



**CELULOSE IRANI S.A.**  
**CORPORATE ID (CNPJ) Nr. 92.791.243/0001- 03 NIRE Nº43300002799 PUBLICLY-HELD COMPANY**

**BOARD OF DIRECTORS MEETING MINUTE**  
**HELD ON JULY 12, 2010**

DATE, TIME, PLACE: Held on July 12, 2010, 10:00 AM, at Celulose Irani S.A. headquarters ("Company"), located at Rua General João Manoel, 157, 9th floor, Porto Alegre, State of Rio Grande do Sul.

ATTENDANTS: The majority of Company's Board members attended the meeting.

HOSTED BY: Proceedings were hosted by Mr. Péricles de Freitas Druck being helped by Mr. Jorge Juerecy Oliveira da Cunha as Secretary.

PROCEEDINGS: (i) To approve Company's execution of all documents regarding capital market fundraising through issuance of Real Estate Receivable Certificates from Brazilian Securities Company ("CRI Issue" and "Securities", respectively), in which Company is to appear as a debtor of property credits subject of this CRI Issue, including (but not limited to) the following: (i) To add the following to Rental Agreement made by and between the Company and Irani Trading S.A. ("Trading") on October 20, 2009, added on March 24, 2010 ("Rental Agreement Addendum"); (ii) Real Estate Credit Note Private Document Issue in behalf of Irani Trading S.A., to be made by and between Trading, the Company, and Oliveira Trust Distribuidora de Títulos e Valores Mobiliários S.A. ("CCI Issue Document"), as well as the respective Estate Credit Note ("CCI"); (iii) Real Estate Credit Note Assignment & Transfer Agreements and other Covenants, to be made by and between Trading, Securities Company and the Company ("CCI Transfer Agreement"); (iv) Real Estate Credit Security Term, to be made by and between Securities Company, Oliveira Trust Distribuidora de Títulos e Valores Mobiliários S.A., Trading, and the Company ("Security Term"); (v) Private Deed of Mortgage, to be made by and between the Company and Securities Company ("Deed of Mortgage"); (vi) Private Document of Rural Pledge and Other Covenants, to be signed by the Company and the Securities Company ("Rural Pledge Agreement"); (vi) Private Document of Fiduciary Assignment and Other Covenants, to be made by and between the Company and Securities Company ("Fiduciary Assignment Agreement"); and (vii) Private Document for Coordination, Placement and Distribution, with Restricted Efforts, of Real Estate Receivable Certificates as Underwriting Securities, from Brazilian Securities Companhia de Securitização, to be made by and between the Company, Trading, Securities Company and Banco Itaú BBA S.A. ("Coordination Agreement");

(ii) To approve and authorize the 1st Private issuance of subordinate nonconvertible ordinary debentures from the Company into a single series ("Debentures"), totaling R\$ 40,000,000.00 (forty million reais), as per Law No. 6404 of 15.12.1976 and subsequent amendments ("Joint Stock Corporation Act"), as well as Company Bylaws ("Debentures Issue");

(iii) To approve the assignment of any securities to be provided by the Company in connection with CRI Issue; and

(iv) To authorize the Board to make all necessary other actions to implement the topics discussed here.

RESOLUTION: Without any restrictions thereof, having discussed the agenda, the members of the Board have unanimously voted and resolved as follows:

(a) To make the Company to execute all instruments related to CRI issuance, including (but not limited to) Rental Agreement Addendum, CCI Issue Document, CCI, CCI Transfer Agreement, Securities Term, Deed of Mortgage, Rural Pledge Agreement, Fiduciary Assignment Agreement and Coordination Agreement.

(b) To approve and authorize the 1th Private issue of Company Debentures, to be certified under the terms of the respective issue certificate ("Issue Certificate"), as follows: (1) Total Issue Amount: up to R\$ 40,000,000,00 (forty million reais); (2) Total Number of Issues: up to 40 (forty) debentures; (3) Debenture Face Value: R\$ 1,000.000.00 (one million reais); (4) Number of Series: Only one series; (5) Modality and Type: Ordinary debentures nonconvertible into shares; (6) Kind: subordinate; (7) Premium: Debentures shall pay prefixed interest of 6% (six percent) per year based on 252 (two hundred and fifty two) working



days, which is applicable to individual face value and updated as per Issue Certificate, from the date of subscription and payment to full settlement, as calculated under single interest scheme, being compounded annually; (8) Amortization and Premium Payment: One installment at the maturity date; (9) Placement: Private; (10) Price of Subscription: Individual face value; (11) Due date: To be set in the Issue Certification, up to the 1st working day of the 60th month as of issue date; (12) Upfront Assumptions: (i) If the issuer fails from fulfilling any financial obligation under the Issue Certificate, which is not remedied within 10 (ten) working days of its expiration, (ii) Issuer noncompliance of any nonpecuniary obligation related to debentures listed in the Issue Certificate, which is not remedied within 20 (twenty) business days upon receipt of written notice of such failure, unless such failure is an act of God or force major; (iii) Untruthful representations and warranties provided by the Issuer of Issue Certificate, which cannot be remedied within twenty (20) days upon written notice of such failure, (iv) a final verdict given by any judge or Court declaring the illegality, invalidity or unenforceability of such Issue Certificate, (v) wind up, cease in business, split up or any form of corporate restructuring involving the issuer, which may affect Issuer performance of its obligations arising out of the Certificate, as per Article 231 of the Joint Stock Corporation Act, (vi) by turning the Company into a Limited Liability company, as per Arts. 220 to 222 of the Joint Stock Corporation Act; (vii) composition with creditors, receivership, bankruptcy or any similar proceeding that may be created by Law, or filed or ordained against the Issue; and (ix) early payment of the Rental Agreement entered between the Company and Trading on October 20, 2009, as Addendum; (13) Anticipated redemption: It is optional and the Issuer may, at any time after the date of issue, proceed to anticipated redemption of debentures, wholly or in part, by sending a notice to the subscriber, at least one (1) business day prior after the date of optional anticipated redemption, stating the date and redemption procedure, and (14) Update of Par Value: Annually as per Consume Price Index (Índice de Preços ao Consumidor Amplo-IPCA), calculated and issued by the Brazilian Institute of Geography and Statistics (IBGE), as of the date of issuance, on a pro rata temporis basis (working days) to maturity date.

(c) To approve and authorize the performance of any Company bonds regarding CRI Issue, including, but not limited to the following: (1) Securities incorporation on Company receivables in the form of trust or other assignment to be set by the Company Board, and/or reserve fund, and (2) provision of bonds in the form of mortgages, transfer of ownership or another lien to be defined by the Company Board on the property owned by the Company, including one or more properties subject matter of registration No. 209, 2479, 2481, 8535 and/or 8537 of the Real Estate Notary's Office of Ponte Serrada - SC, as well as any rural pledge including cropping lands. The bonds referred to in this document shall be consolidated in the Fiduciary Assignment Agreement, Deed of Mortgage and Rural Pledge Agreement, respectively.

(iv) To authorize the Board of Directors to perform all other actions necessary for the accomplishment of the covenants above, including but not limited to signing, on behalf of the Company, all documents listed above, and all and any documents and/or addendum to such documents, as well as taking all reasonable steps which are deemed to be necessary from government bodies and private entities for the performance of the measures agreed upon at this Meeting of the Board, including all matters related to any anticipated redemption of the Debentures, which is hereby approved as of this date.

CLOSING: Without any further ado, the meeting was adjourned and a Minute of Meeting was transcribed, read and agreed upon, and finally signed by the members of the Board. (Attendants: Mr. Péricles de Freitas Druck; Mr. Eurito de Freitas Druck; Mr. Ernani Medaglia Muniz Tavares; Mr. Paulo Sérgio Viana Mallmann; Mr. Paulo Antonio Schmidt, Mr. Jorge Juerecy Oliveira da Cunha.

I hereby declare that this Minute is an exact copy of the original recorded.

Porto Alegre, July 12, 2010

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Péricles de Freitas Druck  
Chairman - Board of Directors