

For Immediate Release

**NORTHERN FINANCIAL CORPORATION
(TSX: NFC)**

**NORTHERN FINANCIAL REPORTS SECOND QUARTER OF FISCAL 2012
RESULTS**

TORONTO, ONTARIO, November 14, 2011 – Northern Financial Corporation (TSX: NFC) ("Northern" or the "Company") today reported results for its second quarter ended September 30, 2011, of its fiscal 2012 year.

For the three months ended September 30, 2011, the Company reported a loss of \$2,045,030, compared to a loss of \$441,773 in the prior year. Included in the net loss was a non-cash loss of \$663,681 representing the Company's share of the loss of Jaguar Financial Corporation ("Jaguar"), compared to a loss of \$33,364 in the prior year. Due to the decline in Canadian stock markets in the quarter, the net loss also included a negative, non-cash net valuation adjustment of \$761,247 on the Company's broker warrant portfolio.

Total revenue for the Company decreased from \$2,752,907 in the prior year to \$1,475,937 in the quarter ended September 30, 2011, while expenses were reduced from \$3,126,250 to \$2,857,286. Despite the loss reported for the quarter, the Company used only \$129,837 of cash in its operations for the quarter.

For the six months ended September 30, 2011, the Company's net loss was \$2,629,903 compared to a loss of \$1,505,804 in the prior year. Revenue decreased to \$3,142,805 from \$4,211,215 while expenses decreased to \$5,442,414 from \$5,864,418. The Company's non-cash share of the loss of Jaguar was \$330,294, compared to earnings of \$182,364 in the prior year. The net loss also included a negative, non-cash net valuation adjustment of \$1,015,470 on the Company's broker warrant portfolio.

The Company's wholly owned subsidiary, Northern Securities Inc. ("Northern Securities") reported a loss of \$96,485 in the three months ended September 30, 2011, and a loss of \$159,701 for the six months ended September 30, 2011, compared to net income of \$90,690 and a loss of \$70,754 in the corresponding periods in the prior year.

The Company's results are directly affected by ongoing turbulent economic conditions. While the recent United States debt ceiling crisis appears to have abated, fears of Europe's debt crisis primarily as it relates to Greece's potential euro debt default and Italy's stagnant economy and bulging euro debt have brought new fears to the global economic climate. Global stock markets continue to experience extreme volatility. Capital markets environment, credit markets and the economy continue to be extremely fragile and unpredictable resulting in the S&P/TSX Composite Index declining 6% from March 31, 2011 to June 30, 2011, with a further decline of 13% to September 30, 2011.

The S&P/TSX Venture Composite Index declined 17% and 23% over the same periods. Issuers held off coming to market and retail investors took to the sidelines. Conditions therefore remained extremely difficult for the Company.

Northern Financial Corporation wholly owns Northern Securities Inc., a full service investment dealer that provides financial advisory services to retail and institutional clients and investment banking services to small capitalization companies.

FOR FURTHER INFORMATION PLEASE CONTACT:

Ann Krallisch
Director, Business Development
Northern Securities Inc.
(416) 644-8113
Fax: (416) 644-0270
e-mail: akrallisch@northernsi.com