



THIS NEWS RELEASE IS NOT FOR DISSEMINATION TO U.S. NEWSWIRE SERVICES FOR DISCLOSURE IN THE UNITED STATES

FOR IMMEDIATE RELEASE

May 10, 2012

VisualVault Corporation Announces Significant Closing Transactions

VisualVault Corporation Completes Acquisitions of VisualVault Technologies and Advantive Information Management, Amends Asset Purchase Agreement with Auersoft LLC, Signs Platform License and Services Agreement and Trademark License Agreement

VANCOUVER, BC May 10, 2012 – The Board of Directors of VisualVault Corporation (CNSX: VVT) (the “Company”) is pleased to announce that effective May 11, 2012, the Company will close two major acquisitions previously approved by shareholders and regulators, namely the acquisition of VisualVault Technologies Inc. and Advantive Information Management, Inc. Concurrently, VisualVault Technologies Inc and Auersoft LLC executed an amended and restated Asset Purchase and Sale Agreement, a Platform License and Services Agreement, and a Trademark License Agreement.

The acquisition of VisualVault Technologies Inc. was approved by shareholders at a meeting held on December 7, 2011. The Company will issue a total of 13,275,000 common shares in respect of this acquisition in consideration of 100% of the issued and outstanding shares of VisualVault Technologies Inc., which will, subsequent to the share exchange, become a wholly-owned subsidiary of the Company. VisualVault Technologies Inc. executed three material agreements on May 3, 2012, more particularly described below;

1. Platform License and Services Agreement: VisualVault Technologies Inc, the operating subsidiary of the Company, signed a Platform License and Services Agreement with Auersoft LLC of Mesa Arizona, wherein VisualVault Technologies Inc. has been granted certain rights of use with respect to the VisualVault products and services developed by Auersoft LLC. Significantly, this includes full and unrestricted access to the SaaS Application for automated sign up for all of VisualVault Technologies Inc.’s customers. Under its own brand, VisualVault Technologies Inc. can offer true automated SaaS services to its customers including the ability for customers to sign up and use the software without having to interface directly with Auersoft LLC, all at no additional cost. It also provides for the ability to develop, market, and sell applications (“Apps”) to be used in conjunction with the Software. The significant attribute of the license is that it will enable VisualVault Technologies, Inc. to develop its own business models completely independent of Auersoft, LLC.
2. Amended and Restated Purchase and Sale Agreement: VisualVault Technologies Inc and Auersoft LLC reached agreement with respect to amending the original agreement executed in October 2011. The purchase price of the assets remains the same, however the terms of payment and closing of the transaction have been amended by mutual agreement. The terms of purchase are now as follows;
 - i) \$300,000USD upon signing the amended agreement (paid May 3, 2012).
 - ii) \$200,000USD on or before June 30, 2012.
 - iii) \$4,500,000USD on or before November 30, 2012.
 - iv) \$586,250USD on or before December 31, 2014. The final payment is convertible into 11,725,000 common shares of the Company based upon an assumption of the obligation to pay this amount by the Company. The conversion can take effect at any time after December 31, 2013.

The overall effect of the amendment is particularly positive for the Company for the following reasons;

1. The initial down payment was reduced to \$300,000USD from \$1,000,000USD.

2. There are no default provisions in the amended agreement and no significant payment due dates after June 30, 2012, until closing, which now occurs on November 30, 2012.
 3. VisualVault Technologies Inc. has not taken on any of the operating costs of the business and will not be required to do so until November 30, 2012.
 4. Auersoft LLC has agreed to invest over \$750,000 in development of the technology and business models up to November 30th with no immediate contribution required by the Company or VisualVault Technologies Inc.
 5. Combined with the PaaS license, and its special covenants, VisualVault Technologies Inc. can focus on market development and sales under its own brand and the Company can focus on capital formation to complete the asset purchase.
3. Trademark License Agreement: The Company, separate from its wholly-owned subsidiary, VisualVault Technologies Inc., has been granted a Trademark License Agreement to use the VisualVault trademarks on a worldwide, perpetual, royalty free basis. This enables the Company to present itself corporately under the VisualVault brand from now to closing on November 30th.

Concurrent with the acquisition of VisualVault Technologies Inc., the Company will close on the previously approved acquisition of Advantive Information Management Inc. ("AIM"). The Company currently owns 10% of AIM and will issue 9,735,143 common shares to acquire the remaining 900,000 common shares of AIM. AIM will be marketing and branding many of the VisualVault products and services, and well as continuing with the development and sales of its own proprietary backup and recovery software (R2 Software) targeted at industrial manufacturing sectors worldwide. AIM will also become a wholly-owned subsidiary of the Company.

After issuance of the shares noted herein, the Company, will have 25,572,524 common shares issued and outstanding.

The Company also announces the grant of employee and directors stock options exercisable for a total of 2,557,000 shares at a price of \$.50 per share.

Shareholders wishing additional information are invited to contact the Company at 602-865-9356.

About VisualVault Corporation

VisualVault Corporation, (Vancouver, BC and Scottsdale, Arizona) provides secure document management software as a service (SaaS) and compliance cloud services used where security and integrity of unstructured data is needed and compliance requirements high. VisualVault Corporation markets the VisualVault™ platform under its Advantive Information Management (AIM) brand. The product is unique in its ability to meet the needs of a wide range of vertical markets including health care, securities regulation, manufacturing and government.

The Company intends to build upon current tier-one customers both within North America and internationally.

VisualVault Corporation obtained shareholder approval in December 2011 to acquire 100% of VisualVault Technologies Inc. and with it, the assets of Auersoft LLC of Mesa, Arizona.

For more information please contact Brian Cameron, Chief Financial Officer of VisualVault Corporation, at 602-865-9356 or by e-mail at Brian.Cameron@VisualVault.com

The forward-looking information contained in this press release is made as of the date of this press release and except as required by applicable law, the company does not undertake any obligation to update publicly or to revise any of the included forward-looking information, whether as a result of new information, future events or otherwise. By its very nature, such forward-looking information requires the company to make assumptions that may not materialize or that may not be accurate. This forward-looking information is subject to known and unknown risks and uncertainties and other factors, which may cause actual results, levels of activity and achievements to differ materially from those expressed or implied by such information. Neither the Canadian National Stock Exchange nor its regulation services provider (as

that term is defined in the policies of the Canadian National Stock Exchange) accepts responsibility for the adequacy or accuracy of this release.