

Greentree Announces Completion of the second tranche of a Private Placement Offering

LONDON, ONT.— December 12, 2007 – Greentree Gas & Oil Ltd. (TSX-V:GGO; “Greentree”) is pleased to announce that today it successfully closed the second tranche of a private placement offering (the “Offering”). The second tranche consisted of 2,629,854 units at a price of \$0.11 per unit and 178,599 flow-through common shares at a price of \$0.15 per flow-through common share, for aggregate gross proceeds of \$316,073.97. Each unit consists of one common share and one common share purchase warrant (“Warrant”) of Greentree. Each whole Warrant issued entitles the holder to purchase one common share of Greentree at a price of \$0.16 at any time until December 12, 2008. All the securities issued pursuant to the second tranche of the private placement are subject to a four (4) month hold period expiring April 13, 2008.

Gross proceeds from the first and second tranches of the Offering aggregate \$718,674.

The Offering is non-brokered. Finder’s fees of 10% of the gross proceeds of the Offering are payable in cash to Capital Street Group Investment Services, Inc.

The net proceeds to Greentree from the Offering will be used to finance evaluation of additional shallow oil properties, to rework and re-stimulate existing producing wells, to enhance production and to reduce outstanding debt.

This press release shall not constitute an offer to sell or solicitation of an offer to buy the securities in any jurisdiction. The flow-through common shares, the common shares and the warrants underlying the units have not been and will not be registered under the United States Securities Act of 1933 and may not be offered or sold in the United States absent registration or applicable exemption from the registration requirements.

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