

SCHEDULE 14A  
(RULE 14a-101)  
INFORMATION REQUIRED IN PROXY STATEMENT  
SCHEDULE 14A INFORMATION

PROXY STATEMENT PURSUANT TO SECTION 14(a) OF THE  
SECURITIES EXCHANGE ACT OF 1934 (AMENDMENT NO. )

Filed by the registrant  [X]

Filed by a party other than the registrant  [ ]

Check the appropriate box:

- [ ] Preliminary proxy statement  
 [X] Definitive proxy statement  
 [ ] Definitive additional materials  
 [ ] Soliciting material pursuant to Rule 14a-11(c) or Rule 14a-12  
 [ ] Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

NORTHERN TECHNOLOGIES INTERNATIONAL CORPORATION

-----  
(Name of Registrant as Specified in Its Charter)

-----  
(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- [X] No fee required  
 [ ] Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.

- (1) Title of each class of securities to which transaction applies:  
(2) Aggregate number of securities to which transactions applies:  
(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11. (Set forth the amount on which the filing fee is calculated and state how it was determined.)  
(4) Proposed maximum aggregate value of transaction:  
(5) Total fee paid:

- [ ] Fee paid previously with preliminary materials.  
 [ ] Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

- (1) Amount previously paid:  
(2) Form, Schedule or Registration Statement No.:  
(3) Filing party:  
(4) Date filed:

NORTHERN TECHNOLOGIES INTERNATIONAL CORPORATION

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

FEBRUARY 9, 2001

The Annual Meeting of the Stockholders of Northern Technologies International Corporation, a Delaware corporation (the "Company"), will be held at the Hyatt Regency Minneapolis, 1300 Nicollet Mall, Minneapolis, Minnesota 55403, beginning at 11:00 a.m., local time, on Friday, February 9, 2001, for the following purposes:

1. To elect nine persons to serve as directors until the next annual meeting of the stockholders or until their respective successors shall be elected and qualified;
2. To approve the appointment of Deloitte & Touche LLP as independent auditors for the fiscal year ending August 31, 2001; and
3. To transact such other business as may properly come before the meeting.

The record date for determination of stockholders entitled to notice of and to vote at the meeting and any adjournments thereof is the close of business on December 22, 2000.

Whether or not you expect to attend the meeting in person, please complete, sign, date and promptly return the enclosed proxy in the envelope provided, which requires no postage if mailed in the United States.

By Order of the Board of Directors

/s/ Tiffany M. Swann

Tiffany M. Swann  
CORPORATE SECRETARY

January 9, 2001  
Lino Lakes, Minnesota

NORTHERN TECHNOLOGIES INTERNATIONAL CORPORATION  
6680 N. HIGHWAY 49  
LINO LAKES, MINNESOTA 55014

PROXY STATEMENT  
FOR ANNUAL MEETING OF STOCKHOLDERS

FEBRUARY 9, 2001

INTRODUCTION

The Annual Meeting of the Stockholders of Northern Technologies International Corporation (the "Company") will be held at the Hyatt Regency Minneapolis, 1300 Nicollet Mall, Minneapolis, Minnesota 55403, beginning at 11:00 a.m., local time, on Friday, February 9, 2001, or at any adjournments thereof (the "Annual Meeting"), for the purposes set forth in the Notice of Meeting.

A proxy card is enclosed for your use. You are solicited on behalf of the Board of Directors to SIGN AND RETURN THE PROXY CARD IN THE ACCOMPANYING ENVELOPE. No postage is required if mailed within the United States. The cost of soliciting proxies, including the preparation, assembly and mailing of proxies and soliciting material, as well as the cost of forwarding such material to the beneficial owners of the Company's common stock, will be borne by the Company. Directors, officers and regular employees of the Company may, without compensation other than their regular compensation, solicit proxies by telephone, telegraph or personal conversation. The Company may reimburse brokerage firms and others for expenses in forwarding proxy materials to the beneficial owners of the Company's common stock.

Any stockholder giving a proxy may revoke it at any time prior to its use at the Annual Meeting either by giving written notice of such revocation to the Secretary of the Company, by filing a duly executed proxy bearing a later date with the Secretary of the Company or by appearing at the Annual Meeting and filing written notice of revocation with the Secretary of the Company prior to use of the proxy. Proxies will be voted as specified by stockholders. Proxies that are signed by stockholders but that lack any such specification will be voted in favor of the proposals set forth in the Notice of Meeting and in favor of the election as directors of the nominees for directors listed in this Proxy Statement.

THE BOARD RECOMMENDS THAT THE STOCKHOLDERS VOTE FOR THE APPROVAL OF THE PROPOSALS SET FORTH IN THE NOTICE OF MEETING.

The Company expects that this proxy material will first be mailed to stockholders on or about January 9, 2001.

## VOTING OF SHARES

Only holders of the Company's common stock, \$.02 par value (the "Common Stock"), of record at the close of business on December 22, 2000 will be entitled to vote at the Annual Meeting. On December 22, 2000, the Company had 3,796,951 outstanding shares of Common Stock, each such share entitling the holder thereof to one vote on each matter to be voted on at the Annual Meeting. The holders of a majority of the shares entitled to vote and represented in person or by proxy at the Annual Meeting will constitute a quorum for the transaction of business at the Annual Meeting. In general, shares of Common Stock represented by a properly signed and returned proxy card will be counted as shares present and entitled to vote at the meeting for purposes of determining a quorum, without regard to whether the card reflects abstentions (or is left blank) or reflects a "broker non-vote" on a matter (i.e., a card returned by a broker because voting instructions have not been received and the broker has no discretionary authority to vote). Holders of shares of Common Stock are not entitled to cumulate voting rights.

The election of a nominee for director requires the approval of a plurality of the votes of the shares present and entitled to vote in person or by proxy and the approval of the other proposals described in this Proxy Statement requires the approval of a majority of the votes of the shares present and entitled to vote in person or by proxy on that matter (and at least a majority of the minimum number of votes necessary for a quorum to transact business at the Annual Meeting). Shares represented by a proxy card voted as abstaining on any of the proposals will be treated as shares present and entitled to vote that were not cast in favor of a particular matter, and thus will be counted as votes against the matter. Shares represented by a proxy card including any broker non-vote on a matter will be treated as shares not entitled to vote on that matter, and thus will not be counted in determining whether that matter has been approved.

## ELECTION OF DIRECTORS

### NOMINATION

The Bylaws of the Company, as amended, provide that the Board of Directors (the "Board") shall consist of up to nine members. The Board has nominated the nine persons listed in this Proxy Statement to serve as directors of the Company until the next regular meeting of stockholders or until their successors are elected and qualified. All nominees, other than Mrs. Kiel-Dixon, Prof. Krishna and Messrs. Stone and Taylor, are current Board members. Vincent Graziano, who has retired as President and Co-Chief Executive Officer of the Company, but remains a director of the Company, is not standing for re-election to the Board.

Assuming a quorum is represented at the Annual Meeting, either in person or by proxy, the election of each director requires the affirmative vote of a plurality of the shares of Common Stock represented in person or by proxy at the Annual Meeting. The Board recommends a vote FOR the election of each of the nominees listed in this Proxy Statement. The Board intends to vote the proxies solicited on its behalf for the election of each of the nominees as directors. If prior to the Annual Meeting the Board should learn that any of the nominees will be unable to serve by reason of death, incapacity or other unexpected occurrence, the proxies may be cast for another nominee to be designated by the Board to fill such vacancy, unless the stockholder indicates to the contrary on the proxy. Alternatively, the proxies may, at the Board's discretion, be voted for such fewer nominees as results from such death, incapacity or other unexpected occurrence. The Board has no reason to believe that any of the nominees will be unable to serve. Mrs. Kiel-Dixon may serve on the Company's board only if the Board of Management of ThyssenKrupp A.G. consents. Management of the Company expects that this consent will be obtained prior to the Annual Meeting.

INFORMATION ABOUT NOMINEES

The following table sets forth certain information as of January 2001, which has been furnished to the Company by each person who has been nominated by the Board to serve as a director for the ensuing year.

NAME	AGE	PRINCIPAL OCCUPATION	DIRECTOR SINCE
Mrs. Ursula Kiel - Dixon	47	Director, Head of Corporate Department Foreign Organization of ThyssenKrupp A.G.	*
Prof. Aradhna Krishna	39	Professor of Marketing, University of Michigan Business School	*
Dr. Donald A. Kubik	60	Vice Chairman and Chief Technology Officer of the Company;	1995
Richard G. Lareau	72	Partner of Oppenheimer Wolff & Donnelly LLP	1980
Philip M. Lynch	64	Co-Chief Executive Officer and Chairman of the Board of the Company and Executive Vice President of Inter Alia Holding Company	1979
Haruhiko Rikuta	35	Corporate Officer of Taiyonic Limited and President of NTI Asean LLC	1997
Mark J. Stone	42	President, Petrus International, Inc.	*
Stephan C. Taylor	53	President and Co-founder of Taylor Packaging and Manager of Zerust (U.K.) Ltd.	*
Prof. Milan R. Vukcevich	63	Chief Scientist Research and Development of Bicron Saint-Gobain Industrial Ceramics	1995

\*First time nominee to Board

OTHER INFORMATION ABOUT NOMINEES

Mrs. Ursula Kiel - Dixon, a German citizen, has been Director, Head of Corporate Department Foreign Organization with ThyssenKrupp A.G., Germany since November 1999. Previously, Mrs. Kiel - Dixon served as Head of Department, Sales and M&A Strategy with Krupp Thyssen Stainless GmbH, Germany, from October 1997 until October 1999, and as Director, Marketing for Krupp Thyssen Nirosta GmbH, from April 1997 to September 1997. From 1991 to 1997 Mrs. Kiel - Dixon was Deputy Head of Controlling Department with Fried. Krupp A.G. Hoesch - Krupp. Mrs. Kiel - Dixon holds an M.A. in Economics from SUNY at Stony Brook, NY.

Prof. Aradhna Krishna has been Professor of Marketing at University of Michigan Business School since 2000 and Associate Professor of Marketing at the same institution from 1998 until 2000.

Prof. Aradhna Krishna was an Associate Professor of Marketing at Columbia University from 1993 to 1998. She is serving on the Editorial Board of Journal of Marketing Research and Marketing Letters and has been consultant on project sponsored among others by Nielsen, Benetton and Sun Services. Prof. Krishna holds a Ph. D. in Marketing from Graduate School of Business at New York University.

Dr. Kubik has been employed by the Company since 1978 and was named Vice Chairman in September 1999. Dr. Kubik served as Vice President of the Company from 1979 to September 1999, and was Treasurer of the Company from 1998 to September 1999. Dr. Kubik was appointed Vice Chairman in September 1999, and is a member of the Executive Committee, which served as Co-Chief Executive Officer of the Company from September 1999 to May 2000. During his employment as Chief Technology Officer with the Company, Dr. Kubik has been responsible for developing the patent that led to the Company's introduction of protective plastic film and paper products incorporating volatile corrosion inhibitors. Prior to joining the Company, Dr. Kubik held a research and development position with 3M Company.

Mr. Lareau has been a partner of the law firm of Oppenheimer Wolff & Donnelly LLP for more than five years. Mr. Lareau also serves as a director of Nash Finch Company, a public company, and as a trustee of Mesabi Trust.

Mr. Lynch has been Executive Vice President of Inter Alia Holding Company, a financial and management consulting firm, for more than five years. Mr. Lynch is also a member of the Board of Directors of the Fosbel Group of Companies: Fosbel International (U.K.), Fosbel, Inc. (U.S.), Fosbel Japan, Ltd. (Tokyo), Fosbel do Brasil (San Paulo), and Fosbel Europe BV, (operating in 17 Western and three Eastern European countries). The Fosbel Group is itself a joint venture between multinational listed companies: Glaverbel S.A., (Bruxelles), a leading Belgian glass manufacturing company and an affiliate of Asahi Glass Co., Ltd., and Burmah Castrol plc, an English petrochemical and materials science company.

Mr. Rikuta, a citizen of Japan, has been employed at Taiyo Petroleum Gas Co. Ltd. as Manager, ZERUST Department, since February 1993. From August 1991 to January 1993, Mr. Rikuta served as a Sales Representative of the Company. Mr. Rikuta received a B.A. degree in Economics from Seijo University in Tokyo, Japan in March 1989. In May 1991, Mr. Rikuta received a B.A. degree in International Relations from the University of Wisconsin in Milwaukee, Wisconsin.

Mr. Mark J. Stone has been President of Petrus International, Inc. since 1992. Mr. Stone was Director, Marketing & Business Development of Toray Marketing & Sales (America) Inc. from 1986 to 1992. Mr. Stone also serves as a director of Aqua Design Inc. Mr. Stone holds an A.B. from Harvard University.

Mr. Stephen C. Taylor, a citizen of the U.K., has been managing Taylor Packaging, and Zerust U.K. Ltd., the Company's joint venture in the U.K. In 1973 Mr. Taylor founded together with his father Taylor Packaging and has assumed various managerial positions since. Mr. Taylor graduated in Education from Bede College, University of Durham, England.

Prof. Vukceovich has been employed as Chief Scientist Research and Development of Bicron Saint-Gobain Industrial Ceramics since 1995. Prof. Vukceovich was employed by GE Lighting from 1973 to 1995, holding various positions including Chief Scientist, Manager of Metallurgical Engineering and Coordinator of International Research and Development in Materials Science. Prof. Vukceovich holds a Ph. D. degree from Massachusetts Institute of Technology.

## INFORMATION ABOUT THE BOARD AND ITS COMMITTEES

The business and affairs of the Company are managed by the Board, which held three meetings during the fiscal year ended August 31, 2000. Committees established and maintained by the Board include the Audit Committee and the Compensation Committee.

The Audit Committee of the Board maintains an active role in communication with the Company's independent auditors and with the management of the Company. The Audit Committee for fiscal 2000 consisted of Messrs. Lareau, Vukceвич and Dworkin. The Audit Committee met three times during fiscal 2000. Messrs. Lareau and Vukceвич will serve as the Audit Committee for fiscal 2001.

The responsibilities of the Compensation Committee of the Board include setting the compensation for the executive officers of the Company and setting the terms of and grants of awards under the Company's 1994 Stock Incentive Plan. The Compensation Committee, consisting of Messrs. Dworkin, Rikuta and Vukceвич, met once during fiscal 2000. Messrs. Rikuta and Vukceвич will serve as the Compensation Committee for fiscal 2001.

The responsibilities of the Strategic Planning Committee of the Board include developing the strategy of the Company and evaluating feasibility of long-term projects of the Company. The Board members serving on the Strategic Planning Committee are Messrs. Kubik, Rikuta and Vukceвич. They met three times during fiscal 2000. Messrs. Kubik, Rikuta and Vukceвич will serve as the Strategic Planning Committee for fiscal 2001.

All of the directors of the Company except Vincent J. Graziano (who missed one Board meeting) attended 75% or more of the aggregate meetings of the Board and all such committees on which they served during fiscal 2000.

## COMPENSATION OF DIRECTORS

**DIRECTORS FEES.** Each person who was a non-employee director received an annual retainer of \$5,000 in fiscal 2000 for services rendered as a director of the Company. Each non-employee director of the Company further received \$750 for each Board meeting and \$500 for each Committee meeting attended. The Chairman of the Board does not receive any Board or committee meeting fee. The Company pays the premium on a group insurance policy for the Chairman of the Board.

**AUTOMATIC OPTION GRANTS TO NON-EMPLOYEE DIRECTORS.** Pursuant to the Company's 1994 Stock Incentive Plan and 2000 Stock Incentive Plan (the "Plan"), each non-employee director of the Company is automatically granted a non-qualified option to purchase 2,000 shares of Common Stock (a "Director Option") on the first day of each fiscal year in respect of their past year's services as a non-employee director of the Company. Non-employee directors who are elected or appointed to the Board following the first day of the Company's fiscal year receive pro-rata portion of 2,000 shares of Common Stock calculated by dividing the number of months remaining in the fiscal year at the time of election or appointment divided by twelve, which options are granted at the end of the relevant fiscal year.

On September 1, 1997, Messrs. Lareau, Lynch and Vukceвич (as well as Messrs. Sidney Dworkin and Gerhard Hahn, who were then directors) each received a Director Option to purchase 2,000 shares of Common Stock at an exercise price of \$12.00 per share; however, these options were returned and cancelled in fiscal 2000. On November 19, 1997, Mr. Rikuta received a Director Option to purchase 1,575 shares of Common Stock at an exercise price of \$10.625 per share. On September 1, 1998, Messrs. Dworkin, Hahn, Lareau, Lynch, Rikuta and Vukceвич each received a Director Option to purchase 2,000 shares of Common Stock at an exercise price of \$6.25 per share, and on September 1, 1999, the same

individuals each received a Director Option to purchase 2,000 shares of Common Stock at an exercise price of \$6.5625 per share. Subsequently, Mr. Lynch returned his September 1, 1999 Director Option to purchase 2,000 shares to the Option Plan. All of such Director Options granted vest in equal one-third installments over a three-year period. On November 17, 2000, the Board of Directors approved the automatic option grants as of September 1, 2000 to Messrs. Dworkin, Lareau, Lynch, Rikuta, and Vukceвич, each of whom received a Director Option to purchase 2,000 shares of Common Stock at an exercise price of \$6.75.



PRINCIPAL STOCKHOLDERS AND BENEFICIAL  
OWNERSHIP OF MANAGEMENT

The following table sets forth information regarding the beneficial ownership of the Common Stock of the Company as of December 22, 2000, unless otherwise noted, (a) by each stockholder who is known by the Company to own beneficially more than 5% of the outstanding Common Stock, (b) by each director, (c) each Named Executive Officer (as defined below under the heading, "Executive Compensation and Other Benefits") and (d) by all executive officers and directors of the Company as a group.

NAME -----	SHARES OF COMMON STOCK BENEFICIALLY OWNED (1)	
	AMOUNT -----	PERCENT OF CLASS (%) (2) -----
Inter Alia Holding Company	911,668 (3)	24.0
Ursula Kiel - Dixon	--	
Vincent J. Graziano	37,034 (4)	1.0
Prof. Aradhna Krishna	--	
Dr. Donald A. Kubik	108,674	2.9
Richard G. Lareau	28,677 (5)	*
Philip M. Lynch	1,334 (6)	*
Haruhiko Rikuta	19,576 (7)	*
Mark J. Stone	10,000 (8)	*
Stephen C. Taylor	--	
Prof. Milan R. Vukceovich	5,931 (9)	*
Elsie F. Gilles	4,200 (10)	*
Loren M. Ehrmantraut	53,666 (11)	1.4
G. Patrick Lynch	2,700 (12)	*
Matjaz Korosec	1,500 (13)	*
Irina V. Roytman	1,650 (14)	*
Tiffany M. Swann	334 (15)	*
All directors and executive Officers as a group (14 persons)	1,176,944 (16)	31.0

\*Less than 1%.

- (1) Shares not outstanding but deemed beneficially owned by virtue of the right of a person or member of a group to acquire them within 60 days are treated as outstanding only when determining the amount and percent owned by such person or group. Unless otherwise noted, all of the shares owned or held by individuals or entities possessing sole voting and investment power with respect to such shares.
- (2) Based on 3,796,951 shares of Common Stock outstanding as of December 22, 2000.
- (3) Includes 911,668 shares held of record by Inter Alia Holding Company, a financial and management consulting firm of which Mr. Philip M. Lynch, the Chairman of the Board of Directors and the Co-Chief Executive Officer of the Company, and Mr. G. Patrick Lynch, President and the Co-Chief Executive Officer of the Company are officers and directors.

- (4) Includes 31,700 shares held jointly with his wife, Leone A. Medin, and includes 5,334 shares of Common Stock = which may be acquired within 60 days pursuant to the exercise of options.
- (5) Includes 4,001 shares of Common Stock, which may be acquired within 60 days pursuant to the exercise of options.
- (6) Does not include 911,668 shares held of record or beneficially owned by Inter Alia Holding Company, of which Mr. Philip M. Lynch is an officer and director. Includes 1,334 shares of Common Stock which may be acquired within 60 days pursuant to the exercise of options.
- (7) Includes 3,576 shares of Common Stock, which may be acquired within 60 days pursuant to the exercise of options.
- (8) Includes 10,000 shares held jointly with his wife, Margery Hellmold.
- (9) Includes 657 shares held jointly with his wife, Michelle Vukceovich, and includes 2,001 shares of Common Stock which may be acquired within 60 days pursuant to the exercise of options.
- (10) Includes 1,000 shares of Common Stock, which may be acquired within 60 days pursuant to the exercise of options.
- (11) Includes 6,666 shares of Common Stock, which may be acquired within 60 days pursuant to the exercise of options.
- (12) Includes 1,000 shares of Common Stock, which may be acquired within 60 days pursuant to the exercise of options. Does not include 911,688 shares held of record or beneficially owned by Inter Alia Holding Company, of which Mr. G. Patrick Lynch is an officer and director.
- (13) Includes 500 shares held jointly with his wife, Margaret D. Korosec, and includes 1,000 shares of Common Stock which may be acquired within 60 days pursuant to the exercise of options.
- (14) Includes 350 shares held jointly with her husband, Alexander Roytman, and includes 1,000 shares of Common Stock which may be acquired within 60 days pursuant to the exercise of options.
- (15) Includes 334 shares of Common Stock which may be acquired within 60 days pursuant to the exercise of options.
- (16) Includes (i) 911,668 shares held of record by Inter Alia Holding Company, a financial and management consulting firm of which Mr. Philip M. Lynch, the Chairman of the Board of Directors and the Co-Chief Executive Officer of the Company, and Mr. G. Patrick Lynch, President and the Co-Chief Executive Officer of the Company, are officers and directors, and (ii) options to purchase 22,746 shares which are held by officers and directors of the Company which are exercisable within 60 days.

EXECUTIVE COMPENSATION AND OTHER BENEFITS

SUMMARY OF CASH AND CERTAIN OTHER COMPENSATION PAID TO EXECUTIVE OFFICERS

The following table provides summary information concerning cash and non-cash compensation paid or accrued by the Company to or on behalf of the Company's Co-Chief Executive Officers and the most highly compensated executive officers of the Company whose cash and non-cash salary and bonus exceeded \$100,000 in the fiscal year ended August 31, 2000 (the "Named Executive Officers").

SUMMARY COMPENSATION TABLE

NAME AND PRINCIPAL POSITION	YEAR	ANNUAL COMPENSATION		LONG-TERM	ALL OTHER
		SALARY (\$)	BONUS (\$)(1)	COMPENSATION	
				SECURITIES UNDERLYING OPTIONS (#)	COMPENSATION (\$)(2)
Philip M. Lynch (6) CHAIRMAN OF THE BOARD AND CO-CHIEF EXECUTIVE OFFICER	2000	0	0	0	0 (3)
	1999	0	0	0	0 (3)
	1998	0	0	2,000	0 (3)
Donald A. Kubik (4) VICE CHAIRMAN	2000	200,000	0	0	5,000
	1999	200,000	0	8,000	4,667
	1998	200,000	55,000	0	5,000
Loren M. Ehrmantraut (4) CHIEF FINANCIAL OFFICER	2000	51,568	0	0	1,805
	1999	117,410	0	10,000	3,025
	1998	117,410	55,000	0	5,000
G. Patrick Lynch (4) PRESIDENT AND CO-CHIEF EXECUTIVE OFFICER	2000	95,000	0	3,000	3,325 (3)
	1999	45,416	0	0	1,571 (3)
	1998	32,691	0	0	1,211 (3)
Matjaz Korosec (4) (5) VICE PRESIDENT OF FINANCIAL PLANNING AND TREASURER	2000	90,000	0	3,000	1,650
	1999	35,250	0	0	0

(1) Bonuses paid in 1998 were earned in 1997. There were no bonuses paid in 2000 or 1999. On November 17, 2000 the Board of Directors approved bonuses to be paid in fiscal year 2001 related for the services performed in the fiscal year 2000 for Messrs. Kubik, Ehrmantraut, G. Lynch and Korosec in the amount of \$20,000 each.

(2) Compensation hereunder consists of contributions to the 401(k) plans of the Named Executive Officers.

(3) Does not include any commissions payable to Inter Alia Holding Company, an entity of which Mr Philip Lynch and Mr. G. Patrick Lynch are officers and directors, under a certain Manufacturer's Representative Agreement. See "Certain Relationships and Related Transactions."

(4) Member of the Executive Committee, which served as Co-Chief Executive Officer of the Company from September 1999 to May 2000.

(5) Mr. Korosec joined the Company during the fiscal year ended August 31, 1999.

(6) Mr. Lynch is not an employee of the Company. The options granted to Mr. Lynch are Director Options granted under the Company's 1994 Stock Incentive Plan. See "Election of Directors -- Compensation of Directors" contained in this Proxy Statement.

OPTION GRANTS AND EXERCISES

The following tables provide information for the year ended August 31, 2000 as to individual grants of options to purchase shares of the Common Stock, exercises of options and the potential realizable value of the options held by the Named Executive Officers at August 31, 2000.

OPTION GRANTS IN FISCAL 2000

NAME	OPTIONS GRANTED (1)	PERCENT OF TOTAL OPTIONS GRANTED TO EMPLOYEES IN FISCAL YEAR	EXERCISE OR BASE PRICE (\$/SHARE)	EXPIRATION DATE
G. Patrick Lynch	3,000	8.4%	7.00	09/17/04
Matjaz Korosec	3,000	8.4%	7.00	09/17/04

(1) These options were granted under the 1994 Stock Incentive Plan. The options vest in three equal installments on the first, second and third anniversary of the date of grant. To the extent not already exercisable, options granted under the Plan become immediately exercisable in full upon certain "changes in control" (as defined in the Plan) of the Company.

AGGREGATED OPTION EXERCISES IN FISCAL 2000 AND FISCAL 2000 YEAR-END OPTION VALUES

NAME	SHARES ACQUIRED ON EXERCISE (#)	VALUE REALIZED (\$)	NUMBER OF UNEXERCISED OPTIONS AT AUGUST 31, 2000		VALUE OF UNEXERCISED IN-THE-MONEY OPTIONS AT AUGUST 31, 2000 (1) (\$)	
			EXERCISABLE	UNEXERCISABLE	EXERCISABLE	UNEXERCISABLE
Philip M. Lynch	3,000	8,000	667	1,333	1,254	2,506
Donald A. Kubik	2,667	1,334		5,333		10,026
Loren M. Ehrmanntraut			3,333	6,667	6,266	12,534
G. Patrick Lynch				3,000		3,390
Matjaz Korosec				3,000		3,390

(1) Value is calculated as the excess of the fair market value of the Common Stock on August 31, 2000 over the exercise price of the options. On August 31, 2000, the fair market value of the Common Stock was \$8.13 per share.

## CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

On October 1, 1976, the Company entered into a Manufacturer's Representative Agreement with The Saxxon Organization, Incorporated (the "Agreement"). The Agreement has no expiration date and may be terminated by either party upon 60 days written notice. Effective January 9, 1980, the Agreement was assigned to Inter Alia Holding Company, a financial and management consulting firm of which Philip M. Lynch, the Chairman of the Board of Directors of the Company, is an officer and director. Under the Agreement, Inter Alia Holding Company (or the "Representative") is entitled to commissions from the Company on the net proceeds of sales of the Company's product generated by Inter Alia Holding Company. The Representative acts as an independent manufacturer's representative of the Company. It has a non-exclusive worldwide right to offer for sale and solicit orders for the Company's products in accordance with prices determined by the Company. The Representative is responsible for all of its own operating expenses with no entitlement for reimbursement from the Company for this activity. The Representative has not effected any sales within the United States. The Representative has developed sales outside the United States, which resulted in commissions of approximately \$42,590, \$45,484 and \$51,754 for the fiscal years ending August 31, 2000, 1999 and 1998, respectively. In light of the Company's own domestic sales effort and its distributor network within the United States, the Company does not anticipate the Representative developing any sales within the United States. Additionally, the Company's expanding international joint venture program may also limit opportunities abroad for the Representative. Thus, the Company does not anticipate that the Representative will develop any significant sales volume for the Company in the future.

On August 31, 1984, Inter Alia purchased 119,083 shares of Common Stock and paid therefor by signing a promissory note. The promissory note (the "Note") had a face value of \$125,375 and bore interest at 11% per year. The Note was originally due on December 31, 1992, subsequently adjusted to a demand note. The balance of the Note, including accrued interest of \$132,826, amounted to \$258,201 as of August 31, 2000 and was paid on the same day.

The Company paid reimbursement for travel and related Company expenses of \$378,000, \$419,500 and \$458,000 for the year ended August 31, 2000, 1999 and 1998, respectively, to Inter Alia Holding Company of which the Company's Co-Chief Executive Officer and Chairman of the Board is an officer and director. Such reimbursements of travel and related expenses were not related to the functions of Inter Alia Holding Company as representative, but rather were paid in respect of the conduct of business for and on behalf of the Company. Mr. G. Patrick Lynch, President and Co-Chief Executive Officer of the Company is also an officer and director of Inter Alia Holding Company.

Mr. Vincent Graziano, who has retired as President and Co-Chief Executive Officer of the Company, but remains a director of the Company, has agreed to render services to the Company, at will, on a half time/half salary basis from December 1, 1999 to December 31, 2000. Mr. Vincent Graziano received \$143,750 for his services in fiscal year 2000.

## SELECTION OF AUDITORS

The Board of Directors has appointed Deloitte & Touche LLP, independent certified public accountants, as auditors of the Company for the fiscal year ending August 31, 2001. Such firm has acted as independent auditors of the Company since the fiscal year ended August 31, 1990. If the stockholders of the Company do not ratify the appointment of Deloitte & Touche LLP, another firm of independent auditors will be considered by the Board of Directors. Representatives of Deloitte & Touche LLP will be present at the meeting, will have an opportunity to make a statement if they so desire and will be available to respond to questions.

## SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), requires the Company's directors and executive officers and all persons who beneficially own more than 10% of the outstanding shares of the Company's Common Stock to file with the Securities and Exchange Commission initial reports of ownership and reports of changes in ownership of the Company's Common Stock. Executive officers, directors and greater than 10% beneficial owners are also required to furnish the Company with copies of all Section 16(a) forms they file. To the Company's knowledge, based upon a review of the copies of such reports furnished to the Company and written representations that no other reports were required, during the fiscal year ended August 31, 2000, none of the directors, officers and beneficial owners of greater than 10% of the Company's Common Stock failed to file on a timely basis the forms required by Section 16 of the Exchange Act.

## STOCKHOLDER PROPOSALS FOR NEXT ANNUAL MEETING

Proposals of stockholders of the Company intended to be presented in the proxy materials relating to the next Annual Meeting must be received by the Company at its principal executive offices on or about September 9, 2001.

## OTHER BUSINESS

The Company knows of no business that will be presented for consideration at the Annual Meeting other than that described in this Proxy Statement. As to other business, if any, that may properly come before the Annual Meeting, it is intended that proxies solicited by the Board will be voted in accordance with the judgment of the person or persons voting the proxies.

## MISCELLANEOUS

THE COMPANY WILL FURNISH WITHOUT CHARGE A COPY OF ITS ANNUAL REPORT ON FORM 10-KSB FOR THE FISCAL YEAR ENDED AUGUST 31, 2000, TO EACH PERSON WHO WAS A STOCKHOLDER OF THE COMPANY AS OF DECEMBER 22, 2000, UPON RECEIPT FROM ANY SUCH PERSON OF A WRITTEN REQUEST FOR SUCH AN ANNUAL REPORT. SUCH REQUEST SHOULD BE SENT TO: NORTHERN TECHNOLOGIES INTERNATIONAL CORPORATION, 6680 N. HIGHWAY 49, LINO LAKES, MINNESOTA 55014; ATTN: STOCKHOLDER INFORMATION.

By Order of the Board of Directors

/s/ Philip M. Lynch

Philip M. Lynch  
CHAIRMAN AND CO-CHIEF EXECUTIVE OFFICER

January 9, 2001  
Lino Lakes, Minnesota



NORTHERN TECHNOLOGIES INTERNATIONAL CORPORATION

ANNUAL MEETING OF STOCKHOLDERS

FRIDAY, FEBRUARY 9, 2001  
11:00 A.M.

HYATT REGENCY MINNEAPOLIS  
1300 NICOLLET MALL  
MINNEAPOLIS, MN 55403

NORTHERN TECHNOLOGIES INTERNATIONAL CORPORATION  
6680 N. HIGHWAY 49, LINO LAKES, MN 55014

PROXY

-----  
THIS PROXY IS SOLICITED BY THE BOARD OF DIRECTORS FOR USE AT THE ANNUAL MEETING  
ON FEBRUARY 9, 2001.

The shares of stock you hold in your account will be voted as you specify on the  
reverse.

IF NO CHOICE IS SPECIFIED, THE PROXY WILL BE VOTED "FOR" ITEMS 1 AND 2.

The undersigned, having duly received the Notice of Annual Meeting of  
Stockholders and Proxy Statement, hereby appoints Philip M. Lynch and Donald A.  
Kubik (each with power to act alone and with powers of substitution) to  
represent the undersigned and to vote, as designated on the reverse side, all  
the shares of common stock of Northern Technologies International Corporation  
(the "Company") held of record by the undersigned on December 22, 2000, at the  
Annual Meeting of Stockholders to be held on February 9, 2001 at the Hyatt  
Regency Minneapolis, 1300 Nicollet Mall, Minneapolis, Minnesota 55403 and any  
adjournments thereof.

SEE REVERSE FOR VOTING INSTRUCTIONS.

[ARROW] PLEASE DETACH HERE [ARROW]

BOARD OF DIRECTORS RECOMMENDS A VOTE FOR ITEMS 1 AND 2.

- |                           |                          |                              |                                   |  |
|---------------------------|--------------------------|------------------------------|-----------------------------------|--|
| 1. Election of directors: | 01 Ursula Kiel-Dixon     | 06 Haruhiko Rikuta           | <input type="checkbox"/> Vote FOR | <input type="checkbox"/> Vote WITHHELD |
|                           | 02 Prof. Aradhna Krishna | 07 Mark J. Stone             | all nominees                      | from all nominees                      |
|                           | 03 Dr. Donald A. Kubik   | 08 Stephan C. Taylor         | (except as marked)                |  |
|                           | 04 Richard G. Lareau     | 09 Prof. Milan R. Vukceovich |                                   |  |
|                           | 05 Philip M. Lynch       |                              |                                   |  |

(INSTRUCTIONS: TO WITHHOLD AUTHORITY TO VOTE FOR ANY INDICATED NOMINEE, WRITE THE NUMBER(S) OF THE NOMINEE(S) IN THE BOX PROVIDED TO THE RIGHT.)

\_\_\_\_\_

2. To approve the appointment of Deloitte & Touche LLP as independent auditors for the fiscal year ending August 31, 2001.  For  Against  Abstain

3. In their discretion, the Proxies are authorized to vote upon such other business as may properly come before the meeting.

THIS PROXY WHEN PROPERLY EXECUTED WILL BE VOTED AS DIRECTED OR, IF NO DIRECTION IS GIVEN, WILL BE VOTED FOR EACH PROPOSAL. THE PROXIES ARE AUTHORIZED TO VOTE IN THEIR DISCRETION WITH RESPECT TO OTHER MATTERS WHICH MAY PROPERLY COME BEFORE THE MEETING.

Address Change? Mark Box   
Indicate changes below:

Date \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

Signature(s) in Box  
Please sign exactly as your name(s) appear on Proxy. If held in joint tenancy, all persons must sign. Trustees, administrators, etc., should include title and authority. Corporations should provide full name of corporation and title of authorized officer signing the proxy.