

Leveraging From A Strong Platform To Deliver Growth

Investor Presentation

September 2019



VAALCO ENERGY, INC.

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The SEC permits oil and gas companies, in their filings with the SEC, to disclose only proved, probable and possible reserves that meet the SEC's definitions for such terms, and price and cost sensitivities for such reserves, and prohibits disclosure of resources that do not constitute such reserves. The Company uses terms in this presentation, such as "potential reserves", "potential resources", "2P", "2P reserves", "2C resources", "EUR", "contingent resources", "net resources", "recoverable resources", "prospective resources", "gross reserves and resource potential", "gross unrisks", "unrisks gross resource", "prospective mean resources", "gross unrisks recoverable prospective and contingent resources" and similar terms or other descriptions of volumes of reserves potentially recoverable that the SEC's guidelines strictly prohibit the Company from including in filings with the SEC. These terms refer to the Company's internal estimates of unbooked hydrocarbon quantities that may be potentially added in accordance with the 2018 Petroleum Resources Management System approved by the Society of Petroleum Engineers. These estimates are by their nature more speculative than estimates of proved, probable and possible reserves and accordingly are subject to substantially greater risk of being actually realised. 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, the Company's 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.

Estimates of reserves provided in this presentation are estimates only and there is no guarantee that estimated reserves will be recovered. Actual reserves may be greater than or less than estimates provided in this presentation and differences may be material. There is no assurance that forecast price and cost assumptions applied by NSAI or by the Company in evaluating VAALCO's reserves will be attained and variances could be material.

Corporate Overview



VAALCO ENERGY, INC.

Why VAALCO Now?

Leveraging From a Strong Platform to Deliver Growth

Established **operator** with a proven track record in West Africa

Strong management team with extensive industry experience

Profitable **free cash flow** from low risk reserve base

Material upside from existing Etame field

Fully funded active work program providing multiple catalysts

Solid foundation to pursue opportunistic inorganic growth

Proposed dual listing on LSE to broaden shareholder base/potentially access capital

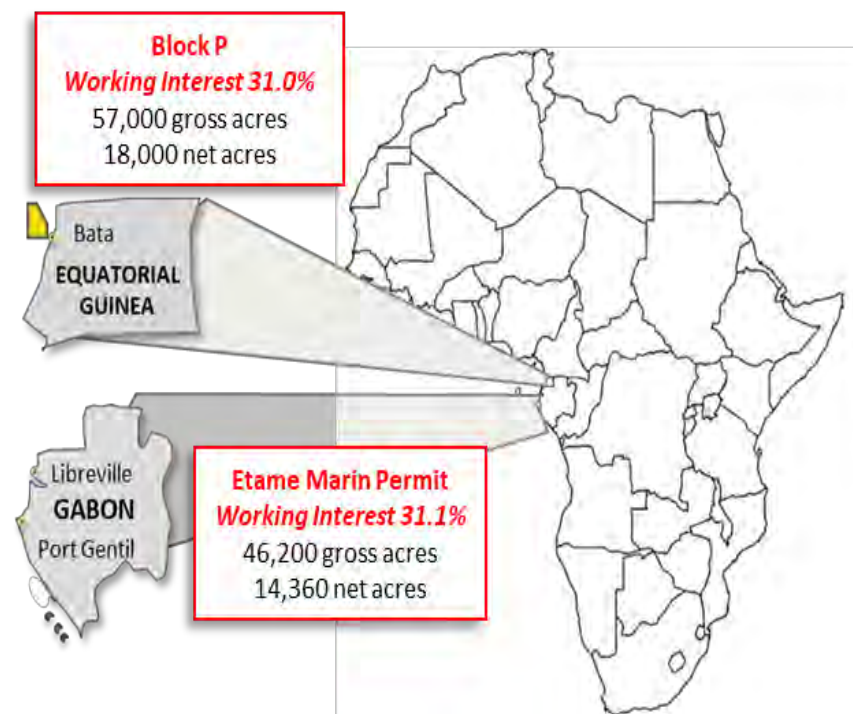
Focused on Delivering Long-Term, Sustainable Growth



20+ Year Track Record

Experienced Operator Entering an Ambitious Growth Phase

- International E&P focused on low-risk, producing assets in Africa
- Operator of Gabon offshore Etame license
- Produced ~110 million gross barrels of oil to date
- Reserves and resources of ~123 million gross barrels of oil at Etame⁽⁴⁾
- Recently commenced an active 2019/2020 work program to grow production and reserves
- Significant development and exploration potential in Equatorial Guinea
- Actively pursuing M&A opportunities within strategic focus areas



	<u>Gross</u>	<u>WI⁽¹⁾</u>	<u>NRI⁽²⁾</u>
YE'18 2P Reserves (MMBO) ⁽³⁾	36.0	11.2	9.7
Q2'19 Production (BOPD)	13,561	4,211	3,664

Management Team

Deep Industry, Technical and Financial Experience



Cary Bounds – Chief Executive Officer and Director

Joined VAALCO in 2015 as COO and was named CEO in December 2016. Mr. Bounds began his career at Conoco in 1991. Most recently led Noble’s Central Africa BU, overseeing operations in Equatorial Guinea. Held technical and leadership positions with Noble Energy, SM Energy, Dominion, and ConocoPhillips. Fifteen years domestic experience and ten years international experience, primarily West Africa and UK. Holds B.S. in Petroleum Engineering from Texas A&M University.



Elizabeth Prochnow – Chief Financial Officer

Joined VAALCO in 2015. Over thirty years serving in senior level accounting and financial officer roles with publicly traded companies. Holds a Bachelor of Arts and a Masters of Accounting from Rice University and is a certified public accountant in the State of Texas.



David DesAutels – Executive Vice President Corporate Development

Joined VAALCO in 2017. Over forty years of domestic & international experience in oil and gas development and exploration. Held technical and leadership positions with Noble Energy and Occidental. Holds a M.S. in Geology from University of Minnesota-Twin Cities.



Thor Pruckl – Executive Vice President International Operations

Joined VAALCO in 2019. Over thirty years of domestic & international experience in both upstream and midstream operations and is well versed in both onshore and offshore operations. Held technical and leadership positions with Noble Energy, Talisman Energy, Nexen Energy and BP Resources Canada. Holds an undergraduate degree from the University of Saskatchewan and a Master’s from Royal Roads University, UK.



Michael Silver – Executive Vice President and General Counsel

Joined VAALCO in 2018. Over twenty-five years of experience as in-house counsel with ExxonMobil and BHP Billiton supporting international petroleum operations. Areas of experience includes M&A, negotiations, compliance and dispute resolution. Holds a J.D. from the Duke University School of Law, an M.B.A. from the Fuqua School of Business and a B.A. in International Affairs from Lafayette College.

Delivering Value Through Execution

Turnaround Driven by Management Team

- New strategy adopted by management team in 2017
- Delivered on objectives to position the Company for sustainable growth
- Initiated Vision 2025 to achieve material increase in scale

New Management Objectives		Delivered to Date
Negotiate long-term license extension at Etame	▶	Extended PSC to 9/2028, with two 5-year options
Restore production and grow reserves	▶	Completed Avouma workover program Increased reserves 76% from 2017 to 2018
Strengthen financial position	▶	Reduced debt from \$15 MM to zero Self funding 2019/20 Etame drilling program
Rationalize portfolio	▶	Angola – Negotiated exit on reasonable terms Acquired 3.23% Etame interest from Sojitz
Pursue near/long term growth	▶	2019/2020 drilling program currently ongoing New ventures team actively pursuing M&A

2019 Recent Highlights

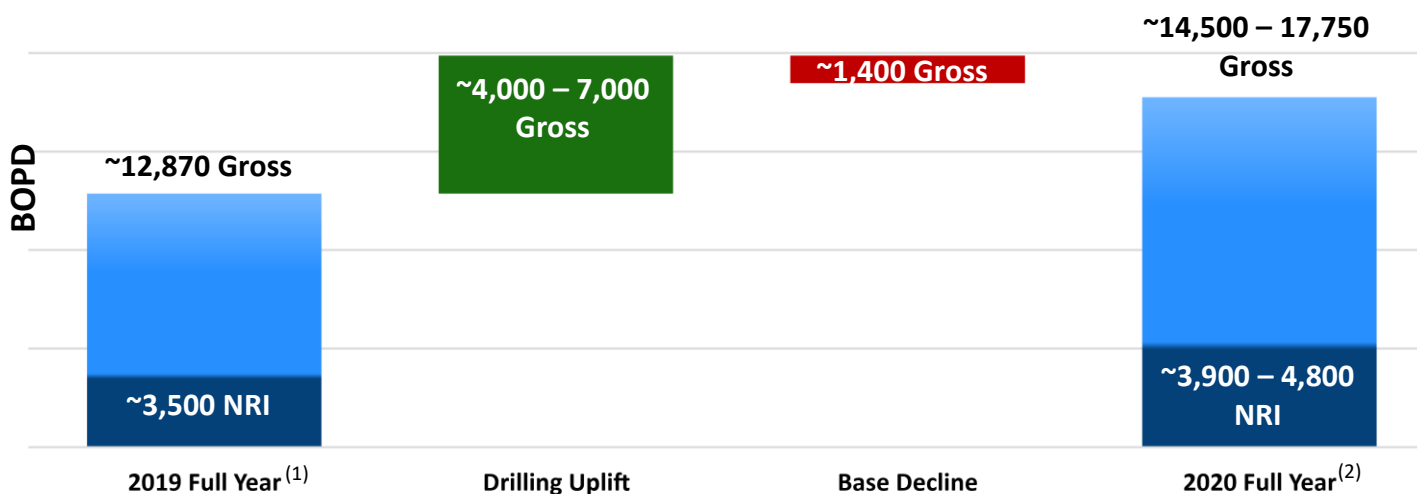


- Finalized Angola exit settlement in Q1 removing all liabilities and outstanding obligations for Block 5
- Finalized agreement with Etame joint venture owners in September to resolve past audit findings related to 2007 – 2016
- Increased cash position to \$48.6 million at June 30
- Generated \$22.6 million in Adjusted EBITDAX in first half of the year
- Implemented a common stock repurchase program in June for up to \$10 million in share repurchases over a 12-month period
- Dual listing on the London Stock Exchange expected in September

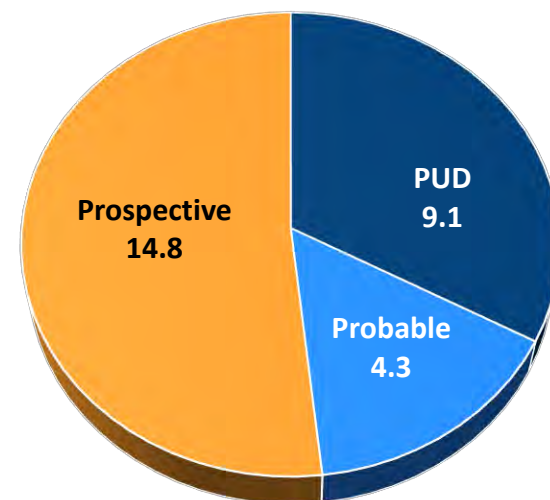
Significant Near-Term Catalysts

Meaningful Potential Production and Reserve Growth with Moderate Risk

2019/2020 Program Potential Impact to 2020 Full Year Production Average



2019/2020 Program Gross Reserves & Resource Potential (MMBO)⁽³⁾



- 1) 2019 is midpoint of full year guidance
- 2) 2020 is the potential annualized range resulting from the 2019/2020 program uplift (not to be taken as guidance)
- 3) 12/31/2018 NSAI SEC pricing reserve report

Fully Funded Total 2019/2020 Capex Spend of \$25 - \$30 Million

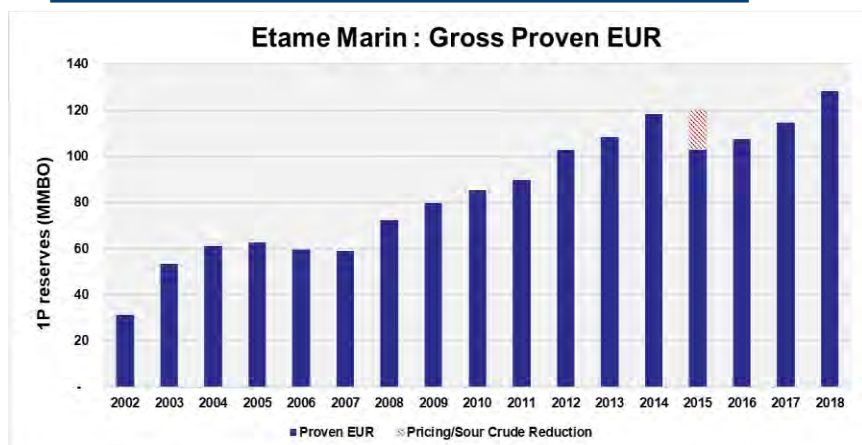
Operational Outlook



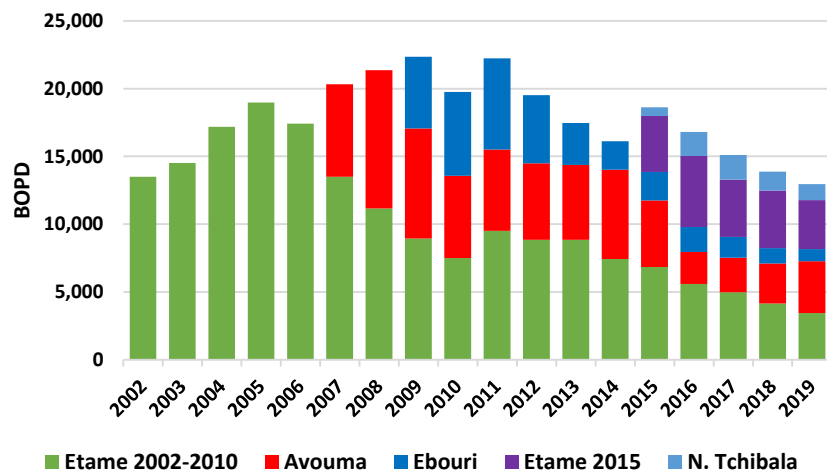
VAALCO ENERGY, INC.

Etame Track Record of Success

Repeatedly Creating Value



- Gamba reservoir plus deeper Dentale resource potential
- 30 MMBO initial gross proven EUR at YE 2002
- >110 MMBO gross barrels of oil produced
- ~123 MMBO gross proven EUR at YE 2018
- Six successful drilling programs over 20 years
- Two additional platforms installed in 2014
- Six development wells drilled in 2015
- Infrastructure in place for continued development



Etame Joint Owners⁽¹⁾: VAALCO (operator) 33.6%⁽²⁾, Addax (Sinopec) 33.9%, Sasol 30%, PetroEnergy 2.5%

Etame Complex

A World Class Asset With Material Upside Potential

Gross Reserves and Resources

Producing Wells

>110 MMBO produced to date

10.4 MMBO proved reserves⁽¹⁾

7.7 MMBO probable reserves⁽¹⁾

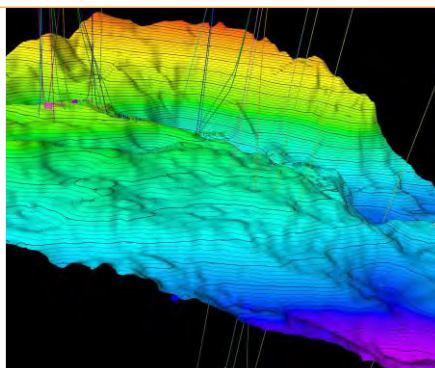


Contingent Resources

Future Dentale Drilling: 4.4 MMBO⁽¹⁾

Crude Sweetening: 5.3 MMBO⁽¹⁾

2028 License Extension: 15.9 MMBO⁽¹⁾

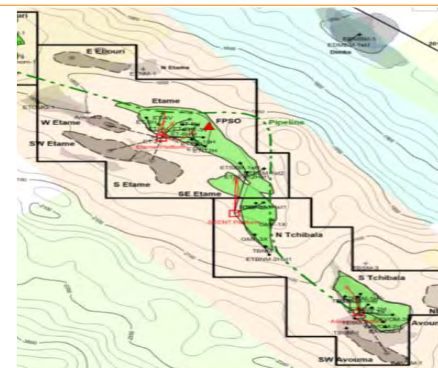


- 1) 12/31/2018 NSAI SEC pricing reserve report; internally adjusted by VAALCO for current drilling program
2) VAALCO's internal resource estimate

Undeveloped Reserves

2019/20 Gamba Drilling: 13.4 MMBO⁽¹⁾ 2P

South Tchibala Extension: 2.4 MMBO⁽¹⁾ probable undeveloped reserves in one well



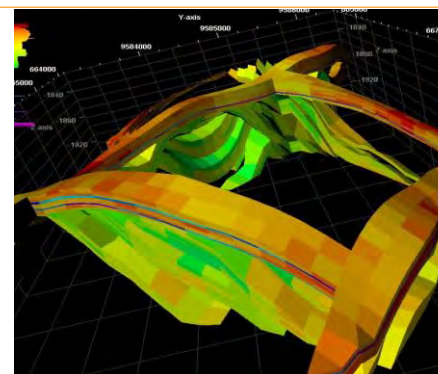
Prospective Resources

2019/20 Gamba Drilling: 4.2 MMBO⁽²⁾

Future Gamba Drilling: 30.1 MMBO⁽²⁾

Future Dentale Drilling: 18.2 MMBO⁽²⁾

Crude Sweetening: 9.2 MMBO⁽²⁾



Accelerating Growth, Increasing Reserves, Reducing Cost Per Barrel

Fully Funded 2019/20 Work Program

Meaningful Growth with Moderate Risk

2019/20 Drilling Objectives

Etame Field Development: Etame 9H and Etame 11H wells to be drilled near the top of the Gamba structure

Etame Dentale Sub Crop: Etame 9P appraisal wellbore aims to prove up three Dentale sub crop development locations

SE Etame Extension: SE Etame 4P intended to prove up two future Gamba development locations and the 4H well

SE Etame Development: SE Etame 4H Gamba well

2019/2020 Program	Gross Unrisked (MMBO)			WI	NRI
	2P Undeveloped ⁽¹⁾	Prospective ⁽²⁾	Total	Total	Total
Etame Field Development	13.4	-	13.4	4.2	3.6
SE Etame Development	-	4.2	4.2	1.3	1.1
SE Etame Extension	-	6.0	6.0	1.9	1.6
Dentale Sub Crop	-	4.6	4.6	1.4	1.2
Total	13.4	14.8	28.2	8.8	7.5

Program Success Could Increase 2P Reserves by 41%

Additional Etame Opportunities

Moderate Risk Growth

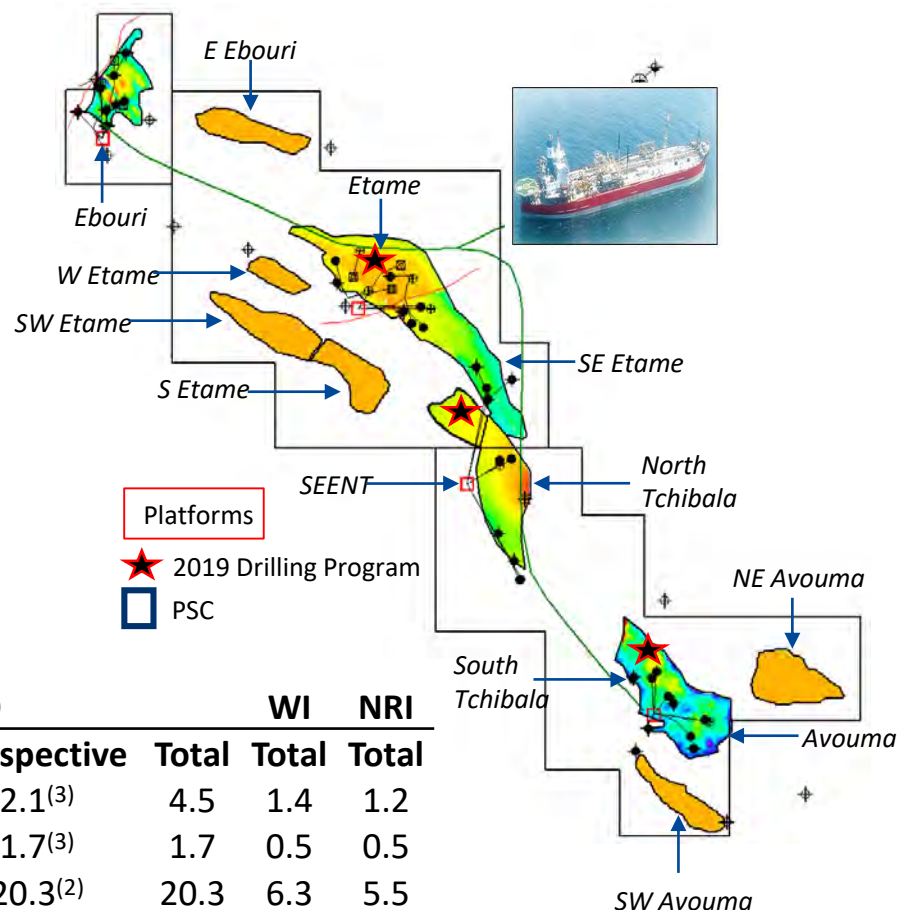
South Tchibala Extension: South Tchibala 3H Gamba well and proves up a future development location

Gamba Leads/Prospects: Five potential satellite prospects identified

Dentale Development: Nine development wells

Crude Sweetening Project: Reactivation of three shut in wells, drilling a development well and testing a satellite prospect

License Extension beyond 2028: Options to extend Etame license up to 2038 and convert resources to reserves

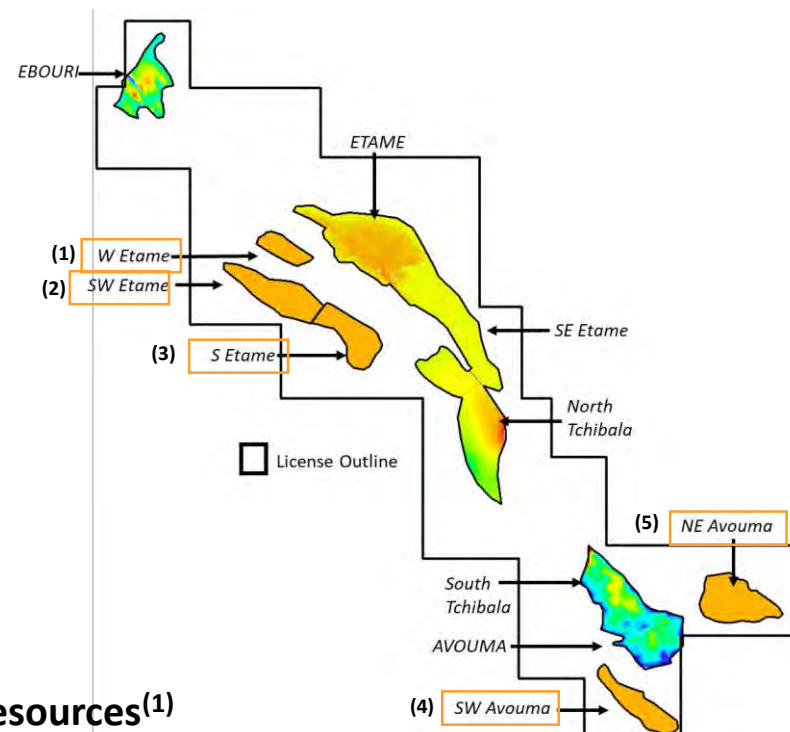


Additional Opportunities	Gross Unrisked MMBO			Total	WI Total	NRI Total
	2P Undeveloped ⁽¹⁾	Contingent ⁽¹⁾	Prospective			
South Tchibala Extension	2.4	-	2.1 ⁽³⁾	4.5	1.4	1.2
Gamba Development Wells	-	-	1.7 ⁽³⁾	1.7	0.5	0.5
Gamba Prospects	-	-	20.3 ⁽²⁾	20.3	6.3	5.5
Dentale Development Wells	-	4.4	13.6 ⁽³⁾	18.0	5.6	4.9
Crude Sweetening Project	-	5.3	9.2 ⁽³⁾	14.5	4.5	3.9
2028 License Extension	-	15.9	-	15.9	4.9	4.3
Total	2.4	25.6	46.9	74.9	23.2	20.3

Gamba Satellite Prospects

High Upside Potential with Relatively Lower Risk

- Five potential satellite prospects identified
- High upside potential prospective resources with relatively low geological risk as assessed by NSAI, VAALCO's independent 3rd party reserve engineering firm
- Evaluating targets for near-term drilling campaigns

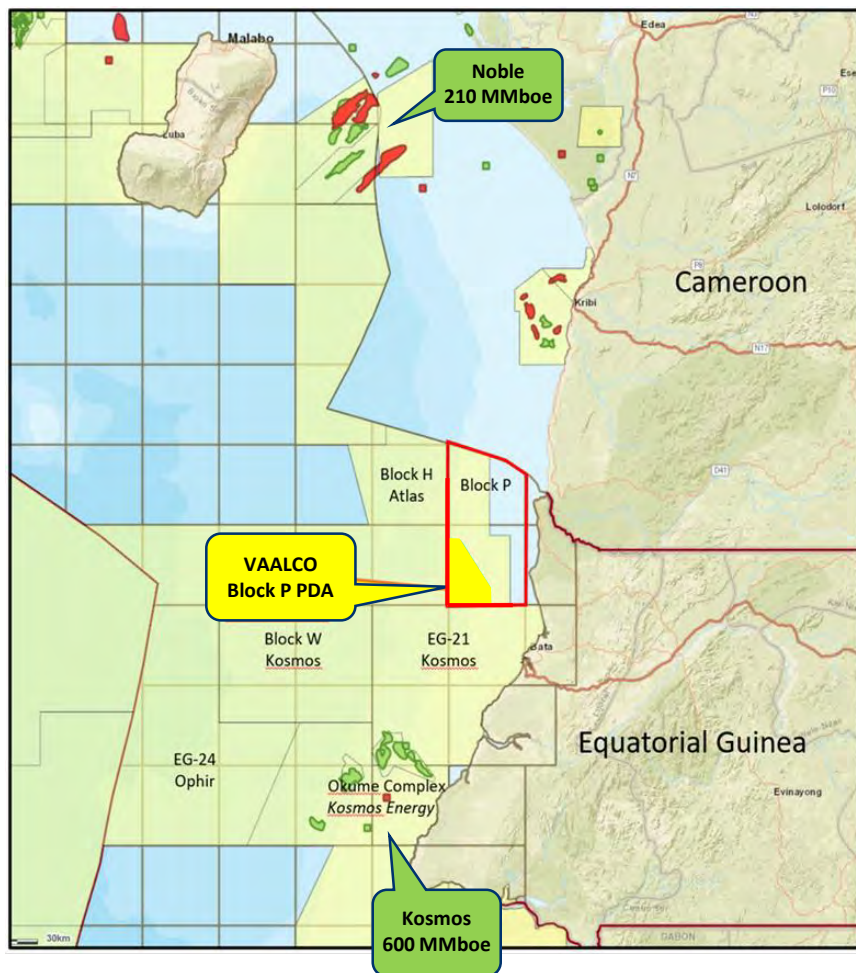


Netherland Sewell & Associates Inc Prospective Mean Resources⁽¹⁾

Gamba Satellites Prospects	Gross MMBO	WI MMBO	NRI MMBO	Probability of Geological Success P(g)
(1) W Etame	1.0	0.3	0.3	56%
(2) SW Etame	5.2	1.6	1.4	64%
(3) S Etame	4.6	1.4	1.2	64%
(4) SW Avouma	5.1	1.6	1.4	73%
(5) NE Avouma	4.4	1.4	1.2	73%
Total	20.3	6.3	5.5	

Equatorial Guinea

Significant Upside Potential



- Block P suspension lifted; awaiting approval of transfer of GEPetrol's WI
- VAALCO will seek partner on a promoted basis to drill exploratory well required under terms to lift suspension
- If VAALCO does not proceed forward, \$10 million of leasehold costs will be impaired
- Timing, costs, development plan and terms are being re-evaluated
- Reviewing exploration opportunity in SW Grande with potential for 164 million BOE unrisked gross resource⁽¹⁾
- 16+ million BOE unrisked gross resource⁽¹⁾ Venus discovery; 4 million BOE unrisked gross resource⁽²⁾ Europa discovery

Low-Cost Optionality with Significant Upside

Financial Overview



VAALCO ENERGY, INC.

Financial Snapshot⁽¹⁾

Delivering Strong Cash Flow and Financial Results

US \$34.6 MM

Adjusted Net Income

242%

FY 2018

US \$56.3 MM

Adjusted EBITDAX

81%

FY 2018

US \$37.2 MM

Cash from Operations

315%

FY 2018

US\$25.04

Production cost per BO⁽²⁾

1%

FY 2018

US \$104.9 MM

Revenues

36%

FY 2018

3,751 BOPD

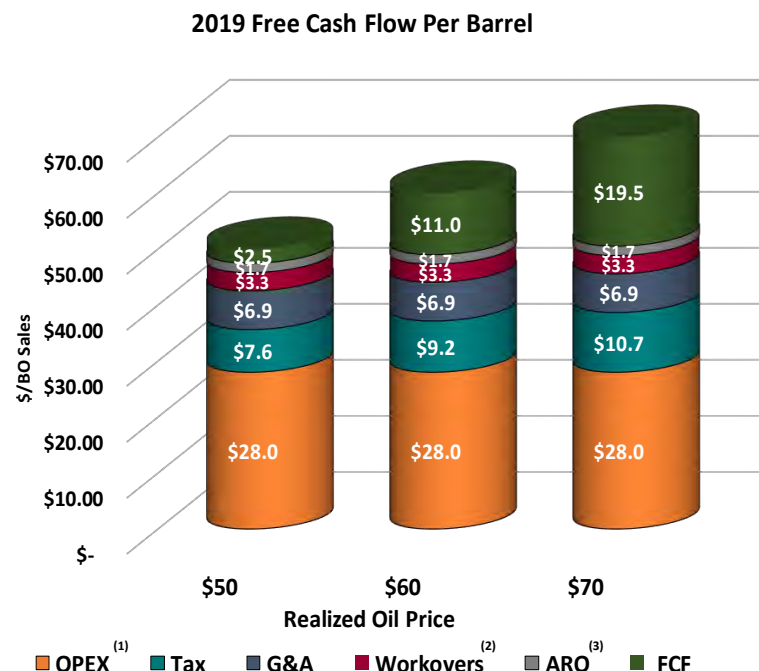
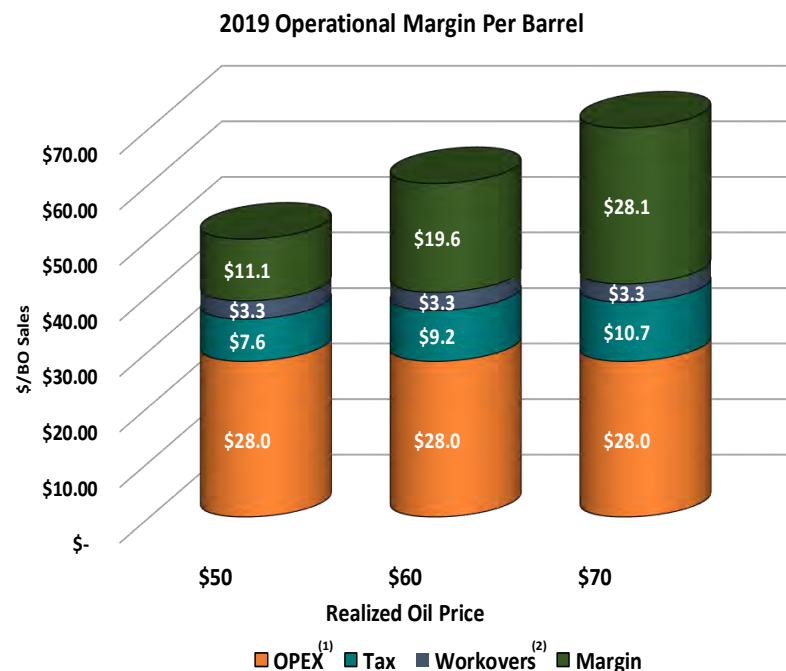
Production Volume per day

10%

FY 2018

VAALCO Free Cash Flow Overview (2019E)

Maximize Margins Through Cost Discipline



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

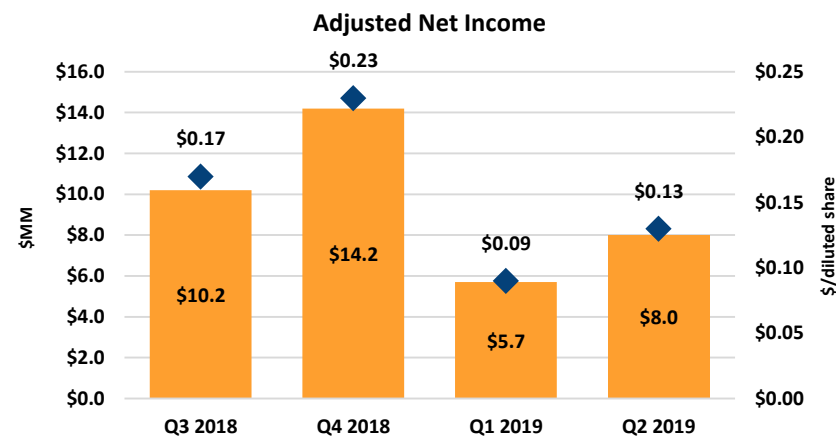
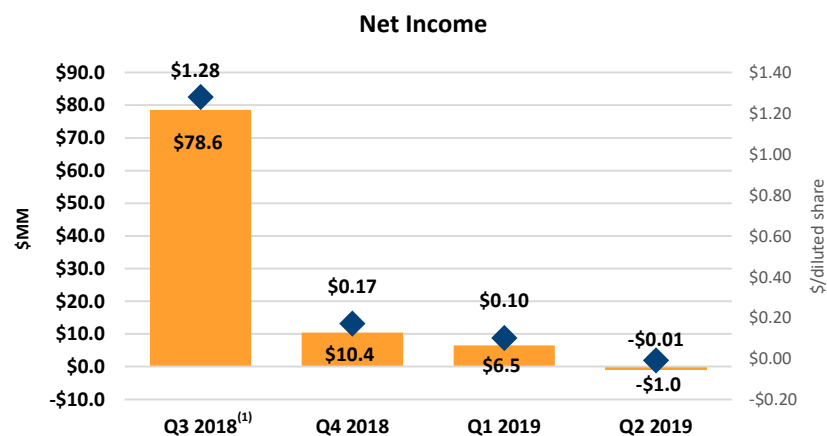
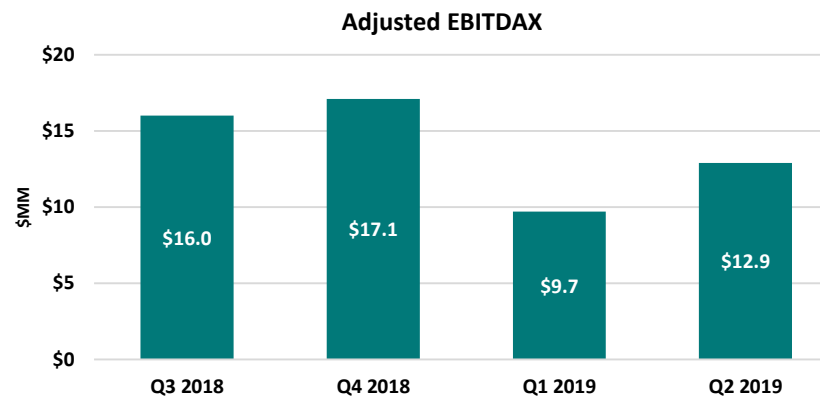
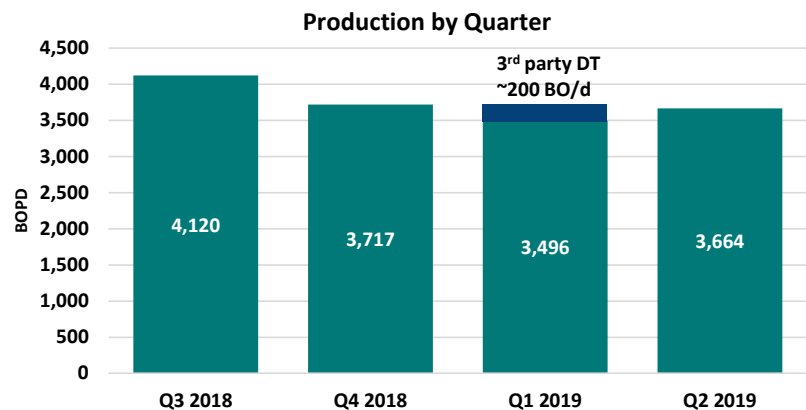
Free cash flow per barrel excludes 2019 Capex of ~\$25 - \$30 million

Operational Breakeven: ~\$37/BBL

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

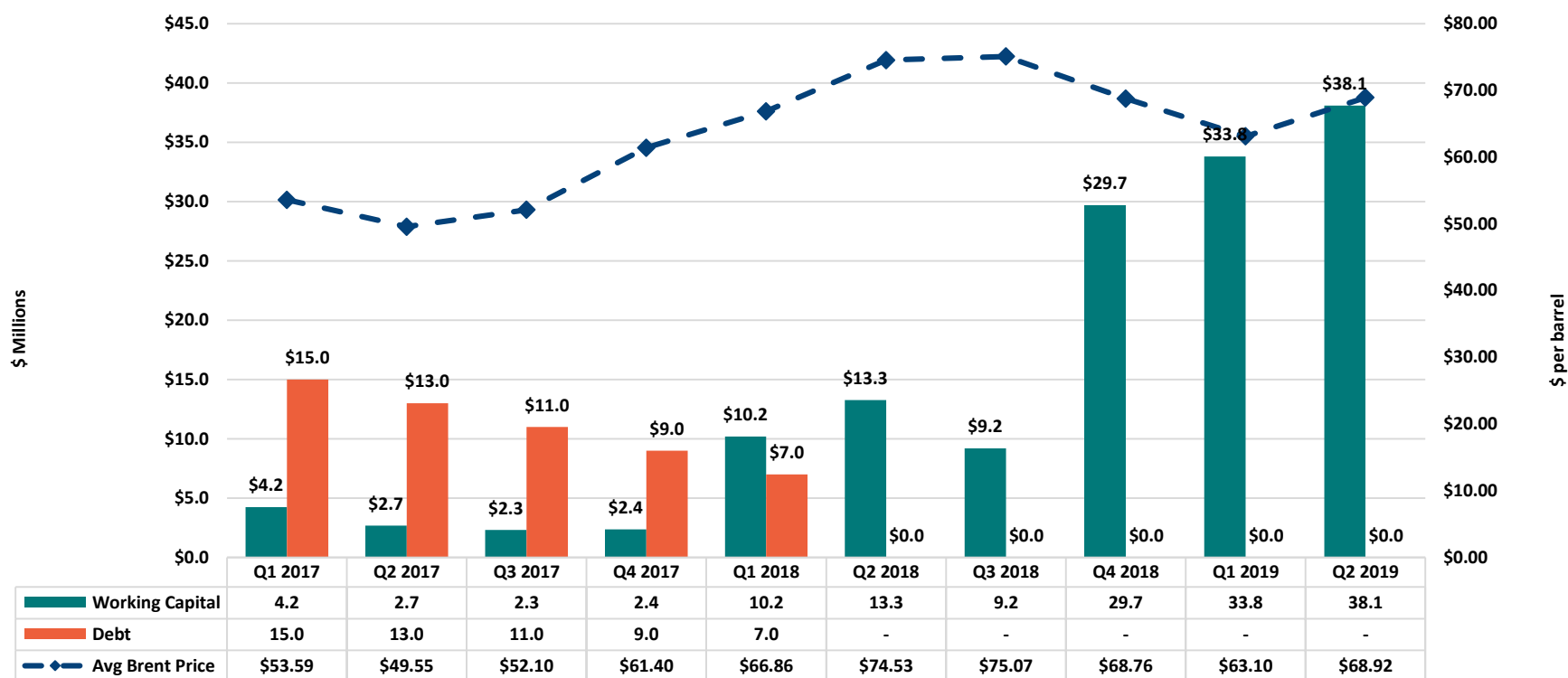
Key Performance Metrics

Profitable Results Build Financial Strength



Working Capital From Continuing Operations

Liquidity Position Continues to Improve



Hedging

Ensure Sufficient Cash Flow to Fund Future Drilling Campaigns

- May 2019: Swaps for 500,000 BBL at \$66.70 dated Brent for the July 2019 to June 2020 period
- Volumes represent approximately one-third of net sales for the hedged period



Share Repurchase Program

Returning Value to Shareholders

- On June 20, 2019 the Board authorized a stock repurchase program
- VAALCO can repurchase up to \$10 million of the currently outstanding shares of common stock
- The program period will last up to 12 months through open market purchases, privately-negotiated transactions, or otherwise in compliance with SEC Rule 10b-18
- Strong cash flow and overall financial position allows for share repurchase program as well as planned 2019/20 drilling program at Etame
- Through August 31, 2019, VAALCO has repurchased 1,329,465 shares of VAALCO stock at an average price of \$1.74 per share (\$2.35 million)



Vision 2025 Strategy

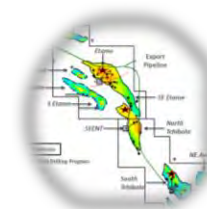


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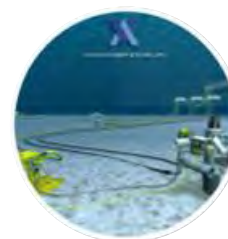
Vision 2025

Roadmap to Transformational Growth

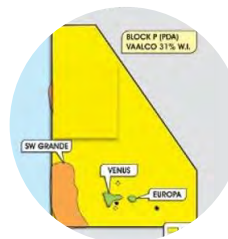
- Achieve material increase in scale as a premier Africa operator
- Maintain operational excellence, cost discipline and strong balance sheet
- Execute work programs at Etame to grow production and reserves
- Partner with established African exploration company in Equatorial Guinea
- Pursue value accretive M&A opportunities within strategic focus
- Targeting 5x growth in value by 2025 and top quartile TSR



2019/20 Etame License Work Program



Future Etame License Work Programs



Equatorial Guinea – Block P



New Ventures and M&A

Inorganic Growth

Achieving 5x Value

- Seeking to complement organic growth with value accretive M&A opportunities
- Strategic focus on producing assets in Africa
- Seeking merger candidates of similar size and corporate strategy
- Screening acquisition opportunities that create value through technical and operational synergies
- Proposed LSE dual-listing to provide access to additional sources of capital to fund inorganic growth objectives



Stakeholder Engagement



VAALCO ENERGY, INC.

Corporate Social Responsibility

Partnering with the Communities Where We Operate

Underpinning growth is maintaining our social license to operate

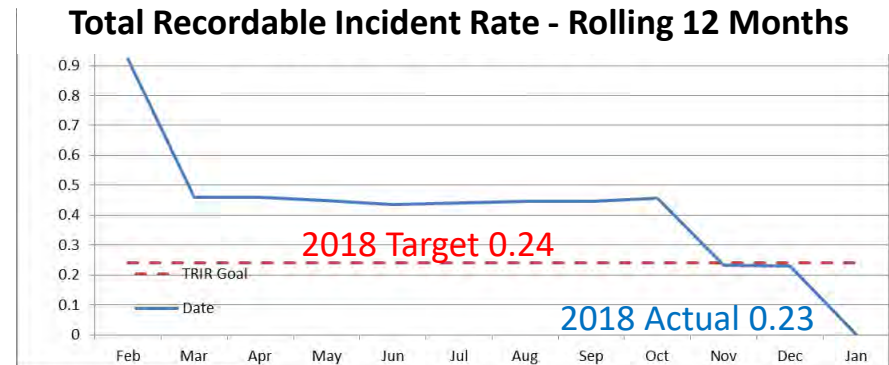
- Strong governmental relationships
 - Technical, commercial and policy
 - Builds ease of access to joint collaboration
- Extensive community investment
 - Education: school supplies, training, facility upgrades
 - Social and health development campaigns that support the improvement in quality of life
 - Funding projects to prevent child trafficking
 - Surgical equipment and medicine for hospitals
 - Local civil works construction projects, solar powered street lamps
 - 92% Gabonese staff



HSE and Governance

Our Commitment to Society

- Health and safety record – over 1.1 million hours with no recordable incident through June 2019
- Strong government relationship and involvement in programs
- HSE activities and achievements reviewed bi-annually with government
- Long standing governance practices designed in conformance with SEC, NYSE and LSE requirements
- Majority independent Board oversight
- Code of conduct, code of ethics, employee education and monitoring for compliance with U.S. FCPA laws and UK Anti-Bribery Act



Appendix



VAALCO ENERGY, INC.

2019 Full Year Guidance

(As of August 8, 2019)

	WI ⁽¹⁾	NRI ⁽¹⁾
Production (BOPD)	3,800 – 4,500	3,300 – 3,900
Q3 2019 Production (BOPD)	3,450 – 3,800	3,000 – 3,300
Sales Volume (BOPD)	3,900 – 4,350	3,400 – 3,800
Production Expense ⁽²⁾	\$36 - \$42 MM	\$36 - \$42 MM
Production Expense per BO	\$22.50 - \$26.50	\$26.00 - \$30.00
Q3 2019 Production Expense per BO	\$26.50 - \$30.50	\$31.00 - \$35.00
Workovers	\$3.0 - \$6.0 MM	\$3.0 - \$6.0 MM
Cash G&A	\$9 - \$10 MM	\$9 - \$10 MM
Stock-based	~\$3 - 5 MM	~\$3 - 5 MM
Total G&A	\$12 - \$15 MM	\$12 - \$15 MM
DD&A (\$/BO)	\$4.75 - \$5.75/BO	\$5.50 - \$6.50/BO
CAPEX	\$20 - \$25 MM	\$20 - \$25 MM

VAALCO Energy, Inc. 1) WI uses working interest of 31.1%, whereas NRI uses net revenue interest after 13% royalty deduction
2) Excludes workover expense

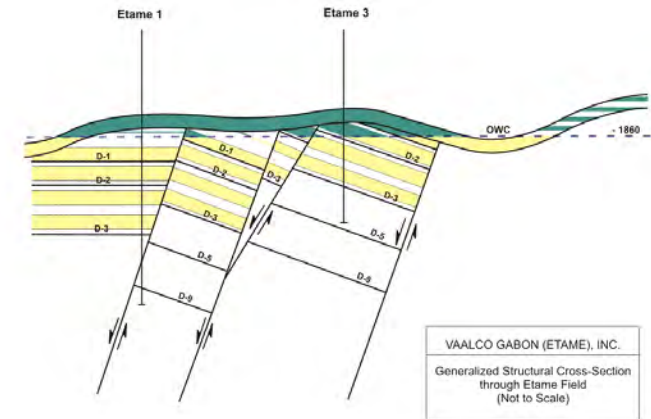
Additional Etame Technical Detail



VAALCO ENERGY, INC.

VAALCO Offshore Gabon Etame Reservoirs

- 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 high-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 between 20% to 30%
 - 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



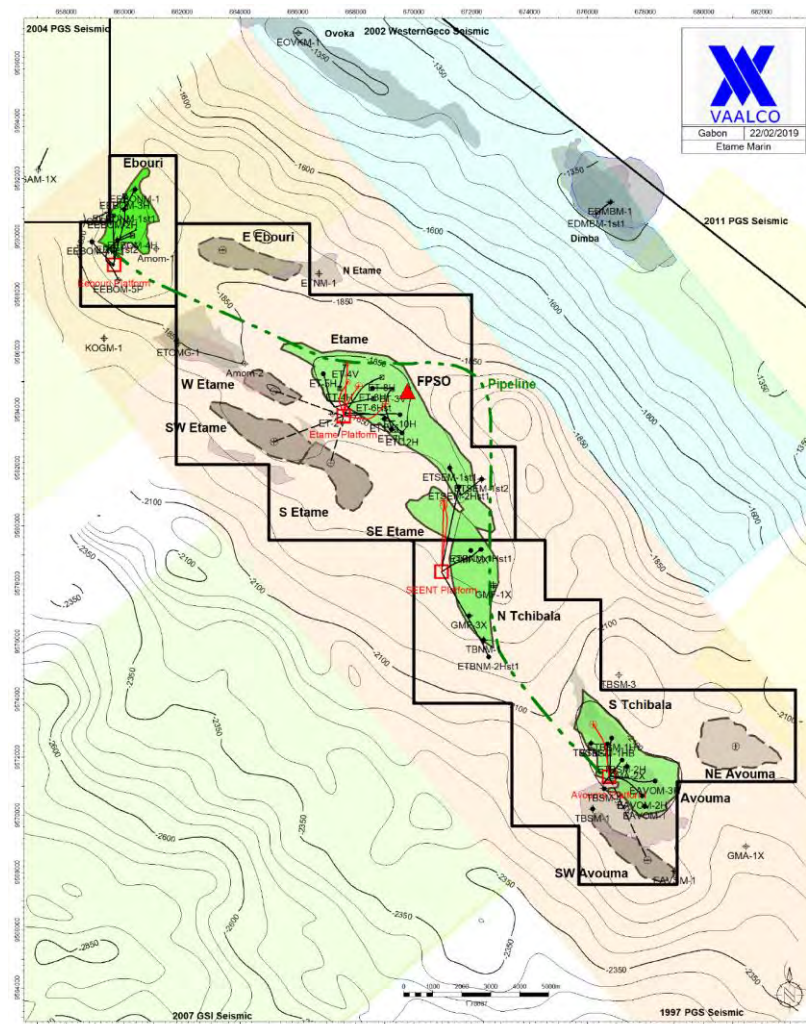
Stratigraphic Column

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

VAALCO Etame Offshore License

- Operator with 31.1% WI and 27.1% NRI (net of royalty)
- Joint Owners: Sinopec (Addax), Sasol, PetroEnergy
- Current producing wells: 10.4 MMBO of proved and 7.7 MMBO probable gross developed reserves at YE 2018⁽¹⁾
- Infrastructure in place for further development

Platform	Producing Wells	Gross BOPD
Etame	2	~ 3,000
SEENT	3	~ 3,500
Avouma	3	~ 4,000
Ebouri	1	~ 900
FPSO Subsea	3	~ 2,150
Total	12	~ 13,550⁽²⁾



2019/20 Work Program

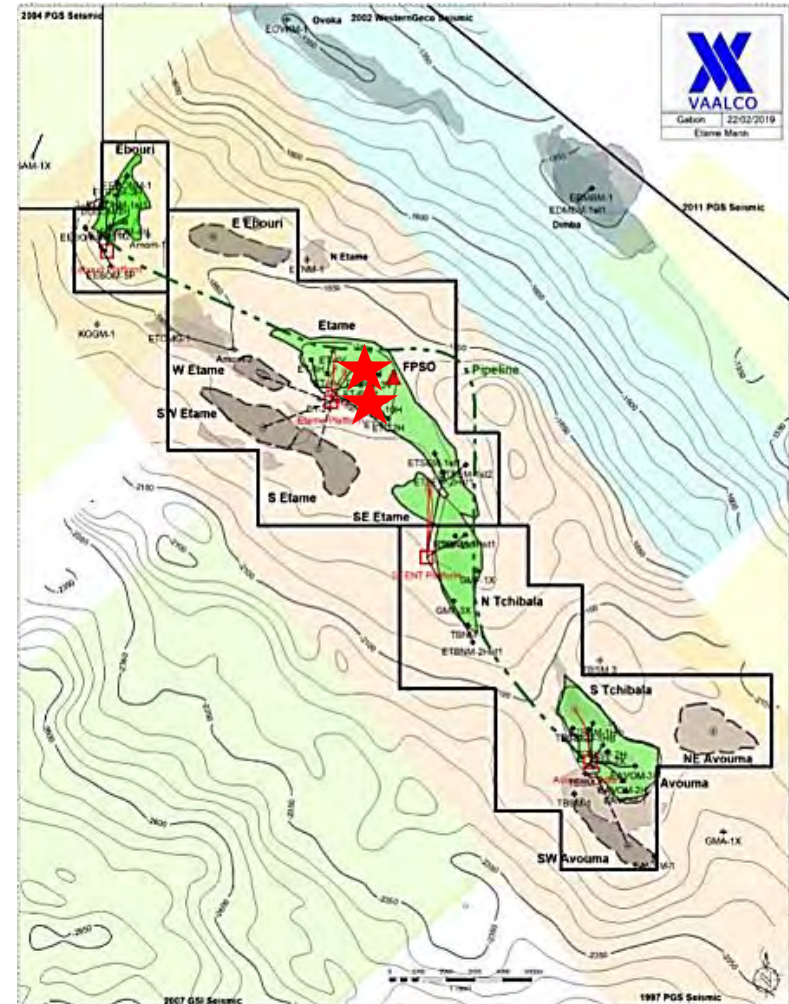
Creating Value through Development Drilling

2019 Development Drilling Locations ★

Etame 9H well: Gamba horizontal between the two highest gross producing wells in Etame Marin

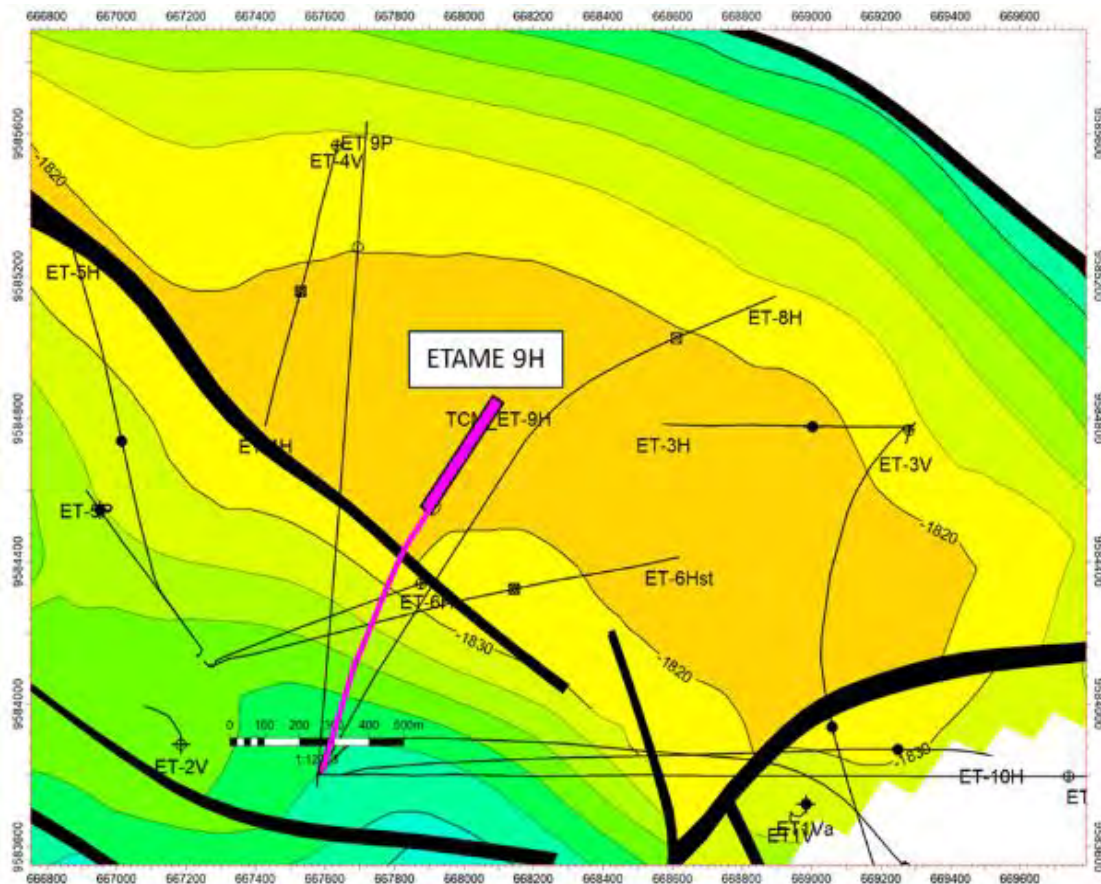
Etame 11H well: Gamba horizontal well to maximize and accelerate recovery from Main Fault Block

2018 YE 2P development well reserves: 13.4 MMBO gross/3.6MMBO NRI reserves⁽¹⁾



2019/20 Drilling Program:

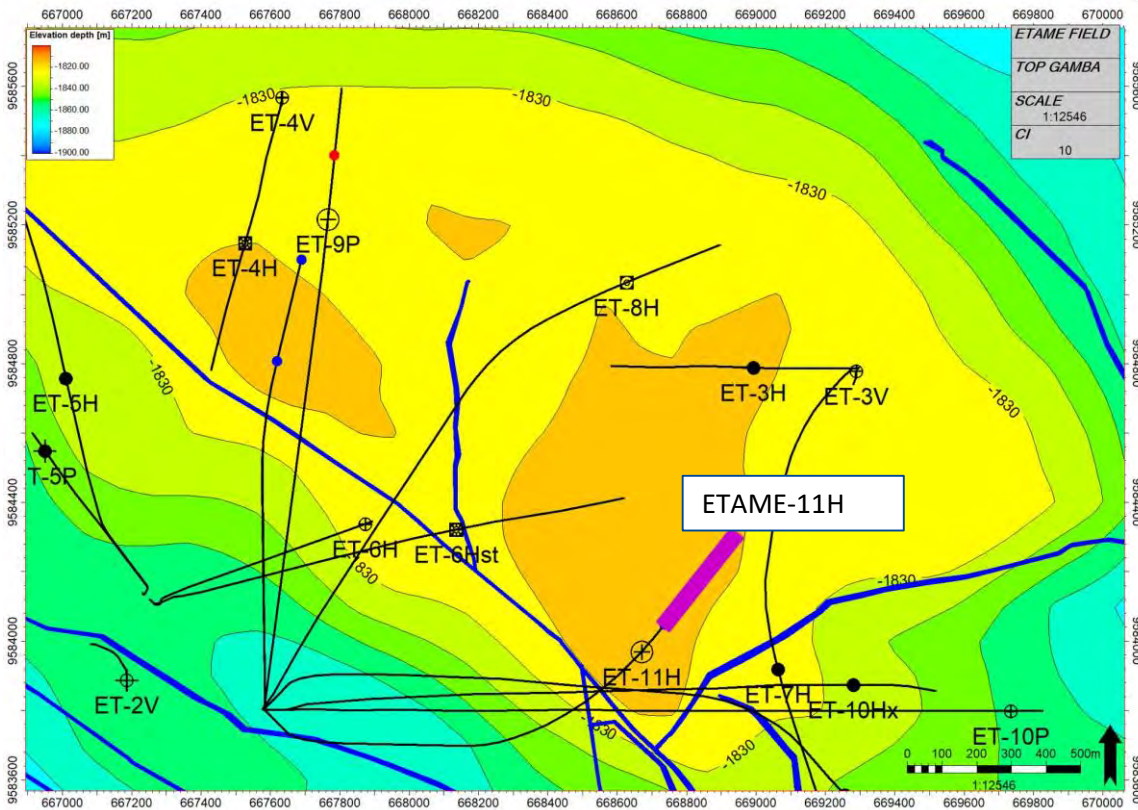
Etame Field Main Fault Block Gamba Development



- The Etame-9H is a horizontal development well offsetting the Etame-4H and Etame-6H
- Reserve potential:
6.2 MMBO gross 2P ⁽¹⁾
1.7 MMBO NRI 2P ⁽¹⁾
- Estimated development costs:
\$20.6 - \$25.6 million gross
\$6.9 – \$8.6 million net
- Expected stabilized IP rate:
2,500 – 3,500 gross BOPD
675 – 960 NRI BOPD

2019/20 Drilling Program:

Etame Field Main Fault Block Gamba Development



- The Etame-11H is a horizontal development well to optimize production in the east side of the main fault block
- Reserve potential:
7.2 MMBO gross 2P⁽¹⁾
2.0 MMBO NRI 2P⁽¹⁾
- Estimated development costs:
\$19.1 - \$24.1 million gross
\$6.4 – \$8.1 million net
- Expected stabilized IP rate:
2,500 – 3,500 gross BOPD
675 – 960 NRI BOPD

Fully Funded 2019/20 Work Program

Creating Value through Appraisal Drilling

2019 Appraisal Locations

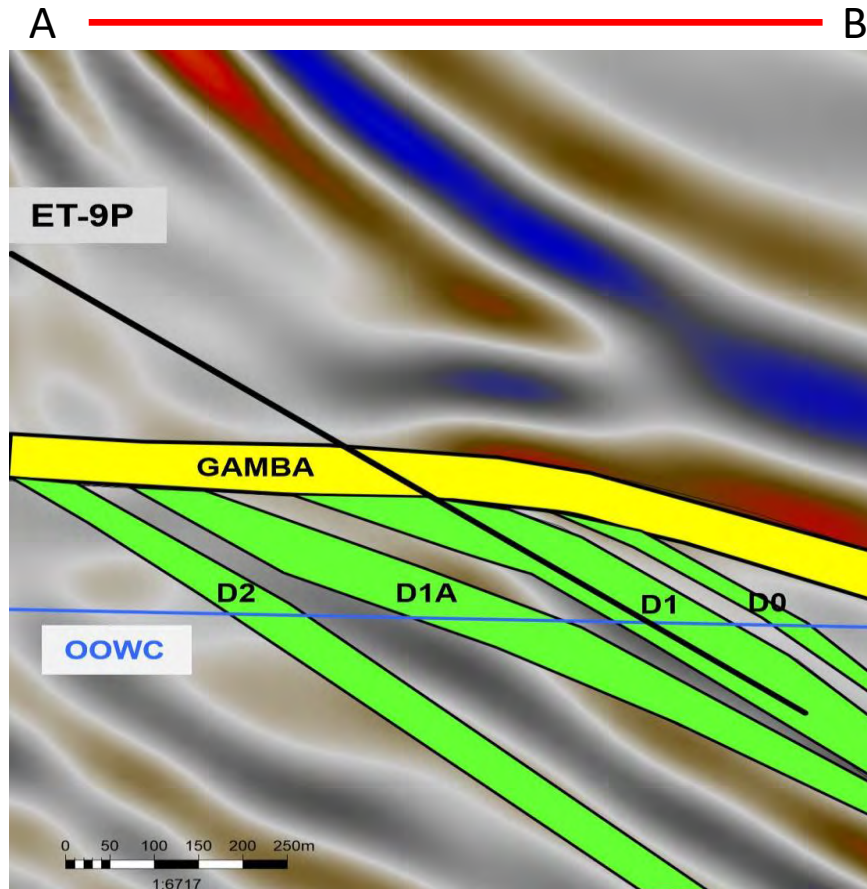
Etame 9P: Dentale appraisal well bore, if successful proves 3 locations, converting ~4.6MMBO prospective resources at 12/31/2018 to 3.2MMBO 2P and 1.4MMBO to contingent⁽¹⁾ Estimated cost \$4.3 - \$5.3 million gross (\$1.4 - \$1.8 million net)

SE Etame 4P: Gamba appraisal well bore, if successful proves SE Etame 4H well and 2 additional Gamba locations, converting ~10.2 MMBO prospective resources to ~7.7MMBO 2P and ~2.5MMBO to contingent⁽¹⁾ Estimated cost \$4.1 - \$5.1 million gross (\$1.4 - \$1.7 million net)

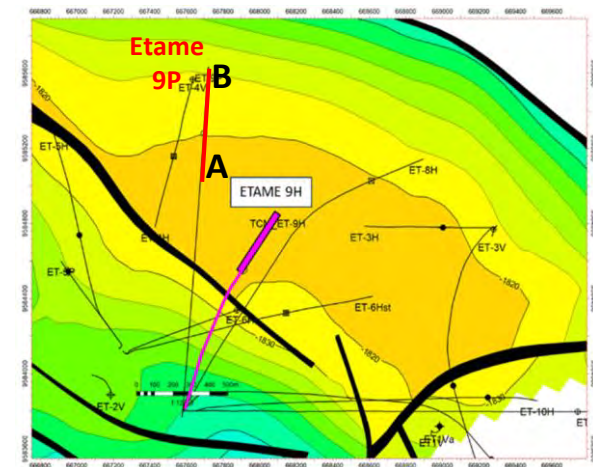
SE Etame 4H well: Drilled if SE Etame 4P is successful, Gamba horizontal development well that will convert ~4.2MMBO gross/ 1.1MMBO NRI of these prospective resources to ~4.0MMBO PDP and ~0.2MMBO contingent⁽¹⁾



Etame Field Main Fault Sub Crop Dentale Appraisal

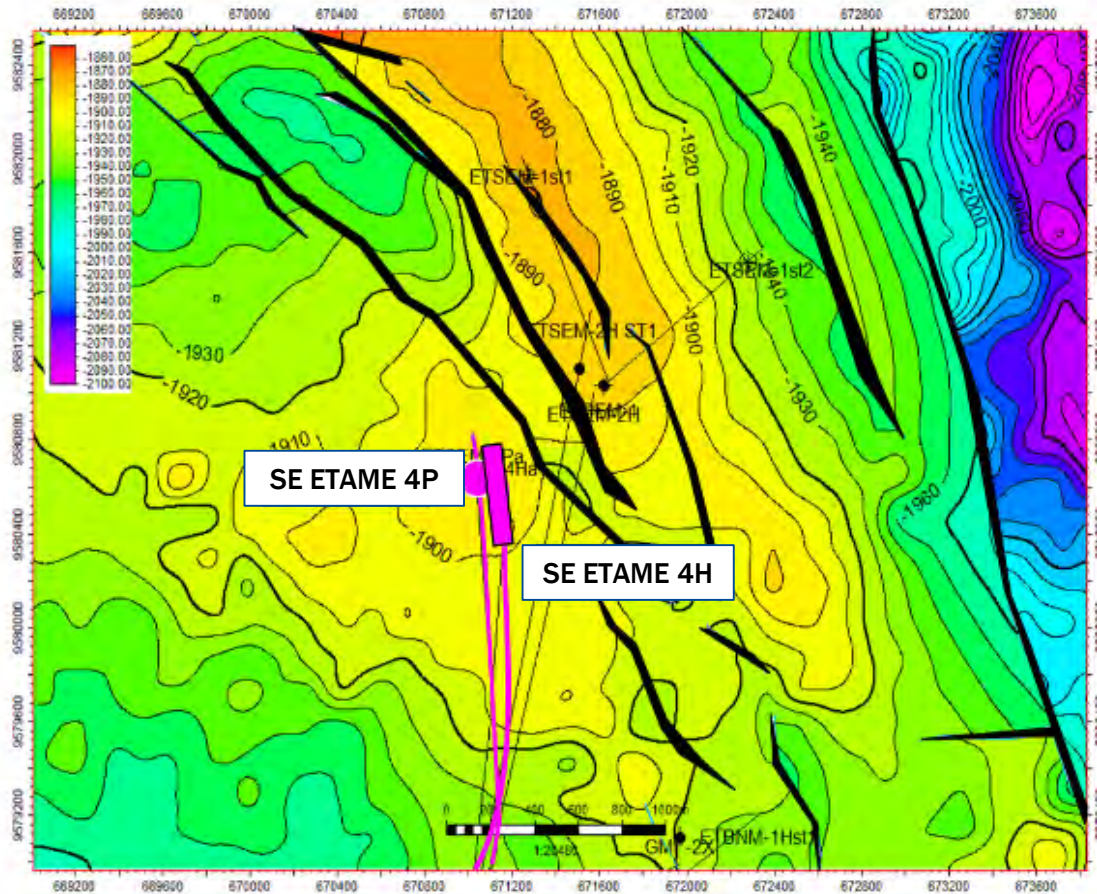


- Etame 9P appraisal well bore evaluates the sub crop Dentale potential
 - Dentale sands beneath the Gamba reservoir at the Etame field
 - These sands have been previously recognized as oil bearing in earlier drilled wellbores
 - De-risks up to 3 Dentale wells
- 4.6 MMBO gross prospective resources⁽¹⁾



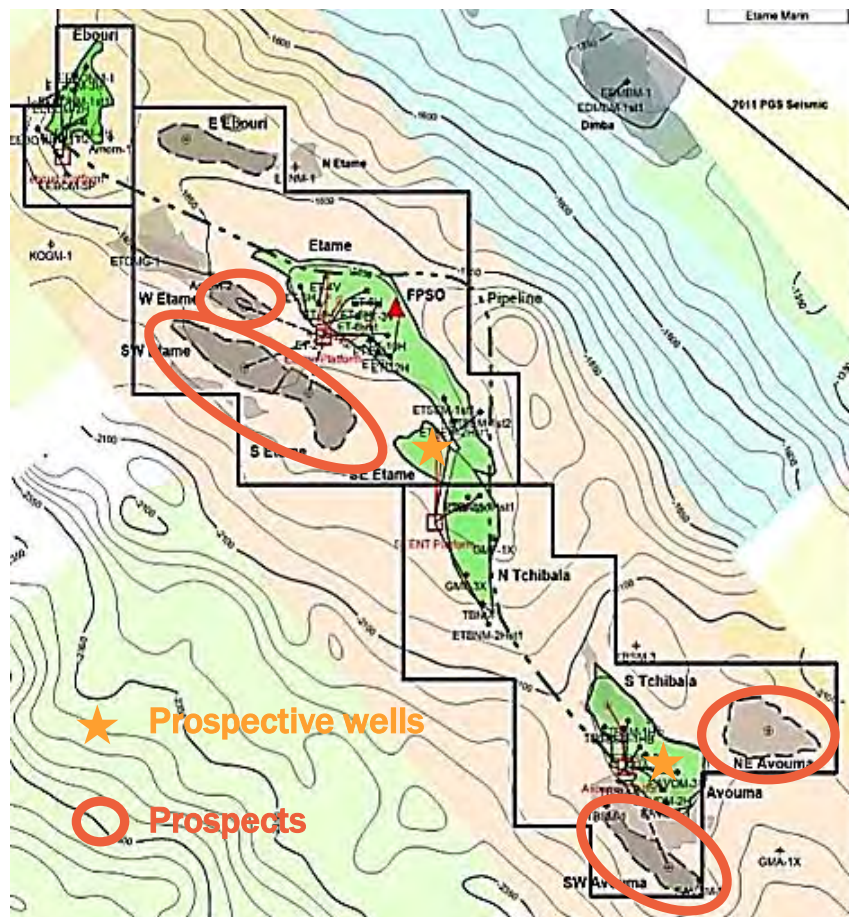
2019/20 Drilling Program:

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:
4.2 MMBO gross prospective⁽¹⁾
1.1 MMBO NRI prospective⁽¹⁾
- Estimated development costs:
\$24.4 - \$29.9 million gross
\$8.2 - \$10.0 million net
- Expected stabilized IP rate:
3,000 – 4,200 gross BOPD
825 – 1,100 NRI BOPD

Additional Etame Gamba Opportunities



Probable Drilling Location:

- South Tchibala 3H: Gamba horizontal 2P reserves 2.4 MMBO gross/0.6 MMBO NRI reserves⁽¹⁾

Prospective Step Out Locations:

SEENT Platform:

- Three Gamba wells (7.7 MMBO gross)⁽²⁾

Avouma Platform, South Tchibala:

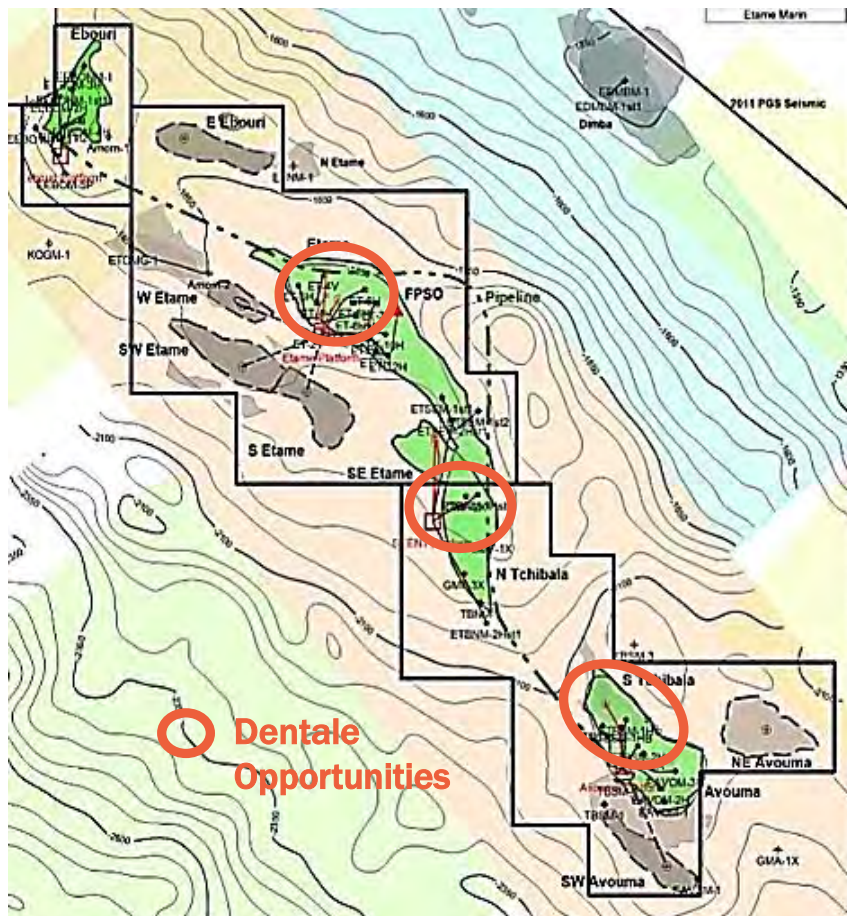
- One Gamba well (2.1 MMBO gross)⁽²⁾

Prospects:

- Provide significant upside opportunities
- Additional opportunities (20.3 MMBO gross)⁽³⁾
- Determine viability of additional resources on expanded acreage

~32.5 MMBO of Gross Unrisked Recoverable Prospective Resources from Gamba Opportunities

Additional Etame Dentale Opportunities



Additional Prospective Locations:

Etame Platform:

- Six Dentale infills (10.2 MMBO gross)⁽¹⁾

SEENT Platform:

- Three Dentale infills (4.5 MMBO gross)⁽¹⁾

Avouma Platform:

- Two Dentale infills (3.5 MMBO gross)⁽¹⁾

Additional Contingent Opportunities:

SEENT Platform:

- Two Dentale infills (2.6 MMBO gross)⁽¹⁾
- Dentale pressure maintenance (1.8 MMBO gross)⁽¹⁾

**~23 MMBO of Gross Unrisked Recoverable
Prospective & Contingent Resources from
Dentale Opportunities**

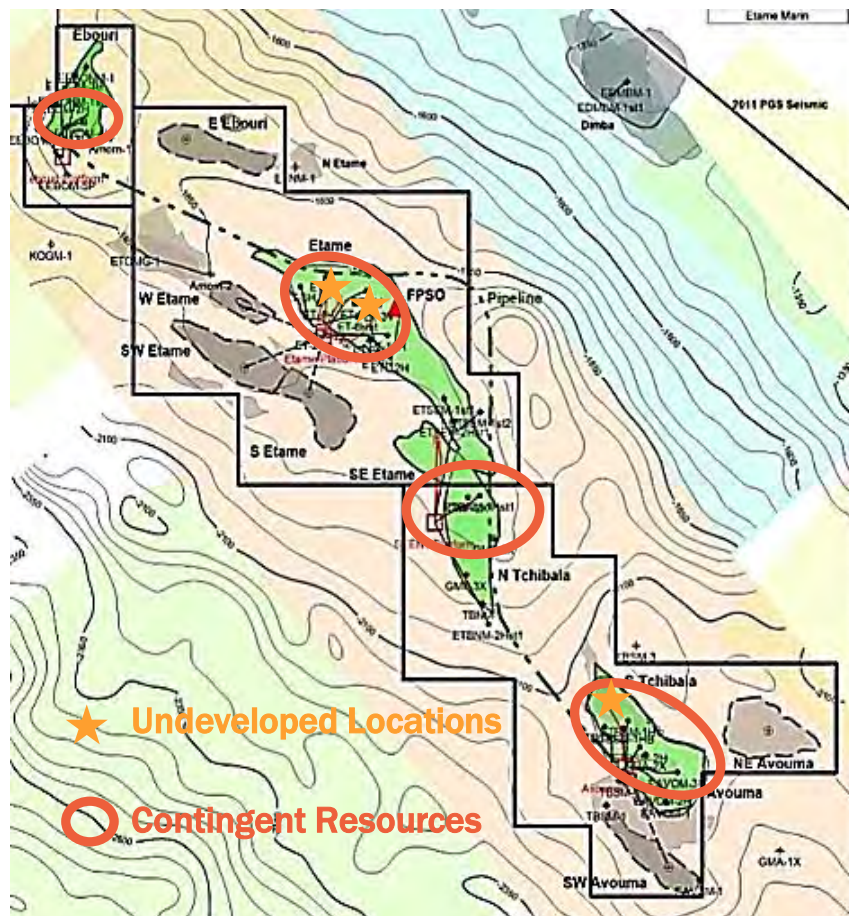
Crude Sweetening Project (CSP)

- 3 wells drilled and shut in due to H2S in Ebouri and Etame fields
 - Ebouri 3H and Ebouri 4H existing wells, Ebouri 5H potential future well: 5.3 MMBO gross contingent resource⁽¹⁾
 - Initial tests of ~ 800 – 1,500 gross BOPD per well
 - Management's gross internal prospective resource estimate is 1.2 MMBO higher than the contingent resource amount
 - Etame 8H existing well: 4.3 MMBO gross prospective resources⁽²⁾
 - East Ebouri additional drilling potential of 3.6 MMBO gross prospective resources⁽³⁾
- 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
- CSP could extend total Etame field life

Lower Resource Risk with ~14 MMBO of Gross Upside Potential

Etame Marin Gross Contingent Resources

Upside Resources Beyond 2028



Etame Marin Contingent Resources (2C)

Etame Platform: (3.9 MMBO gross)⁽¹⁾

SEENT Platform: (0.5 MMBO gross)⁽¹⁾

Avouma Platform: (7.2 MMBO gross)⁽¹⁾

Ebouri Platform: (1.2 MMBO gross)⁽¹⁾

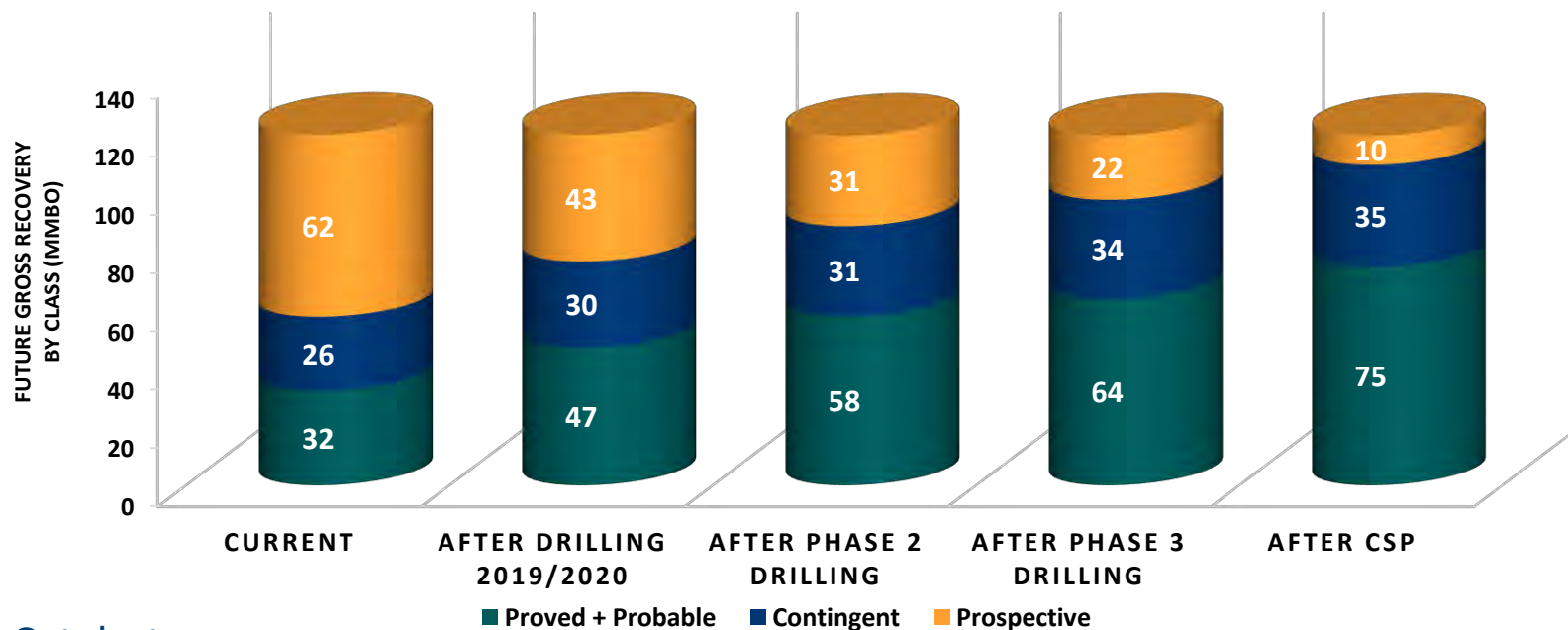
Undeveloped Locations: (3.0 MMBO gross)⁽¹⁾

VAALCO has two five-year options to extend the Etame license beyond 2028 and convert these resources to reserves

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

Material Upside

Converting Contingent and Prospective to 2P

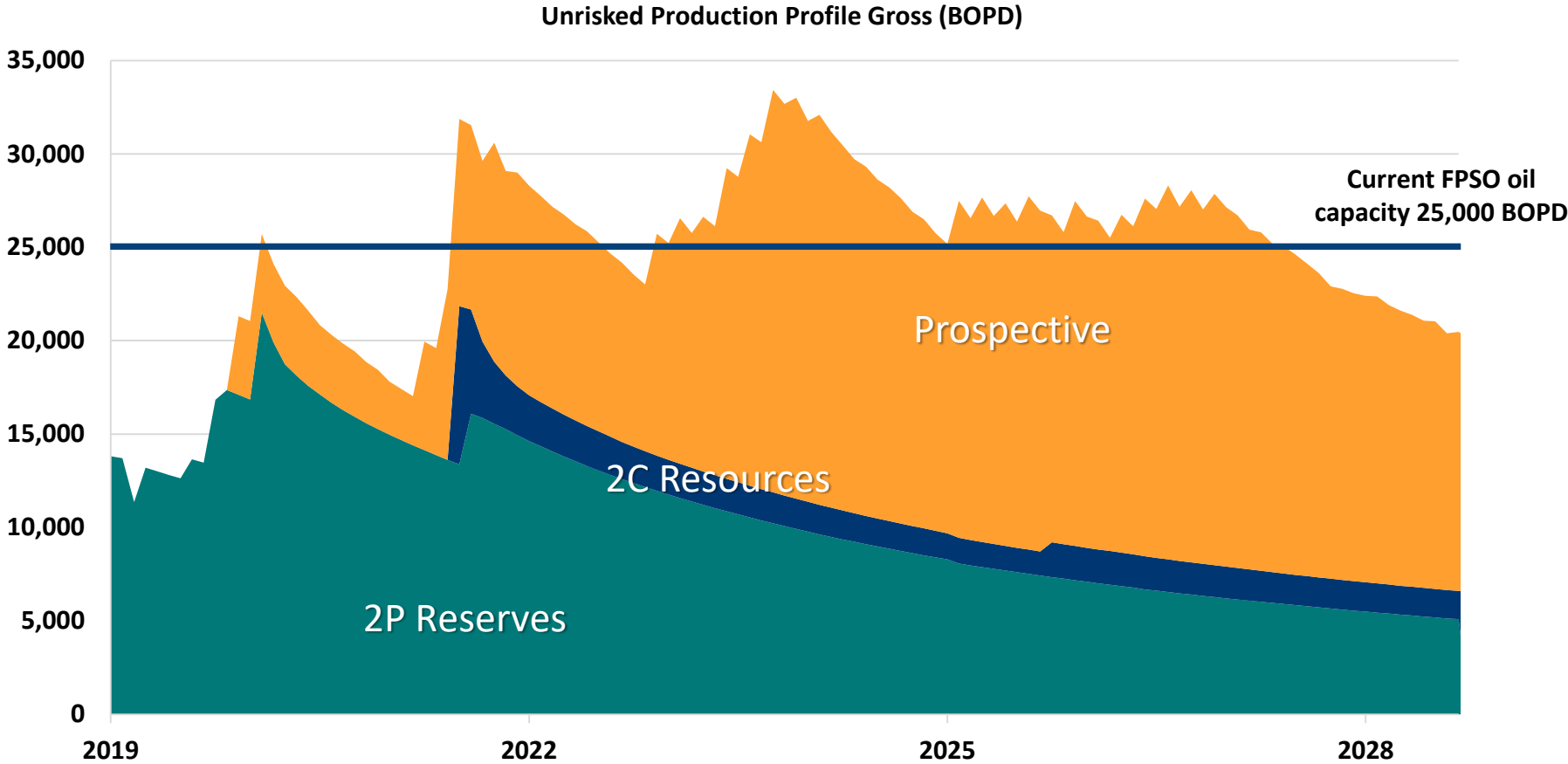


Catalysts

- Two appraisal wellbores in 2019/20 de-risk Dentale sub-crop and SE Etame Gamba extension
- One Phase 2 appraisal wellbore de-risks Deep Dentale and two satellite prospects are tested in Phase 2
- Three satellite prospects are tested in Phase 3
- CSP includes reactivating three shut in wells, drilling a development well and testing a satellite prospect

Profitable Production Growth

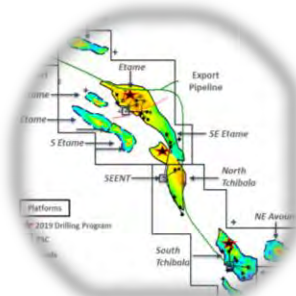
Well-Defined and Repeatable Organic Growth



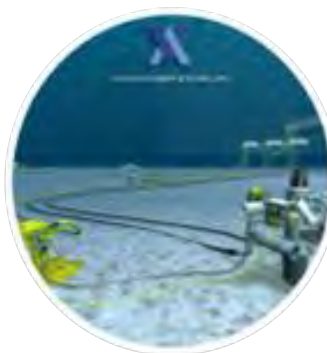
Vision 2025

Building Blocks to Achieve Growth

2019/20 Etame License Work Program



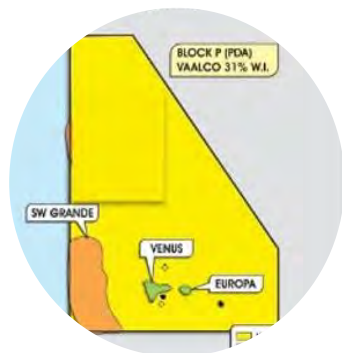
- One Dentale appraisal wellbore to evaluate sub crop reservoirs
- Two Etame Field Gamba development wells
- One Gamba appraisal wellbore to extend the SE Etame Field
- One SE Etame Field Gamba development well



Future Etame License Work Programs

- Five Gamba development wells
- Five Gamba near field leads/prospects
- Nine Dentale development wells
- Crude Sweetening Project

Equatorial Guinea – Block P



- 20+ million BOE unrisked gross resource discovery with 31% W.I as operator^(1,2)
- SW Grande prospect with potential for 164 million BOE unrisked gross resource⁽¹⁾
- Multiple Miocene and Cretaceous prospects with significant reserves

New Ventures and M&A



- Acquisition of producing assets with upside potential
- Pursuing accretive merger candidates with synergies to create scale
- Multiple direct negotiations and bid round opportunities in progress

Non-GAAP Reconciliations

Reconciliation of Net Income (Loss) to Adjusted Net Income	Three Months Ended		
	June 30, 2019	June 30, 2018	March 31, 2019
Net income (loss)	\$ (1,033)	\$ 544	6,501
Adjustment for discrete items:			
Discontinued operations, net of tax	162	343	(5,671)
Unrealized derivative instruments (gain) loss	(1,479)	999	3,043
Other operating income (expense), net	4,399	(314)	37
Deferred income tax expense	5,925	—	1,742
Adjusted net income	<u>\$ 7,974</u>	<u>\$ 1,572</u>	<u>\$ 5,652</u>

Reconciliation of Net Income (Loss) to Adjusted EBITDAX	Three Months Ended		
	June 30, 2019	June 30, 2018	March 31, 2019
Net income (loss)	\$ (1,033)	\$ 544	6,501
Add back:			
Impact of discontinued operations	162	343	(5,671)
Interest expense (income), net	(201)	30	(187)
Income tax expense	9,208	3,582	2,753
Depreciation, depletion and amortization	1,909	1,035	1,553
Exploration expense	—	12	—
Non-cash or unusual items:			
Stock-based compensation	(103)	2,442	1,723
Unrealized derivative instruments (gain) loss	(1,479)	999	3,043
Other operating income (expense), net	4,399	(314)	37
Bad debt recovery and other	5	145	(29)
Adjusted EBITDAX	<u>\$ 12,867</u>	<u>\$ 8,818</u>	<u>\$ 9,723</u>

Reconciliation of Changes in Working Capital from Continuing Operations	March 31,		Change
	June 30, 2019	2019	
Current assets	\$ 69,914	\$ 62,026	\$ 7,888
Current liabilities	(47,136)	(43,267)	(3,869)
Operating lease liabilities - current portion	10,500	10,334	166
Current liabilities - discontinued operations	4,847	4,675	172
Working capital from continuing operations	<u>\$ 38,125</u>	<u>\$ 33,768</u>	<u>\$ 4,357</u>

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