CHESAPEAKE GOLD CORP.
and
0769783 B.C. LTD.
#201 - 1512 Yew Street
Vancouver, British Columbia
V6K 3E4

January 31, 2007

American Gold Capital Corporation
Suite 1793
595 Burrard Street
Vancouver, BC
V7X 1G4

Attention: Chris Falck, President

Dear Sirs:

This letter confirms our agreement that, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the parties, the arrangement agreement made October 26, 2006 among Chesapeake Gold Corp. ("Chesapeake"), 0769783 B.C. Ltd. ("Chesapeake Subco") and American Gold Capital Corporation ("American Gold"), as amended and restated as of December 15, 2006 (the "Arrangement Agreement") be amended by deleting the references in each of section 6.1(a), section 6.2 and section 6.3 of the Arrangement Agreement to the date, "January 31, 2007" and, in each case, replacing them with the date, "February 14, 2007".

This will also confirm that, prior to the "American Gold Meeting" (as defined in the Arrangement Agreement), Chesapeake, Chesapeake Subco and American Gold jointly proposed an amendment to the "Plan of Arrangement" (as defined in the Arrangement Agreement) and jointly amended the Plan of Arrangement to change the definition of "Chesapeake Series 1 Class A Shares" to mean "the Class A, Series 1 Restricted Voting Shares of Chesapeake, which have the rights and restrictions set forth in Schedule C of the Arrangement Agreement", to refer to the correct technical description of such shares (which amendment was contained in an amended version of the Plan of Arrangement which was submitted to the American Gold Meeting and the subject of the special resolution to approve the "Arrangement" (as defined in the Arrangement Agreement) at the American Gold Meeting, which was accepted and approved by the persons voting at the American Gold Meeting, and the special resolution consented to in writing by Chesapeake, as sole holder of common shares of Chesapeake Subco, to approve the Arrangement and which was filed with the Supreme Court of British Columbia (the "Court") and attached to the "Final Order" (as defined in the Arrangement Agreement) which was made by the Court) and confirms our agreement that, to the extent that the Plan of Arrangement forms part of the Arrangement Agreement, the Arrangement Agreement was, effective January 15, 2007, amended reflecting this amendment to the Plan of Arrangement.

This will also confirm our agreement that any document delivered between the parties to the Arrangement Agreement in connection with the transactions contemplated in the Arrangement after the date hereof that refers to the Arrangement Agreement will be deemed to refer to the Arrangement Agreement as amended as described herein, whether or not such document expressly refers to this letter agreement or such amendments.

Please confirm your agreement by signing a copy of this letter and returning it to us, it being acknowledged that this letter agreement may be executed in counterparts with the same effect as if all the parties had signed the same document and all counterparts will be construed together and constitute one agreement, and that this letter agreement may be delivered by facsimile or e-mail, each of which counterpart when delivered will be deemed to be an original and all of which together will constitute one and the same letter agreement.

Yours truly,

CHESAPEAKE GOLD CORP.
Per:

"P. Randy Reifel"
P. Randy Reifel
President

and

0769783 B.C. LTD.
Per:

"P. Randy Reifel"
P. Randy Reifel
President

AGREED TO AND ACCEPTED AS OF THIS 30TH DAY OF JANUARY, 2007.

AMERICAN GOLD CAPITAL CORPORATION
Per:

"Chris Falck"
Chris Falck
President