



June 15, 2015

MEDIA RELEASE

**FOR IMMEDIATE RELEASE**

### **Tonon Announces Discussions Regarding Transactions**

Tonon Bioenergia S.A. ("Tonon" or the "Company") announced on June 13, 2015 the commencement of a debt exchange offer, consent solicitation and new financing of up to U.S.\$70.0 million (together, the "Transactions") that will restructure the Company's unsecured notes, significantly reducing annual cash interest expense, and provide additional liquidity to fund ongoing operations.

As part of the negotiation of the Transactions, the Company met with certain bondholders on May 13, 2015 regarding potential transaction strategies, and, among other things, presented materials summarizing its businesses, operations and financial condition. The materials presented by the Company summarizing its businesses, operations and financial condition have been posted to the Company's website at [www.tononbioenergia.com.br](http://www.tononbioenergia.com.br).

The Company is being advised by Blackstone Advisory Partners L.P., Davis Polk & Wardwell LLP and Felsberg Advogados. The holders of the Company's unsecured notes, including those that are providing the new financing of up to U.S.\$70.0 million, are being advised by Cleary Gottlieb Steen & Hamilton LLP and Stocche Forbes Advogados.

#### **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 proposed Recapitalization and the timing of the hearing for the final order to approve the plan of arrangement and Recapitalization. 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 Recapitalization.*

*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 Tonon's Recapitalization transaction. 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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