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

<u>FILED VIA SEDAR</u>

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 changes occurred on July 9, 2009 and July 16, 2009.

3. Press Releases were published at Toronto on July 9, 2009 and July 16, 2009.

4. On July 9, 2009, Homeland announced that it had completed its due diligence for an additional independent director and provided proxy process information in light of the postponement of the Annual General Meeting from June 30, 2009 to July 14, 2009.

   On July 16, 2009, Homeland announced the names of the directors elected at the Annual General Meeting held on July 14, 2009.

5. **Additional Independent Director and Proxy Process Information**

   Mr. Edwin S. Lee had been proposed for nomination by the Board of Directors as the seventh and independent director. Mr. Lee brings experience in corporate governance, corporate finance and his international network and experience to the Board. Since 2004 Mr. Lee has been a Director of several Phoenician Family of Funds, from 2001 to present he has been a partner and Managing Director of Newhaven Merchant Bankers. Mr. Lee currently holds no shares of Homeland Energy Group Limited.

The following is a biography brief for Mr. Lee:

Mr. Lee is a Managing Director of Newhaven, an international merchant bank with offices in Toronto, Dubai, London and Hong Kong. He is also a Director of several investment vehicles branded Phoenician Family of Funds. He currently serves on the Board of Directors of several publicly traded companies, listed on North American and European exchanges, and is a member of the Canadian Institute of Chartered Accountants.

Management voted in favour of this slate of seven directors.

All proxy forms submitted for the originally-scheduled meeting were valid. Shareholders who had submitted a proxy form directly to Homeland's transfer agent, Equity Transfer and Trust Company ("Equity") did not have to do nothing and votes were counted as originally voted. Alternatively, shareholders who had submitted a proxy form to Equity and who had wished to make a vote change (revoke their form of proxy) were directed to contact Equity to request a clean (green) form of proxy to resubmit. Shareholders with proxies submitted through a broker did not have to do nothing and continued with the original vote or contacted their brokers if a change was requested.

The Annual General Meeting was rescheduled for Tuesday, July 14, 2009 at 4:00pm EDT and was held in the Manitoba Room of the Royal York Hotel, 100 Front Street West, Toronto, Ontario, M5J 1E3. Shareholders had until 4 PM on Friday, July 10, 2009 to submit a proxy or revoke an existing proxy.

Therefore, non-registered shareholders who had not already submitted a proxy, and had wished to vote their proxy in person at the Annual General Meeting, still had to submit a proxy by the 4:00pm deadline on Friday, July 10, 2009.

Announcement of Elected Directors and Appointment of Chairman

At the Annual General Meeting on July 14, 2009 the following directors were elected: Ashis Basu, Laurence Curtis, Avrom Howard, Raaj Kumar, Edwin Lee, Jeff Lowe and B.V.N. Rao, with a vote of 176,807,358 shares in favour out of a total 193,998,658 votes cast for a total of 91% in favour of the management slate.

Subsequent to the Annual General Meeting Mr. B.V.N. Rao was elected Chairman of the Board. The following is a biography for Mr. Rao:

Mr. B.V.N. Rao is the Business Chairman & Managing Director of GMR Energy Limited, holding company for all energy sector investments of GMR Group, and is engaged in the business of owning, developing and operating power generation projects and investments in hydro and thermal power projects and related energy sector investments such as coal mines. Mr. Rao is also the Business Chairman of the agri-business of GMR Group. In addition, Mr. Rao is on the board of several publicly listed and private companies involved in the energy sector in India and abroad. He has more than 33 years experience, including 12 years of varied banking experience with exposure in industrial finance, foreign exchange and international trade and more than 21 years in infrastructure and other industrial sectors. He is one of the founding Directors of the GMR Group, a leading infrastructure group in India.

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 changes referred to herein.

DATED at Toronto, Ontario this 16th day of July, 2009.

HOMELAND ENERGY GROUP LTD.

"Kathleen E. Skerrett"

Per: ______________________________
KATHLEEN E. SKERRETT
Corporate Secretary