

News Release via Marketwire
Attention Business/Financial Editors:

GREENTREE ANNOUNCES PRIVATE PLACEMENT OFFERING

LONDON, ONTARIO, August 13, 2009 - Duncan Hamilton, President of Greentree Gas & Oil Ltd. (TSXV:GGO) ("Greentree" or the "Company") announced today that the Company intends to undertake a non-brokered private placement to raise up to \$600,000. The private placement offering (the "**Offering**") will consist of up to \$300,000 of Flow-through Units and up to \$300,000 of Ordinary Units or such other combination or amounts of Flow-through Units and Ordinary Units as the Company may at any time determine. The Offering is only available to 'accredited investors' or other investors permitted to subscribe for securities on an exempt basis in compliance with applicable securities laws.

Each Flow-through Unit will be priced at \$0.05 and will consist of one (1) flow-through common share and one (1) share purchase warrant (a "Warrant"). Each Ordinary Unit will be priced at \$0.04 and will consist of (1) common share and one (1) Warrant. Each Warrant will entitle the holder to purchase one common share for \$0.10 within 12 months after closing.

The Company will pay finders fees of up to 10% on the gross proceeds of the Offering in cash and/or, subject to compliance with all regulatory requirements, other compensation, to brokers or others qualified to receive a commission or finders fee in connection with the Offering.

All terms of the Offerings are subject to the approval of the TSX Venture Exchange.

Proceeds from this financing will be used in part to continue with Greentree's successful infill drill program in its 100%-owned Rodney Unit 3. To date, in the past eleven months, a total of ten new oil producers have been drilled and placed on production. Oil production has steadily increased and is currently fluctuating between 16 and 32 barrels per day. Production is expected to continue to increase as the new wells clean up and the water-flood system is fully optimized. Four of the new wells were completed in the upper portion of the oil reservoir unit and are producing close to 100% oil. The Company intends to focus on exploiting the upper reservoir interval with future infill drill completions. As previously announced, management believes that the upside potential of this program is significant as Greentree's portion of the Rodney pool has recovered an estimated 28% of the original oil-in-place as compared to the north end of the pool (currently operated by Taqa North) which has recovered an estimated 56% of the original oil-in-place in that section of the pool. Greentree's portion of the Rodney pool has produced approximately 2 million barrels of oil to date as compared to the north end of the pool, which has produced approximately 8.6 million barrels of oil to date.

Greentree Gas & Oil Ltd. is based in London, Ontario and is an explorer and producer of oil and natural gas in southwestern Ontario.

For further information, contact Duncan Hamilton, M.Sc., P. Geol., President, Greentree Gas & Oil Ltd., 207-209 Consortium Court, London, Ontario, N6E 2S8, Telephone: (519) 681-9355, Facsimile: (519) 681-3887, email: Greentree.gas@greentreegas.on.ca.

Reader advisory:

Investors are cautioned that the preceding statements of the Company may include certain estimates, assumptions and other forward-looking information. The actual future performance, developments and/or results of the Company may differ materially from any or all of the forward-looking statements, which include current expectations, estimates and projections, in all or part attributable to general economic conditions and other risks, uncertainties and circumstances partly or totally outside the control of the Company, including natural gas/oil prices, reserve estimates, drilling risks, future production of gas and oil, rates of inflation, changes in future costs

and expenses related to the activities involving the exploration, development and production of gas and oil hedging, financing availability and other risks related to financial activities.

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