



December 6, 2016

### **Tonon (Under Judicial Reorganization) Makes Public Disclosure of Certain Material Non-Public Information**

Tonon Bioenergia S.A. – Under Judicial Reorganization (“Tonon”) announced on December 6, 2016 that it is making a public disclosure of certain material non-public information.

On December 9, 2015, Tonon, Tonon Luxembourg S.A. – Under Judicial Reorganization and Tonon Holding S.A. – Under Judicial Reorganization (collectively, the “Company”) filed a petition for commencement of judicial reorganization proceedings in the Brazilian Bankruptcy Court to, among other things, recapitalize the Company and restructure the Company’s indebtedness, including (i) the step-up senior unsecured notes due 2020, (ii) the 10.50% senior secured notes due 2024, and (iii) the senior secured loans due 2019 (collectively, the “Credits”). The Company is engaged in discussions and negotiations with an ad hoc group of holders of the Credits (the “Creditors”) regarding an in-court restructuring. On March 10, 2016, the Company executed various confidentiality agreements (as amended, the “Confidentiality Agreements”) with the Creditors to facilitate discussions concerning such possible restructuring.

Pursuant to the Confidentiality Agreements, the Company agreed to publicly disclose certain information, including any material non-public information disclosed to the Creditors, upon the expiration of the Confidentiality Agreements. In connection with such negotiations, the Company disclosed to the Creditors certain non-public information, which is posted to the following URLs on the Company’s website ([www.tononbioenergia.com.br](http://www.tononbioenergia.com.br)):

[http://www.mzweb.com.br/tononbioenergia/web/download\\_arquivos.asp?id\\_arquivo=32DC0223-8CB9-4596-92E2-C16B297FE5DD](http://www.mzweb.com.br/tononbioenergia/web/download_arquivos.asp?id_arquivo=32DC0223-8CB9-4596-92E2-C16B297FE5DD)

[http://www.mzweb.com.br/tononbioenergia/web/download\\_arquivos.asp?id\\_arquivo=DD1A2EF9-6E65-436D-9639-D8C7750FFA48](http://www.mzweb.com.br/tononbioenergia/web/download_arquivos.asp?id_arquivo=DD1A2EF9-6E65-436D-9639-D8C7750FFA48)

[http://www.mzweb.com.br/tononbioenergia/web/download\\_arquivos.asp?id\\_arquivo=783B86C6-811F-44A8-B5B5-5D81347A3784](http://www.mzweb.com.br/tononbioenergia/web/download_arquivos.asp?id_arquivo=783B86C6-811F-44A8-B5B5-5D81347A3784)

At the Company’s general meeting of creditors held on November 25, 2016, the Company and its creditors agreed to postpone the meeting to approve the restructuring plan in connection with such possible restructuring. The meeting is scheduled to take place on January 23, 2017. As of the date hereof, the Company and its creditors are in ongoing discussions concerning the terms of such possible restructuring.

**About Tonon**

We are a sugar, ethanol and energy producer with operations in the Southeast and Midwest regions of Brazil. We cultivate, harvest, purchase and process sugarcane, from which we produce very high polarization sugar, or VHP sugar, granulated refined sugar, anhydrous ethanol and hydrous ethanol to sell domestically and internationally. We also provide sugarcane bagasse by-products in exchange for electricity to power our industrial operations through co-generation. We currently conduct our sugar and ethanol operations through three mills: (1) Santa Cândida, in Bocaina, in the state of São Paulo; (2) Vista Alegre, in Maracaju, in the state of Mato Grosso do Sul; and (3) Paraíso, in Brotas, in the state of São Paulo.

### **Forward-Looking Information**

*Certain information regarding the Company contained herein constitutes forward-looking information and forward-looking statements (collectively, "forward-looking statements") under the meaning of applicable securities laws. Forward-looking statements include estimates, plans, expectations, opinions, forecasts, projections, guidance, or other statements that are not statements of fact, including statements regarding the possible restructuring. Although Tonon believes that the assumptions underlying, and expectations reflected in, such forward-looking statements are reasonable, it can give no assurance that such assumptions and expectations will prove to have been correct. There are many factors that could cause forward-looking statements not to be correct, including, but not limited to, risks and uncertainties inherent in the Company's business and risks and uncertainties associated with securing the necessary approvals to implement the possible restructuring.*

*The forward-looking statements contained herein are made as of the date of this news release solely for the purpose of generally disclosing the status of the possible restructuring. Tonon may, as considered necessary in the circumstances, update or revise the forward-looking statements, whether as a result of new information, future events, or otherwise, but Tonon does not undertake to update this information at any particular time, except as required by law. Tonon cautions readers that the forward-looking statements may not be appropriate for purposes other than their intended purposes and that undue reliance should not be placed on any forward-looking statement. The Company's forward-looking statements are expressly qualified in their entirety by this cautionary statement.*

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