CELLULOSE IRANI S.A.

CNPJ no. 92.791.243/0001-03 NIRE no. 43300002799

PUBLIC COMPANY

MINUTES OF A MEETING OF THE BOARD OF DIRECTORS, HELD AT THE HEAD OFFICE, AT RUA GENERAL JOÃO MANOEL, 157, 17º ANDAR, PORTO ALEGRE, RS, AT 18:00 AUGUST 24, 2007.

1 - The meeting counted with the presence of all of the members of the Board of Directors, and was presided over Péricles of Freitas Druck.

2 – The members of the Board of Directors received the presentation relating to the Directors Complementary Remuneration Program - "SuperAction Project ", made up by a Plan of Granting the Option of Share acquisition - Stock Option (Annex I) and for the Growth Participation Plan for 2007/2009 - UPSIDE (Annex II). The implementation of the SuperAction Project intends to; (I) align the interests of the executives to those of the shareholders; (II) to address the behavior and stimulate the long term vision of the executives; (III) stimulate the feeling of proprietary feeling and commitment; and (IV) attract, maintain and motivate the executives.

3 - After the explanations and debates relating to the “SuperAction Project", the Board of Directors, unanimously, decided to direct this to the General meeting for a decision. Therefore, an Stockholders General Meeting was called to decided on the Directors Complementary Remuneration Program - "SuperAction Project"

4 - The Counselors ratified, the acquisition of 22,500 (twenty two thousand and five hundred) common shares of capital stock, to be used in Stock Option Plan, approved by the Stockholders General Meeting. Finally, they were informed that the number of shares in circulation in the market at the moment is 718.465 shares.

5 – No other business was dealt with.

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

I declare, that in the capacity of Chairman of the Council of Administration of Celulose Irani S/A., that to present is a true copy of the minutes transcribed in the record book.

Porto Alegre, August 24, 2007.

Péricles de Freitas Druck

CEO

ANNEX I
CELLULOSE IRANI S.A.
CNPJ no. 92.791.243/0001 - 03
NIRE Nº43300002799
PUBIC COMPANY

DIRECTORS COMPLEMENTARY REMUNERATION PROGRAM -
"SUPERACTION PROJECT "
Stock Option Plan

1. The current Stock Option Plan for the of Shares ("Stock Option"), regulated in this document, integrates the Directors Complementary Remuneration Program - " Superaction Project " which was elaborated with the following objectives:
(I) align the interests of the executives to those of the shareholders;
(II) to address the behavior and stimulate the long term vision of the executives;
(III) stimulate the feeling of proprietary feeling and commitment; and
(IV) attract, maintain and motivate the executives.
2. The Stock Option is instituted in the terms of art. 168 §3rd, of the Law 6.404/76, and has the objective of, besides the above mentioned, to reward the directors for your commitment with the valorization of CELULOSE IRANI S.A ("Irani" or "Company") in the market, verified in the current period.
3. The Directors that are eligible to participate in Stock Options are those that now occupy the position of Statutory Director in Irani and they will be entitled to the granting of the shares stock option in the following proportion:

a. Cristiana Jahn Schulz - 2.521 shares
b. Paulo Roberto de Silva - 3.081 shares
c. Sérgio Luiz Cotrim Ribas - 3.851 shares
d. Odivan Carlos Cargnin - 3.851 shares
e. Péricles de Freitas Druck - 4.883 shares
f. Péricles Pereira Druck - 4.313 shares

4. With the approval of the Stock Option for the Stockholders General meeting, it is granted to the beneficiary Directors option to purchase the Irani common shares, which are currently in treasury.
4.1. The purchase options granted to the Directors are non transferable, and it is prohibited to:
(i) any negotiation, by the Directors, of the received shares;
(ii) the creation of any obligation or duty relating to the options; and
(iii) their use as warranty of any operation carried out by the directors.

5. The beneficiary Directors that remain in the company up to 31/12/2007 will acquire the right to the exercise of the purchase option, and be able to do this in the period between January 01, 2008 and February 01, 2008, adhering to the following purchase criteria:
a) the price for the acquisition of the shares will be R$ 14.28 per share;
(b) At the end of the period established in the chapter for the exercise of the option, the Director will lose the right regarding the option;
(c) the option can be done total or partially, observing the maximum number of shares that can be acquired according to item 2 above;
(d) the price of the shares should be pay to in cash, at sight, in Brazilian national currency.

6. The shares acquired by the Directors in the form of item 5 above, will be pledged in favor of Irani until December 31, 2009.

7. The Directors cannot sell or in any way to alienate the shares during the period, because of the established pledge. They will be entitled, however, to receive dividends if and when distributed, as well as they will deserve the other inherent rights of a shareholder.

8. After December 31 2009, the shares will be free from the lien established for the Company, being authorized your alienation by the Directors.

9. The option will end the full right:
a) for its integral period, as foreseen in this Option Plan;
b) because the continuation of the period; and
c) because of the severance of the Director from the Company.

9.1. If a Director leaves Irani, on his own initiative of the company's initiative, before of December 31 2007, regardless of the reason, he will lose the right to the option and he won't obtain any benefit or compensation from this plan;

9.2. The Director that to leaves Irani, on his own initiative or that of the company, in the period between the period of the purchase option and Dec 31 - 2009, should return the shares and be compensated by the value paid without any addition because of interest or indexation

10. The payments to be made in the extent of the Option Plan of will be subject to the rates of tax under the pertinent legislation. The tax obligation is the responsibility of the Director or his beneficiaries.

11. The right to the exercise of the purchase option is subject to the limit of the global remuneration of the Administrators, as defined for the Shareholders General meeting.

12. By decision of the Board of Directors, alterations may be made to this Plan, in the way that some adaptation becomes necessary to its rules, in way to reach the proposed objectives.

13. For the perfect execution of the terms in the current Plan, the Directors will grant a power of attorney to the Company, in an irrevocable and non retractable way, giving powers to be able to sign all of the acts necessary for the implementation of the Plan, especially relating to the transfer of shares to the Company, in case the director leaves before Dec 31 2009.

14. The Option Plan of will go into effect with the approval for the Shareholders General meeting of the Company and you can be abolished, at any time, by the decision of Council of the Company Administration.
Porto Alegre, August 24, 2007.

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ANNEX II
CELLULOSE IRANI S.A.
CNPJ no. 92.791.243/0001 - 03
NIRE Nº43300002799
PUBLIC COMPANY
DIRECTORS COMPLEMENTARY REMUNERATION OF PROGRAM -
" SUPERACTION PROJECT "

Growth Participation Plan in the Growth for 2007/2009 - UPSIDE

1. The Current Participation Plan in the Growth of 2007/2009 - UPSIDE, regulated by this document, you integrates the of Directors Complementary Remuneration Program - "Project Superaction" that was elaborated to have the following objectives:

(i) to align the interests of the executives to those of the shareholders;
(ii) to address the behavior and to stimulate the long term vision of the executives;
(iii) to stimulate the sense of proprietary and commitment; and
(iv) to attract, keep and motivate the executives

2. The present plan has as its base the 2007/2009 Growth Project (Superaction Project) of Celulose Irani S/A ("Irani" or "Company"), which is hoped to bring a significant increase of the generation of revenue for the company (EBITDA) and, because of this, the market value of the Company's shares.

3. For the effects of the present Plane, the following concepts will be used:

Remuneration: equivalent value to the fixed remuneration received by each Director at Dec 31. 2006;
Director (s): the Directors benefited by the current Plan are those exclusively tied into the Company at the time of the elaboration of the Plan and its submission to the Shareholders General meeting, those being, Cristiana Jahn Schulz, Paulo Roberto da Silva, Sérgio Luiz Cotrim Ribas, Odivan Carlos Cargnin, Péricles of Freitas Druck and Péricles Pereira Druck.
Net Bank debt: debts with financial institutions of increased by borrowings with related items, financial applications being excluded. Subdivision of taxes obtained after the validity of the current plan, will be included in the calculation of the Liquid Bank Debt for the purposes of the present Plan.

4. Under the terms of this Plan, each Director will have the possibility to participate in the growth of the Company by receiving, as an Additional Financial Bonus (Bonus), a financial value related to the variation in the Value of the Shares of the
Company, as agreed with the established criteria in clause 6 of the present Plan.
4.1. The payment of the Bonus will be remunerated in money, directly to the beneficiary Directors, within the periods established in clause 8.
4.2. The Company should, in accordance with art. 24 of the Articles of Incorporation make the annual provision for the payment of the Additional Financial Bonus which will be due to the Directors, under the terms of clause 6 of the current Plan.
5. For the calculation of the variation of the Value of the Company's Share, the base value, at Dec 31, 2006 will be used, which, in agreement with the calculation criteria referred to below, is R$ 128 million. Hence in this regard:
EBITDA = R$ 43 million
Multiple of Market: 06
Gross market value: R$ 258 million
Net Bank debt = R$ 130 million
Value of Company Shares at Dec 31 2006 (base) = R$ 128 million
6. AS the target for the present plan, for effects of calculation of the Bonus, the value of the company share should reach the value of R$ 478 million by Dec 31 2009, what will represent an increase of 273% over the period between Dec 31 2006 and Dec 31 2009. To calculate the present target, the following parameters were used:
EBITDA = R$ 117 MILLION Multiple of Market: 6

Gross market value = R$ 702 million
Net Bank debt = R$ 224 million
Value of Company Shares at Dec 31 2009 = R$ 478 million (Future Value of the Company)
7. The percentage of the variation of the Value of the Company shares will determine the existence, or not, of the right to the receive the Bonus and its respective value, in accordance with the following criteria:

7.1. When the percentage of the target is the same as or greater than 100%, the value of each Director's Bonus will result of the application of the percentage variation reached with 10 Remunerations, of the respective Director, accordingly as defined in item 3, supra.

7.2. When the percentage of the target is the same as or greater than 80% and less than 100%, the value of each Director's Bonus will result of the application of the percentage variation reached with 5 Remunerations, of the respective Director.

7.3. When the percentage of the target is less than 80%, there will be no right to receive the Bonus.

8. The payment of the Additional Financial Bonus that is due to the Directors, if the target is reached as per the percentages foreseen in clause 7 above, this payment should be made before Feb 28 2010.
8.1. If there is an Public offer of Distribution of Actions ("Public offer") before Dec 31 2009 and the percentage of reaching the goal, on the respective date, in absolute values, will create the right to the receive the Bonus under the terms of clause six above, the Directors will be entitles to receive 50% of the value, owing, the remaining part, will be paid before Feb 28, 2010. The payment of the 50% foreseen here is the exclusive option of each director.
8.2. The outstanding portion that relate to clause 8.1 will be calculated in agreement with the reaching f the target that will be calculated on Dec 31, 2009.

9. Investments that come to be instituted after this plan coming into force and that were not considered for calculation in the values above they should be segregated at the moment of the verification of the value of the company, at Dec 31, 2009, or if a Public offer happens. Any other procedures not foreseen in the present clause should be added to the Superaction Project.

10. The right to receive the Bonus is subject to the limit of the global remuneration of the Management as defined in agreement with the for the Shareholders General meeting, and the provision should be made provision for payment of the benefit should be made annually , in the way describes in art. 24 of the Company's Articles of Incorporation.

11. The Director that to leave the employment with Irani, by his or the company's initiative, before Dec 31 2009, or before, of the occasion of a Public offer, won't be entitled to receive any part of the regulated Bonus. The Director that to leaves of Irani following the date of the Public offer, however before Dec 31 2009, will be entitled to receive only 50% of the value of the Bonus, will not receive the remaining portion.

12. The Upside Plan will go into effect with the approval of the Company's Shareholders General meeting and may be extinguished or modified, at any time, by decision of the Company's Board of Directors.

Porto Alegre, August 24, 2007.