



Northern Technologies International Corporation Signs Naturfuels as a Distributor for Its Bioplastic Products in the Italian Market

Agreement With Naturfuels Provides Opportunity to Expand Into a Potentially Billion-Dollar Market for Compostable Bioplastic Bags in Italy

MINNEAPOLIS, March 23, 2011 (GLOBE NEWSWIRE) -- Northern Technologies International Corporation (Nasdaq:NTIC), a manufacturer of sustainable biobased and certified compostable bioplastic materials, announced that it has entered into an agreement with Italy based Naturfuels S.r.l. to distribute its Natur-Tec[®] bioplastic materials and products in the Italian market.

Since January 1, 2011, the Italian government has been enforcing a ban on the production and distribution of conventional non-biodegradable polyethylene plastic bags. The Italian country-wide ban on conventional plastic bags was first introduced in 2006, but saw little traction until environment minister Stefania Prestigiacomo pushed it through as a blanket decree in December 2010. Italian consumers use about 300 plastic bags per capita annually, totaling to more than 20 billion plastic bags consumed every year. According to environmental lobbyist Legambiente, this number of bags represents approximately one-fifth of Europe's entire usage, and requires about 200,000 Metric Tons of polyethylene plastic resin to produce each year.

Under the terms of the distribution agreement, NTIC will supply Naturfuels with its patented high-strength Natur-Tec[®] BF703BX compostable film grade resin to be used for the production of bio-plastic shopping and garbage bags on conventional plastic film production equipment. BF703BX resin based film has been previously certified to be fully compostable in strict accordance to the European standard of EN13432 for compostable plastics by AIB-Vincotte, a respected Belgian 3rd-party certification provider.

Naturfuels S.r.l is part of the Mastrandrea Group located in Palo del Colle (Bari), Italy. The Mastrandrea Group, a leader in Europe in biofuels and renewable energy technology, has been active in the green chemistry field in Italy since 1985, and in the mid-nineties became one of the largest suppliers of biodegradable polymer compounds to the Italian market.

"Recent legislative mandates, such as the plastic bag ban that went into effect this year in Italy, are driving exceptionally strong demand for bioplastics," said Mr. Vineet Dalal, Vice President and Director of Global Market Development for NTIC. "Italians have been using 20 billion conventional plastic bags a year. The direct substitution of conventional polyethylene as a raw material, with fully biodegradable plastics promises to create an almost billion-dollar market for bioplastics in Italy. Due to its existing relationships with Italian film extruders and plastic bag manufacturers, Naturfuels is the perfect distribution partner for NTIC in Italy."

"Our partnership with NTIC enables us to capitalize on the surging demand for biodegradable plastic products in Italy as a result of the country's ban on the use of polyethylene plastic bags," said Mr. Gaetano Mastrandrea, President of the Mastrandrea Group. "This collaborative agreement allows us to add high performance bioplastics to our product offering and solidifies our position as a leader in the green technology space in Italy."

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. NTIC's Natur-Tec branded products are engineered using a proprietary and patented blend of biodegradable polymers and natural materials to create biobased (renewable resource based) and biodegradable plastics. These products do not contain any conventional plastics such as polyethylene, polypropylene or polystyrene. The exceptionally broad Natur-Tec bioplastics portfolio spans flexible film, foam, rigid injection molded materials and engineered plastics. By using Natur-Tec products as an alternative to conventional plastics, industry and consumers are able to reduce their carbon footprint and move towards a zero carbon or carbon neutral footprint. For more information on Natur-Tec, visit www.natur-tec.com or contact Matt Wolsfeld at (763) 225-6600 or mwolsfeld@ntic.com

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

Forward-Looking Statements

Statements contained in this press release that are not historical information are forward-looking statements as defined within the Private Securities Litigation Reform Act of 1995. Such statements include NTIC's expectations regarding the size of the potential market for NTIC's biodegradable products in Italy and other statements that can be identified by words such as "expect," "intend," "continue," "anticipate," "estimate," "potential," "will," "would," 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: risks associated with NTIC's international operations; future laws and regulations; exposure to fluctuations in foreign currency exchange rates; the health of the U.S. and worldwide economies; the level of growth in NTIC's markets; NTIC's investments in research and development efforts; acceptance of existing and new products; increased competition; NTIC's dependence on the success of its joint ventures and fees and dividend distributions that NTIC receives from them; NTIC's relationships with its joint ventures and its ability to maintain those relationships; the costs and effects of complying with changes in tax, fiscal, government and other regulatory policies, including rules relating to environmental, health and safety matters; 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 report 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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