Consolidated Financial Statements of

AMERICAN VANADIUM CORP.

(formerly Rocky Mountain Resources Corp.)

For the nine months ended November 30, 2010

(Unaudited)

Management's Comments On Unaudited Financial Statements

The accompanying unaudited interim consolidated financial statements of American Vanadium Corp. (the "Company") for the nine months ended November 30, 2010 have been prepared by management and approved by the Board of Directors of the Company. These financial statements have not been reviewed by the Company's external auditors.

AMERICAN VANADIUM CORP.
(formerly Rocky Mountain Resources Corp.)
Consolidated Balance Sheets
(Unaudited - Prepared by Management)

		November 30 2010	February 28 2010
ASSETS			
Current assets:			
Cash and cash equivalent	$	3,136,748	1,076,988
Amounts receivable		27,782	9,764
Prepaid expenses		83,868	367
Short-term investments (Note 3)		-	3,000,000
		3,248,398	4,087,119
Equipment (Note 4)		15,669	18,100
Reclamation bond		55,118	43,893
Mineral properties (Note 5)		908,051	696,833
	$	4,227,236	4,845,945
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities:			
Accounts payable and accrued liabilities	$	280,035	71,981
Income tax payable		-	499,938
		280,035	571,919
Shareholders' equity:			
Share capital (Note 6)		6,162,761	5,343,455
Contributed surplus		790,559	699,571
Deficit		(3,006,119)	(1,769,000)
		3,947,201	4,274,026
	$	4,227,236	4,845,945

See accompanying notes to consolidated financial statements.

Approved on behalf of the Board:

Signed: "William Radvak" Director

Signed: "Brian E. Bayley" Director

AMERICAN VANADIUM CORP.
(formerly Rocky Mountain Resources Corp.)
Consolidated Statements of Operations, Comprehensive Loss and Deficit
(Unaudited - Prepared by Management)

	Three months ended November 30		Nine months ended November 30	
	2010	2009	2010	2009
Mineral property expenditures (Note 5(b))	$ 858,870	6,013	1,464,842	67,428
Expenses:				
Audit and legal	14,470	14,465	42,189	29,796
Consulting	36,006	-	39,322	-
Depreciation	1,849	1,496	5,130	11,721
Investor relations	46,585	-	119,554	750
Office and sundry	23,239	7,016	41,772	18,840
Office facilities and administrative services	26,996	15,550	76,900	54,653
Salaries and benefits	53,814	488	126,690	159,977
Shareholder information	-	867	2,817	2,927
Stock-based compensation	41,418	(42,464)	103,986	10,531
Transfer agent, listing and filing fees	1,962	1,644	12,079	13,169
Travel	30,494	2,456	70,566	15,368
	276,833	1,518	641,005	317,732
Loss before other items:	(1,135,703)	(7,531)	(2,105,847)	(385,160)
Other items:				
Interest income	2,580	9	3,875	278
Foreign exchange	(65,624)	2,762	(23,156)	(6,433)
Property review costs	-	(106)	-	(806)
Gain on sale of short-term investments	-	-	888,009	-
Loss on sale of equipment	-	(16,427)	-	(20,528)
Gain on sale of mineral properties	-	3,698,630	-	3,698,630
	(63,044)	3,684,868	868,728	3,671,141
Net income (loss) before income taxes	(1,198,747)	3,677,337	(1,237,119)	3,285,981
Provision for income taxes	-	(435,000)	-	(435,000)
Net income (loss) and comprehensive income (loss) for the period	(1,198,747)	3,242,337	(1,237,119)	2,850,981
Deficit, beginning of period	(1,807,372)	(4,590,521)	(1,769,000)	(4,199,165)
Deficit, end of period	$ (3,006,119)	(1,348,184)	(3,006,119)	(1,348,184)
Basic and diluted income (loss) per share	$ (0.06)	0.19	(0.07)	0.17
Weighted average number of common shares outstanding	19,458,133	16,738,816	18,533,353	16,485,897

See accompanying notes to consolidated financial statements.

AMERICAN VANADIUM CORP.

(formerly Rocky Mountain Resources Corp.)
Consolidated Statements of Cash Flow
(Unaudited - Prepared by Management)

		Three months ended November 30		Nine months ended November 30	
		2010	2009	2010	2009
Cash provided by (used for):					
Operating activities:					
Income (loss) for the period	$	(1,198,747)	3,242,337	(1,237,119)	2,850,981
Items not involving cash					
Depreciation		1,849	1,496	5,130	11,721
Provision for income taxes		-	435,000	-	435,000
Loan interest accrued		-	(51)	-	-
Stock-based compensation		41,418	(42,464)	103,986	10,531
Gain on short-term investments		-	-	(888,009)	-
Loss on sale of equipment		-	16,427	-	20,528
Gain on sale of mineral properties		-	(3,698,630)	-	(3,698,630)
Changes in non-cash working capital balances:					
Amounts receivable		(10,008)	(36,140)	(18,018)	(33,077)
Prepaid expenses		(57,700)	3,848	(83,501)	6,746
Accounts payable and accrued liabilities		42,161	890	208,055	(190,922)
Income tax payable		(1,949)	-	(499,938)	-
		(1,182,976)	(77,287)	(2,409,414)	(587,122)
Investing activities:					
Reclamation bonds		(4,977)	2,095	(11,225)	9,037
Mineral property expenditures		(98,343)	(84,627)	(211,218)	(169,329)
Purchase of equipment		(2,699)	-	(2,699)	(2,977)
Sale of short-term investments		-	-	3,888,009	-
Sale of equipment		-	5,110	-	6,552
Sale of mineral properties		-	956,338	-	956,338
Mineral property recovery of costs		-	-	-	3,517
		(106,019)	878,916	3,662,867	803,138
Financing activities:					
Exercise of warrants and options		711,766	-	807,766	-
Loans payable		-	(75,000)	-	-
Shares issued for cash, net of costs		-	(4,622)	(1,459)	339,154
		711,766	(79,622)	806,307	339,154
Increase (decrease) in cash and cash equivalent		(577,229)	722,007	2,059,760	555,170
Cash and cash equivalent, beginning of period		3,713,977	64,695	1,076,988	231,532
Cash and cash equivalent, end of period	$	3,136,748	786,702	3,136,748	786,702
Supplementary cash flow information:					
Cash amount of payments received (made):					
Interest received	$	-	9	3,875	278
Non-cash financing and investing activities:					
Fair value of warrants transferred to share capital from contributed surplus on exercise of stock options		12,998	-	12,998	-

See accompanying notes to consolidated financial statements.

1 Name change, nature of operations and ability to continue as a going concern:

On December 24, 2010 the name of the Company was changed to American Vanadium Corp. from Rocky Mountain Resources Corp. to better reflect its business activities. American Vanadium Corp. (the "Company" or "American Vanadium") is a public company whose shares trade on the TSX Venture Exchange ("TSX-V"). Its primary focus is the acquisition and development of vanadium resource properties in Nevada.

These consolidated financial statements were prepared on a "going concern" basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. At November 30, 2010, the Company had accumulated losses of $3,006,119, had working capital of $2,968,363. It expects to incur further losses in the development of its business.

The recovery of the Company's investment in resource properties and attainment of profitable operations is dependent upon financing being arranged by the Company to continue operations, and the discovery, development and profitable sale of commercial ore reserves. There can be no assurances that adequate financing will be available on a timely basis under acceptable terms to the Company or that the resource properties will be profitably developed. These consolidated financial statements do not include any adjustments that may result from the inability to secure financing or successfully develop its mineral properties, either of which would have a material adverse effect on the Company's business, results of operations and financial position.

2 Basis of presentation:

These unaudited interim consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles for interim financial statements. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, the accompanying financial information reflects all adjustments, consisting primarily of normal and recurring adjustments considered necessary for fair presentation of the results for the interim period. Operating results for the nine months ended November 30, 2010 are not necessarily indicative of the results that may be expected for the year ending February 28, 2011.These interim consolidated financial statements follow the same accounting policies as set out in Note 3 to the audited consolidated financial statements of the Company for the year ended February 28, 2010.

New Accounting Pronouncements:

Business Combinations, Non-controlling Interest and Consolidated Financial Statements

In January 2009, the CICA issued Handbook Sections 1582 "Business Combinations", 1601 "Consolidated Financial Statements" and 1602 "Non-controlling Interests" which replace CICA Handbook Sections 1581 "Business Combinations" and 1600 "Consolidated Financial Statements". Section 1582 establishes standards for the accounting for business combinations that is equivalent to the business combination accounting standard under IFRS. Section 1582 is applicable for the Company's business combinations with acquisition dates on or after January 1, 2011. Section 1601 together with Section 1602 establishes standards for the preparation of consolidated financial statements. Section 1601 is applicable for the

Company's interim and annual consolidated financial statements for its fiscal year beginning March 1, 2011. Early adoption of these Sections is permitted and all three Sections must be adopted concurrently.

The Company does not anticipate that adoption of the above new accounting standards will have any impact on previously reported results.

International financial reporting standards ("IFRS") and the changeover plan

In February 2008, the Accounting Standards Board announced that, effective for fiscal years beginning on or after January 1, 2011, International Financial Reporting Standards ("IFRS") will replace Canadian GAAP for publicly accountable enterprises. IFRS uses a conceptual framework similar to Canadian GAAP, but there are significant differences in recognition, measurement and disclosure requirements. The Company will first report under IFRS for its May 31, 2011 consolidated interim financial statements and comparative figures, previously reported under Canadian GAAP, will be reported under IFRS.

For more details on the Company's IFRS conversion and expected significant differences between Canadian GAAP and IFRS, refer to the "Transition to International Financial Reporting Standards" heading of Management's Discussion and Analysis for the period ended November 30, 2010.

3 Short-term investments:

As at February 28, 2010, short-term investments consisted of 6,000,000 common shares of Stonegate Agricom Ltd. These shares were sold for net proceeds of $3,888,009 and the Company recorded a realized gain on sale of $888,009.

4 Equipment:

	February 28, 2010	Additions	Disposals	November 30, 2010
Field equipment				
Cost	$28,680	-	-	$28,680
Depreciation	(12,427)	(4,470)	-	(16,897)
Office equipment				
Cost	2,794	2,699	-	5,493
Depreciation	(947)	(660)	-	(1,607)
	$18,100	(2,431)	-	$15,669

5 Mineral properties:

(a) The summary of mineral property acquisition costs is as follows:

	February 28, 2010	Additions / Disposals	Recovery of costs	November30, 2010
Gibellini, Nevada, USA	$696,833	162,364	-	$859,197
Del Rio, Nevada, USA	-	39,683	-	39,683
Hot Creek, Nevada, USA	-	9,171	-	9,171
	$696,833	211,218	-	$908,051

During the period March 1, 2010 to November 30, 2010, the Company staked the following: 75 claims for the Gibellini Property, 120 claims for the Del Rio Property and 18 claims for the Hot Creek Property.

(b) The details of exploration expenditures incurred and expensed on the Company's mineral properties during the nine month period ended November 30, 2010 are as follows:

	Gibellini $	Del Rio $	Hot Creek $	Total $
Exploration expenditures:				
General	204,717	3,294	413	208,424
Property maintenance	20,995	15,792	-	36,787
Drilling	408,656	-	-	408,656
Metallurgy	121,123	-	-	121,123
Engineering	38,772	-	-	38,772
Geotechnical	12,854	-	-	12,854
Power	18,329	-	-	18,329
Water	35,022	-	-	35,022
Environmental Permitting	239,943	-	-	239,943
Exploration	73,146	32,135	-	105,281
Feasibility	239,651	-	-	239,651
	1,413,208	51,221	413	1,464,842

The details of exploration expenditures incurred and expensed on the Company's mineral properties during the nine month period ended November 30, 2009 are as follows:

	Gibellini $	Paris Foothills $	Total $
Exploration expenditures:			
Assays and analysis	789	-	789
Engineering and consulting	-	15,860	15,860
Field office and supplies	18,226	7,332	25,558
Property maintenance and taxes	14,522	-	14,522
Reproduction and drafting	-	551	551
Travel and accommodation	3,216	6,932	10,148
	36,753	30,675	67,428

6 Share capital:

(a) Authorized:
Unlimited number of common shares without par value.

(b) Issued:

	Number of Shares	Stated Amount
Balance, February 28, 2010	17,938,815	$5,343,455
Issued on exercise of warrants	1,975,666	790,267
Issued on exercise of stock options	50,000	30,498
Less: share issue costs	-	(1,459)
Balance, November 30, 2010	19,964,481	$6,162,761

(c) Share purchase options:

During the nine months ended November 30, 2010, the Company granted a total of 375,000 options with vesting periods ranging from vesting 25% each every three months from the date of grant to vesting 50% on six months and twelve months from date of grant. The options are exercisable for 5 years from date of grant.

The Company recorded a stock-based compensation expense of $103,986 for the nine months ended November 30, 2010 and will record additional expenses of $192,188 as remaining options become vested.

The weighted average assumptions used to estimate the fair value of options granted were:

Risk free interest rate	2.17%
Expected life	5 years
Volatility	98.0%
Expected dividends	Nil

The continuity of share purchase options is as follows:

Expiry Date	Exercise price	Balance, February28, 2010	Granted	Exercised/ Cancelled	Balance, November 30, 2010
February 12, 2013	$1.30	190,000	-	-	190,000
December 17. 2013	$0.40	25,000	-	-	25,000
January 21, 2015	$0.35	1,200,000	-	(50,000)	1,150,000
February26, 2015	$0.35	25,000	-	-	25,000
April 1, 2015	$0.75	-	50,000	-	50,000
August 17, 2015	$0.75	-	50,000	-	50,000
November 2, 2015	$0.70	-	275,000	-	275,000
		1,440,000	375,000	(50,000)	1,765,000
Stock options exercisable					1,397,500
Weighted average exercise price		$0.48	$0.71	$0.35	$0.53

(d) Share purchase warrants:

Warrants outstanding at November 30, 2010 are as follows:

Expiry Date	Exercise price	Balance, February 28, 2010	Exercised	Expired	Balance, November 30, 2010
October 3, 2010	$0.40	2,045,666	(1,975,666)	(70,000)	-
August 26, 2011	$0.40	1,199,999	-	-	1,199,999
		3,245,665	(1,975,666)	(70,000)	1,199,999
Weighted average exercise price		$0.40	$0.40	$0.40	$0.40

(e) Contributed surplus:

The continuity of contributed surplus is as follows:

	Number of		Amounts		
	Options	Warrants	Options	Warrants	Total
Balance, February 28, 2010	1,440,000	3,245,665	$ 695,852	$ 3,719	$ 699,571
Granted during the period	375,000	-	44,644	-	44,644
Amortized during the period	-	-	59,342	-	59,342
Exercised during the period	(50,000)	(1,975,666)	(12,998)	-	(12,998)
Expired during the period	-	(70,000)	-	-	-
Balance, November 30, 2010	1,765,000	1,199,999	$786,840	3,719	$790,559

7. Related party transactions:

Related party transactions not otherwise disclosed on these financial statements consist of:

(a) Office facilities and administrative services of $36,000 to a company with a director and two officers in common;

(b) Accounts payable to a company with a director and two officers in common of $5,413.

The above transactions were in the normal course of business and were measured at the exchange amount which is the amount agreed to by the related parties.

8. Segment disclosures:

The Company considers itself to operate in a single segment, being mineral exploration and development. Geographic information is as follows:

	Canada $	United States $	Total $
November 30, 2010:			
Net (income) loss	(295,715)	1,532,834	1,237,119
Identifiable assets	3,163,850	1,063,386	4,227,236
November 30, 2009:			
Net (income) loss	94,672	(3,380,653)	(3,475,325)
Identifiable assets	769,793	3,784,163	4,553,956

9. Financial instruments and risk management:

As at November 30, 2010, the Company's financial instruments are comprised of cash and cash equivalent, accounts payable and accrued liabilities. The fair value of cash and cash equivalent, accounts payable and accrued liabilities approximate their carrying value due to their short-term maturity.

Financial instruments measured at fair value on the balance sheet are summarized in levels of fair value hierarchy as follows:

Assets	Level 1	Level 2	Level 3	Total
Cash and cash equivalent	$3,136,748	-	-	$3,136,748
Total	$3,136,748	-	-	$3,136,748

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Currency risk

The Company is exposed to the financial risk related to the fluctuation of foreign exchange rates. The Company operates in Canada and United States. A large portion of the Company's expenses are incurred in US dollars. A significant change in the currency exchange rates between the Canadian dollar relative to the US dollar could have an effect on the Company's results of operations, financial position or cash flows. The Company has not hedged its exposure to currency fluctuations. As at November 30, 2010, the Company held the following US dollar denominated current assets and liabilities:

	US$
Cash	2,192,112
Prepaid	72,900
Accounts payable	(251,297)
Net exposure	2,013,715

Based on the above net exposure as at November 30, 2010, and assuming that all other variables remain constant, a 10% depreciation or appreciation of the Canadian dollar against the US dollar would result in an increase/decrease of approximately $201,372 in the Company's income (loss).

Credit risk

Credit risk is the risk of loss associated with counterparty's inability to fulfill its payment obligations. The Company believes it has no significant credit risk.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at November 30, 2010, the Company had a cash balance of $3,136,748 to settle current liabilities of $280,035. All of the Company's financial liabilities have contractual maturities of 30 days or due on demand and are subject to normal trade terms.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. A majority of the Company's cash is held in an account with a major Canadian bank. The interest rate paid is based on the prime rate and funds may be withdrawn at any time without penalty. The Company has no other interest-bearing financial assets or liabilities. Accordingly there is minimal interest rate risk.

Price risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

10. Capital management:

The Company's objective when managing capital is to maintain adequate levels of funding to support exploration and development of its mineral exploration projects, and to maintain corporate and administrative functions.

The Company manages its capital structure and makes adjustments to it in light of economic conditions. The Company, upon approval from its Board of Directors, will balance its overall capital structure through the issuance of common shares, the issue of debt or by undertaking other activities as deemed appropriate under the specific circumstances.

The Company is not subject to externally imposed capital requirements and the Company's overall strategy with respect to capital risk management remains unchanged from the year ended February 28, 2010.

11. Subsequent event:

On January 20, 2011 the Company announced a $4.5 million private placement consisting of 3,335,000 units at a price of $1.35 per unit (the "Offering"). Each unit will consist of one common share and one-half non-transferrable common share purchase warrant. Each whole warrant will entitle the holder to purchase one common share at a price of CDN$1.95 per common share for a period of 18 months from the date of issuance. In addition, the Company will grant the Agents an over-allotment option, exercisable at any time up to 48 hours prior to the closing of the Offering, to purchase from the Company up to an additional 15% of the units issued through the Offering, at the same price as is applicable to the Offering. The securities issued under the Offering will be subject to a four-month hold period from the date of issuance. This financing is still subject to due diligence reviews and regulatory approvals.