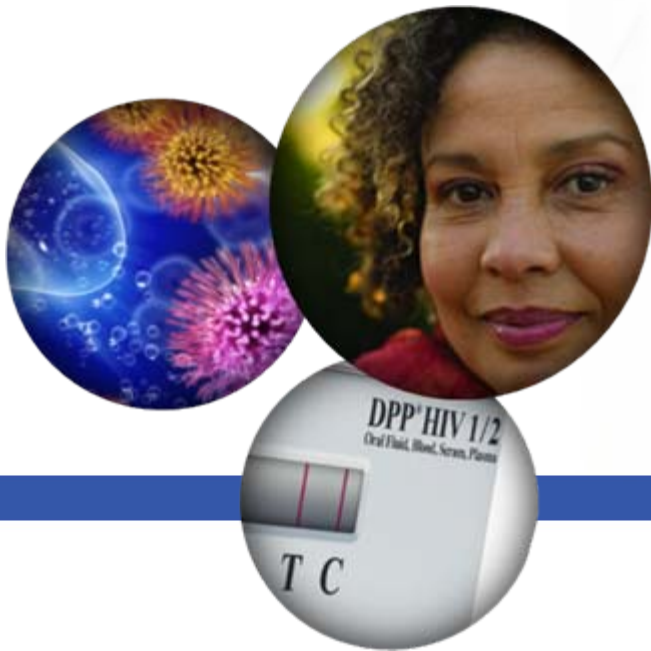




# RAPID Tests for EARLIER Treatment



**Investor Presentation**

March 2011

# Forward Looking Statements

Statements contained herein that are not historical facts are forward-looking statements within the meaning of the Securities Act of 1933, as amended. Those statements include statements regarding the intent, belief or current expectations of Chembio and its management. Such statements reflect management's current views, are based on certain assumptions and involve risks and uncertainties. Actual results, events, or performance may differ materially from the above forward-looking statements due to a number of important factors, and will be dependent upon a variety of factors, including, but not limited to, Chembio's ability to obtain additional financing and the demand for Chembio's products. Chembio undertakes no obligation to publicly update these forward-looking statements to reflect events or circumstances that occur after the date hereof or to reflect any change in Chembio's expectations with regard to these forward-looking statements or the occurrence of unanticipated events. Factors that may impact Chembio's success are more fully disclosed in Chembio's most recent public filings with the U.S. Securities and Exchange Commission

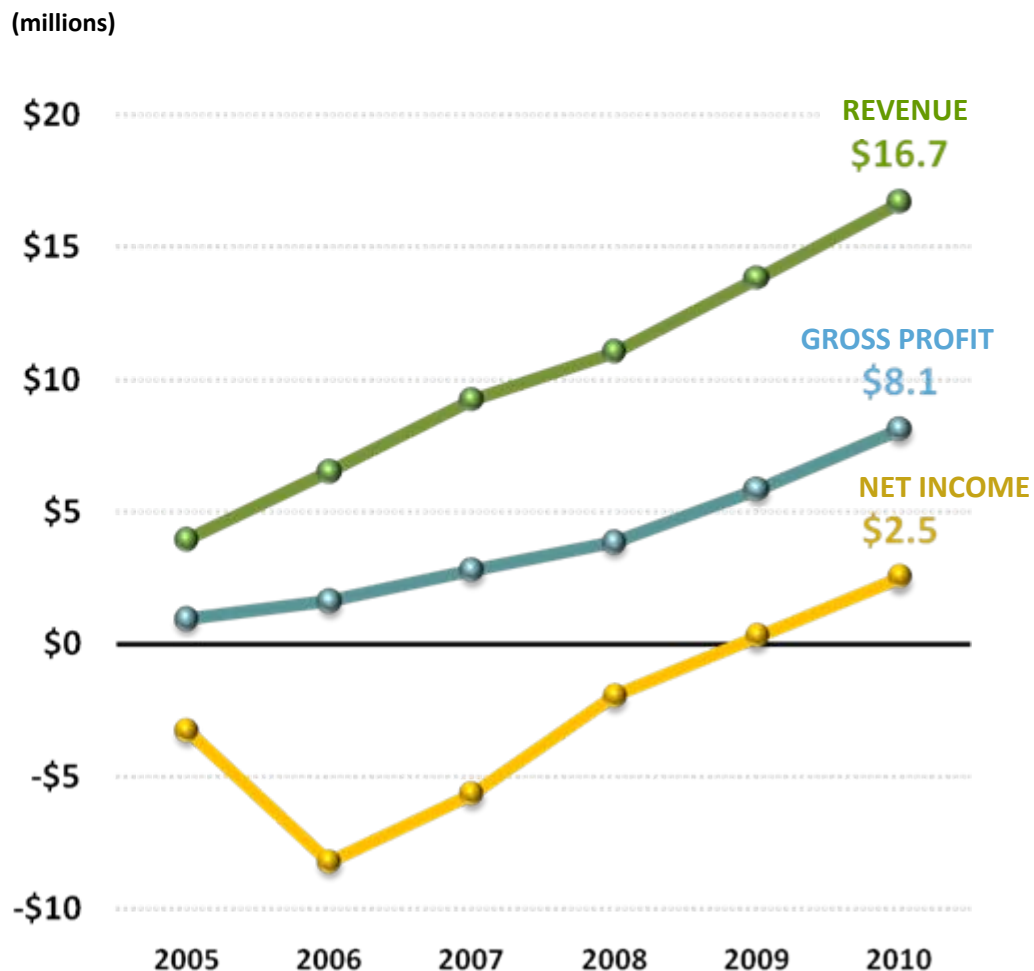
# Chembio Overview

- Develops, Manufactures and Markets Rapid Point-of- Care Test (POCT) Products
- Markets Served: Public Health, Women's Health, Infectious Diseases
- Diverse & Growing Pipeline of Proprietary Products
- Fully Integrated FDA Approved Manufacturing Facility in Medford, NY
- Record Financial Results in 2009 & 2010



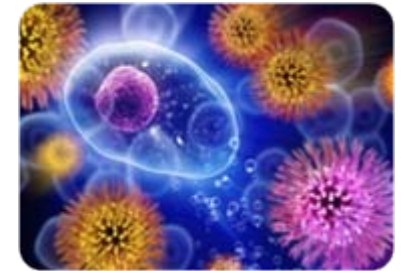
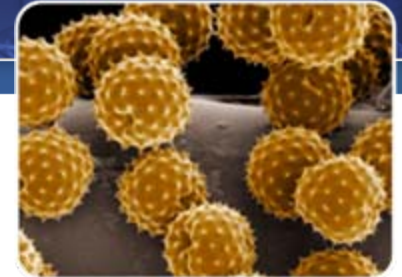
# Financial Overview

- Five Year Compounded Annual Revenue Growth of 33%
- Simplified Capital Structure 12/2007
- Retired ~\$2MM Debt Jan 2009 – Jan 2011
- Record Revenues and Improved Operating Results Year after Year



# POCTs - A Growing Global Market

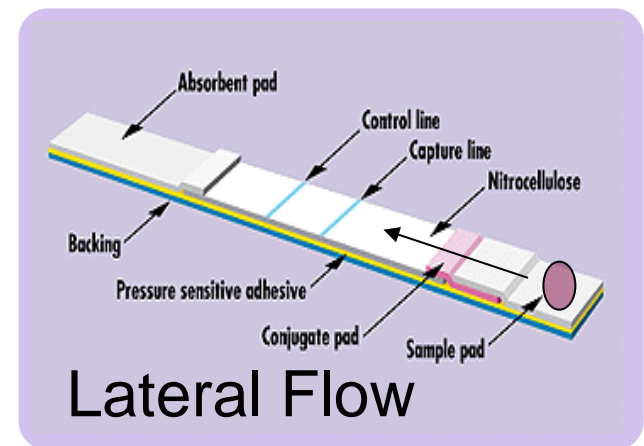
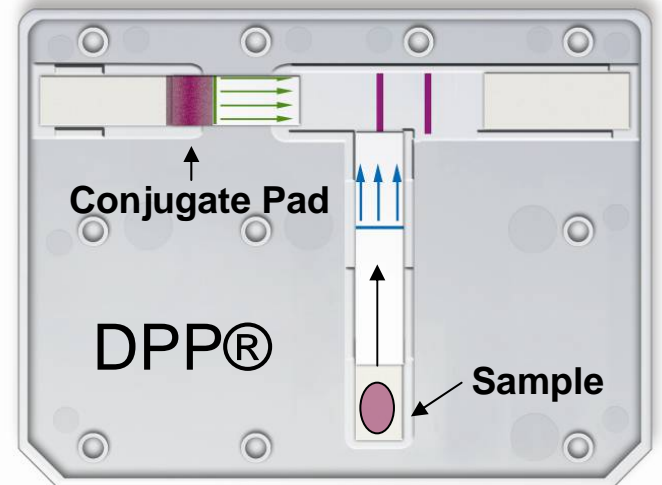
- \$7B Global Point-of-Care Test (POCT) Market
- Fastest Growing Segment of \$39.5B In-Vitro Diagnostics Market
- POCTs for HIV, Syphilis, HCV and other STDs Serve Crucial Public Health Objectives
- Other Important POCT Markets
  - Infectious Diseases, Cardiac Markers, Companion Animal, OTC, Allergy



# DUAL PATH PLATFORM (DPP®)

## Chembio's Proprietary POCT Technology

- Independent Sample Flow Path Enables Improved Sensitivity & Use of More Challenging Sample Types
- Improved Multiplexing Facilitated by Direct Binding, Uniform Delivery of Samples
- U.S. patents, and patents in China, Malaysia, Eurasia, Mexico, Singapore, and the U.K.
  - Additional DPP® Patents Pending in the U.S. and many foreign countries
  - Patents have also been filed on extensions to the DPP® product line



# Chembio-Branded Public Health Base Complemented by OEM and License Programs

## Current OEM/ Licensees



## Anticipated OEM/License Areas



# Growing Base & Pipeline of POCTs

## Anticipated Timelines

	R&D	CLINICAL TRIALS/REGULATORY SUBMISSION	APPROVALS & LAUNCH
	2010	2011	2012
<b>Lateral Flow HIV Tests</b>	Marketed in US (Alere) & Internationally (Chembio)		
<b>DPP® HIV Oral Fluid</b>	Clinical Trials Commenced	FDA-PMA Modular Submission	FDA Approval & Launch
<b>DPP® Syphilis</b>	R&D Completed	FDA Clinical Trials & Submission	FDA Clearance & Launch
<b>DPP® Influenza A/B</b>	R&D	R&D Completed FDA Clinical Trials	FDA Submission, Clearance & Launch
<b>Dual DPP® HCV Ag/Ab</b>	R&D	R&D	R&D
<b>Five OEM Tech. Transfer Contracts with FIOCRUZ,</b>	Marketing Approval Granted for 2 Products; Initial Product Sales	Marketing Approval Anticipated for 3 Products; Anticipated Sales under all 5 contracts	Continued Sales and Tech. Transfer as per terms of agreements
<b>Other OEM Agreements, Grants Subsidizing R&amp;D</b>	Development Projects with Bio-Rad, CDC, NIH	New Commercial OEM & Other Funded R&D Projects pursued	Royalties commence on Bio-Rad product; Other OEM Product launches through partners



# Pipeline: Chembio-Branded DPP® Products Anticipated Timelines – US Market

	R&D	CLINICAL TRIALS	APPROVALS/CLEARANCE	
	2011		2012	Est. U.S. Market Size
DPP® HIV Oral Fluid	Clinical Trials Commenced 2010, Completing Q1 & 2; Modular Submissions in Q1, 2 & 3		FDA Approval, CLIA waiver, US Market Launch	<b>\$70MM</b>
DPP® Syphilis Screen & Confirm	Completing Validation Q1; Clinical Trials Q2-4		FDA Clearance & US Market Launch – Q1-2	<b>\$30MM</b>
Dual DPP® HCV Ag/Ab	R&D		R&D	<b>TBD</b>
DPP® Influenza A/B Antigen Detection	Completing R&D Q1, Validation Q2; Clinical Trials Q3-4		FDA Clearance & US Market Launch – Q1-2	<b>\$200MM</b>

**Significant International Market Opportunities As Well**

# Pipeline: OEM Contracts with FIOCRUZ Brazil Anticipated Timelines

CLINICAL TRIALS

APPROVALS/CLEARANCE

Contract	2010	2011	Minimum Product Sales Req. to Complete Tech Transfer*
DPP® HIV Screening	Approved, Commercial Sales	Commercial Sales	\$8.8MM
DPP® HIV Confirmatory	Approved	Commercial Sales	\$4.7MM
DPP® Syphilis Treponemal	Agreement Signed December 2010	Approval, Commercial Sales	\$7.4MM
DPP® Syphilis Treponemal/ Non-Treponemal		Submission, Approval	
DPP® Canine Leishmaniasis	Submitted	Approval, Commercial Sales	\$2.1MM
DPP® Leptospirosis	Submission pending	Submission, Approval, Commercial Sales	\$0.4MM

*\*Not a guaranteed minimum except for purposes of technology transfer*

# Pipeline: Other Projects

Project	Activity
<b>Multiplex DPP® Product Developed for &amp; Licensed to Bio-Rad Laboratories, Inc.</b>	Development completed. Anticipate CE Mark EOY 2011 – Launch EU early 2012. Manufacturing by Bio-Rad. Royalties Upon Commercial Sales
<b>Multiplex Influenza Immune Status Product Developed for Battelle/CDC</b>	Prototype Development Completed; Prototype products being evaluated at CDC . Additional development work under consideration.
<b>NIH Phase II Grant – Leptospirosis</b>	\$2.9MM 3 Year Grant awarded 6/2009. Prototype developed. Further reagent discovery underway. Approximately \$1.7MM funding remaining in 2011 and 2012 if renewed as anticipated. Chembio is principal grantee.
<b>NIH Phase II Grant – Tuberculosis</b>	\$2.9MM, 3 Year Grant Awarded Effective 3/1/2011. Prototype Developed. Planning Multi-site Evaluations and Optimization, Validation and Commercialization. Chembio is principal grantee.
<b>Veterinary Diagnostic Applications</b>	Preliminary Discussions
<b>Platform Enhancements</b>	Buffer Integration and “Dual DPP®” projects in progress

# Lateral Flow Rapid HIV Tests

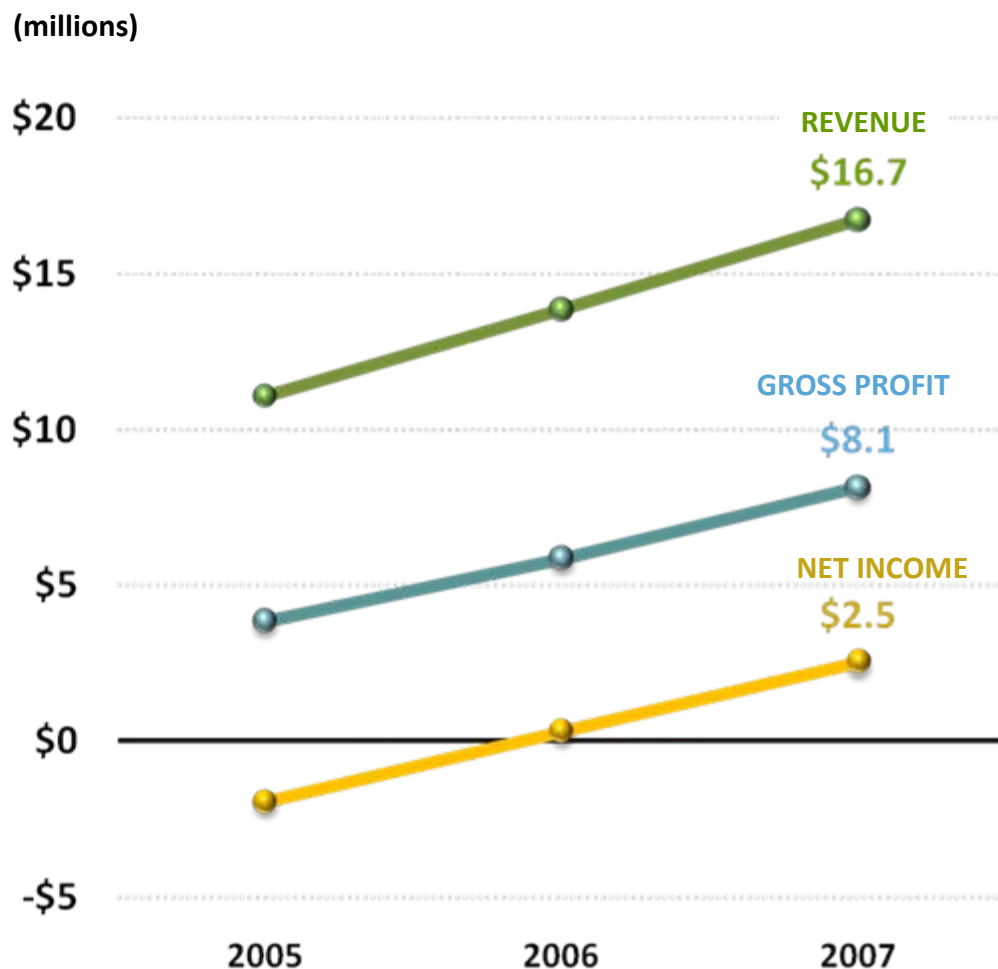
- 25% of 1.1MM HIV+ Individuals in U.S. Not Aware of their Status
- US Rapid HIV Test Market Growth Continuing as States Implement CDC Testing Recommendation
- Only Two Other CLIA-waived Products
- Products Sold Under Chembio Brands ex-US and by Alere, Inc. in US.



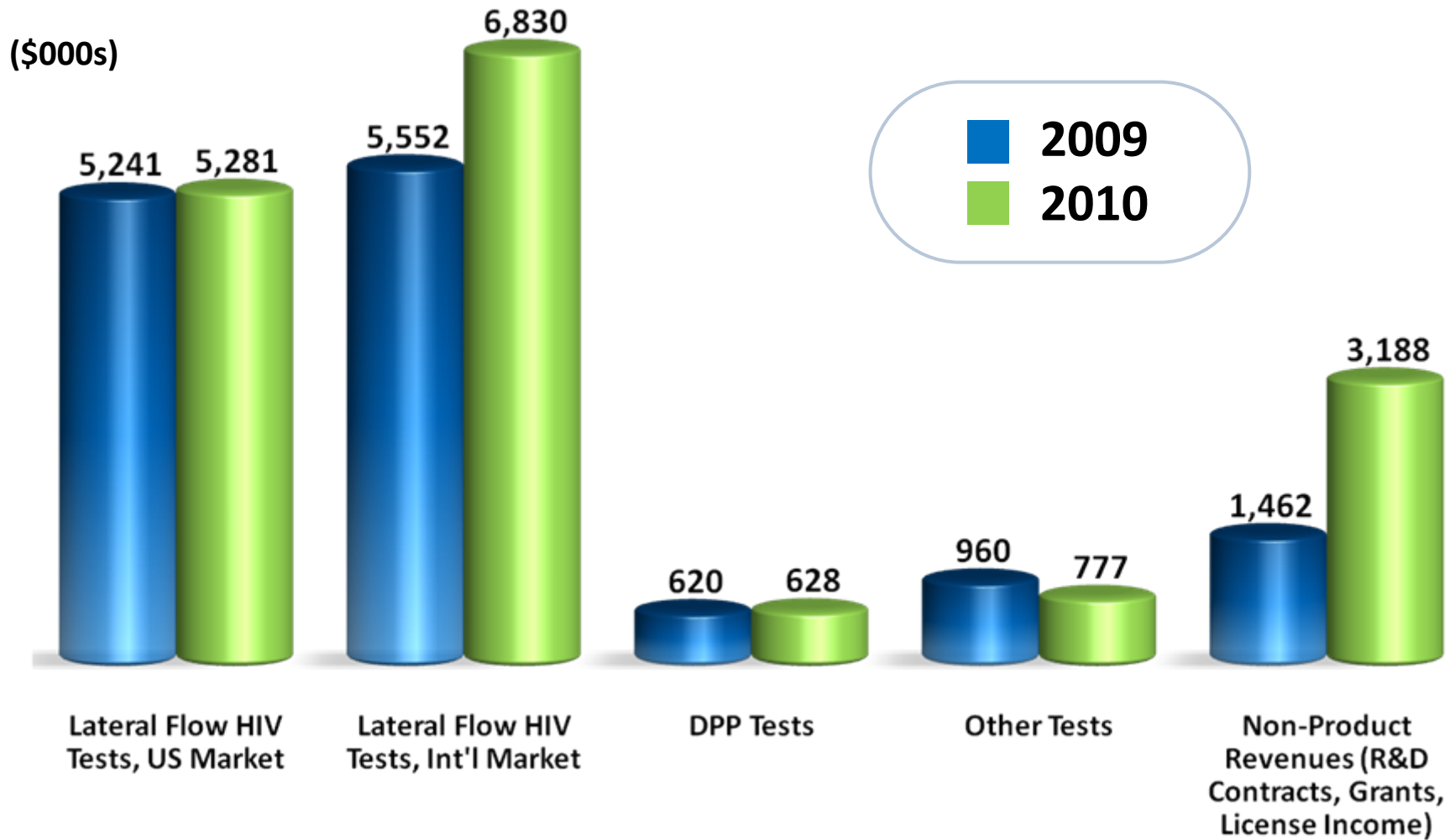
# Financial Summary

## FY2008-2010 Results

- Record Revenues and Earnings
- Improving Gross Margins
- Controlled Operating Expenses
- Operating Cash Flow Strengthened Balance Sheet



# Revenue Growth by Category: 2009 vs. 2010



# Selected Balance Sheet Data

(\$ in millions)	Dec. '10	Dec. '09	Dec. '08
Cash	2,136	1,068	1,212
Accounts Receivable	3,940	1,776	809
Inventories	1,369	1,556	1,819
Total Current Assets	7,650	4,667	4,068
Net Fixed Assets	813	580	881
Other Assets	636	1,068	968
<b>Total Assets</b>	<b>9,100</b>	<b>6,315</b>	<b>5,915</b>
Total Current Liabilities	3,046	3,173	2,402
<b>Total Liabilities</b>	<b>3,247</b>	<b>3,227</b>	<b>3,338</b>
Total Equity	5,853	3,088	2,577
<b>Total Liabilities &amp; Stockholders Equity</b>	<b>9,100</b>	<b>6,315</b>	<b>5,915</b>

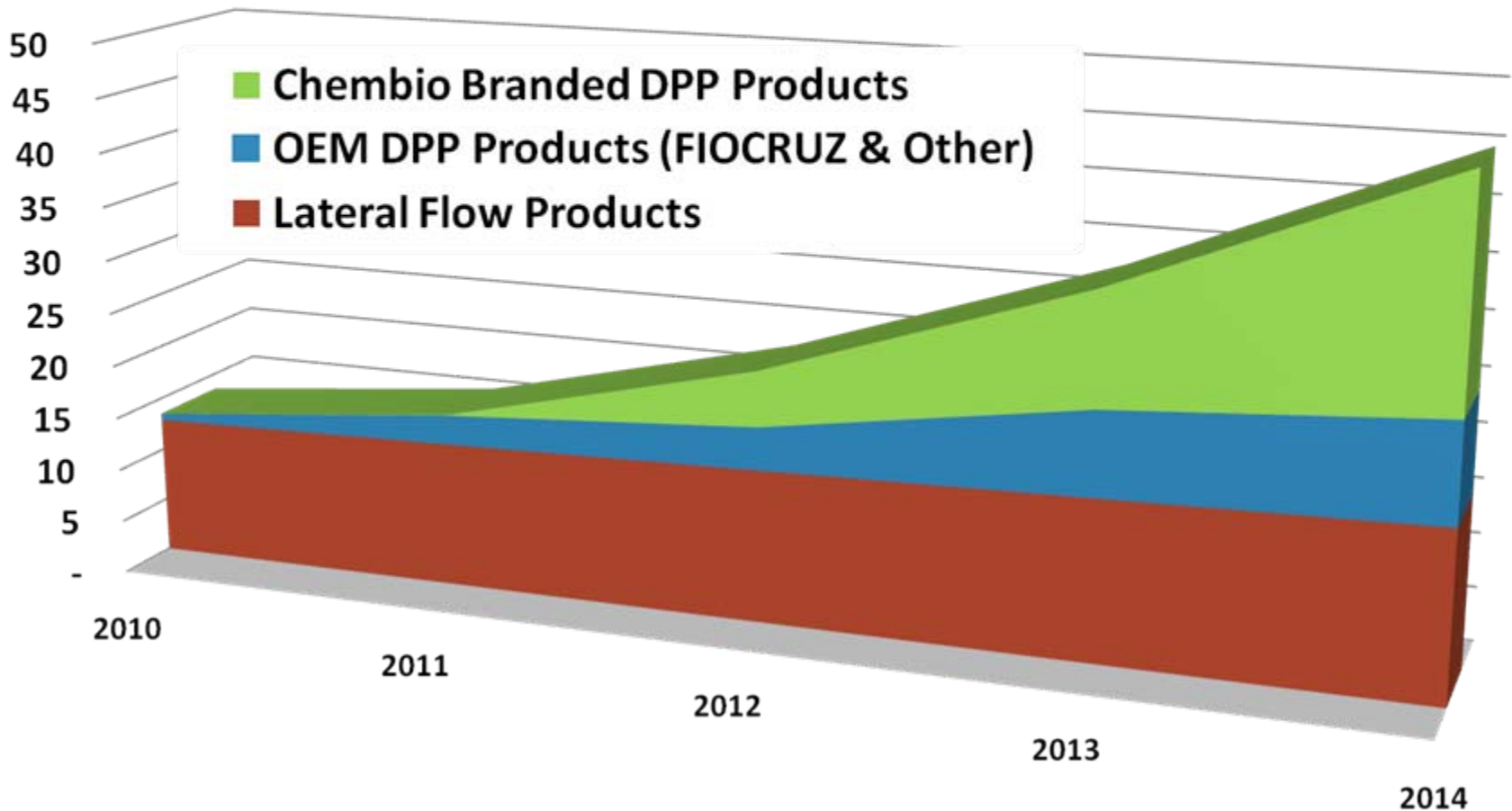
# Anticipated Milestones 2011

- Clinical & Regulatory Programs for Branded Products
  - HIV PMA Modular Submissions
  - Syphilis Clinical Trials
  - Influenza Clinical Trials
- Four OEM Product Approvals for and Product Sales to FIOCRUZ
- New R&D & OEM Product Agreements
- Continued US Lateral Flow HIV Test Market Share Gains & Potential New International Market Opportunities



# Potential Impact of OEM & Branded Products on Revenue\*

(in millions)



*\*This graph portrays one scenario of the potential impact of new products. It is based on a number of assumptions, including but not limited to regulatory approvals, market demand, market share, sales and marketing, and pricing, of which there can be no assurance*

# Organization & Management Team

**Lawrence Siebert**, CEO & Chairman

**Richard Larkin**, CFO

**Javan Esfandiari**, Sr. VP R&D

**Rick Bruce**, VP Operations

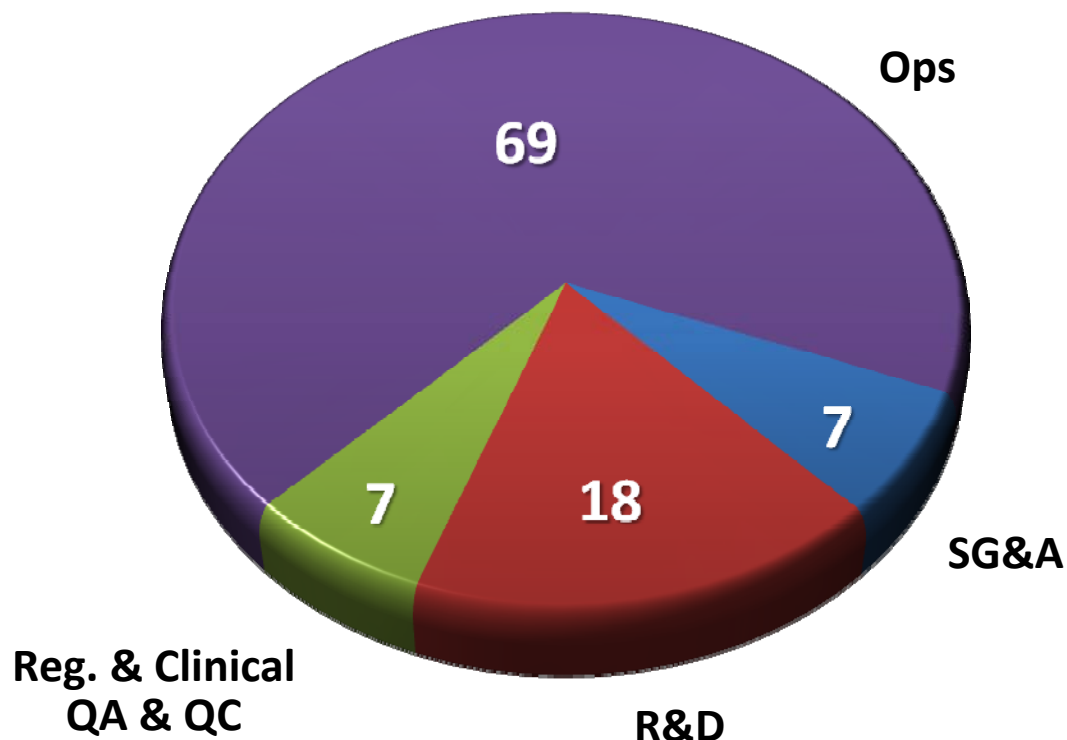
**Tom Ippolito**, VP Reg., QA/QC

**Sandy Speer**, Dir. Client Serv.

**Dr. Gary Meller**, Director

**Katherine Davis**, Director

TOTAL EMPLOYMENT  
**Approx. 100**



# CEMI Selected Share Data

(in millions except per share data)

<b>Ticker Symbol (OTC-QB)</b>	CEMI.QB
<b>Price 3/2/2011</b>	\$0.42
<b>52-Week High</b>	\$0.487
<b>52-Week Low</b>	\$0.159
<b>Outstanding Shares</b>	62.2
<b>Market Capitalization</b>	\$26.1
<b>Fully Diluted Shares</b>	70.5
<b>Management Holding</b>	11.3
<b>Average Daily Volume (3 months)</b>	44,000

<b>Options and Warrants</b>	<b>Amt.</b>	<b>Avg. Ex. Price</b>
<b>Options</b> (3.95MM held by mgmt. & board)	5.66	\$0.168
<b>Warrants</b> (2.54 expire 10/2011)	2.58	\$0.483
<b>Total Options &amp; Warrants</b>	8.24	.267

CEMI price performance

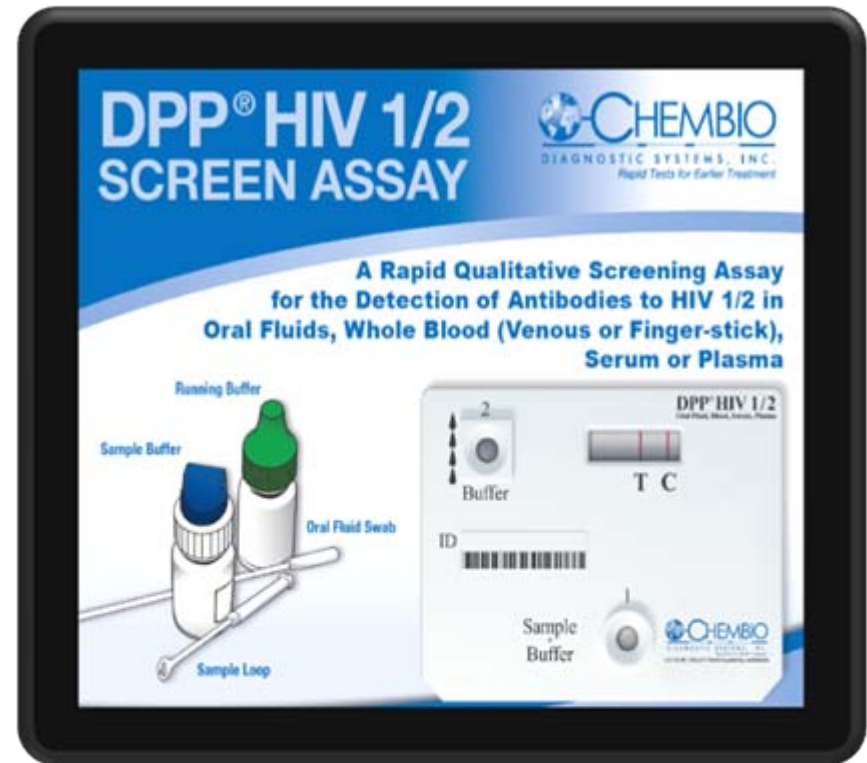


# Additional Slides (Appendix)

	December 31, 2010		December 31, 2009		December 31, 2008	
<b>TOTAL REVENUES</b>	\$16,704,703		\$13,834,248		\$11,049,571	
<b>GROSS MARGIN</b>	8,100,699	49%	5,860,405	42%	3,851,721	35%
<b>OPERATING COSTS:</b>						
Research and development expenses	2,586,308	15%	2,883,696	21%	2,605,343	24%
Selling, general and administrative expenses	2,940,721	18%	2,659,382	19%	3,317,046	30%
	5,527,029		5,543,078		5,922,389	
<b>INCOME (LOSS) FROM OPERATIONS</b>	2,573,670		317,327		(2,070,668)	
<b>OTHER INCOME (EXPENSES):</b>	(60,326)		(8,267)		121,898	
<b>NET INCOME (LOSS)</b>	2,513,344	15%	309,060	2%	(1,948,770)	-18%

# DPP® HIV Screening Assay For Use with Oral Fluid or Blood Samples

- Improved Performance vs. Only Oral Fluid Test Based on Multiple Studies
- US Clinical Trials Being Completed Q1-2 2011
  - Modular PMA Submission in Q1,2,3
  - Anticipated Approval 2012
- OTC Opportunity



# DPP® Syphilis Screen & Confirm

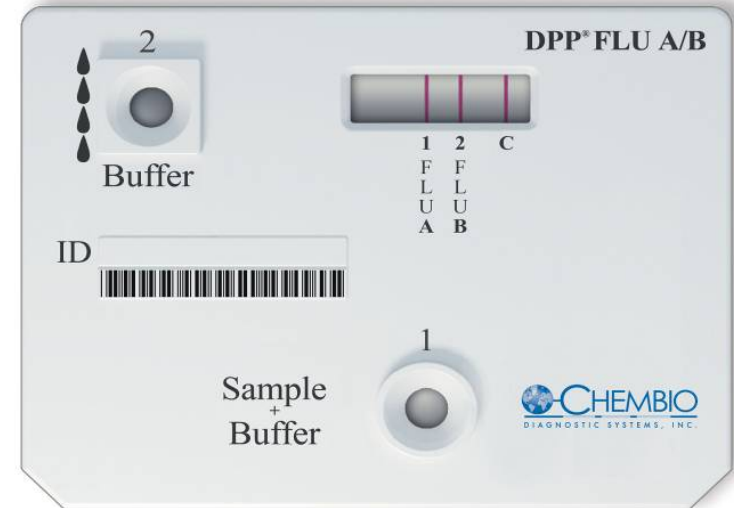
- First POCT in US for Syphilis
- All Pregnant Women Tested for Syphilis
- Current Laboratory Tests Inadequate
- Enables Confirmation & Treatment At POC
- International Evaluation Ongoing in China
- Anticipate FDA Clearance in early 2012



# DPP® INFLUENZA

## Multiplex Flu A & B Test

- Large Established Market for Flu A&B tests
- Chembio's First Antigen Detection Test with DPP®
- Prototype Shows Improved Performance vs. Established Tests
- Anticipate FDA Clearance mid-2012



# DPP® Hepatitis-C (HCV)

- Estimated 3MM HCV Infections in US
- No HCV Point-of-Care Test in US Testing for Antigen (indicating active disease) & Anti-body
- Chembio Participating in Various Studies to Assess Prototype Performance
- R&D Continuing in 2011

