



VAALCO ENERGY, INC.

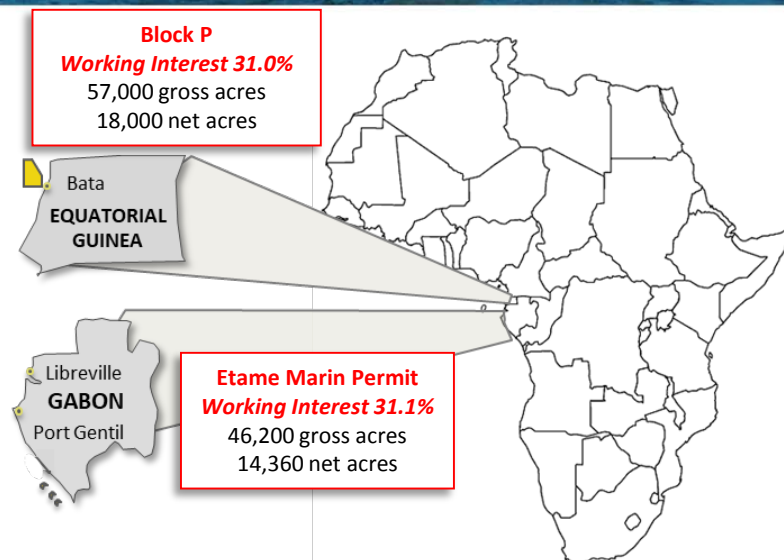


*Building the Future from a
Strong Foundation*
March 2019

Premier International Operator

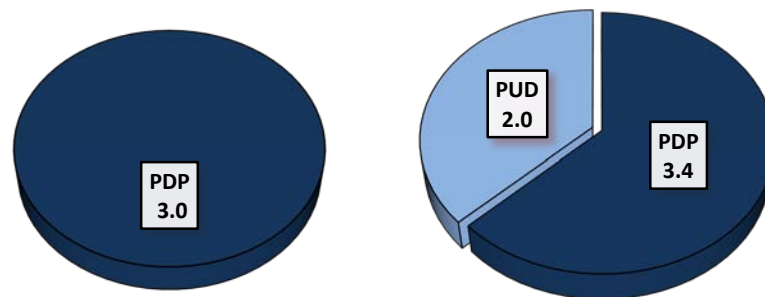
Strong Balance Sheet and Poised for Growth

- Houston-based E&P operator of established shallow-water international properties
- Excellent operator with high ethical standards
- Quality assets anchored by the premier Gabon Etame Marin field
 - Produced ~105 million barrels of oil to date
 - Identified additional potential of ~90 million barrels of oil (1P, 2P, 1C, 2C, Prospective)
- Growth from low-risk reserves and production while exercising capital discipline
- Levered to currently higher Brent oil prices
- Strong, clean balance sheet with no debt
- Actively pursuing strategic, value-accretive mergers and acquisitions of similar properties



2018 Production 3,751 BOPD
100% Oil with Brent Pricing

2017 Proved Reserves⁽¹⁾ (MMBO) 2018 Proved Reserves⁽¹⁾ (MMBO)



Profitable Operator Positioned for Long-Term Value Creation

Vision 2025

Premier Africa Operator with a diversified portfolio,
5X Growth from 2019 (Reserves/Production/Value), top quartile TSR

Stakeholder Engagement

- Top-tier employees, aligned with shareholder interests
- Cultivate relationships with host governments
- Improve quality of life and education in the communities where we operate

Operational Excellence

- Maintain high HSE and ethical standards
- Optimize production and minimize costs to maximize margins
- Organically grow identified resources in Gabon and EG

Financial Flexibility

- Broaden access to capital markets
- Maintain optimal liquidity to fund Gabon drilling and operations
- Seek partners to fund EG growth opportunities

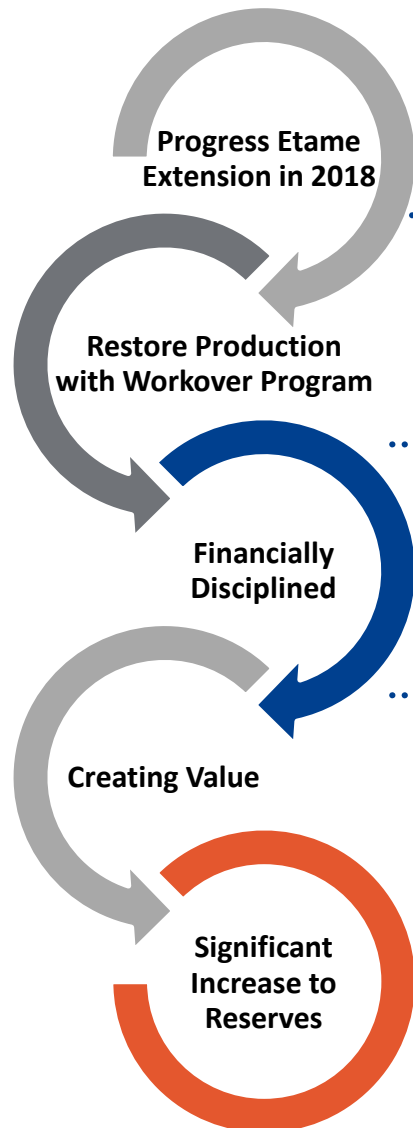
Transformational Growth

- Maintain focus in Africa
- Acquisition of producing assets with upside opportunities
- Pursue merger and acquisition opportunities that create value

Foundation: Producing asset in Gabon generating significant cash with a 20 year runway to add production and increase reserves, track record of operating responsibly, clean balance sheet with no debt and ample working capital, high performing team, capacity for growth

Delivering Value Through Execution

Maintain Strong Cash Flow and Income Generation

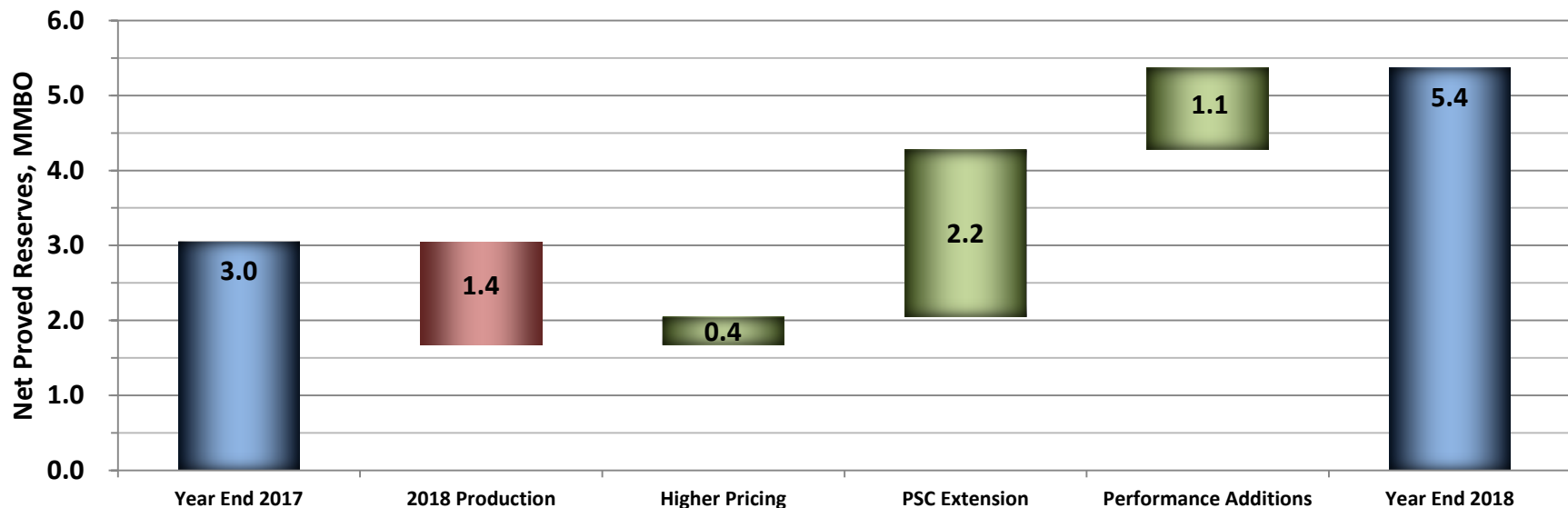


- ✓ Finalized Etame Marin PSC extension, increasing the term of the three existing exploitation authorizations to September 16, 2028, with 2 additional 5 year options
- ✓ Completed successful workover program on Avouma platform that addressed ESP problems and restored production
- ✓ Produced an average of 3,751 net BOPD in 2018, within guidance
- ✓ Paid off all outstanding debt in 2018
- ✓ Funding 2019 Etame drilling program with cash from operations and cash on hand
- ✓ 2019 Operational Breakeven ~\$37/BBL and Free Cash Flow Breakeven ~\$47/BBL⁽¹⁾
- ✓ Delivered Adjusted EBITDAX of \$16.9 MM in Q4'18, and \$56.2 MM in 2018
- ✓ Generated Income from Continuing Operations of \$98.7 MM in 2018 and Adjusted Income from Continuing Operations of \$38.5 MM in 2018
- ✓ Significantly enhanced ability to create long-term value at Etame through PSC Extension including improved financial terms and an expanded license area
- ✓ Increased 1P and 2P proved reserves to 5.4 MMBO and 9.7 MMBO, respectively
- ✓ Grew 2018 PV10 of 1P reserves to \$80.1 MM and 2P reserves to \$131.9 MM
- ✓ More details on next slide

¹ Additional details and calculation on slide 20

VAALCO Year End 2018 Reserves

5.4 MMBO Net Proved Reserves for YE-2018
9.7 MMBO Net Proved + Probable (2P) Reserves for YE-2018
Replaced 270% of 2018 Production



- PV-10 of 1P Reserves at SEC Pricing = \$80.1 MM
- PV-10 of 2P Reserves at SEC Pricing = \$131.9 MM
- Amounts are net of expected P&A liabilities

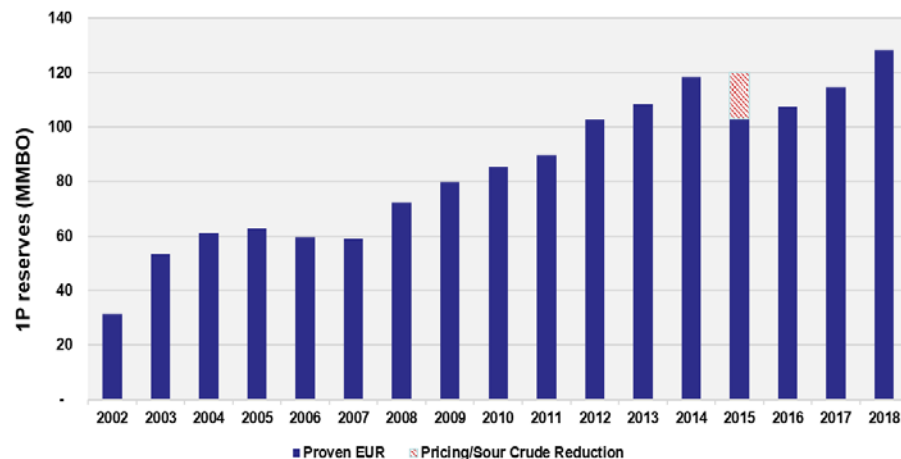
Significant Upward Revisions as a Result of Strong Production Performance

Repeatable Track Record of Success Continuing to Create Value at Etame

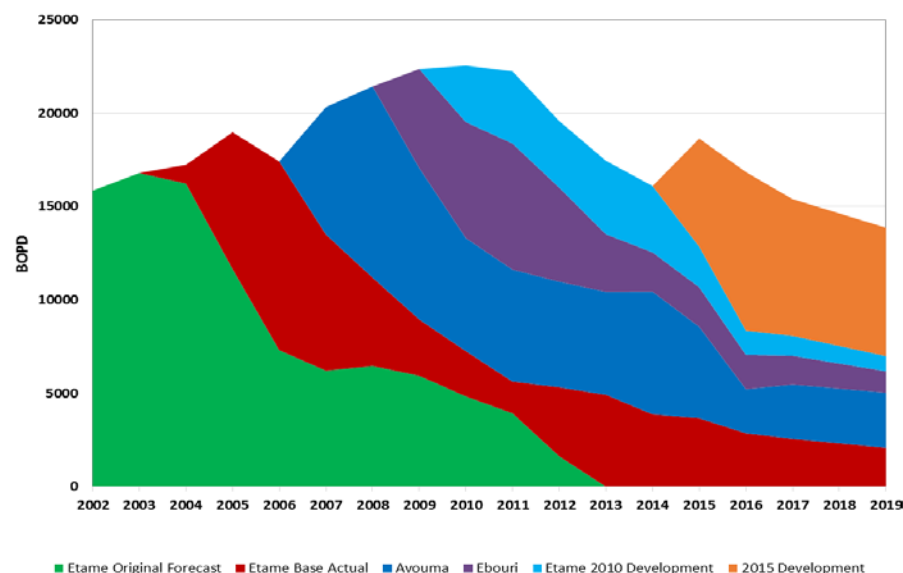
Etame Opportunities

- **2019 development program**
 - Drill at least two development wells
 - Drill two appraisal well bores
- **2020+ additional drilling opportunities**
- **Gamba step-out wells**
- **Gamba satellite wells (leads)**
- **Dentale wells**
- **Crude Sweetening Project**
- **Contingent resources beyond 2028**

Etame Marin : Gross Proven EUR



ETAME Marin Gross Production





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OPERATIONAL OVERVIEW

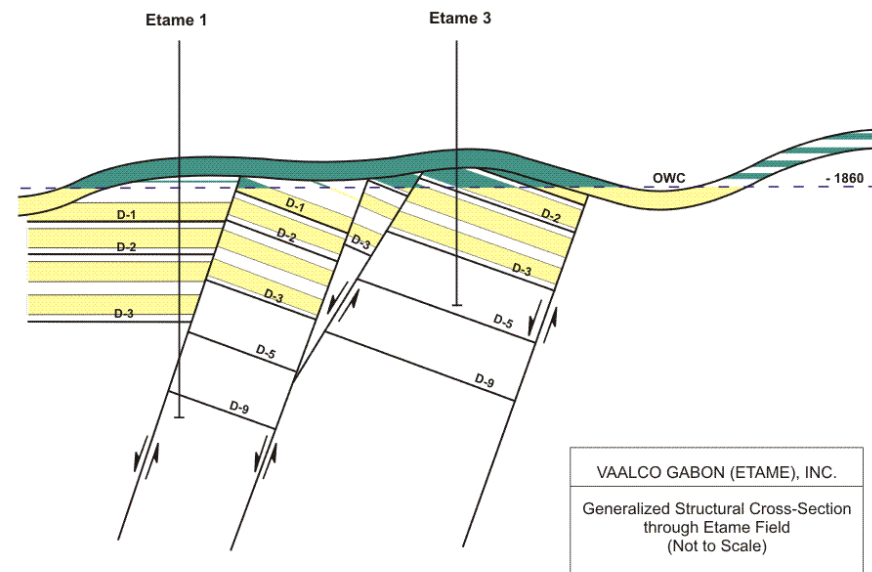


VAALCO Offshore Gabon Etame Reservoirs



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- Located in Prolific South Gabon basin in shallow water (~85m)
- Numerous undrilled opportunities at moderate drilling depths (1800m TVD to 2900m TVD)
- Continuous overlying salt sheet provides an effective seal for Gamba/Dentale reservoirs
- Oil was generated from world-class lacustrine source rocks
- **Gamba Sandstone reservoir characteristics:**
 - Aptian age (mid-Cretaceous)
 - A nearly-continuous deposit across the entire block
 - Exceptional aquifer support
 - Porosity ranges up to 33%
 - Permeability approaches or exceeds 4 Darcies (4000 mD)
- Production rates from horizontal wells can exceed 5,000 BOPD, with limited pressure drawdown
- Recovery factors approach or exceed 50%
- The deeper Dentale formation includes a number of targets in a sand-shale sequence with favorable reservoir properties

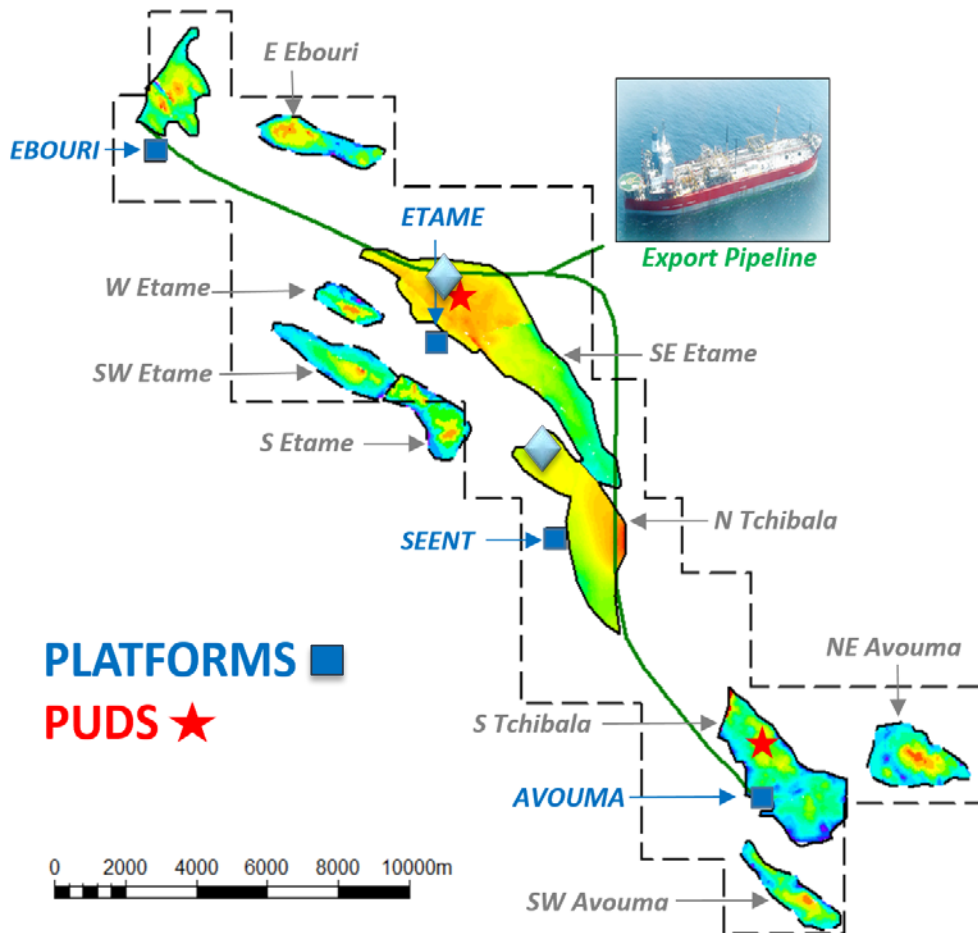


Stratigraphic Column

	Age	Lithology	Formation	Tectonic Phase
Upper Cret.	Recent - Pleist.		Akasso	Drift - Sag
	Miocene		M'Bega	
			Mandorove	
	Eocene		Animba	
			Ozouri	
	Senonian		Ewongue	
Lower Cretaceous	Turonian		Pt. Clairette	Transitional
	Cenomanian		Anguille	
			Azile	Late Rift
			Cap Lopez	
	Albian		Mediela	
	Aptian		Ezanga	
			Vembo	
			Gamba	
	Barremian		Dentale	
			Melania	

2019 Development Program

Profitable Growth Funded Internally



Infrastructure in place to develop opportunities

2019 Drilling Commitment:

2 Development Wells and 2 Appraisal Well Bores

- Following up on successful wells from 2014/2015 campaign

★ 2019 PUD Drilling Locations

Etame Platform: One Gamba horizontal between the two highest gross producing wells in Etame Marin

Avouma Platform: One Gamba horizontal well in an untapped area offsetting existing South Tchibala wells

Probable (2P) Location

Etame Platform: One Gamba well (~3 MMBO)

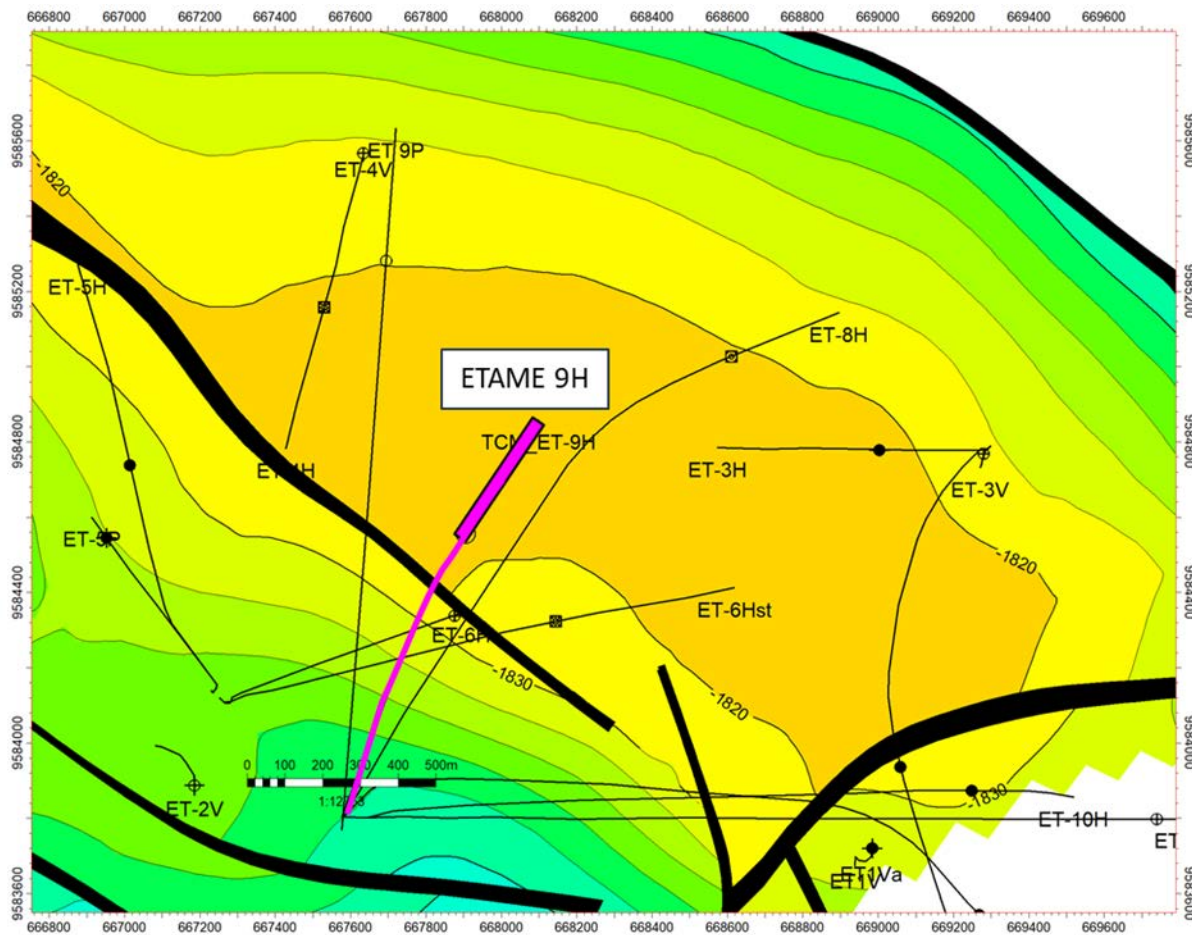
◆ Appraisal Locations

Etame Platform: One Dentale appraisal well bore

SEENT Platform: One Gamba appraisal well bore if successful will result in immediate development well

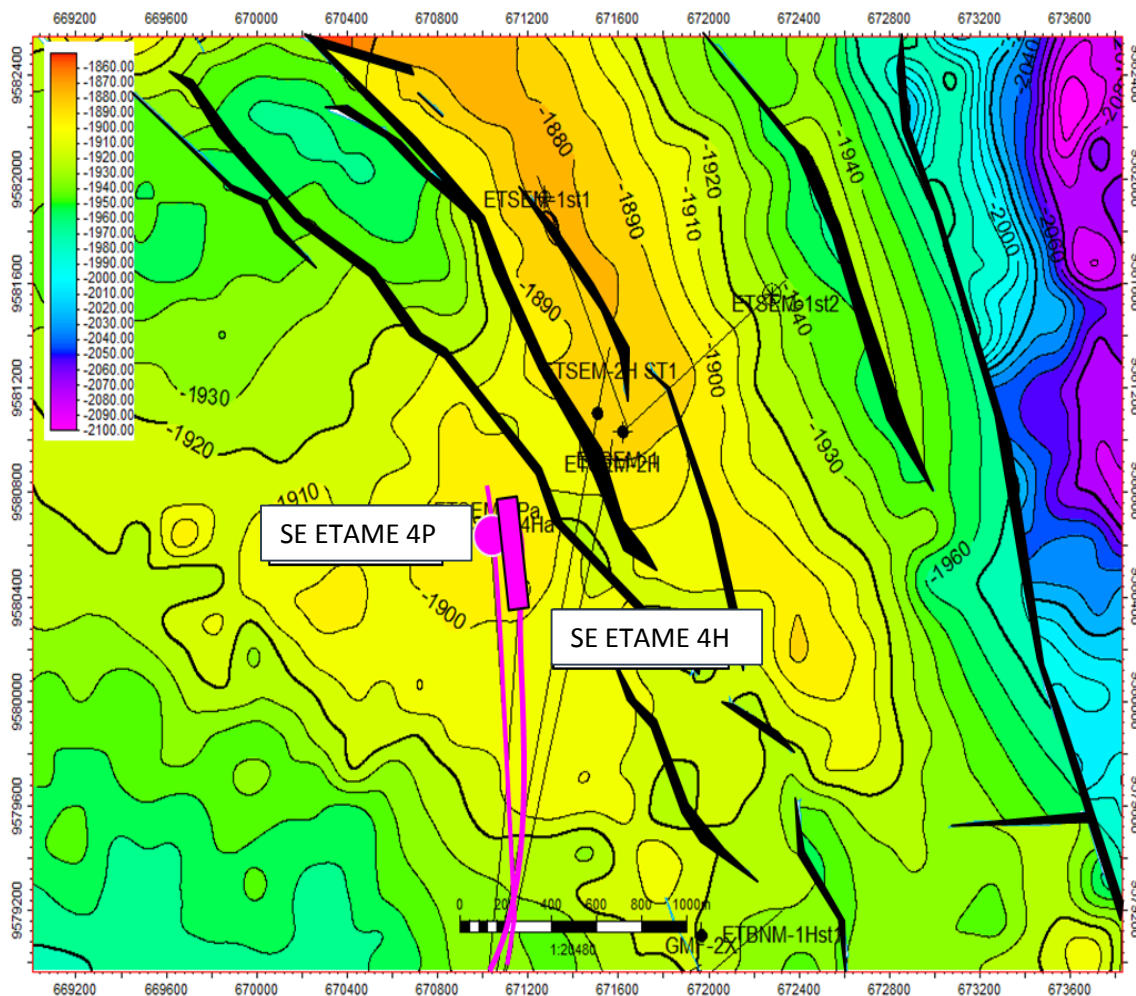
Drilling A Minimum of 2 Development Wells and 2 Appraisal Well Bores, with a Possible 3rd Development Well

2019 Drilling Program: Etame Field Main Fault Block Development



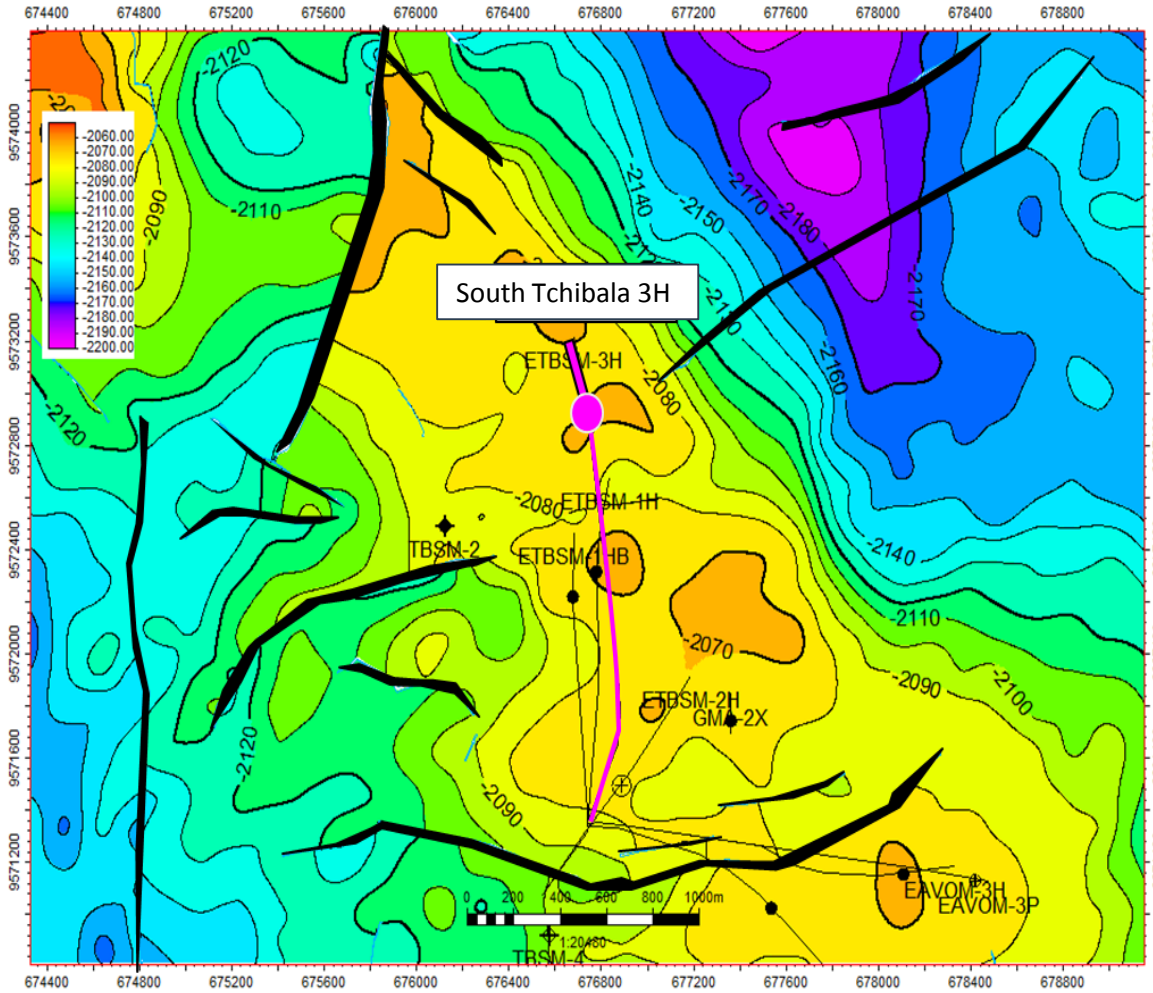
- The Etame-9H is a horizontal development well offsetting the Etame-4H and Etame-6H
- Reserve potential:
1.5 – 2.5 MMBO gross EUR
0.4 – 0.7 MMBO net EUR
- Estimated development costs:
\$22.5 - \$27.5 million gross
\$7.5 – \$9.5 million net
- Expected stabilized IP rate:
2,500 – 3,000 gross BOPD
675 – 825 net BOPD
- Etame 9P appraisal well bore evaluates the Dentale and de-risks potentially up to 3 Dentale wells (~6.5 – 8.5 MMBO gross EUR)

2019 Drilling Program: SE Etame Fault Compartment/Step Out Area



- SE Etame 4P appraisal well bore will evaluate the Step Out area, interpreted as an extension from the SE Etame 2H
- The SE Etame 4H will be drilled into the Step Out area targeting the Gamba
- SE Etame 4H potential:
2.5 – 3.5 MMBO gross EUR
0.7 – 1.0 MMBO net EUR
- Estimated development costs:
\$30 - \$35 million gross
\$9 - \$11 million net
- Expected stabilized IP rate:
3,000 – 4,000 gross BOPD
825 – 1,100 net BOPD

2019 Drilling Program: South Tchibala North Extension Area



- Gamba reservoir north of the South Tchibala 1H is currently undeveloped
- South Tchibala 3H will be drilled as a high angle development well
- South Tchibala 3H potential:
2 – 3 MMBO gross EUR
0.5 – 0.8 MMBO net EUR
- Estimated development costs:
\$25 - \$30 million gross
\$8.5 - \$10 million net
- Expected stabilized IP rate:
3,500 – 4,500 gross BOPD
950 – 1,200 net BOPD

Additional Etame Gamba Opportunities

Additional Prospective Locations:

SEENT Platform:

- Two Gamba wells (~8 MMBO)

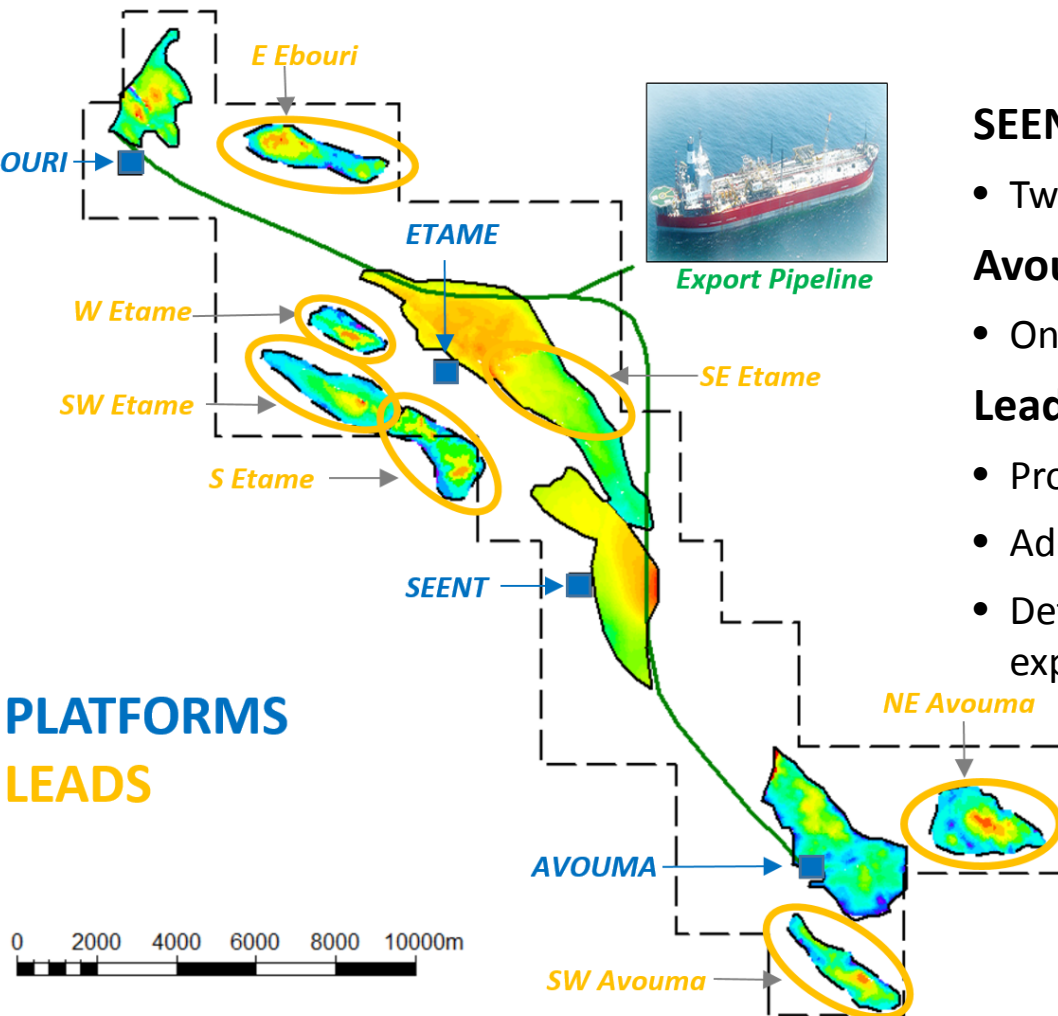
Avouma Platform:

- One Gamba well (~2 MMBO)

Leads:

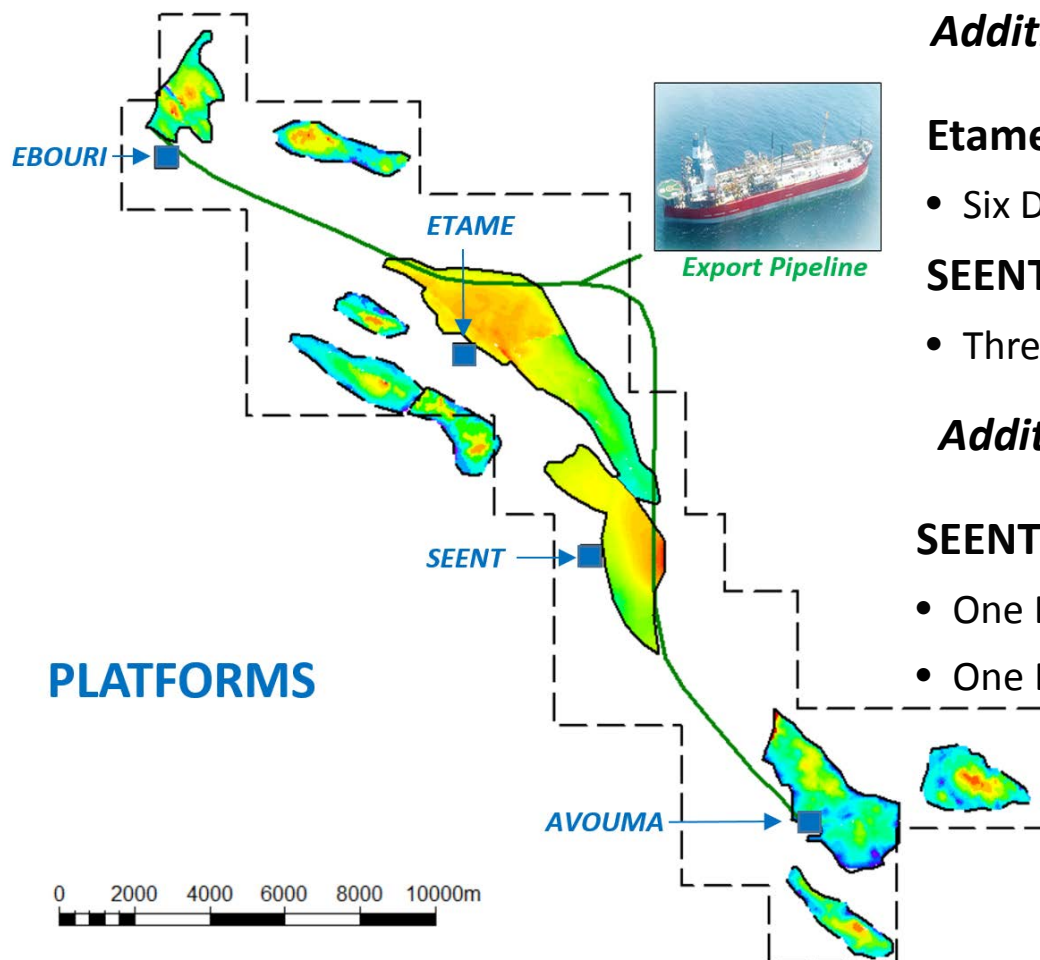
- Provide significant upside opportunities
- Additional opportunities (~29 MMBO)
- Determine viability of additional resources on expanded acreage

PLATFORMS
LEADS



**39 MMBO of Gross Unrisked Recoverable Prospective Resources
from Gamba Opportunities**

Additional Etame Dentale Opportunities



Additional ETAME Prospective Opportunities:

Etame Platform:

- Six Dentale infills (~12 MMBO)

SEENT Platform:

- Three Dentale infills (~3 MMBO)

Additional ETAME Contingent Opportunities:

SEENT Platform:

- One Dentale infills (~ 2.6 MMBO)
- One Dentale existing well stimulation (~1.8 MMBO)

~20 MMBO of Gross Unrisked Recoverable Prospective & Contingent Resources from Dentale Opportunities

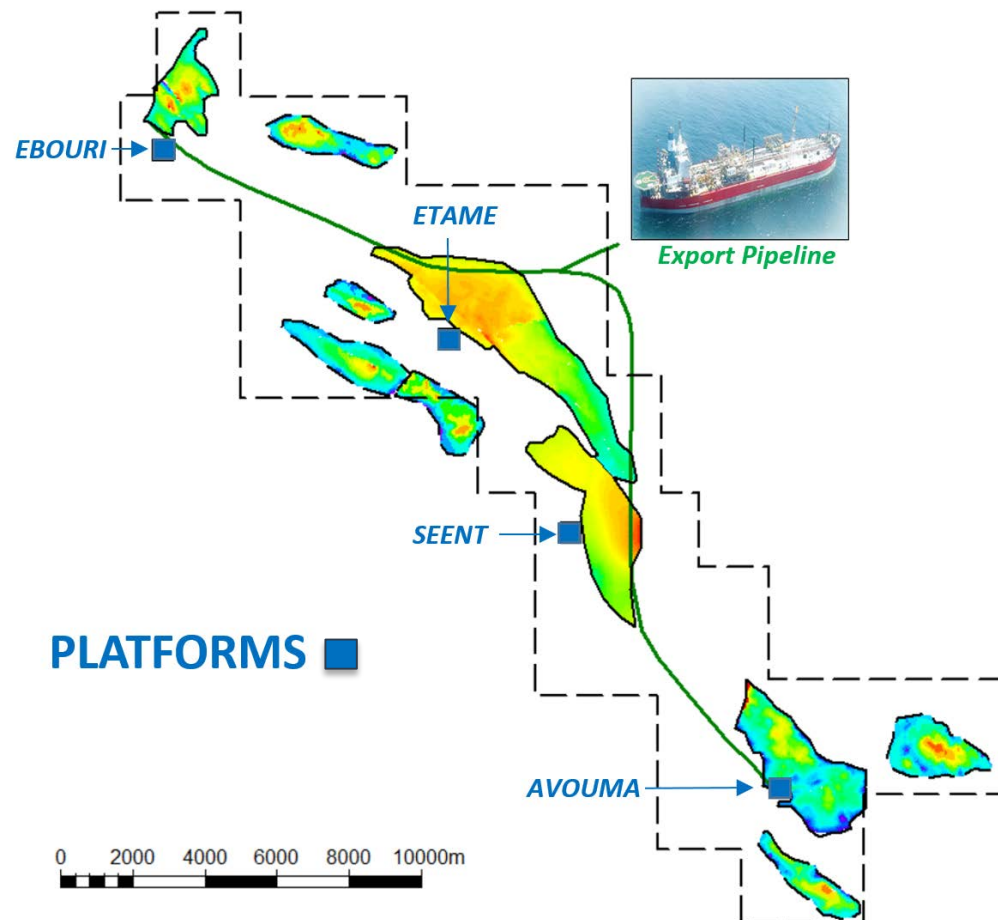
Potential Crude Sweetening Project (CSP)

- 3 wells drilled and shut in due to H₂S in Ebouri and Etame fields
 - 5.3 MMBO gross contingent resource
 - Ebouri 3H, Ebouri 4H and Etame 8H
 - Initial tests of ~ 800 – 1,500 gross BOPD per well
 - Management's gross internal resource estimate is 2-6 MMBO higher than the contingent resource amount
- CSP assessment to be conducted in 2019 as a result of the commitment made with the Etame Marin license extension
- Evaluating economic potential in current pricing environment and looking at ways to minimize costs to enhance returns
- Considering project financing options to reduce upfront investment
- CSP could extend total Etame field life

Lower Resource Risk with 5-11 MMBO of Upside Potential

Etame Marin Gross Contingent Resources

Upside Resources Beyond 2028



Etame Marin Contingent Resources (2C)

Etame Platform: 6.5 MMBO

SEENT Platform: 0.55 MMBO

Avouma Platform: 7.6 MMBO

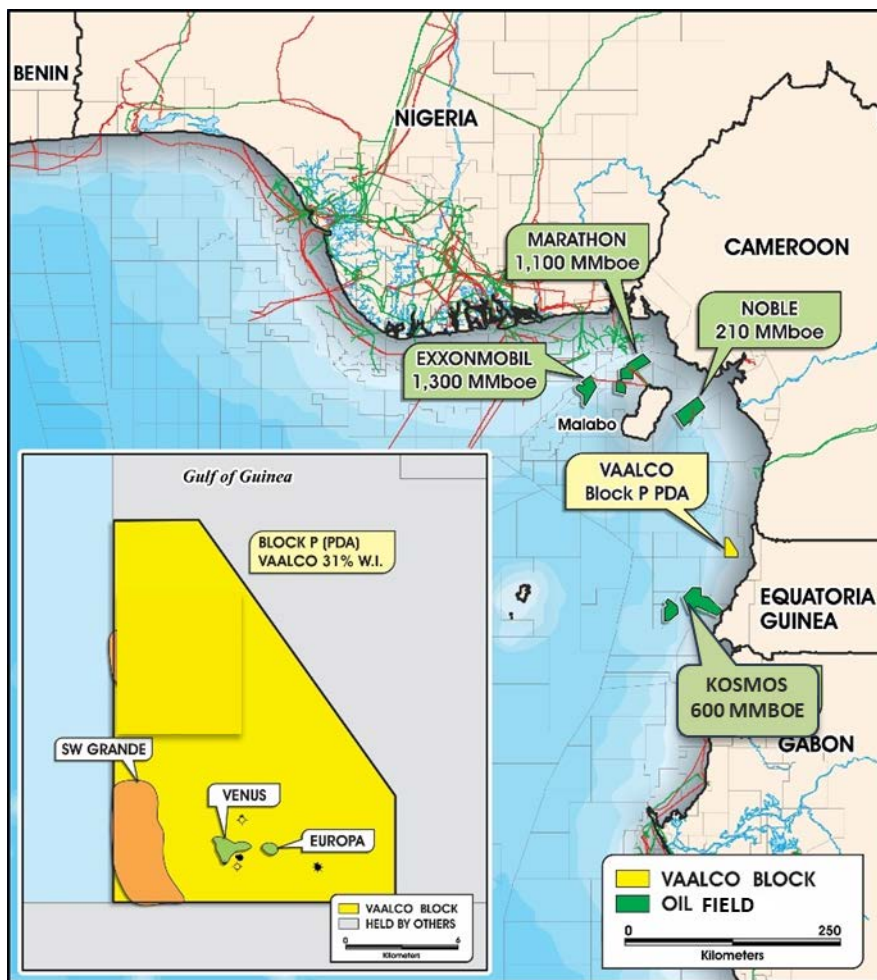
Ebouri Platform: 1.2 MMB

16 MMBO of Gross Unrisked Recoverable Contingent Resources from Existing Fields at Etame

Equatorial Guinea: Significant Upside Potential



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- 20+ million BOE gross resource discovery with 31% W.I as operator
- Block P suspension lifted; awaiting approval of transfer of GEPetrol's WI
- EGY will seek partner on a promoted basis to drill exploratory well required under terms to lift suspension
- No monetary penalty for failing to meet the terms to lift suspension
- If EGY does not proceed forward \$10 million of leasehold costs would be impaired
- Timing, costs, development plan and terms are being re-evaluated
- Reviewing exploration opportunity in SW Grande with potential for 60+ million BOE gross resource
- Block P surrounded by Miocene to Cretaceous reservoirs with significant reserves

Significant Medium to Long-Term Upside Potential



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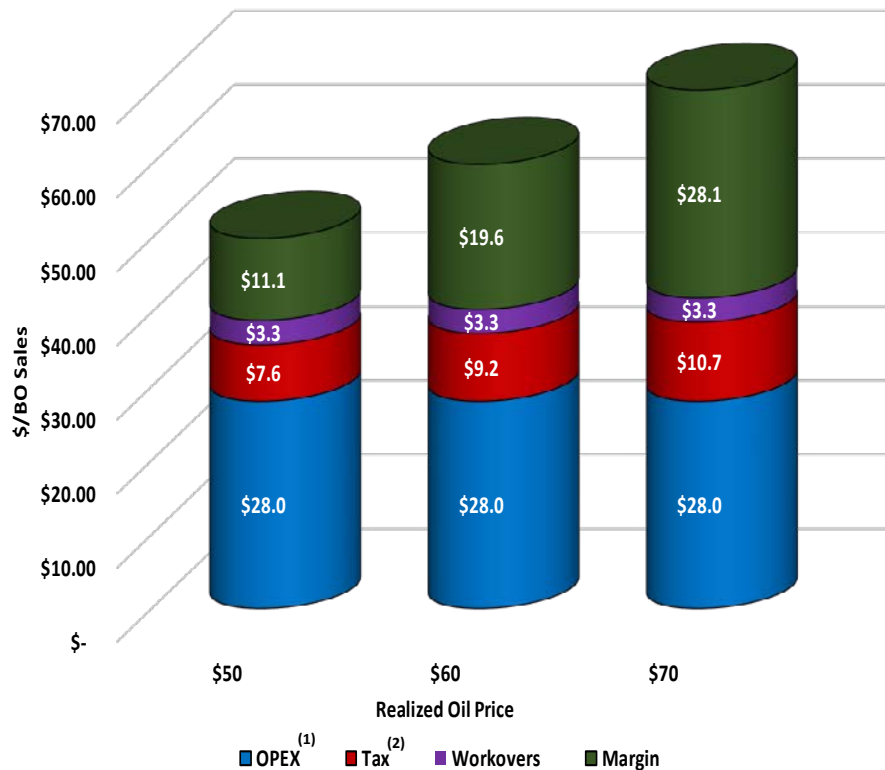
FINANCIAL OVERVIEW



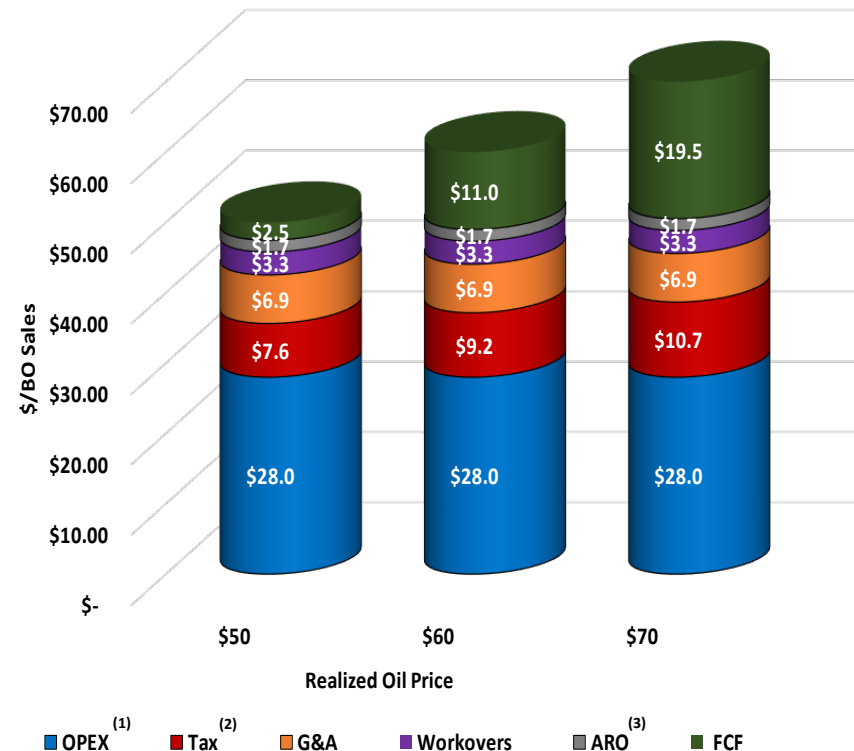
VAALCO Free Cash Flow Overview (2019E)

Maintain Strong Cash Flow and Income Generation

2019 Operational Margin Per Barrel



2019 Free Cash Flow Per Barrel



Each \$5/barrel improvement in oil price increases Free Cash Flow by >\$4 million and increases Adjusted EBITDAX by ~\$6 million

Free cash flow per barrel excludes 2019 Capex of ~\$25 - \$30 million

Operational Breakeven: ~\$37/BBL

Free Cash Flow Break-Even: ~\$47/BBL

1) Excludes discontinued operations and workovers
2) Midpoint of 2019 guidance

3) Forecasted 2019 ARO payment, excludes development drilling

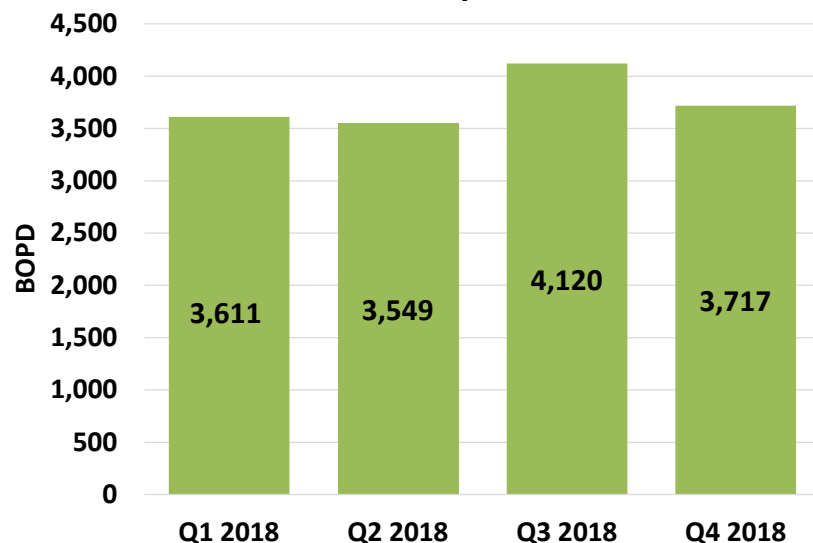
Key Performance Metrics

Strong 2018 Results Provide Solid Foundation

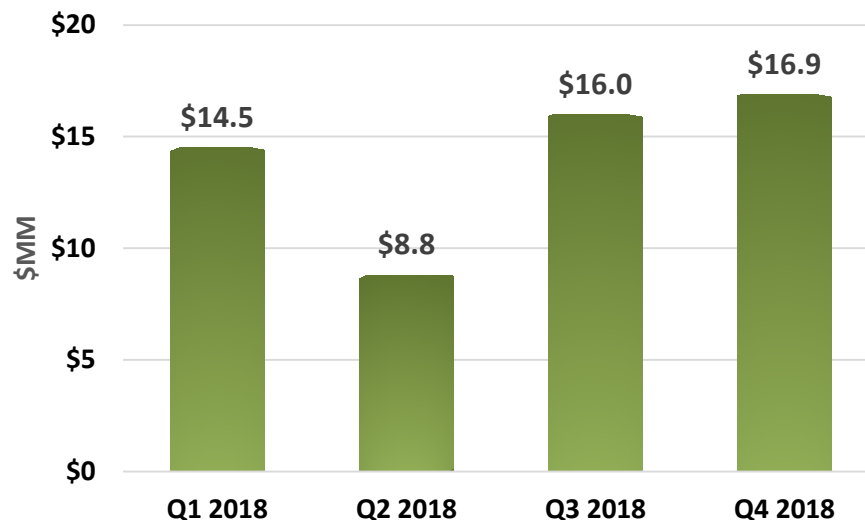


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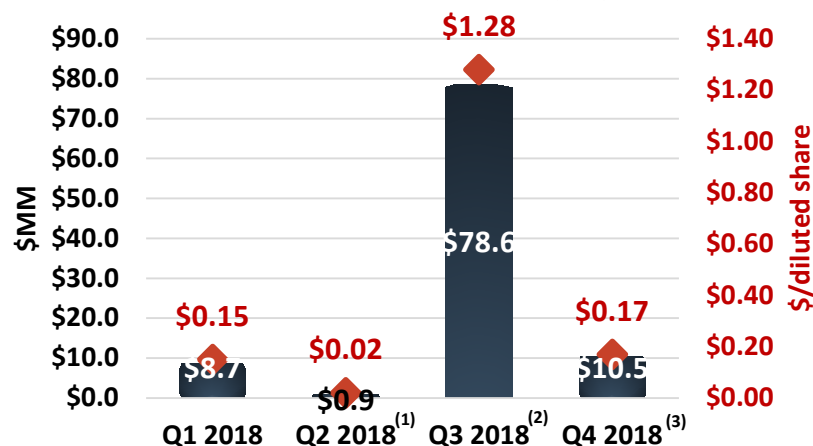
Production by Quarter



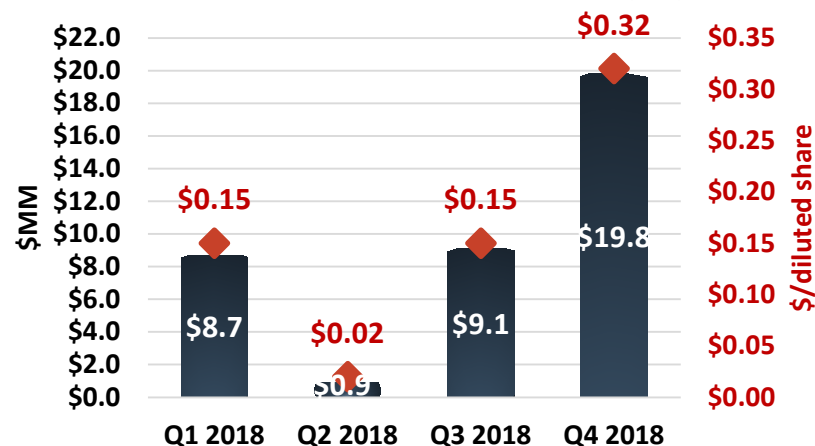
Adjusted EBITDAX



Income from Continuing Ops



Adjusted Income from Continuing Ops



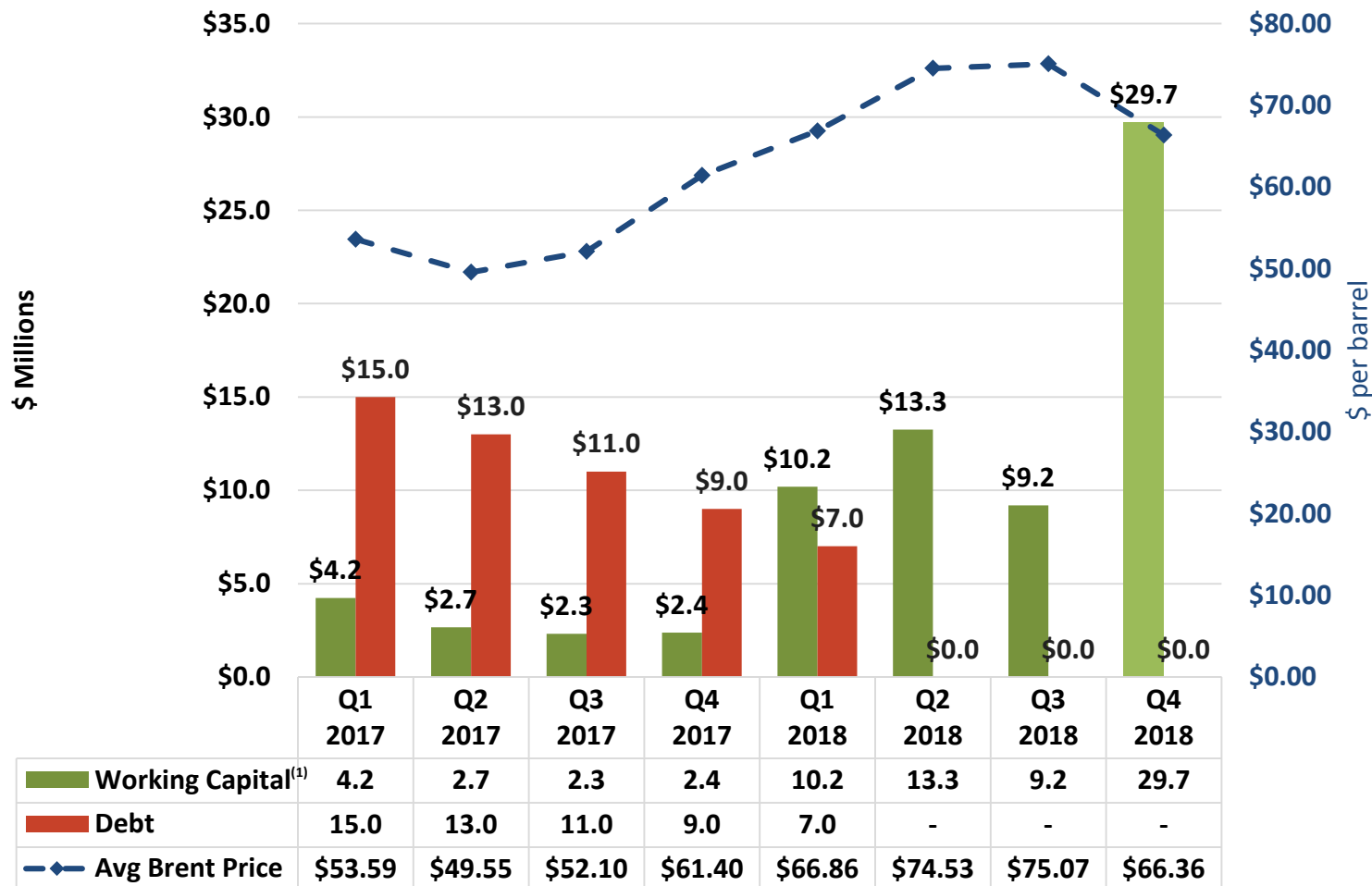
- 1) Q2 2018 included \$4.5MM (\$0.08/share) for successful workovers, \$2.0MM (\$0.03/share) for non-cash SARS adjustments and \$1.0MM (\$0.02/share) for non-cash mark-to-market for hedging swaps
- 2) Q3 2018 included a \$66.2MM (\$1.08/share) non-cash deferred tax benefit and a \$3.3MM (0.05/share) non-cash ARO benefit associated with the Etame PSC extension
- 3) Q4 2018 included a \$5.6MM (\$0.09/share) non-cash mark to market gain for hedging swaps and \$1.5MM (\$0.02/share) for primarily non-cash SARS adjustments

Working Capital From Continuing Operations

Liquidity Position Continues to Improve



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In Q3 2018 VAALCO Paid \$11.8 Million Cash for the Extension in Etame

1) Excludes Working Capital from discontinued operations

2019 Full Year Guidance *(As of March 7, 2019)*

Production (BOPD)

3,300 – 3,900*

*1st Quarter 3,500 – 3,800

Production Expense⁽¹⁾

\$36 - \$42 MM*

(\$26.00 - \$30.00 per BO)

*1st Quarter Guidance (\$26.00 - \$30.00 per BO)

Workovers*

\$3.0 - \$6.0 MM

Cash G&A

Stock-based G&A

Total G&A

\$9 - \$10 MM

~\$3 - 5 MM

\$12 - \$15 MM

DD&A (\$/BO)

\$5.50 - \$6.50/BO

CAPEX

\$20 - \$25 MM

Sales Volume (BOPD)

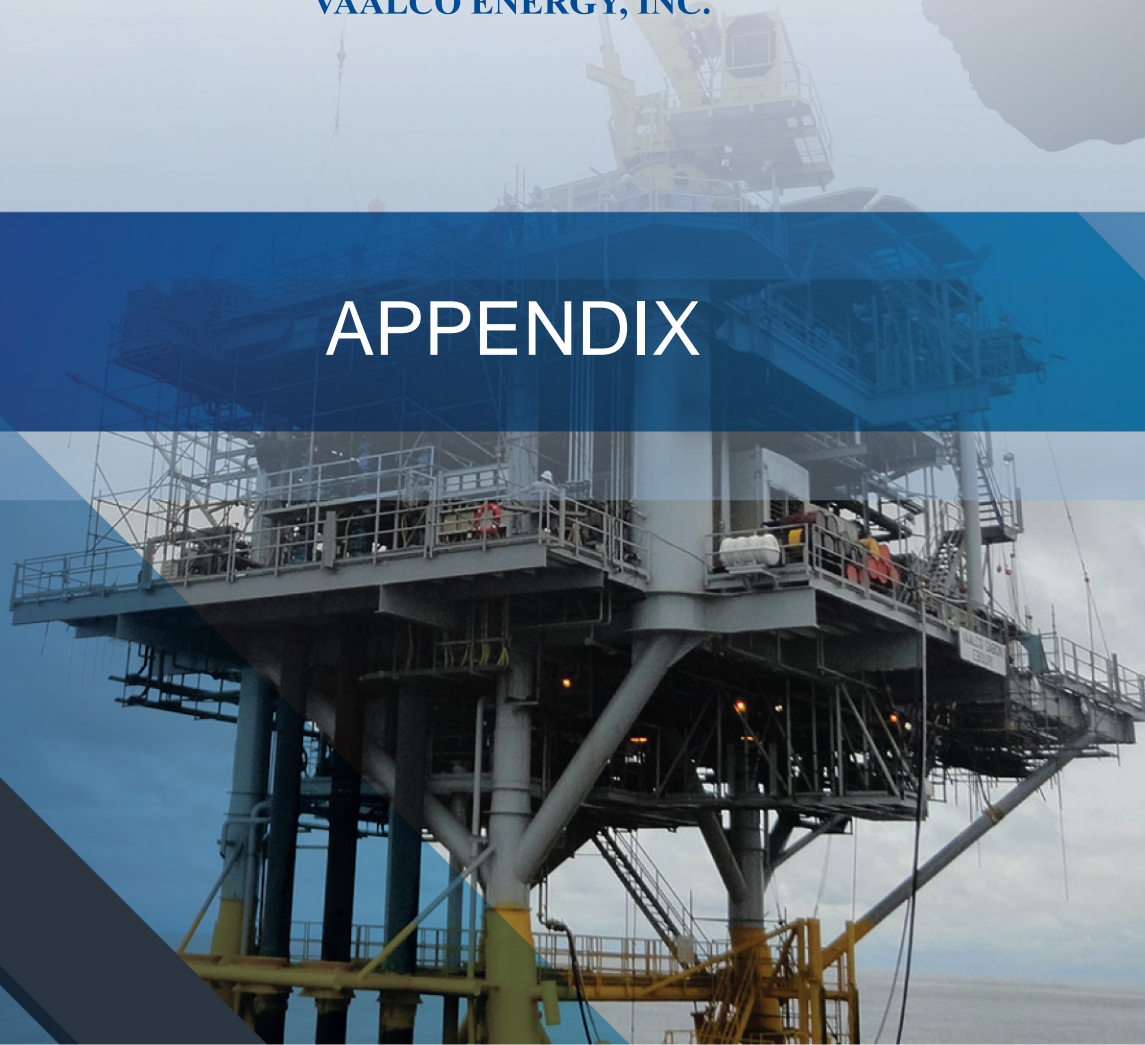
3,400 – 3,800

(1) Excludes workover expense



VAALCO ENERGY, INC.

APPENDIX



Safe Harbor Statement

This document includes "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements, other than statements of historical facts, included in this document that address activities, events, plans, expectations, objectives or developments that VAALCO expects, believes or anticipates will or may occur in the future are forward-looking statements. These statements may include amounts due in connection with the Company's withdrawal from Angola, expected sources of future capital funding and future liquidity, future operating losses, future changes in oil and natural gas prices, future strategic alternatives, capital expenditures, future drilling plans, prospect evaluations, negotiations with governments and third parties, timing of the settlement of Gabon income taxes, expectations regarding processing facilities, production, sales and financial projections, reserve growth, and other issues related to our exit from Angola. These statements are based on assumptions made by VAALCO based on its experience and perception of historical trends, current conditions, expected future developments and other factors it believes are appropriate in the circumstances. Such statements are subject to a number of assumptions, risks and uncertainties, many of which are beyond VAALCO's control. These risks include, but are not limited to, oil and gas price volatility, inflation, general economic conditions, the Company's success in discovering, developing and producing reserves, production and sales differences due to timing of liftings, decisions by future lenders, the risks associated with liquidity, the risk that our negotiations with the government of the Republic of Angola will be unsuccessful, lack of availability of goods, services and capital, environmental risks, drilling risks, foreign regulatory and operational risks, and regulatory changes. These and other risks are further described in VAALCO's annual report on Form 10-K for the year ended December 31, 2018, quarterly reports on Form 10-Q and other reports filed with the SEC which can be reviewed at <http://www.sec.gov>, or which can be received by contacting VAALCO at 9800 Richmond Avenue, Suite 700, Houston, Texas 77042, (713) 623-0801. Investors are cautioned that forward-looking statements are not guarantees of future performance and that actual results or developments may differ materially from those projected in the forward-looking statements. VAALCO disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

The SEC generally permits oil and natural gas companies, in filings made with the SEC, to disclose proved reserves, which are reserve estimates that geological and engineering data demonstrate with reasonable certainty to be recoverable in future years from known reservoirs under existing economic and operating conditions. In this press release and the conference call, the Company may use the terms "resource potential" and "oil in place", which the SEC guidelines restrict from being included in filings with the SEC without strict compliance with SEC definitions. These terms refer to the Company's internal estimates of unbooked hydrocarbon quantities that may be potentially added to proved reserves. Unbooked resource potential and oil in place do not constitute reserves within the meaning of the Society of Petroleum Engineer's Petroleum Resource Management System or SEC rules and do not include any proved reserves. Actual quantities of reserves that may be ultimately recovered from the Company's interests may differ substantially from those presented herein. Factors affecting ultimate recovery include the scope of the Company's ongoing drilling program, which will be directly affected by the availability of capital, decreases in oil and natural gas prices, drilling and production costs, availability of drilling services and equipment, drilling results, lease expirations, transportation constraints, processing costs, regulatory approvals, negative revisions to reserve estimates and other factors as well as actual drilling results, including geological and mechanical factors affecting recovery rates. Estimates of unproved reserves may change significantly as development of the Company's assets provides additional data. In addition, our production forecasts and expectations for future periods are dependent upon many assumptions, including estimates of production decline rates from existing wells and the undertaking and outcome of future drilling activity, which may be affected by significant commodity price declines or drilling cost increases.

NON-GAAP MEASURES

Adjusted EBITDAX is a supplemental non-GAAP financial measure used by VAALCO's management and by external users of the Company's financial statements, such as industry analysts, lenders, rating agencies, investors and others who follow the industry as an indicator of the Company's ability to internally fund exploration and development activities and to service or incur additional debt. Adjusted EBITDAX is a non-GAAP financial measure and as used herein represents Net Income before discontinued operations, interest income (expense) net, income tax expense, depletion, depreciation and amortization, impairment of proved properties, exploration expense, non-cash and other items including stock compensation expense and unrealized commodity derivative loss.

Adjusted EBITDAX has significant limitations, including that it does not reflect the Company's cash requirements for capital expenditures, contractual commitments, working capital or debt service. Adjusted EBITDAX should not be considered as a substitute for Net Income (Loss), operating income (loss), cash flows from operating activities or any other measure of financial performance or liquidity presented in accordance with GAAP. Adjusted EBITDAX excludes some, but not all, items that affect Net Income (Loss) and operating income (loss) and these measures may vary among other companies. Therefore, the Company's Adjusted EBITDAX may not be comparable to similarly titled measures used by other companies.

Adjusted EBITDAX, Adjusted Income from Continuing Operations and Working Capital from Continuing Operations are Non-GAAP financial measures and are described and reconciled to the closest GAAP measure in the attached tables under "Non-GAAP Reconciliations."

Non-GAAP Reconciliations



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Reconciliation of Net income to Adjusted EBITDAX	Three Months Ended			Year Ended	
	December 31, 2018	December 31, 2017	September 30, 2018	December 31, 2018	December 31, 2017
Net income	\$ 10,424	\$ 3,431	\$ 78,605	\$ 98,232	\$ 9,651
Add back:					
Impact of discontinued operations	80	103	21	496	621
Interest expense (income), net	(128)	306	(111)	145	1,414
Income tax expense (benefit)	11,346	1,339	(62,224)	(43,254)	10,378
Depreciation, depletion and amortization	2,307	918	1,130	5,596	6,457
Exploration expense	2	3	—	14	7
Non-cash or unusual items:					
Stock-based compensation	(1,486)	165	973	2,306	1,098
Accrued liabilities reversal	—	(2,614)	—	—	(2,614)
Commodity derivative (gain) loss	(5,584)	61	1,065	(3,520)	1,032
Equipment recovery (disposal)	(33)	—	6	(365)	—
Gain on revision of asset retirement	—	—	(3,325)	(3,325)	—
Bad debt expense (recovery) and other	(9)	220	(157)	(77)	452
Adjusted EBITDAX	\$ 16,919	\$ 3,932	\$ 15,983	\$ 56,248	\$ 28,496

Reconciliation of Income from Continuing Operations to Adjusted Income from Continuing Operations	Three Months Ended			Year Ended	
	December 31, 2018	December 31, 2017	September 30, 2018	December 31, 2018	December 31, 2017
Income from continuing operations	\$ 10,504	\$ 3,534	78,626	\$ 98,728	\$ 10,272
Adjustment for discrete items					
Deferred income tax expense (benefit)	9,284	(1,260)	(66,191)	(56,907)	(1,260)
Gain on revision of asset retirement	—	—	(3,325)	(3,325)	—
Adjusted income from continuing operations	\$ 19,788	\$ 2,274	\$ 9,110	\$ 38,496	\$ 9,012

Reconciliation of changes in working capital from continuing operations	December 31,		
	2018	2017	Change
Current assets	\$ 55,504	\$ 33,616	\$ 21,888
Current liabilities	25,799	31,241	(5,442)
Working capital from continuing operations ⁽¹⁾	\$ 29,705	\$ 2,375	\$ 27,330

¹ Excludes current assets and current liabilities attributable to discontinued operations