



March 22, 2011

TSXV: AVC

**AMERICAN VANADIUM CORP. CLOSSES \$3.7 MILLION
PRIVATE PLACEMENT FINANCING**

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AMERICAN VANADIUM CORP. (the “Company”) (AVC:TSX-V) is pleased to announce the completion of the brokered private placement (the “Offering”) previously announced on January 20, 2011, with a syndicate of agents led by Dundee Securities Ltd. as sole bookrunner, co-led by Byron Capital Markets Ltd. and including Casimir Capital Ltd. (collectively, the “Agents”).

Upon closing of the Offering, 2,770,250 units (“Units”) were issued at a price of \$1.35 per Unit, with each Unit consisting of one common share (a “Common Share”) and one-half of one transferable common share purchase warrant (each whole warrant, a “Warrant”), for gross proceeds to the Company of \$3,739,837.50. Each Warrant entitles the holder thereof to purchase one Common Share at an exercise price of \$1.95 per Common Share until September 22, 2012.

A cash commission equal to 7% of the gross proceeds of the Offering was paid to the Agents. In addition, the Agents were issued agents’ warrants (the “Agents’ Warrants”) equal to 7% of the number of Units issued pursuant to the Offering. Each Agents’ Warrant entitles the holder thereof to purchase one Common Share at an exercise price of \$1.35 per Common Share until March 22, 2012.

All securities issued in connection with the Offering are subject to a four-month hold period, expiring July 23, 2011.

Proceeds from the sale of the Units will be used to fund additional exploration at or in close proximity to the Company’s Gibellini Vanadium Project in Nevada and for general corporate purposes.

About American Vanadium Corp.

The Company is currently developing the Gibellini Vanadium Project, a vanadium resource in the state of Nevada, USA. Vanadium is growing in importance as an alloying metal used to strengthen steel as well as the emerging uses in the mass storage of green energy for grid level applications and high performance lithium vanadium batteries for the automotive and mobile power sectors. The Company's Gibellini Project is unique in its ability to have economic production of vanadium pentoxide for the steel industry as well as vanadium electrolyte for the mass storage of energy.

ON BEHALF OF THE BOARD

"Bill Radvak"

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 proposed 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 the Company 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 the Company 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. The Company does not undertake to update any forward-looking statements, except in accordance with applicable securities laws.