



Northern Graphite To Provide Large Flake Graphite for Graphene Research

Enters into cooperation agreement to develop intellectual property

February 1, 2012 – Northern Graphite Corporation (**NGC:TSX-V, NGPHF:OTCQX**) is pleased to announce that it has agreed to supply its +48 mesh and +32 mesh extra large flake graphite to Grafen Chemical Industries for graphene research and has also agreed to enter into a cooperation agreement to develop intellectual property rights. Northern will retain a 50% interest in the North American patent rights to any products and processes developed by Grafen.

Grafen has developed a novel fabrication method allowing it to synthesize graphene of excellent quality and with considerable yield. Its graphene production process is a highly modified implementation of the conventional graphite oxide manufacturing technique and eliminates known major drawbacks such as extreme disruption of crystal structure of precursor graphite causing low product qualities of electrical conductivity, mechanical performance etc.

Grafen is testing its process at the lab/pilot plant scale level and is optimizing and improving the process by employing different raw materials and formulations. Grafen recognizes that Northern's +32 and +48 mesh large flake, high carbon graphite will be an excellent choice for large area graphene preparation and intends to adapt them to its process. In a near future Grafen plans to scale-up its graphene production process to provide products to the research industry that will eventually lead to commercial scale production.

Northern has already had graphene made using large flake graphite from the Company's Bissett Creek project in Northern Ontario, (see July, 2011 Press Release), by an eminent professor in the field at the Chinese Academy of Sciences who is doing research making graphene sheets larger than 30cm² in size using the graphene oxide methodology. The tests indicated that graphene made from Northern's jumbo flake is superior to Chinese powder and large flake graphite in terms of size, higher electrical conductivity, lower resistance and greater transparency.

About Graphene

Graphite is one of only two naturally occurring forms of carbon, the other being diamonds. A graphite flake is much like a deck of cards, it consists of many thin layers stacked one on top of the other with weak bonds holding them together. Delaminating these layers to the lowest common denominator results in a one atom thick sheet of carbon with the carbon atoms arranged in a honeycomb pattern. This is graphene.

Graphene was first isolated by scientists at the University of Manchester who won the Noble Prize for Physics in 2010 for their efforts. Graphene is transparent in infra-red and visible light, flexible, and stronger than steel. It conducts heat 10 times faster than copper and can carry 1,000 times the density of electrical current of copper wire. Graphene is expected to be a revolutionary material that could change the technology of semi conductors and LCD touch screens and monitors, create super small transistors and super dense data storage, increase energy storage and solar cell efficiency, and will transform many other applications.

According to a professor at Georgia Tech University, there are nearly 200 companies, including Intel and IBM, currently involved in graphene research. In 2010 graphene was the subject of approximately 3,000 research papers and the European Union and South Korea have each recently started \$1.5 billion efforts to build

industrial scale, next generation display materials using graphene as a substitute for indium tin oxide("ITO"). The world has only 5-10 years of ITO reserves remaining and prices exceed US\$700,000 per tonne.

About Grafen Chemical Industries

Grafen Chemical Industries is an advanced materials engineering, research, supply and manufacturing company that is involved in adhesives, engineered polymers, functional chemicals and nanomaterials. Grafen has developed a novel process for the production of graphene nanoplatelets and it is a leading supplier of carbon nanotubes, fullerenes which will be used in the next generation of solar cells, natural clay based nanomaterials that are widely used in the packaging and automotive plastic industries, and it manufactures and supplies the most widely used nanoclay, metals and ceramic nanoparticles.

About Northern Graphite Corporation

Northern Graphite Corporation is a Canadian company that has a 100% interest in the Bissett Creek graphite project, located 17kms from the Trans Canada highway between Ottawa and North Bay, Ontario.

Graphite prices have increased substantially due to the ongoing modernization of China and other emerging economies which has resulted in strong demand from traditional steel and automotive markets. In addition, new applications such as lithium ion batteries, vanadium redox batteries, fuel cells and nuclear power have the potential to create significant incremental demand growth. It takes 20 to 30 times as much graphite as lithium to make a Li ion battery and their use in the growing EV/HEV market is expected to require significant increases in graphite production. However, graphite production and exports from China, which produces 70% of the world's supply, are expected to decline and an export tax and a licensing system have been instituted. Both the European Union and the United States have declared graphite a supply critical mineral.

Northern Graphite is well positioned to benefit from this compelling supply/demand dynamic. It expects to complete a bankable Final Feasibility Study and full permitting in the first half of 2012 at which point it can begin construction, subject to financing. Additional information on Northern Graphite Corporation can be found under the Company's profile on SEDAR at www.sedar.com and on the Company's website at www.northerngraphite.com.

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