

FORCEFIELD ENERGY, INC.

New Contract News + Higher Industry Peer Valuation = Higher Stock Price

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FORCEFIELD ENERGY, INC (NASDAQ - FNRG - \$5.99)

Price Target: \$7.00

Rating: Speculative Buy

COMPANY SNAPSHOT

ForceField Energy Inc. and its subsidiaries comprise a global company whose products and solutions focus on sustainable energy solutions and improved energy efficiency. ForceField is a distributor of LED lighting products for a number of premier LED lighting manufacturers; and through its subsidiary American Lighting, is an award winning-contractor that has completed lighting installations for numerous high profile concerns in a variety of industries. ForceField is also a licensee of modular, heat recovery systems that convert waste heat into clean electricity. Its patented technology is based upon the Organic Rankine Cycle (ORC) and uses proprietary, multiple-component fluids that are environmentally sound.

KEY STATISTICS

Price as of 9/11/14	\$5.99
52 Week High – Low	\$6.98 – \$4.44
Est. FD Shares Outstanding	16M
Market Capitalization	\$98M
3 Mo Avg Vol	20,900
Exchange	NASDAQ

COMPANY INFORMATION

ForceField Energy, Inc.
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INVESTMENT HIGHLIGHTS

Conclusion: The early stages of a short squeeze, new contract news, and a higher valuation for a key peer mean that FNRG is primed to jump 20-25% from current levels in the near term.

Nice Jump in 30 Days. Exactly a month ago, we profiled FNRG noting that the Company's M&A strategy and its overall LED lighting efforts were just starting to reap major rewards and that a new report noting that a pending short squeeze was a clear trigger to accumulate shares. Sure enough, FNRG rose to a peak return of 12%. Based on the report's findings, the increasing volume and share price of late, we believe that we are in the early stages of this short squeeze, with higher prices and volume ahead.

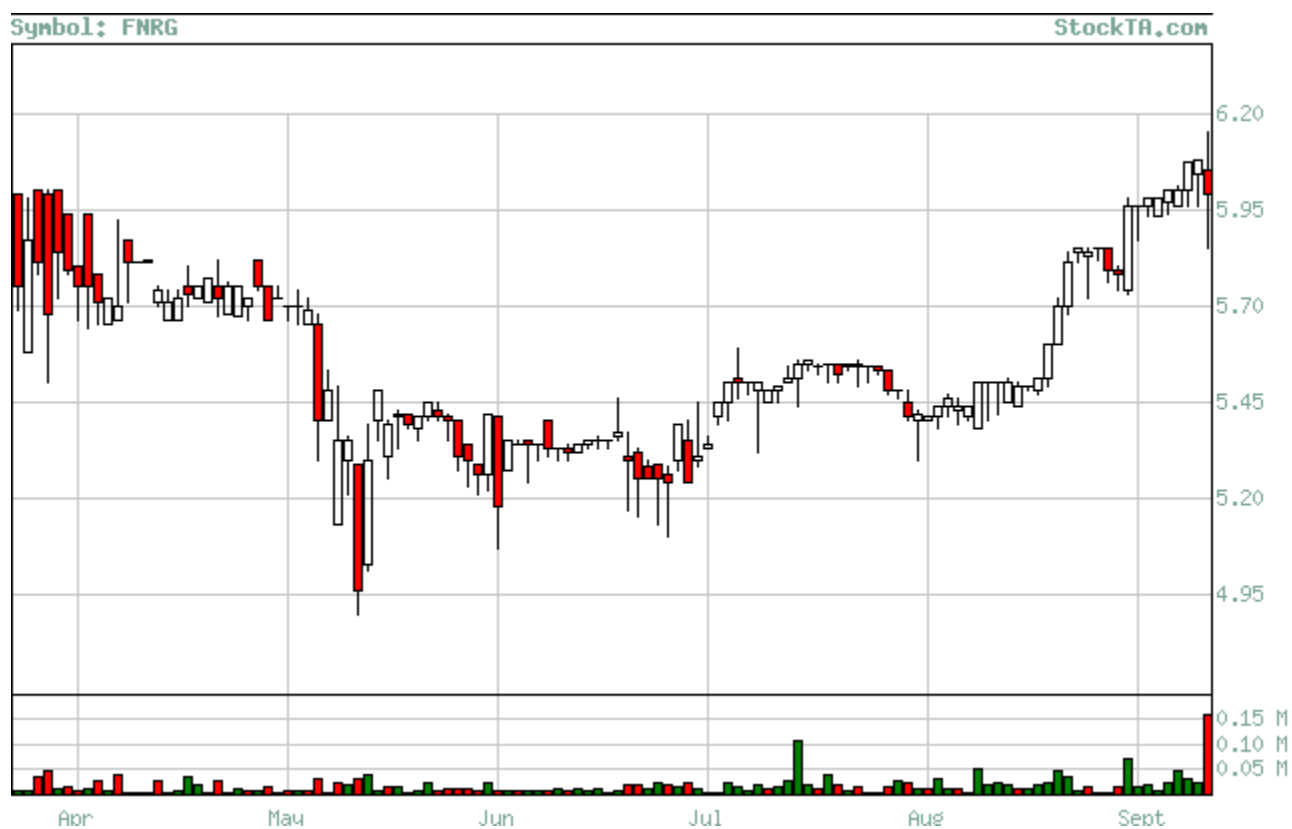
FNRG Wins Major Contract. FNRG announced a landmark \$1.35M contract to provide LED lighting solutions valued at \$1.35 million for a large and prominent retail group with operations in 30 Mexican states through its 145 supermarkets and 18 distribution centers. With a series of major LOIs, bids and trials to its credit, investors can expect more seven figure deals ahead.

Look for FNRG to Mirror the Big Move in EFOI. Yesterday, LED peer EFOI announced a big contract of its own and the stock, with the aid of underwriter sponsorship from a recent secondary offering, rose by 40%. It is our experience that in the days following a move like EFOI, investors seek out peers that have not yet made a big move higher and typically acquire stakes in the lower-valuation peers, thus driving the shares higher. Therefore, we believe that FNRG is the next stock to make a big move higher with future contract wins enabling the stock to achieve and sustain a much higher valuation base.

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Recent Trading History For FNRG

(Source: Stockta.com)





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Senior Analyst: Robert Goldman

Rob Goldman founded Goldman Small Cap Research in 2009 and has over 20 years of investment and company research experience as a senior research analyst and as a portfolio and mutual fund manager. During his tenure as a sell side analyst, Rob was a senior member of Piper Jaffray's Technology and Communications teams. Prior to joining Piper, Rob led Josephthal & Co.'s Washington-based Emerging Growth Research Group. In addition to his sell-side experience Rob served as Chief Investment Officer of a boutique investment management firm and Blue and White Investment Management, where he managed Small Cap Growth portfolios and *The Blue and White Fund*.

Analyst Certification

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