

News Release via CNN Matthews
Attention Business/Financial Editors:

GREENTREE GAS & OIL LTD. REPORTS OPERATIONS UPDATES

LONDON, ONTARIO, July 23, 2008, /CNW/ - Greentree Gas & Oil Ltd. (TSXV-GGO) ("Greentree" or the "Company") is pleased to report that it recently signed a non-binding letter of intent with an Alberta-based public junior explorer to farm-out a selected portion of Greentree's existing land base and to jointly pursue conventional and shale gas opportunities. The transaction is subject to due diligence and the execution of a formal joint venture agreement.

Greentree also recently signed an amendment to an existing operating agreement with United States Steel Corporation (U.S. Steel) (formerly Stelco Steel) whereby U.S. Steel will fund additional evaluation work on a deep test well drilled by Greentree on U.S. Steel property in 2006. The well encountered a gas show in a section of hydrothermal dolomite in the Ordovician Trenton-Black River interval. The Trenton-Black river play remains very active in New York State. The well has natural gas potential in an 18-meter thick tight sandstone interval and the Ordovician "Blue Mountain" black shale section, which is equivalent to the Ordovician "Utica" shale. A service rig has been contracted and the evaluation work is expected to commence in August.

As previously announced the Company recently raised a total of \$1,050,000, which will be directed to Greentree's active drilling program in Rodney and to the reworking of a number of natural gas wells in Norfolk County. The Company is in the midst of the previously announced 6-well drilling program in Rodney Unit 3 and results to date indicate an average of 5 bbls/d of production potential per new well. Based on detailed geological mapping of the pool a total of 32 infill well locations have been identified. Drilling, completion, equipping and hook-up costs are approximately \$80,000 per well and, based on 5 bbls/d of production and current oil prices, payout per well could occur as quickly as 6-months. The company's target is to drill an additional ten, infill oil wells in Rodney Unit 3 by year-end. Greentree has contracted a service rig to complete workovers on a number of its existing gas producers in Norfolk to enhance production. To date seven gas wells have been completed with positive results. The plan is to service an additional twenty gas wells over the course of the summer, which is expected to increase natural gas production from the core area.

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

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Reader advisory:

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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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