Tanker Investments Ltd.
Fourth Floor, Belvedere Building
69 Pitts Bay Road
Hamilton, HM 08 Bermuda
Tel: +1 604 609 2963

TANKER INVESTMENTS LTD. REPORTS SECOND QUARTER 2017 RESULTS

Hamilton, Bermuda, August 3, 2017 - Tanker Investments Ltd. (*Tanker Investments, TIL* or *the Company*) today reported its financial results for the quarter ended June 30, 2017.

Highlights:

- Reported net loss of USD 5.8 million, or USD 0.19 per share, for the second quarter of 2017.
- Generated cash flow from vessel operations (CFVO[1]) of USD 7.6 million in the second quarter of 2017, compared to USD 16.9 million in the previous quarter.
- Agreed to merge with Teekay Tankers Ltd., which will create one of the world's largest mid-size tanker companies. Upon receiving approvals, the merger is expected to close in the third or fourth quarter of 2017.
- As of June 30, 2017, the Company had total cash and undrawn lines of approximately USD 90 million.

“We believe our intended merger with Teekay Tankers Ltd., announced in the second quarter of 2017, is in the best interest of Tanker Investments’ shareholders,” commented William Hung, Tanker Investments’ Chief Executive Officer. “As endorsed by a Special Committee formed to evaluate strategic opportunities on behalf of Tanker Investments’ shareholders, this transaction provides long-term Tanker Investments Ltd. shareholders the opportunity to remain invested in the tanker space as part of a larger tanker company with over 40 years of experience. Post-transaction, the shareholders of Tanker Investments will own approximately 30% of the newly combined entity, which will own 62 mid-size crude oil tankers with a total asset base of approximately USD 2.4 billion.”

Mr. Hung continued, “With over 35 percent of its fleet booked on fixed-rate charters and a strong balance sheet, an investment in Teekay Tankers, should provide a compelling investment opportunity for our shareholders. With over USD 200 million of pro-forma liquidity, the combined company will be well positioned during this period of weaker tanker rates. Looking longer-term, Teekay Tankers’ dividend policy based largely on the strength of underlying tanker rates, increased share-trading liquidity and history of trading above net asset value, should all benefit Tanker Investments’ shareholders.”

Mr. Hung continued, “We expect the weaker tanker rates which prevailed during the second quarter of 2017 to continue through the third quarter of this year before rebounding as we head into the seasonally stronger winter period. Looking further ahead, we expect 2018 will bring improved tanker rates as newbuilding deliveries slow and oil market fundamentals improve.”

[1] Cash flow from vessel operations is a non-GAAP financial measure. Please refer to "Definitions and Non-GAAP Financial Measures” and the Appendices to this release for a definition of the term and reconciliation of this non-GAAP financial measure as used in this release to the most directly comparable financial measure under United States generally accepted accounting principles (or GAAP).

Selected Financial Information

All figures in USD millions (except per share, per day and unless otherwise specified)			
Balance Sheet Summary	**As at June 30, 2017**	**As at March 31, 2017**	**As at June 30, 2016**
Cash & Cash Equivalents	$40.6	$39.5	$39.1
Total Assets	$783.4	$793.9	$829.9
Total Liabilities	$360.9	$365.8	$404.8
Total Liquidity	$89.7	$116.6	$112.7
Net Debt to Capitalization[(1)]	41.4%	41.9%	45.1%
	Three Months Ended		
Income Statement Summary	**June 30, 2017**	**March 31, 2017**	**June 30, 2016**
Total Revenues	$25.4	$34.1	$43.0
Net (Loss) Income	$(5.8)	$3.2	$12.6
(Loss) Earnings per Share	$(0.19)	$0.11	$0.41
Cash Flow from Vessel Operations (CFVO)[(1)]	$7.6	$16.9	$27.1
	Three Months Ended		
Spot Fleet - TCE rate[(2)]	**June 30, 2017**	**March 31, 2017**	**June 30, 2016**
Suezmax Revenue Days	716	883	889
Suezmax TCE Rate per Day	$17,260	$22,821	$31,158
Aframax Revenue Days	524	561	533
Aframax TCE Rate per Day	$13,811	$18,238	$23,769
Coated Aframax Revenue Days	–	–	182
Coated Aframax TCE Rate per Day	–	–	$21,371
	Three Months Ended		
Time Charter-Out Fleet - TCE rate[(2)]	**June 30, 2017**	**March 31, 2017**	**June 30, 2016**
Suezmax Revenue Days	182	11	–
Suezmax TCE Rate per Day	$19,366	$18,790	–
Aframax Revenue Days	182	146	–
Aframax TCE Rate per Day	$16,936	$16,844	–

All figures in USD millions **(except per share, per day and unless otherwise specified)**		
	Six Months Ended	
Income Statement Summary	**June 30, 2017**	**June 30, 2016**
Total Revenues	$59.5	$93.6
Net (Loss) Income	$(2.6)	$31.3
(Loss) Earnings per Share	$(0.08)	$0.99
Cash Flow from Vessel Operations (CFVO)(1)	$24.6	$59.8
	Six Months Ended	
Spot Fleet - TCE rate(2)	**June 30, 2017**	**June 30, 2016**
Suezmax Revenue Days	1,599	1,773
Suezmax TCE rate per day	$20,331	$33,636
Aframax Revenue Days	1,085	1,079
Aframax TCE rate per day	$16,100	$25,853
Coated Aframax Revenue Days	–	364
Coated Aframax TCE rate per day	–	$22,888
	Six Months Ended	
Time Charter-Out Fleet - TCE rate(2)	**June 30, 2017**	**June 30, 2016**
Suezmax Revenue Days	193	–
Suezmax TCE rate per day	$19,333	–
Aframax Revenue Days	328	–
Aframax TCE rate per day	$16,895	–

(1) These are non-GAAP financial measures. Please refer to "Definitions and Non-GAAP Financial Measures" and the Appendices to this release for a definition of the terms and reconciliation of these non-GAAP financial measures as used in this release to the most directly comparable financial measures under United States generally accepted accounting principles (or GAAP).

(2) Time-charter equivalent (TCE) rates represents the operating performance of the Company's time-charter vessels and spot vessels trading in pools measured in net voyage revenue per revenue day, before related-party pool management fees, related-party commissions and off-hire bunker expenses.

Financial Review of the Three and Six Months Ended June 30, 2017

During the second quarter of 2017, total revenues decreased to USD 25.4 million from USD 43.0 million in the second quarter of 2016. This decrease is primarily due to lower spot tanker rates earned across the fleet in the second quarter of 2017, compared to the second quarter of 2016. During the six months ended June 30, 2017, total revenues decreased to USD 59.5 million from USD 93.6 million for the first six months of 2016, due primarily to lower spot tanker rates.

During the second quarter of 2017, the *Trysil Spirit* completed its scheduled drydocking and returned to the Aframax RSA. The vessel was off-hire for 19 days during the second quarter of 2017 and 8 days in the first quarter of 2017. The *Hovden Spirit* is scheduled to drydock in the third quarter of 2017 for approximately 25 days. As of June 30, 2017, there are two Suezmax and two Aframax vessels on one-year time-charter. All other vessels were trading as part of the Suezmax RSA or the Aframax RSA.

Total general and administrative expense was USD 2.8 million in the second quarter of 2017, compared to USD 1.8 million in the second quarter of 2016. This increase is mainly due to higher legal expenses incurred in relation to the announced merger with Teekay Tankers Ltd. General and administrative expense in the second quarter of 2017 and 2016 included USD 0.2 million from the issuance of shares to the Board of Directors as part of their annual compensation. Total general and administrative expense was USD 4.3 million for the six months ended June 30, 2017, a USD 0.7 million increase from the same period in 2016.

CFVO was USD 7.6 million during the second quarter of 2017, which decreased from USD 27.1 million in the second quarter of 2016 primarily due to lower revenue earned on the Company's fleet, as described above. CFVO was USD 24.6 million during the six months ended June 30, 2017 which decreased from USD 59.8 million for the same period in 2016.

Total interest expense was USD 4.5 million in the second quarter of 2017, compared to USD 4.7 million in the second quarter of 2016. This decrease is mainly due to lower average debt balances in the second quarter of 2017 compared to the same period in 2016. Total interest expense was USD 8.9 million for the six months ended June 30, 2017, a USD 1.2 million decrease from the same period in 2016.

Tanker Investments reported a net loss of USD (5.8) million, or USD (0.19) per share, for the second quarter of 2017 compared to net income of USD 12.6 million, or USD 0.41 per share, in the second quarter of 2016. Net loss was USD (2.6) million, or USD (0.08) per share for the six months ended June 30, 2017 compared to a net income of USD 31.3 million or USD 0.99 per share for the corresponding period in 2016.

Tanker Market Outlook

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 has also been recovering in recent weeks 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 1.4 mb/d in 2017 and a further 1.4 mb/d in 2018, according to the International Energy Agency (IEA). This is an upward revision since last quarter 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. For 2017 as a whole, the Company forecasts tanker fleet growth of approximately 5.5 per cent, similar to 2016 levels. However, the Company anticipates much lower fleet growth in 2018 as the orderbook rolls off, while an increase in tanker scrapping is expected as a number of vessels reach their fourth special survey date. New regulations may also increase scrapping in the medium-term, although the IMO's implementation date for installation of ballast water treatment systems has been deferred from September 2017 to September 2019.

Overall, the Company expects weak tanker rates to persist during the remainder of the third quarter before a normal seasonal uptick in the fourth quarter. Looking ahead to 2018, the Company expects that a significant slowdown in tanker fleet growth coupled with better oil market fundamentals will lead to a recovery in freight rates, particularly from the second half of 2018.

Tanker Investments' Fleet as of June 30, 2017

Vessel Name	Type	Built	Delivery Date
Tianlong Spirit	Suezmax	2009	February 28, 2014
Jiaolong Spirit	Suezmax	2009	February 28, 2014
Shenlong Spirit	Suezmax	2009	February 28, 2014
Dilong Spirit	Suezmax	2009	February 28, 2014
Tarbet Spirit	Aframax	2009	March 10, 2014
Emerald Spirit	Aframax	2009	April 10, 2014
Whistler Spirit	Aframax	2010	May 2, 2014
Hovden Spirit	Coated Aframax	2012	June 2, 2014
Trysil Spirit	Coated Aframax	2012	June 19, 2014
Garibaldi Spirit	Aframax	2009	June 20, 2014
Blackcomb Spirit	Aframax	2010	June 30, 2014
Peak Spirit	Aframax	2011	October 24, 2014
Baker Spirit	Suezmax	2009	July 16, 2015
Cascade Spirit	Suezmax	2009	August 5, 2015
Copper Spirit	Suezmax	2010	August 6, 2015
Aspen Spirit	Suezmax	2009	August 6, 2015
Tahoe Spirit	Suezmax	2010	August 7, 2015
Vail Spirit	Suezmax	2009	August 14, 2015

Liquidity

As of June 30, 2017, Tanker Investments had total cash and undrawn lines of USD 89.7 million, including USD 40.6 million of cash and USD 49.1 million of undrawn revolving credit facilities, compared to total liquidity of USD 116.6 million as at March 31, 2017. The decrease in the availability of undrawn lines is due to a reduction in the value of the underlying secured assets since official valuations were obtained in October 2016.

About Tanker Investments Ltd.

Tanker Investments Ltd. is a specialized investment company focused on the tanker market. Tanker Investments Ltd. was formed in January 2014 to opportunistically operate and sell modern secondhand tankers to benefit from cyclical fluctuations in the tanker market. Tanker Investments' fleet consists of 18 vessels.

Tanker Investments' common stock trades on the Oslo Stock Exchange under the symbol "TIL".

For Investor Relations enquiries contact:
Scott Gayton
Tel: +1 604 609 4740

Website: www.tankerinvestments.com

Definitions and Non-GAAP Financial Measures

This release includes financial measures that are non-GAAP financial measures as defined under the rules of the European Securities and Market Authority. These non-GAAP financial measures, Cash Flow from Vessel Operations and Net Debt to Capitalization, are intended to provide additional information and should not be considered as a substitute for the measures of performance prepared in accordance with GAAP. In addition, these measures do not have a standardized meaning, and may not be comparable to similar measures presented by other companies. The Company believes that certain investors use this information to evaluate the Company's financial performance.

Cash Flow from Vessel Operations (CFVO)

Cash flow from vessel operations, a non-GAAP financial measure, is used by certain investors to measure the financial performance of shipping companies. Cash flow from vessel operations represents income (loss) from vessel operations before depreciation and amortization expense, and gains or losses on the sale of vessels and equipment. Please refer to Appendix A of this release for the reconciliation of this non-GAAP measure as used in this release to the most directly comparable GAAP financial measure.

Net Debt to Capitalization

Net debt to capitalization, a non-GAAP financial measure, is a ratio of the Company's total debt (less cash) to its total capital and it is used to assess the Company's degree of leverage. Please refer to Appendix B of this release for the reconciliation of this non-GAAP measure as used in this release to the most directly comparable GAAP financial measure.

KPMG LLP
PO Box 10426 777 Dunsmuir Street
Vancouver BC V7Y 1K3
Canada
Telephone (604) 691-3000
Fax (604) 691-3031

Independent Auditors' Review Report

The Board of Directors
Tanker Investments Ltd.

Report on the Financial Statements

We have reviewed the consolidated financial statements of Tanker Investments Ltd. and its subsidiaries, which comprise the consolidated balance sheet as of June 30, 2017, the related consolidated statements of (loss) income for the three and six months ended June 30, 2017 and 2016, consolidated statements of cash flows for the six months ended June 30, 2017 and 2016, and consolidated statements of stockholders' equity for the six months ended June 30, 2017.

Management's Responsibility

The Company's management is responsible for the preparation and fair presentation of the financial information in accordance with U.S. generally accepted accounting principles; this responsibility includes the design, implementation, and maintenance of internal control sufficient to provide a reasonable basis for the preparation and fair presentation of interim financial information in accordance with U.S. generally accepted accounting principles.

Auditors' Responsibility

Our responsibility is to conduct our reviews in accordance with auditing standards generally accepted in the United States of America applicable to reviews of interim financial information. A review of interim financial information consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with auditing standards generally accepted in the United States of America, the objective of which is the expression of an opinion regarding the financial information. Accordingly, we do not express such an opinion.

Conclusion

Based on our reviews, we are not aware of any material modifications that should be made to the consolidated financial information referred to above for it to be in accordance with U.S. generally accepted accounting principles.

KPMG

Report on Balance Sheet as of December 31, 2016

We have previously audited, in accordance with auditing standards generally accepted in the United States of America, the consolidated balance sheet as of December 31, 2016, and the related consolidated statements of income (loss), cash flows, and stockholders' equity for the year then ended (not presented herein); and we expressed an unmodified audit opinion on those audited consolidated financial statements in our report dated March 17, 2017. In our opinion, the accompanying consolidated balance sheet of Tanker Investments Ltd. and its subsidiaries as of December 31, 2016, is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.

Chartered Professional Accountants

KPMG LLP

Vancouver, Canada
August 3, 2017

TANKER INVESTMENTS LTD. AND SUBSIDIARIES
UNAUDITED CONSOLIDATED STATEMENTS OF (LOSS) INCOME
(in thousands of U.S. dollars, except share and per share amounts)

	Three Months Ended June 30, 2017 $	Three Months Ended June 30, 2016 $	Six Months Ended June 30, 2017 $	Six Months Ended June 30, 2016 $
Net pool revenues from affiliates *(note 6b)*	18,504	42,830	47,032	92,351
Time charter revenues	6,741	–	9,485	–
Voyage revenues	167	204	2,959	1,253
Total revenues	25,412	43,034	59,476	93,604
Voyage expenses	(504)	62	(2,893)	(1,168)
Vessel operating expenses *(notes 6b and 6c)*	(14,447)	(14,222)	(27,643)	(29,001)
Depreciation and amortization	(8,742)	(8,769)	(17,356)	(17,471)
General and administrative expenses (*note 6b*)	(2,817)	(1,839)	(4,348)	(3,623)
Gain on sale of vessels *(notes 6b and 8)*	–	—	—	1,228
(Loss) income from vessel operations	(1,098)	18,266	7,236	43,569
Interest expense *(notes 2 and 6a)*	(4,506)	(4,680)	(8,929)	(10,100)
Interest income	83	30	133	85
Other expenses (*note 3)*	(262)	(1,016)	(1,000)	(2,227)
Net (loss) income	(5,783)	12,600	(2,560)	31,327
Per common share of Tanker Investments Ltd. *(note 7)*				
• Basic (loss) earnings attributable to common stockholders of Tanker Investments Ltd.	(0.19)	0.41	(0.08)	0.99
• Diluted (loss) earnings attributable to common stockholders of Tanker Investments Ltd.	(0.19)	0.41	(0.08)	0.98
Weighted average number of common shares outstanding *(note 7)*				
• Basic	30,373,038	30,599,060	30,368,326	31,555,458
• Diluted	30,373,038	30,599,060	30,368,326	31,825,034
Total number of common shares outstanding at end of period	30,398,057	30,363,561	30,398,057	30,363,561

Related party transactions (*note 6*)

The accompanying notes are an integral part of these unaudited consolidated financial statements.

TANKER INVESTMENTS LTD. AND SUBSIDIARIES
UNAUDITED CONSOLIDATED BALANCE SHEETS
(in thousands of U.S. dollars)

	As at June 30, 2017 $	As at December 31, 2016 $
ASSETS		
Current		
Cash and cash equivalents	40,625	35,073
Pool receivables from affiliates, net *(note 6b)*	4,780	12,427
Accounts receivable	247	21
Due from affiliates	181	43
Prepaid expenses and other current assets *(note 6c)*	7,208	6,083
Total current assets	53,041	53,647
Vessels and equipment		
At cost, less accumulated depreciation of $91.5 million (December 31, 2016 - $74.2 million)	713,458	729,226
Due from affiliates *(note 6b)*	16,936	20,536
Total assets	783,435	803,409
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current		
Accounts payable	2,486	915
Accrued liabilities and other (*note 6c*)	9,217	7,152
Current portion of long-term debt *(note 2)*	38,117	38,061
Deferred revenue	1,212	—
Due to affiliates	2,065	2,041
Total current liabilities	53,097	48,169
Long-term debt *(note 2)*	301,466	324,940
Other long-term liabilities *(note 3)*	6,351	5,418
Total liabilities	360,914	378,527
Commitments and contingencies (*notes 2, 3 and 6)*		
Stockholders' Equity		
Common stock ($0.001 par value; 400 million shares authorized; 30.4 million shares issued and outstanding) *(note 5)*	31	31
Preferred stock ($0.001 par value; 100 million shares authorized; 2 shares issued and outstanding) *(note 5)*	1	1
Additional paid-in capital *(note 5)*	322,687	322,488
Retained earnings	99,802	102,362
Total stockholders' equity	422,521	424,882
Total liabilities and stockholders' equity	783,435	803,409

Subsequent events *(note 9)*

The accompanying notes are an integral part of these unaudited consolidated financial statements.

TANKER INVESTMENTS LTD. AND SUBSIDIARIES

UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS

(in thousands of U.S. dollars)

	Six Months Ended June 30, 2017 $	Six Months Ended June 30, 2016 $
Cash and cash equivalents provided by (used for)		
OPERATING ACTIVITIES		
Net (loss) income	(2,560)	31,327
Non-cash items:		
Depreciation and amortization	17,356	17,471
Other	1,770	2,236
Change in non-cash working capital items related to operating activities	14,318	19,658
Expenditures for dry-docking	(1,197)	(128)
Net operating cash flow	**29,687**	**70,564**
FINANCING ACTIVITIES		
Prepayments of long-term debt	(5,000)	(173,286)
Repayments of long-term debt	(19,057)	(21,141)
Repurchase of common stock *(note 5)*	—	(31,797)
Other financing activities	—	(181)
Net financing cash flow	**(24,057)**	**(226,405)**
INVESTING ACTIVITIES		
Proceeds on disposal of vessels *(note 8)*	—	151,597
Expenditures for vessels and equipment	(78)	(46)
Net investing cash flow	**(78)**	**151,551**
Increase (decrease) in cash and cash equivalents	5,552	(4,290)
Cash and cash equivalents, beginning of the period	35,073	43,420
Cash and cash equivalents, end of the period	**40,625**	**39,130**

The accompanying notes are an integral part of these unaudited consolidated financial statements.

TANKER INVESTMENTS LTD. AND SUBSIDIARIES

UNAUDITED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

(in thousands of U.S. dollars, except share amounts)

	Thousands of Shares of Common Stock Outstanding	Common Stock	Shares of Preferred Stock Outstanding	Preferred Stock	Additional Paid-In Capital	Retained Earnings	Total Shareholders' Equity
	#	$	#	$	$	$	$
Balance as at December 31, 2016	**30,364**	**31**	**2**	**1**	**322,488**	**102,362**	**424,882**
Net loss	—	—	—	—	—	(2,560)	(2,560)
Shares issued as compensation (*note 5*)	34	—	—	—	199	—	199
Balance as at June 30, 2017	**30,398**	**31**	**2**	**1**	**322,687**	**99,802**	**422,521**

The accompanying notes are an integral part of these unaudited consolidated financial statements.

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

1. Basis of Presentation and Nature of Operations

On January 10, 2014, Teekay Corporation (or *Teekay*) and Teekay Tankers Ltd. (or *Teekay Tankers*) formed Tanker Investments Ltd., under the laws of the Republic of the Marshall Islands. Tanker Investments Ltd. and its subsidiaries (collectively the *Company*) engage in the ownership and operation of crude oil tankers. The Company has adopted a December 31 fiscal year-end. At June 30, 2017, the Company's fleet included 18 vessels (December 31, 2016 - 18 vessels).

On May 31, 2017, the Company entered into a merger agreement with Teekay Tankers (the *Merger Agreement*). Under the terms of the Merger Agreement, each share of common stock of the Company issued and outstanding immediately prior to the effective date of the merger will be canceled and converted into the right to receive 3.3 shares of Class A common stock of Teekay Tankers. Completion of the merger is subject to closing conditions, approval by the shareholders of the Company, and approval by the Teekay Tankers' shareholders of an increase in the authorized number of Teekay Tankers' Class A common shares to permit the issuance of Teekay Tankers' Class A common shares as merger consideration. The Company expects to complete the merger in the third or fourth quarter of 2017.

These unaudited interim consolidated financial statements have been prepared in conformity with United States generally accepted accounting principles (or *GAAP*). The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Certain information and footnote disclosures required by GAAP for complete annual financial statements have been omitted and, therefore these interim unaudited consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2016. In the opinion of management, these unaudited interim consolidated financial statements reflect all adjustments, consisting solely of a normal recurring nature, necessary to present fairly, in all material respects, the Company's unaudited consolidated financial position, results of operations, and cash flows for the period presented. Significant intercompany balances and transactions have been eliminated upon consolidation.

2. Long-Term Debt

	June 30, 2017 $	December 31, 2016 $
Revolving Credit Facilities due through 2020	218,849	236,917
Term Loan due through 2021	123,228	129,217
Total principal	342,077	366,134
Unamortized discount and debt issuance costs	(2,494)	(3,133)
Total debt	339,583	363,001
Less current portion	(38,117)	(38,061)
Long-term portion	301,466	324,940

As of June 30, 2017, the Company had two revolving credit facilities available, which, as at such date, provided for borrowings of up to a maximum of $267.9 million (December 31, 2016 - $311.7 million), of which $218.8 million was drawn (December 31, 2016 - $236.9 million was drawn). Interest payments are based on LIBOR plus margins. At June 30, 2017, the margin was 3.37% (December 31, 2016 - 3.38% respectively). The margins ranged from 2.75% to 3.50%, depending on the fair market value of the vessels provided as collateral relative to the amount drawn on the credit facilities. The two credit facilities were collateralized by first-priority mortgages on 14 (December 31, 2016 - 14) of the Company's vessels. At June 30, 2017, the total amount available under the credit facilities reduces by $30.0 million (2018), $143.7 million (2019) and $94.2 million (2020). The credit facilities contain a covenant that requires the Company to maintain a free liquidity of not less than the lower of (i) $25.0 million and (ii) $2.0 million per vessel owned as long as the number of vessels owned by the Company is less than 25. If the Company owns 25 or more vessels, the covenant requires the Company to maintain a free liquidity of the aggregate of (i) $25.0 million and (ii) $1.3 million multiplied by the number of vessels owned by the Company in excess of 25. The Company is also required to maintain a minimum capitalization ratio, a minimum level of tangible net worth, a minimum ratio of net income before interest and certain non-cash items to interest expense and the fair market value of collateral vessels shall be equal to at least 150 percent of the drawn amount under the revolving credit facilities. As at June 30, 2017, the Company was in compliance with all its covenants in respect of these credit facilities.

As of June 30, 2017, the Company had one term loan outstanding with an outstanding balance of $123.2 million (December 31, 2016 - $129.2 million) (the *Term Loan*), repayable by 2021. Of this amount, $51.0 million bears interest at LIBOR plus a margin of 0.50% and the remaining $72.2 million bears interest at a fixed rate of 5.37% (December 31, 2016 - $52.0 million and $77.2 million, respectively). The loan is collateralized by four of the Company's vessels, together with other related security. In addition, the loan requires Teekay (the Guarantor) to maintain a minimum liquidity (cash and cash equivalents) of at least $100.0 million and an aggregate of free cash and undrawn committed revolving credit lines with at least six months to maturity of at least 7.5% of Teekay's total consolidated debt which has recourse to Teekay. As at June 30, 2017, Teekay was in compliance with all their covenants in respect of the Term Loan.

The weighted-average interest rate on the Company's long-term debt as at June 30, 2017 and December 31, 2016 was 4.31% and 4.11% respectively, excluding the guarantee fee paid to Teekay (see note 6a). The aggregate annual principal repayments required to be made by the Company subsequent to June 30, 2017 are $19.1 million (2017), $38.2 million (2018), $113.2 million (2019), $91.1 million (2020) and $80.5 million (2021).

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

3. Other Long-Term Liabilities

The Company recognizes freight tax expenses in other expenses in its unaudited consolidated statements of (loss) income. The Company does not presently anticipate its uncertain tax positions will significantly increase or decrease in the next 12 months; however, actual developments could differ from those currently expected.

The following is a roll-forward of the Company's freight tax expenses which are recorded in the unaudited consolidated balance sheets in other long-term liabilities, for the six months ended June 30, 2017 and 2016:

	Six Months Ended June 30, 2017 $	Six Months Ended June 30, 2016 $
Balance at the beginning of the period	5,418	2,789
Changes for positions taken in prior periods	509	—
Increase for positions related to the current period	424	2,169
Balance at the end of the period	6,351	4,958

The remainder of the amounts recorded in other expenses in the unaudited consolidated statements of (loss) income relate to foreign exchange gains and losses.

4. Fair Value Measurements

For a description of how the Company estimates fair value and for a description of the fair value hierarchy levels, see note 6 in the Company's audited consolidated financial statements filed with its Annual Report for the year ended December 31, 2016.

The following table includes the estimated fair value, carrying value and categorization using the fair value hierarchy of those assets and liabilities that are measured at their estimated fair value on a recurring and non-recurring basis, as well as certain financial instruments that are not measured at fair value.

		June 30, 2017		December 31, 2016	
	Fair Value Hierarchy Level	Carrying Amount Asset / (Liability) $	Fair Value Asset / (Liability) $	Carrying Amount Asset / (Liability) $	Fair Value Asset / (Liability) $
Cash and cash equivalents	Level 1	40,625	40,625	35,073	35,073
Long-term debt, including current portion	Level 2	(339,583)	(338,939)	(363,001)	(363,703)

5. Capital Stock and Warrants

Tanker Investments Ltd. was incorporated on January 10, 2014. The authorized capital stock of Tanker Investments Ltd. is 400,000,000 shares of Common Stock, with a par value of $0.001 per share and 100,000,000 shares of Preferred Stock, with a par value of $0.001 per share. Two Series of Preferred Stock have been created, Series A-1 Preferred and Series A-2 Preferred (collectively Series A Preferred shares). The authorized number of Series A-1 Preferred shares and Series A-2 Preferred shares is one share for each series. Further information on the rights and restrictions related to the Common Stock as well as outstanding warrants can be found in note 7 in the Company's audited consolidated financial statements filed with its Annual Report for the year ended December 31, 2016.

On October 27, 2014, the Company announced that its Board of Directors had authorized the repurchase of up to $30.0 million of its Common Stock in the open market. On September 27, 2015, the Company announced the Board of Directors had authorized a $30.0 million upsize to the share repurchase program, increasing the total amount authorized to $60.0 million. On February 8, 2016, the Company announced that the Board of Directors had authorized a new share repurchase program for the repurchase of a further $60.0 million of the Company's common stock. As at June 30, 2017, the Company had repurchased 8.1 million shares of its Common Stock for $87.6 million (December 31, 2016 - 8.1 million shares for $87.6 million). On July 26, 2016, the 8.1 million shares repurchased by the Company, held in treasury, were canceled. As at June 30, 2017, the Company does not hold any shares of Common Stock in treasury (December 31, 2016 - nil).

In June 2017, a total of 34,496 shares of Common Stock, with an aggregate value of $0.2 million, were granted to the Company's non-management directors as part of their annual compensation for 2017. These shares were issued from the 400,000,000 shares of Common Stock authorized under Tanker Investments Ltd.'s articles of incorporation.

As at June 30, 2017, Teekay owned 2.5 million shares of Common Stock, 1 share of Series A-1 Preferred Stock and a stock purchase warrant entitling it to purchase, in aggregate, up to 0.75 million shares of Common Stock. As at June 30, 2017, Teekay Tankers owned 3.4

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

million shares of Common Stock, 1 share of Series A-2 Preferred Stock and a stock purchase warrant entitling it to purchase, in aggregate, up to 0.75 million shares of Common Stock. Teekay Tankers is a controlled subsidiary of Teekay.

6. Related Party Transactions and Commitments

a) Teekay is a guarantor to the borrowers' obligations under the Term Loan and the Company entered into a non-competition agreement (or the *Non-Competition Agreement*) with Teekay and Teekay Tankers. For a detailed description of these agreements, see Notes 8 (e) and 8 (g) in the Company's audited consolidated financial statements filed with its Annual Report for the year ended December 31, 2016. The guarantee fee was $0.1 million for the three months ended June 30, 2017 and 2016, respectively. The guarantee fee was $0.2 million for the six months ended June 30, 2017 and 2016, respectively.

b) Affiliates of Teekay and subsidiaries of Teekay Tankers provide management services to the Company. The terms of such agreements are contained in Note 8(h) in the Company's audited consolidated financial statements filed with its Annual Report for the year ended December 31, 2016. Amounts incurred by the Company for such services for the periods indicated below were as follows:

	Three Months Ended June 30, 2017 $	Three Months Ended June 30, 2016 $	Six Months Ended June 30, 2017 $	Six Months Ended June 30, 2016 $
Commercial management services	1,069	1,340	2,313	2,799
Ship management services	1,180	1,156	2,336	2,457
Corporate services	1,374	1,346	2,706	2,713
Vessel and equipment transaction services	—	—	—	1,550

The amounts owing from the Pool Managers, which are reflected in the unaudited consolidated balance sheets as pool receivables from affiliates, are without interest and are repayable upon the terms contained within the pool agreement. In addition, the Company had advanced $16.9 million and $20.5 million as at June 30, 2017 and December 31, 2016, respectively, to the Pool Managers for working capital purposes. The Company may be required to advance additional working capital funds from time to time. Working capital advances are repayable to the Company when a vessel no longer participates in the pool, less any set-offs for outstanding liabilities or contingencies. These amounts owing, which are reflected in the unaudited consolidated balance sheets as due from affiliates, are without interest.

c) As at June 30, 2017 and December 31, 2016, $2.1 million and $1.8 million, respectively, was payable to a subsidiary of Teekay for reimbursement of crewing and manning costs to operate the Company's vessels and such amounts are included in accrued liabilities on the unaudited consolidated balance sheets. As at June 30, 2017 and December 31, 2016, $1.6 million and $1.6 million, respectively, was advanced to a subsidiary of Teekay to cover future non-manning vessel operating costs and such amounts are included in prepaid expenses and other current assets on the unaudited consolidated balance sheets.

7. Earnings Per Share

	Three Months Ended June 30, 2017 $	Three Months Ended June 30, 2016 $	Six Months Ended June 30, 2017 $	Six Months Ended June 30, 2016 $
Net (loss) income	(5,783)	12,600	(2,560)	31,327
Weighted average number of common shares - basic	30,373,038	30,599,060	30,368,326	31,555,458
Dilutive effect of warrants	—	—	—	269,576
Common stock and common stock equivalents - diluted	30,373,038	30,599,060	30,368,326	31,825,034
(Loss) earnings per common share:				
• Basic	(0.19)	0.41	(0.08)	0.99
• Diluted	(0.19)	0.41	(0.08)	0.98

For the three months ended June 30, 2017 and 2016, and for the six months ended June 30, 2017, warrants to acquire 1.5 million shares of Common Stock had an anti-dilutive effect on the calculation of diluted income per common share. For the six months ended June 30, 2016, warrants to acquire 1.5 million shares of Common Stock had a dilutive effect on the calculation of diluted income per common share.

8. Gain on Sale of Vessels

During the six months ended June 30, 2016, the Company sold two 2010-built VLCCs, the *Hemsedal Spirit* and *Voss Spirit*, for net proceeds of proceeds of $151.6 million and recognized a $1.2 million gain related to the sale of these vessels.

9. Subsequent Events

Subsequent events have been evaluated through August 3, 2017, the date the unaudited interim consolidated financial statements were issued. No significant events occurred subsequent to the balance sheet date but prior to August 3, 2017, that would have a material impact on the unaudited interim consolidated financial statements.

Responsibility Statement

We confirm that, to the best of our knowledge, the consolidated interim financial statements for the three and six months ended June 30, 2017, which were prepared in accordance with United States generally accepted accounting principles gives a true and fair view of the Company's consolidated assets, liabilities, financial position and results of operations and the earnings release includes a fair review of the information under Norwegian Securities Trading Act sections 5-6 fourth paragraph.

August 3, 2017

/s/ William Lawes	/s/ Øivind Solvang	/s/ Kenneth Hvid
William Lawes	**Øivind Solvang**	**Kenneth Hvid**
Director	Director	Director
/s/ Alan Carr	/s/ Timothy Gravely	
Alan Carr	**Timothy Gravely**	
Director	Director	

TANKER INVESTMENTS LTD.
APPENDIX A - RECONCILIATION OF NON-GAAP FINANCIAL MEASURE
CASH FLOW FROM VESSEL OPERATIONS
(U.S. Dollars in Millions)

Set forth below is an unaudited calculation of Tanker Investments Ltd.'s cash flow from vessel operations. For a definition of this non-GAAP financial measure, please see page 7 of this earnings release.

		Three Months Ended	
	June 30, 2017	**March 31, 2017**	**June 30, 2016**
	(unaudited)	(unaudited)	(unaudited)
	$	$	$
(Loss) income from vessel operations	(1.1)	8.3	18.3
Add:			
Depreciation and amortization	8.7	8.6	8.8
Cash flow from vessel operations	7.6	16.9	27.1

	Six Months Ended	
	June 30, 2017	**June 30, 2016**
	(unaudited)	(unaudited)
	$	$
Income from vessel operations	7.2	43.6
Add:		
Depreciation and amortization	17.4	17.4
Less:		
Gain on sale of vessels	—	(1.2)
Cash flow from vessel operations	24.6	59.8

TANKER INVESTMENTS LTD.
APPENDIX B - RECONCILIATION OF NON-GAAP FINANCIAL MEASURE
NET DEBT TO CAPITALIZATION
(U.S. Dollars in Millions)

Set forth below is an unaudited calculation of Tanker Investments Ltd.'s net debt to capitalization. For a definition of this non-GAAP financial measure, please see page 7 of this earnings release.

	June 30, 2017	**March 31, 2017**	**June 30, 2016**
	(unaudited)	(unaudited)	(unaudited)
	$	$	$
Current Debt	38.1	38.1	41.2
Long-term Debt	301.5	310.7	346.7
Total Debt	339.6	348.8	387.9
Less:			
Cash	(40.6)	(39.5)	(39.1)
Net Debt	299.0	309.3	348.8
Equity	422.5	428.1	425.1
Capitalization	721.5	737.4	773.9
Net Debt / Capitalization	41.4%	41.9%	45.1%

FORWARD LOOKING STATEMENT

This release contains forward-looking statements which reflect management's current views with respect to certain future events and performance, including statements regarding: the expected timetable for completing the merger, the expected benefits of the merger, future financial and operating results, future opportunities for the combined company and the integration of TIL into TNK, the crude oil market fundamentals, including the balance of supply and demand in the tanker market, and the Company's financial position. The following factors are among those that could cause actual results to differ materially from the forward-looking statements, which involve risks and uncertainties, and that should be considered in evaluating any such statement: changes in the production of or demand for oil; changes in trading patterns significantly affecting overall vessel tonnage requirements; greater or less than anticipated levels of tanker newbuilding orders and deliveries or greater or less than anticipated rates of tanker scrapping; changes in applicable industry laws and regulations and the timing of implementation of new laws and regulations; changes in interest rates and the financial markets; increases in the Company's expenses, including any dry docking expenses and associated off-hire days; failure to complete the merger, including obtaining the necessary approval, or to realize expected benefits and synergies from the combined company; potential change in Teekay Tankers' dividend policy; and other factors discussed in Tanker Investments Ltd.'s filings from time to time with the Financial Supervisory Authority of Norway. The Company expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in the Company's expectations with respect thereto or any change in events, conditions or circumstances on which any such statement is based.