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News Release

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ADIRA ENERGY ANNOUNCES INTENTION TO LIST ITS COMMON SHARES ON THE TEL AVIV STOCK EXCHANGE

TORONTO, May 2, 2012 /CNW/ - ADIRA ENERGY LTD. (TSXV: ADL) (OTCBB: ADENF) (FRANKFURT: AORLB8). Adira Energy Ltd. (“Adira” or the “Company”) is pleased to announce that the Company’s Board of Directors has approved the listing of Adira’s common shares on the Tel Aviv Stock Exchange (“TASE”) in Israel (the “TASE Listing”). In connection with the potential TASE Listing, the Company has filed a preliminary prospectus with the Israeli Securities Authorities (“ISA”) and the necessary application with TASE. The TASE Listing is subject to the receipt of all applicable regulatory approvals, including approval of the TSX Venture Exchange (the “TSXV”), the ISA and the TASE. In the Company’s view, the TASE Listing is still conditional and there can be no assurance that such listing will be completed.

As part of the TASE Listing, the Company has called a special meeting of the shareholders, currently scheduled to take place on May 30, 2012 in Toronto, Ontario (the “Meeting”), in order to propose the change in the Company’s by-laws to conform the by-laws to the requirements of the relevant laws and regulations in Israel. The Company’s management information circular prepared in connection with the Meeting will be filed on SEDAR on May 2, 2012.

The Company’s common shares are currently listed on the TSXV. The Company intends to maintain the listing and posting for trading of its common shares on the TSXV such that the Company’s common shares will be listed on both the TSXV and the TASE.

The Board of Directors of the Company determined that it was in the best interests of the Company to have its common shares listed on both the TSXV and the TASE to:

- Assist in creating greater public awareness of Adira in Israel
- Demonstrate the Company’s commitment to Israel given the location of the Company’s licenses
- Provide Israeli investors and institutions with easier access to ownership of Adira’s common shares while maintaining Adira’s strong North American investor and institutional base
- Better engage Israeli investment banks and other sources of capital in the Company and its projects while maintaining Adira’s existing relationships with North American investment banks and sources of capital

Gadi Levin, the Company’s Chief Financial Officer commented that “*the TASE listing will broaden Israeli participation in the Company’s projects and could in the future provide the Company with access to additional capital to advance the Company’s work programs.*” Mr. Levin went on to say that “*even though the Company sees advantages to listing its shares on TASE, management and the board believe that maintaining the listing of the Company’s shares on the TSX Venture Exchange in Toronto is a key part of the execution of the Company’s strategy and the Company’s future.*”

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, 17 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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