



For Immediate Release

NORTHERN FINANCIAL CORPORATION

(TSX: NFC)

NORTHERN ANNOUNCES PRICING OF COMMON SHARE OFFERING

TORONTO, ONTARIO, February 28, 2011 – Northern Financial Corporation (TSX: NFC) (“Northern” or the “Company”) is pleased to announce that it has obtained a receipt for its final short-form prospectus filed with the securities regulatory authorities in each of the provinces of Canada, other than Quebec, Prince Edward Island and Newfoundland, and has entered into an agency agreement for its offering of a minimum of 6,666,667 and a maximum of 16,666,667 common shares (“Common Shares”) of the Company (the “Offering”) at a price of \$0.30 per Common Share. The minimum Offering will generate gross proceeds of \$2,000,000 and the maximum Offering will generate gross proceeds of \$5,000,000. The Offering is scheduled to close on or about March 15, 2011, subject to customary closing conditions.

The prospectus also qualifies the distribution of up to 7,633,333 Common Shares at a deemed issue price of \$0.30 for the purposes of retiring up to \$2,290,000 of outstanding indebtedness. Northern will retire an aggregate of \$2,855,000 of debentures through the issuance of 3,756,666 common shares and cash payments totalling \$1,728,000. After completion of the Offering, Northern will have no debt outstanding other than its bank debt of approximately \$300,000.

The syndicate for the Offering includes Northern Securities Inc. and Byron Capital Markets Ltd. (the “Agents”). The Company has granted to the Agents an over-allotment option, exercisable for a period of 30 days from the date of closing of the Offering, to purchase up to an additional 2,500,000 Common Shares at the Offering price of \$0.30 per Common Share to cover over-allotments, if any. If the overallotment option is exercised in full, gross proceeds of the Offering will be \$5,750,000.00.

Northern currently has 14,087,623 common shares issued and outstanding and will have approximately 25,000,000 common shares issued and outstanding after completion of the minimum Offering and retirement of the debentures.

A copy of Northern’s final prospectus will be available at www.sedar.com.

On February 24, 2011, the Company met with the Continued Listing Committee of the Toronto Stock Exchange (“TSX”) to request an extension of the TSX’s delisting review period. The Company understands that the review period will be extended for an additional 30 days until April 1, 2011 by the TSX.

The securities offered have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”) or any U.S. state securities laws and may not be offered or sold in the United States or to United States persons absent registration or any applicable exemption from the registration requirement of the U.S. Securities Act and applicable U.S. state securities laws. This press release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

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. 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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