

REPORT PURSUANT TO NATIONAL INSTRUMENT 62-103

A. The name and address of the offeror:

Vic Alboini
145 King Street West, Suite 2020
Toronto, Ontario
M5H 2Y4

B. The designation and number or principal amount of securities and the offeror's securityholding percentage in the class of securities of which the offeror acquired ownership or control in the transaction or occurrence giving rise to the obligation to file the news release, and whether it was ownership or control that was acquired in those circumstances:

On June 29, 2012, Mr. Alboini purchased 2,000,000 common shares of Northern Financial Corporation ("Northern") by way of a private placement treasury issuance undertaken by Northern. After acquiring the common shares, Mr. Alboini, Chairman and Chief Executive Officer of Northern, owns or has control or direction over 9,340,236 common shares representing approximately 25.5% of the total issued common shares of Northern. In addition, Mr. Alboini has vested options to acquire 50,000 treasury common shares of Northern.

A copy of the press release issued on July 11, 2012, is attached hereto as Schedule "A".

C. The designation and number or principal amount of securities and the offeror's securityholding percentage in the class of securities immediately after the transaction or occurrence giving rise to obligation to file the news release:

The Offeror owns or exercises control or direction over an aggregate of 9,340,236 common shares of Northern, representing approximately 25.5% of the issued and outstanding common shares of Northern. In addition, Mr. Alboini has vested options to acquire 50,000 treasury common shares of Northern.

D. The designation and number of principal amount of securities and the percentage of outstanding securities of the class of securities referred to in paragraph (c) over which

(i) the offeror, either alone or together with any joint actors, has ownership and control:

Nil

(ii) the offeror, either alone or together with any joint actors, has ownership but control is held by other persons or companies other than the offeror or any joint actor:

Nil

(iii) the offeror, either alone or together with any joint actors, has exclusive or shared control but does not have ownership:

Nil

E. The name of the market in which the transaction or occurrence that gave rise to the news release took place:

The common shares were issued to Mr. Alboini by Northern from treasury.

F. The purpose of the offeror and any joint actors in effecting the transaction or occurrence that gave rise to the news release, including any future intention to acquire ownership of, or control over, additional securities of the reporting issuer:

The common shares of Northern were issued to Mr. Alboini from treasury pursuant to a private placement by Northern as described in Northern's press release dated June 28, 2012, Mr. Alboini may, directly or indirectly, depending on market and other conditions, acquire beneficial ownership of, control or direction over, additional common shares of Northern, through market transactions, private agreements or otherwise, in accordance with applicable securities legislation. Mr. Alboini may, depending on market and other conditions, sell any or all of the common shares.

G. The general nature and the material terms of any agreement, other than lending arrangements, with respect to securities of the reporting issuer entered into by the offeror, or any joint actor, and the issuer of the securities or any other entity in connection with the transaction or occurrence giving rise to the news release, including agreements with respect to the acquisition, holding, disposition or voting of any of the securities:

Not applicable.

H. The names of any joint actors in connection with the disclosure required by this Form:

Not applicable.

I. In the case of a transaction or occurrence that did not take place on a stock exchange or other market that represents a published market for the securities, including an issuance from treasury, the nature and value of the consideration paid by the offeror:

The common shares were acquired by Mr. Alboini for cash at a price of \$0.05 per common share. The common shares have a four-month hold period pursuant to applicable securities laws.

J. If applicable, a description of any change in any material fact set out in a previous report by the offeror under the early warning requirements or Part 4 of National Instrument 62-103 in respect of the reporting issuer's securities:

Not applicable.

DATED this 11th day of July, 2012.

NORTHERN FINANCIAL CORPORATION

Per: "Vic Alboini"
Vic Alboini
Chairman and Chief Executive Officer

Schedule “A”

For Immediate Release

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

CHAIRMAN AND CEO ACQUIRES ADDITIONAL COMMON SHARES OF NORTHERN

Toronto, Canada, July 11, 2012 – Northern Financial Corporation (“Northern” or the “Company”) (TSX-V:NFC) announced the acquisition of 2,000,000 common shares of Northern (TSX-V: NFC) on June 29, 2012, by Mr. Vic Alboini, Chairman and Chief Executive Officer of Northern under Northern’s previously announced private placement.

Mr. Alboini acquired 2,000,000 common shares of Northern, representing approximately 5.5% of Northern’s total issued shares. Prior to the transaction, Mr. Alboini owned 7,340,236 common shares representing approximately 22.5% of the then issued and outstanding common shares.

Mr. Alboini owns or has control or direction over 9,340,236 common shares representing approximately 25.5% of the issued and outstanding Common Shares.

The common shares were issued to Mr. Alboini under a private placement of common shares by Northern previously announced on June 28, 2012, at a cost of \$0.05 per common share. Mr. Alboini may, directly or indirectly, depending on market and other conditions, acquire beneficial ownership of, control or direction over, additional common shares, through market transactions, private agreements or otherwise. Mr. Alboini may, depending on market and other conditions, sell any or all of the common shares.

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