

Homeland Uranium Announces Record Date for Reduction in Capital Distribution

TORONTO, December 15, 2010 – **Homeland Uranium Inc.**, (“Homeland” or the “Company”) is pleased to announce that at a shareholders meeting held today, it has received requisite shareholder approval in respect of a distribution to be made to shareholders as and by way of a reduction in capital. The Record Date for such distribution is December 15, 2010 as was previously announced on December 6, 2010.

Pursuant to the reduction of capital, shareholders of Homeland will receive 0.3957 shares of Southern Andes Energy Inc. (“Southern Andes”) for each common share of Homeland held. Southern Andes trades on the TSX Venture Exchange, under the symbol SUR.

It is expected that the Southern Andes shares certificates will be mailed to such shareholders by December 22, 2010.

The weighted average trading price of the Southern Andes shares on the TSX Venture Exchange for the period of ten trading days preceding the distribution date was \$0.49. The adjusted cost base for the Southern Andes shares to be distributed to the shareholders of Homeland was set at \$0.195. The total return of capital represents \$12,111,892.

A full description of the distribution as and by way of a reduction of capital is provided in the management information circular of Homeland dated November 10, 2010, which is available on the Company’s website www.homelanduranium.com and on SEDAR at www.sedar.com under the Company’s profile.

Homeland Uranium Inc. is a Canadian-based mineral resource company focused on uranium. In addition to its flagship property in Niger, the Company holds a fifty-one percent interest in Southern Andes Energy Inc. (TSXV:SUR), which in turn controls a commanding land position in the uranium-rich Macusani Plateau in southeastern Peru, within which several historically documented uranium occurrences are known. For more information about Homeland, please visit the Company’s website: www.homelanduranium.com. For more information about Southern Andes, please visit its website: www.southernandes.ca.

This news release may contain forward-looking statements that are based on the Company’s expectations, estimates and projections regarding its business and the economic environment in which it operates. These statements are not guarantees of future performance and involve risks and uncertainties that are difficult to control or predict. Therefore, actual outcomes and results may differ materially from those expressed in these forward-looking statements and readers should not place undue reliance on such statements. Statements speak only as of the date on which they are made, and the Company undertakes no obligation to update them publicly to reflect new

information or the occurrence of future events or circumstances, unless otherwise required to do so by law.

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