TEEKAY TANKERS LTD.
Form F-4/A
October 11, 2017
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As filed with the Securities and Exchange Commission on October 10, 2017

Registration No. 333-219297

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

AMENDMENT NO. 2

TO

FORM F-4

REGISTRATION STATEMENT

UNDER

THE SECURITIES ACT OF 1933

TEEKAY TANKERS LTD.

(Exact name of registrant as specified in its charter)

Republic of the Marshall Islands	**4400**	**Not Applicable**
(State or other jurisdiction of incorporation or organization)	**(Primary Standard Industrial Classification Code Number)**	**(I.R.S. Employer Identification Number)**

4th Floor, Belvedere Building,

69 Pitts Bay Road,

Hamilton HM 08, Bermuda

Telephone: (441) 298-2530

Fax: (441) 292-3931

(Address, including zip code, and telephone number, including area code, of Registrant s principal executive office)

Watson Farley & Williams LLP

Attention: Daniel C. Rodgers

250 West 55th Street

New York, New York 10019

(212) 922-2200

(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies to:

Michael J. Swidler	**David S. Matheson / Kara E. Tatman**	**John Evangelakos / Audra D. Cohen**
Vinson & Elkins L.L.P.	**Perkins Coie LLP**	**Sullivan & Cromwell LLP**
666 Fifth Avenue, 26th Floor	**1120 N.W. Couch Street, Tenth Floor**	**125 Broad Street**
New York, NY 10103-0040	**Portland, OR 97209-4128**	**New York, NY 10004-2498**
(212) 237-0020		

(503) 727-2008

Approximate date of commencement of proposed sale to the public: As soon as practicable after the effective date of this registration statement and upon completion of the merger described in the enclosed joint proxy statement/prospectus.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If applicable, place an X in the box to designate the appropriate rule provision relied upon in conducting this transaction:

Exchange Act Rule 13e-4(i) (Cross-Border Issuer Tender Offer)

Exchange Act Rule 14d-1(d) (Cross-Border Third-Party Tender Offer)

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933.

Emerging growth company

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 7(a)(2)(B) of the Securities Act.

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until this registration statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to Section 8(a), may determine.

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The information contained in this joint proxy statement/prospectus is not complete and may be changed. These securities may not be sold until the registration statement filed with the Securities and Exchange Commission is effective. This joint proxy statement/prospectus is not an offer to sell these securities and it is not an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

PRELIMINARY JOINT PROXY STATEMENT/PROSPECTUS

SUBJECT TO COMPLETION DATED OCTOBER 10, 2017

PROPOSED MERGER TRANSACTION YOUR VOTE IS VERY IMPORTANT

Dear Shareholders of Tanker Investments Ltd. and Teekay Tankers Ltd.:

We are pleased to inform you that Tanker Investments Ltd. (*TIL*), Teekay Tankers Ltd. (*Teekay Tankers*, and together with TIL, the *Companies*), and Royal 2017 Ltd., a wholly-owned subsidiary of Teekay Tankers (*Merger Sub*), have entered into a definitive agreement and plan of merger, as amended (the *Merger Agreement*), pursuant to which, subject to shareholder approval and other conditions, Merger Sub will merge with and into TIL, with TIL continuing as the surviving company and a direct wholly-owned subsidiary of Teekay Tankers (the *Surviving Company*), which we refer to as the *Merger*. Each issued and outstanding share of TIL common stock (other than shares of TIL common stock held in the treasury of TIL or owned by Teekay Tankers or any of its subsidiaries) will be converted into the right to receive 3.30 shares of Teekay Tankers Class A Common Stock (the *Merger Consideration*). Teekay Tankers expects to issue approximately 89.0 million shares of its Class A Common Stock in connection with the Merger. Teekay Tankers will not issue any fractional shares in exchange for shares of TIL common stock. Instead, each holder of TIL common stock exchanged pursuant to the Merger Agreement who would otherwise have been entitled to receive a fractional share of Teekay Tankers Class A Common Stock will be paid an amount in cash (without interest) equal to the fractional share interest to which such holder would otherwise be entitled multiplied by the average closing price of a share of Teekay Tankers Class A Common Stock on the New York Stock Exchange (*NYSE*), as reported by *The Wall Street Journal*, for the five consecutive trading days immediately preceding the closing date of the Merger. The closing sale price of Teekay Tankers Class A Common Stock as reported on the NYSE as of May 30, 2017, the last trading day before the public announcement of the Merger Agreement, and as of October 6, 2017, the most recent practicable trading day prior to the date of this joint proxy statement/prospectus, was $1.90 and $1.61 per share, respectively. The implied value of the Merger Consideration proposed for each share of TIL common stock as of the same two dates was $6.27 and $5.31, respectively, and the total merger consideration as of the same two dates was approximately $169.1 million and approximately $143.3 million, respectively.

We are sending you this joint proxy statement/prospectus and related materials in connection with the solicitation of proxies by the Board of Directors of TIL (the *TIL Board*) and the Board of Directors of Teekay Tankers (the *Teekay Tankers Board*) for their respective use at the Special Meeting of Shareholders of TIL (the *TIL Special Meeting*) and the Special Meeting of Shareholders of Teekay Tankers (the *Teekay Tankers Special Meeting* and, together with the

TIL Special Meeting, the *Special Meetings*), each to be held on [ ], 2017. At the TIL Special Meeting, the shareholders of TIL will be asked to consider and vote on (i) a proposal to approve the Merger Agreement, (ii) a proposal to adjourn the TIL Special Meeting if necessary to solicit additional proxies if there are not sufficient votes to approve the Merger Agreement and (iii) a proposal to approve and ratify the remuneration to be paid in the year 2017 to the Chair of the TIL Special Committee (as defined below), in an amount not to exceed $50,000 in cash, and with respect to each member of the TIL Special Committee (other than the Chair of the TIL Special Committee), in an amount not to exceed $40,000 in cash, as well as any other proposals properly raised at the TIL Special Meeting. At the Teekay Tankers Special Meeting, the shareholders of Teekay Tankers will be asked to consider and vote on (i) a proposal to approve an amendment to Teekay Tankers Amended and Restated Articles of Incorporation to increase the number of authorized shares of Teekay Tankers Class A Common Stock from 200,000,000 to 285,000,000, with a corresponding increase in the number of authorized shares of capital stock from 400,000,000 to 485,000,000 (the *Charter Amendment*), and (ii) a proposal to adjourn the Teekay Tankers Special Meeting if necessary to solicit additional proxies if there are not sufficient votes to approve the Charter Amendment, as well as any other proposals properly raised at the Teekay Tankers Special Meeting. These proposals are discussed in greater detail in the remainder of this joint proxy statement/prospectus. We urge you to carefully read this joint proxy statement/prospectus, and the documents incorporated by reference into it.

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Certain members of the TIL Board are affiliated with Teekay Tankers or Teekay Corporation, which controls Teekay Tankers. Kenneth Hvid, a director of TIL, is also the President and Chief Executive Officer of Teekay Corporation and a director of Teekay Tankers. William Lawes, a director of TIL, is also a director of Teekay Tankers. TIL s Chief Executive Officer, Chief Financial Officer and Secretary, respectively, are also employees of Teekay Corporation or its subsidiaries. Teekay Corporation and its affiliates are parties to several agreements and transactions with TIL. For additional information, please see Related Party Transactions. Due to these conflicts, the TIL Board unanimously created and delegated to a special committee of the TIL Board, comprised solely of independent directors that have no conflicts relating to the Merger (the *TIL Special Committee*), the authority to review, evaluate, negotiate, reject and/or recommend to the TIL Board the proposed Merger, the Merger Agreement and the related transactions and documents. In addition, the TIL Special Committee was granted the authority to select and retain independent legal and financial advisors to assist the TIL Special Committee in carrying out its responsibilities. In connection with the negotiation of the proposed Merger, the TIL Special Committee required that, in addition to TIL shareholder approvals required by applicable corporate law, the Merger Agreement be approved by the affirmative vote of the holders of a majority of the outstanding shares of TIL common stock not owned by Teekay Tankers and its affiliates (including Teekay Corporation).

As of the date of this joint proxy statement/prospectus, Teekay Tankers owned approximately 11.3% of the outstanding shares of TIL common stock and the sole share of Series A-2 preferred stock of TIL, and Teekay Corporation owned approximately 55.9% of the total voting power of the outstanding common stock of Teekay Tankers (through its ownership of shares of Teekay Tankers Class A and Class B Common Stock), approximately 13.6% of the voting power of Teekay Tankers outstanding Class A Common Stock, approximately 8.2% of the outstanding shares of TIL common stock, and the sole share of Series A-1 preferred stock of TIL. In addition, directors and executive officers of Teekay Tankers and Teekay Corporation and their affiliates owned (directly or indirectly) and had the right to vote approximately [ ]% of the Teekay Tankers Class A Common Stock entitled to be voted at the Teekay Tankers Special Meeting and approximately [ ]% of the TIL common stock entitled to be voted at the TIL Special Meeting.

Each of (i) the TIL Special Committee, (ii) the TIL Board, upon recommendation of the TIL Special Committee, and (iii) the Teekay Tankers Board (collectively, the *Boards*) have reviewed, considered, and discussed the terms of the Merger Agreement and the transactions contemplated by the Merger Agreement (together, the *Merger Transactions*).

At a meeting on May 30, 2017, after consultation with representatives of the TIL Special Committee s legal counsel and independent financial advisor, the TIL Special Committee unanimously (i) determined that the Merger Agreement and the transactions contemplated thereby, including the Merger, were fair and advisable to, and in the best interests of, the shareholders of TIL (other than Teekay Tankers and its affiliates), (ii) approved the Merger Agreement and the transactions contemplated thereby, including the Merger, and (iii) determined to recommend that the TIL Board (a) approve the Merger Agreement and the transactions contemplated thereby, including the Merger, and (b) recommend that the shareholders of TIL approve the Merger Agreement.

At a meeting on May 31, 2017, after consultation with representatives of the TIL Special Committee s legal counsel and independent financial advisor, the TIL Board unanimously (i) determined that the Merger Agreement and the transactions contemplated thereby, including the Merger, were fair and advisable to, and in the best interests of, the shareholders of TIL (other than Teekay Tankers and its affiliates), (ii) approved the Merger Agreement and the transactions contemplated thereby, including the Merger, (iii) directed that the Merger Agreement be submitted to a vote of the TIL shareholders, and (iv) recommended that the shareholders of TIL approve the Merger Agreement. The TIL Board then directed the members of TIL management to execute and deliver a definitive merger agreement in substantially the same form presented to the TIL Board at the meeting, and directed that the Merger Agreement be submitted to the shareholders of TIL for approval.

At a meeting on May 31, 2017, after consultation with representatives of Teekay Tankers management and legal counsel, the Teekay Tankers Board unanimously (i) determined that the Merger was fair and advisable to, and in the best interests of, Teekay Tankers and the shareholders of Teekay Tankers, (ii) approved the Merger Agreement and the transactions contemplated thereby, including the Merger and a proposal to approve an amendment to Teekay Tankers Amended and Restated Articles of Incorporation to increase the number of authorized shares of Teekay Tankers Class A Common Stock from 200,000,000 to 400,000,000, with a corresponding increase in the number of authorized shares of capital stock from 400,000,000 to 600,000,000 (the *Initial Charter Amendment*), (iii) directed that the Initial Charter Amendment be submitted to a vote of the Teekay Tankers shareholders and (iv) recommended that the Teekay Tankers shareholders approve the Initial Charter Amendment. The Teekay Tankers Board then directed the members of Teekay Tankers management to execute and deliver a definitive merger agreement in substantially the same form presented to the Teekay Tankers board at the meeting, and directed that the Initial Charter Amendment be submitted to the shareholders of Teekay Tankers for approval.

At a meeting on September 13, 2017, following prior discussions between Teekay Tankers management and Huber Capital Management, LLC, a Delaware limited liability company (*HCM*), the Teekay Tankers Board unanimously approved, among other things, (i) a voting and support agreement (the *Huber Voting and Support Agreement*) among Teekay Tankers, HCM and Joseph R. Huber, the managing member and the chief executive officer of HCM (*Mr. Huber* and together with HCM, *Huber*), and (ii) a revision to the Initial Charter Amendment to reduce the requested increase in the number of authorized shares of Teekay Tankers Class A Common Stock from 200,000,000 to 85,000,000 shares (with a corresponding increase in the number of authorized shares of Teekay Tankers capital stock of 85,000,000), as reflected in the Charter Amendment, along with an amendment to the Merger Agreement reflecting the same. Please see The Huber Voting and Support Agreement and Letter Agreement Amendment beginning on page 164 of this joint proxy statement/prospectus.

On September 14, 2017, Teekay Tankers and TIL entered into a letter agreement (the *Letter Agreement Amendment*) pursuant to which (i) TIL consented to the Huber Voting and Support Agreement and to certain actions to be taken by Teekay Tankers and (ii) Teekay Tankers and TIL amended the Merger Agreement to revise the definition of Charter Amendment in the Merger Agreement to reflect the revision from the Initial Charter Amendment to the Charter Amendment. On September 14, 2017, the TIL Board, including the members of the TIL Special Committee, approved the entry by TIL into the Letter Agreement Amendment.

The TIL Board recommends that shareholders of TIL vote FOR the Merger Agreement, the proposal to approve the remuneration for the TIL Special Committee and the adjournment of the TIL Special Meeting if necessary to solicit additional proxies if there are not sufficient votes to approve the Merger Agreement. The Teekay Tankers Board recommends that shareholders of Teekay Tankers vote FOR the Charter Amendment and the adjournment of the Teekay Tankers Special Meeting if necessary to solicit additional proxies if there are not sufficient votes to approve the Charter Amendment.

The Companies will also transact any other business that may properly come before the Special Meetings, or any adjournment or postponement of the Special Meetings, by or at the direction of the Teekay Tankers Board and the TIL Board, as applicable.

The obligation of the Companies to complete the Merger is subject to the satisfaction or waiver of certain conditions set forth in the Merger Agreement, including, without limitation, the approval of the Merger Agreement and the Charter Amendment as specified above.

The Merger will only occur if both (i) the Charter Amendment is approved by both the holders of a majority of the outstanding shares of Teekay Tankers Class A Common Stock and the holders of a majority of the outstanding voting power of Teekay Tankers Class A Common Stock and Teekay Tankers Class B Common Stock, voting together as a single class, and (ii) the Merger Agreement is approved by both the holders of a

majority of the outstanding shares of TIL common stock and the holders of a majority of the outstanding shares of TIL common stock not owned by Teekay Tankers and its affiliates (including Teekay Corporation).

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This joint proxy statement/prospectus provides you with detailed information about the Special Meetings and the Merger. A copy of the Merger Agreement is attached as Appendix A. A copy of the Letter Agreement Amendment is attached as Appendix B. Also attached as appendices are a voting and support agreement (which provides, among other things, that Teekay Corporation will support the Merger and the other transactions contemplated by the Merger Agreement (the *Teekay Voting and Support Agreement*)), the Huber Voting and Support Agreement (which provides, among other things, that Huber will vote certain shares of Teekay Tankers Class A Common Stock in favor of the Charter Amendment), the Charter Amendment, the opinion of Swedbank Norge delivered to the Teekay Tankers Board, and the opinion of Evercore Group L.L.C, independent financial advisor to the TIL Special Committee. We encourage you to carefully read this joint proxy statement/prospectus and its appendices, including the Merger Agreement and the Charter Amendment.

William Hung	Kevin Mackay
Chief Executive Officer	President and Chief Executive Officer
of Tanker Investments Ltd.	of Teekay Tankers Ltd.

For a discussion of risk factors which the TIL shareholders and the Teekay Tankers shareholders should consider in evaluating the Merger and the Charter Amendment, as applicable, see Risk Factors beginning on page 25 of this joint proxy statement/prospectus.

NEITHER THE U.S. SECURITIES AND EXCHANGE COMMISSION (THE *SEC*) NOR ANY SECURITIES COMMISSION OF ANY OTHER JURISDICTION HAS APPROVED OR DISAPPROVED OF THE MERGER OR THE SECURITIES TO BE ISSUED UNDER THIS JOINT PROXY STATEMENT/PROSPECTUS, PASSED UPON THE FAIRNESS OR MERITS OF THE MERGER OR THE CHARTER AMENDMENT, OR DETERMINED THAT THIS JOINT PROXY STATEMENT/PROSPECTUS IS ACCURATE AND COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

This joint proxy statement/prospectus is dated [ ], 2017, and is first being mailed, along with the applicable attached proxy card, to each of the Companies shareholders on or about [ ], 2017.

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ADDITIONAL INFORMATION

This joint proxy statement/prospectus incorporates important business and financial information about Teekay Tankers from documents that are not included in or delivered with this joint proxy statement/prospectus. This information is available to you without charge upon your written or oral request. You can obtain copies of documents that are incorporated by reference in this joint proxy statement/prospectus, other than certain exhibits to the documents, without charge, by requesting them in writing or by telephone from:

Teekay Tankers Ltd.

4th Floor, Belvedere Building,

69 Pitts Bay Road

Hamilton HM 08, Bermuda

Attn: Corporate Secretary

(441) 298-2530

In addition, if you have questions about the Merger or the Special Meetings, need additional copies of this document or need to obtain proxy cards or other information related to the proxy solicitation, you may contact Teekay Tankers proxy solicitation firm, MacKenzie Partners, listed below. You will not be charged for any of these documents that you request.

105 Madison Avenue

New York, New York 10016

(212) 929-5500 (Call Collect)

or

Call Toll-Free (800) 322-2885

Email: proxy@mackenziepartners.com

In order for you to receive timely delivery of the documents in advance of the Special Meetings, you should request the information by [ ], 2017, which is no later than five business days prior to the date of the Special Meetings.

For additional information about documents incorporated by reference into this joint proxy statement/prospectus please see Where You Can Find More Information beginning on page 176 of this joint proxy statement/prospectus.

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TO JOINT PROXY STATEMENT/PROSPECTUS

TEEKAY TANKERS LTD.

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS

Time and Date	[ ]
Place	[ ] [ ]
Items of Business	(1) To consider and vote upon a proposal to approve an amendment to the Amended and Restated Articles of Incorporation of Teekay Tankers Ltd. to increase the number of authorized shares of Class A Common Stock from 200,000,000 to 285,000,000, with a corresponding increase in the number of authorized shares of capital stock from 400,000,000 to 485,000,000 (the *Charter Amendment Proposal*); (2) To consider and vote upon a proposal to approve the adjournment of the Teekay Tankers Special Meeting if necessary to solicit additional proxies if there are not sufficient votes to approve the Charter Amendment Proposal (the *Teekay Tankers Adjournment Proposal*); and (3) To transact any other business that may properly come before the Teekay Tankers Special Meeting, or any adjournment or postponement of the Teekay Tankers Special Meeting.
Adjournments and Postponements	Any action on the items of business described above may be considered at the Teekay Tankers Special Meeting at the time and on the date specified above or at any time and date to which the Teekay Tankers Special Meeting may be properly adjourned or postponed.
Record Date	The record date for the Teekay Tankers Special Meeting is [ ], 2017. Only shareholders of record as of the close of business on the Record Date will be entitled to notice of, and to vote at, the Teekay Tankers Special Meeting or any adjournment or postponement of the meeting.
Voting	**Your vote as a Teekay Tankers shareholder is very important. Whether or not you plan to attend the Teekay Tankers Special Meeting, Teekay Tankers encourages you to read this joint proxy statement/prospectus and submit your proxy or voting instructions as soon as possible. For specific instructions on how to vote your shares, please refer to the section entitled Questions and Answers about the Special Meetings and Related Matters in this joint proxy statement/prospectus and the instructions on the proxy or voting instruction card.**

By Order of the Board of Directors

Kevin Mackay

President and Chief Executive Officer

Dated: [ ], 2017

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PROPOSALS TO BE VOTED ON

PROPOSAL NO. 1

CHARTER AMENDMENT PROPOSAL

Introduction

The Amended and Restated Articles of Incorporation of Teekay Tankers (the *Teekay Tankers Articles of Incorporation*) currently authorize the issuance of up to 200,000,000 shares of Class A Common Stock, par value $0.01 per share, up to 100,000,000 shares of Class B Common Stock, par value $0.01 per share, and up to a total of 400,000,000 shares of capital stock, including the Class A Common Stock, Class B Common Stock, and Preferred Stock. Of the authorized shares of Class A Common Stock and Class B Common Stock, 142,216,113 shares of Class A Common Stock and 37,007,981 shares of Class B Common Stock are issued and outstanding as of the date of this joint proxy statement/prospectus. In addition, Teekay Tankers has reserved a total of 37,007,981 shares of its authorized Class A Common Stock for the potential conversion, pursuant to Teekay Tankers Amended and Restated Articles of Incorporation, of its outstanding shares of Class B Common Stock into shares of Class A Common Stock, and 4,000,000 shares of its authorized Class A Common Stock for issuance under the Teekay Tankers Ltd. 2007 Long-Term Incentive Plan, of which 1,705,086 options for Class A Common Stock are issued and outstanding and 1,926,694 shares of Class A Common Stock are subject to outstanding restricted stock unit awards as of the date of this joint proxy statement/prospectus. Teekay Tankers expects to issue 88,977,659 shares of Class A Common Stock to the TIL shareholders (other than Teekay Tankers and its subsidiaries) as the Merger Consideration. As such, Teekay Tankers has insufficient authorized Class A Common Stock to permit it to issue the Merger Consideration and complete the Merger without the proposed Charter Amendment.

Description of the Charter Amendment

On May 31, 2017, the Teekay Tankers Board unanimously approved the Initial Charter Amendment, pursuant to which Article V of the Teekay Tankers Articles of Incorporation would be amended, subject to shareholder approval, to increase the number of shares of Class A Common Stock authorized for issuance from 200,000,000 to 400,000,000, with a corresponding increase in the number of total shares of capital stock authorized for issuance from 400,000,000 to 600,000,000.

On September 13, 2017, in connection with approving the Huber Voting and Support Agreement, the Teekay Tankers Board unanimously approved the Charter Amendment, which revised the Initial Charter Amendment and pursuant to which Article V of the Teekay Tankers Articles of Incorporation would be amended, subject to shareholder approval, to increase the number of shares of Class A Common Stock authorized for issuance from 200,000,000 to 285,000,000, with a corresponding increase in the number of total shares of capital stock authorized for issuance from 400,000,000 to 485,000,000, and directed that the Charter Amendment be submitted to the Teekay Tankers shareholders for approval.

Purpose of the Charter Amendment

The Teekay Tankers Board is recommending this increase in the number of authorized shares of Class A Common Stock and capital stock primarily in order to ensure that Teekay Tankers has enough shares of Class A Common Stock to issue to the TIL shareholders (other than Teekay Tankers and its subsidiaries) as Merger Consideration upon the closing of the Merger, to have Class A Common Stock reserves of 37,007,981 shares for the potential conversion of the Class B Common Stock into Class A Common Stock, and with the remaining balance available for other future corporate purposes, which may include, among other things, equity issuances to fund growth opportunities.

Effect of the Charter Amendment

The increase in the number of shares of Class A Common Stock and capital stock authorized for issuance will not have any immediate dilutive effect upon the proportionate voting power of Teekay Tankers existing shareholders; however, the subsequent issuance of the shares of Class A Common Stock to the TIL shareholders upon the closing of the Merger, and the issuance by Teekay Tankers of any additional authorized shares of capital stock, will have a dilutive effect upon the voting power of Teekay Tankers existing shareholders. Based on the number of shares of TIL common stock outstanding as of [ ], 2017, and the number of shares of Teekay Tankers Class A Common Stock outstanding as of [ ], 2017, it is expected that, immediately after completion of the Merger, the former TIL shareholders (other than Teekay Tankers and its subsidiaries) will receive Teekay Tankers Class A Common Stock in the Merger representing approximately [ ]% of the then outstanding voting shares of Teekay Tankers. In addition, following the issuance of shares of Teekay Tankers Class A Common Stock to TIL shareholders, there will remain approximately [ ] authorized but unissued shares of Class A Common Stock (assuming no shares have been repurchased under Teekay Tankers share repurchase program). If Teekay Tankers subsequently issues some or all of those shares, it will have a dilutive effect on the Teekay Tankers shareholders ownership interest in Teekay Tankers.

Effectiveness

The Charter Amendment will become effective upon the filing of an amendment to the Teekay Tankers Articles of Incorporation with the Registrar of Corporations of the Marshall Islands, after approval by Teekay Tankers shareholders at the Teekay Tankers Special Meeting. **If approved by the Teekay Tankers shareholders, the Charter Amendment will become effective even if the TIL shareholders fail to approve the Merger Agreement.**

Required Vote

Approval of the Charter Amendment requires the affirmative FOR vote of the holders of at least a majority of (i) the outstanding shares of Class A Common Stock, voting as a single class, and (ii) the outstanding voting power of Teekay Tankers Class A Common Stock and Teekay Tankers Class B Common Stock, voting together as a single class. Abstentions and broker non-votes will have the same effect as voting AGAINST the Charter Amendment because the required vote is based on the number of shares outstanding rather than the number of votes cast.

The Teekay Tankers Board recommends a vote FOR the Charter Amendment.

PROPOSAL NO. 2

THE TEEKAY TANKERS ADJOURNMENT PROPOSAL

Description

Under the terms of the Merger Agreement, Teekay Tankers may adjourn or postpone the Teekay Tankers Special Meeting (i) before it commences, for the purpose of soliciting additional votes to approve the Charter Amendment or to ensure that any required supplement or amendment to this joint proxy statement/prospectus is provided to Teekay Tankers shareholders within a reasonable amount of time in advance of the Teekay Tankers Special Meeting, and (ii) if there are not sufficient votes at the time of the Teekay Tankers Special Meeting to adopt and approve the Charter Amendment, for the purpose of soliciting additional votes in favor of the Charter Amendment.

Teekay Tankers is asking you, as a Teekay Tankers shareholder, to authorize the holder of any proxy solicited by the Teekay Tankers Board to vote in favor of the Teekay Tankers Adjournment Proposal.

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Required Vote

Approval of the Teekay Tankers Adjournment Proposal requires the affirmative vote of the holders of a majority of the total voting power of all capital stock of Teekay Tankers entitled to vote on the Teekay Tankers Adjournment Proposal and represented in person or by proxy at the Teekay Tankers Special Meeting. Shares present but not voted at the Teekay Tankers Special Meeting or abstentions will have the same effect as a vote AGAINST the Teekay Tankers Adjournment Proposal, while broker non-votes and shares not in attendance at the Teekay Tankers Special Meeting will have no effect on the outcome of any vote on the Teekay Tankers Adjournment Proposal.

To the extent it is needed, the Teekay Tankers Board recommends a vote FOR the Teekay Tankers Adjournment Proposal.

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TANKER INVESTMENTS LTD.

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS

Time and Date	[ ]
	[ ]
Place	[ ]
Items of Business	(1) To consider and vote upon a proposal to approve the Merger Agreement;
	(2) To consider and vote upon a proposal to approve the adjournment of the TIL Special Meeting, if necessary to solicit additional proxies if there are not sufficient votes to approve the Merger Agreement (the *TIL Adjournment Proposal*);
	(3) To consider and vote upon a proposal to approve and ratify the remuneration to be paid in the year 2017 to the Chair of the TIL Special Committee, in an amount not to exceed $50,000 in cash, and with respect to each member of the TIL Special Committee (other than the Chair of the TIL Special Committee), in an amount not to exceed $40,000 in cash (the *Special Committee Compensation Proposal*); and
	(4) To transact any other business that may properly come before the TIL Special Meeting, or any adjournment or postponement of the TIL Special Meeting.
Adjournments and Postponements	Any action on the items of business described above may be considered at the TIL Special Meeting at the time and on the date specified above or at any time and date to which the TIL Special Meeting may be properly adjourned or postponed.
Record Date	The record date for the TIL Special Meeting is [ ], 2017. Only shareholders of record as of the close of business on the Record Date will be entitled to notice of, and to vote at, the TIL Special Meeting or any adjournment or postponement of the meeting.
Voting	**Your vote as a TIL shareholder is very important. Whether or not you plan to attend the TIL Special Meeting, TIL encourages you to read this joint proxy statement/prospectus and submit your proxy or voting instructions as soon as possible. For specific instructions on how to vote your shares, please refer to the section entitled Questions and Answers about the Special Meetings and Related Matters in this joint proxy statement/prospectus and the instructions on the proxy or voting instruction**

card.

By Order of the Board of Directors

William Hung

Chief Executive Officer

Dated: [ ], 2017

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PROPOSALS TO BE VOTED ON

PROPOSAL NO. 1

APPROVAL OF THE MERGER AGREEMENT

Introduction

On May 30, 2017, the TIL Special Committee, comprised of independent TIL board members, unanimously approved the Merger Agreement and determined to recommend that the TIL Board approve the Merger Agreement and recommend that the TIL shareholders approve the Merger Agreement. On May 31, 2017, the TIL Board unanimously approved the Merger Agreement and directed that the Merger Agreement be submitted to the TIL shareholders for approval. On September 14, 2017, the TIL Board, including the members of the TIL Special Committee, unanimously approved the entry by TIL into the Letter Agreement Amendment, which, among other things, amended the Merger Agreement to revise the definition of Charter Amendment in the Merger Agreement to reflect the revision from the Initial Charter Amendment to the Charter Amendment.

Description of the Merger Proposal

Subject to TIL shareholder approval of the Merger Agreement, Teekay Tankers shareholder approval of the Charter Amendment, and the satisfaction or waiver of other conditions to closing under the terms of the Merger Agreement, Merger Sub will merge with and into TIL, with TIL surviving as a wholly-owned subsidiary of Teekay Tankers. Upon completion of the Merger, each share of TIL common stock that is issued and outstanding immediately prior to the effective time of the Merger (other than shares of TIL common stock held in the treasury of TIL or owned by Teekay Tankers or any of its subsidiaries) will be cancelled and converted into the right to receive 3.30 shares of Teekay Tankers Class A Common Stock.

Purpose of the Merger Proposal

The TIL Board is recommending the approval of the Merger Agreement, which approval is required in order to complete the merger of Merger Sub with and into TIL, with TIL surviving as a wholly-owned subsidiary of Teekay Tankers.

Effect of the Merger Proposal

Subject to the approval of the Merger Agreement by the TIL shareholders and the approval of the Charter Amendment by the Teekay Tankers shareholders, upon completion of the Merger, shareholders that held shares of TIL common stock immediately prior to the Merger (other than Teekay Tankers or any of its subsidiaries) will no longer be shareholders of TIL, but instead will have the right to receive 3.30 shares of Teekay Tankers Class A Common Stock. All shares of Teekay Tankers Class A Common Stock and Class B Common Stock that were outstanding immediately prior to the Merger will remain outstanding after the Merger is completed, and Teekay Tankers shareholders will not receive any consideration as a result of the Charter Amendment or the Merger.

Effectiveness

The Merger will only occur if both (i) the Merger Agreement is approved by both the holders of a majority of the outstanding shares of TIL common stock and the holders of a majority of the outstanding shares of TIL common stock not owned by Teekay Tankers and its affiliates (including Teekay Corporation) and (ii) the

Charter Amendment is approved by both the holders of a majority of the outstanding shares of Teekay Tankers Class A Common Stock and the holders of a majority of the outstanding voting power of Teekay Tankers Class A Common Stock and Teekay Tankers Class B Common Stock, voting together as a single class. Following receipt of the requisite shareholder approvals, and the satisfaction or waiver of the conditions to closing in the Merger Agreement, the Merger will become effective upon the filing of Articles of Merger with the Registrar of Corporations of the Marshall Islands, unless a later effective date and time is agreed upon by TIL and Teekay Tankers and specified in the Articles of Merger.

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Required Vote

Approval of the Merger Agreement requires the affirmative FOR vote of (i) the holders of a majority of the outstanding shares of TIL common stock, (ii) the holders of a majority of the outstanding shares of TIL common stock not owned by Teekay Tankers and its affiliates (including Teekay Corporation), (iii) the holder of the one share of Series A-1 preferred stock of TIL (which share is currently owned by Teekay Corporation) and (iv) the holder of the one share of Series A-2 preferred stock of TIL (which share is currently owned by Teekay Tankers). Abstentions and broker non-votes will have the same effect as voting AGAINST the Merger Agreement because the required vote is based on the number of shares outstanding rather than the number of votes cast. In connection with the negotiation of the proposed Merger, the TIL Special Committee required the vote described in clause (ii) above, in addition to the other shareholder approvals required pursuant to applicable corporate law. Each of Teekay Corporation and Teekay Tankers have agreed to vote their shares of TIL common stock and preferred stock in favor of the Merger Agreement.

The TIL Board recommends a vote FOR the Merger Agreement.

PROPOSAL NO. 2

THE TIL ADJOURNMENT PROPOSAL

Description

Under the terms of the Merger Agreement, TIL may adjourn or postpone the TIL Special Meeting (i) before it commences, for the purpose of soliciting additional votes to approve the Merger Agreement or to ensure that any required supplement or amendment to this joint proxy statement/prospectus is provided to TIL shareholders within a reasonable amount of time in advance of the TIL Special Meeting, and (ii) if there are not sufficient votes at the time of the TIL Special Meeting to approve the Merger Agreement, for the purpose of soliciting additional votes in favor of the Merger Agreement.

TIL is asking you, as a TIL shareholder, to authorize the holder of any proxy solicited by the TIL Board to vote in favor of the TIL Adjournment Proposal.

Required Vote

Approval of the TIL Adjournment Proposal requires the affirmative vote of the holders of a majority of the total voting power of all capital stock of TIL entitled to vote on the TIL Adjournment Proposal and represented in person or by proxy at the TIL Special Meeting. Shares present but not voted at the TIL Special Meeting or abstentions will have the same effect as a vote AGAINST the TIL Adjournment Proposal, while broker non-votes and shares not in attendance at the TIL Special Meeting will have no effect on the outcome of any vote on the TIL Adjournment Proposal.

To the extent it is necessary, the TIL Board recommends a vote FOR the TIL Adjournment Proposal.

PROPOSAL NO. 3

THE SPECIAL COMMITTEE COMPENSATION PROPOSAL

Description

The Amended and Restated Bylaws of TIL provide that the amounts payable to members of the TIL Board and to the members of any committee of the TIL Board be subject to shareholder approval. In consideration of the time and effort expended by the members of the TIL Special Committee in connection with the services rendered to the TIL Special Committee, TIL proposes that the TIL shareholders approve and ratify the remuneration to be

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paid in the year 2017 to the Chair of the TIL Special Committee, in an amount not to exceed $50,000 in cash, and with respect to each member of the Special Committee (other than the Chair of the Special Committee), in an amount not to exceed $40,000 in cash.

TIL is asking you, as a TIL shareholder, to authorize the holder of any proxy solicited by the TIL Board to vote in favor of the Special Committee Compensation Proposal.

Required Vote

Approval of the Special Committee Compensation Proposal requires the affirmative vote of the holders of a majority of the total voting power of all capital stock of TIL entitled to vote on the Special Committee Compensation Proposal and represented in person or by proxy at the TIL Special Meeting. Shares present but not voted at the TIL Special Meeting or abstentions will have the same effect as a vote AGAINST the Special Committee Compensation Proposal, while broker non-votes and shares not in attendance at the TIL Special Meeting will have no effect on the outcome of any vote on the Special Committee Compensation Proposal.

The TIL Board recommends a vote FOR the Special Committee Compensation Proposal.

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QUESTIONS AND ANSWERS ABOUT THE SPECIAL MEETINGS

AND RELATED MATTERS

The following questions and answers are intended to address briefly some commonly asked questions regarding the Merger, the Charter Amendment and matters to be addressed at the Special Meetings. These questions and answers may not address all questions that may be important to you. To better understand these matters, and for a description of the legal terms governing the Merger and the Charter Amendment, you should carefully read this joint proxy statement/prospectus, including the attached annexes, as well as the documents that have been incorporated by reference into this joint proxy statement/prospectus. See the section entitled Where You Can Find More Information beginning on page 176 of this joint proxy statement/prospectus.

Q. What am I being asked to vote on?

A. Teekay Tankers, TIL and Merger Sub have entered into the Merger Agreement, pursuant to which the parties have agreed that Merger Sub will merge with and into TIL, with TIL surviving as a wholly-owned subsidiary of Teekay Tankers. In connection with the Merger and pursuant to the Charter Amendment, Teekay Tankers proposes to increase the number of shares of Class A Common Stock authorized for issuance from 200,000,000 to 285,000,000, with a corresponding increase in the number of total shares of capital stock authorized for issuance from 400,000,000 to 485,000,000. Shareholders of TIL are being asked to vote to approve the Merger Agreement, to approve the Special Committee Compensation Proposal and, if necessary, to approve the TIL Adjournment Proposal, and shareholders of Teekay Tankers are being asked to vote to approve the Charter Amendment and, if necessary, to approve the Teekay Tankers Adjournment Proposal.

Q. Why is the Merger being proposed?

A. The proposed Merger would create the world s largest publicly-traded mid-sized conventional tanker company (or the *Combined Company*), which is expected to provide operational efficiencies and generate increased value for its shareholders. The proposed Merger is expected to be accretive to earnings per share to both Teekay Tankers and TIL shareholders, and the Combined Company is expected to have a larger and stronger balance sheet.

Q. What will I receive as a TIL shareholder if the Merger is completed?

A. If the Merger is completed, each issued and outstanding share of TIL common stock, other than shares of TIL common stock held in the treasury of TIL or owned by Teekay Tankers or any of its subsidiaries, will be converted into 3.30 shares of Teekay Tankers Class A Common Stock and will be cancelled and cease to exist. Upon conversion of the shares of TIL common stock into shares of Teekay Tankers Class A Common Stock, the former TIL shareholders will have all of the rights, including any voting rights or rights to receive dividends, associated with such shares of Teekay Tankers Class A Common Stock. Until such time as the Merger is completed, the holders of TIL common stock will not have any such rights associated with the Teekay Tankers Class A Common Stock. Immediately following completion of the Merger, former TIL shareholders will own approximately [ ]% of the total voting power of Teekay Tankers outstanding capital stock (assuming no shares have been repurchased under Teekay Tankers share repurchase program).

Teekay Tankers will not issue any fractional shares of Teekay Tankers Class A Common Stock in exchange for shares of TIL common stock. Instead, each holder of TIL common stock exchanged pursuant to the Merger Agreement who would otherwise have been entitled to receive a fraction of one share of Teekay Tankers Class A Common Stock will be paid an amount in cash (without interest) equal to the fractional share interest multiplied by the average closing price of a share of Teekay Tankers Class A Common Stock on the NYSE as reported by *The Wall Street Journal* for the five consecutive trading days immediately preceding the closing date of the Merger.

Q. How will the Merger impact me as a Teekay Tankers shareholder?

A. If the Merger is completed, each issued and outstanding share of TIL common stock, other than shares of TIL common stock held in the treasury of TIL or owned by Teekay Tankers or any of its subsidiaries, will be converted into 3.30 shares of Teekay Tankers Class A Common Stock. This will result in an additional 88,977,659 shares of Teekay Tankers Class A Common Stock outstanding following the Merger, which will dilute your interests in Teekay Tankers.

Q. How was the share exchange ratio determined?

A. The share exchange ratio of 3.30 was determined by reference to a total consideration amount of 88,977,659 shares of Teekay Tankers Class A Common Stock to be issued to TIL shareholders in the Merger. In determining the total consideration, the Companies considered both net asset values (or *NAVs*) and historic trading prices of each of the Companies shares. The share exchange ratio represented a 21% premium to TIL s closing share price on May 30, 2017, the last trading day prior to the public announcement of the proposed Merger, and a premium to TIL s assessment of its NAV as of the date of the Merger Agreement, on a NAV-for-NAV basis, and a 29% premium based on Teekay Tankers volume weighted average price for its Class A Common Stock for the 30 trading days ended at the close of regular trading hours on the NYSE on May 30, 2017.

Q: What equity stake will the pre-Merger Teekay Tankers shareholders and the pre-Merger TIL shareholders hold in Teekay Tankers immediately after the Merger is completed?

A: The Merger will result in the pre-Merger Teekay Tankers shareholders (other than Teekay Corporation and its subsidiaries) and the pre-Merger TIL shareholders (other than Teekay Corporation and its subsidiaries) owning approximately 53.2% and 34.9% of the outstanding shares of Teekay Tankers Class A Common Stock, respectively, immediately after the Merger is completed. The pre-Merger TIL shareholders will not receive any shares of Teekay Tankers Class B Common Stock. Following the Merger, Teekay Corporation and its subsidiaries will own approximately 24.1% of the economic interests and 51.1% of the voting power of Teekay Tankers.

Q. Does the Teekay Tankers Board recommend voting FOR the proposal to approve the Charter Amendment and the Teekay Tankers Adjournment Proposal?

A. Yes. Taking into consideration various factors described in this joint proxy statement/prospectus, including the fairness opinion of Swedbank Norge (or *Swedbank*), a copy of which is attached to this joint proxy statement/prospectus as Appendix F, the Teekay Tankers Board has approved the Merger Agreement, the Merger and the other transactions contemplated by the Merger Agreement, including the Charter Amendment, and recommended that the shareholders of Teekay Tankers vote FOR the proposal to approve the Charter Amendment and FOR the Teekay Tankers Adjournment Proposal at the Teekay Tankers Special Meeting. For additional information, see the section entitled The Merger Background of the Merger and The Merger Recommendations of the Teekay Tankers Board of Directors; Teekay Tankers Reasons for the Merger.

Q. Does the TIL Board recommend voting FOR the proposal to approve the Merger Agreement, the TIL Adjournment Proposal and the Special Committee Compensation Proposal?

A. Yes. Taking into consideration, among other factors, the recommendation of the TIL Special Committee, the fairness opinion of Evercore Group L.L.C. (or *Evercore*), the independent financial advisor to the TIL Special Committee, a copy of which is attached to this joint proxy statement/prospectus as Appendix G, and the other reasons set forth in the section entitled The Merger Recommendations of the TIL Special Committee and Board of Directors; TIL Reasons for the Merger, the TIL Board has approved the Merger and the Merger Agreement, and recommended that the shareholders of TIL vote FOR the proposal to approve the Merger Agreement and FOR the TIL Adjournment Proposal at the TIL Special Meeting. For additional information, see the sections entitled The Merger Background of the Merger and The Merger Recommendations of the TIL Special Committee and Board of Directors; TIL Reasons for the Merger. The TIL Board also recommends that the TIL shareholders vote FOR the approval of the Special Committee Compensation Proposal in light of the services provided by the TIL Special Committee in connection with the Merger Transactions.

Q. Do any of the Companies directors or executive officers or the Companies major shareholders have interests in the Merger that may differ from or are in addition to my interests as a shareholder?

A. As of the date of this joint proxy statement/prospectus, Teekay Tankers owned approximately 3.4 million shares, or 11.3%, of the outstanding TIL common stock and the sole share of Series A-2 preferred stock of TIL, and Teekay Corporation (an affiliate of Teekay Tankers) owned approximately 55.9% of the total voting power of the outstanding common stock of Teekay Tankers (through its ownership of shares of Teekay Tankers Class A and Class B Common Stock), approximately 13.6% of the voting power of Teekay Tankers outstanding Class A Common Stock, 100% of the voting power of Teekay Tankers outstanding Class B Common Stock, approximately 8.2% of the outstanding shares of TIL common stock, and the sole share of Series A-1 preferred stock of TIL. In addition, directors and executive officers of Teekay Tankers and Teekay Corporation and their affiliates owned (directly or indirectly) and had the right to vote approximately [ ]% of the Teekay Tankers Class A Common Stock entitled to be voted at the Teekay Tankers Special Meeting and approximately [ ]% of the TIL common stock entitled to be voted at the TIL Special Meeting. Certain officers of Teekay Corporation also serve as directors or officers of TIL, and Teekay Corporation and its affiliates are parties to several agreements and transactions with TIL. For additional information, see the section entitled Related Party Transactions.

Q. How will directors, executive officers, and affiliates of Teekay Tankers and TIL vote on the proposal to approve the proposals?

A. Under the Merger Agreement, Teekay Tankers has agreed to vote all shares of TIL common stock and preferred stock owned beneficially or of record by Teekay Tankers or any of its subsidiaries in favor of the Merger Agreement and related matters. In addition, Teekay Corporation has entered into the Teekay Voting and Support Agreement, which provides, among other things, that Teekay Corporation will support the Merger and the other transactions contemplated by the Merger Agreement, including by (i) voting the shares of TIL common stock and Series A-1 preferred stock owned beneficially or of record by Teekay Corporation and its subsidiaries in favor of the approval of the Merger Agreement and (ii) voting the shares of Teekay Tankers common stock owned beneficially or of record by Teekay Corporation and its subsidiaries in favor of the Charter Amendment. As of the date of this joint proxy statement/prospectus, Teekay Tankers expects that Teekay Tankers and Teekay Corporation s directors and executive officers and TIL expects that TIL s directors and executive officers, and each of their respective affiliates, will vote any shares held by them FOR the authorization and approval of the Charter Amendment, the Merger Agreement, the Special Committee Compensation Proposal, the TIL Adjournment Proposal and the Teekay Tankers Adjournment Proposal.

Q. Why is the Teekay Tankers Board proposing to adopt the Charter Amendment?

A. The Teekay Tankers Amended and Restated Articles of Incorporation currently authorizes a total of 400,000,000 shares of capital stock, including 200,000,000 shares of Teekay Tankers Class A Common Stock. The Teekay Tankers Board is recommending the Charter Amendment primarily in order to ensure that Teekay Tankers has enough shares of Class A Common Stock to issue to the TIL shareholders (other than Teekay Tankers and its subsidiaries) as Merger Consideration upon the closing of the Merger, to have Class A Common Stock reserves of 37,007,981 shares for the potential conversion of the Class B Common

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Stock into Class A Common Stock, and with the remaining balance available for other future corporate purposes, which may include, among other things, equity issuances to fund growth opportunities. If approved by the Teekay Tankers shareholders, the Charter Amendment will become effective even if the TIL shareholders fail to approve the Merger Agreement.

Q. When and where is the Teekay Tankers Special Meeting?

A. The Teekay Tankers Special Meeting will be held on [ ], 2017, at [ ] local time, at [ ], unless adjourned or postponed to a later time and date.

Q. When and where is the TIL Special Meeting?

A. The TIL Special Meeting will be held on [ ], 2017, at [ ] local time, at [ ], unless adjourned or postponed to a later time and date.

Q. Who can vote at the Teekay Tankers Special Meeting?

A. Teekay Tankers shareholders of record as of the close of business on [ ], 2017, the record date for each of the Special Meetings (or the *Record Date*), are entitled to receive notice of and to vote at the Teekay Tankers Special Meeting. Holders of Teekay Tankers Class A or Class B Common Stock may vote all shares owned by such holders as of the Record Date, including (i) shares held directly in their name as the shareholder of record and (ii) shares held for them as the beneficial owner through a broker, trustee or other nominee such as a bank. Holders of Class A Common Stock will be entitled to one vote per share on all matters voted on at the Teekay Tankers Special Meeting. Pursuant to the Teekay Tankers Amended and Restated Articles of Incorporation, holders of Class B Common Stock are generally entitled to five votes per share, provided that the voting power of the Class B Common Stock is limited such that the aggregate voting power of all shares of outstanding Class B Common Stock can at no time exceed 49% of the voting power of outstanding Class A Common Stock and Class B Common Stock, voting together as a single class. Based on the number of outstanding shares of Class A Common Stock and Class B Common Stock as of the date of this joint proxy statement/prospectus, the 37,007,981 outstanding shares of Class B Common Stock will be entitled to such votes representing 49% of the voting power of all such shares.

Q. Who can vote at the TIL Special Meeting?

A. TIL shareholders of record as of the close of business on the Record Date are entitled to receive notice of and to vote at the TIL Special Meeting. Holders of TIL common stock may vote all shares owned by such holders as of the Record Date, including (i) shares held directly in their name as the shareholder of record and (ii) shares held for them as the beneficial owner through a broker, trustee or other nominee such as a bank. Each shareholder of record at the close of business on the Record Date is entitled to one vote for each share of TIL common stock then held.

Q. How many votes do I have?

A. If you are a holder of shares of TIL common stock as of the Record Date, you are entitled to one vote for each share of TIL common stock. As of the close of business on the Record Date, there were [ ] outstanding shares of TIL common stock. If you are a holder of shares of Teekay Tankers Class A Common Stock as of the Record Date, you are entitled to one vote for each share of Teekay Tankers Class A Common Stock. As of the close of business on the Record Date, there were [ ] outstanding shares of Teekay Tankers Class A Common Stock. Holders of Teekay Tankers Class B Common Stock are entitled to five votes per share. However, the voting power of the Teekay Tankers Class B Common Stock is limited such that the aggregate voting power of all shares of outstanding Teekay Tankers Class B Common Stock can at no time exceed

49% of the voting power of the outstanding Class A Common Stock and Class B Common Stock, voting together as a single class. Based on the number of outstanding shares of Teekay Tankers Class A Common Stock and Class B Common Stock as of the date of this joint proxy statement/prospectus, the 37,007,981 outstanding shares of Class B Common Stock will be entitled to such votes representing 49% of the voting power of all such shares.

Q. What vote of Teekay Tankers shareholders is required in connection with the Charter Amendment?

A. Approval of the Charter Amendment requires the affirmative FOR vote of the holders of at least a majority of (i) the outstanding shares of Class A Common Stock as of the Record Date, voting as a single class, and (ii) the outstanding voting power of Teekay Tankers Class A Common Stock and Teekay Tankers Class B Common Stock, voting together as a single class. It is also required that a quorum comprised of holders of a majority of the total voting power of all shares of Class A Common Stock and Class B Common Stock entitled to vote at the Teekay Tankers Special Meeting must be present in person or represented by proxy at the Teekay Tankers Special Meeting. In addition, because the Charter Amendment must be approved by the holders of Class A Common Stock, voting as a single class, the holders of a majority of the Class A Common Stock entitled to vote at the Teekay Tankers Special Meeting must also be present in person or represented by proxy at the Teekay Tankers Special Meeting. Teekay Corporation has entered into the Teekay Voting and Support Agreement, which provides, among other things, that Teekay Corporation will support the Merger and the other transactions contemplated by the Merger Agreement, including by voting the shares of Teekay Tankers common stock beneficially owned by Teekay Corporation in favor of the Charter Amendment. Please see the section entitled The Teekay Voting and Support Agreement. In addition, Teekay Tankers has entered into the Huber Voting and Support Agreement, pursuant to which Huber will vote shares of Teekay Tankers Class A Common Stock over which Huber has sole voting power, and will use commercially reasonable efforts to encourage beneficial owners of shares of Teekay Tankers Class A Common Stock that Huber beneficially owns but over which shares Huber does not have sole voting power, in each case in favor of the Charter Amendment. Please see The Huber Voting and Support Agreement and Letter Agreement Amendment.

Q. What vote of TIL shareholders is required in connection with the Merger Agreement?

A. Approval of the Merger Agreement requires the affirmative FOR vote of (i) the holders of a majority of the outstanding shares of TIL common stock, (ii) the holders of a majority of the outstanding shares of TIL common stock not owned by Teekay Tankers and its affiliates (including Teekay Corporation), (iii) the holder of the one share of Series A-1 preferred stock of TIL (which share is currently owned by Teekay Corporation), and (iv) the holder of the one share of Series A-2 preferred stock of TIL (which share is currently owned by Teekay Tankers). It is also required that a quorum comprised of holders of one-third of the total voting power of all shares of capital stock entitled to vote at the TIL Special Meeting must be present in person or represented by proxy at the TIL Special Meeting. Teekay Corporation has entered into the Teekay Voting and Support Agreement, which provides, among other things, that Teekay Corporation will support the Merger and the other transactions contemplated by the Merger Agreement, including by voting the shares of TIL common stock and Series A-1 preferred stock beneficially owned by Teekay Corporation in favor of the approval of the Merger Agreement. Please see the section entitled The Teekay Voting and Support Agreement. Teekay Tankers has agreed in the Merger Agreement to vote its shares of TIL common stock and one share of Series A-2 preferred stock in favor of the approval of the Merger Agreement.

Q. What vote of Teekay Tankers shareholders is required in connection with the Teekay Tankers Adjournment Proposal?

A. Approval of the Teekay Tankers Adjournment Proposal requires the affirmative FOR vote of the holders of a majority of the total voting power of all capital stock of Teekay Tankers entitled to vote on the Teekay

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Tankers Adjournment Proposal and represented in person or by proxy at the Teekay Tankers Special Meeting. Pursuant to the Teekay Tankers bylaws, in the absence of a quorum at the Teekay Tankers Special Meeting, the chairman of the Teekay Tankers Special Meeting may also adjourn the Teekay Tankers Special Meeting until a quorum is present.

Q. What vote of TIL shareholders is required in connection with the TIL Adjournment Proposal?

A. Approval of the TIL Adjournment Proposal requires the affirmative FOR vote of the holders of a majority of the total voting power of all capital stock of TIL entitled to vote on the TIL Adjournment Proposal and represented in person or by proxy at the TIL Special Meeting. In the absence of a quorum at the TIL Special Meeting, the chairman of the TIL Special Meeting may also adjourn the TIL Special Meeting until a quorum is present.

Q. What vote of TIL shareholders is required in connection with the Special Committee Compensation Proposal?

A. Approval of the Special Committee Compensation Proposal requires the affirmative vote of the holders of a majority of the total voting power of all capital stock of TIL entitled to vote on the Special Committee Compensation Proposal and represented in person or by proxy at the TIL Special Meeting.

Q. What is a proxy?

A. A proxy is your legal designation of another person, referred to as a proxy, to vote your shares of TIL common stock or shares of Teekay Tankers Class A Common Stock, as applicable. The written document describing the matters to be considered and voted on at the TIL Special Meeting or the Teekay Tankers Special Meeting is called a proxy statement. The document used to designate a proxy to vote your shares of TIL common stock or shares of Teekay Tankers Class A Common Stock is called a proxy card.

Q. What if I do not vote or do not fully complete my proxy card?

A. Abstentions and broker non-votes by Teekay Tankers shareholders or TIL shareholders will have the same effect as voting AGAINST the Charter Amendment or the Merger Agreement, respectively, because the required vote, in each case, is based on the number of shares outstanding rather than the number of votes cast. Shares present but not voted or abstentions at the Teekay Tankers Special Meeting or the TIL Special Meeting will have the same effect as a vote AGAINST the Teekay Tankers Adjournment Proposal, the TIL Adjournment Proposal or the Special Committee Compensation Proposal, respectively, while broker non-votes and shares not in attendance at the Teekay Tankers Special Meeting or the TIL Special Meeting will have no effect on the outcome of any vote on the Teekay Tankers Adjournment Proposal, the TIL Adjournment Proposal or the Special Committee Compensation Proposal, respectively.

If the proposal to authorize and approve the Merger Agreement is passed by the necessary vote of the TIL shareholders, the proposal to authorize and approve the Charter Amendment is passed by the necessary vote of the

Teekay Tankers shareholders, and all other conditions to the closing of the Merger are otherwise satisfied or waived, upon the closing of the Merger, the shares of TIL common stock will be converted into the right to receive the Merger Consideration even though you did not vote.

If you submit a proxy without specifying the manner in which you would like your shares to be voted, your shares will be voted FOR authorization and approval of (i) the Merger Agreement, the TIL Adjournment Proposal and the Special Committee Compensation Proposal or (ii) the Charter Amendment and Teekay Tankers Adjournment Proposal, as applicable.

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Q. What do I need to do now?

A. After carefully reading and considering the information contained in this document, please submit your vote in accordance with the instructions set forth in the enclosed proxy card as soon as possible so that your shares may be voted at the relevant Special Meeting. Please see the sections entitled The Teekay Tankers Special Meeting and The TIL Special Meeting, respectively.

Q. If my shares are held in street name by my bank, broker, trustee or other nominee, will my bank, broker, trustee or other nominee vote my shares for me?

A. You should instruct your bank, broker, trustee or other nominee to vote your shares. If you do not instruct your bank, broker, trustee or other nominee on a particular proposal on which your broker does not have discretionary authority to vote, your shares will not be voted on that proposal. This is called a broker non-vote. Brokers will not have discretionary authority to vote on any of the proposals described in this joint proxy statement/prospectus and, therefore, if you do not instruct your broker to vote your shares on any proposal on which you are entitled to vote, your shares will not be voted on that proposal. Please check with your bank, broker, trustee or other nominee and follow the voting procedures your bank, broker, trustee or other nominee provides. Your bank, broker, trustee or other nominee will advise you whether you may submit voting instructions by telephone or via the Internet. Please see the sections entitled The Teekay Tankers Special Meeting Proxies and The TIL Special Meeting Proxies, respectively.

Q. When do you expect the Merger to be completed?

A. As of the date of this joint proxy statement/prospectus, the Companies expect to complete the Merger during the fourth quarter of 2017. However, we cannot assure you when or if the Merger will be completed. Among other things, the Charter Amendment and the Merger Agreement must be authorized and approved by shareholders of Teekay Tankers and TIL, respectively, at the Special Meetings and other conditions to completion must be satisfied or waived.

Q. What are the conditions to the completion of the Merger?

A. In addition to the approval of the Merger Agreement by TIL shareholders and the approval of the Charter Amendment by Teekay Tankers shareholders, the completion of the Merger is subject to the satisfaction or waiver of a number of other conditions, including, but not limited to:

- the absence of any material applicable law preventing or prohibiting the consummation of the Merger;

- expiration or early termination of the waiting period applicable to the consummation of the Merger under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (or the *HSR Act*), which was satisfied by early termination of the waiting period on July 20, 2017;

the registration statement of which this joint proxy statement/prospectus forms a part having been declared effective by the SEC and no stop order suspending the effectiveness of the registration statement having been issued by the SEC and no proceedings for that purpose having been initiated by the SEC; and

the shares of Teekay Tankers Class A Common Stock to be issued in connection with the Merger as Merger Consideration having been approved for listing on the NYSE, subject to the completion of the Merger and notice of issuance.

For a more detailed description of the regulatory approvals required for the Merger, see the section entitled The Merger Agreement Conditions to the Merger.

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Q. What are the material United States federal income tax consequences of the Merger to TIL shareholders?

A. The U.S. federal income tax consequences of the Merger to the TIL common shareholders will depend on whether the Merger qualifies as a tax-free reorganization under Section 368 of the Internal Revenue Code of 1986, as amended (or the *Code*). If the Merger is a tax-free reorganization, and assuming that TIL is not a passive foreign investment company (or *PFIC*) as discussed below, the Merger will not be a taxable transaction to a U.S. Holder (as defined in the section entitled Material United States Federal Income Tax Consequences of the Merger) of TIL common stock, except for any gain or loss recognized with respect to cash received in lieu of a fractional share of Teekay Tankers Class A Common Stock. If cash is received in lieu of a fractional share of Teekay Tankers Class A Common Stock, the U.S. Holder will be deemed, for U.S. federal income tax purposes, as (i) receiving solely Teekay Tankers Class A Common Stock, including any fractional share thereof, in exchange for the surrendered TIL common stock and (ii) immediately thereafter selling the fractional share of Teekay Tankers Class A Common Stock for the amount of cash received in lieu thereof. The material U.S. federal income tax consequences of the foregoing deemed transactions to U.S. Holders of TIL common stock are as follows:

A U.S. Holder will not recognize gain or loss as a result of the receipt of Teekay Tankers Class A Common Stock, or the deemed receipt of the fractional share thereof in exchange for TIL common stock;

The aggregate adjusted tax basis in the TIL common stock that is surrendered will be allocated between the Teekay Tankers Class A Common Stock received and the fractional share based on their relative fair market values;

A U.S. Holder s aggregate adjusted tax basis in the shares of Teekay Tankers Class A Common Stock received will be equal to the adjusted tax basis in TIL common stock allocated to the shares;

A U.S. Holder will recognize gain or loss in respect of cash received in lieu of Teekay Tankers Class A Common Stock equal to the amount by which cash received in lieu of the fractional share exceeds adjusted tax basis allocated to the fractional share; and

A U.S. Holder s holding period for the shares of Teekay Tankers Class A Common Stock received in the exchange will include the holding period of the shares of TIL common stock it surrendered.

If the Merger does not constitute a reorganization for U.S. federal tax purposes, a U.S. Holder of TIL common stock generally will recognize taxable gain or loss equal to the difference, if any, between (a) the sum of the fair market value of the Teekay Tankers Class A Common Stock (as of the effective time of the Merger) and the amount of any cash received in lieu of fractional shares and (b) such U.S. Holder s adjusted basis in the TIL common stock exchanged pursuant to the Merger. Provided that TIL is not classified as a PFIC, this gain or loss generally will be capital gain or loss, and will be long-term capital gain or loss if, as of the closing date, the U.S. Holder s holding period for such TIL common stock, as determined for U.S. federal income tax purposes, is greater than one year. Long-term capital gains for noncorporate U.S. Holders are generally eligible for a reduced rate of U.S. federal income taxation. The deductibility of capital losses is subject to limitations. If a U.S. Holder acquired different blocks of TIL common stock at different times or at different prices, such U.S. Holder must determine its tax basis, holding period, and gain or loss separately with respect to each block of TIL common stock. A U.S. Holder s initial tax basis in Teekay Tankers Class A Common Stock received pursuant to the Merger will equal the fair market value (as of the effective time) of such Teekay Tankers Class A Common Stock, as determined for U.S. federal income tax purposes. The holding period for such Teekay Tankers Class A Common Stock will begin on the day following the date that they are received.

The Merger generally will not be a taxable transaction to a Non-U.S. Holder (as defined in the section entitled Material United States Federal Income Tax Consequences of the Merger) for U.S. federal income tax purposes, unless any recognized gain is effectively connected with the Non-U.S. Holder s conduct of a

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trade or business in the United States (and if required by an applicable tax treaty, attributable to a permanent establishment maintained by the Non-U.S. Holder in the United States, or in the case of an individual, a fixed base in the United States maintained by such Non-U.S. Holder); or the Non-U.S. Holder is a nonresident alien individual present in the U.S. for 183 days or more during the taxable year of the sale or disposition, and certain other requirements are met.

Neither Teekay Tankers nor TIL is making any representation as to whether the Merger will qualify as a tax-free reorganization for U.S. federal income tax purposes, and TIL shareholders should not rely on treatment of the Merger as a tax-free reorganization in casting their votes in respect of the Merger.

See the section entitled Material United States Federal Income Tax Consequences of the Merger for more details, and important conditions and limitations, on the U.S. federal income tax treatment of the Merger, summarized above.

Q. May I change my vote after I have submitted a proxy or voted my shares?

A. Yes. If you have not voted through your bank, broker, trustee or other nominee, there are three ways you can change your vote after you have submitted your proxy:

First, you may complete and submit a written notice to the corporate secretaries of Teekay Tankers or TIL at the addresses below:

Corporate Secretary	Corporate Secretary
Teekay Tankers Ltd.	Tanker Investments Limited
4th Floor, Belvedere Building	4th Floor, Belvedere Building
69 Pitts Bay Road	69 Pitts Bay Road
Hamilton, HM 08	Hamilton, HM 08
Bermuda	Bermuda

Second, you may complete and submit a new proxy card or vote in accordance with the instructions included on the relevant proxy card. Your latest vote actually received by Teekay Tankers or TIL, as applicable, before the Special Meetings will be counted, and any earlier votes will be revoked.

Third, you may attend the applicable Special Meeting and vote in person. Any earlier proxy will thereby be revoked. However, simply attending the meeting without voting will not revoke any earlier proxy you may have given.

If you have instructed a bank, broker, trustee or other nominee to vote your shares, you must follow the directions you receive from your bank, broker, trustee or other nominee in order to change or revoke your vote.

If you are the beneficial owner of shares held in street name, you should follow the instructions provided by your bank, broker, trustee or other nominee to change your vote or revoke your proxy.

Q. What happens if I sell my shares of TIL common stock before the TIL Special Meeting?

A. The Record Date for the TIL shareholders entitled to vote at the TIL Special Meeting is earlier than both the date of the TIL Special Meeting and the consummation of the Merger. If you transfer your shares of TIL common stock after the Record Date but before the TIL Special Meeting, unless special arrangements (such as provision of a proxy) are made between you and the person to whom you transfer your shares of TIL common stock and each of you notifies TIL in writing of such special arrangements, you will retain your right to vote such shares of TIL common stock but will transfer the right to receive the Merger Consideration if the Merger is consummated to the person to whom you transfer your shares of TIL common stock.

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Q. What happens if I sell my shares of TIL common stock after the TIL Special Meeting but before the effective time of the Merger?

A. If you transfer your shares of TIL common stock after the TIL Special Meeting but before the effective time of the Merger, you will have transferred the right to receive the Merger Consideration if the Merger is consummated to the person to whom you transfer you shares of TIL common stock. In order to receive the Merger Consideration, you must hold your shares of TIL common stock through completion of the Merger.

Q. If I want to attend the Teekay Tankers Special Meeting, what do I do?

A. Teekay Tankers shareholders that want to attend the Teekay Tankers Special Meeting should come to [ ] at [ ], local time, on [ ], 2017. You are entitled to attend the Teekay Tankers Special Meeting only if you were a Teekay Tankers shareholder of record as of the close of business on the Record Date or you hold a valid proxy for the Teekay Tankers Special Meeting. You should be prepared to present photo identification for admittance to the Teekay Tankers Special Meeting. In addition, if you are a Teekay Tankers shareholder of record, your name will be verified against the list of shareholders of record on the Record Date prior to your being admitted to the Teekay Tankers Special Meeting. If you are not a Teekay Tankers shareholder of record but hold shares through a broker or nominee (i.e., in street name), you should provide a valid proxy from the record holder of the shares authorizing you to vote at the Teekay Tankers Special Meeting. If you do not provide such proxy, you will not be admitted to the Teekay Tankers Special Meeting and will not be permitted to vote such shares.

Q. If I want to attend the TIL Special Meeting, what do I do?

A. TIL shareholders that want to attend the TIL Special Meeting should come to [ ] at [ ], local time, on [ ], 2017. You are entitled to attend the TIL Special Meeting only if you were a TIL shareholder of record (i.e., your shares of TIL common stock were registered directly in your name on TIL s register of shareholders with the Norwegian Central Securities Depository (Nw. Verdipapirsentralen or the *VPS*)) as of the close of business on the Record Date or you hold a valid proxy for the TIL Special Meeting. You should be prepared to present photo identification for admittance to the TIL Special Meeting. In addition, if you are a TIL shareholder of record, your name will be verified against the list of shareholders of record on the Record Date prior to your being admitted to the TIL Special Meeting. If you are not a TIL shareholder of record but hold shares through a broker or nominee (i.e., in street name), you should provide a valid proxy from the record holder of the shares authorizing you to vote at the TIL Special Meeting. If you do not provide such proxy, you will not be admitted to the TIL Special Meeting and will not be permitted to vote such shares.

Q. Are there risks I should consider in deciding whether to vote for the Merger Agreement or the Charter Amendment?

A. Yes. We have set forth a list of risk factors that you should consider carefully in connection with the Merger and the Charter Amendment. Please see the section entitled Risk Factors.

Q. Can I dissent and require appraisal of my shares?

A. No. Dissenters or appraisal rights for mergers are not available under Marshall Islands law with respect to shares that, as of the record date of the vote, are (i) listed on a securities exchange or (ii) held of record by more than 2,000 holders. Because the TIL common stock is listed on a securities exchange, there are no dissenters rights for TIL shareholders relating to their vote at the TIL Special Meeting. In addition, under Marshall Islands law, a holder of any adversely affected shares who does not vote on an amendment to the articles of incorporation shall have the right to dissent and to receive payment for such shares, if the articles of amendment: (a) alter or abolish any preferential right of any outstanding shares having preferences; (b) create, alter, or abolish any provision or right in respect of the redemption of any outstanding shares;

(c) alter or abolish any preemptive right of such holder to acquire shares or other securities; or (d) exclude or limit the right of such holder to vote on any matter, except as such right may be limited by the voting rights given to new shares then being authorized of any existing or new class. Because none of those events are occurring with the Charter Amendment, there are no dissenters rights for Teekay Tankers shareholders relating to their vote at the Teekay Tankers Special Meeting.

Q. How will TIL shareholders with shares listed on the Oslo Stock Exchange receive the Merger Consideration?

A. The TIL shareholders owning shares of TIL common stock with the VPS through a brokerage account as of the closing date of the Merger will receive Teekay Tankers Class A Common Stock as Merger Consideration directly through their brokerage account with the VPS, without any further action on the part of the TIL shareholders. The TIL shareholders holding shares of TIL common stock directly through VPS as of the closing date of the Merger, which will be registered as holders of shares of TIL common stock on TIL s register of shareholders with the VPS, on the second trading day after the closing date of the Merger (or the *VPS Record Date*) will receive Teekay Tankers Class A Common Stock as Merger Consideration, without any further action on the part of the TIL shareholders, and will receive such shares through a Direct Registration System. Such former TIL shareholders may subsequently instruct Teekay Tankers transfer agent to transfer the shares of Teekay Tankers Class A Common Stock they have received as Merger Consideration to a brokerage account of their choice.

For each share of TIL common stock outstanding as of the effective time of the Merger (other than shares of TIL common stock held in the treasury of TIL or owned by Teekay Tankers or any of its subsidiaries), each holder of such share of TIL common stock, or its beneficial owner who owns such share through a brokerage account, will receive 3.30 shares of Teekay Tankers Class A Common Stock, and the aggregate number of shares of Teekay Tankers Class A Common Stock each such holder receives as Merger Consideration will be rounded down to the nearest whole share. Teekay Tankers will not issue any fractional shares in exchange for shares of TIL common stock. Instead, each holder of TIL common stock exchanged pursuant to the Merger Agreement who would otherwise have been entitled to receive a fraction of one share of Teekay Tankers Class A Common Stock will be paid an amount in cash (without interest) equal to the fractional share interest multiplied by the average closing price of a share of Teekay Tankers Class A Common Stock on the NYSE as reported by *The Wall Street Journal* for the five consecutive trading days immediately preceding the closing date of the Merger. Please see the section entitled The Merger Certain Effects of the Merger Conversion of Issued and Outstanding Shares of TIL Common Stock and Cancellation of Other Issued and Outstanding Equity Securities of TIL.

Q. Who can help answer my additional questions about the Merger or voting procedures?

A. If you have more questions about the Merger, including the procedures for voting your shares, you should contact:

105 Madison Avenue

New York, New York 10016

(212) 929-5500 (Call Collect)

or

Call Toll-Free (800) 322-2885

Email: proxy@mackenziepartners.com

If your broker holds your shares, then you should also contact your broker for additional information.

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SUMMARY

This summary highlights certain information from this joint proxy statement/prospectus. It may not contain all of the information that may be important to you. You should carefully read this entire document, including the appendices and the other documents to which this document refers you, for a more complete understanding of the matters being considered at the Special Meetings. In addition, we incorporate by reference into this document important business and financial information about Teekay Tankers, which you should also read carefully. You may obtain the information incorporated by reference into this document without charge by following the instructions in the section entitled Where You Can Find More Information beginning on page 176 of this joint proxy statement/prospectus. Additionally, some of the statements contained in this joint proxy statement/prospectus are forward-looking statements. Please see the section entitled Cautionary Statement Concerning Forward-Looking Statements. All references in this proxy statement to dollars or $ are to U.S. dollars. In this joint proxy statement/prospectus, unless otherwise indicated, we refer to accounting principles generally accepted in the United States as GAAP. We use the term deadweight tons (or *dwt*), expressed in metric tons, each of which is equivalent to 1,000 kilograms, in describing the capacity of vessels.

Unless the context otherwise requires, as used in this joint proxy statement/prospectus, the terms we, us, and our refer to the Combined Company and all of its subsidiaries.

The Merger

Under the terms of the Merger Agreement, Merger Sub, a wholly owned subsidiary of Teekay Tankers will merge with and into TIL and each issued and outstanding share of TIL common stock (other than shares held in the treasury of TIL or owned by Teekay Tankers or any subsidiary of Teekay Tankers), will be converted into the right to receive 3.30 shares of Teekay Tankers Class A Common Stock. Upon effectiveness of the Merger, TIL will become a wholly owned subsidiary of Teekay Tankers. After the Merger, the shares of Teekay Tankers Class A Common Stock will continue to be quoted on NYSE under the symbol TNK.

The organization of Teekay Tankers and TIL before and after the Merger is illustrated on the following page.

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The Charter Amendment

The Charter Amendment proposes to increase the number of shares of Teekay Tankers Class A Common Stock authorized for issuance from 200,000,000 to 285,000,000, with a corresponding increase in the number of total shares of capital stock authorized for issuance from 400,000,000 to 485,000,000. The Teekay Tankers Board is recommending the Charter Amendment primarily in order to ensure that Teekay Tankers has enough shares of Class A Common Stock to issue to the TIL shareholders (other than Teekay Tankers and its subsidiaries) as Merger Consideration upon the closing of the Merger, to have Class A Common Stock reserves of 37,007,981 shares for the potential conversion of the Class B Common Stock into Class A Common Stock, and with the remaining balance available for other future corporate purposes, which may include, among other things, equity issuances to fund growth opportunities.

Evercore Group L.L.C. Has Delivered an Opinion to the TIL Special Committee that the Exchange Ratio was Fair, from a Financial Point of View, to the Holders of Shares of TIL Common Stock (Other than Teekay Tankers and its Affiliates)

In connection with the Merger, the TIL Special Committee retained Evercore to act as its financial advisor. On May 30, 2017, Evercore delivered its oral opinion to the TIL Special Committee, confirmed by its delivery of a written opinion dated May 30, 2017, that, as of the date thereof, and based upon and subject to the various qualifications, assumptions and limitations set forth in its opinion, the exchange ratio of 3.30 shares of Teekay Tankers Class A Common Stock for each share of TIL common stock (or the *Exchange Ratio*) was fair, from a financial point of view, to the holders of shares of TIL common stock (other than Teekay Tankers and its affiliates).

The full text of the written opinion of Evercore, dated May 30, 2017, which sets forth, among other things, the procedures followed, assumptions made, matters considered, and qualifications and limitations on the scope of review undertaken in rendering its opinion, is attached as Appendix G to this joint proxy statement/prospectus and is incorporated herein by reference in its entirety. You are urged to read Evercore s opinion carefully and in its entirety. Evercore s opinion was addressed to, and provided for the information and benefit of, the TIL Special Committee in connection with its evaluation of the proposed Merger and addresses only the fairness, from a financial point of view, of the Exchange Ratio to the holders of shares of TIL common stock (other than Teekay Tankers and its affiliates). Evercore s written opinion provides that the opinion is also for the information and benefit of the TIL Board, in connection with its evaluation of the proposed Merger. The opinion does not address any other aspect of the transaction and does not constitute a recommendation to the TIL Special Committee or to any other persons in respect of the Merger, including as to how any holder of shares of TIL common stock should vote or act in respect of the Merger. Evercore s opinion does not address the relative merits of the Merger as compared to other business or financial strategies that might be available to TIL, nor does it address the underlying business decision of TIL to engage in the Merger.

For further information, see the section of this joint proxy statement/prospectus entitled The Merger Opinion of the Financial Advisor to the TIL Special Committee, Evercore Group L.L.C. beginning on page 94 of this joint proxy statement/prospectus and Appendix G.

Swedbank Norge Has Delivered an Opinion to the Teekay Tankers Board that the Exchange Ratio Was Fair, from a Financial Point of View, to Teekay Tankers

Teekay Tankers engaged Swedbank to deliver to the Teekay Tankers Board, in its capacity as such, Swedbank s opinion, as investment bankers, as to the fairness to Teekay Tankers, from a financial point of view, of the Merger Consideration. At a meeting of the Teekay Tankers Board held on May 30, 2017, Swedbank delivered to the Teekay

Tankers Board its oral opinion, which opinion was confirmed in writing by the delivery of its written opinion, dated May 30, 2017, that, as of the date of such opinion and subject to and based on the assumptions made, procedures followed, matters considered, limitations of the review undertaken and qualifications contained in such written opinion, the Merger Consideration was fair, from a financial point of view, to Teekay Tankers.

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The full text of Swedbank s written opinion, which sets forth the assumptions made, procedures followed, matters considered, limitations and qualifications of the review undertaken by Swedbank in connection with the Opinion, is attached to this joint proxy statement/prospectus as Appendix F. Swedbank s opinion was addressed to, provided for the information of, and directed to, the Teekay Tankers Board in connection with its consideration of the financial terms of the Merger, was only one of many factors considered by the Teekay Tankers Board in its evaluation of the Merger Transactions, and addresses only the fairness to Teekay Tankers, from a financial point of view, of the Merger Consideration as of the date of the Opinion. Swedbank s opinion does not constitute a recommendation to the Teekay Tankers Board as to how it should vote or otherwise act with respect to the Charter Amendment, the Merger Transactions or any other matter or to any shareholder of Teekay Tankers as to how such shareholder should vote or otherwise act with respect to the Charter Amendment, the Merger Transactions or any other matter, and does not address or compare the relative merits of the Merger Transactions with any other strategies or transactions which might have been available to Teekay Tankers and does not address the underlying decision of Teekay Tankers to effect the Merger Transactions.

For further information, see the section of this joint proxy statement/prospectus entitled The Merger Opinion of Swedbank Norge beginning on page 108 of this joint proxy statement/prospectus and Appendix F.

United States Federal Income Tax Treatment of the Merger to Shareholders of TIL

The U.S. federal income tax consequences of the Merger to TIL common shareholders will depend on whether the Merger qualifies as a tax-free reorganization under Section 368 of the Code.

Tax Treatment if the Merger Constitutes a Reorganization for U.S. Federal Income Tax Purposes

If the Merger constitutes a reorganization within the meaning of Section 368(a) of the Code, the Merger will generally not be a taxable transaction to a U.S. Holder (as defined in the section entitled Material United States Federal Income Tax Consequences of the Merger) of TIL common stock, other than a 10 Percent U.S. Shareholder (as defined in the section entitled Material United States Federal Income Tax Consequences of the Merger) and, assuming that TIL is not, and has not been, a PFIC, except for any gain or loss recognized with respect to cash received in lieu of a fractional share of Teekay Tankers Class A Common Stock. If cash is received in lieu of a fractional share of Teekay Tankers Class A Common Stock, the U.S. Holder will be deemed, for U.S. federal income tax purposes, as (i) receiving solely Teekay Tankers Class A Common Stock, including the fractional share thereof, in exchange for the surrendered TIL common stock and (ii) immediately thereafter selling the fractional share of Teekay Tankers Class A Common Stock for the amount of cash received in lieu thereof. The material U.S. federal income tax consequences of the foregoing deemed transactions to U.S. Holders of TIL common stock, other than a 10 Percent U.S. Shareholder, are as follows:

- A U.S. Holder will not recognize gain or loss as a result of the receipt of Teekay Tankers Class A Common Stock, or the deemed receipt of the fractional share thereof in exchange for TIL common stock;

- The aggregate adjusted tax basis in the TIL common stock that is surrendered will be allocated between the Teekay Tankers Class A Common Stock received and the fractional shares based on their relative fair market values;

A U.S. Holder s aggregate adjusted tax basis in the shares of Teekay Tankers Class A Common Stock received will be equal to the adjusted tax basis in TIL common stock allocated to the shares;

A U.S. Holder will recognize gain or loss in respect of cash received in lieu of Teekay Tankers Class A Common Stock equal to the amount by which cash received in lieu of the fractional share exceeds adjusted tax basis allocated to the fractional share; and

A U.S. Holder s holding period for the shares of Teekay Tankers Class A Common Stock received in the exchange will include the holding period of the shares of TIL common stock it surrendered.

The Merger will generally not be a taxable transaction to a Non-U.S. Holder (as defined in the section entitled Material United States Federal Income Tax Consequences of the Merger beginning on page 130 of this joint proxy statement/prospectus) for U.S. federal income tax purposes.

Tax Treatment if the Merger Does Not Constitute a Reorganization for U.S. Federal Income Tax Purposes

If the Merger does not constitute a reorganization for U.S. federal income tax purposes, a U.S. Holder of TIL common stock generally will recognize taxable gain or loss equal to the difference, if any, between (a) the sum of the fair market value of the Teekay Tankers Class A Common Stock (as of the effective time of the Merger) and any cash in lieu of fractional shares received in exchange for its TIL common stock and (b) such U.S. Holder s adjusted basis in the TIL common stock exchanged pursuant to the Merger. Assuming TIL is not a PFIC, this gain or loss generally will be capital gain or loss, and will be long-term capital gain or loss if, as of the closing date, the U.S. Holder s holding period for such TIL common stock, as determined for U.S. federal income tax purposes, is greater than one year. Long-term capital gains for noncorporate U.S. Holders are generally eligible for a reduced rate of U.S. federal income taxation. The deductibility of capital losses is subject to limitations. If a U.S. Holder acquired different blocks of TIL common stock at different times or at different prices, such U.S. Holder must determine its tax basis, holding period, and gain or loss separately with respect to each block of TIL common stock.

A U.S. Holder s initial tax basis in Teekay Tankers Class A Common Stock received pursuant to the Merger will equal the fair market value (as of the effective time) of such Teekay Tankers Class A Common Stock, as determined for U.S. federal income tax purposes. The holding period for such Teekay Tankers Class A Common Stock will begin on the day following the date that they are received.

A Non-U.S. Holder generally will not be subject to U.S. federal income tax on any gain recognized on the receipt of Merger consideration unless:

- the recognized gain is effectively connected with the Non-U.S. Holder s conduct of a trade or business in the United States (and if required by an applicable tax treaty, attributable to a permanent establishment maintained by the Non-U.S. Holder in the United States, or in the case of an individual, a fixed base in the United States maintained by such Non-U.S. Holder); or

- the Non-U.S. Holder is a nonresident alien individual present in the U.S. for 183 days or more during the taxable year of the sale or disposition, and certain other requirements are met.

Unless an applicable treaty provides otherwise, the recognized gain described in the first bullet point above generally will be subject to U.S. federal income tax on a net income basis in the same manner as if such Non-U.S. Holder were a U.S. person (see Material United States Federal Income Tax Consequences of the Merger Tax Consequences to U.S. Holders of Shares of TIL Common Stock). A Non-U.S. Holder that is a corporation also may be subject to a branch profits tax equal to 30% (or such lower rate specified by an applicable tax treaty) of its effectively connected earnings and profits for the taxable year, as adjusted for certain items.

Recognized gain described in the second bullet point above generally will be subject to U.S. federal income tax at a flat 30% rate (or such lower rate specified by an applicable income tax treaty), but may be offset by U.S. source capital losses of the Non-U.S. Holder (even though the individual is not considered a resident of the United States), provided that the Non-U.S. Holder has timely filed U.S. federal income tax returns with respect to such losses.

The Teekay Tankers Board Unanimously Recommends that You, as a Teekay Tankers Shareholder, Vote FOR the Charter Amendment and the Teekay Tankers Adjournment Proposal

The Teekay Tankers Board has unanimously (i) determined that the Merger was fair and advisable to, and in the best interests of, Teekay Tankers and the shareholders of Teekay Tankers and (ii) approved the Merger Agreement and the transactions contemplated thereby, including the Merger and the Charter Amendment. **The**

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Teekay Tankers Board unanimously recommends that Teekay Tankers shareholders vote FOR the Charter Amendment and the Teekay Tankers Adjournment Proposal. For the factors considered by the Teekay Tankers Board in reaching its decision to approve the Merger Transactions, see The Merger Background of the Merger and The Merger Recommendations of the Teekay Tankers Board of Directors; Teekay Tankers Reasons for the Merger beginning on page 104 of this joint proxy statement/prospectus.

The TIL Special Committee and the TIL Board Unanimously Recommend that You, as a TIL Shareholder, Vote FOR the Approval of the Merger Agreement, the TIL Adjournment Proposal and the Special Committee Compensation Proposal

The TIL Special Committee and the TIL Board have unanimously (i) determined that the Merger Agreement and the transactions contemplated thereby, including the Merger, were fair and advisable to, and in the best interests of, the shareholders of TIL (other than Teekay Tankers and its affiliates), and (ii) approved the Merger Agreement and the transactions contemplated thereby, including the Merger. The **TIL Board unanimously recommends that TIL shareholders vote FOR the approval of the Merger Agreement, the TIL Adjournment Proposal and the Special Committee Compensation Proposal**. For the factors considered by the TIL Board in reaching its decision to approve the Merger Transactions, see The Merger Background of the Merger and The Merger Recommendations of the TIL Special Committee and Board of Directors; TIL Reasons for the Merger beginning on page 89 of this joint proxy statement/prospectus.

Some of Teekay Tankers and TIL s Executive Officers and Directors Have Interests in the Merger that are in Addition to and/or Different from Your Interests

Some of the members of the Teekay Tankers Board and the TIL Board and certain of TIL s and Teekay Tankers executive officers have interests in the Merger that are in addition to, and/or different from, your interests. The TIL Special Committee was aware of these additional and/or differing interests and conflicts and considered them, among other matters, in evaluating, negotiating and recommending the approval of the Merger Transactions. These interests include the following:

- Kenneth Hvid, a director of TIL, is also the President and Chief Executive Officer of Teekay Corporation and a director of Teekay Tankers; William Lawes, a director of TIL, is also a director of Teekay Tankers;

- TIL s Chief Executive Officer, Chief Financial Officer and Secretary are also employees of Teekay Corporation or its subsidiaries;

- Teekay Corporation and its affiliates are parties to several agreements and transactions with TIL (for additional information, please see Related Party Transactions); and

Your Rights as a Shareholder of Teekay Tankers Will Be Different from Your Rights as a Shareholder of TIL

The conversion of shares of TIL common stock into shares of Teekay Tankers Class A Common Stock in the Merger will result in changes from your current rights as a TIL shareholder to your rights as a Teekay Tankers shareholder. While both entities are governed by Marshall Islands law, there are differences in their organizational documents. In addition, shares of TIL common stock are currently publicly traded on the Oslo Stock Exchange (the *OSE*), while shares of Teekay Tankers Class A Common Stock are publicly traded on the NYSE. Please see the section entitled

Comparison of Shareholder Rights beginning on page 167 of this joint proxy statement/prospectus.

The Teekay Tankers Board after the Merger

Upon the Merger, Arthur Bensler, Bjorn Moller, Richard T. duMoulin, Richard J.F. Bronks, William Lawes, Richard Paterson, and Kenneth Hvid will continue to comprise the Board of Teekay Tankers. For a limited period of time, the TIL Special Committee will have the right to designate a single representative (the *Board Observer*) to attend all meetings of the Teekay Tankers Board in an observer capacity. Please see the section entitled The Merger Agreement Conduct Pending the Merger Board Observer beginning on page 155 of this joint proxy statement/prospectus.

Teekay Tankers Management after the Merger

After the Merger, Kevin Mackay will continue to serve as the principal executive officer of Teekay Tankers and Vincent Lok will continue to serve as the principal financial officer of Teekay Tankers.

The Companies (see the section entitled Information about the Companies beginning on page 130 of this joint proxy statement/prospectus)

Teekay Tankers Ltd.

4th Floor, Belvedere Building

69 Pitts Bay Road

Hamilton HM 08, Bermuda

(441) 298-2530

Teekay Tankers is an international provider of marine transportation to global oil industries. Teekay Tankers was incorporated under the laws of the Republic of the Marshall Islands in October 2007 by Teekay Corporation. Teekay Tankers conventional fleet size has increased from nine owned Aframax tankers in 2007 to 35 owned conventional tankers, six in-chartered vessels and one jointly-owned Very Large Crude Carrier (or *VLCC*) as of September 30, 2017.

Tanker Investments Ltd.

4th Floor, Belvedere Building

69 Pitts Bay Road

Hamilton HM 08, Bermuda

(441) 298-2530

TIL is a specialized investment company focused on the tanker market. TIL was incorporated under the laws of the Republic of the Marshall Islands in January 2014 by Teekay Corporation to opportunistically purchase, operate and sell modern second-hand tankers to benefit from cyclical fluctuations in the tanker market. TIL owns a fleet of 18 primarily mid-sized crude-oil tankers, as of September 30, 2017.

The Special Meeting of Teekay Tankers Shareholders

The Teekay Tankers Special Meeting will be held on [ ], 2017, at [ ], local time, at [ ], unless adjourned or postponed to a later date. At the Teekay Tankers Special Meeting, the Teekay Tankers shareholders will be asked to consider and vote on the Charter Amendment and the Teekay Tankers Adjournment Proposal.

Record Date. Holders of shares of Teekay Tankers Class A Common Stock may cast one vote at the Teekay Tankers Special Meeting for each share of Class A Common Stock that was owned at the close of business on the Record Date. Teekay Corporation, the holder of all outstanding shares of Teekay Tankers Class B Common Stock, may cast at the Teekay Tankers Special Meeting with respect to such shares of Class B Common Stock votes representing 49% of the combined voting power of shares of Teekay Tankers Class A and Class B Common Stock outstanding at the close of business on the Record Date. On the Record Date, there were [ ] shares of Class A Common Stock entitled to be voted at the Teekay Tankers Special Meeting and [ ] shares of Class B Common Stock entitled to be voted at the Teekay Tankers Special Meeting.

As of the date of this joint proxy statement/prospectus, Teekay Corporation owned approximately 55.9% of the total voting power of Teekay Tankers (through its ownership of shares of Teekay Tankers Class A and B

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Common Stock) and approximately 13.6% of the voting power of Teekay Tankers outstanding Class A Common Stock. In addition, directors and executive officers of Teekay Tankers and Teekay Corporation and their affiliates owned (directly or indirectly) and had the right to vote approximately [ ]% of the Teekay Tankers Class A Common Stock entitled to be voted at the Special Meeting. Teekay Corporation has entered into the Teekay Voting and Support Agreement, which provides, among other things, that Teekay Corporation will support the Merger and the other transactions contemplated by the Merger Agreement, including by voting the shares of Teekay Tankers common stock beneficially owned by Teekay Corporation or any of its subsidiaries in favor of the Charter Amendment. In addition, Teekay Tankers has entered into the Huber Voting and Support Agreement, pursuant to which Huber will vote shares of Teekay Tankers Class A Common Stock over which Huber has sole voting power, and will use commercially reasonable efforts to encourage beneficial owners of shares of Teekay Tankers Class A Common Stock that Huber beneficially owns but over which shares Huber does not have sole voting power, in each case in favor of the Charter Amendment. Please see The Huber Voting and Support Agreement and Letter Agreement Amendment.

Required Vote. Approval of the Charter Amendment requires the affirmative FOR vote of the holders of a majority of (i) the outstanding shares of Class A Common Stock as of the Record Date, voting as a single class, and (ii) the outstanding voting power of Teekay Tankers Class A Common Stock and Teekay Tankers Class B Common Stock, voting together as a single class. Approval of the Teekay Tankers Adjournment Proposal requires the affirmative FOR vote of the holders of a majority of the total voting power of all capital stock of Teekay Tankers entitled to vote on the Teekay Tankers Adjournment Proposal and represented in person or by proxy at the Teekay Tankers Special Meeting. It is also required that a quorum comprised of holders of a majority of the total voting power of all shares of Class A Common Stock and Class B Common Stock entitled to vote at the Teekay Tankers Special Meeting must be present in person or represented by proxy at the Teekay Tankers Special Meeting. In addition, because the Charter Amendment must be approved by the holders of Class A Common Stock, voting as a single class, the holders of a majority of the Class A Common Stock entitled to vote at the Teekay Tankers Special Meeting must be present in person or represented by proxy at the Teekay Tankers Special Meeting in order to constitute a quorum. Abstentions and broker non-votes will have the same effect as voting AGAINST the Charter Amendment because the required vote is based on the number of shares outstanding rather than the number of votes cast. Shares present but not voted at the Teekay Tankers Special Meeting or abstentions will have the same effect as voting AGAINST the Teekay Tankers Adjournment Proposal, while broker non-votes will have no effect on the outcome of any vote on the Teekay Tankers Adjournment Proposal.

The Special Meeting of TIL Shareholders

The TIL Special Meeting will be held on [ ], 2017, at [ ], local time, at [ ], unless adjourned or postponed to a later date. At the TIL Special Meeting, TIL shareholders will be asked to consider and vote upon a proposal to approve the Merger Agreement, the TIL Adjournment Proposal and the Special Committee Compensation Proposal.

Record Date. Holders of TIL common stock may cast one vote at the TIL Special Meeting for each share of TIL common stock and preferred stock that was owned at the close of business on [ ], 2017. On the Record Date, there were [ ] shares of TIL common stock entitled to be voted at the TIL Special Meeting (which includes [ ] shares of TIL common stock not owned by Teekay Tankers and its affiliates, including Teekay Corporation), one share of Series A-1 preferred stock entitled to be voted at the TIL Special Meeting, and one share of Series A-2 preferred stock entitled to be voted at the TIL Special Meeting.

As of the date of this joint proxy statement/prospectus, Teekay Tankers owned 3.4 million shares, or approximately 11.3%, of the outstanding shares of TIL common stock and the sole outstanding share of Series A-2 preferred stock of TIL, and Teekay Corporation owned 2.5 million shares, or approximately 8.2% of the

outstanding shares of TIL common stock and the sole outstanding share of Series A-1 preferred stock of TIL. In addition, directors and executive officers of Teekay Tankers and Teekay Corporation and their affiliates owned (directly or indirectly) and had the right to vote approximately [ ]% of the TIL common stock entitled to be voted at the TIL Special Meeting. Under the Merger Agreement, Teekay Tankers has agreed to vote all shares of TIL common and preferred stock owned beneficially or of record by Teekay Tankers or any of its subsidiaries in favor of the Merger Agreement and related matters. In addition, Teekay Corporation has entered into the Teekay Voting and Support Agreement, which provides, among other things, that Teekay Corporation will support the Merger and the other transactions contemplated by the Merger Agreement, including by voting the shares of TIL common and preferred stock beneficially owned by Teekay Corporation and its subsidiaries in favor of the approval of the Merger Agreement.

Required Vote. Approval of the Merger Agreement requires the affirmative FOR vote of (i) the holders of a majority of the outstanding shares of TIL common stock, (ii) the holders of a majority of the outstanding shares of TIL common stock not owned by Teekay Tankers and its affiliates (including Teekay Corporation), (iii) the holder of the one share of Series A-1 preferred stock of TIL and (iv) the holder of the one share of Series A-2 preferred stock of TIL. It is also required that a quorum comprised of holders of one-third of the total voting power of all shares of capital stock entitled to vote at the TIL Special Meeting must be present in person or represented by proxy at the TIL Special Meeting. Approval of the TIL Adjournment Proposal requires the affirmative FOR vote of the holders of a majority of the total voting power of all capital stock of TIL entitled to vote on the TIL Adjournment Proposal present in person or represented by proxy at the TIL Special Meeting. Approval of the Special Committee Compensation Proposal requires the affirmative FOR vote of the holders of a majority of the total voting power of all capital stock of TIL entitled to vote on the Special Committee Compensation Proposal present in person or represented by proxy at the TIL Special Meeting. Abstentions and broker non-votes will have the same effect as voting AGAINST the Merger Agreement because the required vote is based on the number of shares outstanding rather than the number of votes cast. Shares present but not voted at the TIL Special Meeting or abstentions will have the same effect as voting AGAINST the TIL Adjournment Proposal or the Special Committee Compensation Proposal, respectively, while broker non-votes will have no effect on the outcome of any vote on the TIL Adjournment Proposal or the Special Committee Compensation Proposal.

The Merger Agreement

The Merger Agreement is described in this joint proxy statement/prospectus and is included as Appendix A, and the Letter Agreement Amendment is included as Appendix B. We urge you to read the Merger Agreement in its entirety (as amended) because it is the legal document governing the Merger. Please see the section entitled The Merger Agreement beginning on page 139 of this joint proxy statement/prospectus.

The Teekay Voting and Support Agreement

The Teekay Voting and Support Agreement is described in this joint proxy statement/prospectus and is included as Appendix C. We urge you to read the Teekay Voting and Support Agreement in its entirety. Please see the section entitled The Teekay Voting and Support Agreement beginning on page 161 of this joint proxy statement/prospectus.

The Huber Voting and Support Agreement

The Huber Voting and Support Agreement is described in this joint proxy statement/prospectus and is included as Appendix D. We urge you to read the Huber Voting and Support Agreement in its entirety. Please see the section entitled The Huber Voting and Support Agreement and Letter Agreement Amendment beginning on page 164 of this joint proxy statement/prospectus.

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Completion of the Merger Is Subject to Conditions

The respective obligations of Teekay Tankers and TIL to complete the Merger are subject to the satisfaction or waiver of various conditions, including the approval of the Merger Agreement by TIL shareholders and the approval of the Charter Amendment by Teekay Tankers shareholders and the accuracy of representations and warranties of Teekay Tankers and TIL as of the closing date of the merger. The obligation of Teekay Tankers and TIL to complete the Merger is subject to the satisfaction or waiver of certain additional conditions, including, among others, the absence of any material applicable law preventing or prohibiting the consummation of the Merger and the expiration or early termination of the waiting period applicable to the consummation of the Merger under the HSR Act (which was satisfied by early termination of the waiting period on July 20, 2017). Although it is anticipated that all of the remaining conditions will be satisfied, there can be no assurance as to whether or when all of the conditions will be satisfied or, where permissible, waived. Please see the section entitled The Merger Agreement Conditions to the Merger beginning on page 156 of this joint proxy statement/prospectus.

Regulatory Approvals Required for the Merger

To complete the Merger and the other transactions contemplated by the Merger Agreement, TIL and Teekay Tankers are required to use their reasonable best efforts to obtain and maintain all approvals, consents, registrations, permits, authorizations and other confirmations required to be obtained from any governmental authority or other third party that are necessary, proper or advisable to consummate the Merger. Under the Merger Agreement, TIL and Teekay Tankers agreed to make a filing of a notification and report form pursuant to the HSR Act and to use reasonable best efforts to obtain the expiration or termination of the applicable waiting periods under the HSR Act as soon as practicable after the date of the Merger Agreement.

On July 6, 2017, TIL and Teekay Tankers each filed a Notification and Report Form pursuant to the HSR Act with the Department of Justice and Federal Trade Commission. TIL and Teekay Tankers received notice of early termination of the waiting period applicable to the consummation of the Merger under the HSR Act on July 20, 2017.

As of the date of this joint proxy statement/prospectus, TIL and Teekay Tankers were not aware of any material governmental filings, authorizations, approvals or consents that are required prior to the parties completion of the Merger other than those described in this joint proxy statement/prospectus. There can be no assurance, however, if and when any of the approvals required to be obtained for the Merger and the other transactions contemplated by the Merger Agreement will be obtained or as to the conditions or limitations that such approvals may contain or impose.

For a more detailed description of the regulatory approvals required for the Merger, see the section entitled The Merger Agreement Conditions to the Merger beginning on page 156 of this joint proxy statement/prospectus.

Accounting Treatment

The combination of Teekay Tankers and TIL is expected to be accounted for as a business combination using the acquisition method of accounting under the provisions of Accounting Standards Codification (or *ASC*) 805, Business Combinations (or *ASC 805*), with Teekay Tankers being the accounting acquirer under this guidance. Under ASC 805, generally all assets acquired and liabilities assumed are recorded at their estimated acquisition date fair value. In addition, Teekay Tankers will revalue its existing equity interest in TIL to its estimated fair value on the acquisition date. Teekay Tankers will measure and recognize the value of its Class A Common Stock issued as consideration to shareholders of TIL (except Teekay Tankers and its subsidiaries) on the closing price of its shares of Class A Common Stock. Pursuant to the acquisition method of accounting, if the difference between the

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estimated acquisition-date fair value of the consideration transferred and the acquisition-date fair value of the acquirer s previously held equity interest in the acquiree over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed is negative, the acquirer shall recognize the resulting bargain purchase gain in earnings on the acquisition date. If such amount is positive, goodwill is recognized. TIL s identifiable tangible assets acquired and liabilities assumed are first recognized based on preliminary estimates of fair value. Preliminary fair value estimates may change as additional information becomes available in the year following the date of the closing of the Merger. In January 2017, the Financial Accounting Standards Boards (or *FASB*) issued Accounting Standards Update No: 2017-01 (or *ASU 2017-01*). ASU 2017-01 modifies the definition of a business which entities are required to use to determine whether transactions should be accounted for as acquisitions of assets or businesses. ASU 2017-01 is effective January 1, 2018 for Teekay Tankers. ASU 2017-01 should be applied prospectively on or after the effective date; however, early application is allowed for acquisitions that have not been reported in financial statements that have been issued. Teekay Tankers expects the Merger to close prior to the adoption of ASU 2017-01, in which case the acquisition of TIL is expected to be accounted for as a business combination. If the acquisition of TIL closes after the adoption of ASU 2017-01, Teekay Tankers is expected to account for the transaction as an asset acquisition. The determination of whether or not a transaction is considered a business combination or an asset acquisition is important as the cost of a group of assets acquired in an asset acquisition is allocated to the individual assets acquired or liabilities assumed based on their relative fair values and does not give rise to goodwill or bargain purchase gain**.**

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CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS

This joint proxy statement/prospectus and the documents incorporated by reference herein contain statements that may constitute forward-looking statements. Statements containing words such as expect, anticipate, believe, estimate, likely or similar words are intended to identify forward-looking statements. Forward-looking statements in this joint proxy statement/prospectus include, in particular, statements regarding:

- the likelihood that the TIL shareholders will approve the Merger Agreement, that the Teekay Tankers shareholders will approve the Charter Amendment, and that other conditions to the closing of the Merger will be satisfied;
- the likelihood that the parties will complete the Merger and the expected timing of completion of the Merger;
- the ability of Teekay Tankers and TIL to integrate their operations after the completion of the Merger and the anticipated effects of such integration;
- the anticipated financial, operational and strategic benefits to the Combined Company that may result from the Merger;
- the impact of the Merger on the value of Teekay Tankers Class A Common Stock;
- the effect of the indebtedness to be assumed by Teekay Tankers in connection with the Merger on Teekay Tankers current credit facilities and on its ability to meet its cash requirements after the Merger, pursue future business opportunities, and obtain additional financing;
- changes in Teekay Tankers dividend policy and its ability to pay dividends on shares of its Class A Common Stock;
- the ability of Teekay Tankers (and after the Merger, the Combined Company) to implement its share repurchase program;
- expected income tax consequences of the Merger to TIL shareholders;
- the composition, capacity, and rate of employment of the Combined Company s fleet of vessels;

- organization of the Combined Company and management of the Combined Company s business; and

- expectations regarding the Companies business if the Merger is not completed.

Forward-looking statements involve known and unknown risks and are based upon a number of assumptions and estimates that are inherently subject to significant uncertainties and contingencies, many of which are beyond the Companies control. Actual results may differ materially from those expressed or implied by such forward-looking statements. Important factors that could cause actual results to differ materially include, but are not limited to, those factors discussed in the section of this joint proxy statement/prospectus entitled Risk Factors and other factors detailed in other documents incorporated by reference herein.

Unless required by law, the Companies do not intend to revise any forward-looking statements in order to reflect any change in their expectations or events or circumstances that may subsequently arise. You should carefully review and consider the various disclosures included in this joint proxy statement/prospectus and in other documents incorporated by reference herein that attempt to advise interested parties of the risks and factors that may affect the Companies business, prospects, financial condition and results of operations.

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RISK FACTORS

In addition to the other information included or incorporated by reference in this joint proxy statement/prospectus, you should carefully consider the matters described below relating to the proposed Merger, the Charter Amendment, the Combined Company s business and the industry it will continue to operate within, in deciding how to vote. The matters described below may not contain all of the information that is important to you in evaluating the proposals to be voted at the Teekay Tankers Special Meeting or the TIL Special Meeting, as applicable. Accordingly, we urge you to read this entire joint proxy statement/prospectus, including the appendices and the information included or incorporated by reference in this document. Please also refer to the additional risk factors identified in the periodic reports and other documents of Teekay Tankers incorporated by reference into this joint proxy statement/prospectus. Please see the section entitled Where You Can Find More Information.

Risks Related to the Merger Transactions

There is no assurance when or if the Merger will be completed.

The completion of the Merger is subject to the satisfaction or waiver of a number of conditions as set forth in the Merger Agreement, including, among others, (i) approval of the Merger Agreement by the TIL shareholders, (ii) approval of the Charter Amendment by the shareholders of Teekay Tankers, and the Charter Amendment having been filed with and accepted by the Registrar of Corporations of the Republic of the Marshall Islands, (iii) absence of any material applicable law preventing or prohibiting the consummation of the Merger, (iv) expiration or early termination of the waiting period applicable to the consummation of the Merger under the HSR Act (which was satisfied by early termination of the waiting period on July 20, 2017), (v) the registration statement, of which this joint proxy statement/prospectus forms a part, having been declared effective by the SEC and no stop order suspending the effectiveness of the registration statement having been issued by the SEC and no proceedings for that purpose having been initiated by the SEC, (vi) listing of the shares of Teekay Tankers Class A Common Stock to be issued in connection with the Merger as Merger Consideration having been approved for listing on the NYSE, subject to the completion of the Merger and notice of issuance and (vii) other customary closing conditions, including the accuracy of each party s representations and warranties (subject to specified materiality qualifiers), and each party having performed and complied with, in all materails respects, all of the covenants and obligations required to be performed by it under the Merger Agreement. There can be no assurance as to when these conditions will be satisfied or waived, if at all, or that other events will not intervene to delay or result in the failure to complete the Merger.

Teekay Tankers and TIL have each filed a Notification and Report Form pursuant to the HSR Act with the Department of Justice and Federal Trade Commission, and each received notice of early termination of the waiting period applicable to the consummation of the Merger under the HSR Act on July 20, 2017. As of the date of this joint proxy statement/prospectus, TIL and Teekay Tankers were not aware of any material governmental filings, authorizations, approvals or consents that are required prior to the parties completion of the Merger other than those described in this joint proxy statement/prospectus. There can be no assurance, however, if and when any of the approvals required to be obtained for the Merger and the other transactions contemplated by the Merger Agreement will be obtained or as to the conditions or limitations that such approvals may contain or impose. For more information, see The Merger Agreement Conditions to the Merger.

The exchange ratio is fixed and will not be adjusted for changes in either TIL s or Teekay Tankers stock price.

The exchange ratio is fixed such that each share of TIL common stock (other than any shares held in the treasury of TIL or owned by Teekay Tankers and its subsidiaries) will be converted into the right to receive 3.30 shares of Teekay Tankers Class A Common Stock in connection with the Merger. This exchange ratio will not be adjusted for changes in the market price of either TIL common stock or Teekay Tankers Class A Common Stock between the date of signing the Merger Agreement and completion of the Merger.

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Changes in the price of Teekay Tankers Class A Common Stock before the closing of the Merger will affect the market value of Teekay Tankers Class A Common Stock that TIL shareholders will receive at the closing of the Merger. The prices of shares of TIL common stock and Teekay Tankers Class A Common Stock at the closing of the Merger may vary from their prices on the date the Merger Agreement was executed, on the date of this joint proxy statement/prospectus, on the date of each Special Meeting, and on the date of the completion of the Merger. As a result, the value of Teekay Tankers Class A Common Stock represented by the exchange ratio may also vary. For example, based on the range of closing prices of Teekay Tankers Class A Common Stock during the period from May 30, 2017, the last trading day before public announcement of the Merger Agreement, through October 6, 2017, the latest practicable trading date before the date of this joint proxy statement/prospectus, the exchange ratio represented a value ranging from a high of $6.60 to a low of $4.52 for each share of TIL common stock during that time period.

These variations could result from a variety of factors, including, among others, general market and economic conditions, changes in Teekay Tankers and TIL s respective businesses, operations and prospects, market assessments of the likelihood that the Merger will be consummated, the timing of the Merger and regulatory considerations. Many of these factors are beyond Teekay Tankers and TIL s control.

Certain of the Companies directors, executive officers and major shareholders have interests in the Merger that may be different from or are in addition to, the interests of the Companies other shareholders.

Certain of the Companies directors, executive officers and major shareholders have interests in the Merger that may be different from, or are in addition to, the interests of the Companies other shareholders. In particular, Teekay Corporation indirectly owns shares of Teekay Tankers Class A and Class B Common Stock representing a majority of the voting power of Teekay Tankers outstanding capital stock, and, except for the Charter Amendment Proposal (which requires the affirmative vote of a majority of the outstanding shares of Class A Common Stock), continues to control matters submitted to Teekay Tankers shareholders for approval even though it owns significantly less than 50% of the outstanding shares of common stock through a dual-class common stock structure. Additionally, Teekay Corporation owned approximately 8.2% of the outstanding shares of TIL common stock and the single outstanding share of TIL s Series A-1 preferred stock as of the date of this joint proxy statement/prospectus. Certain of the directors of Teekay Tankers, including Arthur Bensler, Kenneth Hvid and Bjorn Moller, as well as certain directors of TIL, including Kenneth Hvid, also serve as officers or directors of Teekay Corporation and/or its affiliates. There may be real or apparent conflicts of interest with respect to matters affecting Teekay Corporation and its affiliates outside of Teekay Tankers, whose interests, in some circumstances, may be adverse to Teekay Tankers or TIL. Since no money, fees or bonuses will be paid in connection with the completion of the Merger, none of the directors, executive officers or major shareholders will have a direct monetary interest in the transaction. For a detailed discussion of the interests that the Companies directors and executive officers may have in the Merger, please see the section entitled Related Party Transactions.

Some executive officers and directors of Teekay Tankers and TIL also have conflicts of interest and limited fiduciary and contractual duties, which may permit them to favor interests of other Teekay Corporation affiliates above the interests of Teekay Tankers, Teekay Tankers Class A common shareholders, and TIL.

Conflicts of interest may arise between Teekay Corporation and its affiliates, on the one hand, and Teekay Tankers, Teekay Tankers shareholders, and TIL, on the other hand. As a result of these conflicts, Teekay Corporation may favor its own interests and the interests of its affiliates over those of Teekay Tankers, Teekay Tankers shareholders, and TIL. These conflicts include, among others, the following situations:

Teekay Tankers Chief Financial Officer and three of its directors, including its chairman, also serve as executive officers or directors of Teekay Corporation and/or Teekay Tankers manager, Teekay Tankers Management Services Ltd., a subsidiary of Teekay Corporation (or the *Manager*), and Teekay Tankers has limited their fiduciary duties regarding corporate opportunities that may be attractive to both Teekay Corporation and Teekay Tankers;

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The Manager, which provides comprehensive commercial, technical, administrative and strategic services to each of Teekay Tankers and TIL, advises the Teekay Tankers Board about the amount and timing of asset purchases and sales, capital expenditures, borrowings, issuances of additional common stock and cash reserves, each of which can affect Teekay Tankers ability to pay dividends to its shareholders and the amount of the performance fee payable to the Manager under Teekay Tankers long-term and comprehensive management agreement with the Manager (or the *Teekay Tankers Management Agreement*);

Teekay Tankers executive officers and those of its Manager do not spend all of their time on matters related to Teekay Tankers business; and

The Manager will advise Teekay Tankers of costs incurred by it and its affiliates that it believes are reimbursable by Teekay Tankers.

Certain of TIL s directors and its executive officers are also directors and officers of Teekay Tankers and Teekay Corporation.

Certain members of the TIL Board and its management team are affiliated with Teekay Tankers or Teekay Corporation, which controls Teekay Tankers. Kenneth Hvid, a director of TIL, is also the President and Chief Executive Officer of Teekay Corporation and a director of Teekay Tankers. William Lawes, a director of TIL, is also a director of Teekay Tankers. TIL s Chief Executive Officer, Chief Financial Officer and Secretary, respectively, are also employees of Teekay Corporation or its subsidiaries. Teekay Corporation and its affiliates are parties to several agreements and transactions with TIL. For additional information, please see Related Party Transactions. As a result of these conflicts, these individuals may have differing interests relative to the Merger than other holders of TIL common stock.

We may fail to realize the anticipated benefits of the Merger, and the integration process could adversely impact Teekay Tankers and TIL s ongoing operations.

Teekay Tankers and TIL entered into the Merger Agreement with the expectation that the Merger would result in various benefits, including, among other things, the creation of the world s largest publicly-listed mid-sized conventional tanker company that would be more attractive to investors, an increased total liquidity position, and a larger and younger fleet with which to service customers globally. The success of the Merger will depend, in part, on the ability of the Combined Company to realize such anticipated benefits from combining the businesses of Teekay Tankers and TIL. The anticipated benefits and cost savings of the Merger may not be realized fully, or at all, or may take longer to realize than expected. Failure to achieve anticipated benefits could result in increased costs and decreases in the amounts of expected revenues or results of the Combined Company.

Teekay Tankers and TIL have operated independently and until the completion of the Merger will continue to operate independently. Although the Manager already provides the commercial and technical management of Teekay Tankers and TIL s vessels and substantially all of the corporate and administrative services for Teekay Tankers and TIL, it is possible that the integration process could result in the loss of key employees, the disruption of each Company s ongoing businesses or inconsistencies in standards, controls, procedures or policies that adversely affect the Combined Company s ability to maintain relationships with customers and employees or to achieve the anticipated benefits of the Merger. Integration efforts between the two Companies will also divert management attention and resources. These integration matters could have an adverse effect on both Teekay Tankers and TIL during the transition period. The integration may take longer than anticipated and may have unanticipated adverse results relating to Teekay Tankers or TIL s existing business.

Teekay Tankers shareholders and TIL s shareholders may receive a lower return on their investment after the Merger.

Although Teekay Tankers and TIL believe that the Merger will create financial, operational and strategic benefits for the Combined Company and its shareholders, these benefits may not be achieved. The combination of Teekay Tankers and TIL s businesses, even if conducted in an efficient, effective and timely manner, may not result in combined financial performance that is better than what each company would have achieved independently if the Merger had not occurred.

Existing shareholders of Teekay Tankers and TIL will have a reduced ownership and voting interest in, and will exercise less influence over management of, the Combined Company after the completion of the Merger.

Upon the completion of the Merger, each TIL shareholder who receives shares of Teekay Tankers Class A Common Stock in the Merger will become a shareholder of the Combined Company with a percentage ownership of, and voting interest in, the Combined Company that is smaller than such shareholder s percentage ownership of, and voting interest in, TIL immediately prior to the Merger. In addition, as a result of the share issuance by Teekay Tankers to TIL shareholders in connection with the Merger, upon the completion of the Merger, each Teekay Tankers shareholder will have a percentage ownership of, and voting interest in, the Combined Company that is smaller than such shareholder s percentage ownership of, and voting interest in, Teekay Tankers immediately prior to the Merger. Accordingly, existing shareholders of Teekay Tankers and TIL will have less influence on the management and policies of the Combined Company than they now have on the management and policies of Teekay Tankers or TIL, as applicable.

The Merger may not be accretive, and may be dilutive, to Teekay Tankers per share results, which may negatively affect the market price of Teekay Tankers Class A Common Stock.

Teekay Tankers anticipates that the Merger will be accretive to its total and per share results. This expectation is based on preliminary estimates that may materially change. In addition, future events and conditions could decrease or delay the accretion that is expected or could result in dilution, including adverse changes in market conditions, additional transaction and integration related costs and other factors such as the failure to realize all of the benefits anticipated in the Merger. Any dilution of, or decrease or delay of any accretion to, Teekay Tankers total and per share results could cause the price of Teekay Tankers Class A Common Stock to decline.

If the Merger Agreement is terminated, then Teekay Tankers or TIL may be liable for reimbursing the other party s expenses and paying a termination fee.

Upon termination of the Merger Agreement under specified circumstances, Teekay Tankers or TIL may be required to reimburse the other party for its costs and expenses incurred in connection with the Merger Agreement and the transactions contemplated thereby up to a maximum amount of $2,000,000. In addition, upon termination of the Merger Agreement, Teekay Tankers may be required to pay TIL a termination fee of $7,500,000, or TIL may be required to pay Teekay Tankers a termination fee of $5,000,000, in each case depending on the circumstances under which the Merger Agreement is terminated. See The Merger Agreement Termination Termination Fee.

The market price of Teekay Tankers Class A Common Stock after the Merger may be affected by factors different from those affecting shares of TIL common stock as of the date of this joint proxy statement/prospectus.

Upon completion of the Merger, shareholders of TIL will become shareholders of Teekay Tankers. Teekay Tankers business differs in certain respects from that of TIL, and accordingly the results of operations of Teekay Tankers will be affected by some factors different from those affecting the results of operations of TIL as of the date of this joint proxy statement/prospectus. For a discussion of the businesses of Teekay Tankers and TIL and of some important factors to consider in connection with those businesses, see the information contained elsewhere in the joint proxy statement/prospectus, including the documents incorporated by reference in this joint proxy statement/prospectus. Also, see the section entitled The Combined Company.

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Teekay Tankers will assume the existing indebtedness of TIL if the Merger is completed, which, together with the resulting debt services obligations, could significantly limit the ability of the Combined Company to execute its business strategy and increase the risk of default under its debt obligations once the Merger is completed.

Teekay Tankers intends to assume TIL s existing indebtedness in an aggregate amount of approximately $340 million in connection with the Merger. After completion of the Merger, the Combined Company will have approximately $985 million in long-term debt, with an additional $100 million available to it under its revolving credit facilities. Teekay Tankers current credit facilities require it to comply with certain financial maintenance and other financial and non-financial covenants.

These financial and other covenants may adversely affect the Combined Company s ability to finance future operations or limit its ability to pursue certain business opportunities or take certain corporate actions. The covenants may also restrict the Combined Company s flexibility in planning for changes in its business and the industry and make it more vulnerable to economic downturns and adverse developments. A breach of any of the covenants in, or the Combined Company s inability to maintain the required financial ratios under the credit facilities would prevent it from borrowing additional money under its credit facilities and could result in a default under its credit facilities. If a default occurs under the Combined Company s credit facilities, the lenders could elect to declare the issued and outstanding debt, together with accrued interest and other fees, to be immediately due and payable and foreclose on the collateral securing that debt, which could constitute all or substantially all of the Combined Company s assets. Default under one credit facility may also result in cross defaults under other credit facilities.

Following the completion of the Merger, the Combined Company s ability to meet its cash requirements, including the Combined Company s debt service obligations, will be dependent upon its operating performance, which will be subject to general economic and competitive conditions and to financial, business and other factors affecting its operations, many of which are or may be beyond the Combined Company s control. The Combined Company cannot provide assurance that its business operations will generate sufficient cash flows from operations to fund these cash requirements and debt service obligations. If the Combined Company s operating results, cash flow or capital resources prove inadequate, it could face substantial liquidity problems and might be required to dispose of material assets or operations to meet its debt and other obligations. If the Combined Company is unable to service its debt, it could be forced to reduce or delay planned expansions and capital expenditures, sell assets, restructure or refinance its debt or seek additional equity capital, and the Combined Company may be unable to take any of these actions on satisfactory terms or in a timely manner. Further, any of these actions may not be sufficient to allow the Combined Company to service its debt obligations or may have an adverse impact on its business. The Combined Company s debt agreements may limit its ability to take certain of these actions. The Combined Company s failure to generate sufficient operating cash flow to pay its debts or to successfully undertake any of these actions could have a material adverse effect on the Combined Company. These risks may be increased as a result of the increased amount of indebtedness of the Combined Company following the completion of the Merger. On a pro forma basis, the Combined Company s total liquidity would have been approximately $232.9 million as of June 30, 2017, which includes $30 million from a 12-year sale-leaseback financing transaction completed by Teekay Tankers in July.

In addition, the degree to which the Combined Company may be leveraged as a result of the indebtedness assumed in connection with the Merger or otherwise could materially and adversely affect its ability to obtain additional financing for working capital, capital expenditures, acquisitions, debt service requirements or other purposes, could make the Combined Company more vulnerable to general adverse economic, regulatory and industry conditions, and could limit its flexibility in planning for, or reacting to, changes and opportunities in the markets in which it competes.

The Combined Company s dividend policy may be different from Teekay Tankers historical dividend policy.

Under Teekay Tankers dividend policy, quarterly dividends range from 30% to 50% of quarterly adjusted net income, subject to the discretion of the Teekay Tankers Board, with a minimum quarterly dividend of $0.03 per share. There is no guarantee that the shareholders of the Combined Company will receive quarterly cash dividends. Teekay Tankers dividend policy may be changed at any time at the sole discretion of the Board of Directors of the Combined Company, who will take into account, among other things, its contingent liabilities, financial condition and future prospects, the terms of our credit facilities, and the requirements of Marshall Islands law in determining the timing and amount of cash distributions, if any, that the Combined Company may pay.

The Companies make no assurances that following the Merger, the Combined Company will continue to declare cash dividends at the same rate as Teekay Tankers has in the past, or at all.

Teekay Tankers is organized under the laws of the Republic of the Marshall Islands and a substantial portion of its assets will continue to be, and most of its directors and officers will continue to reside, outside of the United States after the Merger and it may not be possible for shareholders to enforce civil liability provisions of the securities laws of the United States in the Marshall Islands.

Teekay Tankers is organized under the laws of the Republic of the Marshall Islands. The Republic of the Marshall Islands has a less developed body of securities laws as compared to the United States and provides protections for investors to a significantly lesser extent. After the Merger, substantially all of the Combined Company s assets will be located outside the United States, and most of the Combined Company s directors and officers will reside outside the United States. As a result, it may be difficult for investors to effect service within the United States upon those directors and officers, or to realize in the United States upon judgments of courts of the United States predicated upon civil liability of the Combined Company and such directors and officers under the United States federal securities laws. There is uncertainty as to the enforceability in the Marshall Islands by a court in original actions, or in actions to enforce judgments of United States courts, of the civil liabilities predicated upon the United States federal securities laws.

The announcement and pendency of the Merger could adversely affect each of Teekay Tankers and TIL s business, results of operations and financial condition.

The announcement and pendency of the Merger could cause disruptions in and create uncertainty surrounding Teekay Tankers and TIL s businesses, including affecting their respective relationships with existing and future customers, suppliers and employees, which could have an adverse effect on their respective businesses, results of operations and financial condition, regardless of whether the Merger is completed. In particular, Teekay Tankers and TIL could potentially lose important personnel as a result of the departure of employees who decide to pursue other opportunities in light of the Merger. In addition, each of Teekay Tankers and TIL has expended, and continues to expend, significant management resources in an effort to complete the Merger, which are being diverted from their respective day-to-day operations.

If the Merger is not completed, Teekay Tankers and TIL s stock prices may fall to the extent that the current prices of their respective stock reflect a market assumption that the Merger will be completed. In addition, the failure to complete the Merger may result in negative publicity or a negative impression of either company and may affect their relationships with employees, customers, suppliers and other partners in the business community.

There is no guarantee that Teekay Tankers or the Combined Company will repurchase the outstanding shares of Teekay Tankers Class A Common Stock pursuant to Teekay Tankers share repurchase program or that the share repurchase program will enhance long-term shareholder value. Share repurchases could also increase the volatility of the price of the Teekay Tankers Class A Common Stock and could diminish the cash reserves of Teekay Tankers or the Combined Company.

On September 13, 2017, the Teekay Tankers Board approved a share repurchase program, authorizing Teekay Tankers to repurchase up to $45 million worth of shares of Teekay Tankers Class A Common Stock. Since inception of its share repurchase program through the date of this joint proxy statement/prospectus, Teekay Tankers has repurchased [ ] shares at a cost of approximately $[ ] million.

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Although the Teekay Tankers Board has approved a share repurchase program, the share repurchase program does not obligate Teekay Tankers to repurchase any specific dollar amount or to acquire any specific number of shares. The timing and amount of repurchases, if any, will depend upon several factors, including market and business conditions, the trading price of the Teekay Tankers Class A Common Stock and the nature of other investment opportunities. The repurchase program may be limited, suspended or discontinued at any time without prior notice. In addition, repurchases of the Teekay Tankers Class A Common Stock pursuant to the share repurchase program could cause its stock price to be higher than it would be in the absence of such a program and could potentially reduce the market liquidity for its stock. Additionally, the share repurchase program could diminish Teekay Tankers (and after the Merger, the Combined Company s) cash reserves, which may impact its ability to finance future growth and to pursue possible future strategic opportunities and acquisitions. There can be no assurance that any share repurchases will enhance shareholder value because the market price of Teekay Tankers Class A Common stock may decline below levels at which it may repurchase shares of stock. Although the share repurchase program is intended to enhance long-term shareholder value, there is no assurance that the program will have such effect and short-term stock price fluctuations could reduce the program s effectiveness.

Teekay Tankers and TIL will be subject to certain restrictions before closing of the Merger.

The Merger Agreement restricts each of Teekay Tankers and TIL from making certain acquisitions and divestitures, entering into certain contracts, incurring certain indebtedness and expenditures, repurchasing or issuing securities outside of existing equity award programs, and taking other specified actions until the earlier of the completion of the Merger or the termination of the Merger Agreement without the consent of the other party. These restrictions may prevent Teekay Tankers and/or TIL from pursuing attractive business opportunities that may arise prior to the completion of the Merger and could have the effect of delaying or preventing other strategic transactions. Adverse effects arising from the pendency of the Merger could be exacerbated by any delays in the consummation of the Merger or the termination of the Merger Agreement. See The Merger Agreement Conduct Pending the Merger Limitations on Conduct.

Teekay Tankers and TIL will incur significant transaction costs in connection with the Merger.

Teekay Tankers and TIL have incurred and expect to incur a number of non-recurring costs associated with the Merger. These costs and expenses include financial advisory, legal, accounting, consulting and other advisory fees and expenses, reorganization and restructuring costs, severance/employee benefit-related expenses, public company filing fees and other regulatory expenses, printing expenses and other related charges. Some of these costs are payable by Teekay Tankers and TIL regardless of whether the Merger is completed. As of the date of this joint proxy statement/prospectus, Teekay Tankers and TIL estimate that their aggregate expenses associated with the Merger and related transactions will be approximately $2.5 million and $6.6 million, respectively.

If the Merger is not treated as tax-free with respect to TIL shareholders, then TIL shareholders may be required to recognize a greater amount of gain or loss for U.S. federal income tax purposes at the time of the exchange of their shares of TIL common stock in the Merger.

The parties expressed a desire in the Merger Agreement for the Merger to qualify as a tax-free reorganization within the meaning of Section 368(a) of the Code, and intend to report the Merger as a tax-free reorganization. However, whether the Merger will be treated as tax-free as to TIL shareholders is uncertain, because this determination depends on many factors, including whether TIL is or has been a PFIC, as discussed below, and neither Teekay Tankers nor TIL is making any representation as to whether the merger will qualify as a tax-free reorganization. Moreover, the desired treatment of the Merger as a tax-free reorganization will not be binding on the U.S. Internal Revenue Service (or *IRS*) or any court. Teekay Tankers and TIL have not sought and will not seek an opinion of counsel or any ruling from the IRS regarding any matters relating to the transaction, and as a result, there can be no assurance that the IRS will not assert, or that a court would not sustain, a position contrary to the desired treatment of the Merger as a tax-free reorganization. If the Merger is not treated as tax-free with respect to TIL shareholders, then a TIL shareholder would recognize gain or loss for U.S. federal income tax purposes on each share of TIL common stock exchanged in the Merger in an amount equal to the difference between that shareholder s tax basis in such share and the fair market value of the Teekay Tankers Class A Common Stock (as of the effective time of the Merger) and cash in lieu of a fractional share thereof that the shareholder receives in exchange for the TIL common stock. TIL shareholders are urged to consult with their own tax advisors regarding the consequences to them if the Merger is not treated as tax-free. See Material United States Federal Income Tax Consequences of the Merger.

After the Merger, either or both of Teekay Tankers or TIL may no longer qualify for exemption under Section 883, and may therefore have to pay tax on its U.S. source income, which would reduce the earnings of Teekay Tankers available for distribution to shareholders.

Under the Code, 50% of the gross shipping income of a vessel owning or chartering corporation, such as Teekay Tankers, TIL, and their subsidiaries, that is attributable to transportation that begins or ends, but that does not both begin and end, in the United States may be subject to a 4% U.S. federal income tax without allowance for deduction, unless that corporation qualifies for exemption from tax under Section 883 of the Code and the applicable Treasury Regulations promulgated thereunder.

Both Teekay Tankers and TIL believe they currently qualify for this statutory tax exemption and each of Teekay Tankers and TIL takes this position for U.S. federal income tax return reporting purposes. After the Merger, either Teekay Tankers or TIL or both would no longer qualify for exemption under Section 883 of the Code for a particular year if shareholders with a five percent or greater interest in Teekay Tankers stock (other than qualified shareholders) own 50% or more of outstanding shares of Teekay Tankers Class A Common Stock on more than half the days during the taxable year. While it is not certain, after the Merger, one or more shareholders that each own five percent or greater interest in Teekay Tankers Class A Common Stock may own 50% or more of outstanding shares of such stock on more than half the days during a taxable year, and as a result Teekay Tankers or TIL may lose the benefit of this tax exemption and become subject to U.S. federal income tax on its U.S. source transportation income.

If Teekay Tankers or TIL is not entitled to exemption under Section 883 for any taxable year, it could be subject for those years to an effective 2% U.S. federal income tax on the shipping income it derives during the year that is attributable to the transport of cargoes to or from the United States. The imposition of this taxation would have a negative effect on the Companies businesses and would result in decreased earnings available for distribution to its shareholders. See Material United States Federal Income Tax Consequences of the Merger Taxation of Teekay Tankers Following the Merger.

U.S. tax authorities could treat Teekay Tankers as a passive foreign investment company, which could have adverse U.S. federal income tax consequences to U.S. shareholders.

A non-U.S. entity treated as a corporation for U.S. federal income tax purposes will be treated as a PFIC in any taxable year in which, after taking into account the income and assets of the corporation and certain subsidiaries pursuant to a look through rule, either: (i) at least 75% of its gross income is passive income; or (ii) at least 50% of the average value of its assets is attributable to assets that produce, or are held for the production of, passive income. For purposes of these tests, passive income includes dividends, interest, gains from the sale or exchange of investment property and rents and royalties other than rents and royalties that are received from unrelated parties in connection with the active conduct of a trade or business. By contrast, income derived from the performance of services does not constitute passive income.

There are legal uncertainties involved in determining whether the income derived from certain time-chartering activities constitutes rental income or income derived from the performance of services, including legal uncertainties arising from the decision in *Tidewater Inc. v. United States*, 565 F.3d 299 (5th Cir. 2009), which held that income derived from certain time-chartering activities should be treated as rental income rather

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than services income for purposes of a foreign sales corporation provision of the Code. However, the IRS stated in an Action on Decision (AOD 2010-01) that it disagrees with, and will not acquiesce to, the way that the rental versus services framework was applied to the facts in the Tidewater decision, and in its discussion stated that the time charters at issue in Tidewater would be treated as producing services income for PFIC purposes. The IRS s statement with respect to Tidewater cannot be relied upon or otherwise cited as precedent by taxpayers. Consequently, in the absence of any binding legal authority specifically relating to the statutory provisions governing PFICs, there can be no assurance that the IRS or a court would not follow the Tidewater decision in interpreting the PFIC provisions of the Code. Moreover, the market value of Teekay Tankers Class A Common Stock may be treated as reflecting the value of Teekay Tankers assets at any given time. Therefore, a decline in the market value of Teekay Tankers Class A Common Stock (which is not within Teekay Tankers control) after the Merger may impact the determination of whether Teekay Tankers is a PFIC. In addition, after the Merger, through a look-through rule, Teekay Tankers will be required to take into account the income and assets of TIL for purposes of determining if Teekay Tankers is a PFIC for the current or any future year. Nevertheless, based on the current assets and operations of Teekay Tankers, TIL and their respective subsidiaries, Teekay Tankers intends to take the position that neither Teekay Tankers nor TIL is or has ever been a PFIC, and that Teekay Tankers will not become a PFIC as a result of the Merger. No assurance can be given, however, that the IRS, or a court of law, will accept Teekay Tankers position or that Teekay Tankers, or any of its subsidiaries, would not constitute a PFIC for any future taxable year if there were to be changes in Teekay Tankers or its subsidiaries assets, income or operations.

If Teekay Tankers were treated as a PFIC for any taxable year, a U.S. Holder generally would be subject to different taxation rules depending on whether the U.S. Holder makes a timely and effective election to treat us as a Qualified Electing Fund (a *QEF election*). As an alternative to making a QEF election, a U.S. Holder should be able to make a mark to market election with respect to Teekay Tankers common stock. See Material United States Federal Income Tax Consequences of the Merger Consequences of Possible PFIC Classification.

The fairness opinions obtained by the TIL Special Committee and the Teekay Tankers Board from Evercore and Swedbank, respectively, will not be updated to reflect changes in circumstances between signing the Merger Agreement and the completion of the Merger.

Neither the TIL Special Committee nor the Teekay Tankers Board has obtained an updated fairness opinion as of the date of this joint proxy statement/prospectus from Evercore, the TIL Special Committee s financial advisor, or Swedbank. Changes in the operations and prospects of TIL or Teekay Tankers, general market and economic conditions, and other factors that may be beyond the control of TIL and Teekay Tankers and on which the fairness opinions were based, may alter the value of TIL or Teekay Tankers or the price of shares of TIL common stock or Teekay Tankers Class A Common Stock by the time the Merger is completed.

The fairness opinions do not speak as of the time the Merger will be completed or as of any date other than the dates of such opinions. Neither TIL nor Teekay Tankers anticipates asking Evercore or Swedbank, as applicable, to update their fairness opinions. The fairness opinions of Swedbank and Evercore are included as Appendix F and Appendix G, respectively, to this joint proxy statement/prospectus. For a description of the fairness opinion that the TIL Special Committee received from its financial advisor and a summary of the material financial analyses such financial advisor provided to the TIL Special Committee in connection with rendering such opinion, see the section entitled The Merger Opinion of the Financial Advisor to the TIL Special Committee, Evercore Group L.L.C. For a description of the opinion that the Teekay Tankers Board received from Swedbank and a summary of the material financial analyses that Swedbank provided to the Teekay Tankers Board in connection with rendering such opinion, see the section entitled The Merger Opinion of Swedbank Norge.

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The unaudited pro forma condensed combined financial information of Teekay Tankers and TIL is presented for illustrative purposes only and may not be indicative of the results of operations or financial condition of the Combined Company following the merger.

The unaudited pro forma condensed combined financial information included in this joint proxy statement/prospectus has been prepared using the historical financial statements of Teekay Tankers and TIL, is presented for illustrative purposes only and should not be considered to be an indication of the results of operations or financial condition of the Combined Company following the Merger. In addition, the unaudited pro forma condensed combined financial information included in this joint proxy statement/prospectus is based in part on certain assumptions regarding the Merger. These assumptions may not prove to be accurate, and other factors may affect the Combined Company s results of operations or financial condition following the Merger. Accordingly, the historical and pro forma financial information included in this joint proxy statement/prospectus does not necessarily represent the Combined Company s results of operations and financial condition had Teekay Tankers and TIL operated as a combined entity during the periods presented, or of the Combined Company s results of operations and financial condition following completion of the Merger. The Combined Company s potential for future business success and operating profitability must be considered in light of the risks, uncertainties, expenses and difficulties typically encountered by recently combined companies.

In preparing the unaudited pro forma condensed combined financial information contained in this joint proxy statement/prospectus, Teekay Tankers has given effect to, among other items, the completion of the Merger, the payment of the Merger Consideration and the indebtedness of TIL on a consolidated basis after giving effect to the Merger, including the indebtedness of Teekay Tankers. The unaudited pro forma condensed combined financial information does not reflect all of the costs that are expected to be incurred by Teekay Tankers and TIL in connection with the Merger. For more information, see the section entitled Unaudited Pro Forma Condensed Combined Financial Information, including the notes thereto.

The Merger may be subject to litigation, which could delay the Merger and prevent the Merger from being completed.

Teekay Tankers and/or TIL may in the future be party to legal proceedings and claims related to the Merger. Legal challenges to the Merger could result in an injunction, preventing or delaying the completion of the Merger. Any litigation relating to the Merger could require Teekay Tankers and TIL to incur substantial costs in connection therewith and divert management s attention from their respective businesses.

Risks Related to the Charter Amendment

If the Teekay Tankers shareholders approve the Charter Amendment, the issuance of Teekay Tankers Class A Common Stock in connection with the Merger and in the future may result in significant shareholder dilution.

The Charter Amendment would increase the number of authorized shares of Teekay Tankers Class A Common Stock from 200,000,000 to 285,000,000, with a corresponding increase in the number of authorized shares of capital stock from 400,000,000 to 485,000,000. If the Teekay Tankers shareholders approve the Charter Amendment and the TIL shareholders approve the Merger Agreement, Teekay Tankers expects to issue 88,977,659 shares of Class A Common Stock to the TIL shareholders as the Merger Consideration, which will have a dilutive effect upon the voting power of Teekay Tankers existing shareholders. In addition, even if the TIL shareholders reject the Merger Agreement and the Merger is not completed, if Teekay Tankers decides to finance future expenditures or corporate transactions by issuing additional equity securities, the Charter Amendment would permit Teekay Tankers to issue more shares of its Class A Common Stock, which could result in shareholder ownership dilution and would increase the aggregate amount of cash required to pay quarterly dividends.

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Risks Related to the Ownership of Teekay Tankers Class A Common Stock

The market value of Teekay Tankers Class A Common Stock could decline if large amounts of Teekay Tankers Class A Common Stock are sold following the Merger.

Following the Merger, current TIL shareholders will own shares in Teekay Tankers. Former TIL shareholders may not wish to continue to invest in Teekay Tankers, or may wish to reduce their investment in Teekay Tankers, in order to comply with institutional investing guidelines, to increase diversification, to track any rebalancing of stock indices in which shares of Teekay Tankers Class A Common Stock are included, or for other reasons. If, following the Merger, large amounts of Teekay Tankers shares are sold, the price of its shares of Class A Common Stock could decline.

The superior voting rights of Teekay Tankers Class B Common Stock held by Teekay Corporation limit the ability of holders of Teekay Tankers Class A Common Stock to control or influence corporate matters.

Teekay Tankers Class B Common Stock has five votes per share and Teekay Tankers Class A Common Stock has one vote per share. However, the voting power of the Class B Common Stock is limited such that the aggregate voting power of all shares of outstanding Class B Common Stock can at no time exceed 49% of the voting power of Teekay Tankers outstanding Class A Common Stock and Class B Common Stock, voting together as a single class. As of the date of this joint proxy statement/prospectus, Teekay Corporation indirectly owned approximately 55.9% of the total voting power of Teekay Tankers outstanding capital stock. Through its ownership of all of Teekay Tankers Class B Common Stock and of Teekay Tankers Manager and other entities that provide services to Teekay Tankers, Teekay Corporation has substantial control and influence over Teekay Tankers management and affairs and over matters requiring shareholder approval, including the election of directors and significant corporate transactions. In addition, because of this dual-class common stock structure, Teekay Corporation will continue to be able to control matters submitted to our shareholders for approval (except for matters like the Charter Amendment Proposal, which requires the affirmative vote of a majority of the outstanding shares of Class A Common Stock), even though Teekay Corporation owns significantly less than 50% of the outstanding shares of Teekay Tankers common stock. This voting control limits the ability of the remaining holders of Teekay Tankers Class A Common Stock to influence corporate matters and, as a result, Teekay Tankers may take actions that its holders of Class A Common Stock do not view as beneficial.

In addition to the risks described above, Teekay Tankers is, and will continue to be subject to the risks described in Teekay Tankers Annual Report on Form 20-F for the fiscal year ended December 31, 2016, which is filed with the SEC and incorporated by reference into this joint proxy statement/prospectus. See Where You Can Find More Information.

THE COMBINED COMPANY

All statistics and other financial information in this section are presented on a pro forma basis, giving effect to the Merger.

Overview

Following the Merger, we expect to be the world s largest publicly-listed mid-sized conventional tanker company, providing marine transportation to global oil industries and owning and operating a fleet of 59 conventional tankers, including six in-chartered conventional tankers. Our fleet will consist of 30 Suezmax tankers, 19 Aframax tankers, nine Long Range 2 (or *LR2*) product tankers and one jointly-owned VLCC, with an aggregate capacity of 7.0 million dwt. Our vessels operate in both the spot market and under time charters of varying lengths.

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Our Combined Fleet

The following table summarizes key information about our fleet of vessels and newbuildings as of September 30, 2017 (excluding one Aframax tanker that Teekay Tankers has agreed to sell, which is expected to be delivered in November 2017):

	Owned Vessels	Chartered-in Vessels	Total
Fixed-rate:			
Suezmax Tankers	6		6
Aframax Tankers	7		7
Long Range 2 Product Tankers	2		2
VLCC Tanker[(1)]	1		1
Total Fixed-Rate Fleet	16		16
Spot-rate:			
Suezmax Tankers[(2)]	20	4	24
Aframax Tankers[(2)]	10	2	12
Long Range 2 Product Tankers	7		7
Total Spot Fleet	37	6	43
Ship-to-Ship Support Vessels	3	2	5
Total Combined Company Fleet	56	8	64

(1) The Combined Company s ownership interest in this vessel is 50%.

(2) Includes six Suezmax and Aframax tankers with charter-in contracts that are scheduled to expire between October 2017 and June 2029; one of these charter-in contracts includes options to extend.

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The following table provides additional information about our owned and in-chartered Suezmax-class oil tankers as of September 30, 2017, of which 28 are Bahamian flagged and two are Malta flagged.

Vessel	Capacity (dwt)	Built	Type	Employment	Daily Rate	Expiration of Charter
Ashkini Spirit	165,200	2003	Owned	Pool		
Aspen Spirit	156,800	2009	Owned	Pool		
Athens Spirit	158,500	2012	In-chartered	Pool		
Atlanta Spirit	158,700	2011	Owned	Pool		
Baker Spirit	156,900	2009	Owned	Pool		
Barcelona Spirit	158,500	2011	Owned	Pool		
Beijing Spirit	150,000	2010	In-chartered	Pool		
Cascade Spirit	156,900	2009	Owned	Pool		
Copper Spirit	156,800	2010	Owned	Pool		
Dilong Spirit	159,000	2009	Owned	Pool		
Godavari Spirit	159,100	2004	Owned	Pool		
Iskmati Spirit	165,300	2003	Owned	Pool		
Jiaolong Spirit	159,000	2009	Owned	Pool		
Kaveri Spirit	159,100	2004	Owned	Pool		
London Spirit	158,500	2011	Owned	Time charter	$21,000	Apr-18
Los Angeles Spirit	159,200	2007	Owned	Time charter	$22,500	Dec-17
Montreal Spirit	150,000	2006	Owned	Time charter	$22,000	Feb-18
Moscow Spirit	156,500	2010	In-chartered	Pool		
Narmada Spirit	159,200	2003	Owned	Pool		
Pinnacle Spirit	160,400	2008	Owned	Pool		
Rio Spirit	158,400	2013	Owned	Pool		
Seoul Spirit	160,000	2005	Owned	Pool		
Shenlong Spirit	159,000	2009	Owned	Time charter	$19,750	Mar-18
Summit Spirit	160,500	2008	Owned	Time charter	$26,200	Aug-18
Sydney Spirit	158,500	2012	In-chartered	Pool		
Tahoe Spirit	156,900	2010	Owned	Time charter	$19,750	Apr-18
Tianlong Spirit	159,000	2009	Owned	Pool		
Tokyo Spirit	150,000	2006	Owned	Pool		
Vail Spirit	157,000	2009	Owned	Pool		
Zenith Spirit	160,500	2009	Owned	Pool		
Total Capacity	4,743,400					

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The following table provides additional information about our owned and in-chartered Aframax-class oil tankers as of September 30, 2017, of which 18 are Bahamian flagged and one is Greece flagged.

Vessel	Capacity (dwt)	Built	Type	Employment	Daily Rate	Expiration of Charter
Americas Spirit	111,900	2003	Owned	Pool		
Astro Sculptor	105,100	2003	In-chartered	Pool		
Australian Spirit	111,900	2004	Owned	Time charter	$16,000	Nov-18
Axel Spirit	115,400	2004	Owned	Time charter	$18,000	Dec-17
Bergitta	105,800	2007	In-chartered	Spot		
Blackcomb Spirit	109,100	2010	Owned	Pool		
Emerald Spirit	109,100	2009	Owned	Pool		
Erik Spirit	115,500	2005	Owned	Pool		
Esther Spirit	115,400	2004	Owned	Time charter	$25,000	Dec-18
Everest Spirit	115,000	2004	Owned	Time charter	$25,000	Apr-19
Explorer Spirit	105,800	2008	Owned	Spot		
Garibaldi Spirit	109,000	2009	Owned	Pool		
Helga Spirit	115,500	2005	Owned	Time charter	$24,900	Sep-18
Matterhorn Spirit	114,800	2005	Owned	Pool		
Navigator Spirit	105,800	2008	Owned	Spot		
Peak Spirit	104,600	2011	Owned	Pool		
Tarbet Spirit	107,500	2009	Owned	Time charter	$17,000	Feb-18
Whistler Spirit	109,000	2010	Owned	Pool		
Yamato Spirit	107,600	2008	Owned	Time charter	$23,000	Jun-18
Total Capacity	2,093,800					

The following table provides additional information about our owned LR2 product-class oil tankers as of September 30, 2017, of which seven are Bahamian flagged and two are Marshall Islands flagged.

Vessel	Capacity (dwt)	Built	Employment	Daily Rate	Expiration of Charter
Donegal Spirit	105,600	2006	Time charter	$17,750	Oct-18
Galway Spirit	105,600	2007	Time charter	$17,000	Mar-18
Hovden Spirit	105,300	2012	Pool		
Leyte Spirit	109,700	2011	Pool		
Limerick Spirit	105,600	2007	Pool		
Luzon Spirit	109,600	2011	Pool		
Sebarok Spirit	109,600	2011	Pool		
Seletar Spirit	109,000	2010	Spot		
Trysil Spirit	105,300	2012	Pool		
Total Capacity	965,300				

The following table provides additional information about our VLCC-class oil tanker as of September 30, 2017, which is Hong Kong flagged.

Vessel	**Capacity (dwt)**	**Built**	**Employment**	**Daily Rate**	**Expiration of Charter**
Hong Kong Spirit(1)	319,000	2013	Time charter	$ 37,500	Jul-18

(1) The VLCC vessel, Hong Kong Spirit, is owned through a 50/50 joint venture. The charter rate on this vessel is subject to a profit sharing amount that is being calculated every six months.

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Management of Our Business

Overall responsibility for the oversight of the management of the Combined Company and its subsidiaries will rest with the Combined Company s Board. Under the supervision of the Combined Company s executive officers and Board, the Combined Company s operations will be managed by the Manager under both the Teekay Tankers Management Agreement, with respect to the current Teekay Tankers fleet and operations, and the existing management agreement between TIL and the Manager (the *TIL Management Agreement*), with respect to the current TIL fleet and operations. Pursuant to the Teekay Tankers Management Agreement and the TIL Management Agreement, the Manager and its affiliates will provide the following types of services to the Combined Company: commercial (primarily vessel chartering), technical (primarily vessel maintenance and crewing), administrative (primarily accounting, legal and financial) and strategic (primarily advising on acquisitions, strategic planning and general management of the business). Commercial services are provided to Teekay Tankers and TIL, and are intended to be provided to the Combined Company, primarily through a subcontracting arrangement between the Manager and TTOL, which manages the Teekay Suezmax Pool, the Teekay Aframax Pools and the Taurus Tankers LR2 Pool.

Each of Teekay Tankers and TIL pays, pursuant to their respective Management Agreements, and will pay following the Merger, a market-based fee to the Manager for its services. In addition, (i) in order to provide the Manager with an incentive to improve Teekay Tankers operation and financial conditions, Teekay Tankers has agreed under the Teekay Tankers Management Agreement to pay a performance fee to the Manager under certain circumstances, in addition to the basic fee provided in the agreement, and (ii) TIL has agreed under the TIL Management Agreement to pay a 1% transaction fee to the Manager relating to any dispositions or acquisitions relating to the acquired TIL fleet, including through acquisitions of existing vessels or the ordering or purchase of newbuilding vessels. Please see Item 7. B. Major Shareholders and Related Party Transactions Related Party Transactions Management Agreement of Teekay Tankers Annual Report on Form 20-F for the fiscal year ended December 31, 2016 for more information about the Teekay Tankers Management Agreement (including the fees payable by Teekay Tankers to the Manager under that agreement) and see the section in this joint proxy statement/prospectus entitled Related Party Transactions Transactions Relating to TIL s January 2014 Formation and Private Placement Management Agreement for additional information about the TIL Management Agreement (including the fees payable by TIL to the Manager under that agreement).

Recent Developments of Teekay Tankers

Acquisition of Remaining 50% Interest of Teekay Tanker Operations Ltd.

On May 31, 2017, Teekay Tankers entered into and closed on a Purchase Agreement with Teekay Holdings Limited (or *THL*), a subsidiary of Teekay Corporation. Prior to the closing, Teekay Tankers held 50% of the issued and outstanding shares of Teekay Tanker Operations Ltd. (or *TTOL*), and under the terms of the purchase agreement, Teekay Tankers purchased the remaining 50% of the issued and outstanding shares of TTOL from THL (or the *Purchased Shares*). TTOL owns conventional tanker commercial management and technical management operations. The Manager has subcontracted with TTOL and its affiliates under each of the Teekay Tankers Management Agreement and the TIL Management Agreement to provide certain commercial and technical services to both Teekay Tankers and TIL, on behalf of the Manager, and Teekay Tankers and TIL expect that TTOL will continue to provide such services to the Combined Company following the Merger.

Under the terms of the purchase agreement, the consideration for the Purchased Shares was $27,100,000, payable solely in the form of 13,775,224 shares of Class B Common Stock of Teekay Tankers priced at $1.9673 per share. The purchase price is subject to adjustment in the event that any of the vessels owned by TIL as of the date of this joint proxy statement/prospectus are not managed by TTOL or its subsidiaries or owned by Teekay Tankers during the five year period after the date of the Purchase Agreement.

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Sale-Leaseback Financing Transaction

In April 2017, Teekay Tankers signed a term sheet for a $153 million, 12-year sale-leaseback financing relating to four of its modern Suezmax tankers, which transaction closed in July 2017 and is expected to further strengthen Teekay Tankers balance sheet and increase Teekay Tankers liquidity position by approximately $30 million.

Sale of Aframax Tankers

In September 2017, Teekay Tankers completed the sale of one Aframax tanker, the Kanata Spirit. Teekay Tankers expects to recognize a loss on the sale of this vessel of approximately $4.2 million in the quarter ended September 30, 2017.

In October 2017, Teekay Tankers entered into an agreement to sell one Aframax tanker, the Kareela Spirit, for a sales price of $6.4 million. Teekay Tankers expects to recognize a loss on the sale of this vessel of approximately $4.0 million in the quarter ended September 30, 2017.

Huber Voting and Support Agreement and Share Repurchase Program

In September 2017, Teekay Tankers entered into the Huber Voting and Support Agreement and, pursuant to the terms of the Huber Voting and Support Agreement, the Teekay Tankers Board approved a share repurchase program authorizing Teekay Tankers to repurchase up to $45 million worth of shares of Teekay Tankers Class A Common Stock. Please see the section entitled The Huber Voting and Support Agreement and Letter Agreement Amendment beginning on page 164 of this joint proxy statement/prospectus.

COMPARATIVE HISTORICAL AND UNAUDITED PRO FORMA PER SHARE DATA

The following table presents the following: (1) historical per share information of Teekay Tankers, (2) unaudited pro forma per share information of Teekay Tankers after giving pro forma effect to the Merger, including the issuance of 88,977,659 shares of Teekay Tankers Class A Common Stock in connection with the Merger and (3) the historical and equivalent pro forma per share information of TIL.

The Combined Company unaudited pro forma per share information was derived from the historical consolidated financial statements of Teekay Tankers and TIL. You should read this information together with the historical consolidated financial statements and related notes of Teekay Tankers that are filed with the SEC and incorporated by reference into this joint proxy statement/prospectus and the historical consolidated financial statements and related notes of TIL accompanying this joint proxy statement/prospectus. See Where You Can Find More Information. See also Unaudited Pro Forma Condensed Combined Financial Statements, including the notes thereto.

The unaudited pro forma data is for informational purposes only. The Companies may have performed differently had they always been combined. You should not rely on the pro forma data as being indicative of the historical results that would have been achieved had the Companies always been combined or the future results that the Combined Company will experience after completion of the Merger.

	As of/ For the First Half of	Fiscal 2016

	Fiscal 2017 (Unaudited)	
Teekay Tankers Historical Per Class A Common Share Data:		
Net income (loss) basic	$ (0.21)	$ 0.40
Net income (loss) diluted	$ (0.21)	$ 0.40
Cash dividends declared	$ 0.06	$ 0.18
Book value (unaudited)	$ 4.97	$ 5.86

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	As of/ For the First Half of Fiscal 2017 (Unaudited)	Fiscal 2016
Pro Forma Combined Per Teekay Tankers Class A Common Share Data: (unaudited)		
Net income (loss) basic	$ 0.00	$ 0.43
Net income (loss) diluted	$ 0.00	$ 0.43
Cash dividends declared	$ 0.06	$ 0.18
Book value	$ 4.25	$ n/a
TIL Historical Per Common Share Data:		
Net income (loss) basic	$ (0.08)	$ 1.01
Net income (loss) diluted	$ (0.08)	$ 1.00
Cash dividends declared	$	$
Book value (unaudited)	$ 13.90	$ 13.99
Pro Forma Combined Per TIL Equivalent Common Share Data: (unaudited)		
Net income (loss) basic	$ 0.00	$ 1.43
Net income (loss) diluted	$ 0.00	$ 1.43
Cash dividends declared	$ 0.20	$ 0.59
Book value	$ 14.02	$ n/a

COMPARATIVE PER SHARE MARKET PRICE AND DIVIDEND INFORMATION

Teekay Tankers Class A Common Stock is listed on the NYSE under the symbol TNK. TIL s common stock is listed on the OSE under the symbol TIL. The following tables set forth the high and low prices in U.S. Dollars (or *USD*) for Teekay Tankers Class A Common Stock on the NYSE and the high and low prices in Norwegian Kroner (or *NOK*) for TIL s common stock on the OSE for each of the periods indicated.

	Teekay Tankers (NYSE)		TIL (OSE)	
	High	Low	High	Low
Year Ended December 31, 2016	$ 6.89	$ 1.90	NOK 109.00	NOK 32.40
Year Ended December 31, 2015	$ 8.53	$ 4.82	NOK 113.00	NOK 77.25
Year Ended December 31, 2014	$ 5.95	$ 3.18	NOK 89.00	NOK 57.25
Year Ended December 31, 2013	$ 4.02	$ 2.38	NOK n/a	NOK n/a
Year Ended December 31, 2012	$ 6.33	$ 2.38	NOK n/a	NOK n/a

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Year Ended December 31	Teekay Tankers (NYSE) High	Teekay Tankers (NYSE) Low	TIL (OSE) High		TIL (OSE) Low	
Quarterly for 2017						
Third Quarter	$ 1.91	$ 1.37	NOK	47.40	NOK	33.40
Second Quarter	$ 2.20	$ 1.65	NOK	50.00	NOK	40.10
First Quarter	$ 2.70	$ 1.96	NOK	44.50	NOK	35.60
Quarterly for 2016						
Fourth Quarter	$ 2.85	$ 1.90	NOK	48.40	NOK	32.40
Third Quarter	$ 3.28	$ 2.42	NOK	51.25	NOK	43.50
Second Quarter	$ 4.16	$ 2.87	NOK	79.75	NOK	42.70
First Quarter	$ 6.89	$ 3.26	NOK	109.00	NOK	74.00
Quarterly for 2015						
Fourth Quarter	$ 8.53	$ 6.31	NOK	112.50	NOK	97.00
Third Quarter	$ 7.88	$ 4.88	NOK	113.00	NOK	89.00
Second Quarter	$ 7.88	$ 5.70	NOK	106.00	NOK	85.25
First Quarter	$ 7.05	$ 4.82	NOK	106.00	NOK	77.25

2017 Calendar Months	Teekay Tankers (NYSE) High	Teekay Tankers (NYSE) Low	TIL (OSE) High		TIL (OSE) Low	
September	$ 1.66	$ 1.37	NOK	41.30	NOK	33.40
August	$ 1.80	$ 1.37	NOK	44.40	NOK	35.00
July	$ 1.91	$ 1.61	NOK	47.40	NOK	42.30
June	$ 2.00	$ 1.65	NOK	50.00	NOK	44.60
May	$ 2.20	$ 1.90	NOK	45.00	NOK	41.50
April	$ 2.14	$ 1.96	NOK	46.50	NOK	40.10
March	$ 2.40	$ 1.96	NOK	43.90	NOK	38.40
February	$ 2.70	$ 2.26	NOK	44.40	NOK	40.30
January	$ 2.51	$ 2.21	NOK	44.50	NOK	35.60

The following table sets forth the closing sale price per share of Teekay Tankers Class A Common Stock as reported on the NYSE and TIL common stock as reported on the OSE as of May 30, 2017, the last trading day before the public announcement of the Merger Agreement, and as of October 6, 2017, the most recent practicable trading day prior to the date of this joint proxy statement/prospectus. The table also shows the implied value of the Merger Consideration proposed for each share of TIL common stock as of the same two dates. This implied value was calculated by multiplying the closing sale price of Teekay Tankers Class A Common Stock on the relevant date by the exchange ratio of 3.30 (assuming no adjustments).

	Teekay Tankers Class A Common Stock	TIL Common Stock	Implied Per Share Value of Merger

						Consideration
May 30, 2017	$	1.90	NOK	43.70	$	6.27
October 6, 2017	$	1.61	NOK	40.20	$	5.31

The above table shows only historical comparisons. These comparisons may not provide meaningful information to TIL shareholders in determining whether to approve the Merger Agreement. TIL shareholders are urged to obtain current market quotations for Teekay Tankers Class A Common Stock and TIL common stock and to review carefully the other information contained in this joint proxy statement/prospectus or incorporated by reference into this joint proxy statement/prospectus in considering whether to adopt the Merger Agreement. Please see the section entitled Where You Can Find More Information.

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EXCHANGE RATES

As of October 6, 2017, the exchange rate of NOK per one USD was 8.0014. The following tables show the high and low exchange rates of NOK per one USD for each of the periods indicated.

Year Ended December 31	High		Low	
Quarterly for 2017				
Third Quarter	NOK	8.3886	NOK	7.7101
Second Quarter	NOK	8.7193	NOK	8.2995
First Quarter	NOK	8.6924	NOK	8.1714
Quarterly for 2016				
Fourth Quarter	NOK	8.7643	NOK	7.9404
Third Quarter	NOK	8.6148	NOK	7.9703
Second Quarter	NOK	8.7272	NOK	7.9643
First Quarter	NOK	8.9935	NOK	8.2453
Quarterly for 2015				
Fourth Quarter	NOK	8.8755	NOK	8.0329
Third Quarter	NOK	8.6108	NOK	7.8183
Second Quarter	NOK	8.1644	NOK	7.2822
First Quarter	NOK	8.4201	NOK	7.4468

Calendar Months	High		Low	
September	NOK	7.9626	NOK	7.7341
August	NOK	7.9981	NOK	7.7101
July	NOK	8.3886	NOK	7.8728
June	NOK	8.5677	NOK	8.3364
May	NOK	8.7193	NOK	8.2995
April	NOK	8.6980	NOK	8.4713
March	NOK	8.6322	NOK	8.3715
February	NOK	8.4216	NOK	8.1714
January	NOK	8.6924	NOK	8.2195

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SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA OF TEEKAY TANKERS

The following table sets forth certain selected historical consolidated financial data of Teekay Tankers. The information as of December 31, 2016 and 2015 and for each of the three years in the period ended December 31, 2016 has been derived from the audited consolidated financial statements of Teekay Tankers prepared in accordance with GAAP, as recasted for the acquisition of TTOL in May 2017, included in the Report on Form 6-K furnished to the SEC on October 6, 2017 and incorporated herein by reference. For additional information about the recast financial statements, please see the Report on Form 6-K furnished to the SEC on October 6, 2017. The information as of December 31, 2014, 2013 and 2012 and for the years ended December 31, 2013 and 2012 is derived from Teekay Tankers Report on Form 6-K for the fiscal year ended 2016 furnished to the SEC on October 6, 2017. The unaudited information as at and for the six months ended June 30, 2017 and 2016 has been prepared on the same basis as Teekay Tankers audited consolidated financial statements and, in the opinion of management, include all material adjustments, consisting only of normal recurring adjustments considered necessary for a fair statement of Teekay Tankers consolidated financial statements, in accordance with GAAP. The information presented below is only a summary and should be read in conjunction with the respective audited and unaudited consolidated financial statements of Teekay Tankers, including the notes thereto, incorporated by reference in this joint proxy statement/prospectus.

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d in thousands of U.S. Dollars, re and per share data)	Six Month Period Ended June 30, 2017	2016	Year Ended December 31, 2016	2015	2014	2013	
	(Unaudited)						
atement Data:							
	$ 239,274	$ 317,795	$ 550,543	$ 534,681	$ 276,193	$ 217,809	$
penses[1]	(43,185)	(21,850)	(53,604)	(18,727)	(9,968)	(7,735)	
rating expenses[2]	(90,991)	(91,462)	(182,598)	(137,164)	(98,403)	(91,667)	
ter hire expense[3]	(21,624)	(36,629)	(59,647)	(74,898)	(32,706)	(54,457)	
on and amortization	(49,324)	(52,688)	(104,149)	(73,760)	(53,292)	(50,973)	
d administrative expenses[2]	(17,253)	(18,974)	(33,199)	(30,403)	(25,130)	(29,560)	
n on sale of vessels	(4,569)	(6,420)	(20,594)	771	9,955	(71)	
irments							
ing charges				(6,795)	(812)		
ss) from operations	12,328	89,772	96,752	193,705	65,837	(16,654)	
pense	(14,382)	(15,612)	(29,784)	(17,389)	(8,874)	(9,815)	
come	439	52	117	122	445	1,001	
nd unrealized gain (loss) on instruments	(1,099)	(11,531)	(964)	(1,597)	5,229	(6,588)	
ome (loss)	(26,900)	5,849	7,680	11,528	4,951	2,340	
ense) income	(4,150)	(4,547)	(5,978)	(2,743)	1,318	4,681	
e (loss)	$ (33,764)	$ 63,983	$ 67,823	$ 183,626	$ 68,906	$ (25,035)	$
loss) per share[4]							
	$ (0.21)	$ 0.39	$ 0.40	$ 1.26	$ 0.66	$ (0.31)	$
	$ (0.21)	$ 0.39	$ 0.40	$ 1.25	$ 0.65	$ (0.31)	$
heet Data (at end of period):							
ash equivalents	$ 87,255	$ 93,753	$ 94,157	$ 156,520	$ 187,757	$ 48,870	$
t in term loans and interest on term loans						136,061	
d equipment[5]	1,554,055	1,706,288	1,605,372	1,767,925	897,237	931,374	
s	1,803,426	2,088,936	1,964,370	2,214,803	1,288,844	1,523,510	1
6)	853,779	1,068,513	969,315	1,204,485	732,764	870,525	
tock and additional paid in	1,143,353	1,095,322	1,103,304	1,094,874	802,650	673,217	
y	889,969	934,851	932,740	899,479	496,684	524,725	
f outstanding shares of tock at the end of the period	179,224,094	156,284,136	159,304,136	156,030,618	112,064,036	83,591,030	83

(1) Voyage expenses are all expenses unique to a particular voyage, including any bunker fuel expenses, port fees, cargo loading and unloading expenses, canal tolls, agency fees and commissions. Voyage expenses also include certain costs associated with full service lightering activities which include: short-term in-charter expenses, bunker fuel expenses and other port expenses.

(2)

Vessel operating expenses include crewing, repairs and maintenance, insurance, stores, lube oils, and communication expenses among others. In order to more closely align Teekay Tankers presentation to that of many of its peers, effective January 1, 2013 the cost of ship management activities has been presented in vessel operating expenses. Prior to 2013, we included these amounts in general and administrative expenses. All such costs incurred in comparative periods have been reclassified from general and administrative expenses to vessel operating expenses. The amounts reclassified for the year ended December 31, 2012 was $7.0 million.

(3) Time-charter hire expense includes vessel operating lease expense incurred to charter-in vessels.

(4) Earnings (loss) per share is determined by dividing (a) net income (loss) after adding (deducting) the amount of net income (loss) attributable to the Entities under Common Control which were purchased solely with cash by (b) the weighted-average number of shares outstanding during the applicable period. The calculation of weighted-average number of shares includes the total Class A and total Class B shares outstanding during the applicable period. The computation of diluted earnings per share assumes the exercise of all dilutive stock options and restricted stock units using the treasury stock method. The computation of diluted loss per share does not assume such exercises.

(5) Vessels and equipment consists of (a) vessels, at cost less accumulated depreciation, and (b) advances on any newbuildings.

(6) Total debt includes the current and long-term portion of debt, and amounts due to affiliates.

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SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA OF TIL

The following table sets forth certain selected historical consolidated financial data of TIL. The information as of December 31, 2016 and 2015 and for each of the two years in the period ended December 31, 2016 and the period from incorporation on January 10, 2014 to December 31, 2014 has been derived from the audited consolidated financial statements of TIL prepared in accordance with GAAP included in its annual report for the fiscal year ended 2016 filed on the OSE on March 17, 2017. The information as of December 31, 2014 is derived from the audited consolidated financial statements of TIL included in its annual report for the period from incorporation on January 10, 2014 to December 31, 2014 filed with the OSE on March 31, 2015. The unaudited information as at June 30, 2017 and 2016, and for the six months ended June 30, 2017 and 2016 have been prepared on the same basis as TIL s audited consolidated financial statements and, in the opinion of TIL s management, include all material adjustments, consisting only of normal recurring adjustments considered necessary for a fair statement of TIL s consolidated financial statements, in accordance with GAAP. The information presented below is only a summary and should be read in conjunction with the respective audited and unaudited consolidated financial statements of TIL, including in this joint proxy statement/prospectus.

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(Expressed in thousands of U.S. Dollars, except share and per share data)	Six Month Period Ended June 30, 2017	Six Month Period Ended June 30, 2016	Year Ended December 31, 2016	Year Ended December 31, 2015	Jan. 10, 2014 to Dec. 31, 2014
	(Unaudited)	(Unaudited)			
Income Statement Data:					
Revenues	$ 59,476	$ 93,604	$ 152,629	$ 210,834	$ 80,091
Voyage expenses	(2,893)	(1,168)	(1,480)	(12,346)	(20,893)
Vessel operating expenses	(27,643)	(29,001)	(57,593)	(59,126)	(32,823)
Depreciation and amortization	(17,356)	(17,471)	(35,050)	(32,893)	(16,042)
General and administrative expenses	(4,348)	(3,623)	(6,938)	(6,285)	(4,069)
Gain on sale of vessels		1,228	1,228		
Income (loss) from operations	7,236	43,569	52,796	100,184	6,264
Interest expense	(8,929)	(10,100)	(19,124)	(22,308)	(9,175)
Interest income	133	85	148	149	472
Other expenses	(1,000)	(2,227)	(2,690)	(2,227)	(681)
Net income (loss)	(2,560)	31,327	31,130	75,798	(3,120)
Earnings (loss) per share					
Basic	(0.08)	0.99	1.01	2.07	(0.09)
Diluted	(0.08)	0.98	1.00	2.03	(0.09)
Balance Sheet Data (at end of period):					
Cash and cash equivalents	40,625	39,130	35,073	43,420	69,592
Vessels and equipment	713,458	745,717	729,226	763,098	619,159
Total assets	783,435	829,916	803,409	1,027,378	736,262
Long-term debt	339,583	387,923	363,001	581,435	329,524
Common stock and additional paid in capital	322,719	322,520	322,520	357,866	392,838
Total equity	422,521	425,079	424,882	425,351	389,929
Number of outstanding shares of common stock at the end of the period	30,398,057	30,363,561	30,363,561	33,682,881	36,974,851

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UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION

Introduction

The following unaudited pro forma condensed combined financial statements are presented to illustrate the proposed Merger of Teekay Tankers and TIL, which was announced on May 31, 2017. The unaudited pro forma condensed combined balance sheet as of June 30, 2017 and the unaudited pro forma condensed combined statements of (loss) income for the six months ended June 30, 2017 and the year ended December 31, 2016 are derived from and should be read in conjunction with the historical unaudited and audited consolidated financial statements of Teekay Tankers, which are available in Teekay Tankers Report on Form 6-K for the three and six months ended June 30, 2017 and Report on Form 6-K furnished to the SEC on October 6, 2017 (which includes Teekay Tankers financial statements, as retrospectively adjusted for the acquisition of TTOL in May 2017), respectively, and incorporated by reference in this registration statement and the historical unaudited and audited consolidated financial statements of TIL for the three and six months ended June 30, 2017 and the year ended December 31, 2016, respectively, included in this registration statement. Teekay Tankers and TIL s historical audited and unaudited consolidated financial statements were prepared in accordance with GAAP.

The accompanying unaudited pro forma condensed combined financial statements give effect to adjustments that are (i) directly attributable to the Merger, (ii) factually supportable, and (iii) with respect to the unaudited condensed combined statements of (loss) income, are expected to have a continuing impact on the consolidated results. The unaudited condensed combined balance sheet gives effect to the Merger as if it occurred on June 30, 2017 and the unaudited condensed combined statements of income give effect to the Merger as if it happened on January 1, 2016.

Had Teekay Tankers acquired TIL on June 30, 2017 or January 1, 2016, the combination of Teekay Tankers and TIL would have been accounted for as a business combination using the acquisition method of accounting under the provisions of ASC 805, with Teekay Tankers being the accounting acquirer under this guidance. In January 2017, the FASB issued ASU 2017-01. ASU 2017-01 modifies the definition of a business which entities are required to use to determine whether transactions should be accounted for as acquisitions of assets or businesses. ASU 2017-01 is effective January 1, 2018 for Teekay Tankers. ASU 2017-01 should be applied prospectively on or after the effective date however early application is allowed for acquisitions that have not been reported in financial statements that have been issued. Teekay Tankers expects the Merger to close prior to the adoption of ASU 2017-01, in which case the acquisition of TIL is expected to be accounted for as a business combination. The Teekay Tankers unaudited pro forma condensed combined financial statements have been prepared on this basis. If the acquisition of TIL closes after the adoption of ASU 2017-01, Teekay Tankers expects to account for the transaction as an asset acquisition. The determination of whether or not a transaction is considered a business combination is important because the cost of a group of assets acquired in an asset acquisition is allocated to the individual assets acquired or liabilities assumed based on their relative fair values and does not give rise to goodwill or bargain purchase gain.

The pro forma adjustments are based upon available information and certain assumptions which management believes are reasonable under the circumstances and which are described in the accompanying notes to the unaudited pro forma condensed combined financial statements. Actual results may differ materially from the assumptions within the accompanying unaudited pro forma condensed combined financial statements. Under ASC 805, generally all assets acquired and liabilities assumed are recorded at their acquisition date fair value. For pro forma purposes, the fair value of TIL s identifiable tangible assets acquired and liabilities assumed are based on preliminary estimates of fair value. Management believes the estimated fair values utilized for the assets to be acquired and liabilities to be assumed are based on reasonable estimates and assumptions given the current market conditions. Preliminary fair value estimates may change as additional information becomes available or as time passes between the date of the issuance of these pro forma condensed combined financial statements and the date of the closing of the Merger, and such changes could be material.

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The unaudited pro forma condensed combined financial statements have been prepared by management in accordance with the regulations of the SEC and are not necessarily indicative of the combined financial position or results of operations that would have been realized had the Merger occurred as of the dates indicated, nor is it meant to be indicative of any anticipated combined financial position or future results of operations that Teekay Tankers will experience after completion of the Merger. In addition, the accompanying unaudited pro forma condensed combined statements of income do not include any expected cost savings or operating synergies, which may be realized subsequent to the completion of the Merger or the impact of any nonrecurring activity and onetime transaction-related or integration-related items. The pro forma condensed combined financial statements reflect the impact of the acquisition of the remaining 50% interest in TTOL described under Recent Developments of Teekay Tankers as historical Teekay Tankers results in these unaudited pro forma condensed combined financial statements have been retrospectively adjusted to include the results of TTOL beginning January 1, 2016.

The unaudited pro forma condensed combined financial statements should be read in conjunction with the accompanying notes and assumptions as well as the above referenced historical audited and unaudited consolidated financial statements of both Teekay Tankers and TIL and management s discussion and analysis of financial condition and results of operations of Teekay Tankers and TIL.

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Teekay Tankers Ltd.

Unaudited Pro Forma Condensed Combined Balance Sheet

As at June 30, 2017

(in thousands of U.S. dollars)	**Historical Teekay Tankers**	**Historical TIL**	**Pro Forma Adjustments**	**note 4**	**Pro Forma Combined**
ASSETS					
Current					
Cash and cash equivalents	87,255	40,625	(8,937)	(a)	118,943
Restricted cash	1,380				1,380
Pool receivables from affiliates, net	9,084	4,780			13,864
Accounts receivable	18,187	247			18,434
Due from affiliates	46,306	181			46,487
Current portion of derivative asset	116				116
Prepaid expenses	16,664	7,208			23,872
Total current assets	178,992	53,041	(8,937)		223,096
Vessels and equipment net	1,554,055	713,458	(205,257)	(b)	2,062,256
Investment in and advances to equity accounted investments	43,201		(562)	(c)	23,935
			(18,704)	(c)	
Derivative assets	2,920				2,920
Intangible assets net	16,044		1,208	(e)	17,252
Due from affiliates non-current		16,936			16,936
Other non-current assets	155				155
Goodwill	8,059				8,059
Total assets	1,803,426	783,435	(232,252)		2,354,609
Accounts payable	9,253	2,486			11,739
Accrued liabilities	26,157	9,217			35,374
Current portion of long-term debt	150,254	38,117	(72)	(f)	188,299
Current portion of derivative liabilities	265				265
Deferred revenue	6,174	1,212			7,386
Due to affiliates	31,993	2,065			34,058
Total current liabilities	224,096	53,097	(72)		277,121
Long-term debt	671,532	301,466	(572)	(f)	972,426
Other long-term liabilities	17,829	6,351			24,180
Total liabilities	913,457	360,914	(644)		1,273,727
Equity					
	1,143,353	322,719	(322,719)	(g)	1,290,166

Common stock, preferred stock and additional paid in capital					
			146,813	(i)	
Accumulated (deficit) earnings	(253,384)	99,802	(8,937)	(a)	(209,284)
			(99,802)	(g)	
			53,599	(h)	
			(562)	(c)	
Total equity	889,969	422,521	(231,608)		1,080,882
Total liabilities and equity	1,803,426	783,435	(232,252)		2,354,609

The accompanying notes are an integral part of these unaudited pro forma condensed combined financial statements.

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Teekay Tankers Ltd.

Unaudited Pro Forma Condensed Combined Statement of (Loss) Income

For the six months ended June 30, 2017

(in thousands of U.S. dollars, except share and per share amounts)	Historical Teekay Tankers	Historical TIL	Pro Forma Adjustments	note 4	Pro Forma Combined
REVENUES					
Net pool revenues	80,289	47,032	1,950	(j)	129,271
Time-charter revenues	60,421	9,485			69,906
Voyage charter revenues	69,484	2,959			72,443
Other revenues	29,080		(2,313)	(j)	26,767
Total revenues	**239,274**	**59,476**	**(363)**		**298,387**
Voyage expenses	(43,185)	(2,893)	363	(j)	(45,715)
Vessel operating expenses	(90,991)	(27,643)			(118,634)
Time-charter hire expense	(21,624)				(21,624)
Depreciation and amortization	(49,324)	(17,356)	5,765	(b)	(60,915)
General and administrative expenses	(17,253)	(4,348)	1,863	(a)	(19,738)
Loss on sale of vessels	(4,569)				(4,569)
Income from operations	**12,328**	**7,236**	**7,628**		**27,192**
Interest expense	(14,382)	(8,929)	30	(f)	(23,281)
Interest income	439	133			572
Realized and unrealized (loss) gain on derivative instruments	(1,099)		287	(d)	(812)
Equity (loss) income	(26,900)		28,445	(c)	1,545
Other expense	(4,150)	(1,000)			(5,150)
Net (loss) income	**(33,764)**	**(2,560)**	**36,390**		**66**
Weighted-average number of Class A and Class B Common Stock outstanding (note 5)					
Basic	167,173,392				256,151,051
Diluted	167,173,392				256,242,984
Net earnings attributable to common shareholders per share					
Basic	($ 0.21)				$ 0.00
Diluted	($ 0.21)				$ 0.00

The accompanying notes are an integral part of these unaudited pro forma condensed combined financial statements.

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Teekay Tankers Ltd.

Unaudited Pro Forma Condensed Combined Statement of Income

For the year ended December 31, 2016

(in thousands of U.S. dollars, except share and per share amounts)	Historical Teekay Tankers	Historical TIL	Pro Forma Adjustments	note 4	Pro Forma Combined
REVENUES					
Net pool revenues	310,108	149,124	5,082	(j)	464,314
Time-charter revenues	97,374	1,516			98,890
Voyage charter revenues	90,032	1,989			92,021
Other revenues	53,029		(5,184)	(j)	47,845
Total revenues	**550,543**	**152,629**	**(102)**		**703,070**
Voyage expenses	(53,604)	(1,480)	102	(j)	(54,982)
Vessel operating expenses	(182,598)	(57,593)			(240,191)
Time-charter hire expense	(59,647)				(59,647)
Depreciation and amortization	(104,149)	(35,050)	11,657	(b)	(127,542)
General and administrative expenses	(33,199)	(6,938)	500	(a)	(39,637)
Loss on sale of vessels	(20,594)	1,228			(19,366)
Income from operations	**96,752**	**52,796**	**12,157**		**161,705**
Interest expense	(29,784)	(19,124)	122	(f)	(48,786)
Interest income	117	148			265
Realized and unrealized (loss) gain on derivative instruments	(964)		4,877	(d)	3,913
Equity income	7,680		(3,515)	(c)	4,165
Other expense	(5,978)	(2,690)			(8,668)
Net income	**67,823**	**31,130**	**13,641**		**112,594**
Weighted-average number of Class A and Class B Common Stock outstanding (note 5)					
Basic	170,098,572				259,076,231
Diluted	170,340,639				259,318,298
Net earnings attributable to common shareholders per share					
Basic	$ 0.40				$ 0.43
Diluted	$ 0.40				$ 0.43

The accompanying notes are an integral part of these unaudited pro forma condensed combined financial statements.

Teekay Tankers Ltd.

Notes to the Unaudited Pro Forma Condensed Combined Financial Statements

(all tabular amounts in thousands of U.S. dollars, except share and per share data)

1. Description of Transaction

On May 31, 2017, Teekay Tankers and TIL entered into the Merger Agreement, whereby TIL and a wholly-owned subsidiary of Teekay Tankers have agreed to merge, with TIL as the surviving legal entity, effectively resulting in the acquisition of TIL by Teekay Tankers. The Merger is subject to approval by the shareholders of TIL (the Merger Agreement) and Teekay Tankers (the Charter Amendment) in separate special general meetings and the Merger is expected to close shortly thereafter. Completion of the Merger is also subject to the execution of certain definitive documents, customary closing conditions and regulatory approvals. On closing of the Merger, TIL shareholders (other than shares held in the treasury of TIL or owned by Teekay Tankers and its subsidiaries) will be entitled to receive 3.30 shares of Teekay Tankers Class A Common Stock for each outstanding share of TIL common stock as consideration.

As of the date of the Merger Agreement, Teekay Tankers owned approximately 11.3% of the shares of TIL common stock and Teekay Corporation owned approximately 8.2% of the shares of TIL common stock and upon completion of the Merger Teekay Tankers will own 100% of the shares of TIL common stock.

2. Accounting Policies

The unaudited pro forma condensed combined financial statements were prepared in accordance with GAAP and pursuant to SEC Regulation S-X Article 11. They present the pro forma financial position and results of operations of the Combined Company based upon the historical information, after giving effect to the acquisition of TIL. The unaudited pro forma condensed combined balance sheet is presented as if the acquisition had occurred on June 30, 2017. The unaudited pro forma condensed combined statements of (loss) income for the six months ended June 30, 2017 and the year ended December 31, 2016 are presented as if the acquisition had occurred on January 1, 2016.

The unaudited pro forma condensed combined balance sheet as of June 30, 2017 and the unaudited pro forma condensed combined statements of (loss) income for the six months ended June 30, 2017 and the year ended December 31, 2016 are derived from and should be read in conjunction with the historical unaudited and audited consolidated financial statements of Teekay Tankers, which are available in Teekay Tankers Report on Form 6-K for the three and six months ended June 30, 2017 and Report on Form 6-K furnished to the SEC on October 6, 2017 (which includes Teekay Tankers financial statements, as retrospectively adjusted for the acquisition of TTOL in May 2017), respectively, and incorporated by reference in this registration statement, and the historical unaudited and audited consolidated financial statements of TIL for the three and six months ended June 30, 2017 and the year ended December 31, 2016, respectively, included in this registration statement.

3. Accounting for the Combination

The unaudited pro forma condensed combined financial information was prepared giving effect to the acquisition of TIL using the acquisition method of accounting under the provisions of ASC 805, whereby the Combined Company s financial statements reflect a new basis of accounting for the assets acquired and liabilities assumed of TIL, based on their estimated fair value. In addition, the acquirer shall recognize goodwill as of the acquisition date, measured as the excess of the estimated acquisition-date fair value of the consideration transferred and the acquisition-date fair value of the acquirer s previously held equity interest in the acquiree over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If such amount is negative, the acquirer shall recognize the resulting gain in earnings on the acquisition date. Furthermore, in a business combination achieved in stages, the acquirer shall remeasure its previously held equity interest in the acquiree at its acquisition-date fair value and recognize the resulting gain or loss, if any, in earnings.

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The acquisition method of accounting requires a determination of the estimated fair value on the acquisition date of the net assets acquired, liabilities assumed, consideration transferred and the previously held equity interest in the acquiree. The date on which the acquirer obtains control of the acquiree is the acquisition date. Given that the Merger has not yet been completed, the estimated fair value of net assets acquired liabilities assumed, consideration transferred and the previously held equity interest in the acquiree are considered preliminary and have been presented solely for the purpose of providing pro forma financial information. In addition, the process of estimating the fair values of certain assets acquired and liabilities assumed requires the use of judgement in determining the appropriate assumptions and estimates. Consequently, differences between preliminary estimates in the unaudited pro forma condensed combined financial statements and the final acquisition accounting may occur and such differences could have a material impact on the accompanying pro forma condensed financial information and the Combined Company s future consolidated financial statements.

The acquisition method of accounting also requires that the accounting acquirer be identified. Teekay Tankers is expected to be the accounting acquirer. The factors that were considered in determining that Teekay Tankers should be treated as the accounting acquirer were the relative asset bases of Teekay Tankers and TIL, the relative voting rights in the Combined Company and the composition of the board of directors of the Combined Company.

The following table contains the allocation of the total purchase price based on management s preliminary valuation (in thousands):

Cash and cash equivalents	40,625
Pool receivables from affiliates	4,780
Accounts receivable	247
Due from affiliates	181
Prepaid expenses	7,208
Intangible assets	1,208
Vessels and equipment, net	508,201
Due from affiliates non current	16,936
Accounts payable	(2,486)
Accrued liabilities	(9,217)
Deferred revenue	(1,212)
Due to affiliates	(2,065)
Long-term debt	(338,939)
Non-current liabilities	(6,351)
Fair value of net assets acquired and liabilities assumed	219,116

Total estimated purchase consideration 88.7%[(a)]	146,813
Teekay Tankers previously held ownership in TIL 11.3%[(b)]	18,704
Bargain purchase gain[(c)]	53,599
Fair value of net assets acquired and liabilities assumed	219,116

a) Pursuant to the Merger Agreement, one share of common stock in TIL will entitle the holder (excluding Teekay Tankers and its subsidiaries) to receive 3.30 shares of Teekay Tankers Class A Common Stock. It has been assumed for the purpose of these unaudited pro forma condensed combined financial statements that Teekay Tankers will issue approximately 89.0 million shares of its Class A Common Stock to shareholders in TIL (excluding Teekay Tankers and its subsidiaries) as consideration based on the approximately 27.0 million outstanding common shares of TIL on September 28, 2017 (the most recent practicable date in relation to the filing of this registration statement) (excluding those held by Teekay Tankers or any of its subsidiaries). While the exchange ratio is fixed, the exact number of shares of

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Teekay Tankers Class A Common Stock to be issued will be determined upon completion of the Merger. In addition, for the purpose of these unaudited pro forma condensed combined financial statements the estimated fair value of the approximately 89.0 million shares of Teekay Tankers Class A Common Stock as well as the estimated fair value of Teekay Tankers previously held equity interest in TIL have been valued using the closing share price of Teekay Tankers Class A Common Stock of $1.65 on September 28, 2017 (the most recent practicable date in relation to the filing of this registration statement). The value of the consideration that TIL s shareholders will receive when the Merger is completed will ultimately be based on the closing date share price of Teekay Tankers Class A Common Stock on the completion date of the Merger, and could materially change.

b) As previously noted, in a business combination achieved in stages, application of the acquisition method of accounting requires the acquirer to remeasure its previously held equity interest in the acquiree at its acquisition-date fair value and recognize the resulting gain or loss, if any, in earnings. For the purpose of these unaudited pro forma condensed combined financial statements the estimated fair value of Teekay Tankers previously held equity interest in TIL at September 28, 2017 (the most recent practicable date in relation to the filing of this registration statement) was $18.7 million. Such amount is derived from the 3.4 million shares of TIL common stock that Teekay Tankers owned on June 30, 2017 and an estimated value per share of $5.45. The estimated value per share is the derived from the 3.30 shares of Teekay Tankers multiplied by Teekay Tankers closing share price of $1.65 on September 28, 2017 (the most recent practicable date in relation to the filing of this registration statement).

c) Pursuant to the acquisition method of accounting, if the excess of the estimated acquisition-date fair value of the consideration transferred and the acquisition-date fair value of the acquirer s previously held equity interest in the acquiree over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed is negative, the acquirer shall recognize the resulting gain in earnings on the acquisition date. Based upon such amounts, which are contained in the table above, a bargain purchase gain of $53.6 million would have been recognized. The determination of the final amount of bargain purchase gain, if any, will be based on the closing share price of Teekay Tankers Class A Common Stock on the completion date of the Merger. The following table shows the estimated fair value of consideration and estimated fair value of Teekay Tankers previously held interest in TIL, and the resulting goodwill or bargain purchase gain and loss on revaluation of Teekay Tankers previously held interest in TIL based on the different prices per share of Teekay Tankers Class A common stock:

(in thousands of U.S. dollars, except per share data)	Price per Teekay Tankers share	TIL exchanged shares	Estimated fair value of Consideration	Goodwill / (Bargain purchase gain)	Estimated fair value of Teekay Tankers 11.3% interest in TIL	Gain/(Loss) on revaluation of Teekay Tankers 11.3% interest in TIL
September 28, 2017	1.65	88,978	146,813	(53,599)	18,704	(562)
Decrease of 10%	1.49	88,978	132,132	(70,150)	16,834	(2,432)
Increase of 10%	1.82	88,978	161,494	(37,047)	20,575	1,309
Decrease of 20%	1.32	88,978	117,451	(86,702)	14,963	(4,303)
Increase of 20%	1.98	88,978	176,176	(20,495)	22,445	3,179

4. Pro Forma Adjustments

a.

In connection with the Merger, the TIL Special Committee engaged Evercore as its independent financial advisor and engaged independent legal and other firms. It is estimated that $8.9 million of costs of these firms will be paid subsequent to June 30, 2017. The unaudited pro forma condensed combined balance sheet as at June 30, 2017 reflects the payment of such costs had the acquisition occurred on June 30, 2017. During the six months ended June 30, 2017 and the year ended December 31, 2016, TIL and Teekay Tankers collectively expensed costs of $1.9 million and $0.5 million, respectively, which were directly related to the Merger. The unaudited pro forma condensed combined income statements for the six months ended June 30, 2017 and the year ended December 31, 2016, have been adjusted to remove such costs as they are a non-recurring charge directly related to the Merger.

b. The unaudited pro forma condensed combined balance sheet as at June 30, 2017 reflects $205.3 million reduction to the carrying value of TIL s vessels to reflect their estimated fair value as of June 30, 2017. The estimated fair value is based on management s estimates after considering recent sales of similar vessels within the marketplace. Applying such reduction to the carrying value of TIL s vessels as of January 1, 2016 would have reduced depreciation and amortization for the six months ended June 30, 2017 and the year ended December 31, 2016 by $5.8 million and $11.7 million, respectively.

TIL s fleet consists of 10 Suezmax tankers, 6 Aframax tankers and 2 LR2 product tankers with ages ranging from 5 to 8 years, with an average age of 7.4 years. Consequently, the remaining useful lives of these vessels is estimated to be from 17 to 20 years, with an average remaining useful life of 17.7 years. To the extent the estimated fair value of TIL s vessels is higher or lower than such estimate of value on June 30, 2017, this difference will impact the purchase price allocation for these vessels within the consolidated financial statements of Teekay Tankers as well as the amount of any goodwill or bargain purchase gain recognized upon completion of the Merger. Any difference in the beginning carrying value compared with the estimate of value on June 30, 2017 will impact the amount of depreciation recognized in subsequent periods.

c. As of June 30, 2017, Teekay Tankers owned 3.4 million, or approximately 11.3%, of the shares of TIL common stock and the carrying value of such investment was $19.3 million. The unaudited pro forma condensed combined balance sheet as at June 30, 2017, reflects the revaluation of this previously held equity interest to its estimated fair value as of June 30, 2017. Such revaluation resulted in a decrease of the carrying value of Teekay Tankers previously held equity interest in TIL from $19.3 million to $18.7 million, a reduction of $0.6 million, which results in a corresponding reduction to accumulated (deficit) earnings. Such loss has not been reflected in the unaudited pro forma condensed combined statements of income for the six months ended June 30, 2017 and the year ended December 31, 2016 as such loss is directly attributable to the transaction. Pursuant to this equity interest, Teekay Tankers recognized equity (loss) income for the six months ended June 30, 2017 and the year ended December 31, 2016 of $(28.4) million and $3.5 million, respectively. The unaudited pro forma condensed combined statements of (loss) income for the six months ended June 30, 2017 or the year ended December 31, 2016 have been adjusted to reflect that no equity (loss) income would have been recognized during these periods had the acquisition had occurred on January 1, 2016.

d. As of June 30, 2017, Teekay Tankers was the holder of a stock purchase warrant entitling it to purchase up to 750,000 additional shares of TIL common stock and the carrying value of such warrant was nil. Upon completion of the Merger the stock purchase warrant will be cancelled. Pursuant to this stock purchase warrant, Teekay Tankers recognized unrealized losses on derivative instruments for the six months ended June 30, 2017 and the year ended December 31, 2016 of $0.3 million and $4.9 million, respectively. The unaudited pro forma condensed combined statements of (loss) income for the six months ended June 30, 2017 and the year ended December 31, 2016 have been adjusted to reflect that no such unrealized losses on derivative instruments would have been recognized during these periods had the acquisition occurred on January 1, 2016.

e. As part of the acquisition, Teekay Tankers will assume four time-charter contracts. Such contracts have charter hire day rates that were more favorable than prevailing market rates as of June 30, 2017. The unaudited pro forma combined balance sheet as at June 30, 2017 has been adjusted to reflect the $1.2 million estimated fair value of these contracts at such date. The remaining terms of the contracts are 12 months or less from June 30, 2017 with expected amortization of $1.1 million in 2017 and $0.1 million in 2018. Such contracts are not expected to have a long-term continuing impact on Teekay Tankers after completion of the Merger. Consequently, the unaudited pro forma condensed combined statements of (loss) income for the six months ended June 30, 2017 and the year ended December 31, 2016 have not been adjusted to reflect additional amortization related to these contracts.

f. The carrying value of TIL s long-term debt as of June 30, 2017 has been adjusted downwards by $0.6 million to reflect its estimated fair value as of June 30, 2017. The estimated fair value of TIL s long-term debt is based on estimates using discounted cash flow analyses, based on rates available as of the date of this joint proxy statement/prospectus for debt with similar terms and remaining maturities and the current credit worthiness of TIL. Applying such reduction to the carrying value of TIL s long-term debt as of January 1, 2016 would have reduced interest expense for the six months ended June 30, 2017 and the year ended December 31, 2016 by $0.1 million and $0.1 million, respectively.

g. Pursuant to the acquisition method of accounting the carrying value of all equity accounts of the acquiree are eliminated upon consolidation as well as the carrying value of the acquirer s previously held equity interest in the acquiree. The unaudited pro forma condensed combined balance sheet as at June 30, 2017 has been adjusted to reflect the elimination of the carrying value of common stock, preferred stock and additional paid in capital of TIL ($322.7 million), the carrying value of retained earnings of TIL ($99.8 million).

h. Pursuant to the acquisition method of accounting, if the difference between the estimated acquisition-date fair value of the consideration transferred and the acquisition-date fair value of the acquirer s previously held equity interest in the acquiree over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed is negative, the acquirer shall recognize the resulting gain in earnings on the acquisition date. Based upon the estimated acquisition-date fair value of the consideration transferred (see Note 4i) and the acquisition-date fair value of the acquirer s previously held equity interest (see Note 4c) and the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed (see Note 3), a bargain gain of $53.6 million would have been recognized. The unaudited pro forma condensed combined balance sheet as at June 30, 2017 has been adjusted for this, however, such gain has not been reflected in the unaudited pro forma condensed combined statements of income for the six months ended June 30, 2017 or the year ended December 31, 2016 as such gain is directly attributable to the transaction.

In connection with the Merger, the TIL Special Commmitte retained Evercore to act as financial advisor to the TIL Special Committee. On May 30, 2017, Evercore delivered its oral opinion to the TIL Special Committee, confirmed by its delivery of a written opinion dated May 30, 2017, that, as of the date thereof, and based upon and subject to the various qualifications, assumptions and limitations set forth in its opinion, the exchange ratio of 3.30 shares of Teekay Tankers Class A Common Stock for each share of TIL common stock was fair, from a financial point of view, to the holders of shares of TIL common stock (other than Teekay Tankers and its subsidiaries). The bargain purchase gain contained in these unaudited pro forma condensed combined financial statements is substantially the result of the decline in the share price of Teekay Tankers Class A Common Stock and an increase in vessel values following Teekay Tankers ultimately proposing an exchange ratio of 3.30 shares of Teekay Tankers Class A Common Stock per share of TIL common stock.

i. Pursuant to the Merger Agreement, one share of TIL common stock will entitle the holder (excluding Teekay Tankers and its subsidiaries) the right to receive 3.30 shares of Teekay Tankers Class A Common Stock, and it has been assumed for the purpose of these unaudited pro forma condensed combined financial statements that Teekay Tankers will issue approximately 89.0 million shares of its Class A Common Stock to shareholders in TIL as Merger Consideration based on the number of outstanding shares of TIL on June 30, 2017 based on a closing share price of $1.65 on September 28, 2017 (the most practicable date used for preparation of the pro forma condensed combined financial information), for a total estimated value of $146.8 million.

j) During the six months ended June 30, 2017 and the year ended December 31, 2016, Teekay Tankers, through its subsidiary TTOL, provided commercial management services to TIL. Fees earned by TTOL during the six months ended June 30, 2017 were $2.3 million, of which $2.0 million were related to vessels in revenue sharing arrangements and $0.3 million were related to vessels not in revenue sharing arrangements. Fees earned by TTOL during the year ended December 31, 2016 were $5.2 million, of which $5.1 million were related to vessels in revenue sharing arrangements and $0.1 million were related to vessels not in revenue sharing arrangements. Such intercorporate amounts have been eliminated upon combination.

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5. Unaudited Pro Forma Earnings per Share

Pursuant to the Merger Agreement, one share of TIL common stock will entitle the holder (excluding Teekay Tankers and its subsidiaries) the right to receive 3.30 shares of Teekay Tankers Class A Common Stock, and it has been assumed for the purpose of these unaudited pro forma condensed combined financial statements that Teekay Tankers will issue approximately 89.0 million shares of its Class A Common Stock to shareholders in TIL as Merger Consideration based on the number of outstanding shares of TIL on June 30, 2017.

Pro forma basic earnings per share is determined by dividing (a) pro forma net income by (b) the weighted-average number of shares of Teekay Tankers Class A and Class B Common Stock outstanding during the applicable period, adjusted to include approximately 89.0 million shares of Teekay Tankers Class A Common Stock had the Merger been completed on January 1, 2016.

Pro forma diluted earnings per share is determined by dividing (a) pro forma net income by (b) the weighted-average number of shares of Class A and Class B Common Stock outstanding during the applicable period, adjusted to include approximately 89.0 million shares of Class A Common Stock had the Merger been completed on January 1, 2016. The computation of diluted earnings per share assumes the exercise of all dilutive stock options and restricted stock units using the treasury stock method.

The following table outlines our weighted average number of common shares outstanding during the relevant periods:

	Historical of Teekay Tankers	Acquisition of TIL	Pro Forma Combined
Six months ended June 30, 2017:			
Basic	167,173,392	88,977,659	256,151,051
Dilutive effect of stock -based awards			91,933
Diluted	167,173,392	88,977,659	256,242,984

	Historical of Teekay Tankers	Acquisition of TIL	Pro Forma Combined
Year ended December 31, 2016:			
Basic	170,098,572	88,977,659	259,076,231
Dilutive effect of stock -based awards	242,067		242,067
Diluted	170,340,639	88,977,659	259,318,298

MANAGEMENT S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS OF TEEKAY TANKERS

Management s Discussion and Analysis of Financial Condition and Results of Operations of Teekay Tankers is incorporated by reference to Teekay Tankers Report on Form 6-K filed with the SEC on September 12, 2017 and Teekay Tankers Report on Form 6-K furnished to the SEC on October 6, 2017.

MANAGEMENT S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND

RESULTS OF OPERATIONS OF TIL

General

TIL and its subsidiaries represent a specialized investment company focused on the tanker market. TIL was incorporated under the laws of the Marshall Islands in January 2014 by Teekay Corporation to operate and sell modern second-hand tankers to benefit from cyclical fluctuations in the tanker market.

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Teekay Corporation is a leading provider of marine services to the global oil and natural gas industries and the world s largest operator of medium-sized oil tankers. TIL benefits from Teekay Corporation s expertise, relationships and reputation in operating TIL s fleet and pursuing its business strategy.

TIL s principal executive office is at 4th Floor, Belvedere Building, 69 Pitts Bay Road, Hamilton, HM 08, Bermuda. TIL owns a fleet of 18 primarily mid-sized crude-oil tankers, as of June 30, 2017.

Significant Developments in 2016 and the first half of 2017

In January 2016, TIL sold two 2010-built VLCCs, the *Hemsedal Spirit* and *Voss Spirit* for net proceeds of $151.5 million and recognized a gain of $1.2 million related to the sale of these vessels. Using the net proceeds from the sale, TIL fully repaid one of its term loans.

In February 2016, the TIL Board authorized a new share repurchase program to repurchase up to $60.0 million of TIL common stock. During 2016, TIL repurchased 3.3 million shares for $31.8 million, completing a $30.0 million TIL share repurchase program authorized in September 2015 and beginning the $60.0 million share repurchase program announced in February 2016.

Prior to October 2016, all of TIL s vessels traded in the spot tanker market within Teekay Corporation s revenue sharing arrangements (or *RSAs*). In October 2016, the *Emerald Spirit* left the Aframax RSA to begin a one-year time-charter at $17,500 per day. In December 2016, the *Hovden Spirit* and *Trysil Spirit* began carrying crude oil and trading in the Aframax RSA. Prior to December 2016, both vessels were carrying refined petroleum products and were trading in the Taurus RSA. In February 2017, the *Tarbet Spirit* left the Aframax RSA to begin a one-year time-charter at $17,000 per day. In March 2017, the *Shenlong Spirit* left the Suezmax RSA to begin a one-year time-charter at $19,750 per day. In April 2017, the *Tahoe Spirit* left the Suezmax RSA to begin a one-year time-charter at $19,750 per day.

On May 31, 2017, TIL entered into the Merger Agreement pursuant to which Merger Sub will be merged with and into TIL, with TIL continuing as the Surviving Company. Upon completion of the Merger, holders of TIL common stock (other than any shares held by TIL or Teekay Tankers or its subsidiaries) will receive 3.30 shares of Teekay Tankers Class A Common Stock for each share of TIL common stock. The Merger is expected to close in the fourth quarter of 2017.

Tanker Market

Tanker rates in 2016 softened from the highs seen in 2015, yet remained in-line with the ten-year average as a result of ongoing positive demand fundamentals. Global oil demand remained strong in 2016 with growth of 1.5 million barrels per day (*mb/d*), which was 0.4 mb/d higher than the ten-year average. Global oil supply was also strong, with record high Organization of the Petroleum Exporting Countries (or *OPEC*) production for 2016 of 32.6 mb/d. However, unexpected supply outages in Nigeria put pressure on mid-sized tanker demand in mid-2016. Oil prices remained in the mid-$40 per barrel range for most of 2016 before increasing in December 2016 as OPEC firmed plans for production cuts as a means to rebalance oil markets. While ongoing low prices throughout the year provided some support for tonne-mile demand through strategic and commercial stockpiling programs, record high onshore stock levels towards the second half of 2016 resulted in lower import requirements as refiners struggled with stockpile levels. Tanker fleet growth also created some downside pressure to tanker rates towards the second half of 2016 as crude tanker fleet growth reached 6% and scrapping dipped to the lowest level since 1995.

Crude tanker rates strengthened in the fourth quarter of 2016 due to expected seasonal factors, and reached a seasonal high in December 2016, as global refinery throughput, increased exports out of Nigeria, Libya, and Baltic / Black Sea ports, and winter weather delays provided support for tanker rates. Mid-sized crude tanker rates, in particular, found support from weather delays through the Turkish Straits along with increasing exports out of the U.S. Gulf. Record high Middle East OPEC crude production, averaging 25.6 mb/d in the fourth quarter of 2016, also provided a boost for crude tanker tonne-mile demand.

Crude tanker spot rates softened during the second quarter of 2017 due to the combined impact of lower OPEC oil production, high tanker fleet growth and normal seasonal weakness. Rates have continued to decline at the start of third quarter of 2017, in what is normally the weakest part of the year for tanker rates.

OPEC supply cuts continue to have a negative impact on crude tanker demand, with OPEC crude oil production averaging 32.1 million barrels per day (mb/d) through the first half of 2017 compared with production of 33.2 mb/d at the end of 2016. The majority of these supply cuts have come from the Middle East nations, led by Saudi Arabia.

Some of the spot rate weakness has been offset by an increase in exports from key mid-size tanker load regions. US crude oil exports have averaged 750 thousand barrels per day (kb/d) through the first half of 2017 compared with average exports of 485 kb/d in 2016, with oil increasingly moving long-haul to destinations such as India and China. Production recently increased in Nigeria and Libya, both of which are exempt from OPEC supply cuts. Libyan production reportedly reached 1 mb/d as of July 2017, which if confirmed would be the highest production level since mid-2013. Nigerian crude production reached 1.6 mb/d in June 2017, the highest since April 2016. Taken together, these developments should be positive for mid-size tanker demand in the Atlantic basin.

In addition to these positive trade fundamentals, global oil demand growth remains robust with forecast growth of approximately 1.6 mb/d in 2017 and a further 1.4 mb/d in 2018, according to the International Energy Agency (*IEA*) as of September, 2017. This is an upward revision since the first quarter of 2017 due to higher than expected demand growth in the non-OECD areas.

Despite these positive demand factors, high tanker fleet growth continues to significantly challenge the tanker market and has led to a decrease in tanker fleet utilization and tanker rates through the first half of the year. The global tanker fleet grew by 19.4 million deadweight tons (mdwt), or 3.5 percent in the first half of 2017, due to a heavy delivery schedule for large crude tankers and a continued lack of scrapping.

Fleet and TCE Rates

TIL calculates time-chartered equivalent (or *TCE*) rates as net revenue per revenue day before related-party pool management fees and pool commissions, and off-hire bunker expenses. In accordance with GAAP, TIL reports total revenues in its consolidated statements of income and includes voyage expenses among its operating expenses. However, ship-owners base economic decisions regarding the deployment of their vessels upon anticipated TCE rates, and industry analysts typically measure bulk shipping freight rates in terms of TCE rates. This is because under time-charter contracts the customer usually pays the voyage expenses, while under voyage charters the ship-owner usually pays the voyage expenses, which typically are added to the hire rate at an approximate cost. Accordingly, the discussion of revenue below focuses on net revenues (defined as revenues less voyage expenses), a non-GAAP financial measure, and TCE rates where applicable. The following table outlines the average TCE rates earned by vessels for the periods indicated:

(all amounts in thousands of U.S. dollars, except days and per revenue day)		Revenues	Voyage Expenses	Adjustments[1]	Net Revenues As adjusted	Revenue Days	Average TCE per Revenue Day[1]
Three months ended June 30, 2017							
Voyage-charter contracts	Suezmax	$ 11,763	($ 53)	$ 656	$ 12,366	716	$ 17,260

Voyage-charter contracts	Aframax	$ 6,907	($ 113)	$ 443	$ 7,237	524	$ 13,811
Time-charter out contracts	Suezmax	$ 3,588	($ 164)	$ 101	$ 3,525	182	$ 19,366
Time-charter out contracts	Aframax	$ 3,154	($ 174)	$ 102	$ 3,082	182	$ 16,936
Total		$ 25,412	($ 504)	$ 1,302	$ 26,210	1,604	$ 16,336

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(all amounts in thousands of U.S. dollars, except days and per revenue day)	Revenues	Voyage Expenses	Adjustments[1]	Net Revenues As adjusted	Revenue Days	Average TCE per Revenue Day[1]
Three months ended June 30, 2016						
Voyage-charter contracts Suezmax	$ 26,961	($ 152)	$ 897	$ 27,706	889	$ 31,158
Voyage-charter contracts Aframax	$ 12,238		$ 422	$ 12,660	533	$ 23,769
Voyage-charter contracts Coated Aframax	$ 3,776		$ 114	$ 3,890	182	$ 21,371
Voyage-charter contracts VLCC	$ 59	$ 214		$ 273		
Total	$ 43,034	$ 62	$ 1,433	$ 44,529	1,604	$ 27,764
Six months ended June 30, 2017						
Voyage-charter contracts Suezmax	$ 33,267	($ 2,183)	$ 1,442	$ 32,526	1,599	$ 20,331
Voyage-charter contracts Aframax	$ 16,723	($ 191)	$ 936	$ 17,468	1,085	$ 16,100
Time-charter out contracts Suezmax	$ 3,805	($ 181)	$ 107	$ 3,731	193	$ 19,333
Time-charter out contracts Aframax	$ 5,681	($ 338)	$ 199	$ 5,542	328	$ 16,895
Total	$ 59,476	($ 2,893)	$ 2,684	$ 59,267	3,205	$ 18,486
Six months ended June 30, 2016						
Voyage-charter contracts Suezmax	$ 58,561	($ 811)	$ 1,941	$ 59,691	1,773	$ 33,636
Voyage-charter contracts Aframax	$ 27,001		$ 885	$ 27,886	1,079	$ 25,853
Voyage-charter contracts Coated Aframax	$ 8,090		$ 233	$ 8,323	364	$ 22,888
Voyage-charter contracts VLCC	($ 48)	($ 357)		($ 405)		
Total	$ 93,604	($ 1,168)	$ 3,059	$ 95,495	3,216	$ 29,694
Year ended December 31, 2016						
Voyage-charter contracts Suezmax	$ 95,585	($ 970)	$ 3,214	$ 97,829	3,607	$ 27,122
Voyage-charter contracts Aframax	$ 41,789	($ 109)	$ 1,686	$ 43,366	2,082	$ 20,829
Voyage-charter contracts Coated Aframax	$ 13,051		$ 430	$ 13,481	727	$ 18,543
Voyage-charter contracts VLCC	$ 689	($ 321)		$ 368		
Time-charter out contracts Aframax	$ 1,515	($ 80)	$ 62	$ 1,497	87	$ 17,203
Total	$ 152,629	($ 1,480)	$ 5,392	$ 156,541	6,503	$ 24,072
Year ended December 31, 2015						
Voyage-charter contracts Suezmax	$ 84,071	($ 4,170)	$ 7,975	$ 87,876	2,300	$ 38,207
Voyage-charter contracts Aframax	$ 67,792	($ 166)	$ 1,999	$ 69,625	2,163	$ 32,189
Voyage-charter contracts Coated Aframax	$ 20,143		$ 642	$ 20,785	730	$ 28,473
Voyage-charter contracts VLCC	$ 38,828	($ 8,010)	$ 971	$ 31,789	678	$ 46,886
Total	$ 210,834	($ 12,346)	$ 11,587	$ 210,075	5,871	$ 35,782

January 10, 2014 to December 31, 2014							
Voyage-charter contracts	Suezmax	$ 22,001	($ 914)	$ 1,937	$ 23,024	1,140	$ 20,196
Voyage-charter contracts	Aframax	$ 29,912	($ 8,707)	$ 2,347	$ 23,552	1,073	$ 21,950
Voyage-charter contracts	Coated Aframax	$ 7,297		$ 304	$ 7,601	406	$ 18,721
Voyage-charter contracts	VLCC	$ 20,881	($ 11,272)	$ 572	$ 10,181	474	$ 21,479
Total		$ 80,091	($ 20,893)	$ 5,160	$ 64,358	3,093	$ 20,807

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(1) Average TCE per revenue day excludes pool management fees and commissions payable for commercial management for TIL vessels and off-hire bunker and other expenses, all of which are included as part of the adjustments. Revenue days are the total number of calendar days TIL vessels were in TIL s possession during a period, less the total number of off-hire days during the period associated with major repairs, dry dockings or special or intermediate surveys. Consequently, revenue days represents the total number of days available for the vessel to earn revenue. Idle days, which are days when the vessel is available for the vessel to earn revenue yet is not employed, are included in revenue days. TIL uses revenue days to explain changes in its net revenues between periods.

Results of Operations

Three and Six Months Ended June 30, 2017 versus Three and Six Months Ended June 30, 2016

The following table presents TIL s operating results for the three months ended June 30, 2017 and 2016.

	Three Months Ended June 30,		
(in thousands of U.S. dollars)	**2017**	**2016**	**% Change**
Revenues	25,412	43,034	(41)
Voyage expenses	(504)	62	n/a
Net revenues	24,908	43,096	(42)
Vessel operating expenses	(14,447)	(14,222)	2
Depreciation and amortization	(8,742)	(8,769)	(1)
General and administrative expenses	(2,817)	(1,839)	53
(Loss) income from vessel operations	(1,098)	18,266	n/a
Interest income	83	30	177
Interest expense	(4,506)	(4,680)	(4)
Other expenses	(262)	(1,016)	(74)
Net (loss) income	(5,783)	12,600	n/a

The following table presents TIL s operating results for the six months ended June 30, 2017 and 2016.

	Six Months Ended June 30,		
(in thousands of U.S. dollars)	**2017**	**2016**	**% Change**
Revenues	59,476	93,604	(36)
Voyage expenses	(2,893)	(1,168)	148
Net revenues	56,583	92,436	(39)
Vessel operating expenses	(27,643)	(29,001)	(5)
Depreciation and amortization	(17,356)	(17,471)	(1)
General and administrative expenses	(4,348)	(3,623)	20
Gain on sale of vessels		1,228	n/a

Income from vessel operations	7,236	43,569	(83)
Interest income	133	85	56
Interest expense	(8,929)	(10,100)	(12)
Other expenses	(1,000)	(2,227)	(55)
Net (loss) income	(2,560)	31,327	n/a

Net Revenues. Net revenue decreased to $56.6 million for the six months ended June 30, 2017, from $92.4 million for the six months ended June 30, 2016, primarily due to:

a decrease of $23.0 million resulting from lower average TCE rates earned by TIL s Suezmax tankers;

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- a decrease of $9.9 million resulting from lower average TCE rates earned by TIL s Aframax tankers; and
- a decrease of $3.3 million resulting from lower average TCE rates earned by TIL s LR2 product tankers.

Net revenue decreased to $24.9 million for the three months ended June 30, 2017, from $43.1 million for the three months ended June 30, 2016, primarily due to:

- a decrease of $11.7 million resulting from lower average TCE rates earned by TIL s Suezmax tankers;
- a decrease of $4.4 million resulting from lower average TCE rates earned by TIL s Aframax tankers; and
- a decrease of $1.8 million resulting from lower average TCE rates earned by TIL s LR2 product tankers.

Vessel Operating Expenses. Vessel operating expenses decreased to $27.6 million for the six months ended June 30, 2017, from $29.0 million for the six months ended June 30, 2016, primarily due to:

- a decrease of $0.7 million relating to the timing and extent of planned vessel maintenance and repairs;
- a decrease of $0.5 million due to lower fleet overhead and lower crew manning costs; and
- a decrease of $0.2 million from the sale of two VLCCs in January 2016.

Vessel operating expenses increased to $14.4 million for the three months ended June 30, 2017, from $14.2 million for the three months ended June 30, 2016, primarily due to the timing and extent of planned vessel maintenance and repairs.

Depreciation and Amortization. Depreciation and amortization expense for the three and six months ended June 30, 2017 have remained consistent with the three and six months ended June 30, 2016.

General and Administrative Expenses. General and administrative expenses increased to $2.8 million and $4.3 million for the three and six months ended June 30, 2017, respectively, from $1.8 million and $3.6 million for the three and six months ended June 30, 2016, respectively. The increase primarily relates to higher corporate expenses incurred during the three and six months ended June 30, 2017.

Gain on Sale of Vessels. Gain on sale of vessels of $1.2 million for the six months ended June 30, 2016, relates to the sale of two VLCCs in January 2016.

Interest Expense. Interest expense decreased to $4.5 million and $8.9 million for the three and six months ended June 30, 2017, respectively, from $4.7 million and $10.1 million for the three and six months ended June 30, 2016, respectively, primarily due to a lower overall debt principal balance resulting from the principal prepayments of $96.5 million after the sale of the two VLCCs in 2016 and other prepayments and repayments of debt of $123.6 million and $24.1 million throughout 2016 and the first half 2017, respectively.

Other Expenses. Other expenses were $0.3 million and $1.0 million for the three and six months ended June 30, 2017, respectively, compared to $1.0 million and $2.2 million for the three and six months ended June 30, 2016, respectively. The decrease is primarily due to a decrease of TIL s estimate of freight tax expense for the three and six months ended June 30, 2017, due to lower vessel activity as compared to the same periods in 2016.

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Year Ended December 31, 2016 versus Year Ended December 31, 2015

The following table presents TIL s operating results for the years ended December 31, 2016 and 2015:

	Year Ended December 31,		
(in thousands of U.S. dollars)	**2016**	**2015**	**% Change**
Revenues	152,629	210,834	(28)
Voyage expenses	(1,480)	(12,346)	(88)
Net revenues	151,149	198,488	(24)
Vessel operating expenses	(57,593)	(59,126)	(3)
Depreciation and amortization	(35,050)	(32,893)	7
General and administrative expenses	(6,938)	(6,285)	10
Gain on sale of vessels	1,228		n/a
Income from operations	52,796	100,184	(47)
Interest income	148	149	(1)
Interest expense	(19,124)	(22,308)	(14)
Other expenses	(2,690)	(2,227)	21
Net income	31,130	75,798	(59)

Net Revenues. Net revenue decreased to $151.1 million for 2016 from $198.5 million for 2015 primarily due to:

a decrease of $30.6 million from the sale of two VLCCs in January 2016;

a decrease of $24.6 million resulting from lower average TCE rates earned by TIL s Aframax tankers in 2016 compared to 2015;

a decrease of $15.9 million resulting from lower average TCE rates earned by TIL s Suezmax tankers in 2016 compared to 2015; and

a decrease of $7.2 million resulting from lower average TCE rates earned by TIL s LR2 product tankers in 2016 compared to 2015;

partially offset by

an increase of $30.6 million resulting from the addition of six Suezmax tankers acquired in the third quarter of 2015.

Vessel Operating Expenses. Vessel operating expenses decreased to $57.6 million for 2016 from $59.1 million for 2015 primarily due to:

- a decrease of $7.3 million due to the sale of two VLCCs in January 2016;
- a decrease of $1.1 million relating to the timing and extent of planned vessel maintenance and repairs; and
- a decrease of $0.8 million due to lower port costs and fleet overhead costs relating to the timing of seafarer training and other initiatives;

partially offset by

- an increase of $7.6 million due to the acquisition of six Suezmax tankers in the third quarter of 2015.

Depreciation and Amortization. Depreciation and amortization increased to $35.1 million for 2016 from $32.9 million for 2015. The increase primarily relates to the addition of six Suezmax tankers acquired in 2015 and higher amortization of dry-docking expenditures in 2016 as compared to the prior year. This was partially offset by the sale of two VLCC tankers in January 2016.

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General and Administrative Expenses. General and administrative expenses increased to $6.9 million for 2016 from $6.3 million for 2015. The increase primarily relates to a net increase of $0.6 million as a result of higher corporate expenses incurred during 2016 relating to the six Suezmax tankers acquired in 2015, partially offset by the sale of two VLCCs in January 2016.

Gain on Sale of Vessels. Gain on sale of vessels of $1.2 million for the year ended December 31, 2016 primarily relates to the sale of two VLCCs in January 2016.

Interest Expense. Interest expense decreased to $19.1 million for 2016 from $22.3 million for 2015, primarily due to lower overall debt principal balance resulting from the principal prepayments of $96.5 million after the sale of the two VLCCs in 2016 and a total of $123.5 million of other prepayments and repayments of debt throughout 2016.

Other Expenses. Other expenses were $2.7 million in 2016, compared to $2.2 million in 2015. The increase is primarily due to an increase of TIL s estimate of freight tax expense for the year ended December 31, 2016 due to higher vessel activity as compared to the prior year.

Year Ended December 31, 2015 versus Period Ended December 31, 2014

The following table presents TIL s operating results for the year ended December 31, 2015 and the period from incorporation on January 10, 2014 to December 31, 2014:

(in thousands of U.S. dollars)	**Year Ended December 31, 2015**	**Date of incorporation on January 10, 2014 to December 31, 2014**
Revenues	210,834	80,091
Voyage expenses	(12,346)	(20,893)
Net revenues	198,488	59,198
Vessel operating expenses	(59,126)	(32,823)
Depreciation and amortization	(32,893)	(16,042)
General and administrative expenses	(6,285)	(4,069)
Income from operations	100,184	6,264
Interest income	149	472
Interest expense	(22,308)	(9,175)
Other expenses	(2,227)	(681)
Net income (loss)	75,798	(3,120)

Net Revenues. Net revenue increased to $198.5 million for 2015 from $59.2 million for 2014 primarily due to:

an increase of $62.4 million from more revenue days in 2015 compared to 2014 due to the addition of two VLCCs, six Aframax tankers and two LR2 product tankers acquired in 2014;

an increase of $26.0 million from the acquisition of six Suezmax tankers in 2015;

an increase of $21.2 million resulting from higher average TCE rates earned by TIL s Suezmax tankers in 2015 compared to 2014;

an increase of $12.0 million resulting from higher average TCE rates earned by TIL s VLCCs in 2015 compared to 2014;

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- an increase of $11.0 million resulting from higher average TCE rates earned by TIL s Aframax tankers in 2015 compared to 2014; and

- an increase of $4.0 million resulting from higher average TCE rates earned by TIL s LR2 product tankers in 2015 compared to 2014.

Vessel Operating Expenses. Vessel operating expenses increased to $59.1 million for 2015 from $32.8 million for 2014 primarily due to the addition of two VLCCs, six Suezmax tankers, six Aframax tankers and two LR2 product tankers acquired in 2014 and six Suezmax tankers acquired in 2015.

Depreciation and Amortization. Depreciation and amortization increased to $32.9 million for 2015 from $16.0 million for 2014. The increase primarily relates to the addition of two VLCCs, six Suezmax tankers, six Aframax tankers and two LR2 product tankers acquired in 2014 and six Suezmax tankers acquired in 2015.

General and Administrative Expenses. General and administrative expenses increased to $6.3 million for 2015 from $4.1 million for 2014. The increase primarily relates to an increase of $2.2 million as a result of higher corporate expenses incurred during 2015 relating to the two VLCCs, six Suezmax tankers, six Aframax tankers and two LR2 product tankers acquired in 2014 and six Suezmax tankers acquired in 2015.

Interest Expense. Interest expense increased to $22.3 million for 2015 from $9.2 million for 2014, primarily due to additional interest incurred from new debt drawn in 2014 and 2015 to finance the acquisition of vessels.

Other Expenses. Other expenses were $2.2 million in 2015, compared to $0.7 million in 2014. The increase is primarily due to an increase of TIL s estimate of freight tax expense for the year ended December 31, 2015, due to higher vessel activity as compared to the prior year.

Liquidity and Capital Resources

Liquidity and Cash Needs

TIL s primary sources of liquidity are cash and cash equivalents, cash flows provided by TIL s operations, TIL s undrawn credit facilities, proceeds from sales of vessels, and capital raised through financing transactions. TIL s total liquidity, including cash, cash equivalents and undrawn credit facilities, was $89.7 million as at June 30, 2017, $109.9 million as at December 31, 2016 and $68.4 million as at December 31, 2015. The decrease in liquidity during the first half of 2017 was primarily due to a reduction in the value of the underlying secured assets and partially offset by net operating cash flow net of scheduled debt repayments during this period. The increase in liquidity during 2016 was primarily due to net operating cash flow net of scheduled debt repayments during this period as well as the additional liquidity generated from the sale of two VLCCs in January 2016 net of debt repayments. TIL anticipates that its primary sources of funds for its liquidity needs will be cash flows from operations, existing cash and cash equivalents and undrawn long-term borrowings, which TIL believes will be sufficient to meet its existing liquidity needs for at least the 12 months following June 30, 2017.

TIL s short-term liquidity requirements include the payment of operating expenses, dry-docking expenditures, debt servicing costs, scheduled repayments of long-term debt, as well as funding TIL s other working capital requirements. TIL hase not paid any dividends since its incorporation on January 10, 2014. TIL s short-term charters and spot market tanker operations contribute to the volatility of TIL s net operating cash flow, and thus TIL s ability to generate sufficient cash flows to meet TIL s short-term liquidity needs. Historically, the tanker industry has been cyclical, experiencing volatility in profitability and asset values resulting from changes in the supply of, and demand for, vessel capacity. In addition, tanker spot markets historically have exhibited seasonal variations in charter rates. Tanker spot markets are typically stronger in the winter months as a result of increased oil consumption in the northern hemisphere and unpredictable weather patterns that tend to disrupt vessel scheduling.

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TIL s long-term capital needs are primarily for capital expenditures and debt repayment. Generally, TIL expects that its long-term sources of funds will be cash balances, long-term bank borrowings and other debt or equity financings. TIL expects that it will rely upon external financing sources, including bank borrowings and the issuance of debt and equity securities, to fund acquisitions and expansion capital expenditures.

TIL s revolving credit facilities and term loans are described in Note 2 Long-Term Debt to TIL s consolidated financial statements for the three and six months ended June 30, 2017 included in this joint proxy statement/prospectus. TIL s revolving credit facilities and term loans contain covenants and other restrictions TIL believes are typical of debt financing collateralized by vessels, including those that restrict the relevant subsidiaries from incurring or guaranteeing additional indebtedness, making certain negative pledges or granting certain liens, and selling, transferring, assigning or conveying assets. Some of the covenants and restrictions in TIL s financing agreements could restrict TIL s ability to pay dividends on its common stock. However, as of the date of this joint proxy statement/prospectus, TIL does not expect that these covenants will have such an effect. TIL s revolving credit facilities and term loans require TIL to maintain financial covenants. Should TIL not meet these financial covenants, the lender may declare TIL s obligations under the agreements immediately due and payable and terminate any further loan commitments, which would significantly affect TIL s short-term liquidity requirements. As at June 30, 2017, TIL was in compliance with all covenants in respect of these credit facilities.

Passage of any climate control legislation or other regulatory initiatives that restrict emissions of greenhouse gases could have a significant financial and operational impact on TIL s business, which TIL cannot predict with certainty at this time. Such regulatory measures could increase TIL s costs related to operating and maintaining TIL s vessels and require TIL to install new emission controls, acquire allowances or pay taxes related to TIL s greenhouse gas emissions, or administer and manage a greenhouse gas emissions program. In addition, increased regulation of greenhouse gases may, in the long-term, lead to reduced demand for oil and reduced demand for TIL s services.

Cash Flow

Operating Activities

Net cash flow provided by operating activities in each period is primarily impacted by the size of TIL s fleet, the TCE rates TIL s vessels earn and the number of vessels required to enter drydock for regularly scheduled inspection and maintenance. In addition, due to the volatility of TCE rates and the lag between monthly net pool revenue and receipt of monthly cash distributions, there can be a significant amount of the change in non-cash working capital items related to operating activities.

TIL s net cash flow provided by operating activities increased from an outflow of $16.4 million in 2014 to inflows of $86.2 million in 2015 and $92.5 million in 2016. The increases over this three-year period were primarily due to the following:

TIL s first vessel purchase was four vessels in February 2014; TIL s fleet increased to 14 vessels by December 31, 2014. During 2015, TIL acquired six additional vessels and sold two vessels in early 2016. The increase in fleet size over this three year period has resulted in an increase in net cash flow provided by operating activities over this period.

The average TCE rate across TIL s fleet strengthened in 2015 but weakened in 2016. The average TCE rate increased from $20,807 in 2014 to $35,782 in 2015, and decreased to $24,072 in 2016.

The number of scheduled dry dockings for TIL s vessels consisted of seven vessels in 2014, three vessels in 2015 and one vessel in 2016. As a result, cash used for dry-docking expenditures was $15.9 million in 2014, $6.6 million in 2015 and $0.8 million in 2016.

TIL s net cash flow provided by operating activities decreased from $70.6 million in the first half of 2016 to $29.7 million in the first half of 2017. Such decrease was primarily due to lower TCE rates.

Financing Activities

TIL raised $408.1 million from the issuance of shares of TIL common stock in 2014 and borrowed $181.1 million in 2014 and $347.1 million in 2015 in order to finance the acquisition of 14 vessels in 2014 and 6 vessels in 2015.

TIL s loan agreements typically require TIL to repay amounts borrowed on a scheduled basis over the term of the loan. Scheduled repayments of long-term debt were $14.6 million in 2014, $38.7 million in 2015, $41.8 million in 2016, $19.1 million in the first half of 2017 and $21.1 million in the first half of 2016.

TIL s loan agreements typically enable TIL to prepay amounts borrowed and TIL would typically use excess cash generated from operations or vessel sales to make such prepayments. Prepayments of long-term debt were $59.7 million in 2015, $178.3 million in 2016, $5.0 million in the first half of 2017 and $173.3 million in the first half of 2016.

The TIL Board authorized the repurchase of shares of TIL common stock in the open market of up to $30 million in October 2014, $30 million in September 2015 and $60 million in February 2016. Pursuant to these authorizations, TIL used $15.3 million to repurchase 1.5 million shares in 2014, $40.6 million to repurchase 3.3 million shares in 2015, and $31.8 million to repurchase 3.3 million shares in 2016.

Investing Activities

TIL spent $473.4 million in 2014 and $320.5 million in 2015 to acquire two VLCCs, four Suezmax tankers, six Aframax tankers and two coated Aframax tankers in 2014 and six Suezmax tankers in 2015. In January 2016, TIL sold two 2010-built VLCCs, the *Hemsedal Spirit* and *Voss Spirit*, for net proceeds of $151.5 million.

Commitments and Contingencies

The following table summarizes TIL s long-term contractual obligations as at June 30, 2017:

(in millions of U.S. dollars)	**Total**	**Remainder of 2017**	**2018**	**2019**	**2020**	**2021**
U.S. Dollar-Denominated Obligations						
Scheduled repayments of revolving facilities and term loans(1)	342.1	19.1	38.2	113.2	91.1	80.5

(1) Excludes all expected interest payments of $7.2 million (remainder of 2017), $13.0 million (2018), $9.6 million (2019), $4.9 million (2020) and $1.4 million (2021). Expected interest payments are based on the existing interest rates (fixed-rate loans) and LIBOR at June 30, 2017, plus margins on debt that has been drawn that range from 0.5% to 3.5%.

Off-Balance Sheet Arrangements

TIL has no off-balance sheet arrangements that have, or are reasonably likely to have, a current or future material effect on TIL s financial condition, results of operations, liquidity, capital expenditures or capital resources.

Critical Accounting Estimates

TIL prepares its consolidated financial statements in accordance with GAAP, which requires TIL to make estimates in the application of its accounting policies based on TIL s best assumptions, judgments and opinions. On a regular basis, management reviews the accounting policies, assumptions, estimates and judgments to ensure that TIL s consolidated financial statements are presented fairly and in accordance with GAAP. However, because future events and their effects cannot be determined with certainty, actual results could differ from TIL s assumptions and estimates, and such differences could be material. Accounting estimates and assumptions discussed in this section are those that TIL considers to be the most critical to an understanding of its financial statements because they inherently involve significant judgments and uncertainties. For a further description of TIL s material accounting policies, please read Note 3 Significant Accounting Policies to TIL s consolidated financial statements included in this joint proxy statement/prospectus.

Revenue Recognition

Description. TIL recognizes revenue from time charters daily over the term of the charter as the applicable vessel operates under the charter. TIL does not recognize revenues during days that the vessel is off hire. When the time charter contains a profit-sharing agreement, TIL recognizes the profit-sharing or contingent revenues when the contingency is resolved. All revenues from voyage charters are recognized on a proportional performance method. TIL uses a discharge-to-discharge basis in determining the proportional performance for all spot voyages. TIL does not begin recognizing revenue until a charter has been agreed to by the customer and TIL, even if the vessel has discharged its cargo and is sailing to the anticipated load port on its next voyage. The consolidated balance sheets reflect the deferred portion of revenues and expenses, which will be earned in subsequent periods.

Judgments and Uncertainties. In applying the proportionate performance method, TIL believes that in most cases the discharge-to-discharge basis of calculating voyages more accurately reflects voyage results than the load-to-load basis. At the time of cargo discharge, TIL generally has information about the next load port and expected discharge port, but at the time of loading TIL is typically less certain what the next load port will be. TIL uses this method of revenue recognition for all spot voyages. However TIL does not begin recognizing revenue for any of its vessels until a charter has been agreed to by the customer and TIL, even if the vessel has discharged its cargo and is sailing to the anticipated load port on its next voyage.

Effect if Actual Results Differ from Assumptions. If actual results are not consistent with TIL s estimates in applying the proportionate performance method, TIL s revenues could be overstated or understated for any given period by the amount of such difference.

Vessel Lives and Impairment

Description. TIL reviews vessels and equipment for impairment whenever events or circumstances indicate the carrying value of an asset, including the carrying value of the charter contract, if any, under which the vessel is employed, may not be recoverable. This occurs when the asset s carrying value is greater than the future undiscounted cash flows the asset is expected to generate over its remaining useful life. If the estimated future undiscounted cash flows of an asset exceed the asset s carrying value, no impairment is recognized even though the fair value of the asset may be lower than its carrying value. If the estimated future undiscounted cash flows of an asset are less than the asset s carrying value and the fair value of the asset is less than its carrying value, the asset is written down to its fair value. Fair value is calculated as the net present value of estimated future cash flows, which, in certain circumstances, will approximate the estimated market value of the vessel. For a vessel under charter, the discounted cash flows from that vessel may exceed its market value, as market values may assume the vessel is not employed on an existing charter.

Judgments and Uncertainties. Depreciation is calculated using an estimated useful life of 25 years for conventional crude oil and product tankers, commencing at the date the vessel was originally delivered from the shipyard. However, the actual life of a vessel may be different than the estimated useful life, with a shorter actual useful life resulting in an increase in quarterly depreciation and potentially resulting in an impairment loss. The estimated useful life of TIL s vessels takes into account design life, commercial considerations and regulatory restrictions. TIL s estimates of future cash flows involve assumptions about future charter rates, vessel utilization, operating expenses, dry-docking expenditures, vessel residual values and the remaining estimated life of TIL s vessels. TIL s estimated charter rates are based on rates under existing vessel contracts and market rates at which TIL expects it can re-charter its vessels. TIL s estimates of vessel utilization, including estimated off-hire time, are based on historical experience and TIL s projections of the number of future conventional tanker voyages. TIL s estimates of operating expenses and dry-docking expenditures are based on historical operating and dry-docking costs and TIL s expectations of future inflation and operating requirements. Vessel residual values are a product of a vessel s lightweight tonnage and an estimated scrap rate. The remaining estimated lives of TIL s vessels used in TIL s estimates of future cash flows are consistent with those used in the calculations of depreciation.

In TIL s experience, certain assumptions relating to TIL s estimates of future cash flows are more predictable by their nature, including estimated revenue under existing contract terms, on-going operating costs and remaining vessel life. Certain assumptions relating to TIL s estimates of future cash flows require more discretion and are inherently less predictable, such as future charter rates beyond the firm period of existing contracts and vessel residual values, due to factors such as the volatility in vessel charter rates and vessel values. TIL believes that the assumptions used to estimate future cash flows of its vessels are reasonable at the time they are made. TIL can make no assurances, however, as to whether its estimates of future cash flows, particularly future vessel charter rates or vessel values, will be accurate.

Effect if Actual Results Differ from Assumptions. If TIL concludes that a vessel or equipment is impaired, TIL recognizes a loss in an amount equal to the excess of the carrying value of the asset over its fair value at the date of impairment. The written-down amount becomes the new lower cost basis and will result in a lower annual depreciation expense than for periods before the vessel impairment.

Dry docking

Description. TIL capitalizes a substantial portion of the costs TIL incurs during dry docking and amortizes those costs on a straight-line basis from the completion of a dry docking to the estimated date of completion of the next dry docking. TIL immediately expenses costs for routine repairs and maintenance performed during dry docking that do not improve or extend the useful lives of the assets.

Judgments and Uncertainties. Amortization of capitalized dry-docking expenditure requires TIL to estimate the period of the next dry docking. While TIL typically dry docks each vessel every two and a half to five years, TIL may dry dock the vessels at an earlier date. The actual life of a vessel may be different, with a shorter life resulting in an increase in the quarterly depreciation and potentially resulting in an impairment loss. The estimates and assumptions regarding expected cash flows require considerable judgment and are based upon existing contracts, historical experience, financial forecasts and industry trends and conditions. TIL is not aware of any indicators of impairments nor any regulatory changes or environmental liabilities that it anticipates will have a material impact on its current or future operations.

Effect if Actual Results Differ from Assumptions. If TIL changes its estimate of the next dry dock date, TIL will adjust its annual amortization of dry-docking expenditures.

Quantitative and Qualitative Disclosures About Market Risk

TIL is exposed to market risk from changes in interest rates, foreign currency fluctuations and spot market rates. As of June 30, 2017 and during previous periods, TIL has not used financial instruments to manage these market risks.

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RELATED PARTY TRANSACTIONS

Described below are related party transactions between TIL and Teekay Tankers or its affiliates, including Teekay Corporation, the controlling shareholder of Teekay Tankers. The following should be read in conjunction with the other information in this joint proxy statement/prospectus and the information incorporated by reference into this joint proxy statement/prospectus.

TIL Officers and Certain of its Directors

William Hung, Scott Gayton and Edith Robinson, TIL s Chief Executive Officer, Chief Financial Officer and Secretary, respectively, are also employees of Teekay Corporation or its subsidiaries. Mr. Hung also serves as Executive Vice President, Strategic Development, of Teekay Corporation; Mr. Gayton also serves as Vice President, Finance, of Teekay Corporation; and Ms. Robinson also serves as Secretary of Teekay Tankers and of the general partner of each of Teekay LNG Partners L.P. and Teekay Offshore Partners L.P, which are affiliates of Teekay Corporation.

Kenneth Hvid, a director of TIL, is also the President and Chief Executive Officer of Teekay Corporation and a director of Teekay Tankers and the general partner of Teekay Offshore Partners L.P.

William Lawes, a director of TIL, is also a director of Teekay Tankers.

Shareholdings in TIL

As of the date of this joint proxy statement/prospectus, Teekay Tankers owned approximately 11.3% of the outstanding TIL common stock and the sole share of Series A-2 preferred stock of TIL and Teekay Corporation owned approximately 8.2% of the outstanding shares of TIL common stock and the sole share of Series A-1 preferred stock of TIL. In addition, directors and executive officers of Teekay Tankers and Teekay Corporation and their affiliates owned (directly or indirectly) and had the right to vote approximately [ ]% of the TIL common stock entitled to be voted at the TIL Special Meeting.

Transactions Relating to TIL s January 2014 Formation and Private Placement

In January 2014, Teekay Corporation and Teekay Tankers jointly created TIL and TIL effected a $250 million private placement of shares of its common stock, in which private placement each of Teekay Corporation and Teekay Tankers invested $25 million. In connection with TIL s formation and the January 2014 private placement, Teekay Tankers or Teekay Corporation or its affiliates entered into the transactions with TIL described below.

Renunciation of Business Opportunities and Noncompetition Agreement

Renunciation of Business Opportunities. Article VI of TIL s Articles of Incorporation provides that, unless otherwise agreed in writing and to the fullest extent permitted by law, Teekay Corporation, Teekay Tankers and certain of their affiliates may engage in the same or similar activities or lines of business as TIL, and that TIL is deemed to have no interest or expectancy in any business opportunity, transaction or other matter (including, without limitation, any opportunity to charter out, charter in, lease or acquire oil or product tankers or to acquire oil or product tanker businesses) (each a *Business Opportunity*) in which any of Teekay Corporation, Teekay Tankers and such affiliates engages or seeks to engage merely because TIL engages in the same or similar activities or lines of business as any of those involved in or implicated by such Business Opportunity. In addition, if any of Teekay Corporation, Teekay Tankers or certain of their affiliates acquires knowledge of a potential Business Opportunity, it has no duty to communicate or offer such Business Opportunity to TIL. This provision effectively limits the fiduciary duties TIL or its shareholders otherwise may be owed regarding these Business Opportunities by the TIL directors and officers who also serve as directors or officers of Teekay Corporation, Teekay Tankers or their other affiliates.

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Article VI of TIL s Articles of Incorporation will automatically terminate with respect to Teekay Corporation and its applicable affiliates or Teekay Tankers and its applicable affiliates if Teekay Corporation and such affiliates or Teekay Tankers and such affiliates, as applicable, no longer retain beneficial ownership of at least (a) an aggregate of 5.0 million shares of TIL common stock, if Teekay Corporation and Teekay Tankers remain affiliates, or (b) 2.5 million shares of TIL common stock, if Teekay Corporation and Teekay Tankers no longer are affiliates. Holders of over 80% of TIL s voting shares may amend Article VI of TIL s Articles of Incorporation.

Noncompetition Agreement. In January 2014, TIL entered into a noncompetition agreement with Teekay Corporation and Teekay Tankers, in which TIL agreed that until January 2029, it would not (a) own, lease, operate or charter any (i) dynamically-positioned shuttle tanker, (ii) floating storage and offtake unit, (iii) floating production, storage and offloading unit or (iv) liquefied natural gas or liquefied petroleum gas carrier or (b) engage in or acquire or invest in any business (each a *Restricted Business*) that owns, leases, operates or charters any such tanker, unit or carrier; provided, however, that the acquisition of up to a 9.9% equity ownership, voting or profit participation interest in any publicly traded entity that engages in a Restricted Business is permitted. This provision of the noncompetition agreement will automatically terminate if Teekay Corporation and its affiliates no longer retain beneficial ownership of at least (a) an aggregate of 5.0 million shares of TIL common stock, so long as Teekay Corporation and Teekay Tankers remain affiliates, or (b) 2.5 million shares of TIL common stock, if Teekay Corporation and Teekay Tankers no longer are affiliates.

The noncompetition agreement also includes allocations of Business Opportunities and TIL renunciations of Business Opportunities in favor of Teekay Corporation and Teekay Tankers and their affiliates similar to the allocations and renunciations in Article VI of TIL s Articles of Incorporation.

These Business Opportunity provisions of the noncompetition agreement will automatically terminate on the date that (i) Teekay Corporation and its affiliates no longer hold the applicable minimum TIL shareholdings described above and (ii) no person who is a director or officer of TIL or its subsidiaries is also a director or officer of any of Teekay Corporation or certain of its affiliates or Teekay Tankers or certain of its affiliates.

Preferred Share Issuance

TIL has two series of preferred stock outstanding: Series A-1 preferred stock and Series A-2 preferred stock. The authorized number of shares of Series A-1 preferred stock and Series A-2 preferred stock is each one share. In January 2014, TIL issued the one share of Series A-1 preferred stock to Teekay Corporation and the one share of Series A-2 preferred stock to Teekay Tankers.

So long as Teekay Corporation and its affiliates retain beneficial ownership of at least (a) an aggregate of 5.0 million shares of TIL common stock, as long as Teekay Corporation and Teekay Tankers remain affiliates, or (b) 2.5 million shares of TIL common stock, if Teekay Corporation and Teekay Tankers no longer are affiliates, the holder of the one share of Series A-1 preferred stock, voting as a single class, is entitled to elect one director. Pursuant to this right, Teekay Corporation has elected its Chief Executive Officer, Kenneth Hvid, as a director of TIL.

So long as Teekay Tankers and its affiliates retain beneficial ownership of at least (a) an aggregate of 5.0 million shares of TIL common stock, as long as Teekay Corporation and Teekay Tankers remain affiliates, or (b) 2.5 million shares of TIL common stock, if Teekay Corporation and Teekay Tankers no longer are affiliates, the holder of the one share of Series A-2 preferred stock, voting as a single class, is entitled to elect one director. Pursuant to this right, Teekay Tankers has elected William Lawes, a Teekay Tankers director, also as a director of TIL.

The shares of TIL preferred stock have no other voting rights except as required by law, including to vote on the Merger as a separate class of shares; provided, however, that the Merger Agreement requires the affirmative vote of each outstanding share of TIL preferred stock in favor of the Merger Agreement. Pursuant to the Teekay Voting and Support Agreement, each of Teekay Corporation and Teekay Tankers has agreed to vote its respective share of preferred stock in favor of approval of the Merger Agreement. Please see the Teekay Voting and Support Agreement included in this joint proxy statement/prospectus as Appendix B and the section of this joint proxy statement/prospectus entitled The Teekay Voting and Support Agreement. The shares of TIL preferred stock are not entitled to any dividends or distributions.

Warrants for TIL Common Stock

During January 2014, TIL issued to Teekay Corporation and Teekay Tankers warrants entitling the holders to purchase, in the aggregate, up to 1.5 million shares of TIL common stock. The warrants entitle the holders to purchase the shares of TIL common stock at a fixed price of $10.00 per share, which price was equivalent to NOK 61.67 on the date the warrants were issued. Alternatively, the holders may also exercise the warrants at NOK 61.67 per share using a cashless exercise procedure. The warrants expire on January 23, 2019. For purposes of vesting, the stock purchase warrants are divided into four equally sized tranches. If shares of TIL common stock trade on a National Stock Exchange or over-the-counter market denominated in NOK, each tranche vests and become exercisable when and if the fair market value of a share of TIL common stock equals or exceeds NOK 77.08, NOK 92.50, NOK 107.91 and NOK 123.33 for such tranche for any 10 consecutive trading days in which there is a cumulative trading volume of at least NOK 12.333 million. The warrants will automatically and fully vest and become exercisable immediately prior to (a) certain mergers or consolidations involving TIL, (b) the sale or other disposition of all or substantially all of TIL s assets or (c) the acquisition by a person, entity or affiliated group (other than Teekay Corporation, Teekay Tankers or any of their affiliates) of over 50% of the then outstanding shares of TIL common stock. As of September 30, 2017, the first two tranches of the stock purchase warrants had vested.

Each of Teekay Corporation and Teekay Tankers have agreed that the warrants will cease to be outstanding, be canceled without any conversion thereof or payment of any consideration therefor and cease to exist immediately prior to the Merger. Based on the share price of TIL s common stock as of the date of this joint proxy statement/prospectus, Teekay Corporation and Teekay Tankers do not intend to exercise any of the stock purchase warrants prior to the Merger, given they are currently out-of-the-money.

License Agreement

In January 2014, Teekay Corporation entered into a trademark license agreement with TIL pursuant to which Teekay Corporation has granted to TIL a non-exclusive, non-transferable, royalty-free, worldwide right to use the registered and unregistered trademarks of Teekay Corporation in connection with the use of TIL s vessels for the shipping of crude oil and refined oil products. The license may be terminated by either TIL or Teekay Corporation with 30 days written notice.

Management Agreement

In January 2014, TIL entered into a comprehensive, long-term management agreement (the *TIL Management Agreement*) with the Manager, pursuant to which the Manager provides to TIL and its subsidiaries substantially all required services and personnel in exchange for management services fees.

Services Provided. Under the TIL Management Agreement, the Manager, as the exclusive manager, is responsible for providing to TIL the following services:

commercial management services, including marketing and securing and administering charters and revenue sharing or pooling arrangements for vessel employment;

ship management services, which include: technical management; crew management; insurance; dry-docking repairs and improvements; and regulatory compliance services; and corporate services, which include, among others: accounting; financial and tax reporting; budgets and corporate planning; legal and securities compliance; cash management; acquisitions and finance; pre-delivery services; and other corporate services.

The Manager also provides TIL s personnel, including its officers.

Agreement Term and Termination. Subject to the termination rights described below, the initial term of the TIL Management Agreement ends in January 2029. If notice of termination is not provided by TIL in the first quarter of the year immediately preceding the end of the initial term or a renewal term, as applicable, the TIL Management Agreement will automatically renew for consecutive five-year terms.

TIL has limited rights to terminate the TIL Management Agreement. TIL may terminate the TIL Management Agreement prior to the end of the initial term or a renewal term, as applicable, under any of the following circumstances:

- if the Manager materially breaches the TIL Management Agreement and the matter is unresolved after 90 days following delivery by TIL to the Manager of a notice of breach;
- if (i) the Manager has been convicted of, or has entered into a plea bargain, plea of guilty, or plea of *nolo contendre* or settlement admitting guilt for a crime, which conviction, plea bargain or settlement is demonstrably and materially injurious to TIL and (ii) the holders of a majority of the outstanding shares of TIL common stock elect to terminate the TIL Management Agreement;
- if the Manager becomes insolvent, declares bankruptcy or commences reorganization, dissolution or similar proceedings; or
- if any person or persons, other than Teekay Corporation, Teekay Tankers and their respective affiliates, acquires control of the Manager.

The Manager may terminate the TIL Management Agreement prior to the end of the initial term or a renewal term, as applicable, under the following circumstances:

- after the fifth anniversary of the date of the TIL Management Agreement with 12 months prior notice to TIL;
- if at any time TIL materially breaches the TIL Management Agreement and the matter is unresolved after 90 days following delivery by the Manager to TIL of a notice of breach; or
- after a change of control (as defined in the TIL Management Agreement) of TIL, provided that the Manager terminates the TIL Management Agreement no later than 180 days after having received a written notice from TIL or its successor. A change of control excludes certain transactions with or involving Teekay Corporation, Teekay Tankers, Blue Mountain Capital Management LLC, Tennenbaum Capital Partners LLC

or Greywolf Capital Management LP or any their respective affiliates.

In connection with any termination due to a breach of the TIL Management Agreement by TIL as described in the second bullet point above, TIL will be required to pay to the Manager (in addition to all amounts owing to the Manager under the TIL Management Agreement) as a termination payment, an amount equal to the product of (a) the number of vessels in TIL s fleet at the time of termination multiplied by (b) $160,000 multiplied by (c) the lesser of (i) five and (ii) the number of years then remaining during the term of the TIL Management Agreement (without giving effect to the early termination). Such payment shall be payable within 30 days following the date the TIL Management Agreement terminates.

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Fees for Services. In return for the services provided under the TIL Management Agreement, TIL pays the Manager management services fees comprised of the following components:

- *Commercial management services fee*. As of the date of this joint proxy statement/prospectus, TIL pays a fee to the Manager for commercial services it provides to TIL equal to: between $275 and $350 per vessel per day plus 1.25% of the gross revenue attributable to the vessel. This fee is not payable in relation to a vessel that is managed as part of a revenue sharing or pooling arrangement under which an affiliate of the Manager or a third party collects a commercial management fee. The amount of this fee is subject to adjustment each year based on market rates for similar services provided by comparable third-party managers of comparable vessels.

- *Ship management services fee*. As of the date of this joint proxy statement/prospectus, TIL pays a fee to the Manager for the ship management services it provides to TIL equal to: $21,850 per vessel per month. The amount of this fee is subject to adjustment each year based on the percentage change in a consumer price index from the prior year and market rates for similar services provided by comparable third-party managers of comparable vessels.

- *Corporate services fee*. As of the date of this joint proxy statement/prospectus, TIL pays a fee to the Manager for the corporate services it provides to TIL equal to: $839 per vessel per day. This fee is subject to adjustment each year based on the percentage change in a consumer price index from the prior year.

- *Transaction fee*. If TIL enters into (a) a definitive agreement for the construction of a vessel or (b) a definitive agreement for the direct or indirect purchase, acquisition, sale or disposition of any vessel (and also including a definitive agreement for the capital lease of a vessel or similar transaction), TIL is required to pay to the Manager a fee in the amount of 1% of the aggregate consideration payable by or to TIL under the applicable definitive agreement for the vessel transaction.

TIL pays the management services fees in advance on a monthly basis. The management services fees do not include any reasonable out-of pocket costs and expenses incurred by the Manager and its affiliates in providing the management services. TIL pays the Manager such costs and expenses on a monthly basis, in advance, and the TIL Management Agreement provides a mechanism for any necessary reimbursement of such costs and expenses at the end of each quarter. TIL does not reimburse the Manager for personnel expenses other than certain crew employment and support expenses. TIL also pays a reasonable profit mark-up for vessel pre-delivery services.

Vessel Transactions; Vessel Financing Guarantee

In January 2014, TIL entered into a purchase agreement with Teekay Corporation to acquire four single-ship wholly-owned subsidiaries, each of which owns one 2009-built Suezmax tanker and is a borrower under a term loan facility. The acquisition was completed in February 2014 for a final purchase price of $11.0 million, consisting of $163.2 million for the vessels and $10.9 million for working capital, less $163.1 million for assumption of indebtedness under the term loan. TIL paid the net purchase price of $11.0 million in April 2014.

Teekay Corporation is a guarantor to the borrowers obligations under the term loan TIL assumed as part of the January 2014 vessel acquisition transaction. TIL has agreed to pay to Teekay Corporation, for its continuing guarantee of the term loan, an annual fee of 0.25% of the outstanding balance under the loan. TIL has also agreed to indemnify Teekay Corporation for any losses Teekay Corporation may suffer for claims made against it pursuant to the guarantee. As a guarantor under the term loan, Teekay Corporation is required to maintain certain financial covenants. A breach by Teekay Corporation of its financial covenants would constitute an event of default under the term loan. The guarantee fee paid to Teekay Corporation was $0.3 million, $0.4 million and $0.3 million for the years ended December 31, 2016 and 2015, and the period from the date of TIL s incorporation of January 10, 2014 to December 31, 2014, respectively. The guarantee fee paid to Teekay Corporation was $0.17 million for each of the six months ended June 30, 2016 and June 30, 2017. The balance of the term loan was $129.2 million, $141.1 million and $152.9 million at December 31, 2016, December 31, 2015 and December 31, 2014, respectively. The balance of the term loan was $135.2 million and $123.2 million at June 30, 2016 and June 30, 2017, respectively.

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In January 2014, Teekay Corporation transferred to TIL binding purchase agreements for the acquisition from a third party of four Aframax tankers. The four vessels were delivered between April and June 2014. The purchase price paid by TIL to the third party for the four vessels was an aggregate of $116.0 million.

In May 2014, TIL entered into a purchase agreement with Teekay Tankers to acquire two single-ship wholly-owned subsidiaries, each of which owns one 2009-built VLCC, in exchange for $155.7 million, which consisted of $154.0 million for the vessels and $1.7 million for working capital. TIL paid $154.0 million of the purchase price in May 2014 and the remainder of the purchase price in July 2014.

Revenue Sharing Arrangements

TIL and the Manager intend that all of TIL s Suezmax, Aframax and LR2 product tankers participate in commercial revenue sharing or pooling arrangements managed by affiliates of Teekay Corporation (or the *Pool Operators*), except for the vessels which are employed on time charter contracts. These arrangements include the Teekay Suezmax RSA (which replaced the Gemini Tankers Suezmax Pool beginning in November 2015), the Teekay Aframax RSA, the Teekay Aframax Classic RSA (which is for vessels over 15 years of age) and the Taurus RSA. Suezmax-class oil tankers that operate in the spot market or under time charters of less than one year participate in the Suezmax RSA; Aframax-class oil tankers 15 years of age or less that operate in the spot market or under time charters of less than 90 days participate in the Aframax RSA; Aframax-class oil tankers over 15 years of age that operate in the spot market or under time charters of less than 90 days participate in the Aframax Classic RSA; and LR2 product tankers that operate in the spot market or under time charters of less than one year participate in the Taurus RSA.

As of September 30, 2017, the Teekay Suezmax RSA included a total of 27 Suezmax tankers, the Teekay Aframax RSA included a total of 34 Aframax tankers, the Teekay Aframax Classic RSA included a total of 1 Aframax tankers and the Taurus RSA included a total of 10 product tankers.

Revenue Sharing

The revenue sharing arrangements provide a revenue sharing mechanism whereby aggregate revenues and related expenses of the arrangement are distributed to participants based on an allocation formula. Revenues generated by vessels operating in the arrangements less voyage expenses (such as fuel and port charges) incurred by these vessels and other applicable expenses are pooled and allocated according to a specified weighting system that recognizes each vessel s earnings capability based on its characteristics, speed and bunker consumption, as well as actual on-hire performance. The allocation for each vessel participating in the arrangement is established based on observations and historical consumption and performance measures of the individual vessel. Payments based on net cash flow applicable to each tanker are made on a monthly basis to participants and adjusted every six months based on the weighting system.

Services, Fees and Working Capital Advances

The Pool Operators provide commercial services to participants in the revenue sharing arrangements and otherwise administer the arrangement in exchange for a fee. The vessel owners remain responsible for the technical management of their vessels in the revenue sharing arrangements, and the Manager provides these technical services with respect to TIL s vessels pursuant to the TIL Management Agreement. The current commercial management fees for participants in the revenue sharing arrangements equal 1.25% of the gross revenues attributable to the participant s vessels plus a fixed fee per vessel per day equal to $350 (or $275 for the Taurus RSA).

Upon delivery of each of TIL s vessels to the revenue sharing arrangements, TIL is required to advance working capital in an aggregate amount of between $0.85 million and $1.5 million, depending upon the applicable revenue sharing arrangement and subject to adjustments made at the discretion of the applicable Pool

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Operator. TIL may be required to advance additional working capital funds from time to time. Working capital advances are returned when a vessel no longer participates in the revenue sharing arrangement, less any set-offs for outstanding liabilities or contingencies.

Term and Termination

Generally a participating vessel will no longer participate in the applicable revenue sharing arrangement if it becomes subject to a time charter with a term exceeding one year (or 90 days for vessels in the Teekay Aframax RSA or the Teekay Aframax Classic RSA), unless otherwise agreed by all participants. In addition, vessels no longer participate in the applicable arrangement if they suffer an actual or constructive total loss or if they are sold to or become controlled by a person who is not an affiliate of a party to the applicable revenue sharing arrangement.

There is no specific expiration date for the Teekay Suezmax RSA, the Taurus RSA or the Teekay Aframax Classic RSA. Subject to certain termination rights, the initial term of the Teekay Aframax RSA expires on December 31, 2022 and is subject to potential five-year renewal periods. The revenue sharing arrangements may be wound up if there are no participants. A participant in the arrangement may withdraw from these arrangements upon at least 90 days notice and will cease to participate in the applicable revenue sharing arrangement if, among other things, it materially breaches the applicable governing agreement and fails to resolve the breach within a specified cure period or it experiences certain bankruptcy events.

Certain Payment Amounts

Fees incurred by TIL for services rendered under the TIL Management Agreement and the revenue sharing arrangements for the periods indicated below were as follows:

(*in thousands of US Dollars*)	Year Ended December 31, 2016 $	Year Ended December 31, 2015 $	Date of Incorporation January 10, 2014, to December 31, 2014 $	Three Months Ended June 30, 2017 $	Three Months Ended June 30, 2016 $	Six Months Ended June 30, 2017 $	Six Months Ended June 30, 2016 $
Voyage expenses commercial management services	5,184	5,607	2,563	1,069	1,340	2,313	2,799
Vessel operating expenses ship management services	4,768	4,185	2,464	1,180	1,156	2,336	2,457
General and administrative corporate services	5,436	4,885	2,676	1,374	1,346	2,706	2,713
Vessels and equipment transaction services	1,550	3,150	4,507				1,551

In addition, TIL had advanced $20.5 million and $25.3 million as at December 31, 2016 and December 31, 2015, respectively, to the Pool Operators for working capital purposes under the revenue sharing arrangements.

As at December 31, 2016 and 2015, totals of $1.8 million and $3.0 million, respectively, were payable by TIL to a subsidiary of Teekay Corporation for reimbursement pursuant to the TIL Management Agreement of crewing and manning costs to operate TIL s vessels. As at December 31, 2016 and 2015, TIL had advanced $1.6 million and $2.9

million, respectively, to a subsidiary of Teekay Corporation to cover future non-manning vessel operating costs under the TIL Management Agreement.

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THE MERGER

Background of the Merger

The TIL Board has regularly monitored the shipping and financial markets for opportunities that may be available to achieve TIL s objective of opportunistically purchasing, operating and selling modern secondhand tankers to benefit from cyclical fluctuations in the tanker market. As part of the ongoing oversight of TIL s business, the TIL Board regularly reviews and discusses with TIL management the company s performance, future growth prospects and overall strategic direction, and considers ways to strengthen its business and enhance shareholder value. These reviews and discussions have included, among other things, the business environment facing the tanker industry, the market for crude oil and refined petroleum product transportation services, and the market value of TIL s vessels.

In October 2015, TIL received an unsolicited proposal from a special purpose acquisition company (or *SPAC*) for a merger with TIL. In connection with its consideration of this unsolicited proposal, the TIL Board contacted Evercore to provide financial advice. The TIL Board decided to review the strategic alternatives available to it, based on its belief that the SPAC s unsolicited proposal had a high level of execution risk given the typical special purpose acquisition company structure and process. After further discussions, the SPAC declined to proceed further with a possible acquisition. On January 29, 2016, TIL engaged Evercore as its financial advisor in connection with a broader review of strategic alternatives, including, but not limited to, a sale of TIL. At the time of Evercore s engagement, Teekay and its affiliates, including Teekay Tankers, had informed the TIL Board that Teekay and its affiliates were not interested in exploring a business combination with TIL. TIL also asked Sullivan & Cromwell to advise TIL as its outside legal counsel with respect to its review of strategic alternatives.

Between February and April 2016, at the direction of the TIL Board, Evercore contacted selected strategic counterparties unaffiliated with Teekay Corporation or Teekay Tankers to gauge their interest in a potential transaction with TIL, while at the same time advising the TIL Board regarding TIL continuing to follow its current business plan. This limited process and the discussions with selected strategic counterparties did not lead to any formal offer or indication of interest. Based on market feedback, the TIL Board determined that there were not any available strategic alternatives that were more attractive than TIL s current business plan at that time and that TIL should focus on executing on its current business plan.

In August 2016, representatives of TIL management asked Evercore to present to the TIL Board at the next board meeting an update with respect to TIL s potential strategic alternatives. On September 27, 2016, the TIL Board held a meeting with representatives of TIL management and Evercore in attendance. During the meeting, representatives of Evercore presented to the TIL Board its views on various strategic alternatives, including (i) executing TIL s current business plan, (ii) finding a strategic merger partner, (iii) selling the vessels owned by TIL in the sale and purchase market, (iv) increasing TIL s share repurchase program authorization, initially authorized on February 8, 2016 to repurchase up to $60 million of outstanding TIL common stock or (v) finding a buyer to take TIL private. Evercore discussed with the TIL Board certain considerations relating to each such strategic alternative, including the potential benefits and risks of each alternative with respect to market conditions, access to the capital markets, shareholder liquidity, capital requirements and share price. Following the meeting, the TIL Board decided to continue monitoring the market and remained open to potential strategic transactions should they arise.

Between October 17, 2016 and December 2, 2016, Evercore received five non-binding proposals from potential strategic counterparties that expressed an interest in engaging in a business combination with TIL. Two of the five non-binding proposals were from potential strategic counterparties that valued TIL s access to a public listing and understood that TIL might be willing to engage in a transaction that added significant scale to its existing platform and were unsolicited. As a result of these two unsolicited proposals and at the direction of TIL management, Evercore contacted a number of other tanker companies regarding their possible interest in considering a strategic transaction with TIL, of which three submitted non-binding proposals and two informally expressed interest in exploring a possible business combination with TIL.

On December 5, 2016, the TIL Board held a meeting with representatives of TIL management and Evercore in attendance. During the meeting, the representatives of Evercore reviewed with the TIL Board (i) the non-binding proposals received, (ii) other potential strategic partners that may also be interested in participating in a broader process, (iii) the benefits and considerations of the other alternatives available to TIL, and (iv) the financial and process implications should Teekay or any of its affiliates, including Teekay Tankers, decide to participate in the strategic alternatives process as a potential acquirer.

On December 16, 2016, the TIL Board held a meeting with representatives of TIL management, Evercore and Sullivan & Cromwell in attendance. During the meeting, the TIL Board and the representatives of Evercore and Sullivan & Cromwell discussed the implications of TIL engaging in a broader process of reviewing strategic alternatives, including the possibility of entering into a business combination transaction. The discussion included a recognition that a third party unaffiliated with Teekay Corporation or Teekay Tankers may require as a term of a possible transaction the termination of, or modification to, the TIL Management Agreement, through which Teekay Corporation and its affiliates manage the operations of TIL. The TIL Management Agreement does not provide TIL with the unilateral right to terminate the TIL Management Agreement, and therefore it was discussed that termination or modification of the TIL Management Agreement would likely require the consent of Teekay Corporation and/or the payment of a fee to Teekay Corporation. The TIL Board also considered the significant shareholdings that Teekay Tankers and its affiliate, Teekay Corporation, hold in TIL as well as that the members of TIL management are all representatives of Teekay Corporation. Taking into consideration that the interests of Teekay Tankers and the Teekay Tankers-affiliated directors would differ from those of the other TIL directors in light of the potential of Teekay Tankers participating in the strategic alternatives process as a potential acquirer as well as the TIL Management Agreement implications, the representative of Sullivan & Cromwell also discussed with the TIL Board the formation of a special committee of independent directors unaffiliated with Teekay Corporation or Teekay Tankers to oversee the strategic alternatives process.

On January 12, 2017, the TIL Board held a meeting with representatives of TIL management, Evercore and Sullivan & Cromwell in attendance. During the meeting, the TIL Board formed the TIL Special Committee comprised of directors Tim Gravely, Alan Carr and Øivind Solvang, each of whom is an independent director of TIL unaffiliated with Teekay Corporation and Teekay Tankers, in order to assist the TIL Board in evaluating strategic alternatives. The TIL Board delegated to the TIL Special Committee the full power and authority of the TIL Board to, as the TIL Special Committee deemed appropriate, receive, review, evaluate and negotiate proposals for a strategic transaction, either reject any such transaction or recommend that the TIL Board enter into any such transaction, and require that any such transaction be approved by a majority of the outstanding shares of TIL common stock held by non-Teekay Tankers affiliated shareholders (in addition to approval by a majority of the outstanding shares of TIL common stock).

On January 16, 2017, the TIL Special Committee held a meeting with representatives of Sullivan & Cromwell in attendance. During the meeting, the TIL Special Committee appointed Alan Carr to serve as the Chair of the TIL Special Committee and engaged Sullivan & Cromwell to act as the TIL Special Committee s legal counsel.

On January 19, 2017, the TIL Special Committee held a meeting with representatives of Evercore and Sullivan & Cromwell in attendance. The TIL Special Committee and the representatives of Evercore discussed the considerations involved in (i) approaching companies that may be interested in considering a strategic transaction with TIL, including the companies that had previously provided non-binding written proposals or had otherwise expressed interest in TIL during the fall of 2016, (ii) how to address issues that may arise with respect to the TIL Management Agreement, (iii) the role of TIL management given their relationship with Teekay Corporation and Teekay Tankers, and (iv) the implications should Teekay Corporation or any of its affiliates, including Teekay Tankers, chose to participate in the strategic alternatives process as a potential acquirer.

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On January 26, 2017, the TIL Special Committee held a meeting with representatives of Evercore and Sullivan & Cromwell in attendance. During the meeting, the TIL Special Committee formally engaged Evercore as its financial advisor, subject to the execution of an engagement letter between the TIL Special Committee and Evercore.

On February 13, 2017, the TIL Special Committee held a meeting with representatives of Evercore and Sullivan & Cromwell in attendance. During the meeting, the TIL Special Committee and representatives of Evercore discussed the proposal communicated by Teekay Corporation to Evercore regarding the financial terms upon which TIL or a prospective counterparty could terminate the TIL Management Agreement in connection with a third party transaction. The TIL Special Committee members determined that the termination fee proposed by Teekay Corporation was high and directed the representatives of Evercore to communicate this back to Teekay Corporation.

On February 17, 2017, the TIL Special Committee held a meeting with representatives of Evercore and Sullivan & Cromwell in attendance. During the meeting, the TIL Special Committee directed Evercore to begin engaging with selected strategic counterparties in order to determine if such counterparties would be interested in exploring a potential transaction with TIL.

Beginning on February 17, 2017, Evercore contacted twelve potential strategic counterparties, including Teekay Tankers and each other company that had expressed interest in TIL between October and December 2016. The counterparties were selected based on discussions with the TIL Special Committee and Evercore s understanding of each such institution s business similarity, potential interest and financial capacity to complete a possible business combination with TIL. Six of the potential strategic counterparties (other than Teekay Tankers) contacted by Evercore expressed an interest in participating, and each executed a non-disclosure agreement (or the *NDA*) with TIL between February 28, 2017 and March 9, 2017. Each NDA executed during the process contained a standstill provision that prevents the counterparty from requesting a waiver or amendment of the standstill. During this time period, Teekay Tankers continued to evaluate whether or not it was interested in participating in the strategic alternatives process as a bidder.

At the direction of the TIL Special Committee, Evercore sent a process letter to each of the potential counterparties that had signed an NDA in order to solicit non-binding written proposals for a potential strategic transaction with TIL. The letter outlined the process for submitting proposals and indicated a deadline for submission of March 24, 2017. Each potential counterparty that had signed an NDA was also provided access to certain non-public information regarding TIL through an electronic data room. Over the next few weeks, at the direction of the TIL Special Committee, representatives of Evercore worked with representatives of the potential counterparties and their respective financial advisors, as applicable, to facilitate each potential counterparty s investigation of TIL s business in order to submit a proposal for a potential strategic transaction.

On February 23, 2017, TIL publicly announced in its earnings release for the quarterly and annual periods ended December 31, 2016 that it intended to monitor and explore consolidation opportunities that would benefit its business, market position and shareholders.

During this time period, at the direction of the TIL Special Committee, Evercore had a number of discussions with Teekay Tankers regarding Teekay Tankers consideration of participating in the strategic alternatives process. Teekay Tankers decided to participate in the process, according to Teekay Tankers, because TIL s assets were of strategic importance to Teekay Tankers and because Teekay Tankers believed the timing to be attractive given historically low valuations for tanker assets. Teekay Tankers further saw the potential for significant financial and operational synergies arising from an acquisition. On February 28, 2017, Teekay Tankers submitted to Evercore and Sullivan & Cromwell a revised draft of the NDA proposed by TIL.

On March 17, 2017, the TIL Special Committee held a meeting with representatives of Evercore and Sullivan & Cromwell in attendance. During the meeting, the representatives of Evercore provided the TIL Special Committee with a further update on the status of the strategic alternatives process, including the due

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diligence and other activities being conducted by the potential counterparties. The representatives of Sullivan & Cromwell also reviewed with the TIL Special Committee the status of its ongoing negotiations with Teekay Tankers regarding entering into an NDA in order for Teekay Tankers to participate in the strategic alternatives process as a bidder.

On March 21, 2017, TIL and Teekay Tankers executed an NDA in connection with Teekay Tankers consideration of a strategic transaction between TIL and Teekay Tankers.

On March 24, 2017, TIL received non-binding written proposals from four potential counterparties, Teekay Tankers and three additional tanker companies (or *Party A*, *Party B*, and *Party C*, respectively). Teekay Tankers proposed to acquire TIL through a merger transaction for all stock consideration at an exchange ratio of 2.847 shares of Teekay Tankers Class A Common Stock per share of TIL common stock, which represented a premium of approximately 15.7% over the closing price of TIL common stock on the OSE on such date. Teekay Tankers calculated the proposed exchange ratio based on its conservative estimate of TIL s net asset value (or *NAV*) per share of $6.69 on March 24, 2017. The offer from Teekay Tankers, which reflected a TIL NAV per share of $6.35, represented a 5% discount to TIL s NAV per share on that date. Based on the closing price of Teekay Tankers Class A Common Stock on March 20, 2017 of $2.23, the resulting proposed exchange ratio ($6.35 per share divided by $2.23 per share) was 2.847 shares of Teekay Tankers Class A Common Stock per share of TIL common stock. Teekay Tankers proposal contemplated maintaining the existing Teekay Tankers board of directors and corporate structure, with TIL becoming a wholly owned subsidiary of Teekay Tankers. Party A proposed to acquire TIL through a merger transaction for all stock consideration at an exchange ratio that represented a premium of approximately 7.6% over the closing price of TIL common stock on the OSE on such date. Party A s proposal noted that TIL would be permitted to nominate one new director to the Party A board of directors. Party B proposed to acquire TIL through a merger transaction for all stock consideration at an exchange ratio that represented a discount of approximately 5% below the closing price of TIL common stock on the OSE on such date. Party B s proposal contemplated maintaining the existing Party B board of directors and corporate structure. Party C, a private tanker company, proposed that TIL acquire Party C at net asset value, with TIL s shareholders owning 78% of the pro forma combined company and Party C retaining the right to appoint at least two out of the five board members of the combined company. The other three potential counterparties that had executed an NDA declined to submit proposals.

On March 27, 2017, the TIL Special Committee held a meeting with representatives of Evercore and Sullivan & Cromwell in attendance. During the meeting, the representatives of Evercore reviewed and discussed with the TIL Special Committee each of the four proposals received, both individually and in comparison to the other proposals and to TIL continuing to conduct its operations based on its current business plan. The TIL Special Committee, Evercore and Sullivan & Cromwell then discussed potential next steps to be taken in connection with the strategic alternatives process and determined to reconvene later in the week to discuss further.

On March 29, 2017, the TIL Special Committee held a meeting with representatives of Evercore and Sullivan & Cromwell in attendance. During the meeting, the TIL Special Committee continued its review and evaluation of the four proposals received. Following extensive discussion, the TIL Special Committee determined that (i) the proposal submitted by Party C for TIL to acquire Party C was not an attractive proposal and should no longer be considered and (ii) none of the other three proposals was sufficiently attractive to TIL s shareholders to pursue in light of the fact that the premiums offered were insufficient, the loss of board representation and, for the proposals submitted by parties other than Teekay Tankers, the uncertainties and potential costs related to obtaining Teekay Corporation s consent to terminate or modify the TIL Management Agreement. The TIL Special Committee also discussed whether the combined companies that would result from the proposed transactions would be large enough to provide sufficient trading liquidity benefits to TIL s shareholders. The TIL Special Committee members and the representatives of Evercore and Sullivan & Cromwell discussed various alternatives for moving forward, including continuing to engage with the bidders and ending the strategic alternatives process without pursuing any of the proposed transactions. The TIL Special Committee determined to reconvene again to discuss further.

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On April 7, 2017, the TIL Special Committee held a meeting with representatives of Evercore and Sullivan & Cromwell in attendance. During the meeting, the TIL Special Committee members and the representatives of Evercore and Sullivan & Cromwell continued their discussion of next steps to be taken in connection with the strategic alternatives process. Following extensive discussions, the TIL Special Committee determined to inform each of Teekay Tankers, Party A and Party B that their respective proposals need to be improved in order for the TIL Special Committee to continue to engage with them and to request revised proposals. The TIL Special Committee decided to evaluate the revised proposals, if any, received following such request and then determine whether to proceed with or terminate the strategic alternatives process. The TIL Special Committee directed Evercore to communicate its request for revised proposals to Teekay Tankers, Party A and Party B. During this meeting, the TIL Special Committee and Evercore also discussed the status of discussions with an additional potential counterparty (or *Party D*) that had sent TIL an unsolicited proposal in the fall of 2016 and had been contacted by Evercore in February 2017 but had not yet signed an NDA. Party D ultimately declined to participate in the strategic alternatives process.

Following the TIL Special Committee meeting, Evercore communicated the TIL Special Committee s request for revised proposals to each of Teekay Tankers, Party A and Party B to be submitted by April 12, 2017.

On April 12, 2017, Evercore received revised non-binding written proposals from Teekay Tankers, Party A and Party B. Teekay Tankers proposed to acquire TIL through a merger transaction for all stock consideration at a revised exchange ratio of 3.21 shares of Teekay Tankers Class A Common Stock per share of TIL common stock, which represented a premium of approximately 30% over the closing price of TIL common stock on the OSE on such date. Teekay Tankers proposal still contemplated maintaining the existing Teekay Tankers board of directors and corporate structure. Party A maintained its initial proposal to acquire TIL through a merger transaction for all stock consideration at the same exchange ratio, which exchange ratio now represented a higher premium (approximately 14.1% over the closing price of TIL common stock on the OSE on such date). Party B proposed to acquire TIL through a merger transaction for a mix of stock and cash consideration that represented a premium of approximately 2.1% over the closing price of TIL common stock on the OSE on such date. Party B s proposal noted that Party B was also open to discussing board representation and other governance matters with TIL.

Following discussions among the TIL Special Committee members, the TIL Special Committee determined that the proposals received from Party A and Party B were insufficient to continue engaging in further discussion with such parties. The TIL Special Committee directed Evercore to continue engaging with Teekay Tankers to negotiate an improved proposal.

On April 16, 2017, following additional discussions between Evercore and Teekay Tankers in which Evercore put forward additional demands on behalf of the TIL Special Committee, Teekay Tankers further revised its proposal to offer three alternative structures: (i) an exchange ratio of 3.21 shares of Teekay Tankers Class A Common Stock per share of TIL common stock, and TIL would be permitted to nominate two directors to the Teekay Tankers Board; (ii) an exchange ratio of 3.25 shares of Teekay Tankers Class A Common Stock per share of TIL common stock, and TIL would be permitted to nominate one director to the Teekay Tankers Board; and (iii) an exchange ratio of 3.30 shares of Teekay Tankers Class A Common Stock per share of TIL common stock, but TIL would not be permitted to nominate any directors to the Teekay Tankers Board.

On April 17, 2017, the TIL Special Committee held a meeting with representatives of Evercore and Sullivan & Cromwell in attendance. During the meeting, the TIL Special Committee, Evercore and Sullivan & Cromwell discussed the three proposal alternatives presented by Teekay Tankers with respect to an acquisition of TIL. Following extensive discussion, the TIL Special Committee directed Evercore to communicate to Teekay Tankers that the TIL Special Committee would consider continuing to engage with Teekay Tankers based upon a proposal at the highest valuation to be offered by Teekay Tankers (an exchange ratio of 3.30 shares of Teekay Tankers Class A

Common Stock per share of TIL common stock) coupled with the right of TIL to designate an observer to the Teekay Tankers Board for a period of time to be agreed.

On April 18, 2017, following additional discussions between Evercore and Teekay Tankers, Teekay Tankers further revised its proposal to offer two alternative structures: (i) an exchange ratio of 3.275 shares of Teekay Tankers Class A Common Stock per share of TIL common stock, and TIL would be permitted to designate an observer to the Teekay Tankers Board; or (ii) an exchange ratio of 3.30 shares of Teekay Tankers Class A Common Stock per share of TIL common stock, but TIL would not be permitted to nominate any directors or designate a board observer to serve on the Teekay Tankers Board. Teekay Tankers also clarified in its proposal that the warrants to purchase shares of TIL common stock held by each of Teekay Tankers and Teekay would be cancelled in connection with the merger and that the TIL Management Agreement would remain in place with its current terms.

On April 19, 2017, Evercore and Teekay Tankers continued to negotiate the terms of Teekay Tankers proposal throughout the day. Teekay Tankers ultimately proposed an exchange ratio of 3.30 shares of Teekay Tankers Class A Common Stock per share of TIL common stock and the right of TIL to designate an observer to the Teekay Tankers board of directors through December 2018 (or earlier if the Teekay Tankers stock price reaches a certain agreed threshold), with Teekay Tankers retaining certain approval rights as to the person designated to be the board observer. In connection with its proposal, Teekay Tankers requested that TIL agree to enter into an exclusivity agreement with Teekay Tankers providing for a 45-day exclusivity period during which to negotiate a definitive merger agreement.

The proposed exchange ratio of 3.30 shares of Teekay Tankers Class A Common Stock per share of TIL common stock was determined based on Teekay Tankers calculation of Teekay Tankers and TIL s NAV per share. TIL s NAV per share as calculated by Teekay Tankers was $7.05 on April 19, 2017. Teekay Tankers NAV per share calculation was more complex because it included the valuation of its global lightering business, and its 50% interest in Teekay Tanker Operations Ltd. As of April 19, 2017, Teekay Tankers calculated its NAV per share to be between $2.20 and $2.29, depending on the value ascribed to the lightering business and TTOL. Based on the NAVs that Teekay Tankers calculated for each company, it determined that a NAV-to-NAV exchange ratio would have resulted in an exchange ratio between 3.1x and 3.2x. Teekay Tankers agreed to an exchange ratio of 3.3x, reflecting a premium to TIL s fleet value of approximately 3%. The historical trading prices of Teekay Tankers (generally a premium to NAV per share) and TIL (a discount to NAV per share since TIL s initial public offering) were considered in determining that TIL shareholders would likely benefit from exchanging shares of TIL common stock for shares of Teekay Tankers Class A Common Stock due to the anticipated increase in value based on the proposed exchange ratio and the anticipated superior valuation of the shares of Teekay Tankers Class A Common Stock relative to NAV per share in the future. Teekay Tankers believes the value of owning shares of Teekay Tankers Class A Common Stock, combined with the modest premium reflected in the 3.30x exchange ratio, offers compelling value to TIL shareholders.

Following additional discussion among the TIL Special Committee members, the TIL Special Committee concluded that the proposal from Teekay Tankers was the superior proposal at such time based upon, among other factors, the premium offered by Teekay Tankers, the greater trading liquidity available to holders of Teekay Tankers Class A Common Stock after the completion of the transaction, the right to designate a board observer on behalf of TIL s independent shareholders, the greater deal certainty of a deal with Teekay Tankers relative to the other proposals and the absence of any termination or other fees in connection with the TIL Management Agreement. The TIL Special Committee directed Evercore and Sullivan & Cromwell to continue exploring a transaction with Teekay Tankers, including by agreeing to enter into an exclusivity agreement with Teekay Tankers.

On April 19, 2017, Teekay Tankers proposed a draft exclusivity agreement to TIL providing for a 45-day exclusivity period. Following negotiations, on April 21, 2017 TIL and Teekay Tankers executed an exclusivity agreement providing for a 30-day exclusivity period through May 21, 2017. The exclusivity agreement contained mutual restrictions prohibiting TIL and Teekay Tankers from soliciting, discussing, or providing information with respect to, competing transactions with any third parties.

On April 25, 2017, representatives of Sullivan & Cromwell and Vinson & Elkins, outside legal counsel to Teekay Tankers, met telephonically to discuss the various work streams and legal documentation required in

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connection with a potential transaction between TIL and Teekay Tankers. During this meeting, Sullivan & Cromwell communicated to Vinson & Elkins that the TIL Special Committee expected Teekay Tankers and Teekay would agree to vote their TIL and Teekay Tankers shares to support the transaction. Sullivan & Cromwell also reiterated that, consistent with the resolutions forming the TIL Special Committee, the transaction would require the approval of a majority of the outstanding shares of TIL common stock held by non-Teekay Tankers affiliated shareholders. Representatives of Sullivan & Cromwell and Vinson & Elkins continued to engage in discussions and negotiations regarding the potential transaction through the signing date on May 31, 2017.

On May 2, 2017, TIL and Teekay Tankers executed a second NDA in order for TIL to conduct reverse due diligence with respect to Teekay Tankers. TIL subsequently received access to an electronic data room containing information regarding Teekay Tankers. Teekay Tankers also informed TIL that Teekay Tankers was engaging in separate discussions with Teekay Corporation to acquire the remaining 50% interest in Teekay Corporation s commercial and technical management operations, including the Manager under the TIL Management Agreement.

On May 4, 2017, the members of the TIL Special Committee and a representative of Evercore met with representatives of Teekay Tankers in New York, New York to discuss the potential transaction between TIL and Teekay Tankers as well as the proposed acquisition by Teekay Tankers of the management operations.

On May 6, 2017, Vinson & Elkins, acting on behalf of Teekay Tankers, sent an initial draft of the Merger Agreement to Sullivan & Cromwell.

From May 6, 2017 through the signing on May 31, 2017, TIL and Teekay Tankers, with assistance from their respective legal counsel and, in the case of TIL, financial advisor, continued to exchange drafts of the Merger Agreement and negotiate the commercial and legal terms of the proposed transaction, including with respect to (i) each party s non-solicitation obligations and related fiduciary exceptions, including the ability of each party to change its recommendation that its shareholders vote in favor of the proposals requiring shareholder approval in connection with the Merger in different circumstances and (ii) the representations, warranties and interim operating covenants of TIL, including their relationship with knowledge gained, and actions taken, by Teekay Tankers affiliates pursuant to the TIL Management Agreement.

On May 21, 2017, in light of the ongoing discussions and negotiations, TIL and Teekay Tankers executed an amendment to the exclusivity agreement to extend its term through May 31, 2017.

On May 24, 2017, Vinson & Elkins, acting on behalf of Teekay Tankers, sent initial drafts of the Teekay Voting and Support Agreement and the Board Observer Agreement. TIL and Teekay Tankers, with assistance from their respective legal counsel and, in the case of TIL, financial advisor, continued to exchange drafts and negotiate the terms of the Teekay Voting and Support Agreement and the Board Observer Agreement through the signing on May 31, 2017.

On May 30, 2017, at 9:00 a.m. Eastern Daylight Time, the Teekay Tankers Board held a meeting, with representatives of Teekay Tankers management, Swedbank and Vinson & Elkins in attendance, to discuss the proposed transaction with TIL. At the meeting, representatives of Vinson & Elkins reviewed with the Teekay Tankers Board their fiduciary duties in connection with their consideration and possible approval of the proposed transaction with TIL. The representatives of Vinson & Elkins also discussed with the Teekay Tankers Board the key terms of the Merger Agreement, the Teekay Voting and Support Agreement, the Board Observer Agreement, the proposed Initial Charter Amendment and the other transaction documents. A representative of Vinson & Elkins also discussed with the Teekay Tankers Board the outstanding issues that were subject to further negotiation between Teekay Tankers and the TIL Special Committee. Following the presentation made by representatives of Vinson & Elkins, representatives of

Swedbank reviewed and discussed with the Teekay Tankers Board Swedbank s analysis with respect to the fairness, from a financial point of view, to Teekay

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Tankers of the Merger Consideration. Swedbank then rendered its oral opinion to the Teekay Tankers Board (which was subsequently confirmed in writing by delivery of Swedbank s written opinion to the Teekay Tankers Board dated May 30, 2017) that, as of the date of such opinion, and subject to and based on the assumptions, limitations and qualifications set forth therein, the exchange ratio of 3.30 shares of Teekay Tankers Class A Common Stock per share of TIL common stock was fair, from a financial point of view, to Teekay Tankers. Following the delivery of Swedbank s opinion, the Teekay Tankers Board reviewed and discussed the proposed transaction with TIL, and considered, among other things, the factors described under The Merger Recommendations of the Teekay Tankers Board of Directors; Teekay Tankers Reasons for the Merger. After extensive discussion, the Teekay Tankers Board determined to reconvene the following day in light of continued negotiations regarding the transaction documents.

On May 30, 2017, at 12:30 p.m. Eastern Daylight Time, the TIL Special Committee held a meeting, with representatives of Evercore and Sullivan & Cromwell in attendance, to discuss and consider the proposed transaction with Teekay Tankers. At the meeting, the representatives of Sullivan & Cromwell reviewed with the TIL Special Committee members their fiduciary duties in connection with their consideration and possible approval of the proposed transaction with Teekay Tankers. Representatives of Watson Farley & Williams LLP, which was engaged by both TIL and Teekay Tankers to advise the companies on matters relating to the laws of the Republic of the Marshall Islands in connection with the proposed transaction, were also present solely during such discussion of fiduciary duties. The representatives of Sullivan & Cromwell also discussed with the TIL Special Committee the key terms of the Merger Agreement, the Teekay Voting and Support Agreement and the other transaction documents. The representatives of Evercore then reviewed and discussed with the TIL Special Committee members Evercore s valuation and other financial analyses with respect to TIL and the proposed transaction with Teekay Tankers. Evercore rendered its oral opinion to the TIL Special Committee (which was subsequently confirmed in writing by delivery of Evercore s written opinion to the TIL Special Committee dated May 30, 2017) as to, as of the date of such opinion, and based upon and subject to the various qualifications, assumptions and limitations set forth therein, the fairness, from a financial point of view, to the shareholders of TIL other than Teekay Tankers and its affiliates (or the *unaffiliated TIL shareholders*) of the exchange ratio of 3.30 shares of Teekay Tankers Class A Common Stock per share of TIL common stock in the Merger pursuant to the Merger Agreement. Following the delivery of Evercore s opinion, and extensive review and discussions among the TIL Special Committee members, including consideration of the factors described under The Merger Recommendations of the TIL Special Committee and Board of Directors; TIL Reasons for the Merger, the TIL Special Committee unanimously (i) determined that the Merger Agreement and the transactions contemplated thereby, including the Merger, were fair and advisable to, and in the best interests of, TIL and the unaffiliated TIL shareholders, (ii) approved the Merger Agreement and the transactions contemplated thereby, including the Merger, and (iii) determined to recommend that the TIL Board (a) approve the Merger Agreement and the transactions contemplated thereby, including the Merger, (b) recommend that the shareholders of TIL approve the Merger Agreement, and (c) approve the Teekay Voting and Support Agreement.

On May 31, 2017, at 1:00 p.m. Eastern Daylight Time, the TIL Board held a meeting, with representatives of Evercore, Sullivan & Cromwell and Watson Farley & Williams LLP in attendance. A representative of Sullivan & Cromwell informed the TIL Board that the TIL Special Committee had completed its review of strategic alternatives and, following the TIL Special Committee s review it was prepared to recommend the proposed transaction with Teekay Tankers to the TIL Board. The representative of Sullivan & Cromwell then reviewed with the TIL Board their fiduciary duties in connection with their consideration and possible approval of the proposed transaction with Teekay Tankers. The representatives of Sullivan & Cromwell also discussed with the TIL Board the key terms of the Merger Agreement, the Teekay Voting and Support Agreement and the other transaction documents. The Chair of the TIL Special Committee and a representative of Evercore then reviewed and discussed with the TIL Board the various strategic alternatives explored by the TIL Special Committee, the process undertaken by the TIL Special Committee, and the reasons why the TIL Special Committee had decided to recommend the proposed transaction with Teekay Tankers. Evercore distributed a copy of the fairness opinion and the presentation of its valuation and other financial analyses with respect to TIL and the proposed transaction with Teekay Tankers, in each case that it had delivered to the TIL Special

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Committee on May 30, 2017, to the TIL Board in advance of the board meeting, and the representatives of Evercore and the TIL Board discussed Evercore s analysis at the meeting. The TIL Special Committee then confirmed its recommendation that the TIL Board (a) approve the Merger Agreement and the transactions contemplated thereby, including the Merger, (b) recommend that the shareholders of TIL approve the merger agreement, and (c) approve the Teekay Voting and Support Agreement. Following additional discussion, including consideration of the factors described under The Merger Recommendations of the TIL Special Committee and Board of Directors; TIL Reasons for the Merger, the TIL Board unanimously (i) determined that the Merger Agreement and the transactions contemplated thereby, including the Merger, were fair and advisable to, and in the best interests of, TIL and the unaffiliated TIL shareholders, (ii) approved the Merger Agreement and the transactions contemplated thereby, including the Merger, (iii) recommended that the shareholders of TIL approve the Merger Agreement, and (iv) approved the Teekay Voting and Support Agreement. The TIL Board then directed the members of TIL management to execute and deliver a definitive Merger Agreement in substantially the same form presented to the TIL Board at the board meeting, and directed that the Merger Agreement be submitted to the shareholders of TIL for approval.

On May 31, 2017, at 5:00 p.m. Eastern Daylight Time, the Teekay Tankers Board held a meeting, with representatives of Teekay Tankers management and Vinson & Elkins in attendance, to discuss and consider the proposed transaction with TIL. The representatives of Vinson & Elkins provided an update to the Teekay Tankers Board with respect to the negotiation of the transaction documents and the resolution of the outstanding issues discussed in the prior meeting of the Teekay Tankers Board. Following a discussion regarding such matters and the proposed transaction with TIL, including the factors described under The Merger Recommendations of the Teekay Tankers Board of Directors; Teekay Tankers Reasons for the Merger, the Teekay Tankers Board unanimously (a) determined that the Merger was fair and advisable to, and in the best interests of, Teekay Tankers and the shareholders of Teekay Tankers, (b) approved the Merger Agreement and the transactions contemplated thereby, including the Merger and the Initial Charter Amendment, (c) directed that the Initial Charter Amendment be submitted to a vote of the Teekay Tankers shareholders and (d) recommended to the Teekay Tankers shareholders that the Teekay Tankers shareholders approve the Initial Charter Amendment. The Teekay Tankers Board then directed the members of Teekay Tankers management to execute and deliver a definitive Merger Agreement in substantially the same form presented to the Teekay Tankers Board at the board meeting, and directed that the proposed Initial Charter Amendment be submitted to the shareholders of Teekay Tankers for approval.

Following the Teekay Tankers board meeting, TIL and Teekay Tankers executed the Merger Agreement. Concurrently with the execution of the Merger Agreement, TIL, Teekay Tankers, Teekay Corporation and certain of its affiliates executed the Teekay Voting and Support Agreement.

At approximately 6:45 p.m. Eastern Daylight Time on May 31, 2017, TIL and Teekay Tankers each issued a press release announcing the execution of the Merger Agreement.

On June 20, 2017, HCM filed a Schedule 13D with the SEC (i) providing that, among other things, HCM intended to vote its shares of Teekay Tankers Class A Common Stock, reportedly representing approximately 10.2% of the outstanding Teekay Tankers Class A Common Stock, against the Initial Charter Amendment at the Teekay Tankers Special Meeting and (ii) requesting that the Teekay Tankers Board approve certain action to be taken by Teekay Tankers, including, among other things, that (a) the size of the increase in the number of authorized Teekay Tankers Class A Common Stock pursuant to the proposed Initial Charter Amendment be reduced to no more than the number of shares that would be required to complete the Merger, (b) the Teekay Tankers Board approve a major stock repurchase program and (c) Teekay Tankers place a five-year moratorium on acquiring any more related-party assets from Teekay Corporation and its other subsidiaries.

Following negotiation throughout July, August and early September 2017, Teekay Tankers management and HCM reached a tentative agreement. At a meeting on September 13, 2017, after consultation with representatives of Teekay Tankers management, the Teekay Tankers Board unanimously (i) approved the Huber Voting and Support Agreement among Teekay Tankers, HCM and Mr. Huber, pursuant to which Huber will vote shares of

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Teekay Tankers Class A Common Stock over which Huber has sole voting power, and will use commercially reasonable efforts to encourage beneficial owners of shares of Teekay Tankers Class A Common Stock that Huber beneficially owns but over which shares Huber does not have sole voting power, in each case in favor of the Charter Amendment, in order to permit the issuance of Teekay Tankers Class A Common Stock as consideration to complete the Merger, (ii) approved a revision to the Initial Charter Amendment to reduce the requested increase in the number of authorized shares of Teekay Tankers Class A Common Stock from 200,000,000 to 85,000,000 shares (with a corresponding increase in the number of authorized shares of Teekay Tankers capital stock of 85,000,000), as reflected in the Charter Amendment, along with an amendment to the Merger Agreement reflecting the same, (iii) adopted a $45 million share repurchase program relating to Teekay Tankers Class A Common Stock, (iv) approved a five-year moratorium on Teekay Tankers purchase or sale of vessels from or to Teekay Corporation or its subsidiaries (other than Teekay Tankers and its subsidiaries) and (v) approved the reimbursement of certain legal fees of Huber. The Teekay Tankers Board then directed that the Charter Amendment be submitted to the shareholders of Teekay Tankers for approval at the Teekay Tankers Special Meeting and recommended that the Teekay Tankers shareholders approve the Charter Amendment. The Teekay Tankers Board also directed the members of Teekay Tankers management to execute and deliver the Letter Agreement Amendment.

On September 14, 2017, the TIL Board, including the members of the TIL Special Committee, unanimously approved the entry by TIL into the Letter Agreement Amendment.

On September 14, 2017, Teekay Tankers and TIL entered into the Letter Agreement Amendment, pursuant to which (i) TIL consented to the Huber Voting and Support Agreement and to certain actions to be taken by Teekay Tankers and (ii) Teekay Tankers and TIL amended the Merger Agreement to revise the definition of Charter Amendment in the Merger Agreement to reflect the revision from the Initial Charter Amendment to the Charter Amendment.

On September 14, 2017, Teekay Tankers and Huber signed the Huber Voting and Support Agreement. As of September 14, 2017, Huber beneficially owned approximately 10.2% of the outstanding Teekay Tankers Class A Common Stock, including sole voting power as to 8,711,310 shares, representing approximately 6.1% of the outstanding Teekay Tankers Class A Common Stock. Huber has agreed, pursuant to the Huber Voting and Support Agreement, that Huber will vote in favor of the Charter Amendment the shares of Teekay Tankers Class A Common Stock for which Huber has sole voting power, and Huber will (1) use commercially reasonable efforts to encourage the record holders and other beneficial owners of all shares of Teekay Tankers Class A Common Stock owned of record or beneficially by Huber but for which Huber does not have sole voting power to vote in favor of the Charter Amendment and (2) recommend that such holders and owners vote such shares of Teekay Tankers Class A Common Stock in favor of the Charter Amendment. For additional information about the Huber Voting and Support Agreement, please see The Huber Voting and Support Agreement and Letter Agreement Amendment beginning on page 164 of this joint proxy statement/prospectus.

Teekay Tankers management, including those responsible for negotiating the Merger Agreement, will continue in their positions following the closing of the Merger. No member of Teekay Tankers management has negotiated any separate or additional payments or remuneration in connection with the Merger. The Teekay Tankers Board Observer to be selected by the parties pursuant to Merger Agreement will receive compensation from Teekay Tankers generally consistent with other members of the Teekay Tankers Board. The Board Observer may be a person who negotiated the transaction on behalf of TIL, or may be someone associated with an entity that employed a person who negotiated the transaction on behalf of TIL, but need not be. Please see the section entitled The Merger Agreement Conduct Pending the Merger Board Observer for more information about the compensation payable to the Board Observer.

Although the Teekay Tankers Board determined the acquisition of TIL is in the best interests of Teekay Tankers and its shareholders, the Teekay Tankers Board did consider alternatives to acquiring TIL in order to increase Teekay

Tankers liquidity. Alternative transactions included the issuance of new equity by Teekay Tankers, the deferral of scheduled principal repayments on Teekay Tankers debt facilities, and the sale of

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Teekay Tankers assets. The Teekay Tankers Board determined that issuing equity without also acquiring assets would have been significantly dilutive to Teekay Tankers per share financial results. In addition, reaching agreement with Teekay Tankers lenders to defer principal repayments likely would have required Teekay Tankers to issue substantial equity, causing significant dilution to its shareholders, and such deferrals would have resulted in higher financial leverage. Finally, given the weakness in the tanker market and the resulting low asset values, Teekay Tankers would need to sell a large portion of its fleet to generate enough proceeds to pay down associated debt and increase liquidity, which would reduce operating leverage and cause significant dilution to Teekay Tankers per share financial results.

Recommendations of the TIL Special Committee and Board of Directors; TIL Reasons for the Merger

Determination of the TIL Special Committee

At a meeting held on May 30, 2017, the TIL Special Committee, consisting entirely of independent directors who are not affiliated with Teekay Tankers or Teekay Corporation, unanimously (i) determined that the Merger Agreement and the transactions contemplated thereby, including the Merger, were fair and advisable to, and in the best interests of the TIL shareholders other than Teekay Tankers and its affiliates, (ii) approved the Merger Agreement and the transactions contemplated thereby, including the Merger, and (iii) recommended that the TIL Board (a) approve the Merger Agreement and the transactions contemplated thereby, including the Merger, (b) recommend that the shareholders of TIL approve the Merger Agreement, and (c) approve the Teekay Voting and Support Agreement.

In the course of making the determinations described above, the TIL Special Committee consulted with its independent financial advisor, Evercore, and outside legal counsel, Sullivan & Cromwell, and carefully considered numerous factors relating to TIL, its business and prospects, and the risks and challenges facing it, and to the Merger Agreement and the transactions contemplated thereby, including the Merger. The TIL Special Committee considered several factors weighing positively in favor of the merger, including but not limited to the following material factors:

- the value to be received by the shareholders of TIL in the Merger, including the fact that the Merger Consideration represents a significant premium over the trading price of TIL common stock. The Merger Consideration represented a premium of approximately 24% over the closing share price of the TIL common stock on the OSE on May 26, 2017 (the last trading date prior to the May 30, 2017 TIL Special Committee meeting), and a premium of approximately 29% based on Teekay Tankers 30-day volume weighted average trading price on the NYSE for the period ended May 26, 2017;

- the belief of the TIL Special Committee that, as a result of the arms-length negotiations between the parties which resulted in an increase of the Merger Consideration from Teekay Tankers initial proposed exchange ratio of 2.847 shares of Teekay Tankers Class A Common Stock per share of TIL common stock to the final agreed exchange ratio of 3.30 shares of Teekay Tankers Class A Common Stock per share of TIL common stock, the Merger Consideration was the highest price per share for TIL common stock that Teekay Tankers was willing to pay at the time of those negotiations;

- that, if the TIL Special Committee did not accept Teekay Tankers offer at such time, it was unlikely that any other parties would be willing to propose to acquire TIL at a value as high or higher than the Merger Consideration (as demonstrated by the fact that the proposals received from third parties during the strategic alternatives process were at values significantly lower than the Merger Consideration) or propose a more attractive business combination for TIL shareholders;

the consideration that, if TIL did not enter into the Merger Agreement, it was highly uncertain as to when or even whether the trading price of the TIL common stock on the OSE would reach and sustain a price per share equal to the value of the Merger Consideration;

the extensive strategic review undertaken by the TIL Special Committee, with the assistance of its financial advisor, and its understanding with respect to (i) TIL s performance, future growth prospects

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and overall strategic direction, including a review of the business environment facing the tanker industry, the market for crude oil and refined petroleum product transportation services, and the market value of TIL s vessels, and (ii) TIL s strategic outlook and the strategic alternatives available to TIL, including reaching out to twelve potential strategic counterparties regarding a transaction with TIL, and the TIL Special Committee s determination following such review that the transaction with Teekay Tankers was more favorable to the shareholders of TIL than the potential value that might result from other alternatives reasonably available to TIL if it did not pursue the Merger;

the valuation and other financial analyses reviewed and discussed with the TIL Special Committee by representatives of Evercore, and the opinion of Evercore, rendered orally to the TIL Special Committee on May 30, 2017 (and subsequently confirmed in writing by delivery of Evercore s written opinion dated May 30, 2017), that, as of the date of such opinion, and based upon and subject to the various qualifications, assumptions and limitations set forth in the opinion, the exchange ratio of 3.30 shares of Teekay Tankers Class A common stock for each share of TIL common stock is fair, from a financial point of view, to the unaffiliated TIL shareholders, as more fully described under Opinion of the Financial Advisor to the TIL Special Committee, Evercore Group L.L.C. ;

the fact that, since the merger consideration will consist of Teekay Tankers Class A Common Stock, the shareholders of TIL will own approximately 30% of the Combined Company and have the opportunity to participate in the future earnings and expected growth of the Combined Company and any future appreciation in the value of the Combined Company s Class A Common Stock should they decide to retain the Class A Common Stock payable in the Merger;

the fact that the transaction is expected to be significantly accretive to TIL s earnings per share and net asset value and that TIL shareholders who retain the Class A Common Stock payable in the Merger will receive the quarterly dividend paid by Teekay Tankers;

the synergies that could result from the Merger, including the potential for the Combined Company to realize approximately $3 million in annual cost savings;

the benefits to the shareholders of TIL and the Combined Company, which would be one of the largest publicly-traded tanker operators and the largest operator/owner of medium-size tankers, that could result from the Merger, including but not limited to:

an enhanced competitive and financial position;

a lower execution risk, as an affiliate of Teekay Tankers manages and is expected to continue to manage, TIL s tanker vessels;

improved shareholder alignment resulting from a combination with major shareholders (Teekay Corporation and Teekay Tankers) and the management operations under the TIL Management Agreement;

the likelihood of receiving more attention from capital market participants;

a higher share float and improved trading liquidity for the shareholders of TIL, including as a result of the NYSE listing; and

the elimination of foreign exchange fluctuation for the non-Norwegian shareholders of TIL due to the shares of TIL common stock trading on the OSE in NOK;

the right of the TIL Special Committee to designate, on behalf of TIL s independent shareholders, a board observer to the Teekay Tankers Board effective as of the closing for a period after closing;

the unique benefits of a business combination transaction with Teekay Tankers rather than a third party unaffiliated with Teekay Tankers or Teekay Corporation, including but not limited to:

greater certainty that the Merger will be consummated as a result of Teekay Tankers and Teekay Corporation s relationship with TIL, including as (i) significant shareholders of TIL that have committed in the Merger Agreement (in the case of Teekay Tankers) and in the Teekay Voting and Support Agreement (in the case of Teekay Corporation) to vote in favor of proposals required to be approved by TIL and Teekay Tankers shareholders, as applicable, in connection with the Merger and (ii) the technical and commercial manager of the TIL vessels pursuant to the TIL Management Agreement;

the absence of any need on the part of TIL to terminate or modify the TIL Management Agreement or to pay any termination fees in connection with the TIL Management Agreement;

the acquisition by Teekay Tankers from Teekay Corporation on May 31, 2017 of the remaining 50% interest in Teekay s commercial and technical management operations, for approximately $27 million in the form of Teekay Tankers Class B Common Stock, which acquisition is expected to further improve alignment for the Combined Company and its shareholders;

Teekay Tankers purchase of the management operations fully integrates Teekay Tankers tanker operation and makes it one of the largest fully integrated public shipping platforms offering full-service commercial and technical operations, as well as owning and managing the commercial pools; and

the representations, warranties and interim operating covenants of TIL are more limited as a result of, and are qualified by, their relationship with knowledge gained, and actions taken, by Teekay Tankers affiliates pursuant to the TIL Management Agreement;

the ability of TIL and Teekay Tankers to complete the Merger in a timely manner, including TIL s ability to specifically enforce Teekay Tankers obligations under the Merger Agreement, and the contractual commitments of both parties with respect to the regulatory approvals required to complete the Merger;

the TIL Special Committee s view of the capability and likelihood for other potential counterparties to emerge, and that while the Merger Agreement contains a covenant prohibiting TIL from soliciting third party acquisition proposals, it permits the TIL Board to entertain acquisition proposals and change or withdraw its recommendation in favor of the Merger Agreement in certain circumstances and subject to compliance with certain procedural requirements, which may include the payment by TIL of a $5 million termination fee (and in some circumstances the obligation to reimburse Teekay Tankers expenses up to cap of $2 million);

the fact that the Merger Agreement contains a covenant prohibiting Teekay Tankers from soliciting third party acquisition proposals, and while the Merger Agreement permits the Teekay Tankers Board to entertain acquisition proposals and change or withdraw its recommendation in favor of the Charter Amendment in certain circumstances and subject to compliance with certain procedural requirements, Teekay Tankers cannot terminate the Merger Agreement even in connection with the receipt of an unsolicited superior proposal or an intervening event and would still be required to hold a shareholders meeting to bring the Charter Amendment to a vote. In addition, in certain circumstances Teekay Tankers may be required to pay

TIL a $7.5 million termination fee and/or reimburse TIL s expenses up to cap of $2 million;

the TIL Special Committee s determination, based on discussions with its financial advisor and outside legal counsel, that the payment by TIL in certain circumstances of a $5 million termination fee (and in some circumstances the obligation to reimburse Teekay Tankers expenses up to cap of $2 million) is reasonable and customary in size in transactions similar to the Merger and would not preclude other parties from making an acquisition proposal for TIL;

the other material terms and conditions of the Merger Agreement, including, among other things, the covenants of the parties, the conditions to closing of the Merger and the parties termination rights;

the thorough, independent process run by the TIL Special Committee, with the assistance of its financial advisor and outside legal counsel, and other procedural safeguards enacted by the TIL Special Committee, to ensure the fairness of the Merger and permit the TIL Special Committee to represent effectively the interests of the TIL shareholders other than Teekay Tankers and its affiliates;

the fact that, based on the determination of the TIL Special Committee, the Merger is subject to the approval of the Merger Agreement by both (i) the affirmative vote of the holders of a majority of the issued and outstanding shares of TIL common stock and (ii) the affirmative vote of the holders of a majority of the issued and outstanding shares of TIL common stock held by the TIL shareholders other than Teekay Tankers and its affiliates; and

the TIL Special Committee s belief that it was fully informed about the extent to which the interests of the directors and officers affiliated with Teekay Corporation and Teekay Tankers in the Merger differ from those of TIL and the unaffiliated TIL shareholders.

In the course of its deliberations, the TIL Special Committee also considered a variety of risks, uncertainties and other countervailing factors weighing negatively against the Merger, but concluded that the anticipated benefits of the Merger were likely to substantially outweigh these risks. These factors included, but were not limited to:

the risk that the synergies and other benefits expected to result from the transaction may not be fully realized;

the fact that restrictions on the conduct of TIL s business prior to the consummation of the Merger could prevent TIL from undertaking business opportunities, including strategic transactions, that arise pending completion of the Merger, which opportunities might be lost to TIL even if the Merger is not consummated;

the fact that the exchange ratio of the Merger Consideration is fixed and the risk that Teekay Tankers financial profile could change between the date of the Merger Agreement and the completion of the Merger, which could impact the value of the Teekay Tankers Class A Common Stock that TIL shareholders will receive as Merger Consideration;

the fact that the Merger Agreement contains a covenant prohibiting TIL from soliciting third party acquisition proposals or entering into discussions concerning or provide confidential information to third parties in connection with third party acquisition proposals, and TIL cannot terminate the Merger Agreement even in connection with the receipt of an unsolicited superior proposal or an intervening event and would still be required to hold a shareholders meeting to bring the Merger proposal to a vote;

the risk that the termination fee of $5 million to be paid to Teekay Tankers under circumstances specified in the Merger Agreement may discourage other parties that may otherwise have an interest in a business combination with TIL;

the risk that the unaffiliated TIL shareholders may vote against approval of the Merger Agreement;

the possibility that all conditions to the closing of the Merger may not be satisfied or waived, such that the Merger may not be consummated, even if the unaffiliated TIL shareholders vote to approve the Merger Agreement;

the risk associated with transaction-related costs incurred by TIL;

the risk that Teekay Tankers shareholders may vote against approval of the Charter Amendment, approval of which is required in order for Teekay Tankers to have a sufficient number of shares of Teekay Tankers Class A Common Stock authorized to issue the aggregate Merger Consideration to TIL shareholders;

the risk that, while TIL and Teekay Tankers desire the Merger to qualify as a tax-free reorganization for U.S. federal income tax purposes, obtaining tax-free treatment is not a predicate for or condition to the Merger and may not be achieved;

the risk that governmental entities may impose conditions on TIL and Teekay Tankers that may adversely impact the ability of the Combined Company to realize the expected synergies and other benefits to the Combined Company;

the fact that the directors and officers of TIL, especially those affiliated with Teekay Tankers and Teekay Corporation, have interests in the Merger that differ from the interests of the unaffiliated TIL shareholders (see the section entitled The Merger Certain Effects of the Merger Interests of Certain Persons in the Merger); and

the risks of the type and nature described in the section of this joint proxy statement/prospectus entitled Risk Factors.

Although the foregoing discussion sets forth the material factors considered by the TIL Special Committee in reaching its determinations, it is not intended to be exhaustive and may not include all of the factors considered by the TIL Special Committee, and each director may have considered different factors or given different weight to each factor. The above factors are not presented in any order of priority. In view of the variety of factors, the amount of information and the complexity of the matters considered, the TIL Special Committee members did not find it practicable to, and did not, make specific assessments of, or assign relative weights to, the specific factors considered in reaching their respective recommendations. The explanation of the reasoning of the TIL Special Committee and certain information presented in this section are forward-looking in nature and should be read in light of the factors discussed in the section of this joint proxy statement/prospectus entitled Cautionary Statement Concerning Forward-Looking Statements.

Recommendation of the TIL Board of Directors

At a meeting held on May 31, 2017, the TIL Board, on the basis of the TIL Special Committee s recommendations and the other factors described below, unanimously (i) determined that the Merger Agreement and the transactions contemplated thereby, including the Merger, were fair and advisable to, and in the best interests of, TIL and the unaffiliated TIL shareholders, (ii) approved the Merger Agreement and the transactions contemplated thereby, including the Merger, (iii) resolved to recommend that the shareholders of TIL approve the Merger Agreement, and (iv) approved the Teekay Voting and Support Agreement.

On September 14, 2017, the TIL Board, including the members of the TIL Special Committee, unanimously approved the entry by TIL into the Letter Agreement Amendment, which, among other things, amended the Merger Agreement to revise the definition of Charter Amendment in the Merger Agreement to reflect the revision from the Initial Charter Amendment to the Charter Amendment.

In the course of making the determinations described above, the TIL Board considered the following material factors:

the TIL Special Committee s analyses, conclusions and unanimous recommendation to the TIL Board described above in Recommendations of the TIL Special Committee and Board of Directors; TIL Reasons for the Merger Determination of the TIL Special Committee ;

the fact that the TIL Special Committee consists of three independent directors of TIL who are not affiliated with Teekay Tankers or Teekay Corporation;

the value to be received by the shareholders of TIL in the Merger, including the fact that the Merger Consideration represents a significant premium over the trading price of TIL common stock. The Merger Consideration represented a premium of approximately 21% over the closing share price of the TIL common stock on the OSE on May 30, 2017 (the last trading date prior to the TIL Board meeting), and a premium of approximately 29% based on Teekay Tankers 30-day volume weighted average trading price on the NYSE for the period ended May 30, 2017;

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the opinion of Evercore dated May 30, 2017 that, as of the date of such opinion, and based upon and subject to the various qualifications, assumptions and limitations set forth therein, the exchange ratio of 3.30 shares of Teekay Tankers Class A Common Stock for each share of TIL common stock is fair, from a financial point of view, to the unaffiliated TIL shareholders, as more fully described under Opinion of the Financial Advisor to the TIL Special Committee, Evercore Group L.L.C. ; and

the other factors, both positive and negative, considered by the TIL Special Committee in connection with the Merger Agreement and the transactions contemplated thereby, including the Merger, as described above in Recommendations of the TIL Special Committee and Board of Directors; TIL Reasons for the Merger Determination of the TIL Special Committee.

Although the foregoing discussion sets forth the material factors considered by the TIL Board in reaching its recommendations, it is not intended to be exhaustive and may not include all of the factors considered by the TIL Board, and each director may have considered different factors or given different weight to each factor. The above factors are not presented in any order of priority. In view of the variety of factors, the amount of information and the complexity of the matters considered, the TIL Board did not find it practicable to, and did not, make specific assessments of, or assign relative weights to, the specific factors considered in reaching their respective recommendations. The explanation of the reasoning of the TIL Board and certain information presented in this section are forward-looking in nature and should be read in light of the factors discussed in the section of this joint proxy statement/prospectus entitled Cautionary Statement Concerning Forward-Looking Statements.

The TIL Board unanimously recommends that the shareholders of TIL vote FOR the proposal to approve the Merger Agreement.

Opinion of the Financial Advisor to the TIL Special Committee, Evercore Group L.L.C.

In connection with the Merger, the TIL Special Committee retained Evercore to act as its financial advisor. On May 30, 2017, Evercore delivered its oral opinion to the TIL Special Committee, confirmed by its delivery of a written opinion dated May 30, 2017, that, as of the date thereof, and based upon and subject to the various qualifications, assumptions and limitations set forth in its opinion, the Exchange Ratio of 3.30 shares of Teekay Tankers Class A Common Stock for each share of TIL common stock was fair, from a financial point of view, to the holders of shares of TIL common stock (other than Teekay Tankers and its affiliates).

The full text of the written opinion of Evercore, dated May 30, 2017, which sets forth, among other things, the procedures followed, assumptions made, matters considered, and qualifications and limitations on the scope of review undertaken in rendering its opinion, is attached as Appendix G to this joint proxy statement/prospectus and is incorporated herein by reference in its entirety. You are urged to read Evercore s opinion carefully and in its entirety.

Evercore s opinion was addressed to, and provided for the information and benefit of, the TIL Special Committee in connection with its evaluation of the proposed Merger and addresses only the fairness, from a financial point of view, of the Exchange Ratio to the holders of shares of TIL common stock (other than Teekay Tankers and its affiliates). Evercore s written opinion provides that the opinion is also for the information and benefit of the TIL Board, in connection with its evaluation of the proposed Merger. The opinion does not address any other aspect of the transaction and does not constitute a recommendation to the TIL Special Committee or to any other persons in respect of the Merger, including as to how any holder of shares of TIL common stock should vote or act in respect of the Merger. Evercore s opinion does not address the relative merits of the Merger as compared to other business or financial strategies that might be available to TIL, nor does it address the underlying business decision of TIL to engage in the Merger.

In connection with rendering its opinion, Evercore has, among other things:

- reviewed certain publicly available business and financial information relating to TIL and Teekay Tankers that Evercore deemed to be relevant, including publicly available research analysts estimates;

- reviewed certain non-public historical financial statements and other non-public historical financial data relating to TIL and Teekay Tankers, prepared and furnished to Evercore by management of TIL and Teekay Tankers, respectively;

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reviewed certain non-public projected financial data relating to TIL (or the *TIL Management Projections*) and Teekay Tankers (or the *Teekay Tankers Management Projections*) under alternative business assumptions prepared and furnished to Evercore by management of TIL and Teekay Tankers, respectively;

reviewed certain non-public historical and projected operating data relating to TIL and Teekay Tankers, prepared and furnished to Evercore by management of TIL and Teekay Tankers, respectively;

discussed the past and current operations, financial projections and current financial condition of TIL and Teekay Tankers with management of TIL and Teekay Tankers (including their views on the risks and uncertainties of achieving such projections);

reviewed the reported prices and the historical trading activity of TIL common stock and Teekay Tankers Class A Common Stock;

compared the financial performance of TIL and Teekay Tankers and their respective stock market trading multiples with those of certain other publicly traded companies that Evercore deemed relevant;

compared the financial performance of TIL and the valuation multiples relating to the Merger with those of certain other transactions that Evercore deemed relevant;

reviewed certain third-party charter free vessel appraisals of TIL and Teekay Tankers as provided to Evercore by management of TIL and Teekay Tankers, respectively;

considered the potential pro forma impact of the Merger on the Combined Company;

reviewed a draft of the Merger Agreement, dated May 28, 2017, which Evercore assumed was in substantially final form and from which Evercore assumed the final form would not vary in any respect material to Evercore s analysis;

reviewed a draft of the Teekay Voting and Support Agreement, dated May 26, 2017, by and among TIL, Teekay Tankers, Teekay Corporation, Teekay Finance Limited (or *TFL*), and THL, which Evercore assumed was in substantially final form and from which Evercore assumed the final form would not vary in any respect material to Evercore s analysis; and

performed such other analyses and examinations and considered such other factors that Evercore deemed appropriate.

For purposes of its analysis and opinion, Evercore assumed and relied upon, without undertaking any independent verification of, the accuracy and completeness of all of the information publicly available, and all of the information supplied or otherwise made available to, discussed with, or reviewed by Evercore, and Evercore assumed no liability therefor. Management of TIL and Teekay Tankers provided the financial projections of TIL and Teekay Tankers, respectively, through year-end 2019. Furthermore, management of TIL and Teekay Tankers provided to Evercore assumptions upon which Evercore, at the direction of management of TIL and with the input of management of Teekay Tankers and TIL, extrapolated the financial projections of TIL and Teekay Tankers, respectively, through year-end 2021. With respect to the projected financial and operating data relating to TIL and Teekay Tankers referred to above, Evercore assumed that they have been reasonably prepared on bases reflecting the best currently available estimates and good faith judgments of the managements of TIL and Teekay Tankers as to the future financial performance of TIL and Teekay Tankers, as applicable, under the alternative business assumptions reflected therein. Evercore expressed no view as to any projected financial data relating to TIL or Teekay Tankers or the assumptions on which they were based. Evercore relied, at the TIL Special Committee s direction, without independent verification, upon the assessments of the management of each of TIL and Teekay Tankers as to the future operational performance of TIL and Teekay Tankers (both on an individual and combined basis), including but not limited to, charter revenues, commissions, operating expenses, administrative expenses and voyage fees and expenses. For all purposes of its analysis, at the TIL Special Committee s direction, Evercore assumed that the terms of the time charter agreements were valid and will remain in full force and effect for the term provided therein and that all charterer s obligations will be performed for both TIL and Teekay Tankers.

For purposes of rendering its opinion, Evercore assumed, in all respects material to its analysis, subject to the limitations and qualifications set forth therein and the disclosure schedules delivered by each of TIL and Teekay Tankers in connection therewith, that the representations and warranties of each party contained in the Merger Agreement were true and correct, that each party will perform all of the covenants and agreements required to be performed by it under the Merger Agreement and that all conditions to the consummation of the Merger will be satisfied without material waiver or modification thereof. Evercore further assumed that all governmental, regulatory or other consents, approvals or releases necessary for the consummation of the Merger will be obtained without any material delay, limitation, restriction or condition that would have an adverse effect on TIL or the consummation of the Merger or materially reduce the benefits to the holders of TIL common stock of the Merger.

Evercore did not make nor assume any responsibility for making any independent valuation or appraisal of the assets or liabilities of TIL or Teekay Tankers, nor did Evercore evaluate the solvency or fair value of TIL or Teekay Tankers under any state or federal laws relating to bankruptcy, insolvency or similar matters. Evercore s opinion was necessarily based upon information made available to it as of the date of the opinion and financial, economic, market and other conditions as they existed and as could be evaluated on the date of the opinion. Subsequent developments may affect Evercore s opinion, but Evercore does not have any obligation to update, revise or reaffirm its opinion.

Evercore was not asked to pass upon, and expressed no opinion with respect to, any matter other than the fairness to the holders of TIL common stock (other than Teekay Tankers and its affiliates), from a financial point of view, of the Exchange Ratio as of May 30, 2017. Evercore did not express any view on, and its opinion did not address, the fairness of the proposed transaction to, or any consideration received in connection therewith by, the holders of any other securities, the creditors or other constituencies of TIL, nor as to the fairness of the amount or nature of any compensation to be paid or payable to any of the officers, directors or employees of TIL, or any class of such persons, whether relative to the Exchange Ratio or otherwise. Evercore assumed that any modification to the structure of the transaction will not vary in any respect material to its analysis.

Evercore expressed no opinion as to the price at which shares of TIL or Teekay Tankers will trade at any time. Evercore is not a legal, regulatory, accounting or tax expert and Evercore assumed the accuracy and completeness of assessments by TIL and its advisors with respect to legal, regulatory, accounting and tax matters.

Evercore s opinion was only one of many factors considered by the TIL Special Committee in its evaluation of the Merger and should not be viewed as determinative of the views of the TIL Special Committee with respect to the Merger or the Exchange Ratio.

Set forth below is a summary of the material financial analyses reviewed by Evercore on May 30, 2017, in connection with rendering its opinion. The following summary, however, does not purport to be a complete description of the analyses performed by Evercore. The order of the analyses described and the results of these analyses do not represent relative importance or weight given to these analyses by Evercore. Except as otherwise noted, the following quantitative information, to the extent that it is based on market data, is based on market data that existed on or before May 30, 2017, and is not necessarily indicative of current market conditions.

Selected Peer Group Trading Analyses

In performing a selected publicly traded companies analysis of TIL and Teekay Tankers, Evercore reviewed publicly available financial and market information for both companies and the selected public companies listed in the table below (or the *Selected Peer Group Companies*). Evercore, based on its professional judgment and experience, deemed those companies most relevant to consider in relation to TIL and Teekay Tankers, respectively, because they are public companies with operations that for purposes of this analysis Evercore considered similar to the operations of one or more of the business lines of TIL and Teekay Tankers and because they share characteristics that are similar to those of TIL and Teekay Tankers, including with respect to fleet composition, dividend yield, market capitalization, charter profile and leverage. The same Selected Peer Group Companies were used in the selected publicly traded companies analysis for each of TIL and Teekay Tankers.

Evercore reviewed, among other things, (i) the enterprise value (or *EV*) of each of the Selected Peer Group Companies as a multiple of estimated earnings before interest, taxes, depreciation and amortization (or *EBITDA*) for calendar years 2017 and 2018 and (ii) the closing price (or *Price*) of common stock of each of the Selected Peer Group Companies as a multiple of the current net asset value per share (or *NAV Per Share*) of each of the Selected Peer Group Companies based on the average of Wall Street research analysts estimates of NAV Per Share. EV was calculated for purposes of this analysis as equity value (based on the per share closing price of each Selected Peer Group Company on May 26, 2017, multiplied by the fully diluted number of such company s outstanding equity securities on such date), plus debt, plus preferred stock, plus remaining newbuild obligations and less cash and cash equivalents (in the case of debt, cash and cash equivalents, as set forth on the most recent publicly available balance sheet of such company). The financial data of the Selected Peer Group Companies used by Evercore for this analysis were based on publicly available SEC filings and consensus projections provided by FactSet Research Systems Inc. Evercore also considered for purposes of its analysis (i) in the case of TIL, the TIL Management Projections for EBITDA estimates and (ii) in the case of Teekay Tankers, the Teekay Tankers Management Projections for EBITDA estimates. The Price/NAV Per Share multiple analysis for both TIL and Teekay Tankers was based on (i) in the case of TIL, the average of broker appraisals as provided by Fearnleys AS (or *Fearnleys*) and Clarkson Valuations Limited (or *Clarksons Valuations*), which appraised the vessels comprising the TIL fleet at approximately $534.5 million and $521.3 million, respectively, resulting in an average appraisal of $527.9 million, and (ii) in the case of Teekay Tankers, the average of broker appraisals as provided by Braemar ACM Valuations Limited (or *Braemar*) and Fearnleys, which appraised the vessels comprising the Teekay Tankers fleet at approximately $1,051.7 million and $1,050.2 million, respectively, resulting in an average appraisal of $1,050.9 million.

After subtracting TIL s bank debt and adding the amount of TIL s cash and cash equivalents and net working capital, in each case, as of March 31, 2017, Evercore calculated an estimated NAV for TIL, using the two appraised values summarized above, of approximately $239.3 million and $226.1 million, respectively, resulting in an average NAV for TIL of $232.7 million. Taking into account the number of shares of TIL common stock outstanding as of May 26, 2017 on a fully diluted basis, Evercore s calculation resulted in an implied NAV per share of TIL common stock of approximately $7.87 and $7.44, respectively, as follows:

(in millions, except per share data)	**Fearnleys[(2)]**	**Clarksons[(3)]**	**Appraisal Average**
TIL Fleet Appraisal Value[(1)]	$ 534.5	$ 521.3	$ 527.9
Less: Bank Debt	($ 351.6)	($ 351.6)	($ 351.6)
Plus: Cash and Cash Equivalents	$ 39.5	$ 39.5	$ 39.5
Plus: Net Working Capital	$ 17.0	$ 17.0	$ 17.0
Net Asset Value	**$ 239.3**	**$ 226.1**	**$ 232.7**
Net Asset Value per Share	**$ 7.87**	**$ 7.44**	**$ 7.65**

(1) Vessel appraisals are commonly used in the shipping industry. The appraisals are estimates by their nature, and the amount realized upon the actual sale of a vessel will generally be more or less. Each of the appraisers is engaged every quarter end to provide valuations based on their qualifications, experience, and reputations and because the companies are required to report the valuations to their lenders each quarter. During the past two years, TIL has paid (i) Fearnleys approximately $30,000 in the aggregate for these services and (ii) Clarksons Valuations approximately $50,000 in the aggregate for these services. TIL also paid Clarksons Valuations $20,000 pursuant to a Valuation Provision Agreement in connection with this Registration Statement. TIL did not pay any additional fees for the use of the Fearnleys appraisal in connection with the merger. Evercore used the

third party appraisals to calculate NAV for purposes of evaluating the TIL Price/NAV ratio. The information in footnotes 2 and 3 below has been provided by the respective appraisal firms. No official appraisal was provided for four vessels (Tianlong Spirit, Jiaolong Spirit, Shenlong Spirit and Dilong Spirit). However, upon the direction of TIL management, Evercore used the appraisals of sister-ships as a reference for these vessels and the value ascribed to these vessels is included in these figures.

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(2) The valuations were prepared by Fearnleys AS. The valuations are given on the basis of Fearnleys AS s own disclaimer, which is to be found on the reverse side of each individual valuation certificate reproduced in this joint proxy statement/prospectus as Appendix J. The information in this footnote has been provided by Fearnleys AS.

(3) The valuations were prepared by Clarkson Valuations Limited. The valuations are based on recent transactions, negotiations and broker s market knowledge and assume charter-free delivery on a willing buyer, willing seller basis. The valuations relate to April 7, 2017 and are not a guide to the market value of the vessels at any other time. Market values in the shipping industry are highly volatile. The full valuation certificate is reproduced in this joint proxy statement/prospectus as Appendix I. The information in this footnote has been provided by Clarkson Valuations Limited.

After subtracting the value of the four (4) vessels held by Teekay Tankers pursuant to a sale and lease-back arrangement and one (1) vessel to be sold by Teekay Tankers and the amount of Teekay Tankers bank debt and adding the amount of Teekay Tankers cash and cash equivalents, the estimated value of Teekay Tankers investment in TIL and in Lightering and Commercial and Technical Operations (pro forma for the impact of the acquisition of the remaining 50% interest in TTOL), the value of Teekay Tankers marked-to-market charter contract portfolio and net working capital, in each case, as of March 31, 2017, Evercore calculated an estimated NAV for Teekay Tankers, using the two appraised values summarized above, of approximately $482.2 million and $481.1 million, respectively, resulting in an average NAV for Teekay Tankers of $481.7 million. Taking into account the number of shares of Teekay Tankers common stock outstanding as of May 26, 2017 on a fully diluted basis (pro forma for the shares of Teekay Tankers Class B common stock issued in connection with the acquisition of 50% of TTOL), Evercore s calculation resulted in an implied NAV per share of Teekay Tankers Class A Common Stock of approximately $2.69 and $2.68, respectively, as follows:

(in millions, except per share data)	**Braemar[2]**	**Fearnleys[3]**	**Appraisal Average**
Teekay Tankers Fleet Appraisal Value[1]	$ 1,051.7	$ 1,050.2	$ 1,050.9
Less: 4 Sale Lease-Back Vessels & 1 Vessel to be Sold	($ 168.0)	($ 169.0)	($ 168.5)
Less: Bank Debt	($ 721.7)	($ 721.7)	($ 721.7)
Plus: Cash and Cash Equivalents	$ 77.7	$ 77.7	$ 77.7
Plus: Investment in TIL	$ 25.5	$ 27.0	$ 26.3
Plus: Investment in Lightering	$ 86.8	$ 86.8	$ 86.8
Plus: Investment in Commercial and Technical Operations	$ 54.4	$ 54.4	$ 54.4
Plus: Marked-to-Market Charter Contract Portfolio	$ 38.0	$ 38.0	$ 38.0
Plus: Net Working Capital	$ 37.8	$ 37.8	$ 37.8
Net Asset Value	**$ 482.2**	**$ 481.2**	**$ 481.7**
Net Asset Value per Share	**$ 2.69**	**$ 2.68**	**$ 2.69**

(1) Vessel appraisals are commonly used in the shipping industry. The appraisals are estimates by their nature, and the amount realized upon the actual sale of a vessel will generally be more or less. Each of the appraisers is engaged every quarter end to provide valuations based on their qualifications, experience, and reputations and because the companies are required to report the valuations to their lenders. During the past two years, Teekay Tankers has paid (i) Braemar approximately $19,000 in the aggregate for these services and (ii) Fearnleys

approximately $70,000 in the aggregate for these services. Teekay Tankers did not pay any additional fees for the use of the appraisals in connection with the Merger. Evercore used the third party appraisals to calculate NAV for purposes of evaluating the Teekay Tankers Price/NAV ratio. The information in footnotes 2 and 3 below has been provided by the respective appraisal firms. No official appraisal was provided for one vessel (Pinnacle Spirit). However, upon the direction of Teekay Tankers management, Evercore used the appraisal of a sister-ship as a reference for this vessel and the value ascribed to this vessel is included in these figures.

(2) The valuations were prepared by Braemar ACM Valuations Limited. Valuations are based on comparable transactions, recent and current negotiations, the current charter market, future chartering forecasts and Vessel specifications. The full valuation certificate is reproduced in this joint proxy statement/prospectus as Appendix H. The information in this footnote has been provided by Braemar ACM Valuations Limited.

(3) The valuations were prepared by Fearnleys AS. The valuations are given on the basis of Fearnleys AS s own disclaimer, which is to be found on the reverse side of each individual valuation certificate reproduced in this joint proxy statement/prospectus as Appendix J. The information in this footnote has been provided by Fearnleys AS.

Price/NAV Per Share multiples for each of the Selected Peer Group Companies and comparison metrics for each of TIL and Teekay Tankers are set forth in the tables below.

Selected Peer Companies: TIL and Teekay Tankers

Selected Company	EV/EBITDA 2017E	EV/EBITDA 2018E	Price/ NAV Per Share
Nordic American Tanker Ltd.	10.6x	7.4x	1.59x
Gener8 Maritime Inc.	9.7x	8.5x	0.64x
Euronav NV	8.5x	7.0x	0.82x
DHT Holdings Inc.	7.6x	6.5x	0.79x
Frontline Ltd.	11.4x	8.5x	1.26x
Navios Maritime Acquisition Corporation	10.2x	9.6x	1.44x
Tsakos Energy Navigation	9.0x	7.9x	0.87x
International Seaways Inc.	6.8x	5.8x	0.86x
TIL	7.8x	6.2x	0.67x

Based on its review of the Selected Peer Group Companies and its experience and professional judgment, Evercore then applied (i) a reference range of EV/EBITDA multiples of 7.5x to 10.0x to the estimated EBITDA for each of TIL and Teekay Tankers for the calendar year 2017, (ii) a reference range of EV/EBITDA multiples of 6.5x to 8.5x to the estimated EBITDA for each of TIL and Teekay Tankers for the calendar year 2018 and (iii) a reference range of Price/NAV Per Share multiples of 0.65x to 1.00x to the NAV Per Share for each of TIL and Teekay Tankers.

This analysis indicated an implied equity value per share reference range for TIL of approximately $3.06 to $7.50, $3.57 to $7.83 and $4.98 to $7.65, using the TIL 2017 EV/EBITDA multiples, 2018 EV/EBITDA multiples and Price/NAV Per Share multiples, respectively. The analysis indicated an implied equity value per share reference range for Teekay Tankers of approximately $1.72 to $3.77, $2.21 to $4.25 and $1.75 to $2.69, using the Teekay Tankers 2017 EV/EBITDA multiples, 2018 EV/EBITDA multiples and Price/NAV Per Share multiples, respectively.

Implied Relative Equity Value per Share

Evercore calculated an implied exchange ratio reference range by dividing the low end of the implied per share equity value reference range for TIL by the high end of the implied per share equity value reference range for Teekay Tankers indicated by the Selected Peer Group Company analyses and by dividing the high end of the implied per share equity value reference range for TIL by the low end of the implied per share equity value reference range for Teekay Tankers indicated by the Selected Peer Group Company analyses for each of calendar year 2017 and 2018 and current NAV Per Share. This analysis indicated an implied exchange ratio reference range of 0.810 to 4.368 shares of Teekay Tankers Class A Common Stock for each share of TIL common stock using 2017 EV/EBITDA multiples, an implied exchange ratio reference range of 0.840 to 3.548 shares of Teekay Tankers Class A Common Stock for each share of TIL common stock using 2018 EV/EBITDA multiples and an implied exchange ratio reference range of 1.852 to 4.384 shares of Teekay Tankers Class A Common Stock using Price/NAV Per Share multiples, in each case as compared to the Exchange Ratio of 3.30 shares of Teekay Tankers Class A Common Stock for each share of TIL common stock.

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Discounted Cash Flow Analysis

TIL

3-Year Projections. Evercore, in performing the discounted cash flow analysis of TIL, applied discount rates ranging from 10.5% to 12.5%, which were chosen by Evercore based on an estimate of TIL s weighted average cost of capital calculated using the capital asset pricing model, to calculate the estimated present value as of March 31, 2017 of the stand-alone unlevered, after-tax free cash flows that TIL was projected to generate from April 1, 2017 through December 31, 2019, using information contained in the TIL Management Projections. The stand-alone unlevered, after-tax free cash flows that TIL was projected to generate from April 1, 2017 through December 31, 2019 were calculated by deducting drydock expenses from TIL s forecasted EBITDA figure, as derived from the TIL Management Projections. The terminal year EBITDA was adjusted to include replacement capex, based on the assumption that if the assets are depreciating by a set rate per year, investing the same amount would ensure a constant level of assets in the business for the terminal value calculation. The terminal value of TIL as of December 31, 2019 was calculated by applying terminal value EV/EBITDA multiples ranging from 5.5x to 7.5x to estimated 2019 EBITDA. Evercore selected the ranges of terminal EV/EBITDA multiples based on (i) TIL s fleet age for year-end 2019, (ii) TIL s historical EV/EBITDA multiple trading range since its initial public offering, (iii) historical EV/EBITDA multiples of certain selected companies over the last ten years and (iv) historical implied crude vessel purchase price/EBITDA multiples across different fleet ages over the last ten years. The present value of the free cash flows through 2019 were then added to the present value of the terminal value to determine a range of implied enterprise values of TIL. A range of implied equity values for TIL was then calculated by reducing the range of implied enterprise values by the amount of TIL s net debt (calculated as debt less cash and cash equivalents) as of March 31, 2017. This analysis resulted in an implied per-share equity value reference range of approximately $6.37 to $11.40.

5-Year Projections. Evercore, in performing the discounted cash flow analysis of TIL, applied discount rates ranging from 10.5% to 12.5%, which were chosen by Evercore based on an estimate of TIL s weighted average cost of capital calculated using the capital asset pricing model, to calculate the estimated present value as of March 31, 2017 of the stand-alone unlevered, after-tax free cash flows that TIL was projected to generate from April 1, 2017 through December 31, 2021, using information contained in the TIL Management Projections. The stand-alone unlevered, after-tax free cash flows that TIL was projected to generate from April 1, 2017 through December 31, 2021 were calculated by deducting drydock expenses from TIL s forecasted EBITDA figure, as derived from the TIL Management Projections. The terminal year EBITDA was adjusted to include replacement capex, based on the assumption that if the assets are depreciating by a set rate per year, investing the same amount would ensure a constant level of assets in the business for the terminal value calculation. The terminal value of TIL as of December 31, 2021 was calculated by applying terminal value EV/EBITDA multiples ranging from 5.0x to 7.0x to estimated 2021 EBITDA. Evercore selected the ranges of terminal EV/EBITDA multiples based on (i) TIL s fleet age for year-end 2021, (ii) TIL s historical EV/EBITDA multiple trading range since its initial public offering, (iii) historical EV/EBITDA multiples of certain selected companies over the last ten years and (iv) historical implied crude vessel purchase price/EBITDA multiples across different fleet ages over the last ten years. The present value of the free cash flows through 2021 were then added to the present value of the terminal value to determine a range of implied enterprise values of TIL. A range of implied equity values for TIL was then calculated by reducing the range of implied enterprise values by the amount of TIL s net debt (calculated as debt less cash and cash equivalents) as of March 31, 2017. This analysis resulted in an implied per-share equity value reference range of approximately $7.28 to $11.98.

Teekay Tankers

3-Year Projections. Evercore, in performing the discounted cash flow analysis of Teekay Tankers, applied discount rates ranging from 9.5% to 11.5%, which were chosen by Evercore based on an estimate of Teekay Tankers weighted average cost of capital calculated using the capital asset pricing model, to calculate the estimated present value as of March 31, 2017 of the stand-alone unlevered, after-tax free cash flows that Teekay Tankers was projected to generate from April 1, 2017 through December 31, 2019, using information contained in the Teekay Tankers Management Projections. The stand-alone unlevered, after-tax free cash flows that Teekay Tankers was projected to generate from April 1, 2017 through December 31, 2019 were calculated by adding back cash dividends from Teekay Tankers joint ventures and other investments and deducting drydock expenses, from Teekay Tankers forecasted EBITDA figure, as derived from the Teekay Tankers Management Projections. The terminal year EBITDA was adjusted to include replacement capex, based on the assumption that if the assets are depreciating by a set rate per year, investing the same amount would ensure a constant level of assets in the business for the terminal value calculation. The terminal value of Teekay Tankers as of December 31, 2019 was calculated by applying terminal value EV/EBITDA multiples ranging from 5.0x to 7.0x to estimated 2019 EBITDA. Evercore selected the ranges of terminal EV/EBITDA multiples based on (i) Teekay Tankers fleet age for year-end 2019, (ii) Teekay Tankers historical EV/EBITDA multiple trading range since its initial public offering, (iii) historical EV/EBITDA multiples of certain selected companies over the last ten years and (iv) historical implied crude vessel purchase price/EBITDA multiples across different fleet ages over the last ten years. The present value of the free cash flows through 2019 were then added to the present value of the terminal value to determine a range of implied enterprise values of Teekay Tankers. A range of implied equity values for Teekay Tankers was then calculated by reducing the range of implied enterprise values by the amount of Teekay Tankers net debt (calculated as debt less cash and cash equivalents) as of March 31, 2017. This analysis resulted in an implied per-share equity value reference range of approximately $2.48 to $4.61.

5-Year Projections. Evercore, in performing the discounted cash flow analysis of Teekay Tankers, applied discount rates ranging from 9.5% to 11.5%, which were chosen by Evercore based on an estimate of Teekay Tankers weighted average cost of capital calculated using the capital asset pricing model, to calculate the estimated present value as of March 31, 2017 of the stand-alone unlevered, after-tax free cash flows that Teekay Tankers was projected to generate from April 1, 2017 through December 31, 2021, using information contained in the Teekay Tankers Management Projections. The stand-alone unlevered, after-tax free cash flows that Teekay Tankers was projected to generate from April 1, 2017 through December 31, 2021 were calculated by adding back cash dividends from Teekay Tankers joint ventures and other investments and deducting drydock expenses, from Teekay Tankers forecasted EBITDA figure, as derived from the Teekay Tankers Management Projections. The terminal year EBITDA was adjusted to include replacement capex, based on the assumption that if the assets are depreciating by a set rate per year, investing the same amount would ensure a constant level of assets in the business for the terminal value calculation. The terminal value of Teekay Tankers as of December 31, 2021 was calculated by applying terminal value EV/EBITDA multiples ranging from 4.5x to 6.5x to estimated 2021 EBITDA. Evercore selected the ranges of terminal EV/EBITDA multiples based on (i) Teekay Tankers fleet age for year-end 2021, (ii) Teekay Tankers historical EV/EBITDA multiple trading range since its initial public offering, (iii) historical EV/EBITDA multiples of certain selected companies over the last ten years and (iv) historical implied crude vessel purchase price/EBITDA multiples across different fleet ages over the last ten years. The present value of the free cash flows through 2021 were then added to the present value of the terminal value to determine a range of implied enterprise values of Teekay Tankers. A range of implied equity values for Teekay Tankers was then calculated by reducing the range of implied enterprise values by the amount of Teekay Tankers net debt (calculated as debt less cash and cash equivalents) as of March 31, 2017. This analysis resulted in an implied per-share equity value reference range of approximately $2.62 to $4.49.

Implied Relative Equity Value per Share

Evercore calculated an implied exchange ratio reference range by dividing the low end of each implied share price reference range for TIL by the high end of each implied share price reference range for Teekay Tankers indicated by the discounted cash flow analyses and by dividing the high end of each implied share price reference range for TIL by the low end of each implied share price reference range for Teekay Tankers indicated by the discounted cash flow analyses. Utilizing the TIL Projections and Teekay Tankers Projections, this analysis indicated an implied exchange ratio reference range of 1.382 to 4.593 shares of Teekay Tankers Class A Common Stock for each share of TIL common stock when applied to the implied share price reference ranges calculated using the 3-year projections, and indicated an implied exchange ratio reference range of 1.623 to 4.573 shares of Teekay Tankers Class A Common Stock for each share of TIL common stock when applied to the implied share price reference ranges calculated using the 5-year projections, in each case as compared to the Exchange Ratio of 3.30 shares of Teekay Tankers Class A Common Stock for each share of TIL common stock.

Other Factors

Evercore also reviewed and considered other factors, which were not considered part of its financial analyses in connection with rendering its advice, but were referenced for informational purposes, including, among other things, the last 52-week trading range, research analyst price targets, the historical share price ratio and a contribution analysis. None of the foregoing constituted a valuation methodology for purposes of Evercore s financial analysis, and the foregoing were referenced for informational purposes only.

Last 52-Week Trading Range

Evercore reviewed historical trading prices of shares of TIL common stock and shares of Teekay Tankers Class A Common Stock during the twelve month period ended May 26, 2017, noting that the low and high closing prices during such period ranged from $4.02 to $6.74 for TIL and $1.90 to $3.76 for Teekay Tankers. Evercore calculated an implied exchange ratio reference range by dividing the low end of the historical trading price range for TIL by the high end of the historical trading price range for Teekay Tankers and by dividing the high end of the historical trading price range for TIL by the low end of the historical trading price range for Teekay Tankers. This indicated an implied exchange ratio reference range of 1.069 to 3.545 shares of Teekay Tankers Class A Common Stock for each share of TIL common stock, as compared to the Exchange Ratio of 3.30 shares of Teekay Tankers Class A Common Stock for each share of TIL common stock.

Research Analyst Price Targets

Evercore reviewed publicly available share price targets of research analysts estimates known to Evercore as of May 26, 2017, noting that the low and high share price targets ranged from $5.01 to $8.94 for TIL and that the low and high share price targets ranged from $1.60 to $3.50 for Teekay Tankers. Evercore calculated an implied exchange ratio reference range by dividing the low end of the share price target range for TIL by the high end of the share price target range for Teekay Tankers and by dividing the high end of the share price target range for TIL by the low end of the share price target range for Teekay Tankers. This indicated an implied exchange ratio reference range of 1.431 to 5.589 shares of Teekay Tankers Class A Common Stock for each share of TIL common stock, as compared to the Exchange Ratio of 3.30 shares of Teekay Tankers Class A Common Stock for each share of TIL common stock. The price targets published by equity research analysts do not necessarily reflect current market trading prices for TIL common stock and Teekay Tankers Class A Common Stock and these price targets are subject to numerous uncertainties, including the future financial performance of each company and market conditions.

Historical Share Price Ratio

Evercore reviewed the historical share price ratio of shares of TIL common stock to shares of Teekay Tankers Class A Common Stock for the three-year period ended May 26, 2017 by dividing the closing price for shares of TIL common stock by the closing price for shares of Teekay Tankers Class A Common Stock as of the end of each trading day during this period. This indicated a three-year ratio reference range of 1.482 to 3.076 shares of Teekay Tankers Class A Common Stock for each share of TIL common stock, as compared to the Exchange Ratio of 3.30 shares of Teekay Tankers Class A Common Stock for each share of TIL common stock.

Contribution Analysis

Evercore analyzed the respective contributions of TIL and Teekay Tankers to the EBITDA and net income of the Combined Company, based on the TIL Management Projections and Teekay Tankers Management Projections. For the purposes of the EBITDA contribution, Evercore analyzed such contributions on a levered basis by deducting each company s respective net debt contribution to the implied combined enterprise value and on an unlevered basis not adjusted by net debt of each company, as of the end of calendar years 2017, 2018 and 2019. This analysis indicated the relative contributions of TIL and Teekay Tankers and implied exchange ratios (which in each case Evercore compared to the Exchange Ratio of 3.30 shares of Teekay Tankers Class A Common Stock for each share of TIL common stock):

Contribution Analysis

					Contribution				
					Unlevered Basis		Levered Basis		Implied
		Teekay Tankers	TIL	Combined	Teekay Tankers	TIL	Teekay Tankers	TIL	Exchange Ratio
		($ in millions)							
	2017E	$ 147	$ 54	$ 201	73.2%	26.8%	76.1%	23.9%	1.855x
EBITDA	2018E	184	65	248	73.9%	26.1%	78.5%	21.5%	1.616x
	2019E	272	103	375	72.5%	27.5%	73.8%	26.2%	2.093x
	2017E	$ 8	$ 3	$ 11			71.0%	29.0%	2.413x
Net Income	2018E	44	14	58			75.6%	24.4%	1.908x
	2019E	140	52	192			73.1%	26.9%	2.167x

General

The foregoing summary of certain material financial analyses does not purport to be a complete description of the analyses or data presented by Evercore. In connection with the review of the Merger by the TIL Special Committee, Evercore performed a variety of financial and comparative analyses for purposes of rendering its opinion. The preparation of a fairness opinion is a complex process and is not necessarily susceptible to partial analysis or summary description. Selecting portions of the analyses or of the summary described above, without considering the analyses as a whole, could create an incomplete view of the processes underlying Evercore s opinion. In arriving at its fairness determination, Evercore considered the results of all the analyses and did not draw, in isolation, conclusions from or with regard to any one analysis or factor considered by it for purposes of its opinion. Rather, Evercore made its determination as to fairness on the basis of its experience and professional judgment after considering the results of all the analyses. In addition, Evercore may have considered various assumptions more or less probable than other assumptions, so that the range of valuations resulting from any particular analysis described above should therefore not be taken to be Evercore s view of the value of shares of TIL common stock. No company used in the above analyses as a comparison is directly comparable to TIL or Teekay Tankers. Further, Evercore s analyses involve complex considerations and judgments concerning financial and operating characteristics and other factors that could affect the acquisition, public trading or other values of the companies used, including judgments and assumptions with regard to industry performance, general business, economic, market and financial conditions and other matters, many of which are beyond the control of TIL.

Evercore prepared these analyses for the purpose of providing an opinion to the Special Committee as to the fairness, from a financial point of view, to holders of shares of TIL common stock (other than Teekay Tankers and their affiliates) of the Exchange Ratio in the Merger. These analyses do not purport to be appraisals or necessarily reflect the prices at which the business or securities actually may be sold. Any estimates contained in these analyses are not necessarily indicative of actual future results, which may be significantly more or less favorable than those suggested by such estimates. Accordingly, estimates used in, and the results derived from, Evercore s analyses are inherently subject to substantial uncertainty, and Evercore assumes no responsibility if future results are materially different from those forecasted in such estimates.

The issuance of the fairness opinion was approved by an opinion committee of Evercore.

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TIL paid Evercore an initial fee of $500,000 ($250,000 of which is creditable against any success fee), and will also pay Evercore a success fee of 0.95% of the sum of (i) the value of the consideration received for all of the equity of TIL in connection with the Merger, plus (ii) the aggregate value of any debt, capital lease and preferred stock obligations (whether consolidated, off-balance sheet or otherwise) of TIL outstanding at the closing of the Merger, for its financial advisory services in connection with the Merger, which success fee is payable at, and contingent upon, consummation of the Merger, if the Merger is consummated with Teekay Tankers or a transaction is consummated with a third party. An additional discretionary fee may be paid to Evercore by TIL, the amount of which, if any, will be determined by the TIL Special Committee in its sole and absolute discretion based upon, among other things, the resources expended by Evercore in the course of the assignment, the TIL Special Committee s satisfaction with the services rendered and the benefit to TIL of the successful conclusion of the assignment. TIL has also agreed to reimburse Evercore for its reasonable expenses incurred in connection with its engagement and has agreed to indemnify Evercore and its members, partners, officers, directors, advisors, representatives, employees, agents, affiliates or controlling persons, if any, against certain liabilities and expenses arising out of or in connection with Evercore s engagement.

In the ordinary course of business, Evercore or its affiliates may actively trade the securities, or related derivative securities, or financial instruments of TIL, Teekay Tankers and their respective affiliates, for its own account and for the accounts of its customers and, accordingly, may at any time hold a long or short position in such securities or instruments. Prior to this engagement, Evercore, and its affiliates provided financial advisory services to TIL and had received fees for the rendering of these services, including the reimbursement of expenses. During the two year period prior May 30, 2017, no material relationship existed between Evercore and its affiliates and Teekay Tankers or its affiliates pursuant to which compensation was received by Evercore or its affiliates as a result of such a relationship, other than Evercore was retained by Teekay Tankers (i) in June 2015 to provide capital markets services to Teekay Tankers, in connection with a Continuous Offering Program, for which Evercore received a fee of $1.597 million and (ii) in November 2015 to provide capital markets services to Teekay Tankers, in connection with a Continuous Offering Program, for which Evercore received a fee of $0.609 million. Evercore may provide financial or other services to Teekay Tankers or its affiliates in the future and in connection with any such services we may receive compensation.

The TIL Special Committee engaged Evercore to act as its financial advisor based on its qualifications, experience and reputation. Evercore is an internationally recognized investment banking firm and is regularly engaged in the valuation of businesses in connection with mergers and acquisitions, leveraged buyouts, competitive biddings, private placements, and valuations for corporate and other purposes.

Recommendations of the Teekay Tankers Board of Directors; Teekay Tankers Reasons for the Merger

At a meeting of the Teekay Tankers Board held on May 31, 2017, after consultation with Teekay Tankers management and outside legal advisor, the Teekay Tankers Board unanimously (i) determined that the Merger is fair and advisable to, and in the best interests of, Teekay Tankers and the shareholders of Teekay Tankers, (ii) approved the Merger Agreement and the transactions contemplated thereby, including the Merger and the Initial Charter Amendment, (iii) directed that the Initial Charter Amendment be submitted to a vote of the Teekay Tankers shareholders; and (iv) recommended to the Teekay Tankers shareholders that the Teekay Tankers shareholders approve the Initial Charter Amendment.

In doing so, the Teekay Tankers Board considered the business, assets, liabilities, results of operations, financial performance, strategic direction and prospects of TIL and Teekay Tankers. Additionally, in making its determination, the Teekay Tankers Board considered a number of factors, including, but not limited to, the following:

Teekay Tankers expects the transaction to be accretive to Teekay Tankers earnings per share;

the fact that the transaction is consistent with Teekay Tankers stated strategy of increasing shareholder value through investing and operating throughout the tanker cycle using a variety of levers, which

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includes using Teekay Tankers platform to pursue consolidation and investment opportunities; in addition, the transaction is consistent with Teekay Tankers strategy to strengthen its balance sheet, which includes decreasing financial leverage and increasing liquidity;

based on TIL s enterprise value in the Merger implied by the Exchange Ratio and the closing price of Teekay Tankers Class A Common Stock on May 26, 2017, Teekay Tankers has agreed to pay a 3.1% premium on the fair market value of TIL s fleet, which it believes is a fair premium to be paid to acquire an en bloc fleet, and including a reasonable control premium;

Teekay Tankers expects that the acquisition of TIL will decrease its financial leverage and, on a pro forma basis, would increase Teekay Tankers liquidity by approximately $117 million to approximately $203 million as of March 31, 2017, which the Teekay Tankers Board determined is a superior avenue for strengthening liquidity relative to other alternatives which may have required the issuance of new dilutive equity;

the fact that the acquisition of TIL is expected to reduce Teekay Tankers average vessel age from 10 years to 9 years and increase Teekay Tankers fleet size from 41 vessels to 59 vessels, including six in-chartered conventional tankers;

the fact that Teekay Tankers will be acquiring tanker assets that are at historically low values;

the combination of Teekay Tankers and TIL s respective businesses is expected to result in various synergies, including the potential for the combined company to realize approximately $3 million in annual cost savings;

compared to TIL s vessels being sold to a third party, this transaction enables Teekay Tankers commercial pools to maintain the required scale to service customer contract obligations as well as their time-charter needs and support Teekay Tankers strategically important regional businesses in the Far East and the Gulf of Mexico;

the fact that Teekay Tankers is acquiring a known, quality fleet that has been technically and commercially managed by an affiliate of Teekay Tankers since being acquired by TIL and that has the ability to produce earnings on par with Teekay Tankers existing vessels;

Teekay Tankers expects that the integration of TIL will not result in significant costs or a distraction to Teekay Tankers management given that both Teekay Tankers and TIL are managed by an affiliate of Teekay Tankers;

Teekay Tankers expects that the acquisition of TIL s modern vessels will provide Teekay Tankers with sufficient scale to sell some older vessels as the tanker market recovers, providing capital to reduce debt or pursue other opportunities in alignment with Teekay Tankers long-term fleet strategy;

the fact that the transaction is expected to reduce Teekay Tankers all-in cash break-even levels at an opportune time during cyclical weakness and allows Teekay Tankers to further benefit from a tanker market recovery;

the financial analyses presented by Swedbank to the Teekay Tankers Board and the opinion of Swedbank, as of the date of such opinion and subject to and based on the various qualifications, assumptions and limitations set forth in the opinion, that the Merger Consideration was fair, from a financial point of view, to Teekay Tankers, as more fully described in the section entitled The Merger Opinion of Swedbank Norge ;

the fact that the exchange ratio is fixed and will not be adjusted for fluctuations in the market price of shares of Teekay Tankers Class A Common Stock or fluctuations in the market price of shares of TIL common stock;

the greater certainty that the merger will be consummated as a result of the voting commitments of significant shareholders of TIL and Teekay Tankers to vote in favor of the proposals required to be approved by the TIL and Teekay Tankers shareholders, as applicable, in connection with the Merger;

the ability of Teekay Tankers, in specified circumstances, to provide information to and to engage in discussions or negotiations with a third party that makes an unsolicited acquisition proposal with respect to Teekay Tankers, as further described in the section entitled The Merger Agreement Conduct Pending the Merger No Solicitation ;

the ability of the Teekay Tankers Board, in specified circumstances, to make a change in recommendation to Teekay Tankers shareholders concerning the Charter Amendment, as further described in the section entitled The Merger Agreement Conduct Pending the Merger No Solicitation ;

the belief that the required regulatory approval under the HSR Act from the Antitrust Division of the Department of Justice was expected to be received prior to the end date and that no other regulatory approvals were expected to be required in order to consummate the Merger. For more information about the status of these applications, see the section entitled The Merger Agreement Conditions to the Merger ;

the ability of the Teekay Tankers and TIL to complete the Merger in a timely manner, including Teekay Tankers ability to specifically enforce TIL s obligations under the Merger Agreement, and the contractual commitments of both parties with respect to the regulatory approvals required to complete the Merger; and

other favorable terms of the Merger Agreement, including:

restrictions on TIL s ability to solicit alternative transactions and to provide confidential information to, or engage in discussions with, a third party interested in pursuing an alternative transaction with TIL, as further discussed in the section entitled The Merger Agreement Conduct Pending the Merger No Solicitation ;

the fact that, while TIL can change or withdraw its recommendation in favor of the Merger Agreement in certain circumstances and subject to compliance with certain procedural requirements, TIL cannot terminate the Merger Agreement in connection with the receipt of an unsolicited superior proposal or an intervening event and would still be required to hold a shareholders meeting to bring the Merger Agreement to a vote;

the obligation of TIL to pay Teekay Tankers a termination fee of $5 million upon termination of the Merger Agreement under specified circumstances; and

the obligation of TIL to reimburse Teekay Tankers for its documented out-of-pocket expenses, subject to a maximum amount of $2 million, if the Merger Agreement is terminated due to the failure to obtain the TIL shareholder approvals or if the TIL Board changes its recommendation.

In connection with its deliberations relating to the Merger, the Teekay Tankers Board also considered potential risks and negative factors concerning the Merger and the other transactions contemplated by the Merger Agreement, including, but not limited to, the following:

the risk that the Merger might not be completed in a timely manner or at all;

the effect that the length of time from announcement until closing could have on the market price of shares of Teekay Tankers Class A Common Stock, and the relationships with Teekay Tankers shareholders;

the costs that will be incurred by Teekay Tankers in connection with consummating the Merger and the impact of those costs on Teekay Tankers operating results;

the risk that the anticipated benefits of the Merger will not be realized in full or in part, including the risk that expected synergies will not be achieved or will not be achieved in the expected time frame;

the fact that the exchange ratio is fixed and will not be adjusted for fluctuations in the market price of shares of Teekay Tankers Class A Common Stock or fluctuations in the market price of shares of TIL common stock;

the risk that the Teekay Tankers shareholders may vote against the approval of the Charter Amendment and the risk that the TIL shareholders may vote against the approval of the Merger Agreement;

certain restrictions on the conduct of Teekay Tankers business during the pendency of the Merger, including restrictions on Teekay Tankers ability to solicit alternative transactions, although the Teekay Tankers Board believed that such restrictions were reasonable;

the fact that the Merger Agreement provides for the ability of the TIL Board to, under certain circumstances, fail to make, withdraw, modify or amend, in a manner adverse to Teekay Tankers, its recommendation that TIL shareholders approve the Merger Agreement;

the risk that if the Merger Agreement is terminated, Teekay Tankers may be obligated to pay a termination fee of $7.5 million under certain circumstances;

the inability of Teekay Tankers to terminate the Merger Agreement to enter into an agreement for a superior proposal or an intervening event;

the potential impact on the market price of Teekay Tankers Class A Common Stock as a result of the issuance of the stock consideration to TIL shareholders, including the risk that it could create an overhang on Teekay Tankers stock price if former TIL shareholders sell their shares of Teekay Tankers Class A Common Stock following the Merger;

the risk that the regulatory approval process could result in a rejection of the Merger, the imposition of undesirable conditions or burdensome terms; and

the risks described in the section entitled Risk Factors.

After consideration of these factors, the Teekay Tankers Board determined that, overall, the potential benefits of the Merger outweighed the potential risks.

On September 14, 2017, following approval by the Teekay Tankers Board, (a) Teekay Tankers entered into the Letter Agreement Amendment with TIL pursuant to which (i) TIL consented to the Huber Voting and Support Agreement (pursuant to which Huber agreed to vote certain shares of Teekay Tankers Class A Common Stock in favor of the Charter Amendment) and to certain actions to be taken by Teekay Tankers in response to Huber s Schedule 13D filing with the SEC on June 20, 2017, which stated Huber s intent not to vote in favor of the Initial Charter Amendment and (ii) Teekay Tankers and TIL amended the Merger Agreement to revise the definition of Charter Amendment to reflect the revision from the Initial Charter Amendment to the Charter Amendment and (b) Teekay Tankers entered into the Huber Voting and Support Agreement with Huber. For additional information about the Huber Voting and Support Agreement, please see The Huber Voting and Support Agreement and Letter Agreement Amendment beginning on page 164 of this joint proxy statement/prospectus.

The foregoing discussion of factors considered by the Teekay Tankers Board is not intended to be exhaustive and may not include all the factors considered by the Teekay Tankers Board. In view of the wide variety of factors considered in connection with its evaluation of the merger and the complexity of these matters, the Teekay Tankers Board did not attempt to quantify, rank or otherwise assign any relative or specific weights to the factors that it considered in reaching its determination to approve the Merger and the Merger Agreement. In addition, individual members of the Teekay Tankers Board may have given differing weights to different factors. The Teekay Tankers Board conducted an overall review of the factors described above and other material factors, including through discussions with, and inquiry of, Teekay Tankers management and outside legal advisor.

The foregoing description of Teekay Tankers consideration of the factors supporting the Merger is forward-looking in nature. This information should be read in light of the factors discussed in the section entitled Cautionary Statement Concerning Forward-Looking Statements.

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Opinion of Swedbank Norge

Teekay Tankers engaged Swedbank to deliver to the Teekay Tankers Board, in its capacity as such, Swedbank s opinion, as investment bankers, as to the fairness to Teekay Tankers, from a financial point of view, of the Merger Consideration. At a meeting of the Teekay Tankers Board held on May 30, 2017, Swedbank delivered to the Teekay Tankers Board its oral opinion, which opinion was confirmed in writing by the delivery of its written opinion, dated May 30, 2017 (or the *Opinion*), that, as of the date of the Opinion and subject to and based on the assumptions made, procedures followed, matters considered, limitations of the review undertaken and qualifications contained in the Opinion, the Merger Consideration was fair, from a financial point of view, to Teekay Tankers. Swedbank was not engaged to serve, and did not serve, as financial advisor or in any other capacity for any of the parties to the Merger Transactions in connection with the Merger Transactions.

The full text of the Opinion is attached to this joint proxy statement/prospectus as Appendix F and is incorporated herein by reference. The summary of the Opinion contained in this joint proxy statement/prospectus is qualified in its entirety by reference to the full text of the Opinion. Teekay Tankers shareholders are encouraged to read the Opinion carefully and in its entirety for a description of the assumptions made, procedures followed, matters considered, limitations and qualifications of the review undertaken by Swedbank in connection with the Opinion. The Opinion was provided for the information of, and directed to, the Teekay Tankers Board in connection with its consideration of the financial terms of the Merger and was only one of many factors considered by the Teekay Tankers Board in its evaluation of the Merger Transactions. The Opinion addresses only the fairness to Teekay Tankers, from a financial point of view, of the Merger Consideration as of the date of the Opinion. The Opinion does not address any other term or aspect of the Merger Transactions, including, without limitation, as to the fairness of the Merger Consideration to the holders of any class of securities, creditors or other constituencies of Teekay Tankers. Furthermore, Swedbank expressed no opinion with respect to the amount or nature of any compensation to any officers, directors, or employees of any party to the Merger Transactions, or any class of such persons relative to the Merger Consideration or with respect to the fairness of any such compensation. Swedbank expressed no opinion as to the price at which the shares of Teekay Tankers Class A Common Stock or the shares of TIL common stock will trade at any future time. The Opinion does not constitute a recommendation to the Teekay Tankers Board as to how it should vote or otherwise act with respect to the Charter Amendment, the Merger Transactions or any other matter or to any shareholder of Teekay Tankers as to how such shareholder should vote or otherwise act with respect to the Charter Amendment, the Merger Transactions or any other matter. The Opinion did not address or compare the relative merits of the Merger Transactions with any other strategies or transactions which might have been available to Teekay Tankers and did not address the underlying decision of Teekay Tankers to effect the Merger Transactions.

The Opinion was necessarily based on economic, market and other conditions as in effect on, and the information made available to Swedbank as of, the date of the Opinion. Subsequent developments from the date of the Opinion may affect the Opinion and Swedbank does not have any obligation to update, revise or reaffirm the Opinion.

In connection with preparing the Opinion, Swedbank, among other things:

- reviewed a draft of the Merger Agreement dated May 20, 2017;
- reviewed certain publicly available business and financial information concerning TIL and Teekay Tankers and the industries in which they operate;

compared the financial and operating performance of TIL and Teekay Tankers with publicly available information concerning certain other companies Swedbank deemed relevant and reviewed the current and historical market prices of the shares of TIL common stock and the Teekay Tankers Class A Common Stock and certain publicly traded securities of such other companies;

reviewed certain internal financial analyses and forecasts provided to Swedbank by the management of Teekay Tankers relating to the businesses of Teekay Tankers and TIL;

reviewed valuations (fleet valuations) for the fleets of each of TIL and Teekay Tankers and certain independent broker valuations relating to portions of the fleets of each of TIL and Teekay Tankers, in each case provided to Swedbank by Teekay Tankers; and performed such other financial studies and analyses and considered such other information as Swedbank deemed appropriate for the purposes of the Opinion.

In addition, Swedbank held discussions with certain members of the management of TIL and Teekay Tankers with respect to certain aspects of the Merger, the past and current business operations of TIL and Teekay Tankers, the financial condition and future prospects and operations of TIL and Teekay Tankers, the effects of the Merger on the financial condition and future prospects of Teekay Tankers, and certain other matters.

In connection with its review and analysis and in rendering the Opinion, Swedbank relied upon and assumed, with the Teekay Tankers Board s consent, the accuracy and completeness of all information that was publicly available or was furnished to or discussed with Swedbank by TIL or Teekay Tankers or otherwise reviewed by Swedbank (including, without limitation, the fleet valuations and independent broker valuations provided to Swedbank by Teekay Tankers). Swedbank did not independently verify any such information or its accuracy or completeness and did not assume any obligation to undertake any such independent verification. Swedbank did not evaluate the solvency of TIL or Teekay Tankers under any state or federal or other laws relating to bankruptcy, insolvency or similar matters. In relying on financial analyses and forecasts provided to it, Swedbank assumed, with the Teekay Tankers Board s consent, that they were reasonably prepared based on assumptions reflecting the best currently available estimates and judgments of management of Teekay Tankers as to the expected future results of operations and financial condition of TIL and Teekay Tankers to which such analyses or forecasts related. Swedbank expressed no view as to such analyses or forecasts or the assumptions on which they were based. Swedbank did not make, nor was Swedbank provided with, any independent valuation or appraisal of the assets or liabilities of Teekay Tankers or TIL, other than certain independent broker valuations provided by management of Teekay Tankers as referenced above, nor did Swedbank assume any responsibility to make or obtain any such valuations or appraisals. Swedbank did not make any physical inspection of the properties or assets of Teekay Tankers or TIL. Swedbank also assumed, with the Teekay Tankers Board s consent, that the Merger Transactions will have the tax consequences described in discussions with, and materials furnished to Swedbank by, representatives of Teekay Tankers, and will be consummated as described in the Merger Agreement. Swedbank also assumed that the representations and warranties made by Teekay Tankers and TIL in the Merger Agreement were and will be true and correct in all respects material to its analysis. Swedbank is not a legal, regulatory, accounting or tax expert and it relied on the assessments made by advisors to Teekay Tankers with respect to such issues. Swedbank further assumed, with the Teekay Tankers Board s consent, that all material governmental, regulatory or other consents and approvals necessary for the consummation of the Merger will be obtained without any adverse effect on TIL or Teekay Tankers or on the contemplated benefits of the Merger.

Swedbank also assumed that there were no material changes in the assets, liabilities, financial condition, results of operations, business or prospects of TIL or Teekay Tankers since the date of the last financial statements of TIL and Teekay Tankers, respectively, made available to Swedbank and that there was no information or facts that would make any of the information reviewed by Swedbank incomplete or misleading in any respect material to Swedbank s analyses or the Opinion. In addition, Swedbank assumed that the Merger will be consummated substantially on the terms and conditions described in the Merger Agreement, without any waiver of material terms or conditions by Teekay Tankers or any other party and without any adjustment to the Merger Consideration. Swedbank assumed that the Merger Transactions will be consummated in a manner that complies with the applicable provisions of the Securities Act of 1933, as amended, the Securities Exchange Act of 1934, as amended (or the *Exchange Act*), and all other applicable federal, state and foreign statutes, rules and regulations.

The following is a summary of the material financial analyses utilized by Swedbank in connection with providing the Opinion. Some of the summaries of the financial analyses include information presented in tabular format. The tables are not intended to stand alone, and in order to more fully understand the financial analyses used by Swedbank, the tables must be read together with the full text of each summary. Considering the data set forth below without considering the full narrative description of the financial analyses, including the methodologies and assumptions underlying the analyses, could create a misleading or incomplete view of Swedbank s analyses.

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Summary of Financial Analyses

Historical pricing and exchange ratio

Historical exchange ratio

Swedbank calculated the historical exchange ratios of the shares of TIL common stock relative to the Teekay Tankers Class A Common Stock implied by the average of the daily closing prices of the shares of TIL common stock and the Teekay Tankers Class A Common Stock during each of calendar years 2014 (starting from March 25, 2014), 2015 and 2016 and calendar year 2017 to May 26, 2017. The resulting implied exchange ratios are set forth in the table below. Swedbank noted that, based on the closing prices of shares of TIL common stock and Teekay Tankers Class A Common Stock on May 26, 2017, the implied exchange ratio as of that date was approximately 2.6x. Swedbank also noted that the historical exchange ratio has only been higher than the Exchange Ratio directly after the completion of the initial public offering of TIL.

	2014 from March 25	2015	2016	2017 to May 26
Mean TIL/ Teekay Tankers exchange ratio	2.7x	1.8x	2.1x	2.3x

TIL common share price historical averages

Swedbank reviewed the trading prices of shares of TIL common stock for the 12 months ended May 26, 2017, and calculated the average closing price and volume weighted average price (or *VWAP*) for the one-week, one-month, 3-month and 12-month periods ended May 26, 2017. The resulting prices for the relevant periods are set forth in the table below.

$ per TIL common share	Last week	Last month	Last 3 months	Last 12 months
TIL common share price (arithmetic average)	5.16	5.11	5.00	5.30
TIL common share price (VWAP)	5.20	5.16	5.06	5.21

Swedbank noted that the implied price of shares of TIL common stock in the Merger, based on the Exchange Ratio of 3.30 and the closing price of Teekay Tankers Class A Common Stock on May 26, 2017, was $6.40 per share, which, compared to the last week s VWAP, implied a premium of 23% for shares of TIL common stock. The premium compared to the VWAP share price for the last 12 months was similar.

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Tender offer premiums for companies listed on the OSE

Swedbank reviewed historical mean premiums offered in successful tender offers for companies listed on the OSE during each of the years 1998 through 2015. For these purposes, Swedbank considered a tender offer for a company successful when holders of over 90% of all outstanding shares of such company accepted such tender offer. The mean premiums for such tender offers as compared to the closing price of the target company s stock on the day prior to announcement and as compared to the average closing price of the target company s stock for the four weeks ending on the date prior to announcement during the relevant periods are set forth below.

Year	1 day	4 week
1998	50.3 %	48.9 %