

For Immediate Release

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

NORTHERN FINANCIAL ANNOUNCES CLOSING OF PRIVATE PLACEMENT

Toronto, June 29, 2012 – Northern Financial Corporation (TSX-V: NFC) (“Northern” or the “Company”) today announced that the Company has closed a non-brokered private placement. The private placement consists of 4,000,000 common shares at a price of \$0.05 per common share for gross proceeds of \$200,000. The issue price represents a premium of 43% to the closing price of the common shares on the TSX Venture Exchange on June 28, 2012.

In accordance with applicable securities legislation, the common shares issued will be subject to a hold period of four months plus one day from the date of closing, expiring October 30, 2012.

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.

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:

Vic Alboini
Chairman and CEO
(416) 644-8110