



CELLULOSE IRANI S.A.
CNPJ Nº92.791.243/0001-03
NIRE Nº43300002799
PUBLIC COMPANY

MINUTES OF MEETING OF THE BOARD OF DIRECTORS, HELD AT THE HEADQUARTERS, IN THE GENERAL STREET JOÃO MANOEL, 157, PORTO ALEGRE / RS, AT 11:30 ON DECEMBER 22, 2006.

1. The meeting had the presence of most of the members of Board of Directors, being Presided over by Péricles de Freitas Druck - Chairman.

In observance to the determination in article 12, paragraph h) of the Articles of Incorporation of the Company, following deliberation was taken, unanimously: **CONSIDERING** that the Company is a company based on forests, that you objective is to grow in that business; **CONSIDERING** that the forest area of the company *Habitasul Florestal S.A.*, in terms of raw material, is strategic in an scenario of expansion; **CONSIDERING** that the intended and recommended restructuring of the company seeks to deepen the focus of the companies in their respective relevant businesses; **CONSIDERING** that the pinus resin is an raw materila used by Irani and that, now, about 90% of this resin it is extracted from the *Habitasul Florestal S.A* companies forests. by supply contracts; **CONSIDERING** the agreement manifested by the companies associated Companhia Habitasul de Participações, Habitasul Desenvolvimentos Imobiliários S.A., Habitasul Empreendimentos Imobiliários Ltda., Laje de Pedra Mountain Village Ltda. and for the controlling Companhia Comercial de Imóveis, shareholders holders of 11,122,356 representative nominative common shares of 95.36% of the capital stock of the company *Habitasul Florestal S.A.*, a private company headquartered in Porto Alegre/RS. na Rua General João Manoel, 157 - 13º andar, sala 1302, Centro, CEP 90.010-030, Centro, CEP 90.010-030, registered in the CNPJ under no. 90.189.960/0001-34, with its constituent actions filed before JUCERGS under NIRE 43300033562, in the sense of alienating all of the referred shares to the total value of R\$ 69,998,881.16, by way of an economical appraisal, presented to the Board Members and filed in the headquarters of the Company, that they be paid by: I) the receipt of an industrial property in the city of Indaiatuba-SP valued at R\$ 11,000,000.00 (eleven million Real) according to an evaluation, presented to the present shareholders and filed in the headquarters of the Company II) credit, in favor of the alienating companies, of the amount of R \$ 24.291.000,00 for future subscription of new actions of the Company, which will owe

to be emitted inside through authorized capital increase to be approved by this Council of the 1º semester of 2007, whose issuing price will be fastened with base in the patrimonial value of the action; and III) payment of the remainder in money, under the following conditions: R\$ 7,500,000.00 (seven million and five hundred thousand real) at sight, on the signing of the cession contract and transfer of shares, and the remaining R\$ 27,207,881.16 (twenty-seven million, two hundred seven thousand, eight hundred and eighty and a real ones and sixteen cents) in 50 monthly and successive payments, that are to be readjusted by adding TJLP interests of 6.0% p.a. the acquisition of 11,122,356 nominative common shares issued by the company *Habitasul Florestal S.A.* **WAS APPROVED** in the terms described above, the Management authorized to carry out all of the necessary actions for the implementation and formalization of the operation now approved.

3. Having no other business on the Agenda, the Chairman closed the meeting.

Signatures: Péricles de Freitas Druck, Eurito de Freitas Druck, Péricles Pereira Druck, Ernani Medaglia Muniz Tavares, Erno Froeder, Luiz Carlos Mandelli, Fernando Tadeu Soledade Habckost and Paulo Sérgio Viana Mallmann.

I declare, that this document is a true copy of the minutes transcribed in the record book.

Porto Alegre, December 22, 2006.

Péricles de Freitas Druck
CEO