

China Precision Steel, Inc.  
Form 8-K  
March 14, 2008

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

**FORM 8-K**

**CURRENT REPORT**

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

Date of Report (Date of earliest event reported): March 14, 2008 (March 13, 2008)

**CHINA PRECISION STEEL, INC.**

(Exact name of registrant as specified in its charter)

Delaware	000-23039	14-1623047
(State or other jurisdiction of incorporation or organization)	(Commission File Number)	(IRS Employer Identification No.)

8<sup>th</sup> Floor, Teda Building,  
87 Wing Lok Street,  
Sheung Wan

Hong Kong, People's Republic of China  
(Address of principal executive offices)

(+852) 2543-8223

(Registrant's telephone number, including area code)

(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))

- o Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
-

**Item 8.01 Other Events.**

On March 13, 2008, Wo Hing Li (“Mr. Li”), Chairman, CEO and President of China Precision Steel, Inc. (the “Company”), entered into a Stock Purchase Agreement (the “Stock Purchase Agreement”) with the purchasers party to such agreement (the “Purchasers”), whereby Mr. Li agreed to sell up to 3,524,810 shares of his stock of the Company to the Purchasers at a price to be determined pursuant to certain Triggering Events as described in the Stock Purchase Agreement. In connection with the Stock Purchase Agreement, Mr. Li and certain Purchasers also entered into an Escrow Agreement and a Registration Rights Agreement, each executed on March 13, 2008.

The foregoing description of the terms of the Stock Purchase Agreement is qualified by reference to its provisions, attached to this report as Exhibit 10.1.

The foregoing descriptions of the Escrow Agreement and the Registration Rights Agreement are qualified by reference to their provisions, attached to this report as Exhibits 10.2 and 10.3, respectively.

**Item 9.01 Financial Statement and Exhibits.**

(d) Exhibits.

<u>Number</u>	<u>Description</u>
10.1	Stock Purchase Agreement, dated as of March 13, 2008, by and between Mr. Li and the Purchasers.
10.2	Escrow Agreement, dated as of March 13, 2008, by and among Mr. Li, certain Purchasers and Tri-State Title & Escrow, LLC (the “Escrow Agent”).
10.3	Registration Rights Agreement, dated as of March 13, 2008, by and between Mr. Li and the Purchasers.

**SIGNATURE**

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.

CHINA PRECISION STEEL, INC.

By: /s/ Wo Hing Li

---

Wo Hing Li  
Chairman, Chief Executive Officer and President

Dated: March 14, 2008

3

---

**EXHIBIT INDEX**

<b><u>Number</u></b>	<b><u>Description</u></b>
10.1	Stock Purchase Agreement, dated as of March 13, 2008, by and between Mr. Li and the Purchasers.
10.2	Escrow Agreement, dated as of March 13, 2008, by and among Mr. Li, certain Purchasers and Tri-State Title & Escrow, LLC (the "Escrow Agent").
10.3	Registration Rights Agreement, dated as of March 13, 2008, by and between Mr. Li and the Purchasers.

4

---