

News release via CNN Matthews

Attention Business/Financial Editors:

Greentree Gas & Oil Ltd. Reports Operations Update

LONDON, ONTARIO, December 4, 2006 - Greentree Gas & Oil Ltd. (TSXV – GGO) (“Greentree” or the “Company”) is pleased to report an update on the Company’s fall/winter 16 well drilling program and field operations.

Norfolk County Properties

The Company has just completed a two-kilometer section of pipeline to tie-in one of the first exploration wells of the fall drilling program. The well is expected to be on production this week. Greentree is currently planning a number of offsetting development wells to be completed in Q1-2007.

Haldimand County “Deep Gas” Prospect

Greentree has drilled the upper section of GGOL#67 and is preparing to drill through the Ordovician Trenton-Black River and Cambrian intervals. The well penetrated approximately 8.5 meters of sandstone in the Silurian Thorold and Grimsby formations, of which 2.5 meters was over 8% in porosity. Based on the data the Company will assess the economic potential. The primary target is the Ordovician Trenton-Black River hydrothermal dolomite play, which has proven to be prolific in New York, Ontario and other locations in the Appalachian and Michigan basins. The Company expects to reach total depth of the well by the end of this week.

Tilbury West Prospect

Greentree commenced drilling a deep light oil prospect in Tilbury West Township, Essex County last Thursday. GGOL#71 offsets a Talisman horizontal oil producer along a seismically defined Trenton-Black River anomaly. The well is being drilled by a cable-tool rig and results from the drilling are not expected until Q1- 2007.

West Lorne Prospect

The Company is currently waiting on a permit to commence an exploratory test in Aldborough Township, Elgin County. The rig has been contracted and is preparing to move on to the location. GGOL#72 is located along a prospective depositional fairway of the Silurian Grimsby sandstone. The well location offsets an Imperial Oil deep test which had an interpreted four meters of potential bypassed gas pay in the Grimsby sandstone. Two wells to the northwest of the location had initial flow rates of 1.77 and 1.13 MMcf/d and six recent wells to the southeast of GGOL#72 reported initial flow rates in the 1.0 to 4.2 MMcf/d range from the Grimsby sandstone.

Rodney South Project

The first phase of the project involving the drilling of eight water-injection and two horizontal production wells and the construction of facilities and infrastructure is progressing. The sixth injection well is currently being drilled with the remaining two injectors slated to be completed by the end of December 2006. The drilling of the horizontal wells is planned for January 2007 with full-scale production to follow. A further update will be provided when production operations are initiated.

Wavefront Energy and Environmental Services Inc. ("Wavefront") is providing up to \$C 2.25 million for initial capital expenditures and working capital requirements. Until payout of Wavefront's initial investment, cash flow from operating activities will be allocated 70% and 30% to Wavefront and Greentree, respectively. Subsequent to payout, cash flow from operating activities will be allotted 50% to Wavefront and 50% to Greentree.

Greentree Gas & Oil Ltd. is based in London, Ontario and is an explorer and producer of natural gas and crude oil in southwestern Ontario. Greentree has 36,811,961 common shares outstanding.

Forward-Looking Statements

This press release contains some forward-looking statements that may involve a number of risks and uncertainties. Actual events or results could differ materially from the Company's expectations and projections. The Company assumes no obligation to update its forward-looking statements, expectations or projections.

THIS PRESS RELEASE WAS PREPARED BY GREENTREE GAS & OIL LTD., WHICH ACCEPTS THE RESPONSIBILITY AS TO ITS ACCURACY. NO REGULATORY AUTHORITY OR SIMILAR BODY HAS APPROVED OR DISAPPROVED THE INFORMATION CONTAINED HEREIN.

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