

**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

August 29, 2011

ITEM 3 News Release

A press release was disseminated on August 30, 2011 through CNW Group Ltd.

ITEM 4 Summary of Material Change

On August 30, 2011, the Company issued a press release announcing that it has changed its financial year-end from September 30 to December 31.

ITEM 5 Full Description of Material Change

Effective August 30, 2011, the Company has changed its financial year-end from September 30 to December 31 in order to better coordinate reporting with its Israel operations.

The Company has filed audited financial statements and accompanying Management Discussion and Analysis for the year ended December 31, 2010 which are prepared in accordance with International Financial Reporting Standards ("**IFRS**") and its interim financial statements and accompanying Management Discussion and Analysis with Canadian securities regulatory authorities for the six month period ended June 30, 2011.

As a result of the filing of IFRS compliant statements no transitional period arises from the change in year-end. December 31, 2011 will be the Company's next year end.

A full description of the material changes are contained in the press release dated August 30, 2011, a copy of which is attached hereto as Schedule "A" and a Notice of Change in Year-End has been filed on the Company's SEDAR profile at www.sedar.com.

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**

September 6, 2011

SCHEDULE 'A'

ADIRA ENERGY ANNOUNCES CHANGE IN FINANCIAL YEAR-END AND FILING OF INTERIM FINANCIAL STATEMENTS AND MD&A

TORONTO, August 30, 2011 /CNW/ - ADIRA ENERGY LTD. (TSXV: ADL) (OTCBB: ADENF) (FRANKFURT: AORLB8). Adira Energy Ltd. ("Adira" or the "Company") announced today that it has changed its financial year-end from September 30 to December 31 in order to better coordinate reporting with its Israel operations.

Adira also announced that it has filed audited financial statements and accompanying Management Discussion and Analysis for the year ended December 31, 2010 and its interim financial statements and accompanying Management Discussion and Analysis with Canadian securities regulatory authorities for the six month period ended June 30, 2011.

A Notice of Change in Year-End and interim financial statements are available for review under the Corporation's SEDAR profile at www.sedar.com.

About Adira Energy Ltd.

Adira Energy Ltd. is an energy company which explores for oil and gas on and offshore Israel. It has four petroleum exploration licenses; the Eitan, Gabriella, Yitzhak and Samuel Licenses. These licenses are located respectively on-shore Israel in the Hula Valley, 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 filed an independent technical report related to the Eitan license on www.sedar.com. The report, prepared by Petrotech Engineering Ltd., is titled "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.

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The statements made in this Press Release may contain forward-looking statements that may involve a number of risks and uncertainties. Actual events or results could differ materially from the Company's expectations and projections.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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