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## **Northern Graphite Reports Positive Drill Results From Bissett Creek Project**

### ***50 of 51 Drill Holes Intersect Significant Graphite Mineralization***

**May 17, 2011** – Northern Graphite Corporation (**NGC:TSX-V**) is pleased to announce the results of a 51 hole, 2,927 meter drilling program on its Bissett Creek graphite project. All 51 holes intersected widespread graphite mineralization, with 50 of the 51 holes containing widths and graphitic carbon (“Cg”) grades similar to those within the current resource model. As a result, the deposit has been significantly enlarged and remains open along strike to the north and south, and down dip to the east.

The objectives of the program were to confirm the results of historical drilling, upgrade some of the existing inferred resources to indicated, expand the resource, and demonstrate the potential to significantly increase production in the future if warranted by graphite demand.

Gregory Bowes, Chief Executive Officer, commented that “The recent drill program met or exceeded all expectations. We have demonstrated that large flake, high purity graphite mineralization exists near surface in an area that is now over one square kilometer in size and it remains open. We believe future production could be scaled to much higher levels to meet anticipated demand from Li ion batteries and other rapidly growing applications.”

Holes BC 10-01 to BC 10-12 were largely designed to extend the proposed open pit to the south and east and intersected 15m grading 2.69% Cg and 23m grading 2.62% Cg in hole BC 10-04; 22.2m grading 2.97% Cg in hole BC 10-05; 24m grading 2.43% Cg in hole BC 10-09; 33.4m grading 2.87% Cg in hole BC 10-10; and 14.6m grading 3.45% Cg in hole BC 10-11.

Holes BC 10-13 to BC 10-19 were largely infill and expansion holes around the eastern end of the proposed open pit and results included 38.7m grading 2.49% Cg in hole BC 10-13; 17.7m grading 3.18% Cg in hole BC 10-14; and 21.5m grading 2.33% Cg in hole BC 10-18.

Holes BC 10-20 to BC 10-37 were drilled in an area that is more than 500m<sup>2</sup> in size and is located north of the proposed pit. Hole BC 10-24 intersected 30m grading 2.69% Cg; hole BC 10-28 intersected 36m grading 2.35% Cg; hole BC 10-35 intersected 23.7m grading 2.44% Cg; and hole BC 10-36 intersected 17.3m grading 2.91% Cg.

Holes SGS-2010-01 to 05, SGS-2010-B1 1 to 4 and SGS-2010-B2 1 to 4 were largely twin holes and infill holes designed to confirm the current block model and were in line with expectations.

The Bissett Creek project is the subject of an independent National Instrument (“NI”) 43-101 compliant technical report prepared by SGS Canada Inc.-Geostat (“SGS”) dated July 16, 2010 and revised February 2, 2011 containing a resource estimate and preliminary assessment. The complete technical report is available under the Company’s profile on SEDAR. The current resource estimate consists of indicated resources of 14.6 million tonnes grading 2.24% Cg at a 1.5% cutoff and inferred resources of 18 million tonnes grading 2.21% Cg at a 1.5% cutoff. The preliminary assessment indicated that these resources are sufficient for 45 year mine life based on a 2,500 tpd operation producing almost 20,000 tonnes of large flake, high purity graphite per year.

The current resource estimate is based on approximately 8,400m of drilling in 242 holes. The recent program will be included in an updated resource estimate currently being completed as part of a pre-feasibility study. The drill program was designed to upgrade the existing resource such that the pre-feasibility study can evaluate the economics of at least 20 years of operation based on indicated resources alone. However, the Bissett Creek graphite deposit has a flat lying, tabular nature with good continuity between drill holes and there is a relatively high degree of confidence that inferred resources can be upgraded with additional drilling. SGS, Metchem and Knight Piesold are expected to complete the PFS within three months.

*Mineral resources are not mineral reserves and do not have demonstrated economic viability. The preliminary assessment on the Bissett Creek project includes inferred resources which are considered too speculative geologically to have economic considerations applied to them that would enable them to be categorized as mineral reserves. Furthermore, there is no certainty that the results projected in the preliminary assessment will be realized and actual results may vary substantially.*

A complete list of drill results and a location map are available on the Northern Graphite website at [www.northerngraphite.com](http://www.northerngraphite.com).

### Bissett Creek 2010 Drilling Program- Composite Summary Highlights (based on a 1.5% cutoff)

Hole	From (M)	To (M)	Width (M)	Cg%	Hole Type
BC-10-03	30	54	24	1.95	south expansion
BC-10-04	18	33	15	2.69	south expansion
	56.9	80	23.1	2.62	
BC-10-05	54	76.3	22.2	2.97	south expansion
BC-10-07	35.6	51	15.4	1.9	South-east expansion
BC-10-08	27	45	18	2.03	South-east expansion
BC-10-09	21	45	24	2.43	South-east expansion
BC-10-10	44.6	48	33.4	2.87	South-east expansion
BC-10-11	36.4	51	14.6	3.45	South-east expansion
BC-10-13	8	46.7	38.7	2.49	infill
BC-10-14	33.25	50.95	17.7	3.18	infill
BC-10-18	38.5	60	21.5	2.33	infill
BC-10-24	21	51	30	2.69	North expansion
BC-10-25	1.5	38.2	36.7	2.33	North expansion
BC-10-28	24	60	36	2.35	North expansion
BC-10-34	1.7	30	28.3	1.92	North expansion
BC-10-35	33.35	57	23.65	2.44	North expansion
BC-10-36	51.7	69	17.3	2.91	North expansion
SGS-2010-03	6	33	27	2.16	Infill-twin
SGS-2010-03B	12	34.2	22.2	2.54	Infill-twin
SGS-2010-04	17.6	41.8	24.2	3.23	Infill-twin
SGS-2010-B1-1	13.9	36.3	22.4	3.31	infill
SGS-2010-B1-2	12	43.4	31.4	2.75	infill
SGS-2010-B1-4	10.6	37.2	26.6	2.21	infill
SGS-2010-B2-2	39	60.35	21.35	2.45	infill
SGS-2010-B2-3	17	38.35	21.35	2.89	infill
SGS-2010-B2-4	13	47.2	34.2	2.75	infill

The drill program was supervised by Mehmet Taner, PhD, who is a "Qualified Person" under NI 43-101. Don Baxter, P.Eng, President of the Company and a "Qualified Person" under NI 43-101, is responsible for and has reviewed and approved the technical content of this press release.

Assaying was completed by SGS Mineral Services (Toronto), an ISO/IEC 17025 accredited analytical laboratory. The technique used for determining graphitic carbon was a two stage process that included determining total carbon by LECO and determining carbon in carbonate by measuring CO<sub>2</sub> by the CO<sub>2</sub> coulometer. It was assumed that the only other carbon (other than graphitic carbon) in the samples was contained within the carbonates. The amount of carbon within the CO<sub>2</sub> was calculated and the result subtracted from total carbon to determine the percentage of graphitic carbon in the sample. Drill holes were sampled over 3 meter intervals. Alternating standards and blanks were inserted every 35<sup>th</sup> to 40<sup>th</sup> sample. A total of 29 duplicate samples were taken within well mineralized sections.

### **About Northern Graphite Corporation**

Northern Graphite Corporation (TSX-V:NGC) is a Canadian company that has a 100% interest in the Bissett Creek graphite project which is located 17kms from the Trans Canada highway between Ottawa and North Bay, Ontario. The Company has completed a preliminary assessment on the project and is in the process of completing a pre-feasibility study and permitting with the objective of initiating construction, subject to the results of the study and the availability of financing, in the first part of 2012.

### **The Graphite Market**

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, fuel cells and nuclear power have the potential to create significant incremental demand growth. However, production and exports from China, which produces 70% of the world's graphite, 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. With limited worldwide exploration and few potential development projects on the horizon, the Company is well positioned to benefit from the continued improvement in graphite demand and prices. High growth, high value graphite applications require large flake and/or high purity graphite which will represent 100% of Bissett Creek production.

Additional information on Northern Graphite Corporation can be found under the Company's profile on SEDAR at [www.sedar.com](http://www.sedar.com) and on the Company's website at [www.northern-graphite.com](http://www.northern-graphite.com).

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