



INSIGNIA

**FOR IMMEDIATE RELEASE**

**SYMBOL: "ISN"**

**INSIGNIA ENERGY LTD. ANNOUNCES NORMAL COURSE ISSUER BID  
FOR ITS COMMON SHARES**

**Calgary, Alberta December 8, 2008** – Insignia Energy Ltd. ("**Insignia**") announced today that the Toronto Stock Exchange ("**TSX**") has accepted Insignia's Notice of Intention to make a Normal Course Issuer Bid (the "**Bid**") to purchase for cancellation, from time to time, as Insignia considers advisable, its common shares (Trading Symbol: ISN) (the "**Common Shares**") through the facilities of the TSX. Insignia intends to purchase for cancellation up to a maximum of 630,586 Common Shares, being approximately 5% of Insignia's issued and outstanding Common Shares on the date hereof. As of the date hereof, the issued and outstanding is 12,611,724 Common Shares. The price which Insignia will pay for any Common Shares purchased by it will be the prevailing market price of the Common Shares on the TSX at the time of such purchase. The actual number of Common Shares that may be purchased for cancellation and the timing of any such purchases will be determined by Insignia.

The Bid will commence on December 10, 2008 and will terminate on December 9, 2009 or such earlier time as the Bid is completed or terminated at the option of Insignia.

Management of Insignia believes that, from time to time, the market price of the Common Shares may not fully reflect the underlying value of the Common Shares and that at such times the purchase of Common Shares would be in the best interests of Insignia. Such purchases will increase the proportionate interest of, and may be advantageous to, all remaining Common Share holders. In addition, the purchases by Insignia may increase liquidity to Insignia's Common Share holders wishing to sell their Common Shares.

The actual number of Common Shares that may be purchased for cancellation and the timing of any such purchases will be determined by Insignia, subject to a maximum daily purchase limitation of 1,122 Common Shares which equals 25% of Insignia's average daily trading volume for the previous two months of trading since the listing of the Common Shares on the TSX, except that until March 31, 2009, the daily maximum limitation shall be 50% of such average daily trading volume or 2,244 Common Shares in accordance with discretionary relief granted by the TSX. The average daily trading volume for the previous two months of trading since the listing of the Common Shares on the TSX was 4,488.

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 currently trade on the Toronto Stock Exchange under the symbol "ISN".

For more information please contact:

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