

For Immediate Release

NORTHERN FINANCIAL CORPORATION (TSX-V: NFC)

NORTHERN FINANCIAL ANNOUNCES PROPOSED PRIVATE PLACEMENT

Toronto, June 28, 2012 – Northern Financial Corporation (TSX-V: NFC) (“Northern” or the “Company”) is pleased to announce a proposed private placement of up to 8,000,000 common shares at a price per share of \$0.05 for gross proceeds of up to \$400,000. All common shares issued pursuant to the Private Placement will be subject to a four-month hold pursuant to applicable securities legislation. The private placement is expected to close on June 29, 2012, and is subject to regulatory approval.

The Company intends to use the proceeds of the private placement for its general working capital and investment in Northern Securities Inc, the Company’s wholly owned subsidiary.

Northern anticipates that insiders may subscribe for greater than 25% of the private placement. The issuance of common shares to insiders pursuant to the private placement is considered to be a related party transaction subject to TSX Venture Exchange Policy 5.9 and Multilateral Instrument 61-101. The Company intends to rely on exemptions from the formal valuation and minority shareholder approval requirements provided under sections 5.5(a) and 5.7(a) of Multilateral Instrument 61-101 on the basis that the fair market value of the relevant consideration is not more than 25% of the Company’s market capitalization.

About Northern Financial Corporation

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.

The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this news release. This press release may contain forward-looking statements with respect to the Company, its operations, strategy, financial performance and condition. These statements generally can be identified by use of forward looking words such as “may”, “will”, “expect”, “estimate”, “anticipate”, “intends”, “believe” or “continue” or the negative thereof or similar variations. The actual results and performance of the Company discussed herein could differ materially from those expressed or implied by such statements. Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations. Important factors that could cause actual results to differ materially from expectations include, among other things, general economic and market factors, competition, changes in government regulations and the factors described under “Risk Factors” in the Management’s Discussion and Analysis and Filing Statement of the Company which are available at www.sedar.com. The cautionary statements qualify all forward-looking statements attributable to the Company and persons acting on their behalf. Unless otherwise stated, all forward-looking statements speak only as of the date of this press release and the Company has no obligation to update such statements.

FOR FURTHER INFORMATION PLEASE CONTACT:

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