



NEWS RELEASE

TSX-V: KT

KREE TECH REPORTS SECOND QUARTER FISCAL 2006 FINANCIAL RESULTS

St. Hubert, Quebec – December 22, 2005 – Kree Tech International Corporation (“Kree” or “the Company”) (TSX-V: KT), an established and recognized developer and manufacturer of superior pressure-sensitive products for the healthcare industry, today announced its financial and operating results for the second quarter ended October 31, 2005. All amounts are in Canadian dollars unless otherwise specified.

Financial Review

Net sales for the quarter ended October 31, 2005 increased to \$1,239,900 compared with \$1,007,958 for the quarter ended October 31, 2004, an increase of approximately 23%. The increased net sales figure reflected a return to more normal patterns of business for the Company following an abnormally slow quarter in 2004. Last year’s slowdown was due in large part to activities related to the reverse take-over which took Kree public.

Kree’s gross profit margin increased to 34.8% in Q2 compared to 23.2% in the quarter ended October 31, 2004 explained by the low level of net sales achieved last year in Q2. Based on anticipated revenues for the third and fourth quarters, the Company expects margins to remain consistent throughout the balance of the year.

Kree’s overall expenses increased from \$386,654 in Q2 of fiscal 2005 to \$467,579 in the second quarter of fiscal 2006. This increase was primarily related to costs associated with the setting up of Kree’s new Florida facility, and additional costs related to being a public company. In addition, selling expenses were affected by some non-recurring costs related to the transfer of personnel from the plant in Plattsburg to the Florida facility.

The Company posted a net loss for the six months ended October 31, 2005 of \$55,605 (\$0.0026 per share) compared to a net loss of \$5,057 (\$0.0007 per share) for the equivalent period in the previous year. The decrease reflects the impact of the fluctuating U.S. dollar, the increased cost of sales, and increases in administrative expenses related to the new Florida facility.

“During the quarter, we further invested in our manufacturing capabilities in order to enhance our product offerings and increase output,” said CEO Greg Moffat. “Despite the costs and efforts related to quickly bringing the new plant online, we are pleased that we were able to maintain and actually increase our sales throughout the first six months of the year.”

Moffat continued, “We expect revenues to remain consistent in the third and fourth quarters of fiscal 2006 as we continue to invest in our business and generate organic growth. In addition, we remain focused on strengthening our foothold in the Advanced Wound Care market segment and are pursuing strategic opportunities accordingly.”

Full financial information is available on SEDAR at www.sedar.com.

Outlook

Through vertical integration of its operations, Kree is pursuing its strategy of improved production efficiency, accelerated growth and maximized profitability. The Company is currently leveraging its relationships with smaller clients who are in the initial stages of building their business and are looking to outsource manufacturing. Kree also remains committed to exploring new growth opportunities within the Advanced Wound Care (AWC) market segment, which represents a substantial opportunity for the Company to use its development capacity and in-house expertise. Kree's new manufacturing facility in Florida is nearing full production capacity and is the primary vehicle through which the Company aims to penetrate the AWC market.

About Kree

Headquartered in St. Hubert, Quebec, Kree Tech International Corporation is an established and recognized developer of superior pressure-sensitive products for the health care industry. For over a decade, Kree has developed innovative and cost-efficient medical tape products including printed vinyl, coated plastic and fabric substrates, and bulk finished goods. Kree has also developed proprietary coating formulations giving its medical bandages greater effectiveness and versatility. These and other innovations have resulted in Kree becoming a key supplier to a number of branded and private label companies. Kree is registered under a number of quality management programs including ISO 9001-2000 as well as FDA certification required for medical device manufacturing.

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