



News Release

**Homeland Energy Group Closes Private Placement to a
Controlled Affiliate of GMR Holdings**

- Homeland receives C\$3.1 million from GMR for the purchase of an additional 15,776,512 common shares to maintain 33.3% interest in Homeland

Toronto, Canada (Mar 9, 2009) - Homeland Energy Group Ltd. (TSX: HEG) ('Homeland' or 'the Company') has issued 15,776,512 common shares to Crossridge Investments Limited, a controlled affiliate of GMR Holdings, ("GMR") at a price of C\$0.20/share. This represents a 25% discount to the five-day Volume Weighted Average Price of the Homeland shares trading on the TSX in the previous five days of trading.

Homeland received a total of C\$3.1 million for this share purchase and GMR maintains a 33% interest with a total of 91,568,539 common shares.

Homeland Energy Group Ltd. (TSX: HEG) is a coal producer with operations in the Witbank area of South Africa. The company also has a large-scale development property in South Africa and exploration interests in Southern Africa. Homeland continues to seek out interests in additional coal projects in South Africa and neighbouring countries as well as in the United States. Homeland is a significant shareholder in Homeland Uranium Inc., a Canadian uranium exploration and development company focused on projects in Niger and the United States. Homeland also has an aggressive global acquisition strategy with a focus on energy resources. Homeland Energy Group Ltd. is currently traded on the Toronto Stock Exchange under the symbol "HEG" with 274,650,688 common shares issued and outstanding. www.homelandenergygroup.com.

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