



## PRESS RELEASE

### AMERICAN VANADIUM CLOSES PRIVATE PLACEMENT OF \$1,660,749

**December 21, 2012- AMERICAN VANADIUM CORP.** (“American Vanadium” or the “Company”) (TSX.V: AVC) (OTCQX: AVCVF) is pleased to report that it has completed its previously announced non-brokered private placement (the “Private Placement”) and has issued a total of 2,554,999 units at the price of CDN\$0.65 per unit (a “Unit”) for total gross proceeds to the Company of approximately CDN\$1,660,749.

Each Unit consists of one common share (“Common Share”) in the capital of the Company and one-half of a share purchase warrant (each whole warrant, a “Warrant”). Each Warrant will entitle the holder thereof to purchase one Common Share at the price of CDN\$1.00 each until December 19, 2013 or December 21, 2013, as applicable. All securities issued in connection with the Private Placement are subject to a four month hold period, expiring April 20, 2013 or April 22, 2013, as applicable.

The Company paid cash finder’s fees of \$90,509.98 and issued 139,245 Warrants (the “Finder’s Warrants”). Each whole Finder’s Warrant entitles the holder thereof to purchase one common share of the Company at the price of CDN\$1.00 per share until December 19, 2013 or December 21, 2013, as applicable.

The net proceeds of the Private Placement will be used for mine design, environmental permitting and general working capital.

The Private Placement is subject to final regulatory approval.

The securities have not been registered under the United States *Securities Act of 1933*, as amended, or any state securities laws and may not be offered or sold in the United States absent registration thereunder or an applicable exemption from such registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy any of the securities in the United States.

#### About American Vanadium Corp.

American Vanadium is developing the only primary vanadium mine in the United States. The Company’s Gibellini Project, located in Nevada, is being designed to economically produce vanadium products for the chemical and titanium alloying industries, as well as vanadium electrolyte for the energy storage industry.

This strategic asset gives American Vanadium the opportunity to vertically integrate into the highest value market, mass energy storage. The Company will focus on producing vanadium electrolyte, powders, crystals and oxide pellets for premium markets such as grid scale flow battery systems, chemical and pollution control applications as well as for the aerospace and defense industry.

A positive Feasibility Study and updated National Instrument 43-101 on the Gibellini Project were completed by AMEC E&C Services in 2011.

American Vanadium trades on the TSX Venture Exchange as a tier-one company under the symbol “AVC”, the OTCQX Market under the symbol “AVCVF” and the Frankfurt Stock Exchange under the symbol “OUA”.

ON BEHALF OF THE BOARD

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*Forward-Looking Statements: This press release contains “forward-looking information” within the meaning of applicable Canadian securities laws, including statements regarding the expected use of proceeds from the Private Placement, and future plans and objectives for the Gibellini Project. Such forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results, performance or achievements of American Vanadium to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information. Forward-looking information includes estimates of mine production rates and mine life, revenues from future mining operations, capital and operating costs, and pay-back period. Factors that may cause actual results to vary include, but are not limited to, actual results of current exploration activities; conclusions of economic evaluations; changes in project parameters as plans continue to be refined; future prices of vanadium; possible variations in reserves, grade or recovery rates; changes to capital and operating cost estimates; and delays in obtaining governmental approvals or financing or in the completion of development or construction activities. Although American Vanadium has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be*

*as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. American Vanadium does not undertake to update any forward-looking statements, except in accordance with applicable securities laws.*