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PRESS RELEASE

AMERICAN VANADIUM CLOSSES FIRST TRANCHE

September 30, 2013- AMERICAN VANADIUM CORP. (“American Vanadium” or the “Company”) (TSX.V: AVC) (OTCQX: AVCVF) is pleased to report that it has closed its previously announced non-brokered private placement (the “Private Placement”). It has completed the first tranche and has issued a total of 8,130,000 units at the price of CDN\$0.50 per unit (a “Unit”) for total gross proceeds to the Company of approximately CDN\$4,065,000.

Each Unit consists of one common share in the capital of the Company (a “Common Share”), one half of one warrant exercisable at \$0.60 (“\$0.60 Warrant”) and one half of one warrant exercisable at \$0.80 (“\$0.80 Warrant”). Each whole \$0.60 Warrant entitles the holder thereof to purchase one Common Share (a “Warrant Share”) at a price of \$0.60 until March 30, 2014 and each whole \$0.80 Warrant entitles the holder thereof to purchase one Warrant Share at a price of \$0.80 until September 30, 2015.

Contemporaneously with the closing of the Private Placement, Brett Whalen, a nominee of Dundee Corporation (“Dundee”), has been appointed to serve on the Board of Directors of the Company.

The Company paid a finder’s fee of up to 6% cash and the issuance of up to 6% Warrants on 1,020,000 Units sold.

The net proceeds of the Private Placement will be used for sales and marketing activities of the CellCube vanadium redox flow batteries, mine design, environmental permitting and general working capital.

Dundee and the Company have executed a term sheet pursuant to which it is expected that Dundee shall subscribe for up to an additional 6 million Units for aggregate gross proceeds of \$3,000,000, subject to the completion of additional due diligence, definitive documentation and other conditions, including shareholders' approval of Dundee becoming a "control person"

of the Company (holding over 20% of the Company's shares) after the expected completion of the second tranche of the Private Placement.

All securities issued in connection with the Private Placement will be subject to a statutory hold period of four months plus a day from the date hereof in accordance with applicable securities laws.

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 an integrated energy storage company that markets and sells GILDEMEISTER'S CellCube vanadium redox flow batteries in North America. American Vanadium is developing the only vanadium mine in the United States, providing a critical source of vanadium electrolyte for CellCube energy storage systems. The Company's Gibellini Vanadium Project, located in Nevada, is being designed to economically produce vanadium electrolyte for the energy storage industry, as well as vanadium products for the steel and alloying industries.

ON BEHALF OF THE BOARD

Bill Radvak, President and CEO

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Forward-Looking Statements: This press release contains "forward-looking information" within the meaning of applicable Canadian securities laws, including statements with respect to obtaining shareholder approval, use of proceeds, future plans and objectives for the Gibellini Project and the energy storage business. 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, 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 estimate, delays in obtaining governmental approvals or financing or in the completion of development or construction activities. We may not have adequate capital, financing or cash flow to sustain our business or implement our business plans. Statements contemplating or making assumptions regarding actual or potential sales, market size and demand, prospective business contracts, customer orders or trends in the energy storage market constitute forward looking statements. Our actual results may differ from those indicated in forward looking statements as the energy storage and renewable energy generation business is subject to significant economic, competitive, regulatory, business and industry risks which are difficult to predict and many of which are beyond our control. Our business performance may be adversely affected by a general decline in the economy, unavailability of capital or financing for prospective customers to purchase products and services from us, competition, changes in regulations, a decline in the demand for energy storage and other risks. 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.