

**For Immediate Release**

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

**NORTHERN SECURITIES REPORTS THIRD QUARTER OF FISCAL 2011 PROFIT OF \$456,000**

TORONTO, ONTARIO, February 14, 2011 – Northern Financial Corporation (TSX: NFC) ("Northern Financial") today announced a profit of \$456,266 in its wholly owned subsidiary, Northern Securities Inc. ("Northern Securities") for the third quarter ended December 31 of its fiscal year ending March 31, 2011. The third quarter profit is an improvement from a profit of \$45,749 in the same period in the prior fiscal year. Revenue in the second quarter for Northern Securities was \$3,489,807.

Northern Securities reported net income of \$385,511 for the nine months ended December 31, 2010, compared to a loss of \$292,941 in the prior year.

Northern Securities is focused on maintaining and enhancing profitability. Northern Securities supports small cap and mid cap companies in raising capital, providing merger and acquisition advisory services, providing research coverage, marketing companies to institutional investors, and providing market liquidity in the shares of such companies.

Northern Financial, the parent company of Northern Securities, reported net income of \$163,864 for its third quarter ended December 31, 2010, in its 2011 fiscal year, compared to a loss of \$1,004,567 in the prior year. Included in net income was a loss of \$44,159 representing the Company's share of the loss of its associated company, Jaguar Financial Corporation ("Jaguar"), compared to a loss of \$178,618 in the prior year.

Total revenue for Northern Financial increased to \$4,028,244 in the quarter ended December 31, 2010, compared to \$2,352,303 in the prior year. Total expenses for the quarter ended December 31, 2010, were \$3,820,221 compared with expenses of \$3,178,252 in the prior year.

For the nine months ended December 31, 2010, Northern Financial's net loss was \$1,341,940 compared to a loss of \$1,746,119 in the prior year. Revenue increased to \$7,995,479 from \$7,872,262 while expenses decreased to \$9,440,658 from \$9,507,669. Northern Financial's share of the earnings of Jaguar was \$138,205, compared to a loss \$110,712 in the prior year.

Vic Alboini, Chairman and Chief Executive Officer of Northern Financial stated: "Our business in our Capital Markets Group and Private Client Group was quite good in the third quarter, driven both by long standing clients and new clients. Our good pipeline of business has continued in the fourth quarter ending March 31, 2011."

**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 Toronto Stock 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.*

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