



Northern Technologies International Corporation Awarded \$300,000 in NSF Grants for Development of Innovative Bio-Based Technologies

CIRCLE PINES, Minn., Oct 1, 2009 (GlobeNewswire via COMTEX News Network) -- Northern Technologies International Corporation (Nasdaq:NTIC) announced that it has been awarded two National Science Foundation (NSF) awards -- one in June 2009 as a Phase I Small Business Technology Transfer (STTR) grant for \$150,000 on Advanced PLA Materials for biobased and biodegradable products. The second last week as a Phase I Small Business Innovation Research (SBIR) grant for an additional \$150,000 on "Biobased coatings for corrosion protection."

These NSF grants will help NTIC develop biobased technologies for new innovative applications in the Zerust(R) and Natur-Tec (R) business areas. The research and technology development will be conducted in collaboration with Michigan State University (MSU), Lansing, MI. NTIC plans to use modified polylactic acid (PLA) chemistries and soybean oil based coatings formulations developed at MSU to expand its product portfolio with enhanced solutions for bioplastics packaging and corrosion management respectively. Phase II grants for further development and commercialization of these technologies would potentially bring in \$1,000,000 in additional funding to NTIC.

Prof. Ramani Narayan, University Distinguished Professor at MSU and developer of PLA technology for Cargill Inc., will be collaborating with NTIC in this work. Prof. Narayan stated, "MSU and NTIC have worked together in the past to successfully commercialize biodegradable and biobased products. The NSF projects will reinforce stronger ties among the two organizations and serve as a classic example of university-industry symbiosis." NTIC, in particular, will benefit from the specific expertise that Prof. Narayan brings to the table in the area of bioplastics.

G. Patrick Lynch, President and Chief Executive Officer of Northern Technologies International, said, "NTIC is very pleased to have been recognized by the National Science Foundation with these grants. We are also exceptionally proud and honored that Prof. Ramani Narayan, who is such a well known thought leader in the field of bio-plastics and other bio-based technologies, is eager to be working with our R&D team on these new projects well. We have great expectations for these technologies and believe that NTIC's ties with Michigan State University will only grow stronger based on our joint successes."

NTIC recently signed 14 new distributors and independent manufacturer's representatives to secure new business for its Natur-Tec(R) bio-plastics products. The NSF grants along with a strengthened sales force are expected to increase NTIC's sales revenue and enhance the company's position as a leading manufacturer of innovative bioplastics products.

About Northern Technologies International Corporation

Northern Technologies International Corporation develops and markets proprietary environmentally beneficial products and technical services either directly or via a network of joint ventures and independent distributors in over 50 countries to the automotive, electronics, electrical, mechanical, military and retail consumer markets. NTIC's primary business is corrosion prevention. NTIC has been selling its proprietary Zerust(R) and EXCOR(R) rust and corrosion inhibiting products and services for over 30 years. NTIC also offers worldwide on-site technical consulting for rust and corrosion issues. NTIC's technical service consultants work directly with the end users of NTIC's products to analyze their specific needs and develop systems to meet their technical requirements. Most recently, NTIC has begun to partner with major oil and gas companies to sell NTIC's corrosion inhibiting technology to the oil and gas industry. In addition, NTIC markets a new product line of compounds and finished products based on a portfolio of proprietary bio-plastic technologies under the Natur-Tec(R) brand. NTIC also markets and sells plastic waste to fuel conversion technology through its joint venture, Polymer Energy, LLC.

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The Northern Technologies International Corporation logo is available at <http://www.globenewswire.com/newsroom/prs/?pkgid=5481>

Forward-Looking Statements

Statements contained in this release that are not historical information are forward-looking statements as defined within the

Private Securities Litigation Reform Act of 1995. Such statements include, but are not limited to, statements about the timing of the completion of the registered direct offering and NTIC's use of the net proceeds from the offering and such other statements which can be identified by words such as "expect," "anticipate," "estimate," "will," "would," "should," "potential," "outlook" or words of similar meaning and any other statements that are not historical facts. Such forward-looking statements are based upon the current beliefs and expectations of NTIC's management and are inherently subject to risks and uncertainties that could cause actual results to differ materially from those projected or implied. Such potential risks and uncertainties include, but are not limited to, in no particular order: delays in the completion of the offering or the failure to complete the offering; NTIC's dependence on the success of its joint ventures and technical fees and dividend distributions that NTIC receives from them; NTIC's relationships with its joint ventures and its ability to maintain those relationships; risks associated with NTIC's international operations; exposure to fluctuations in foreign currency exchange rates; the current worldwide economic recession, and its effect in particular on the U.S. automotive industry; the size and level of growth in NTIC's markets; NTIC's investments in research and development efforts; acceptance of existing and new products; increased competition; the success of NTIC's emerging new businesses; the costs and effects of complying with changes in tax, fiscal, government and other regulatory policies; and NTIC's reliance on its intellectual property rights and the absence of infringement of the intellectual property rights of others. More detailed information on these and additional factors which could affect NTIC's operating and financial results is described in the company's filings with the Securities and Exchange Commission, including its most recent annual report on Form 10-K and subsequent quarterly reports on Form 10-Q. NTIC urges all interested parties to read these reports to gain a better understanding of the many business and other risks that the company faces. Additionally, NTIC undertakes no obligation to publicly release the results of any revisions to these forward-looking statements, which may be made to reflect events or circumstances occurring after the date hereof or to reflect the occurrence of unanticipated events.

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