

Greentree Announces Completion of the first tranche of a Private Placement Offering and Amendment of Offering

LONDON, ONT.— December 7, 2007 – Greentree Gas & Oil Ltd. (TSX-V:GGO; “Greentree”) is pleased to announce that today it successfully closed the first tranche of a previously announced private placement (see Greentree's news release dated October 30, 2007) (the “Offering”). The first tranche consisted of 3,131,363 units at a price of \$0.11 per unit and 387,666 flow-through common shares at a price of \$0.15 per flow-through common share, for aggregate gross proceeds of \$402,600. 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 7, 2008. All the securities issued pursuant to the first tranche of the private placement are subject to a four (4) month hold period expiring April 8, 2008.

Due to the strong demand for units, Greentree has amended the terms of the Offering, such that up to \$1,000,000 of units, and up to \$250,000 of flow-through shares will be offered, subject to TSX Venture Exchange approval, instead of \$625,000 of units and \$625,000 of flow-through shares. The Offering, as amended, will now comprise a maximum of 9,090,909 units (or 9,090,909 common shares and 9,090,909 Warrants) and 1,666,667 flow-through common shares. All other terms of the Offering shall remain unchanged. A second tranche of the Offering is anticipated to close on Tuesday, December 11, 2007 and a final tranche is expected to close on or before Thursday, December 20, 2007.

The Offering is non-brokered. Finder's fees of 10% of the gross proceeds of the first tranche 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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The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this release.

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