

BARNES DAVID M
Form 4
January 06, 2010

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
BARNES DAVID M

2. Issuer Name and Ticker or Trading Symbol
China Direct Industries, Inc. [CDII]

5. Relationship of Reporting Person(s) to Issuer
(Check all applicable)

(Last) (First) (Middle)
C/O CHINA DIRECT INDUSTRIES, INC., 431 FAIRWAY DRIVE, STE 200
(Street)

3. Date of Earliest Transaction (Month/Day/Year)
09/24/2009

Director 10% Owner
 Officer (give title below) Other (specify below)

DEERFIELD BEACH, FL 33441

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
				(A) or (D)	Price		
				Code	V	Amount	
Common Stock, \$0.0001 par value	09/24/2009		S(1)	4,000	D	\$ 1.71	38,000 D
Common Stock, \$0.0001 par value	01/04/2010		S(1)	4,000	D	\$ 1.8	34,000 D
Common Stock, \$0.0001 par	01/06/2010		S(1)	4,000	D	\$ 1.95	30,000 D

value

Common
Stock,
\$0.0001 par
value 01/06/2010 S⁽¹⁾ 4,000 D \$ 2.15 26,000 D

Common
Stock,
\$0.0001 par
value 01/06/2010 S⁽¹⁾ 5,250 D \$ 2.25 20,750 D

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number. SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Beneficially Owned (Instr. 5)
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Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

BARNES DAVID M
C/O CHINA DIRECT INDUSTRIES, INC.
431 FAIRWAY DRIVE, STE 200
DEERFIELD BEACH, FL 33441

X

Signatures

/s/ David M
Barnes

01/06/2010

Date

__Signature of
Reporting Person

Explanation of Responses:

- * If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Shares sold by the reporting person pursuant to a 10b5-1 trading plan.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.
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