



CELULOSE IRANI S.A.

CNPJ Nº 92.791.243/0001- 03 NIRE Nº 43300002799 PUBLICLY-HELD
COMPANY

**MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS,
HELD ON SEPTEMBER 16th, 2009**

DATA, TIME AND PLACE: Held on the 16th day of the month of September of 2009, at 10:00 a.m., at the head office of Celulose Irani S.A. ("Company"), located at Rua General João Manoel, 157, 17th floor, City of Porto Alegre, State of Rio Grande do Sul.

ATTENDANCE: The meeting had the attendance of all members of the Board of Directors.

COMPOSITION: The works were presided over by the Chairman Mr. Péricles de Freitas Druck and the Secretary Mr. Péricles Pereira Druck.

AGENDA:

(i) Approve and authorize, *ad referendum* of the Extraordinary General Meeting of the Company, the 1st private issue of common registered debentures, non-convertible into shares, with *in rem* guarantee, in a single series (referred to as "Debentures of the 1st Issue") of the Company, in the total amount of R\$ 60.000.000,00 (sixty million Reais), pursuant to Article 52 et seq. of Law No. 6.404, of December 15th, 1976, and the subsequent amendments ("Corporation Law");

(ii) Approve and authorize the 2nd private issue of common registered debentures, non-convertible into shares, unsecured, in a single series (referred to as "Debentures of the 2nd Issue") da Company, of the Company, in the total amount of up to R\$ 50.000.000,00 (fifty million Reais), pursuant to Article 52 et seq. of the Corporation Law, and in Article 12(I) of the Company's Bylaws (as Debentures of the 1st Issue and the Debentures of the 2nd Issue, jointly referred to as "Issues");

(iii) Approve, previously, the granting of any guarantees, *in rem* or personal, to be provided by the Company in relation to the Issues; and

(iv) Authorize the Executive Committee to perform all other acts necessary for implementation of the resolutions taken herein and for the eventual early redemption of the Debentures of the 1st Issue and the Debentures of the 2nd Issue.

RESOLUTIONS: After discussion the matter, the members of the Board of Directors, by unanimity of votes and without restrictions, passed the following resolutions:

(i) Approved and authorized, *ad referendum* of the Extraordinary General Meeting of the Company, the 1st private issue of Debentures of the Company, to be formalized under the terms of the Private Instrument of Deed of the 1st Private Issue of Common Registered Debentures, Non-Convertible into Shares ("Deed of the 1st Issue"), meeting the following conditions: (a) Total Value of Issue: R\$ 60.000.000,00 (sixty million Reais); (b) Total Quantity of Issue: 60 (sixty) Debentures; (c) Unit Face Value of the Debentures: R\$ 1.000.000,00 (one million Reais); (d) Series Number: 1 (one); (e) Modality and Form: common, registered and non-convertible into shares; (f) Type: with *in rem* guarantee, under the terms of the Agreement for Chattel Mortgage of the Real Property Irani (as defined below) and the Agricultural Pledge Agreement (as defined below); (g) Remuneration: interest of 6% (six per cent) per year, base 252 (two hundred and fifty-two) business days, assessed on the Unit Face Value mentioned in item (c) above, which will be, in its turn, monetarily adjusted, every 12 (twelve) months or by the shorter periodicity admitted by law, by the accrued variation of the IPCA/IBGE; (h) Payment of the Remuneration: required in a single payment to be made on the Date of Final Maturity mentioned in item (l) below; (i) Placement: private; (j) Subscription Price: Unit Face Value mentioned in item (c) above, plus the Remuneration mentioned in item (g) above, calculated *pro rata temporis* as from the date of issue, until the date of its effective subscription and paying-up; (l) Date of Final Maturity: on the 15th day of the 133rd month after the date of issue; (m) Events of Early Maturity: (1) default, by the Company, of any pecuniary obligation provided for in the Deed of the 1st Issue, which has not been remedied within the term of 5 (five) business days; (2) default, by the Company, of any non-pecuniary obligation related to the Debentures of the 1st Issue, which has not been remedied within the term of 15 (fifteen) business days as from the date of written notice of said default, unless such default is a result from an event of act of God or force majeure; (3) untruthfulness of any of the declarations made or guarantees provided by the Company in the Deed of the 1st Issue and the impossibility of its remediation within the term of 15 (fifteen) business days as from the date of written notice of said default; (4) final and unappealable decision rendered by any court or tribunal declaring the illegality, nullity or unenforceability of the payments to be made under the terms of the Deed of the 1st Issue; (5) transformation of the Company in a limited company, pursuant to Articles 220 to 222 of the Corporation Law; (6) filing for judicial or extrajudicial reorganization, voluntary bankruptcy or declaration of bankruptcy or, also, any similar procedure that may be enacted by law, brought or declared against the Company; (7) non-maintenance of the absolute preferential right of Irani Trading S.A. in relation to assets and rights encumbered under the terms of the Agreement for Chattel Mortgage of the Real Property Irani (as defined below) and the Agricultural Pledge Agreement (as defined below) ("Global Encumbered Assets") or submission of any claim or filing of any action which purpose is to request the advance relief or precautionary measures, injunctions or any other judicial action in relation to any of the Global Encumbered Assets, which may affect its validity, efficacy and/or enforceability, except if: (X) the advance relief, precautionary measure, injunction or any judicial action has been granted or filed by mistake or bad faith of third parties,

provided that it is duly proved by the Company to Irani Trading S.A., within the maximum term of 20 (twenty) business days, as from the receipt of the summons or notification, or (Y) the advance relief, precautionary measure, injunction is cancelled before such term; (8) default of any obligation set out in the Agreement for Chattel Mortgage of the Real Property Irani (as defined below) and in the Agricultural Pledge Agreement (as defined below), unless the respective default is remedied within the term defined therein, or, in the absence of a specific term to remedy the default, within the term of 10 (ten) business days as from the receipt, by the Company, of the formal notice informing it of the respective event; or (9) declaration of early maturity of the certificates of securities receivables, object of the Term of Securitization to be entered into between the Brazilian Securities Companhia de Securitização, Oliveira Trust Distribuidora de Títulos e Valores Mobiliários, Irani Trading S.A. and the Company ("CRI"), cumulated with the non-exercise by the Company of the early redemption stipulated na Deed of the 1st Issue within the term of 10 (ten) business days as from such declaration; and (n) Early Redemption: Allowed to the Company in relation to the totality of the Debentures of the 1st Issue in circulation, at any time after the date of issue, also in the case of declaration of early maturity of the CRI, upon remittance of notice to Irani Trading S.A., upon prior notice of 1 (one) business day as from the date of the allowed early redemption, with the redemption date and surrender value indicated in such notice.

(ii) Approved and authorized, pursuant to Article 12(I) of the Company's Bylaws, the 2nd private issue of Debentures of the Company, to be formalized under the terms of the Private Instrument of Deed of the 2nd Private Issue of Common Registered Debentures, Non-Convertible into Shares ("Deed of the 2nd Issue"), meeting the following conditions: (a) Total Value of Issue: up to R\$ 50.000.000,00 (fifty million Reais); (b) Total Quantity of Debentures: up to 50 (fifty) Debentures; (c) Unit Face Value of the Debentures: R\$ 1.000.000,00 (one million Reais); (d) Series Numbers: 1 (one); (e) Modality and Form: common, registered and non-convertible into shares; (f) Type: unsecured, pursuant to Article 58 of the Corporation Law, secured by the fiduciary assignment of all and any credit right to which the Company is entitled after execution and settlement of the Debentures of the 1st Issue, under the terms of the Agreement for Fiduciary Assignment of Assets (as defined below); (g) Remuneration: interest of 6% per year, base 252 (two hundred and fifty-two) business days, assessed on the Unit Face Value mentioned in item (c) above, which will be, in its turn, monetarily adjusted, every 12 (twelve) months or by the shorter periodicity admitted by law, by the accrued variation of the IPCA/IBGE; (h) Payment of the Remuneration: required in a single payment to be made on the Date of Final Maturity of the debentures; (i) Placement: private; (j) Subscription Price: Unit Face Value mentioned in item (c) above, plus the Remuneration mentioned in item (g) above, calculated *pro rata temporis* as from the date of issue, until the date of its effective subscription and paying-up; (l) Date of Final Maturity: on the 15th day of the 133rd month after the date of issue; (m) Events of Early Maturity: (1) default, by the Company, of any pecuniary obligation provided for in the Deed of the 2nd Issue, which has not been remedied within the term of 5 (five) business days; (2) default, by the Company, of any non-pecuniary obligation related to the Debentures of the 2nd

Issue, which has not been remedied within the term of 15 (fifteen) business days as from the date of written notice of said default, unless such default is a result from an event of act of God or force majeure; (3) untruthfulness of any of the declarations made or guarantees provided by the Company in the Deed of the 2nd Issue and the impossibility of its remediation within the term of 15 (fifteen) business days as from the date of written notice of said default; (4) final and unappealable decision rendered by any court or tribunal declaring the illegality, nullity or unenforceability of the payments to be made under the terms of the Deed of the 2nd Issue; (5) transformation of the Company in a limited company, pursuant to Articles 220 to 222 of the Corporation Law; (6) filing for judicial or extrajudicial reorganization, voluntary bankruptcy or declaration of bankruptcy or, also, any similar procedure that may be enacted by law, brought or declared against the Company; (7) non-maintenance of the absolute preferential right of Irani Trading S.A. in relation to the Global Encumbered Assets or submission of any claim or filing of any action which purpose is to request the advance relief or precautionary measures, injunctions or any other judicial action in relation to any of the Global Encumbered Assets, which may affect its validity, efficacy and/or enforceability, except if: (X) the advance relief, precautionary measure, injunction or any judicial action has been granted or filed by mistake or bad faith of third parties, provided that it is duly proved by the Company to Irani Trading S.A., within the maximum term of 20 (twenty) business days, as from the receipt of the summons or notification, or (Y) the advance relief, precautionary measure, injunction is cancelled before such term; (8) default of any obligation set out in the Assets Pledge Agreement (as defined below), unless the respective default is remedied within the term defined therein, or, in the absence of a specific term to remedy the default, within the term of 10 (ten) business days as from the receipt, by the Company, of the formal notice informing it of the respective event; or (9) declaration of early maturity of the CRI, cumulated with the non-exercise by the Company of the early redemption stipulated in the Deed of the 2nd Issue within the term of 10 (ten) business days as from of such declaration; and (n) Early redemption: Allowed to the Company in relation to the totality of the Debentures of the 2nd Issue in circulation, at any time after the date of issue, also in the case of declaration of early maturity of the CRI, upon remittance of notice to Irani Trading S.A., upon prior notice of 1 (one) business day as from the date of the allowed early redemption, with the redemption date and surrender value indicated in such notice.

(iii) Approved, pursuant to Article 12(h) of the Company's Bylaws, the granting, by the Company, of any *in rem* and/or personal guarantees, to be provided by the Company in the Issues, upon execution of the following documents: (a) Private Instrument of Agreement for Chattel Mortgage of the Real Property Irani and Other Covenants, to be entered into between Irani Trading S.A., Brazilian Securities Companhia de Securitização and the Company; ("Agreement for Chattel Mortgage of the Real Property Irani"); (b) Private Instrument of Agricultural Pledge Agreement and Other Covenants, to be entered into between Irani Trading S.A., the Company and any third parties in the capacity of trustees ("Agricultural Pledge Agreement"); and (c) Private Instrument of Agreement for Fiduciary Assignment of Assets and Rights and Other Covenants, to be entered into between the Company, Irani Trading and the

Brazilian Securities Companhia de Securitização (“Agreement for Fiduciary Assignment of Assets”).

(iv) Authorized the Executive Committee to perform all other acts necessary for implementation of the resolutions taken above, including, but not limited to the execution, on behalf of the Company, of the instruments mentioned above, as well as the adoption, before the government bodies and private entities, of the measures deemed necessary for implementation of the measures approved in this Meeting of the Board of Directors, also with regard to the eventual early redemption of the Debentures of the 1st Issue and the Debentures of the 2nd Issue, which is hereby approved.

CLOSING: Having no further matters to discuss, the meeting was closed, from which the minutes were drawn up, and after being read and found in conformity, were signed by the members of the Board of Directors. (Péricles de Freitas Druck; Eurito de Freitas Druck; Péricles Pereira Druck; Ernani Medaglia Muniz Tavares; Paulo Sérgio Viana Mallmann; and Paulo Antonio Schmidt). I hereby declare that these minutes correspond to the original drawn up in the proper book.

Porto Alegre, September 16th, 2009.

Péricles de Freitas Druck
Chairman

Péricles Pereira Druck
Secretary