30

(Unaudited)

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	<u>2000</u>	<u>1999</u>
<b>Revenue:</b>		
Software license fees	\$ 252,455	\$ 56,281
Software royalty fees	185,481	
Interest and other	26,778	17,947
	<u>464,714</u>	<u>74,228</u>
<b>Expenses:</b>		
Software	374,501	521,887
General and administrative	1,034,864	247,849
Interest	1,385	20,355
Depreciation and amortization	34,464	45,660
Amortization of deferred software development costs	54,412	54,412
	<u>1,499,626</u>	<u>890,163</u>
Net loss from continuing operations	<u>(1,034,912)</u>	<u>(815,935)</u>
Loss from discontinued oil & gas operations		(124,192)
Net loss for the period	<u>(1,034,912)</u>	<u>(940,127)</u>
Deficit, beginning of period	(3,198,467)	(1,075,383)
Deficit, end of period	<u>\$ (4,233,379)</u>	<u>\$ (2,015,510)</u>

# CHARTWELL TECHNOLOGY INC.

## Consolidated Statements of Cash Flow

For the six months ended April 30

(Unaudited)

	<u>2000</u>	<u>1999</u>
<b>Cash provided by (used in):</b>		
<b>Operations:</b>		
Net loss from continuing operations	\$ (1,034,912)	\$ (815,935)
Items not involving cash:		
Depreciation and amortization	34,464	45,660
Amortization of deferred software development costs	54,412	54,412
Cash used by operations	(946,036)	(715,863)
Change in non-cash working capital	313,859	(110,779)
	<u>(632,177)</u>	<u>(826,642)</u>
<b>Financing:</b>		
Issue of debenture for cash		500,000
Issue of shares	72,500	3,750
Issue of Special Warrants	10,075,000	
Share issue costs	(753,868)	
Repayment of lease obligations	(1,220)	(80,810)
Long-term debt	2,048	(5,223)
	<u>9,394,460</u>	<u>417,717</u>
<b>Investments:</b>		
Cash acquired on acquisition of Gateway Technology Inc.		68,285
Purchase of capital assets	(139,343)	(2,589)
	<u>(139,343)</u>	<u>65,696</u>
<b>Discontinued operations:</b>		
Operating loss		(10,795)
Proceeds on sale of oil & gas properties		127,750
		<u>116,955</u>
Increase (decrease) in cash	8,622,940	(226,274)
Cash, beginning of the period	609,909	838,406
Cash, end of the period	<u>\$ 9,232,849</u>	<u>\$ 612,132</u>