

July 20, 2017



VAALCO Provides Operational Update

HOUSTON, July 20, 2017 (GLOBE NEWSWIRE) -- VAALCO Energy, Inc. (NYSE:EGY) today provided an operational update regarding its production operations offshore Gabon.

On July 18, the electrical submersible pump (ESP) in the South Tchibala 2-H well failed, resulting in the well being temporarily shut-in. The well was producing approximately 1,300 barrels of oil per day gross, or 390 net to the Company, prior to being shut-in. VAALCO is working to mobilize a hydraulic workover unit to move onto the Avouma platform and replace the ESP system in the well, which is expected to be back on production by fourth quarter 2017. The Company successfully utilized a hydraulic unit to replace the ESP in the well late last year at a significantly lower cost rather than mobilizing a jackup rig. As a result of recent diagnostic work, the Company believes it has determined the cause of the ESP failures in 2016, in this well, and a newly designed pair of ESPs will be installed in the South Tchibala 2-H well during the upcoming workover operation.

VAALCO also recently completed its planned 2017 maintenance turnaround for the Etame Marin FPSO and four platforms. The entire work scope was successfully completed with no environmental or safety issues. The field was shut-in during the turnaround and is now back on production. The results of the maintenance and inspection work confirmed the Company's asset integrity programs continue to be effective. The next turnaround will be in 2018.

The Company does not plan to change its annual production guidance at this time as a result of the shut-ins due to the ESP failure or the annual maintenance turnaround.

About VAALCO

VAALCO Energy, Inc. is a Houston-based independent energy company principally engaged in the acquisition, development and production of crude oil. The Company's properties and acreage are located primarily in Gabon and Equatorial Guinea in West Africa.

Forward Looking Statements

This news release 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. Forward-looking statements are those concerning VAALCO's plans, expectations, and objectives for liquidity and capital resources, future drilling, completion, workover and other operations and activities. All statements, other than statements of historical facts, included in this release that address activities, events or developments that VAALCO expects, believes or anticipates will or may occur in the future are forward-looking statements. These statements may include expected capital expenditures, future drilling plans, prospect evaluations, liquidity, negotiations with governments and third parties, expectations regarding processing facilities, and reserve growth. 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, 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, 2016, subsequent quarterly reports on Form 10-Q, and other reports filed with the SEC. 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.

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Source: VAALCO Energy, Inc.