



## ADIRA ENERGY PROVIDES HULA VALLEY UPDATE

**TORONTO, July 7, 2011 /CNW/ - ADIRA ENERGY LTD. (TSXV: ADL) (OTCBB: ADENF) (FRANKFURT: AORLB8).** Adira Energy Ltd. (“Adira” or the “Company”) is pleased to provide an update on its on-shore activities in Hula Valley, Northern Israel.

The Company continues to drill a 1000 meter well on its 100% owned, 31,000 acre Eitan License (“Eitan”) in the Hula Valley, to evaluate the potential for field development. The well has already been cored through the first interval of coal at approximately 625 meters and is currently being desorbed for gas content. Following desorption, samples of the core will be selected for laboratory analysis. The drilling is also intended to evaluate another potential coal zone at approximately 1000 meters. Once the zone is located, the additional coal will also be cored if possible. The economics of both coal zones will be determined by the gas content and producibility. Upon completion of desorption and absorption work, the Company will have a better understanding of the well and therefore define a program for further drilling and economics of development. The Company considers current drilling at this depth exploratory.

As a result of the Adira’s onshore exploration activities being focused on Eitan, the Company has waived its right to farm into 70% of the 16,700 acre Notera license #335. The Company has therefore terminated the Participation Agreement and Joint Operating Agreement dated July 20, 2010 and the CBM License Farm-In Agreement dated March 21, 2010, both with CGH relating to the Noterra License (*See press release dated April 21, 2010*).

Adira continues to concentrate its efforts on developing its Israeli off-shore licenses, “Yitzhak”, “Gabriella” and “Samuel”.

### **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](http://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.

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