



INSIGNIA

NEWS RELEASE

INSIGNIA ENERGY LTD. ISSUES \$25 MILLION OF EQUITY TO TRICAP PARTNERS LTD.

July 20, 2009, Calgary, Alberta – Insignia Energy Ltd. ("Insignia") (TSX:ISN) is pleased to announce that it has issued 3,676,470 common shares to Tricap Partners Ltd. ("Tricap") for gross proceeds to Insignia of \$24,999,996. Insignia intends to use the gross proceeds for general working capital purposes. These shares were issued pursuant to an equity commitment previously provided by Tricap.

About Insignia

Insignia is a Calgary-based oil and natural gas company engaged in the exploration for and the acquisition, development and production of natural gas and crude oil in western Canada. Insignia's common shares trade on the Toronto Stock Exchange under the symbol "ISN".

Cautionary Statements

Certain information set forth in this press release, including without limitation anticipated use of proceeds, contains forward-looking statements. By their nature, forward-looking statements are subject to numerous risks and uncertainties, some of which are beyond Insignia's control, including the impact of general economic conditions, industry conditions, volatility of commodity prices, currency fluctuations, imprecision of reserve estimates, environmental risks, competition from other industry participants, the lack of availability of qualified personnel or management, stock market volatility and ability to access sufficient capital from internal and external sources. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements. Insignia Ltd's actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking statement will transpire or occur, or if any of them do so, what benefits that work and the combined company will derive therefrom. Insignia disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable securities laws.

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