



PRESS RELEASE

**AMERICAN VANADIUM RECEIVES FIRST COMMERCIAL ORDER
FOR CELLCUBE™ ENERGY STORAGE SYSTEMS**

CellCubes to Power Remote Microgrid

October 3, 2014 - AMERICAN VANADIUM CORP. (“American Vanadium” or the “Company”) (TSX.V: AVC) (OTCQX: AVCVF) today announces that Newfound Energies has signed a purchase order, subject to financing, for two 30KW-130KWh CellCube vanadium flow energy storage systems for integration into a remote microgrid fuel and logistics center. This is the first purchase order American Vanadium has received as the North American agent for GILDEMEISTER energy solutions’ CellCubes.

“This marks an important milestone on our path to commercialization for the CellCube product line here in North America, which is recognized as the fastest growing segment of the global market for energy storage. We are uniquely positioned with the CellCube system and, based on our sales pipeline and the ongoing developments in our markets, we are confident this is the start of a sales program which will grow at an impressive pace,” stated Bill Radvak, President & CEO of American Vanadium. “We believe the CellCube energy storage system is the world’s only large format, commercially viable vanadium flow energy storage system. With over 100 systems installed globally and with close to five years of operating track record, it is both the first-mover and the market leader.”

“This order from Newfound Energies will enable them to switch their primary source of energy from diesel to renewables, resulting in significantly reduced diesel consumption and related costs, proving the powerful economic model for such applications. This commercial sale follows quickly on the heels of our recent deployment of a CellCube at the US Department of Energy’s National Renewable Energy Laboratory in Colorado, and precedes our upcoming flag ship roof-top installation with the Metropolitan Transportation Authority in downtown Manhattan.”

A recent, independent report from Navigant Research shows that microgrids are emerging as a global phenomenon because they offer compelling features, including the ability to isolate themselves from the utility distribution system during power outages, and to employ the use of conventional fuels as well as integrate diverse renewable energy sources. The report also notes that advanced energy storage is expected to represent the single largest investment category among microgrid enabling technologies by 2023.

“We chose the CellCube technology because of its high-capacity and long-duration capabilities,” said Gerry Skinner, President of Newfound Energies. “Our remote locations need to utilize 100% depth of discharge of the systems every day in order to reach our efficiency targets. We simply cannot hit this mark and maintain battery performance over the life of our sites with other technologies. We are looking forward to our transition away from expensive diesel, and hope for this to be the first of many of our sites to benefit from this technology.”

About American Vanadium Corp.

American Vanadium is an integrated energy storage company and the Master Sales Agent in North America for GILDEMEISTER energy solution's CellCube energy storage system. The CellCube is the world's only commercially available vanadium flow battery, providing long duration solutions over a 20+ year life for a broad range of applications including renewable energy integration and demand charge reduction. CellCube is a powerful, durable and reliable energy storage system that ensures a clean, emission-free energy supply at all times. American Vanadium is developing the Gibellini Vanadium Project in Nevada to be the only dedicated vanadium mine in the United States, providing a critical source of vanadium electrolyte for CellCube energy storage systems.

About Newfound Energies

Newfound Energies is a private company that specializes in selling, designing and installing wind and solar energy systems for off grid locations or on grid utility power locations in Newfoundland and Labrador. <http://www.labradorcoastal.com>

ON BEHALF OF THE BOARD

Bill Radvak, President and CEO

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