TEEKAY TANKERS LTD.
Form 424B5
December 18, 2014
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The information in this prospectus is not complete and may be changed. This prospectus supplement and the accompanying prospectus are not an offer to sell these securities and are not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

Filed Pursuant to Rule 424(b)(5)
Registration No. 333-196915

PROSPECTUS SUPPLEMENT

(To Prospectus dated June 19, 2014)

(Subject to Completion December 18, 2014)

Shares

Teekay Tankers Ltd.

CLASS A COMMON STOCK

We are selling shares of our Class A common stock. We have granted the underwriters an option to purchase up to additional shares of our Class A common stock. Teekay Corporation has committed to purchase directly from us at the public offering price shares concurrently with the closing of this transaction. We refer to this transaction as the concurrent sale. The shares sold in the concurrent sale will not be subject to any underwriting discounts or commissions. Please read the section in this prospectus supplement entitled Underwriting for more information.

Our Class A common stock trades on the New York Stock Exchange under the symbol TNK. On December 17, 2014, the last reported sale price of our Class A common stock on the New York Stock Exchange was $5.69 per share.

Investing in our securities involves a high degree of risk. You should carefully consider each of the factors described under Risk Factors beginning on page S-12 of this prospectus supplement and page 4 of the accompanying prospectus before you make an investment in our Class A common stock.

PRICE $ A SHARE

	Per Share	Total
Public Offering Price	$	$
Underwriting Discount	$	$
Proceeds to Teekay Tankers Ltd. (before expenses)	$	$

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The underwriters expect to deliver the shares of Class A common stock on or about December , 2014.

Joint Book-Running Managers

Morgan Stanley **BofA Merrill Lynch** **Credit Suisse**

December , 2014

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ABOUT THIS PROSPECTUS SUPPLEMENT

This document is in two parts. The first part is this prospectus supplement, which describes the specific terms of this offering of shares of our Class A common stock. The second part is the accompanying prospectus, which gives more general information, some of which may not apply to this offering. Generally, when we refer to the prospectus, we refer to both parts combined. If information varies between this prospectus supplement and the accompanying prospectus, you should rely on the information in this prospectus supplement.

Any statement made in this prospectus or in a document incorporated or deemed to be incorporated by reference into this prospectus will be deemed to be modified or superseded for purposes of this prospectus to the extent that a statement contained in this prospectus or in any other subsequently filed document that is also incorporated by reference into this prospectus modifies or supersedes that statement. Any statement so modified or superseded will not be deemed, except as so modified or superseded, to constitute a part of this prospectus.

You should rely only on the information contained or incorporated by reference in this prospectus or any free writing prospectus we may authorize to be delivered to you. We have not authorized anyone to provide you with different information. If anyone provides you with additional, different or inconsistent information, you should not rely on it. You should not assume that the information contained in this prospectus or any free writing prospectus we may authorize to be delivered to you, as well as the information we previously filed with the Securities and Exchange Commission (or *SEC*) that is incorporated by reference herein, is accurate as of any date other than its respective date. Our business, financial condition, results of operations and prospects may have changed since such dates. We will disclose material changes in our affairs in an amendment to this prospectus, a prospectus supplement or a future filing with the SEC incorporated by reference in this prospectus.

We are offering to sell shares of our Class A common stock and are seeking offers to buy shares of our Class A Common Stock only in jurisdictions where offers and sales are permitted. The distribution of this prospectus and the offering of shares of our Class A Common Stock in certain jurisdictions may be restricted by law. Persons outside the United States who come into possession of this prospectus must inform themselves about and observe any restrictions relating to the offering of shares of our Class A common stock and the distribution of this prospectus outside the United States. This prospectus does not constitute, and may not be used in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such offer or solicitation.

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FORWARD-LOOKING STATEMENTS

All statements, other than statements of historical fact, included in or incorporated by reference into this prospectus are forward-looking statements, including, in particular, statements regarding:

- the timing and certainty of our future growth prospects and opportunities, including future vessel and business acquisitions;
- our expectations regarding the completion and negotiated terms of potential acquisition opportunities, and the results of any such transactions, including the effects of any such transaction on fleet size, debt level, leverage and control of our company;
- our financial position and ability to acquire additional assets;
- the expected delivery of in-chartered tankers;
- tanker market conditions and fundamentals, including the balance of supply and demand in these markets and spot tanker charter rates and oil production;
- tanker fleet utilization;
- the effectiveness of our chartering strategy in capturing upside opportunities and reducing downside risks, including our ability to take advantage of a tanker market recovery;
- our ability to generate surplus cash flow and pay dividends from our existing vessel fleet or from potential vessel acquisitions;
- the sufficiency of working capital for short-term liquidity requirements;
- our compliance with, and the effect on our business and operating results of, covenants under our term loans and credit facilities and our ability to refinance our revolving credit facility due in 2017;
- future capital expenditure commitments and the financing requirements for such commitments;

- the effect on our business of our acquisition of an ownership interest in Teekay Operations, future growth in the number of vessels under management, and the expected future effect on our financial results;

- TIL s intent to opportunistically acquire, operate and sell modern secondhand tankers;

- our expectations regarding payments made on behalf of our co-obligors in connection with the loan arrangements in which certain other subsidiaries of Teekay Corporation are also borrowers;

- continued material variations in the period-to-period fair value of our derivative instruments;

- our hedging activities relating to foreign exchange, interest rate and spot market risks; and

- those statements set forth in the sections titled Material United States Federal Income Tax Considerations and Non-United States Tax Considerations in this prospectus supplement.

Forward-looking statements include, without limitation, any statement that may predict, forecast, indicate or imply future results, performance or achievements, and may contain the words believe , anticipate , expect , estimate , proj will be , will continue , will likely result , or words or phrases of similar meanings. These 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 our control. Actual results may differ materially from those expressed or implied by such forward-looking statements, which involve risks and uncertainties. Important factors that could cause actual results to differ materially include, but are not limited to: spot market rate fluctuations; changes in the production of or demand for oil; changes in trading patterns significantly affecting overall vessel tonnage requirements; greater or lower than expected levels of tanker scrapping; greater or lower than anticipated levels of vessel newbuilding orders; changes in applicable industry laws and regulations and the timing of implementation of new laws and regulations; the potential for early termination of short- or medium-term contracts and our potential inability to renew or replace short- or

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medium- term contracts; our potential inability to implement our growth strategy; competitive factors in the markets in which we operate; loss of any customer, time-charter or vessel; our potential inability to raise financing to purchase additional vessels; changes in interest rates and the capital markets; future issuances of our common stock; failure of TIL to acquire additional growth vessels or acquire vessels at prices below long-term average vessel values; our potential inability to negotiate acquisitions on terms acceptable to us, if at all; changes in our costs, such as the cost of crews, dry-docking expenses and associated off-hire days; dry docking delays; and other factors detailed from time to time in our periodic reports filed with the SEC, including our Annual Report on Form 20-F for the year ended December 31, 2013.

We undertake no obligation to update any forward-looking statement to reflect any change in our expectations or events or circumstances that may arise after the date on which such statement is made. New factors emerge from time to time, and it is not possible for us to predict all of these factors. In addition, we cannot assess the effect of each such factor on our business or the extent to which any factor, or combination of factors, may cause actual results to be materially different from those contained in any forward-looking statement.

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SUMMARY

The following summary highlights selected information contained elsewhere in this prospectus and the documents incorporated by reference in this prospectus and does not contain all the information you will need in making your investment decision. You should carefully read this entire prospectus supplement and the accompanying prospectus, including the Risk Factors section, and the documents incorporated by reference in this prospectus. Unless otherwise specifically stated, the information presented in this prospectus supplement assumes that the underwriters have not exercised their option to purchase additional shares.

Unless otherwise indicated, references in this prospectus to Teekay Tankers Ltd., we, us and our and similar terms refer to Teekay Tankers Ltd. and/or one or more of its subsidiaries, except that those terms, when used in this prospectus in connection with the common stock described in this prospectus, shall mean specifically Teekay Tankers Ltd. References in this prospectus to Teekay Corporation refer to Teekay Corporation and/or any one or more of its subsidiaries. References to our Manager are to Teekay Tankers Management Services Ltd., a subsidiary of Teekay Corporation, which provides to us commercial, technical, administrative and strategic services.

Overview

Our business is to own crude oil and product tankers and we employ a chartering strategy that seeks to capture upside opportunities in the spot market while using fixed-rate time charters to reduce downside risks. Teekay Corporation (NYSE:TK), which formed us in 2007, 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. We believe we benefit from Teekay Corporation s expertise, relationships and reputation as we operate our fleet and pursue growth opportunities. Our fleet consists of 28 owned vessels, including one very large crude carrier (or *VLCC*) owned through a 50/50 joint venture with High-Q Investments Limited, a Hong Kong corporation (or the *High-Q Joint Venture*), and 12 chartered-in vessels. We have also agreed to acquire five additional vessels, which are scheduled to deliver in the first quarter of 2015. We are actively pursuing, and anticipate additional opportunities to expand our fleet through, acquisitions of tankers from third parties. These tankers may include crude oil and product tankers.

Our Fleet

As of December 15, 2014, seven of our Aframax tankers, one of our Suezmax tankers, one of our Medium Range (or *MR*) tankers and one VLCC owned through the High-Q Joint Venture, operated under fixed-rate, time-charter contracts with our customers, of which six charter contracts are scheduled to expire in 2015, three are scheduled to expire in 2016 and one is scheduled to expire in 2018. As of December 15, 2014, three of our Aframax tankers, nine Suezmax tankers and two MR tankers, and our three Long Range 2 (or *LR2*) tankers participated in the Teekay Aframax pool, the Gemini Suezmax pool, the Norient Product Pool and the Taurus Tankers LR2 pool, respectively, which pools included 35, 24, 42 and 19 total vessels, respectively. In addition, we have time-chartered in eight Aframax tankers and four LR2 tankers from third parties, which are trading in the Aframax pool and the LR2 pool, respectively. Teekay Tanker Operations Ltd. (or *TTOL*), in which Teekay Corporation and we each have a 50% interest, manages the Teekay Aframax Pool and the Taurus Tankers LR2 Pool, and has a partial ownership interest in the manager of the Gemini Suezmax Pool. The Norient Product Pool is managed by a third party unaffiliated with Teekay Corporation.

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The following table provides additional information about our fleet as of December 15, 2014.

Vessel	Capacity (dwt)(1)	Built	Employment	Expiration of Out-Charter
Owned Aframax Tankers:				
Americas Spirit	111,900	2003	Time charter	Sep. 2015
Australian Spirit	111,900	2004	Time charter	Jan. 2016
Axel Spirit	115,400	2004	Time charter	Dec. 2016
Erik Spirit	115,500	2005	Time charter	Jan. 2015
Esther Spirit	115,400	2004	Time charter	Dec. 2015
Everest Spirit	115,000	2004	Time charter	Apr. 2016
Helga Spirit	115,500	2005	Time charter	Aug. 2015
Kanata Spirit	113,000	1999	Pool	
Kareela Spirit	113,100	1999	Pool	
Kyeema Spirit	113,400	1999	Pool	
Matterhorn Spirit	114,800	2005	Spot	
Owned Suezmax Tankers:				
Ashkini Spirit	165,200	2003	Pool	
Ganges Spirit	159,500	2002	Pool	
Godavari Spirit	159,100	2004	Pool	
Iskmati Spirit	165,200	2003	Pool	
Kaveri Spirit	150,000	2004	Pool	
Pinnacle Spirit	160,400	2008	Pool	
Narmada Spirit	159,200	2003	Pool	
Summit Spirit	160,500	2008	Time charter	Jan. 2015
Yamuna Spirit	159,400	2002	Pool	
Zenith Spirit	160,500	2009	Pool	
Owned LR2 Product Tankers:				
Donegal Spirit	105,200	2006	Pool	
Galway Spirit	105,200	2007	Pool	
Limerick Spirit	105,200	2007	Pool	
Owned MR Product Tankers:				
Hugli Spirit	46,900	2005	Time charter	Feb. 2015
Mahanadi Spirit	47,000	2000	Pool	
Teesta Spirit	47,000	2004	Pool	
Owned VLCC Tanker:				
Hong Kong Spirit (2)	319,000	2013	Time charter	Jul. 2018
Total capacity	3,629,400			

Vessel	Employment	Expiration of In-Charter(3)
In-chartered Aframax Tankers:		
Blue River	Spot	Sep. 2017

BM Breeze	Spot	Feb. 2016
Desh Bhakt	Spot	Nov. 2015
RBD Anema E Core	Spot	Apr. 2015
Rich Duke II	Spot	Nov. 2015
SN Claudia	Spot	Oct. 2015
Yasa Golden Dardanelles	Spot	Jun. 2015
Yasa Golden Marmara	Spot	Mar. 2016

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Vessel	Employment	Expiration of In-Charter(3)
In-chartered LR2 Product Tankers:		
Cape Endless	Spot	Feb. 2015
Cape Enterprise	Spot	Feb. 2015
Four Wind	Spot	Jul. 2015
Swarna Karmal	Spot	Jul. 2015

(1) Deadweight tonnes.
(2) VLCC owned through a 50/50 joint venture.
(3) Excluding extension options.

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Business Strategies

Our primary business strategies include the following:

Expand our fleet through accretive acquisitions. Since our initial public offering, we have purchased 27 conventional tankers from Teekay Corporation at prices equal to their fair market values, and one VLCC through our High-Q Joint Venture. In addition to our owned vessels, we have time-chartered in eight Aframax tankers and four LR2 tankers from third parties. Our growth strategy includes the expansion of our fleet through the selective acquisition of newbuildings and secondhand tankers, as well as potentially transformative acquisitions of large fleets of existing vessels, from third parties. We may undertake the acquisition of vessels under construction or quality secondhand vessels through individual or fleet acquisitions, and we regularly consider, and are currently at various stages of actively pursuing, evaluating and discussing current and potential vessel opportunities. In evaluating these opportunities, we consider, among other things, the types and sizes of the vessels relative to those in our existing fleet.

Tactically manage our mix of spot and charter contracts. We employ a chartering strategy that seeks to capture upside opportunities in the spot market while using fixed-rate time charters to reduce downside risks. We believe that our Manager s experience operating through cycles in the tanker spot market assists us in employing this strategy and seeking to maximize operating results. To benefit from the current tanker market recovery, we are seeking to increase our exposure to the spot market through spot market employment following completion of time charters and by actively pursuing in-chartering opportunities.

Increase cash flow by participating in the pooling arrangements and increasing vessels under pooling arrangements and technical management. Through the participation of a significant number of our vessels in the Gemini Suezmax Pool, the Teekay Aframax Pool, the Taurus Tankers LR2 Pool and the Norient Product Pool, we believe that we benefit from Teekay Corporation s reputation and the scope of Teekay Corporation s operations. We believe that the cash flow we derive over time from operating some of our vessels in these pooling arrangements exceeds the amount we would otherwise derive by operating these vessels outside of the pooling arrangements due to higher vessel utilization and daily revenues. We also derive pool and vessel management income as a result of our August 2014 purchase of a 50% interest in TTOL, which includes Teekay Corporation s conventional tanker commercial and technical management operations and is the owner of interests in three of the pooling arrangements. We seek to increase this fee income by increasing the number of vessels participating in the applicable pooling arrangements and receiving management services from TTOL.

Provide superior customer service by maintaining high reliability, safety, environmental and quality standards. We believe that energy companies seek transportation partners that have a reputation for high reliability, safety, environmental and quality standards. We leverage Teekay Corporation s reputation for operational expertise and customer base to further expand these relationships with consistent delivery of superior customer service through our Manager.

Our Competitive Strengths

We believe that we possess a number of competitive strengths that will allow us to capitalize on growth opportunities in the oil tanker market, including the following:

Teekay Corporation has extensive experience in fleet expansion. Teekay Corporation, of which our Manager is a wholly-owned subsidiary, has acquired over $9.0 billion in vessels since 2009, expanding Teekay Corporation s and its subsidiaries fleet by approximately 90 vessels through a combination of newbuildings, conversions, vessel and business acquisitions and, in some cases, joint ventures. We believe that this fleet expansion experience, to which we have access through our Manager and which enhances our own fleet expansion experience, will continue to prove valuable as we seek to expand our fleet and integrate new assets into our operations.

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We have access to Teekay Corporation s extensive experience in and knowledge of the medium-sized oil tanker market. With over 40 years in the oil tanker business and with worldwide operations, Teekay Corporation has operated successfully through the inherent cyclicality in the spot market. We believe that our participation in the tanker pools and our relationship with our Manager allow us to benefit from Teekay Corporation s market knowledge and experience in obtaining competitive spot and time-charter rates and in managing our mix of spot and time-charter contracts to maximize our cash flow.

We Believe that our Relationship with Teekay Corporation, with its Prominence and Customer Relationships in the Shipping Industry, Significantly Enhances our Growth Opportunities. Teekay Corporation has developed an extensive network of long-standing relationships and a strong reputation in the shipping industry. We believe that our relationship with Teekay Corporation significantly enhances the growth of our business through acquisition opportunities and the pursuit of our chartering strategy.

We have Access to Teekay Corporation s and TTOL s Expertise in Various Functions Critical to our Vessel Operations. Our Manager and the other Teekay Corporation subsidiaries that provide services to us, including TTOL, have significant technical, financial and commercial capabilities relating to vessel operations and other business matters applicable to our operations. We believe that these services provide strict quality and cost controls to our business and effective safety monitoring of our vessels.

We have Financial Flexibility to Pursue Acquisitions and Other Strategic Transactions. We believe that our cash balances and availability under our revolving credit facility, in addition to our potential ability to obtain other bank financings and raise equity capital, provide us with financial flexibility to pursue acquisition opportunities and other transactions that benefit us. As of September 30, 2014, we had a cash balance of approximately $46.4 million and undrawn availability under our revolving credit facilities of approximately $192.3 million, for total liquidity of approximately $238.7 million.

Our Manager

Our Manager currently provides all of our staff, including our executive officers. Our board of directors has the authority to hire any staff for us as it deems necessary.

Our Manager manages our business pursuant to a long-term management agreement (or the *Management Agreement*), under which it provides to us commercial, technical, administrative and strategic services, including vessel maintenance, crewing, purchasing, shipyard supervision, insurance and financial services. Commercial services are provided to us by subsidiaries of Teekay Corporation, including TTOL, which manages the Teekay Aframax Pool and the Taurus Tankers LR2 Pool, and has a partial ownership interest in the manager of the Gemini Suezmax Pool. In August 2014, we purchased from Teekay Corporation a 50% interest in TTOL. Please read Recent Developments Acquisition of 50% of Teekay Corporation s Commercial and Technical Operations.

Recent Developments

Vessel and Fleet Acquisitions

Aframax Tanker Acquisitions

On December 17, 2014, we agreed to acquire four LR2 product tankers for an aggregate purchase price of $193.25 million. These vessels, which consist of one 2010 and three 2011-built coated Aframax tankers, currently trade in the Taurus LR2 pool. Two of the 2011-built vessels are currently in-chartered to us. The in-charters, which expire on February 20, 2015, with two six month options to renew, will terminate upon completion of the acquisition. All four vessels were constructed at a leading shipyard in China. The closing of the acquisition is subject to the satisfaction of customary closing conditions. We expect to take delivery of the four vessels in the first quarter of 2015.

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On December 17, 2014, we agreed to acquire a 2008-built uncoated Aframax tanker for a purchase price of $37 million. The 107,617 dwt vessel was constructed at a leading Japanese shipyard. The closing of the acquisition is subject to the satisfaction of customary closing conditions. We expect to take delivery of the vessel in the first quarter of 2015.

We intend to pay the $230.25 million aggregate purchase price for the five vessels with the proceeds from (a) this offering, (b) the issuance by us to Teekay Corporation of $20 million of shares of our Class A common stock (valued at the same price per share to the public in this offering) concurrently with the closing of this offering and (c) borrowings under new bank facilities. We anticipate that approximately $138 million will be funded with borrowings under new bank facilities.

Potential Fleet Acquisition

As part of our growth strategy to expand our fleet through the selective acquisition of newbuildings and secondhand tankers, as well as potentially transformative acquisitions of large fleets of existing vessels, we are in preliminary discussions to acquire 100% of a company that owns and operates a fleet of tankers. We have not entered into any letter of intent or definitive agreements for such transaction, and may not agree to pursue a transaction. If completed, the transaction would more than double the number of vessels comprising our fleet and would add to our personnel.

As currently contemplated, the consideration to be paid by us would consist of cash and the issuance of shares of our Class A common stock to the owner of the target company, whereby the owner of the target company would hold a majority of our outstanding common shares. It is anticipated that the owner and Teekay Corporation would share control of us following the transaction. As currently contemplated, we would also incur a substantial amount of debt in connection with the transaction, including in respect of the cash portion of the acquisition consideration, although we do not expect that our debt-to-equity ratio would be negatively affected.

We can provide no assurances as to whether or when any transaction will occur and, if a transaction is completed, the terms may differ materially, including in a manner adverse to us, from those currently contemplated by us. In addition, there can be no assurances that any such transaction, if completed, would be viewed in a positive manner by investors.

Investment in Tanker Investments Ltd.

In January 2014, we and Teekay Corporation jointly created Tanker Investments Ltd. (or *TIL*), which seeks to opportunistically acquire, operate, and sell modern secondhand tankers to benefit from the recovery of the tanker market. TIL completed a $250 million equity private placement in which we and Teekay co-invested $25 million each for a combined 20% initial ownership in the new company. In addition, we each received a stock purchase warrant to acquire up to an additional 750,000 shares of TIL s common stock, linked to TIL s future share price performance. In March 2014, TIL completed a $175 million initial public offering and listed its shares on the Oslo Stock Exchange, which issuance reduced our ownership interest in TIL from 10.0% to 6.5%.

In March 2014, we exercised our rights under security documentation to realize the amounts owed under our investment in term loans and assumed full ownership of two 2010-built VLCC vessels, which previously secured the investment in term loans. At the time of our assumption of ownership, these vessels had an aggregate fair value of approximately $144 million, which exceeded the carrying value of the loans. In May 2014, we sold the two wholly-owned subsidiaries, each of which owned one of the VLCCs, to TIL for aggregate proceeds of $154 million, plus related working capital on closing.

In October 2014, we acquired, through open market purchases, an additional 0.9 million common shares in TIL, for an aggregate price of $10.1 million. We held 3.4 million common shares in TIL, representing 9.3% of the outstanding share capital of TIL as of December 15, 2014.

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As of December 15, 2014, TIL had acquired two 2010-built VLCC vessels from us, four 2009-built Suezmax tankers from Teekay Corporation, and six 2009, 2010 and 2011-built Aframax tankers, two 2012-built coated Aframax vessels, and six 2009 and 2010-built Suezmax vessels from third parties, bringing the total number of vessels owned by TIL to 20. The six Suezmax vessels were acquired on December 15, 2014, for a purchase price of $315 million, and are expected to be delivered in the first half of 2015.

Acquisition of 50% of Teekay Corporation s Commercial and Technical Operations

On August 1, 2014, we purchased from Teekay Corporation a 50% interest in TTOL, which owns conventional tanker commercial management and technical management operations, including ownership of the Teekay Aframax Pool and the Taurus Tankers LR2 Pool, and partial ownership of the Gemini Suezmax Pool, for an aggregate price of approximately $24.2 million, including net working capital. As consideration for this acquisition, we issued to Teekay Corporation 4.2 million Class B common shares, which had an approximate value of $17 million, or $4.03 per share, on the acquisition closing date. In addition, we reimbursed Teekay Corporation for $7.2 million of working capital we assumed from Teekay Corporation in connection with the purchase.

Tanker Market

Crude tanker spot rates strengthened significantly during the third quarter of 2014, with rates achieving the highest average level for a third quarter since 2008. The increase in tanker rates was due to a combination of stronger seasonal oil demand in July and August, an increase in long-haul crude movements from the Atlantic to Pacific and an increase in oil purchases for onshore commercial and strategic storage.

Crude tanker rates have remained strong in the fourth quarter of 2014 due to a combination of higher seasonal oil demand, weather-related transit delays and the positive impact of lower global oil prices. Oil prices have declined by more than 40 percent since the summer, which has had a positive impact on crude tanker rates in a number of ways:

- Lower oil prices encourage stockpiling of crude oil, particularly in China where the government continues to fill the second stage of its Strategic Petroleum Reserve;

- A contango price structure for crude oil futures encourages buying and could lead to floating storage of oil if the spread between the current and future oil price increases;

- Lower oil and fuel prices, if sustained, could translate into higher oil demand over time; and

- Reduced bunker prices are positive for tanker earnings by lowering voyage operating costs.

LR2 product tanker spot rates have also strengthened in the second half of 2014, with November rates averaging the highest level since December 2008. LR2 rates have been supported by high levels of Asian naphtha imports from the West coupled with an increase in long-haul product exports from new refineries in the Middle East and Asia. A reduction in global oil prices in recent months has also been positive for the LR2 trade, as lower naphtha prices in relation to liquefied petroleum gas (or *LPG*) has led some petrochemical plants to process more naphtha instead of LPG.

The global tanker fleet grew by 6.5 million deadweight tonnes (or *mdwt*), or 1.3%, in the first 11 months of 2014. The majority of the fleet growth occurred in the product tanker sector while the crude tanker fleet grew by just 1.8 mdwt, or 0.5%. The global VLCC fleet has grown by a net 11 vessels, or 1.8%, in the first 11 months of the year, while the Suezmax and uncoated Aframax fleets have reduced in size by two vessels, or 0.4%, and 19 vessels, or 2.9%, respectively. Looking ahead, we forecast 2.1% net global tanker fleet growth in 2015 with growth once again weighted towards the product tanker sector and another year of negative fleet growth for the Suezmax and uncoated Aframax sectors.

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Charter Arrangements

As of December 15, 2014, we had in-charter contracts for four LR2 vessels and eight in-charter contracts for Aframax vessels, bringing our total number of time chartered-in vessels to twelve, which has increased our exposure to the spot tanker market.

Corporate Information

We are incorporated under the laws of the Republic of The Marshall Islands as Teekay Tankers Ltd. Our principal executive offices are located at 4th Floor, Belvedere Building, 69 Pitts Bay Road, Hamilton, HM 08, Bermuda, and our phone number is (441) 298-2530. Our website address is *www.teekaytankers.com*. The information contained in our website is not part of this prospectus.

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The Offering

Issuer	Teekay Tankers Ltd.
Class A Common stock offered	shares. shares if the underwriters exercise their option to purchase additional shares in full.
Concurrent Sale	Teekay Corporation has committed to purchase directly from us at the public offering price shares concurrently with the closing of this transaction.
Shares of common stock outstanding immediately after this Offering	shares of Class A common stock (shares if the underwriters exercise their option to purchase additional shares in full) and 16.7 million shares of Class B common stock. Excludes shares to be issued to Teekay Corporation as described under Concurrent Sale .
Use of proceeds	We intend to use the net proceeds of approximately $ million ($ million if the underwriters exercise their option to purchase additional shares in full) from this offering to partially fund our acquisition of four LR2 product tankers and one Aframax tanker and for general corporate purposes, which may include funding future vessel acquisitions. We intend to finance the remaining portion of the aggregate purchase price of the five vessels with proceeds from (a) the issuance by us to Teekay Corporation of $20 million of shares of our Class A common stock as described under Concurrent Sale and (b) borrowings under new bank facilities. We anticipate that approximately $138 million will be funded with borrowings under new bank facilities. Please read Use of Proceeds on page S-14 of this prospectus supplement.
Cash dividends	We paid a cash dividend of $0.03 per share of common stock for the quarter ended September 30, 2014.
Class B common stock	Teekay Corporation owns indirectly all of our outstanding shares of Class B common stock, in addition to shares of our Class A common stock. The principal difference between our Class A common stock and our Class B common stock is that each share of Class B common stock entitles the holder thereof to five votes on matters presented to our shareholders, while each share of Class A common stock entitles the holder thereof to only one vote on such matters. 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 percent of the voting power of our outstanding Class A common stock and Class B common stock, voting together as a single class. The holder of shares of Class B common stock may elect at any time to have such shares converted into shares of Class A common stock on a one-for-one basis. Please read Description of Capital Stock on page 8 of the accompanying prospectus for a description of other events triggering a conversion of shares of Class B common stock into shares of Class A common stock.
NYSE listing	Our Class A common stock is listed on the New York Stock Exchange under the symbol TNK.

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RISK FACTORS

An investment in shares of our Class A common stock involves a significant degree of risk. Before investing in shares of our Class A common stock, you should carefully consider all information included or incorporated by reference in this prospectus, including the risks discussed below under this heading Risk Factors and in the accompanying prospectus and in our latest Annual Report on Form 20-F filed with the SEC, which is incorporated by reference into this prospectus. In addition, you should read Material United States Federal Income Tax Considerations in this prospectus supplement and in the accompanying base prospectus for a more complete discussion of expected material U.S. federal income tax consequences of owning and disposing of shares of our Class A common stock.

If any of these risks were to occur, our business, financial condition, operating results or cash flows could be materially adversely affected. In that case, we might be unable to pay dividends on shares of our Class A common stock, the trading price of shares of our Class A common stock could decline, and you could lose all or part of your investment.

Tax Risks

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

A non-U.S. entity taxed as a corporation for U.S. federal income tax purposes will be treated as a passive foreign investment company (or *PFIC*) for such purposes in any taxable year for which either (a) at least 75% of its gross income consists of &#147