Homeland Energy Group Ltd. Announces Proposed Private Share Purchase and Resignation of Members of the Board

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TORONTO, Dec 24, 2014 - Homeland Energy Group Ltd. (NEX:HEG.H) (Homeland or the Company) today announced that is has been advised of a proposed share sale transaction between GMR Energy Limited (GMR), the Company's largest shareholder holding 293,215,907 shares representing approximately 62.1% of the Company's issued and outstanding common shares, and SRK Energy Ltd. (SRK), a purchaser at arm's length to GMR (the Transaction). As part of the Transaction, GMR will sell 287,369,107 shares in the Company to SRK representing approximately 60.9% of the Company's issued and outstanding common shares, by way of a private agreement for total cash consideration of $110.00, and SRK will become a new insider and the controlling shareholder of Homeland. The closing of the Transaction is subject to approval of the TSX Venture Exchange and the Reserve Bank of India which has been applied for. The Transaction is an insider bid as noted below.

In connection with the Transaction, the three directors nominated by GMR, Avinash Shah, Ashis Basu and Madhusudhan Bagepally, have resigned from the Homeland board of directors and Mr. Shah has resigned as Chief Executive Officer. The Company would like to thank Messrs. Shah, Basu and Bagepally for their service as well as GMR for its support over the years. We wish GMR and its representatives all the best moving forward.

SRK is controlled by Mr. Ajay Gupta, the Chief Financial Officer of Homeland. As a result the Transaction is an "insider bid" for the purposes of Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions ("MI 61-101"). SRK intends to rely on certain exemptions from the requirement to produce a formal valuation pursuant to MI 61-101 on the basis that, (i) SRK owns in excess of 10% of the outstanding shares, (ii) SRK had full knowledge and access to information concerning Homeland and its securities, and (iii) Mr. Gupta is not aware of any material information in respect of Homeland and its securities that has not been generally disclosed and could reasonably be expected to increase the value of the securities.

Further announcements will be made as appropriate.

Homeland Energy Group Ltd. (NEX:HEG.H) is a company seeking out interests in viable projects in neighbouring countries as well as internationally. Homeland Energy Group Ltd. is currently traded on the NEX under the symbol HEG.H with 472,204,149 common shares issued and outstanding. www.homelandenergygroup.com

CAUTIONARY STATEMENT: Neither the TSX-V nor its Regulation Services Provider (as that term is defined in the policies of the TSX-V) accepts responsibility for the adequacy or accuracy of this release. No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained herein. This News Release includes certain "forward-looking statements". All statements other than statements of historical fact, included in this release, including, without limitation, future plans and objectives of the Company, are forward-looking statements that involve various risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from the Company's expectations are the risks detailed herein and from time to time in the filings made by the Company with securities regulators including the following: (i) Homeland has stopped commercial operations and has no history of profit; (ii) investment in the common shares of Homeland is highly speculative given the unknown nature of Homeland's business and its present stage of development; (iii) there is no assurance that Homeland will find a profitable undertaking or that it can successfully conclude a purchase of such an undertaking at all or on terms which are commercially acceptable; (iv) the directors and officers of Homeland will only devote a portion of their time to the business and affairs of Homeland and some of them are or will be engaged in other projects or businesses such that conflicts of interest may arise from time to time; and (v) there can be no assurance that an active and liquid market for Homeland's common shares will develop and an investor may find it difficult to resell its common shares. This list is not exhaustive of the factors that may affect any of Homeland's forward-looking statements. These and other factors should be considered carefully and readers should not place undue *reliance on Homeland's forward-looking statements. Although Homeland believes that the assumptions and factors used in preparing the forward-looking information in this news release are reasonable, undue reliance should not be placed on such information, which only applies as of the date of this news release, and no assurance can be given that such events will occur in the disclosed time frames or at all. Homeland disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, other than as required by law.*

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