HOMELAND ENERGY GROUP LTD.
144 Front Street West, Suite 780
Toronto, Ontario
M5J 2L7

FILED VIA SEDAR

Ontario Securities Commission
19th Floor, 20 Queen Street West
Toronto, Ontario, M5H 3S8
Attention: Continuous Disclosure

Alberta Securities Commission
4th Floor, 300 - 5th Avenue S.W.
Calgary, Alberta, T2P 3C4
Attention: Continuous Disclosure

British Columbia Securities Commission
12th Floor, Pacific Centre, 701 W. Georgia St.
Vancouver, B.C., V7Y 1L2
Attention: Continuous Disclosure

Dear Sirs/Mesdames:

RE: Material Change Report

1. The name of the reporting issuer is **Homeland Energy Group Ltd.** ("Homeland" or the "Company"), whose registered office is at 144 Front Street West, Suite 780, Toronto, Ontario, M5J 2L7.

2. The material change occurred on June 1, 2009.

3. A Press Release was published at Toronto on June 2, 2009.

4. Homeland also announced that it had it has retired its CAD$2.5 million loan from Homeland Uranium Inc. (HUI). The loan was fully drawn on January 20, 2009 to improve the Company's short-term working capital position. The loan was repayable one year from the draw date and accrued interest at a rate of 10% per annum and was secured by the 22.25 million common shares of Homeland Uranium held by Homeland Energy Corp, ("HEC") a wholly-owned subsidiary of the Company. HEC agreed to sell to HUI 10,361,652 shares and directed that the proceeds of $2,590,413 be used to retire the loan of the Company including accrued but unpaid interest.

5. Pursuant to an agreement dated June 1, 2009 among Homeland, HEC and HUI, HEC agreed to sell the 10,361,652 shares of HUI to HUI in consideration of a payment of $2,590,413. HEC further agreed that the proceeds from the sale of the shares would be used to repay the entire amount of the $2,500,000 loan plus accrued and unpaid interest advanced by HUI to the Company in January of 2009. The remaining 11,888,348 shares of HUI pledged as security have been returned to HEC.

   The sale of the HUI shares and the settlement of the loan were discussed at a meeting of the board of directors of the Company. The board of directors approved the settlement by way of a resolution at a meeting of the directors subject to final documentation being approved by the Company's Chief Executive Officer.

As prior to this transaction, HEC owned approximately 42% of the issued and outstanding capital of the HUI, this transaction is a related party transaction within the meaning of Multilateral Instrument 61-101 ("MI 61-101"). The transaction is exempt from the valuation and minority shareholder approval requirements of MI 61-101 pursuant to the exemptions contained in sections 5.5(a) and 5.7(a) of MI 61-101 in that the fair market value of the transaction does not exceed 25% of the Company's market capitalization. Following the completion of the transaction, HEC owns approximately 28% of the issued and outstanding capital of HEC.

Forward-Looking Statements

This material change report release contains or refers to forward-looking information, including statements regarding the estimation of mineral resources, exploration results, potential mineralization, exploration and mine development plans, timing of the commencement of operations and estimates of market conditions, and is based on current expectations that involve a number of business risks and uncertainties. Factors that could cause actual results to differ materially from any forward-looking statement include, but are not limited to, failure to convert estimated mineral resources to reserves, the grade and recovery of ore which is mined varying from estimates at the Kendal Colliery, capital and operating costs varying significantly from estimates, the preliminary nature of metallurgical test results, delays in obtaining or failures to obtain required governmental, environmental or other project approvals, political risks, uncertainties relating to the availability and costs of financing needed in the future, changes in equity markets, inflation, changes in exchange rates, fluctuations in commodity prices, delays in the development of projects and the other risks involved in the mineral exploration and development industry. Forward-looking statements are subject to significant risks and uncertainties, and other factors that could cause actual results to differ materially from expected results. Readers should not place undue reliance on forward-looking statements. These forward-looking statements are made as of the date hereof and the Company assumes no responsibility to update them or revise them to reflect new events or circumstances other than as required by law.

6. This report is not being filed on a confidential basis in reliance on subsection 7.1(2) or (3) of National Instrument 51-102.

7. No information is omitted because it is to be kept confidential.

8. Mr. Stephen E Coates, President and Chief Executive Officer of the Company, may be contacted at +44 20 7016 9881 concerning this report.

9. The foregoing accurately discloses the material change referred to herein.

DATED at Toronto, Ontario this 9th day of June, 2009.

HOMELAND ENERGY GROUP LTD.

"Kathleen E. Skerrett"

Per: ______________________________

KATHLEEN E. SKERRETT
Corporate Secretary