



PRESS RELEASE

AMERICAN VANADIUM CORP. ANNOUNCES POSITIVE FEASIBILITY STUDY FOR GIBELLINI VANADIUM PROJECT

AFTER TAX IRR OF 43% AND NPV OF \$170.1 MILLION

September 12, 2011 - AMERICAN VANADIUM CORP. ("American Vanadium" or the "Company") (TSX.V: AVC) (OTC: RMRCF.PK) is pleased to announce positive Feasibility Study results for its 100% owned Gibellini Vanadium Project, located in Eureka County, Nevada. The Feasibility Study reported an after tax cash flow of \$275.7 million, an internal rate of return of 43%, net present value of \$170.1 million at a 7% discount rate and a 2.4 year payback on investment from start-up. The Feasibility Study was prepared by AMEC E&C Services, Inc. ("AMEC") of Sparks, Nevada.

All dollar values are expressed in US dollars unless otherwise noted.

Highlights of the Feasibility Study (after tax):

• Internal Rate of Return (IRR)	43%
• Net present value	\$170.1 million at 7% discount rate
• Payback	2.4 years
• Average grade	0.302% vanadium pentoxide (V ₂ O ₅)
• Strip ratio	0.22 to 1 (waste:ore)
• Mining Operating Rate	3.5 million tons per year (ore and waste)
• Average V ₂ O ₅ recovery	65.9%
• Average annual production	11.4 million pounds V ₂ O ₅
• Operating cost	\$4.10 per pound V ₂ O ₅
• Capital cost	\$95.5 million (incl. \$10.7 million contingency)
• Average V ₂ O ₅ selling price	\$10.95 per pound (Roskill Consulting Group)
• V ₂ O ₅ selling price range	\$7.68 - \$13.63 per pound (Roskill Consulting Group)

The Gibellini Project would be the only primary vanadium producing mine in the US. It has been designed to be an open pit, heap leach operation. The metallurgical testing was conducted by McClelland Laboratories, Inc. of Sparks, Nevada, under the direction of AMEC.

According to Roskill Consulting Group of London, U.K. ("Roskill") in the Vanadium Market Outlook they prepared for AMEC as part of the Feasibility Study, "In 2012, the global vanadium market is estimated to have a surplus which will start to reduce in size over the next few years. Prices in 2014 are forecast to reach \$10/lb for pentoxide, and \$45/kg for ferrovanadium, as the market prepares for a potential deficit in 2015. Although prices are forecast to increase rapidly, Roskill expects prices to remain below the record highs seen in 2005. In real \$2010 terms, vanadium prices throughout the forecast period are expected to remain below those seen in 2005. However, any issues which stop or delay vanadium reaching the market could see a deficit caused, causing prices to spike." Roskill did not include any potential vanadium demand from the flow battery or electric vehicle applications.

Mineral Reserves & Resource Information Contained in the Feasibility Study

Resource Class	Domain	Cut-off Grade (V ₂ O ₅ %)	Tons (1,000's)	V ₂ O ₅ (%)	V ₂ O ₅ (1,000 lbs)
Measured	Oxide	0.077	3,950	0.251	19,827
	Transition	0.066	3,946	0.379	29,876
Indicated	Oxide	0.077	8,009	0.219	35,046
	Transition	0.066	7,146	0.326	46,619
Total Measured and Indicated (Inclusive of Reserves)		various	23,050	0.285	131,369
Inferred	Oxide	0.077	162	0.170	551
	Transition	0.066	10	0.180	35
	Reduced	0.088	14,054	0.172	48,374
Total Inferred		various	14,226	0.172	48,960

Mineral Reserve Class	Oxidation State	Cut-off Grade (V ₂ O ₅ %)	Tons (1,000's)	V ₂ O ₅ (%)	V ₂ O ₅ (1,000 lbs)
Proven	Oxide	0.153	3,767	0.258	19,460
	Transition	0.131	3,897	0.373	29,045
Probable	Oxide	0.153	5,832	0.252	29,416
	Transition	0.131	6,473	0.329	42,594
<i>Total Proven and Probable</i>		<i>varies</i>	<i>19,969</i>	<i>0.302</i>	<i>120,515</i>

“We are pleased to be announcing such strong project economics”, said Bill Radvak, President and CEO of American Vanadium Corp. “This gives us the foundation we need to drive the development and expansion of the project. Our baseline work has not raised any material environmental issues to date and we are now moving forward with finalizing the plan of operations for review and comment by both the Bureau of Land Management and the State of Nevada. The NI 43-101 Technical Report will be available on SEDAR within 45 days”.

The Feasibility Study was prepared under the direction of Kirk Hanson of AMEC. Mr. Hanson is a “Qualified Person” for the purposes of National Instrument 43-101, and he is independent of American Vanadium. Mr. Hanson has approved the content of the news release that summarizes the results of the feasibility study.

This news release has been reviewed and approved by Alan Branham, a Director of the Company, who is a member of the American Institute of Professional Geologists (CPG#10979), is a Certified Professional Geologist, and is a “Qualified Person” for the purposes of National Instrument 43-101.

About AMEC plc

AMEC plc is a focused supplier of high-value consultancy, engineering and project management services to the world’s natural resources, nuclear, clean energy, water and environmental sectors. With annual revenues of over £2.5 billion, AMEC designs, delivers and maintains strategic and complex assets for its customers. The company employs over 21,000 people in around 40 countries worldwide.

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

For further information, please contact:

Bill Radvak, *President & CEO*

Phone: (604) 488-5417

Email: bradvak@americanvanadium.com

or

Mike Hyslop, *Director, Corporate Development*

Phone: (604) 488-8795

Email: mhyslop@americanvanadium.com

Web site: www.americanvanadium.com

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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. 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, 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; changes to capital and operating cost estimate, 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.