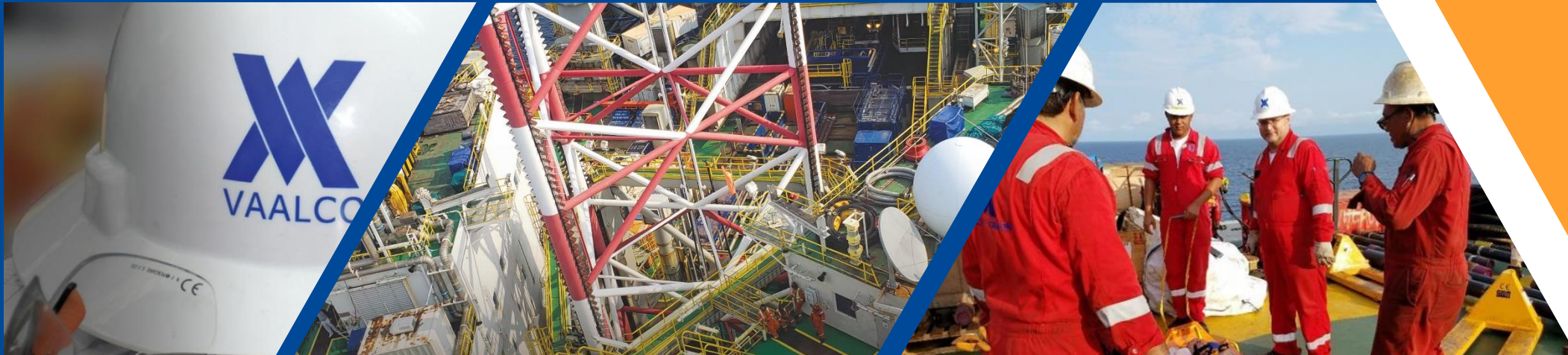




VAALCO ENERGY, INC.

Q2 2021 Supplemental Information

PROFITABLY AND SUSTAINABLY GROWING IN WEST AFRICA



SAFE HARBOR STATEMENT



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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, crude oil and natural gas price volatility, the impact of production quotas imposed by Gabon in response to production cuts agreed to as a member of OPEC, inflation, general economic conditions, the outbreak of COVID-19, 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, lack of availability of goods, services and capital, environmental risks, drilling risks, foreign regulatory and operational risks, and regulatory changes. 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 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”, “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 realized. 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. References to thickness of oil pay or of a formation where evidence of hydrocarbons have been encountered is not necessarily an indicator that hydrocarbons will be recoverable in commercial quantities or in any estimated volume. Well test results should be considered as preliminary and not necessarily indicative of long-term performance or of ultimate recovery. Well log interpretations indicating oil accumulations are not necessarily indicative of future production or ultimate recovery.

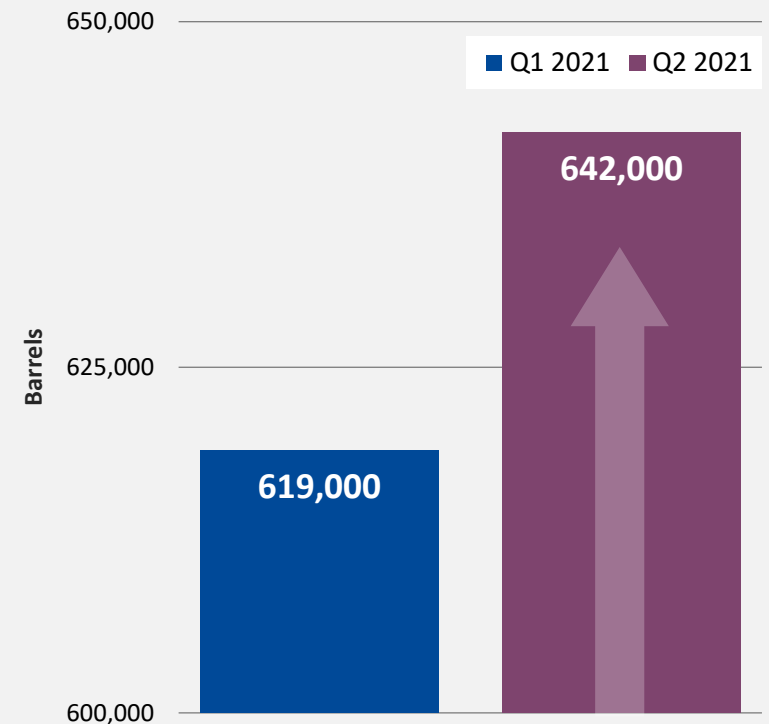
Q2 AND RECENT OPERATIONAL HIGHLIGHTS

Continued Strong Performance



- Sold 642,000 barrels of oil in Q2 2021, an increase of 4% over Q1 2021
- Produced 8,018 NRI BOPD, or 9,216 WI BOPD in Q2 2021, an increase of 55% over Q1 2021
- Executed a contract for a jack-up rig to drill at least two development wells and two appraisal wellbores for the 2021/2022 drilling campaign, with options to drill additional wells
- Completed drilling feasibility study of standalone Venus development in Equatorial Guinea and is now proceeding to a field development concept
- In advanced talks to finalize a binding agreement for the FSO with multiple parties that will reduce our costs and meet our schedule
- Issued VAALCO's 2020 Environmental, Social and Governance report and posted to the Company's web site

Sales Volumes



Significant Increases in Production and Sales Drive Meaningful Cash Flow Generation

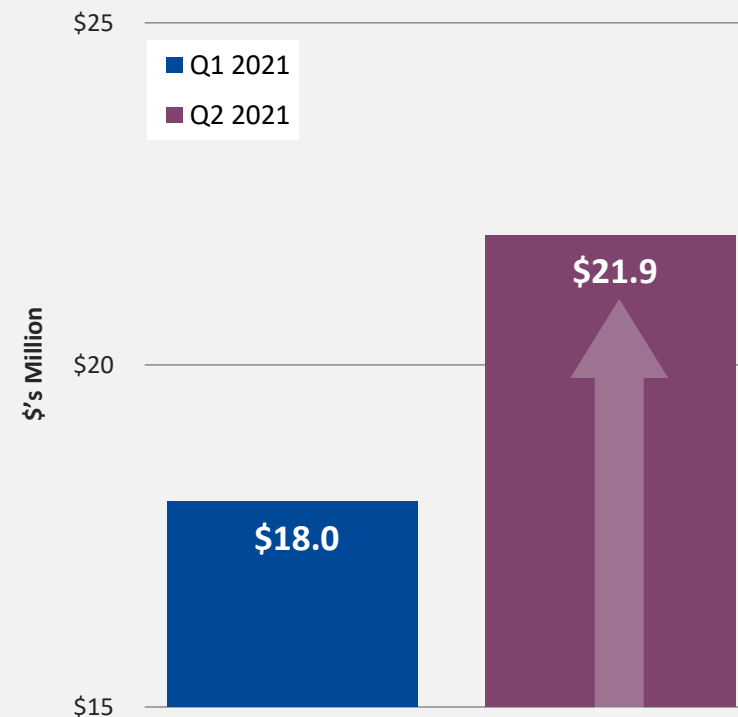
Q2 AND RECENT FINANCIAL HIGHLIGHTS

Continued Strong Performance



- Generated continued strong Adjusted EBITDAX of \$21.9 million with \$40.0 million generated in the 1st half of 2021, more than VAALCO generated in full years 2019 or 2020
- Reported strong Q2 2021 net income of \$5.9 million (\$0.10 per diluted share) and Adjusted Net Income of \$8.4 million (\$0.14 per diluted share)
- Improved adjusted working capital position by \$7.0 million from Q1 2021 to Q2 2021
- In April 2021, paid \$5.0 million contingent amount to Sasol
- Maintained a strong balance sheet with no debt, a cash balance of \$22.9 million, including \$2.0 million in net joint venture owner advances as of 6/30/2021

Adjusted EBITDAX



1) Adjusted EBITDAX, Adjusted Net Income and Adjusted Working Capital are Non-GAAP financial measures and reconciled in VAALCO Q1 earnings release issued 5/12/2021



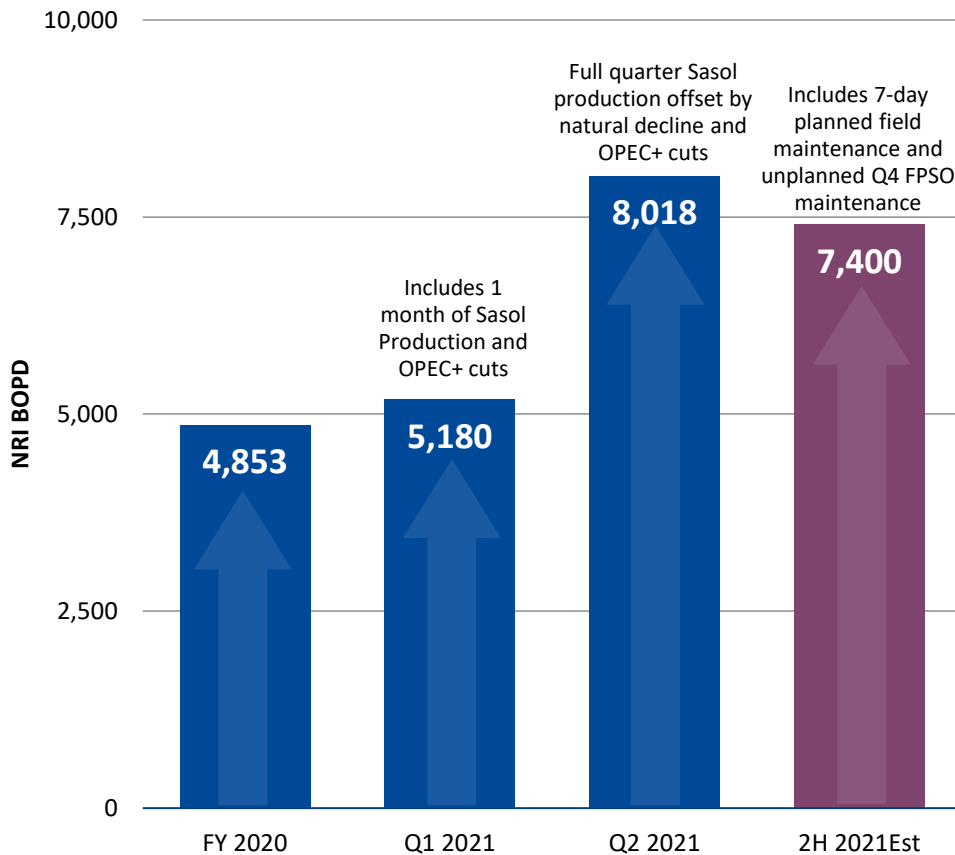
Hedging and Operational Excellence Locks in Cash Flow Generation To Support Upcoming Capital Commitments

STEP CHANGE IN TOTAL PRODUCTION AND RESERVES

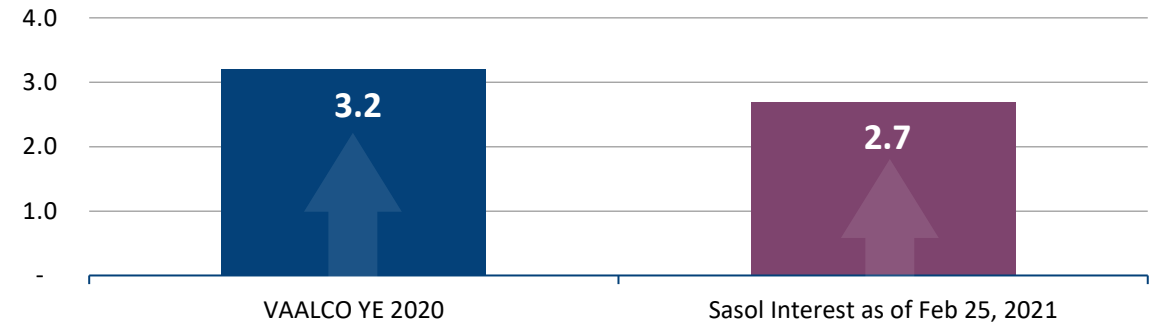
Significant Increase in Size and Scale



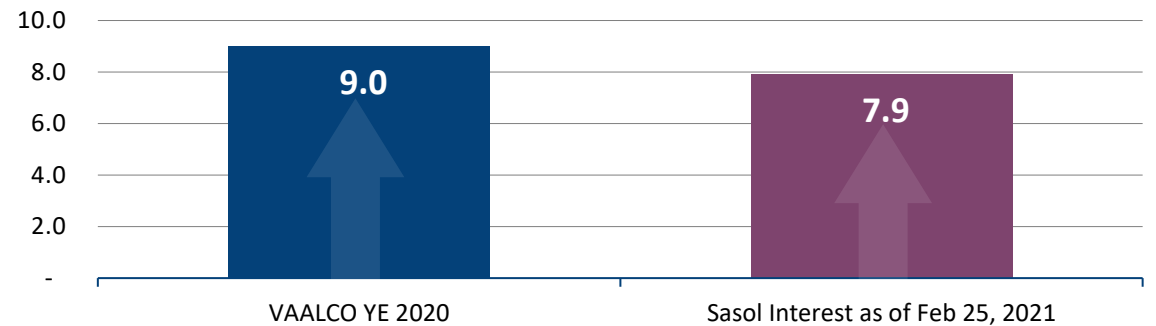
Production Outlook



Proved NRI Reserves⁽¹⁾ (MMBO)



2P CPR NRI Reserves⁽²⁾ (MMBO)



1) SEC reserves are NSAI estimates as of December 31, 2020, and management's estimate of Sasol's interest as of Feb. 25, 2021

2) 2P CPR Reserves are NSAI estimates as of December 31, 2020 with VAALCO's management assumptions for escalated crude oil price and costs and management's estimate of Sasol's interest as of Feb. 25, 2021

2021/22 DRILLING CAMPAIGN

Converting Capital Into Additional Scale and Production



New 2020/2021 Proprietary 3-D Seismic Data Over Entire Etame Marin Block

- Improved 3D seismic will help VAALCO optimize future drilling locations
- Allows for better planning to help reduce costs
- Identifies additional upside opportunities

2021/2022 Drilling Program

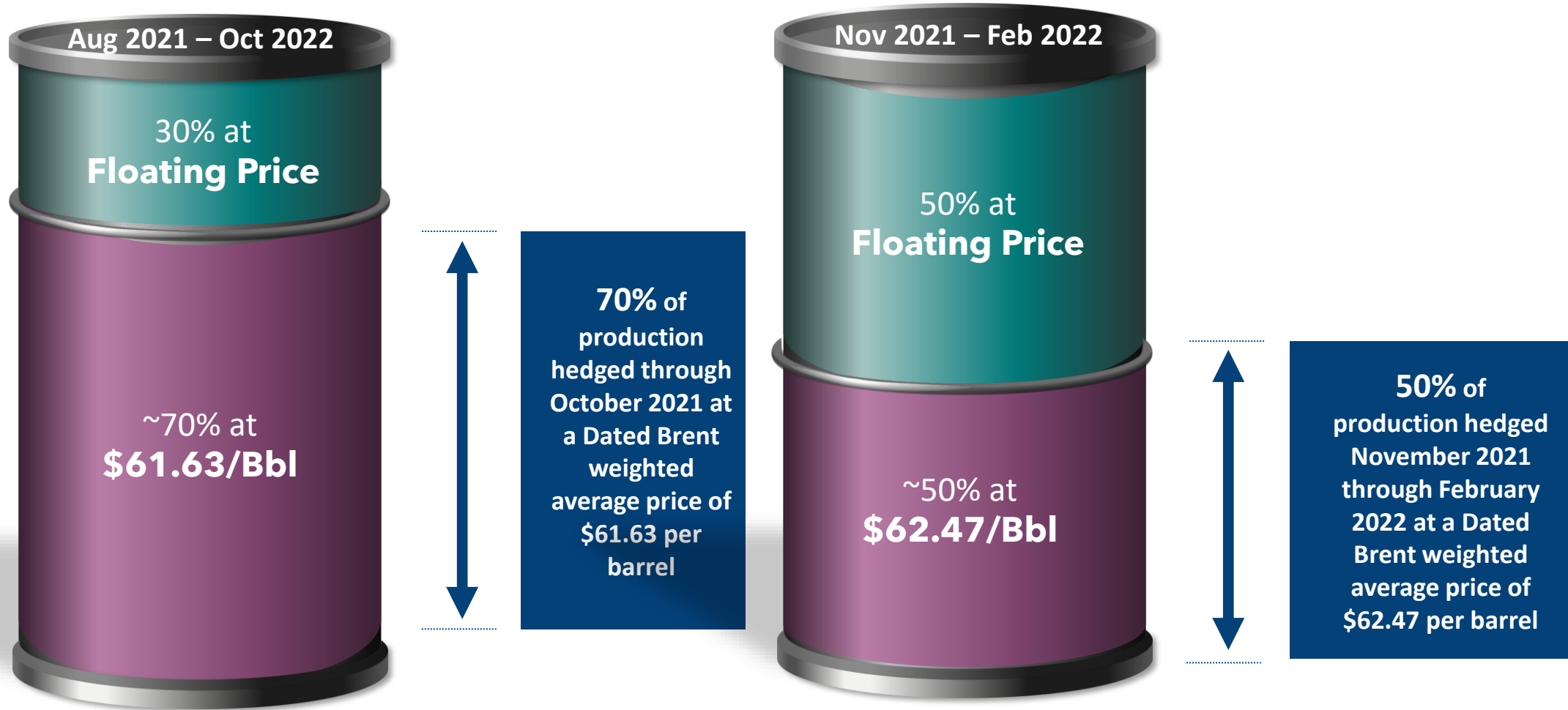
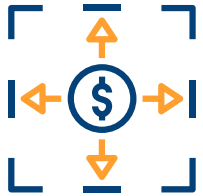
- Program includes up to four wells
 - Potentially two development and two appraisal wells
- Expected to begin in Q4 2021
- Forecasted to increase gross production 7,000 – 8,000 BOPD when program is completed
- Targeting 2P reserves and prospective resources which could add materially to reserves (likely in 2022)
- Preliminary cost estimate \$115 to \$125 million gross or \$73 to \$79 million net to VAALCO



Potential to Add Material Cash Flow in 2022 and Beyond

HEDGING

Materially Derisking Funding of 2021/2022 Drilling Campaign and FSO Solution



Hedging a Majority of 2021 Production Volumes to Protect Cash Flows and Fund the 2021/2022 Drilling Program

VAALCO NETBACK OVERVIEW (FY 2021E)



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Maximize Margins Through Cost Discipline

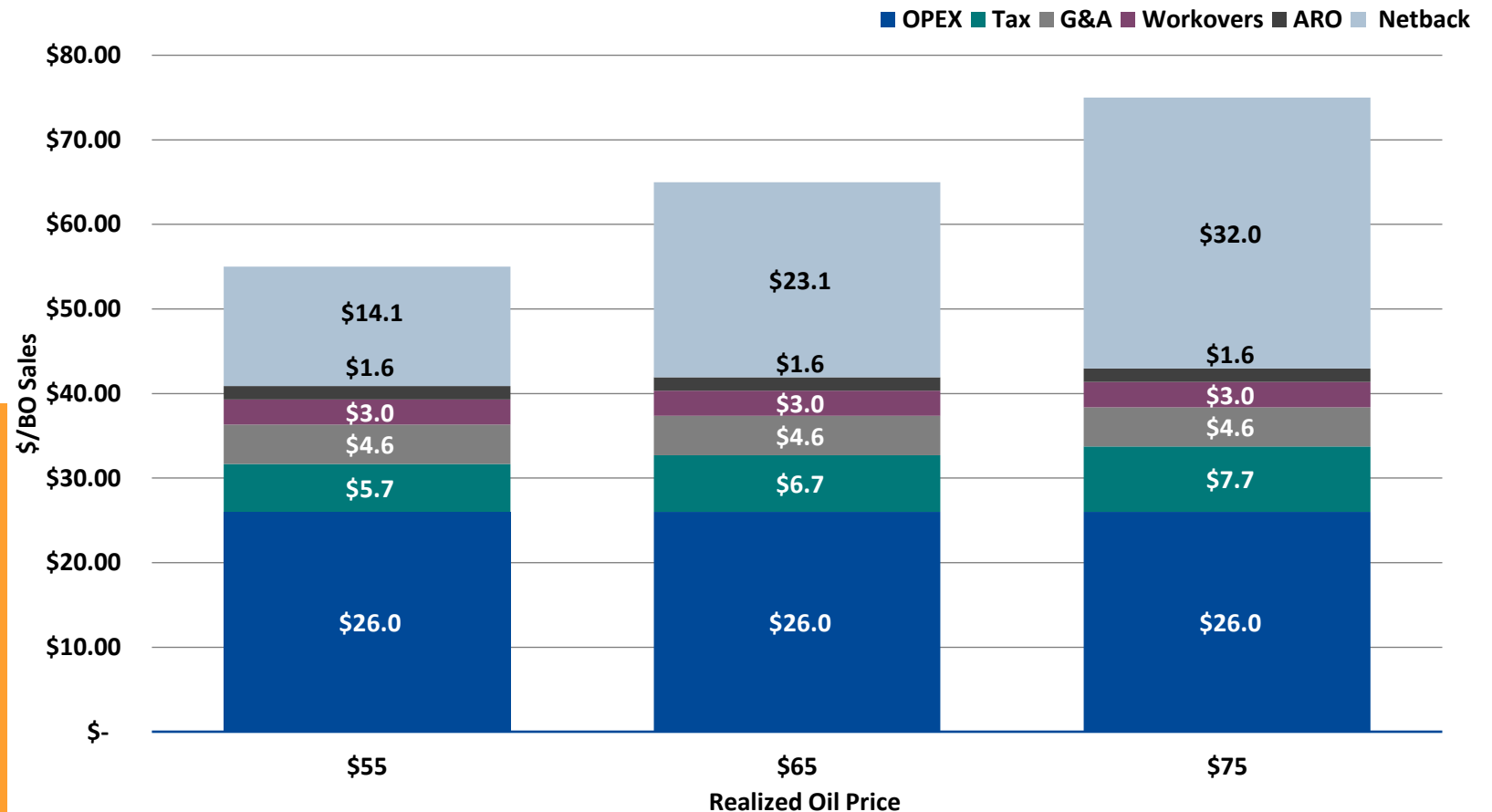
- Each \$5/barrel improvement in oil price increases Free Cash Flow by ~\$12 million and increases Adjusted EBITDAX by ~\$13.5 million
- Approximately 90% of estimated opex is fixed, majority of costs don't increase with additional production
- With current hedges and strip pricing, expected realization should be ~\$65/bbl which generates \$23.10 of Netback



Midpoint of FY2021 Sales Guidance of ~2.7 MMBO at Realized Price of \$65/BO Generates ~\$62 million in Operating Cashflow prior to Working Capital Changes

2021 Netback Per Barrel

Excludes Hedging, Working Capital Movement and Capex



2021 GUIDANCE⁽¹⁾

(As of August 11, 2021)

		Q3 2021	FY 2021
Production (BOPD)	WI ⁽²⁾	8,050 - 8,950	7,800 – 8,500
	NRI ⁽²⁾	7,000 - 7,800	6,800 – 7,400
Sales Volume (BOPD)	WI ⁽²⁾	8,950 – 9,750	8,150 – 8,950
	NRI ⁽²⁾	7,800 – 8,500	7,100 - 7,800
Production Expense ⁽³⁾	WI ⁽²⁾ & NRI ⁽²⁾	\$20.0 - \$22.0 MM	\$69 - \$73 MM
Production Expense per BO ⁽³⁾	WI ⁽²⁾	\$23.50 - \$26.00	\$21.25 - \$24.25
	NRI ⁽²⁾	\$27.00 - \$30.00	\$24.50 - \$27.75
Workovers	WI ⁽²⁾ & NRI ⁽²⁾	\$8 - \$10 MM	\$8 - \$10 MM
Cash G&A ⁽⁴⁾	WI ⁽²⁾ & NRI ⁽²⁾	\$2.0 - \$3.0 MM	\$11 - \$13 MM
2021 CAPEX (excl. 2021/2022 drilling campaign) ⁽⁵⁾	WI ⁽²⁾ & NRI ⁽²⁾	\$1 - \$2 MM	\$4 - \$6 MM
2021/2022 Drilling Campaign Total Capex Forecast \$73 - \$79 MM WI ⁽²⁾ & NRI ⁽²⁾ (Split between 2021 and 2022 depends on rig availability and 1st well spud date)			

1) Assumes OPEC+ mandate to curtail production in Q2'21 but not in 2nd half of 2021
2) WI 58.8% and NRI uses net revenue interest after 13% royalty deduction

3) Excludes workover expense
4) Excludes stock-based compensation
5) Excludes spending related to alternatives to current FPSO charter



VAALCO ENERGY, INC.

CONTACT

 www.vaalco.com

CORPORATE OFFICE

9800 Richmond Avenue,
Suite 700, Houston, Texas 77042

T 713.623.0801
F 713.623.0982
E vaalco@vaalco.com

BRANCH OFFICE

VAALCO Gabon SA
B.P. 1335, Port Gentil, Gabon

T +241-(0)1-56-55-29

INVESTOR CONTACTS

U.S. - Al Petrie

T 713.543.3422
E apetrie@vaalco.com

U.K. - Ben Romney / Jon Krinks/
James Husband

T 44.0.20.7466.5000
E vaalco@buchanan.uk.com