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FOR IMMEDIATE RELEASE

**NIAGARA RESPONDS TO STOCKHOLDER RELEASE
ON STRATEGIC ALTERNATIVES**

New York, September 27, 2005 – In response to The Wynnefield Group’s press release issued earlier today, Michael Scharf, Chairman, President and CEO of Niagara Corporation (OTC: NGCD.PK) issued the following statement.

“We are pleased that Wynnefield supports our Board’s decision to investigate strategic alternatives available to the Company at this time in order to maximize value for all stockholders. We hope that Wynnefield will not take any action to interfere with or impede this process in order to pursue its own “agenda.” Niagara’s Board of Directors carefully chose investment banking firms based on their knowledge of the Company, the industry, and the firms’ demonstrated records of success. Our Board is well aware of its fiduciary obligations and will act in the best interests of all of its stockholders, as it has consistently done in the past.”

This release contains certain “forward-looking statements” made pursuant to the “safe-harbor” provisions of the Private Securities Litigation Reform Act of 1995. These statements involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of the Company, which may cause the Company’s actual results to be materially different from those expressed or implied by such statements. Such risks, uncertainties and other factors include those described in the Company’s Annual Report for the year ended December 31, 2004. The forward-looking statements made herein are only made as of the date of this release, and the Company undertakes no obligation to publicly update such forward-looking statements to reflect subsequent events or circumstances.