

News release via CNN Matthews

Attention Business/Financial Editors:

Greentree Gas & Oil Ltd. Announces a Closing on Private Placement

LONDON, ONTARIO, December 22, 2006 - Greentree Gas & Oil Ltd. (TSXV-GGO) (“Greentree” or the “Company”) announces a closing on its previously reported non-brokered private placement (news releases December 19, 2006 and December 21, 2006), as follows:

- 464,286 flow-through shares, at a price of \$0.28 per share, for total proceeds of \$130,000.08; and
- 1,088,000 non-flow-through shares, at a price of \$0.25 per share, for total proceeds of \$272,000.

The proceeds of the offering will be used for further exploration and development of the Company’s properties and for general working capital requirements. The securities issued under the private placement are subject to a four-month hold period from the date of issue in accordance with securities laws and TSX Venture Exchange policies.

The private placement was marketed on a non-brokered basis; however, Greentree agreed to pay to finders of flow-through share subscribers entitled under applicable securities rules to receive compensation, a 7% cash commission and that number of non-flow-through share purchase warrants equal to 6% of the number of flow-through shares sold by the finder, exercisable at a price of \$0.28 per warrant for a period of two years from the date of issue. Finders of non-flow-through share subscribers entitled under applicable securities rules to receive compensation, were entitled to a cash commission of 10%.

Greentree Gas & Oil Ltd. is based in London, Ontario and is an explorer and producer of oil and natural gas in southwestern Ontario. Greentree has 38,376,247 common shares outstanding (including those issued today pursuant to this private placement).

For further information, contact Duncan Hamilton, M.Sc., P. Geol., President, or Patrick Uzan, B.A., C.A., Chief Financial Officer, 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.

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