



## **CELULOSE IRANI S.A.**

**Taxpayer's ID (CNPJ) N° 92.791.243/0001-03    Company Registry (NIRE) N° 43300002799  
Publicly-Held Company**

### **MINUTES OF THE MANAGEMENT COUNCIL'S MEETING**

1. Date, time and venue: Meeting held on the 3rd day of the month of April, 2012, at 18:00, at the Company's headquarters located at Rua General Joao Manoel, 157, 9th floor, suite 903, Porto Alegre – RS – Brazil.

2. Attendance and Chairing: The meeting started according to the by-laws and was attended by the majority of the members of the Management Council, who were called according to the by-laws, and was chaired by Mr. Pericles de Freitas Druck.

3. Decisions: The Council has decided, by unanimity voting of its attending members, on the following issues:

a) Subject to the Company's Extraordinary General Meeting a proposal to perform a primary public distribution ("Primary Distribution"), according to the terms and conditions set below, authorizing the Company's management to take the necessary steps regarding the public secondary distribution of certificates of deposits of shares issued by the Company ("Secondary Distribution" and, along with the Primary Distribution, the "Public Distribution") as well as to set the other terms and conditions applicable, including – without being limited to these – the hiring or the ratification of the intermediating financial institutions (the "Coordinators") and signing of the distribution agreement and other documents related to the Public Distribution:

- (i) maximum amount of the Primary Offer: will include common and preferred shares, all nominative, no par value, issued by the Company in the form of certificates of deposit, each certificate representing one common share and four preferred shares ("Units of the Primary Offer"), up to the limit of the authorized capital of the Company on the over-the-counter market, to be offered in Brazil with restricted selling efforts abroad, based on the registration exemptions provided for by Regulation S and Rule 144A, both under the U.S. Securities Act of 1933 (the "Securities Act").
- (ii) overallotment option: the amount of Units offered in the Offer can be increased by up to 15% of the Units initially offered, pursuant to the option granted by the Company and/or the selling shareholders to the Underwriters in the same condition and price initially offered in the Public Offer (the



“Overallotment Option”), in accordance with article 24 of CVM Instruction No. 400/03. This Overallotment Option will be exercisable within 30 days from the date of publication in Brazil of the notice of commencement of the Offer.

- (iii) without prejudice to the exercise of the Overallotment Option, the Company may, at its discretion, increase the amount of Units of the Offer by up to 20% of the amount of Units, in accordance with article 14, paragraph 2, of CVM Instruction No. 400;
- (iv) the price of the Units to be sold in the Offer will be determined after the completion of the bookbuilding process by the Underwriters.

**b)** Subject to the general shareholders’ meeting a proposal to list the shares issued by the Company, at the Level 2 segment of Differentiated Corporate Governance Practices (from BM&FBOVESPA – Sao Paulo’s Stock Exchange) at the time of the Offer, and adjust the by-laws to such regulations; it was also proposed that, if the shareholders’ meeting approve it, the enforcement of such decision is conditional to the publishing of the announcement of the Offer’s beginning;

**c)** Subject to the decision of the Company’s general shareholders’ meeting the proposed changes in the benefits currently applying to the preferred shares, as follows: (i) priority in capital reimbursement, without premium, for its respective book value, in cases of liquidation of the Company; (ii) entitlement of inclusion in public offers of shares acquisition due to the sale of the Company’s controlling interest, for the same price and under the same conditions offered to the shares forming the Company’s controlling block; and (iii) entitlement to participate in the distribution of profits in equal conditions to common shares. The Chairman clarified that the approval of such changes in the advantages provided by preferred shares shall be ratified in a special meeting of the shareholders of preferred shares, and shall entitle the shareholders who disagree with such decision to withdraw from the Company with the reimbursement of the shares that they hold as of the date of the first publication of the Meeting’s Call Notice, for the shares’ respective book value, calculated according to the Company’s balance-sheet dated 12/31/2011;

**d)** Subject to decision by the Company’s general shareholders’ meeting the proposal to split the totality of common and preferred shares issued by the Company, so that each common share unfolds into 20 (twenty) new common shares, and each preferred share unfolds into 20 (twenty) new preferred shares issued by the Company, and the increase in authorized capital up to the limit of 900,000,000 shares, all without nominal value, represented by 300,000,000 common shares and 600,000,000 preferred shares;



e) Subject to decision by the Company's general shareholders' meeting the proposal to add in the by-laws the possibility of issuing and listing (in stock exchanges) values represented by certificates of deposits of shares ("Units") representing shares issued by the Company. Each such Unit shall represent one common share and four preferred shares issued by the Company, according to what was decided by the Management Council;

f) Subject to decision by the Company's general shareholders' meeting the proposal to Grant to its shareholders – in order to compose the Units – the entitlement of optional and final conversion (i) of common shares into preferred shares, observing that for each block of 5 common shares, only 4 common shares may be converted into 4 preferred shares; and (ii) of preferred shares into common shares of the Company, observing that for each block of 5 preferred shares, only 1 preferred share may be converted into 1 common share.

g) Approve, *ad referendum* of the Company's Extraordinary General Meeting, the new reading of the Company's by-laws, in order to adjust it to the aforementioned deliberations – if they happen to be approved, and observing the approval conditions – as well as changing the matters subject to approval of the Management Council, and adjusting the by-laws to the changes of Law 6,404/76, introduced by Law nr 12,431/2011, by adding, changing and renumbering articles as proposed.

h) Subject to the Company's general shareholders' meeting the proposal to set the annual global compensation of its Management for financial year 2012 at R\$ 9,000,000.00 (nine million Brazilian Reais).

4. Closing: With nothing left to be discussed, the meeting was ended and these minutes were recorded, read and found to be in agreement with what was discussed and then signed by the attendees.

Signed by: Péricles de Freitas Druck, Péricles Pereira Druck, Paulo Sérgio Viana Mallmann, Paulo Antonio Schmidt and Jorge Juerecy Oliveira da Cunha.

I hereby declare that this is a certified true copy of de minutes transcribed to the relevant book.

Porto Alegre, April 03, 2012.

Péricles de Freitas Druck  
Chairman of the Management Council