

FORM 51-102F3
AMENDED MATERIAL CHANGE REPORT

ITEM 1 — Name and Address of Company

Adira Energy Ltd. (the “Company”)
120 Adelaide Street West
Suite 1204
Toronto, ON
M5H 1T1

ITEM 2 — Date of Material Change

August 9, 2012

ITEM 3 — News Release

A press release was disseminated on August 9, 2012 through CNW Group Ltd.

ITEM 4 — Summary of Material Change

The Company closed its previously announced prospectus offering (the “Offering”) of units on August 9, 2012. Each unit was priced at \$0.14 and consisted of one common share in the capital of the Company (a “Common Share”) and one Common Share purchase warrant (a “Warrant”). Each Warrant is exercisable to acquire one Common Share at a price of \$0.20 per Common Share until August 9, 2015.

ITEM 5 — Full Description of Material Change

On August 9, 2012 the Company closed the Offering. A total of 79,012,640 units were sold under the Offering for aggregate gross proceeds of \$11.1 million. Commissions of up to 6% in broker fees and broker warrants were paid on the Offering. Each broker warrant is exercisable for one Common Share at an exercise price of \$0.14 per Common Share until August 9, 2014. A total of 3,353,000 broker warrants were issued.

Approximately 19,031,096 units were subscribed for by directors, officers or affiliates thereof. As a result, the Offering constitutes a “related party transaction” pursuant to Multilateral Instrument 61-101- Protection of Minority Securityholders in Special Transactions (“MI 61-101”). The Offering is exempt from valuation and minority shareholder approval requirements pursuant to subsections 5.5(a) and 5.7(a) of MI 61-101. The Offering is exempt as at the time it was agreed to, neither the fair market value of the subject matter of, nor the fair market value of the consideration for, the Offering, insofar as the Offering involved interested parties, exceeded 25% of the Company’s market capitalization. The board of directors of the Company approved the Offering as being fair and reasonable, and in accordance with TSX Venture Exchange requirements. The Offering resulted in the filing of an early warning report by one insider (Sheldon Inwentash), reporting holdings together with joint actors represents a total of 27,319,347 Common Shares, or approximately 14.2% of all issued and outstanding Common Shares as at August 9, 2012, calculated on a partially diluted basis assuming the exercise of convertible securities.

A total of 180,781,093 Common Shares are issued and outstanding following the closing of the Offering.

The net proceeds of the Offering will be used in accordance with the use of proceeds set out in the final prospectus dated July 25, 2012, to advance exploration and development programs on the Gabriella, Yitzhak and Samuel licenses and for general corporate purposes.

A full description of the material change is contained in the press release dated August 9, 2012, a copy of which is attached hereto as Schedule "A".

ITEM 6 — Reliance on Section 7.1(2) of National Instrument 51-102

N/A

ITEM 7 — Omitted Information

N/A

ITEM 8 — Executive Officer

For further information, please contact:

Alan Friedman, Executive Vice-President Corporate Development

(416) 250-1955

ITEM 9 — Date of Report

August 15, 2012

SCHEDULE "A"



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News Release

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ADIRA ENERGY ANNOUNCES CLOSING OF \$11.1 MILLION PROSPECTUS FINANCING

TORONTO, August 9, 2012 /CNW/ - ADIRA ENERGY LTD. (TSXV: ADL) (OTCBB: ADENF) (FRANKFURT: AORLB8). Adira Energy Ltd. ("Adira" or the "Company") is pleased to announce the closing of its previously announced prospectus offering (the "Offering") of units. Each unit was priced at \$0.14 and consists of one common share in the capital of the Company (a "Common Share") and one Common Share purchase warrant (a "Warrant"). Each Warrant is exercisable to acquire one Common Share at a price of \$0.20 per Common Share until August 9, 2015. The Offering was completed by a syndicate of agents co-led by GMP Securities L.P., Cormark Securities Inc. and Dundee Securities Ltd. and included Clarus Securities Inc. and FirstEnergy Capital Corp. PowerOne Capital Markets Limited acted as a member of the selling group in connection with the Offering.

A total of 79,012,640 units were sold under the Offering for aggregate gross proceeds of \$11.1 million. Commissions of up to 6% in broker fees and broker warrants were paid on the Offering. Each broker warrant is exercisable for one Common Share at an exercise price of \$0.14 per Common Share until August 9, 2014. A total of 3,353,000 broker warrants were issued. A total of 180,781,093 Common Shares are now issued and outstanding following the closing of the Offering. Approximately 19,031,096 units were subscribed for by insiders of the Company.

The net proceeds of the Offering will be used in accordance with the use of proceeds set out in the final prospectus dated July 25, 2012, to advance exploration and development programs on the Gabriella, Yitzhak and Samuel licenses and for general corporate purposes. Listing of the Common Shares is subject to final TSX Venture Exchange approval.

Jeffrey E. Walter, Chief Executive Officer stated: "*We are pleased to welcome new investors into Adira's already strong investor base. Adira continues to make excellent progress in being able to instil the confidence that it can deliver on the promises that have been made to our shareholders. Over the last several months we have delivered extensions to all of our licenses, extended drilling contract commitment dates, added Board members with significant industry experience, and recently contracted a rig for our core asset "Gabriella". We continue to make excellent progress and remain focused on our program in the Eastern Mediterranean. We confidently believe that Adira's assets and experienced team will be instrumental in enabling oil to be the next headline resource in Israel.*"

The securities referred to in this news release have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons absent U.S. registration or an applicable exemption from the U.S. registration requirements. This news release does not constitute an offer for sale of securities for sale, nor a solicitation for offers to buy any securities. Any public offering of securities in the United States must be made by means of a prospectus containing detailed information about the company and management, as well as financial statements.

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, 9 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. Actual events or results may differ materially. Although the Company believes that the expectations reflected in the statements are reasonable, it cannot guarantee future results since such results are inherently subject to significant business, economic, corporate, political and social uncertainties and contingencies. Many factors cause the Company’s actual results to differ materially from those expressed or implied in any forward looking statements made by, or on behalf of, the Company and the foregoing stated factors are not exhaustive. The statements contained herein are made as of the date hereof and the Company disclaims any intent or obligation to update publicly any forward looking statements, whether as a result of new information, future events or results or otherwise, except as required by applicable law. Company shareholders and potential investors should carefully consider the information contained in the Company’s filing with Canadian securities administrators at www.sedar.com before making investment decisions with regard to the Company.

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