



NEWS RELEASE

August 11, 2011

TSX.V: AVC

AMERICAN VANADIUM SECURES WATER RIGHTS

AMERICAN VANADIUM CORP. (AVC - TSX Venture)(or the “Company”) announces that it has secured water rights for the Company’s construction and production of the Gibellini Vanadium Project, located in Nevada.

“Obtaining these water rights was a critical step towards gaining environmental permitting and completing our feasibility study which is due in this third quarter of 2011,” stated Bill Radvak, President & CEO of American Vanadium.

The water rights now under lease represent over 100% of the American Vanadium’s expected water requirement over the life of the mine. As part of the lease, the leaser will receive 50,000 shares of the Company’s common stock, subject to the approval of the TSX Venture Exchange.

About American Vanadium Corp.

American Vanadium is currently developing the Gibellini Vanadium Project, a vanadium resource located in Nevada, USA. Vanadium is a critical alloying metal used to strengthen steel and titanium; and is also growing in importance in the emerging uses of mass energy storage and next generation lithium-vanadium batteries. The Company’s Gibellini Vanadium Project is unique in its ability to have economic production of vanadium for the steel and alloying industries as well as vanadium electrolyte for the mass storage industry.

A Scoping Study and NI 43-101 have been completed by AMEC E&C Services and are available at www.sedar.com or the Company’s website www.americanvanadium.com.

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 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. 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; 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.