

**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 January 6, 2012.
3. A Press Release was published at Toronto on January 6, 2012.
4. Homeland announced that further to its press release dated July 4, 2011, the Company has received a second draw down of US\$10 million under its US\$30 million credit facility with ICICI Bank. The Company had initially drawn down US\$10 million on June 30, 2011. Under the amended terms, the facility will bear interest at the rate of the 3 month US\$ LIBOR + 4.5%. All other terms of the facility remain the same. The funds from this second draw will be used for working capital purposes.
5. N/A.
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. Ajay Gupta, Chief Financial Officer of the Company, may be contacted at (416) 506-1979 concerning this report.

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

**DATED** at Toronto, Ontario this 12<sup>th</sup> day of January, 2012.

**HOMELAND ENERGY GROUP LTD.**

*“Kathleen E. Skerrett”*

Per:

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**KATHLEEN E. SKERRETT**  
**Corporate Secretary**