



AMERICAN VANADIUM

THE CRITICAL ELEMENT

PRESS RELEASE

AMERICAN VANADIUM CLOSES NON-BROKERED PRIVATE PLACEMENT

September 2, 2011 – **AMERICAN VANADIUM CORP.** (the “Company”) (TSX.V: AVC) (OTC: RMRCF.PK) is pleased to announce the completion of the non-brokered private placement (the “Offering”) previously announced on August 23, 2011. Upon closing of the Offering, 667,000 units (“Units”) were issued at a price of \$1.50 per Unit, with each Unit consisting of one common share (a “Common Share”) and one-quarter of a non-transferable common share purchase warrant (each whole warrant, a “Warrant”), for gross proceeds to the Company of \$1,000,500. Each Warrant entitles the holder thereof to purchase one Common Share at an exercise price of \$2.00 each until February 28, 2013.

All securities issued in connection with the Offering are subject to a four-month hold period, expiring January 1, 2012. The proceeds of this offering will be used to fund further development of the Company's Gibellini Vanadium Project.

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 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.

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 Offering, 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.*

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