

China Direct, Inc  
Form 8-K  
October 22, 2007

**UNITED STATES**

**SECURITIES AND EXCHANGE COMMISSION**

Washington, DC 20549

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**FORM 8-K**

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**CURRENT REPORT**

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) October 22, 2007

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**CHINA DIRECT, INC.**

(Exact name of registrant as specified in its charter)

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**Florida**  
(State or other jurisdiction  
of incorporation)

**0-26415**  
(Commission  
File Number)

**13-3876100**  
(IRS Employer  
Identification No.)

**5301 North Federal Highway, Suite 120, Boca Raton, Florida 33487**

(Address of principal executive offices) (Zip Code)

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**Registrant's telephone number, including area code (561) 989-9171**

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Item 7.01            REGULATION FD DISCLOSURE**

On October 22, 2007, China Direct, Inc. (the Company) issued a press release raising revenue and earnings guidance for 2007. As a result of strong performance in its Chinese subsidiaries as well as its consulting operations, management now sees revenues for the full year of 2007 exceeding \$175 million with net income exceeding \$9.5 million. This new guidance replaces management's previous revenue guidance of \$150 million and \$8.25 million in net income. In addition, the Company has received a capital infusion of more than \$13 million from outstanding stock purchase warrants that have been exercised since the Company announced that its common shares would list on the American Stock Exchange beginning September 24, 2007. The press release is attached hereto as Exhibit 99.1 and incorporated herein by reference.

The information contained in the press release attached hereto is being furnished and shall not be deemed filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the Exchange Act), or otherwise subject to the liability of that Section, and shall not be incorporated by reference into any registration statement or other document filed under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

**Item 9.01            FINANCIAL STATEMENTS AND EXHIBITS**

(d) Exhibits.  
99.1    Press Release dated October 22, 2007.

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: October 22, 2007

CHINA DIRECT, INC.

By: /s/ David Stein  
David Stein  
Chief Operation Officer