

**For Immediate Release**

**NORTHERN FINANCIAL CORPORATION**

**(TSX-V: NFC)**

**NORTHERN ANNOUNCES CLOSING OF REMAINDER OF PRIVATE PLACEMENT**

TORONTO, August 7, 2012, – Northern Financial Corporation ("Northern" or the "Company") (TSX-V:NFC) announces that it has closed the remaining portion of the second tranche of the previously announced private placement with the release of 2,000,000 common shares that had previously been issued and held in escrow. This completes the non-brokered private placement.

**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](http://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:

Vic Alboini  
Chairman and CEO  
(416) 644-8110