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## News Release

### **ADIRA ENERGY GRANTED EXTENSION OF DRILL CONTRACT AND SPUD DATES ON ITS GABRIELLA AND YITZHAK LICENSES, OFFSHORE ISRAEL**

**TORONTO, June 12, 2012 /CNW/ - ADIRA ENERGY LTD. (TSXV: ADL) (OTCBB: ADENF) (FRANKFURT: AORLB8).** Adira Energy Ltd. (“Adira” or the “Company”) is pleased to announce that the Ministry of Energy and Water of the State of Israel (the “Ministry”) has granted an extension of the dates for the execution of a drilling contract and the spudding of the first well on the Gabriella and Yitzhak licenses offshore, indicated below:

<b>License</b>	<b>New Contract Execution Date (Original date)</b>	<b>Submission of an Environmental Study (Original date)</b>	<b>New Spud Date (Original date)</b>
<b>Gabriella</b>	September 1, 2012 (July 1, 2012)	July 20, 2012 (September 1, 2012)	June 30, 2013 (December 1, 2012)
<b>Yitzhak</b>	September 1, 2012 (July 1, 2012)	September 1, 2012 (September 1, 2012)	October 30, 2013 (December 1, 2012)

The date for the submission of the Environmental Study was brought forward (as above), and Adira management believes they are able to submit the study within this timeline.

**Jeffrey E. Walter, Chief Executive Officer of Adira Energy** stated: “*We are delighted with the Ministry of Energy and Water’s decision to extend our Gabriella and Yitzhak licenses for approximately one year. The extensions on the licenses are a significant event, as it allows Adira additional time in order to secure funding to obtain the rigs required to drill the wells on Gabriella and Yitzhak. The imminent drilling deadlines have been placing a burden on Adira’s ability to raise capital in the current challenging global markets. With these extensions, the Company has the ability to secure the financing required to provide the necessary financial commitments in order to drill within the extended timelines.*”

#### **About Adira Energy Ltd.**

Adira Energy Ltd. is an oil and gas company which is focused in the eastern Mediterranean. The Company has three petroleum exploration licenses offshore Israel; the Gabriella, Yitzhak and Samuel Licenses. These licenses are located respectively 10 km offshore between Netanya and Ashdod, 17 km offshore between Hadera and Netanya and adjacent to the coast between Ashkelon and Bat-Yam.

#### **Forward-Looking Statement Disclaimer**

This press release includes certain statements that may be deemed “forward-looking statements”. All statements in this press release, other than statements of historical facts are forward-looking statements. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance, and actual results or developments may differ materially from those in the forward-looking statements. Forward-looking statements are based on the Company’s internal projections, estimated or beliefs, concerning, among other things an outlook on the estimated amounts and timing of exploration work and capital expenditures or other expectation, beliefs, plans, objectives, assumption, intentions or statements about future events or performance, which are considered by management to be reasonable at the time made.

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