



## PRESS RELEASE

### AMERICAN VANADIUM CORP. ANNOUNCES NI 43-101 TECHNICAL REPORT & INCREASED RESOURCE ESTIMATE FOR THE GIBELLINI VANADIUM PROJECT

October 11, 2011 - AMERICAN VANADIUM CORP. (“American Vanadium” or the “Company”) (TSX.V: AVC) (OTC: RMRCF.PK) has released and filed its National Instrument 43-101 compliant Technical Report to support the press release of September 12, 2011 entitled ‘American Vanadium Corp. Announces Positive Feasibility Study for Gibellini Vanadium Project’.

In addition to disclosure of the results of the feasibility study on Gibellini Hill, located in the State of Nevada, the Technical Report includes a first-time mineral resource estimate for the Louie Hill deposit. The estimate adds an additional 41 million pounds of V<sub>2</sub>O<sub>5</sub> in the Inferred category at Louie Hill to the total Inferred mineral resources at Gibellini Hill that have previously been announced. The drill total for the Project now stands at over 51,000 feet of drilling from 280 drill holes, completed by both the Company and previous operators. The Inferred resource has not been included in the production schedule or financial analysis of the feasibility study.

The Company’s National Instrument 43-101 Standards of Disclosure for Mineral Projects (“NI 43-101”) Technical Report was prepared by AMEC E&C Services, Inc. (“AMEC”) of Sparks, Nevada. AMEC is independent of American Vanadium and approved the content of the press release dated September 12, 2011, summarizing the results of the Feasibility Study.

#### **Inferred Louie Hill Mineral Resource Estimate\***

*Mark Hertel, SME Registered Member  
Effective May 20, 2011*

Cut-off V <sub>2</sub> O <sub>5</sub> %	Tons (Mt)	V <sub>2</sub> O <sub>5</sub> %	V <sub>2</sub> O <sub>5</sub> (Mlb)
0.077	7.67	0.27	41.87

American Vanadium intends to conduct both in-fill drilling and further metallurgical testing on the Louie Hill deposit aiming to upgrade this resource. Additionally, significant exploration potential remains in the project area. American Vanadium’s recent geochemical survey has identified three vanadium oxide anomalies in rock and soils, each of which is being assessed for exploration.

The Technical Report is filed and available on SEDAR at [www.sedar.com](http://www.sedar.com) and on the Company’s website at [www.americanvanadium.com](http://www.americanvanadium.com).

### 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<sub>2</sub>O<sub>5</sub>)
- Strip ratio 0.22 to 1 (waste:ore)
- Mining Operating Rate 3.5 million tons per year (ore and waste)
- Average V<sub>2</sub>O<sub>5</sub> recovery 65.9%
- Average annual production 11.4 million pounds V<sub>2</sub>O<sub>5</sub>
- Operating cost \$4.10 per pound V<sub>2</sub>O<sub>5</sub>
- Capital cost \$95.5 million (incl. \$10.7 million contingency)
- Average V<sub>2</sub>O<sub>5</sub> selling price \$10.95 per pound (Roskill Consulting Group)
- V<sub>2</sub>O<sub>5</sub> price range \$7.68 - \$13.63 per pound (Roskill Consulting Group)

This press 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 as defined by National Instrument 43-101 Standards of Disclosure for Mineral Projects. Field work has been conducted by American Vanadium employees and contractors and by AMEC.

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1. The drill hole database used in developing the mineral resource estimate totaled 7,665 feet in 58 drill holes, and was closed as of 1 May 2011. Drilling was completed by the Company, and previous operator, Union Carbide
2. Block size was 25 feet x 25 feet x 20 feet. Density data were assumed using analogies to Gibellini Hill. No grade capping was utilized
3. Ordinary kriging was used as the estimation method
4. Mineral resources are constrained within a conceptual pit shell which used the following assumptions: Mining (incl. sustaining): \$2.64/t moved; Processing: \$8.90/t processed; Stockpile Rehandle: \$0.54/t processed; Sustaining: \$0.47/t processed; Closure Costs: \$0.29/t processed; Total Process: \$10.34/t processed; G&A: \$0.67/t processed; Recovery: 60% V<sub>2</sub>O<sub>5</sub>; Royalty: 2%; Cash Flow Price: \$6.5/lb V<sub>2</sub>O<sub>5</sub>; Resource Price: \$12.60/lb V<sub>2</sub>O<sub>5</sub>; Selling Cost: \$0.374/lb V<sub>2</sub>O<sub>5</sub>; Overall Pit Slope: 45°
5. Mineral Resources are reported above a 0.077% V<sub>2</sub>O<sub>5</sub> % cut-off grade
6. Mineral Resources are reported as undiluted
7. Rounding as required by reporting guidelines may result in apparent summation differences between tons, grade and contained metal content
8. Tonnage and grade measurements are in US units. Grades are reported in percentages

### 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.

About American Vanadium Corp.

American Vanadium is currently developing the Gibellini Project, a vanadium deposit 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

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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.*