

**ADIRA ENERGY LTD.**

**NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS**

**NOTICE IS HEREBY GIVEN** that the annual and special meeting (the “**Meeting**”) of shareholders of Adira Energy Ltd. (the “**Corporation**”) will be held at the office of Aird & Berlis LLP, Barristers and Solicitors, Brookfield Place, Suite 1800, 181 Bay Street, Toronto, ON Canada M5J 2T9, on April 13, 2011 at the hour of 9:00 a.m. (Toronto time), for the following purposes:

- (a) To receive the consolidated audited annual financial statements of the Corporation for the year ended September 30, 2010 and the report of the auditors thereon.
- (b) To consider, and if deemed advisable, to pass the resolution electing the directors named in the accompanying management information circular (“**Information Circular**”) of the Corporation.
- (c) To appoint the auditors and to authorize the directors to fix their remuneration.
- (d) To consider, and if deemed advisable, to pass the resolution approving the Corporation’s stock option plan (the full text of which is reproduced as Appendix “A” to the Information Circular).
- (e) To transact such other business as may properly come before the Meeting or any adjournment thereof.

Shareholders of record as at the close of business on Friday, March 11, 2011, will be entitled to notice of and to vote at the Meeting.

A detailed description of the matters to be acted upon at the Meeting is set forth in the Information Circular.

Copies of: (a) this notice of annual and special meeting of shareholders, (b) the Information Circular, and (c) a Management form of proxy and instructions in relation thereto (the “**Management Proxy**”) may be obtained at the following office: 120 Adelaide St. West, Suite 1204, Toronto, ON, Canada M5H 1T1 or will be sent to a shareholder without charge upon request by calling (416) 250-1955.

**DATED** the 15<sup>th</sup> day of March, 2011.

**By Order of the Board of Directors**

(Signed) DENNIS BENNIE  
Chairman of the Board