



For Immediate Release

NORTHERN FINANCIAL CORPORATION

(TSX: NFC)

**NORTHERN ANNOUNCES RECEIPT OF FUNDS BY NORTHERN SECURITIES
RESULTING FROM COURT JUDGMENT**

TORONTO, ONTARIO, July 22, 2011 – Northern Financial Corporation (TSX: NFC) (“Northern” or the “Company”) announced that Northern Securities Inc. (“Northern Securities”), the Company’s wholly owned subsidiary, today received from Zaruma Resources Inc. (“Zaruma”) the funds payable to Northern Securities under a judgment in its favour issued by the Ontario Superior Court of Justice, as announced in Northern’s press release dated December 21, 2010. The court ordered Zaruma to pay Northern Securities damages in the amount of US\$440,000 plus interest and costs.

The amounts received by Northern Securities today were US\$472,718.93 and C\$75,414.68.

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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