

**FORM 51-102F3
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

February 16, 2011

ITEM 3 — News Release

A press release was disseminated on February 17, 2011 through CNW Group Ltd.

ITEM 4 — Summary of Material Change

On February 17, 2011, the Company issued a press release announcing the closing of its previously announced CDN\$6,500,000 non-brokered private placement (the “Offering”). The Company issued 10,483,871 common shares at a price of CDN\$0.62 per share. The full amount of the Offering was subscribed for by Quantum Partners LP, a private investment fund managed by Soros Fund Management LLC. A 6% finder’s fee was paid in connection with the Offering.

The Offering is subject to final TSX Venture Exchange approval.

ITEM 5 — Full Description of Material Change

A full description of the material changes are contained in the press release dated February 17, 2011, 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 or +27 82 082 5299

ITEM 9 — Date of Report

February 25, 2011

SCHEDULE "A"



Not for dissemination in the USA

ADIRA ENERGY CLOSES \$6.5 MILLION NON-BROKERED PRIVATE PLACEMENT WITH QUANTUM PARTNERS LP (AN INVESTMENT FUND MANAGED BY SOROS FUND MANAGEMENT LLC)

TORONTO, February 17 /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 CDN\$6,500,000 non-brokered private placement (the "Offering"). The Company issued 10,483,871 common shares at a price of CDN\$0.62 per share. The full amount of the Offering was subscribed for by Quantum Partners LP, a private investment fund managed by Soros Fund Management LLC. A 6% finder's fee was paid in connection with the Offering. The Offering is subject to final TSX Venture Exchange approval.

About Adira Energy Ltd.

Adira Energy Ltd. explores for oil and gas in and offshore Israel. It has four petroleum exploration licenses; the Eitan, Gabriella, Yitzhak and Samuel Licenses. These licenses are located respectively on-shore in the Hula Valley of Northern Israel and, 10 km offshore between Netanya and Ashdod, 17 km offshore between Hadera and Netanya and adjacent to the coast between Ashkelon and Bat-Yam. The Company has an agreement to farm in to 70% the Notera license adjacent to the Eitan license.

The Company has filed an independent technical report related to the Eitan license on www.sedar.com. The report, prepared by Petrotech Engineering Ltd. is entitled "Evaluation of the Interest of Adira Energy Corp. in License No.356 EITAN in the Hula Valley, Israel", dated June 1, 2009 and is supplemented by a letter dated October 8, 2009.

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, including those that announce proposed financings that the Company expects to complete, 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. Factors that could cause actual results to differ materially from those in forward-looking statements include the failure of investors who are believed to have committed to the financings to complete them as a result of general market conditions, adverse developments unique to such investors, or otherwise. Accordingly, the actual amounts raised may differ materially from those projected in the forward-looking statements. For more information on the Company, investors should review the Company's filings, available at www.sedar.com and www.sec.gov. This announcement does not constitute an offering of securities nor a solicitation to purchase securities. An offer of securities will only be made by subscription agreement and subject to applicable law.

For more information contact:

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This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.