



Northern Graphite Comments on Market Activity and Provides Corporate Update

December 31 2012 – Northern Graphite Corporation (NGC:TSXV, NGPHF:OTCBB) (the “Company”) announces that it is not aware of any reason for the recent rise in the Company's share price. There are no undisclosed material changes in the affairs of the Company that might have caused an increase.

Gregory Bowes, CEO, commented that; “recent Chinese restrictions on new and existing graphite producers, positive comments by industry analysts and the end of year end tax loss selling may all have had some effect.” He added that: “the next few months will be very busy and we anticipate being in a position to make announcements on:

- approval of the Mine Closure Plan which is the major permit needed to commence construction
- equipment financing
- the commencement of detailed engineering and design
- results from a review of assay procedures and the reasons for a potential grade understatement
- results of the 2012 drill campaign
- a new resource estimate with the objective of upgrading inferred resources to indicated
- guidance on the capital and operating costs of an upgrading facility to produce high purity and spherical graphite
- an update on the bankable feasibility study economics based on the new resource model

Discussions with respect to strategic partnerships and offtake agreements are ongoing.

About Northern Graphite Corporation

Northern Graphite Corporation (TSX-V:NGC) is a Canadian company that has a 100% interest in the Bissett Creek graphite deposit located in eastern Ontario. Northern Graphite is well positioned to benefit from the compelling supply/demand dynamic that has developed in the graphite industry with a high purity, large flake, scalable deposit that is located close to infrastructure. A bankable Feasibility Study has been completed and permitting is expected to be completed in the first quarter of 2013, following which mine construction could commence, 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

This press release does not constitute an offer to sell or the solicitation of an offer to buy securities in any jurisdiction.

For Additional Information Please Contact:

Greg Bowes, CEO or Steve Thompson, CFO at (613) 241-9959, or Don Baxter P.Eng, President (705) 789-9706

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