

FORM 51-102F3
MATERIAL CHANGE REPORT

ITEM 1. Reporting Issuer

Northern Financial Corporation (“Northern”)
Suite 2020
145 King St. West
Toronto, ON M5H 1J8

ITEM 2. Date of Material Change

March 19, 2013.

ITEM 3. Press Releases

Press release in the form of Schedule A attached hereto was disseminated on March 19, 2013, via Filing Services Canada news service.

ITEM 4. Summary of Material Change

Northern has announced that its wholly-owned subsidiary, Northern Securities Inc. (“NSI”), has entered into a settlement agreement with IIROC Staff regarding certain allegations by IIROC Staff concerning NSI’s risk adjusted capital and financial controls. The settlement agreement was today approved by an IIROC Hearing Panel.

Under the terms of the settlement agreement, NSI’s IIROC membership is immediately suspended. NSI will immediately cease dealing with the public as a Dealer Member. Upon satisfying certain conditions, following six months after the date of the settlement agreement, either IIROC Staff or NSI may apply to an IIROC Hearing Panel to terminate NSI’s IIROC membership.

ITEM 5. Full Description of Material Change

See Schedule A attached.

ITEM 6. Reliance on subsection 7.1(2) of National Instrument 51-102

Not applicable.

ITEM 7. Omitted Information

Not applicable.

ITEM 8. Executive Officer

For additional information on this material change report or related press release, please contact:

Vic Alboini
Chairman & Chief Executive Officer
Northern Financial Corporation
T: 416.644.8110
valboini@northernnsi.com

ITEM 9. Date of Report

This report is dated this 21st day of March, 2013.

Schedule A



NORTHERN FINANCIAL REPORTS ON APPROVED SETTLEMENT BETWEEN IIROC STAFF AND NORTHERN SECURITIES

TORONTO, ONTARIO, March 19, 2013 – Northern Financial Corporation (TSX-V: NFC) (“**Northern Financial**” or the “**Company**”) announced that its wholly-owned subsidiary, Northern Securities Inc. (“**NSI**”), entered into a settlement agreement with IIROC Staff regarding certain allegations by IIROC Staff concerning NSI’s risk adjusted capital and financial controls. The settlement agreement was today approved by an IIROC Hearing Panel.

Under the terms of the settlement agreement, NSI’s IIROC membership is immediately suspended. NSI will immediately cease dealing with the public as a Dealer Member. Upon satisfying certain conditions, following six months after the date of the settlement agreement, either IIROC Staff or NSI may apply to an IIROC Hearing Panel to terminate NSI’s IIROC membership.

About Northern Financial Corporation

Northern Financial Corporation is a financial advisory firm and merchant bank, with a specialization in mergers and acquisitions, merchant banking investments, risk arbitrage merger and acquisition investments, financial restructurings, proxy solicitation and information agent services.

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:

Craig Rogers
416 644-8187