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**FOR IMMEDIATE RELEASE**

**August 24, 2012**

**VisualVault Corporation Announces \$500,000 Private Placement of 8% Convertible Promissory Notes**

***VisualVault Corporation Closes \$500,000 Private Placement of Convertible Debt***

VANCOUVER, BC August 24, 2012- The Board of Directors of VisualVault Corporation (the "Company") is pleased to announce that effective August 20, 2012, the Company has successfully secured subscriptions to and commitments for a total \$500,000 private placement of convertible promissory notes.

Subscriptions have been sold to accredited investors only in increments of \$5,000 notes, each bearing interest at the rate of 8% per annum. The notes will mature on August 20, 2017. Interest will be accrued and paid quarterly. The notes are also convertible into Units consisting of common shares and warrants to purchase additional shares of the Company's common stock. Each Unit will consist of one common share and one share purchase warrant converted at a price of \$.50 per share. The warrants issued as a result of conversion will be exercisable at a price of \$.55 per share up to and including August 20, 2013.

In addition, subscribers to the offering will receive a Subscriber's Bonus of 2,000 common shares for each \$5,000 promissory note increment.

The Company maintains the right to redeem the notes at any time after August 20, 2013. The notes will not be listed on the Canadian National Stock Exchange.

Proceeds from the offering will be utilized for general working capital and to make periodic payments to Auersoft LLC in accordance with the Amended and Restated Asset Purchase Agreement.

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 are 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](mailto: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.*