



VAALCO ENERGY, INC.

June 2021

Annual General Meeting 2021

PROFITABLY AND SUSTAINABLY GROWING IN WEST AFRICA



CONFIDENTIAL

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 failure of the transaction to close, 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. These and other risks are further described in VAALCO’s annual report on Form 10-K for the year ended December 31, 2020, 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. Except as required by law, 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

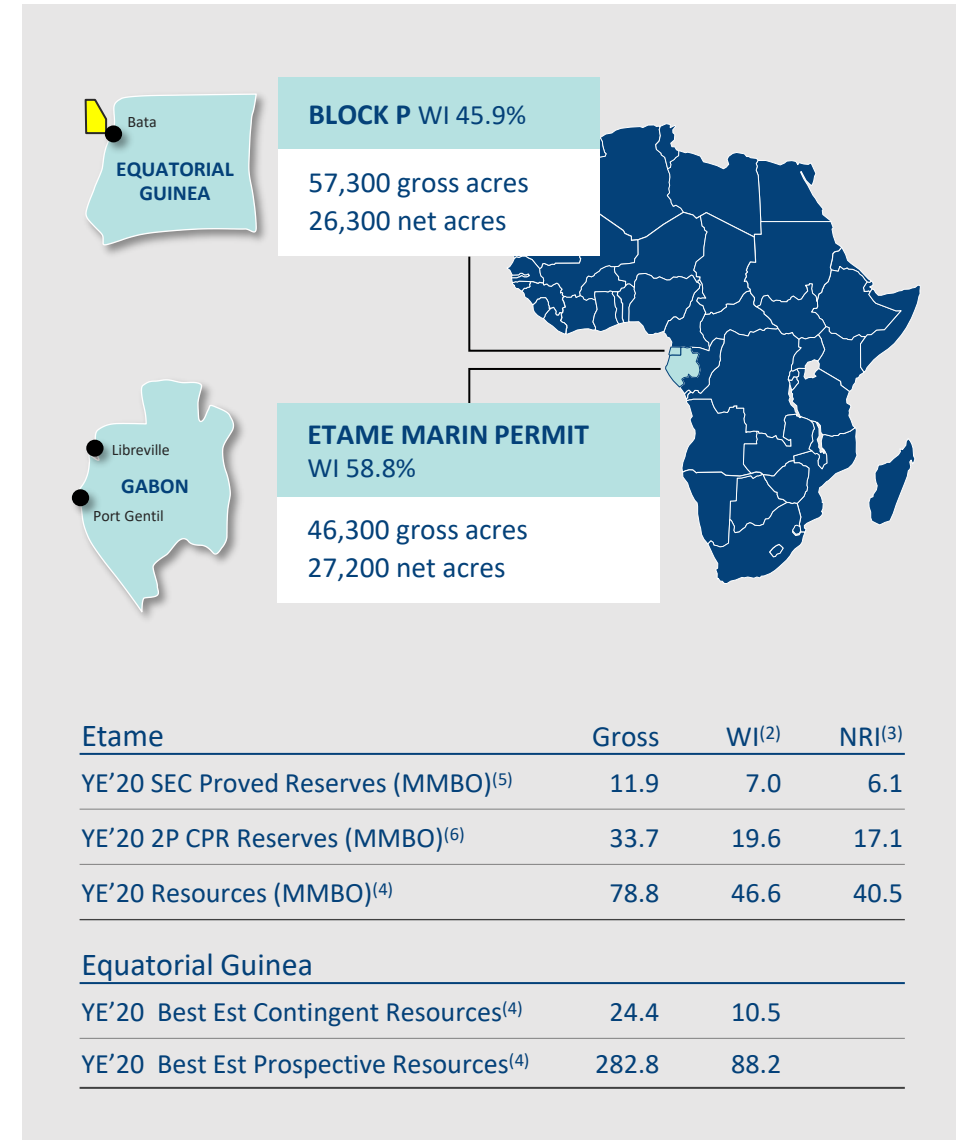
hydrocarbon quantities that may be potentially added in accordance with the 2018 Petroleum Resources Management System approved by the Society of Petroleum Engineers. These estimates are by their nature more speculative than estimates of proved, probable and possible reserves and accordingly are subject 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.

ESTABLISHED OPERATOR GENERATING FREE CASH FLOW

Recent Acquisition and Successful Drilling Programs Increase Size and Scale⁽¹⁾

- › International E&P focused on low-risk, producing assets in West Africa with net cash and significant cash flow generation
- › Operator of Gabon offshore Etame license
 - Participating interests: VAALCO (operator) 63.6%, Addax (Sinopec) 33.9%, PetroEnergy 2.5%
- › Produced ~121 gross MMBO to date with remaining reserves and resources of ~113 gross MMBO at Etame⁽⁴⁾
- › Highly successful 2019/2020 work program; resulting in ~40% year over year increase in production for FY'20 to 4,853 NRI BOPD
- › Accretive acquisition of Sasol's WI at Etame nearly doubles VAALCO's total net production and reserves
- › Inventory of well locations available for multiple future drilling campaigns de-risked by new proprietary 3-D seismic data at Etame
- › 2021/2022 drilling program forecasted to increase gross production by 7,000 – 8,000 BOPD when program is completed
- › Significant potential in Equatorial Guinea with 98.7 MMBOE unrisked working interest resources⁽⁴⁾



1) All numbers in the presentation include the impact of the Feb'21 Sasol transaction, reserve and resource numbers as of YE'20 are on a proforma basis and include Sasol's interest

2) Etame - 58.8% WI, Tullow is a 7.5% WI owner but not a joint owner; Block P - 45.9% WI

3) Net volumes are after royalty deduction of 13% for Etame

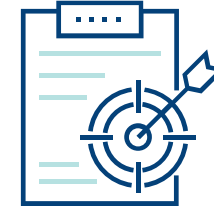
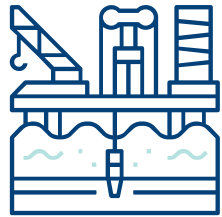
4) Netherland, Sewell & Associates, Inc. ("NSAI") 12/31/2020 CPR report which includes 2P and contingent ("2C") as well as VAALCO's internal prospective resource estimate

5) "SEC reserves" are Netherland, Sewell & Associates estimates prepared in accordance with the definitions and regulations of the U.S. Securities and Exchange Commission as of December 31, 2020

6) "2P CPR Reserves" are NSAI's proved plus probable estimates prepared in accordance with the 2018 Petroleum Resources Management Systems approved by the Society of Petroleum Engineers as of 12/31/20 using VAALCO management assumptions

ACCRETIVE GROWTH AND SHAREHOLDER RETURNS

2021/2022 Program and Near-term Value Drivers Continue to Progress VAALCO Towards Its Strategic Targets



Execute work programs at Etame to grow production and reserves

Maintain operational excellence, cost discipline and strong balance sheet

Unlock meaningful potential in Equatorial Guinea

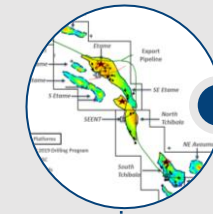
Pursue value accretive M&A opportunities within strategic focus

2021/22 Etame work program targeting 7,000 – 8,000 Gross BOPD production increase with significant recoverable reserves conversion

Proposal to replace Etame FPSO with an FSO aligns with ongoing strategy to reduce operating costs and extend field life. Utilizing crude hedging program to derisk capital funding for drilling campaign and FSO.

VAALCO reviewing near term production development opportunities on its asset leveraging the significant Equatorial Guinea experience of the VAALCO operating team

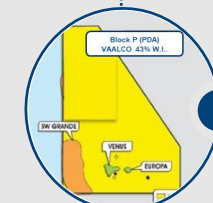
Completed acquisition of Sasol WI at Etame nearly doubles net production, reserves and resources and increases free cash flow per barrel. VAALCO continues to review further opportunities



2021/22 Etame Work Program Targeting 7,000 – 8,000 Gross BOPD Production Increase



World-Class Etame Asset Generates Significant Free Cash Flow



~100 MMBO WI Resource Upside Potential at Block P in EG⁽¹⁾



Accretive Opportunities, New Ventures and M&A

ENVIRONMENTAL, SOCIAL, GOVERNANCE

2020 ESG Report to be Delivered in June



ENVIRONMENTAL MANAGEMENT

- › Devoted to environmental stewardship with dedicated emergency environmental response capabilities
- › Gathering GHG emissions data to build base line to set reduction targets to meet recognized international standards
- › Enhance environmental performance through Process Safety Management by creating awareness and accountability



SOCIAL LICENSE TO OPERATE

- › Equal opportunity employer that firmly believes in the benefits that diversity and inclusion bring to an organization
- › Valuing our employees and empowering them to nurture a positive working culture
- › Supports and sponsors multiple charitable and non-profit organizations to give back to our community



CORPORATE GOVERNANCE

- › Good governance is an integral part of our culture at all levels of our organization
- › Employees are empowered to uphold the highest ethical standards
- › Understand the importance of providing transparency on ESG-related matters

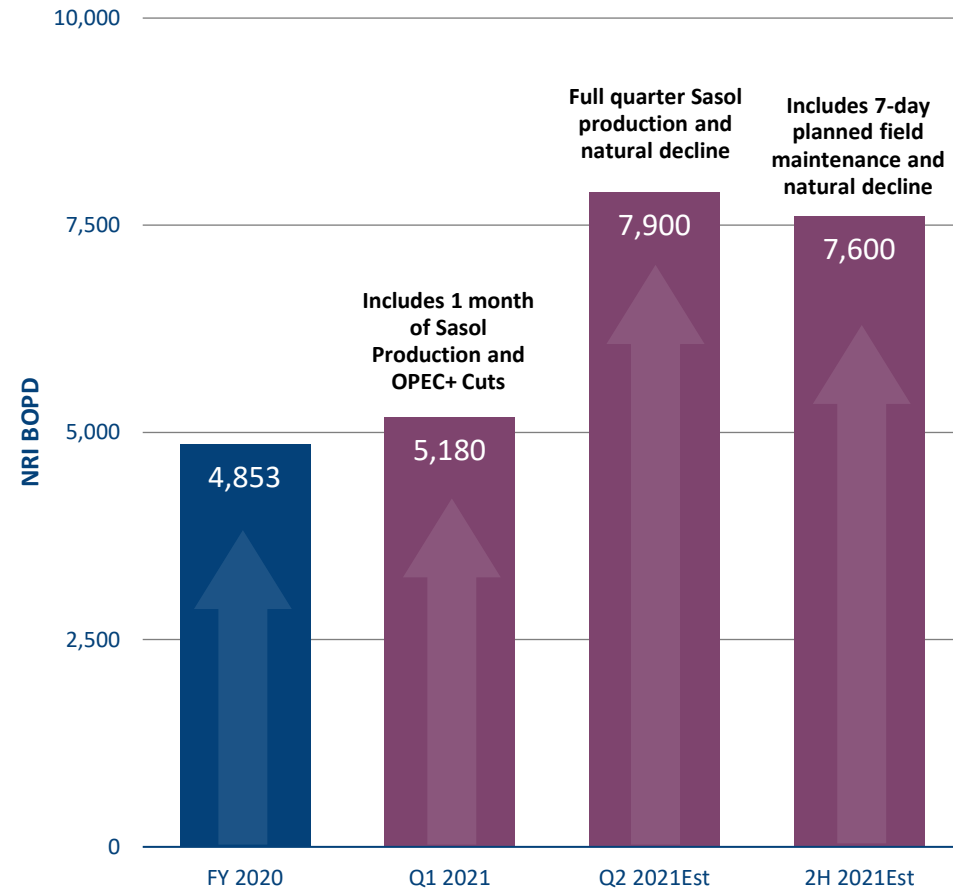
Committed to Our People, The Environment, Our Communities and Corporate Governance

SASOL ETAME WI ACQUISITION

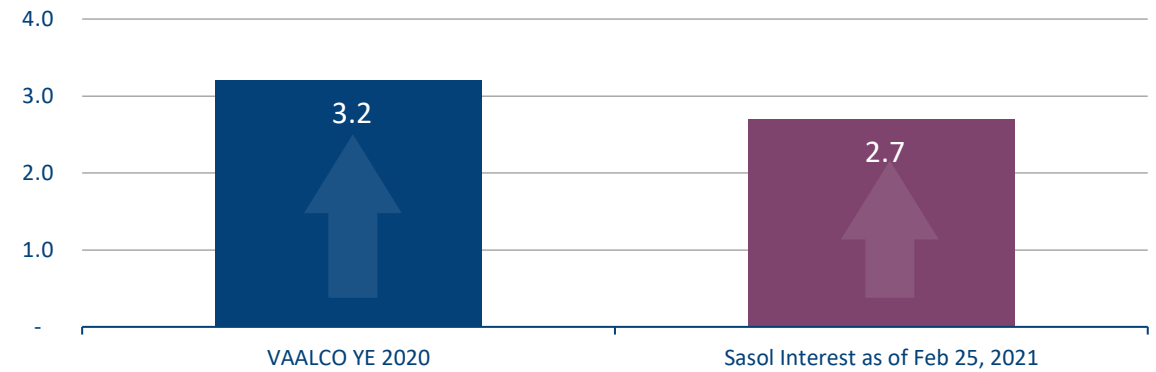
Step Change in Total Production and Reserves



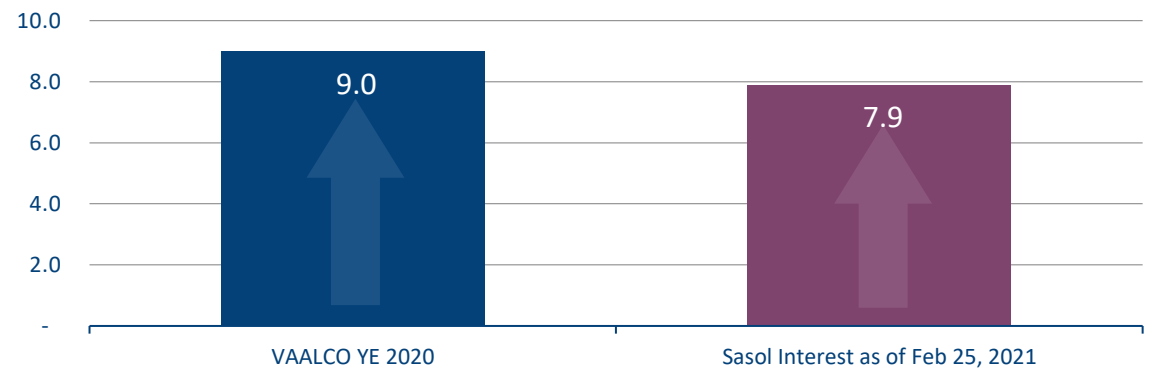
Production Outlook



Proved NRI Reserves⁽¹⁾ (MMBO)



2P CPR NRI Reserves⁽²⁾ (MMBO)

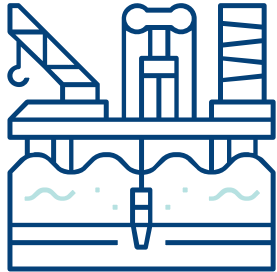


1) SEC reserves are NSAI estimates as of December 31, 2020, and management's estimate of Sasol's interest as of Feb. 25, 2021

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 AND WORKOVER CAMPAIGN

Converting Capital Into Additional Scale and Production



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 Free Cash Flow in 2022 and Beyond



Est. Avg Daily Production (BOPD) ⁽¹⁾



2P Reserves Targeted (MMBO) ⁽²⁾



Best Estimated Resources (MMBO) ⁽²⁾

Proposed Wells

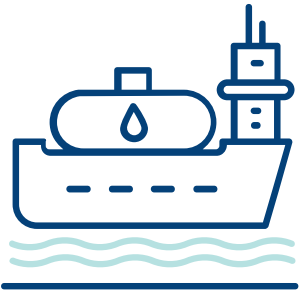
Proposed Wells	Est. Avg Daily Production (BOPD) ⁽¹⁾	2P Reserves Targeted (MMBO) ⁽²⁾	Best Estimated Resources (MMBO) ⁽²⁾
Etame-8H Sidetrack	2,000	1.4	
Avouma 3H Sidetrack	2,000	1.7	
SW Etame Appraisal	3,000		5.2
SW Avouma Appraisal	3,000		5.1
Ebouri 2H Workover	800	1.2	

1) VAALCO's internal reserve and resource estimate

2) 12/31/2020 NSAI CPR report

NEW LOWER COST FSO SOLUTION

for 2022 and Beyond



The Nautipa FPSO at Etame is owned and operated by BW Offshore.

- › The FPSO contract expires in September 2022



This approach has significant advantages:

- › The Omni FSO proposal could reduce VAALCO's operating costs by 15% to 25% when compared to the current FPSO contract during the term of the proposed agreement;
- › Maintaining the current FPSO beyond its current contract or transitioning to a different FPSO would require substantial capital costs;
- › Estimated capital investment of \$40 - \$50 million gross (\$25 - \$32 million net to VAALCO) for deployment of the Omni FSO and the required field reconfiguration expected payback of less than three years versus current 2P CPR field life going to 2030;
- › Larger capacity will allow for larger more cost-efficient liftings



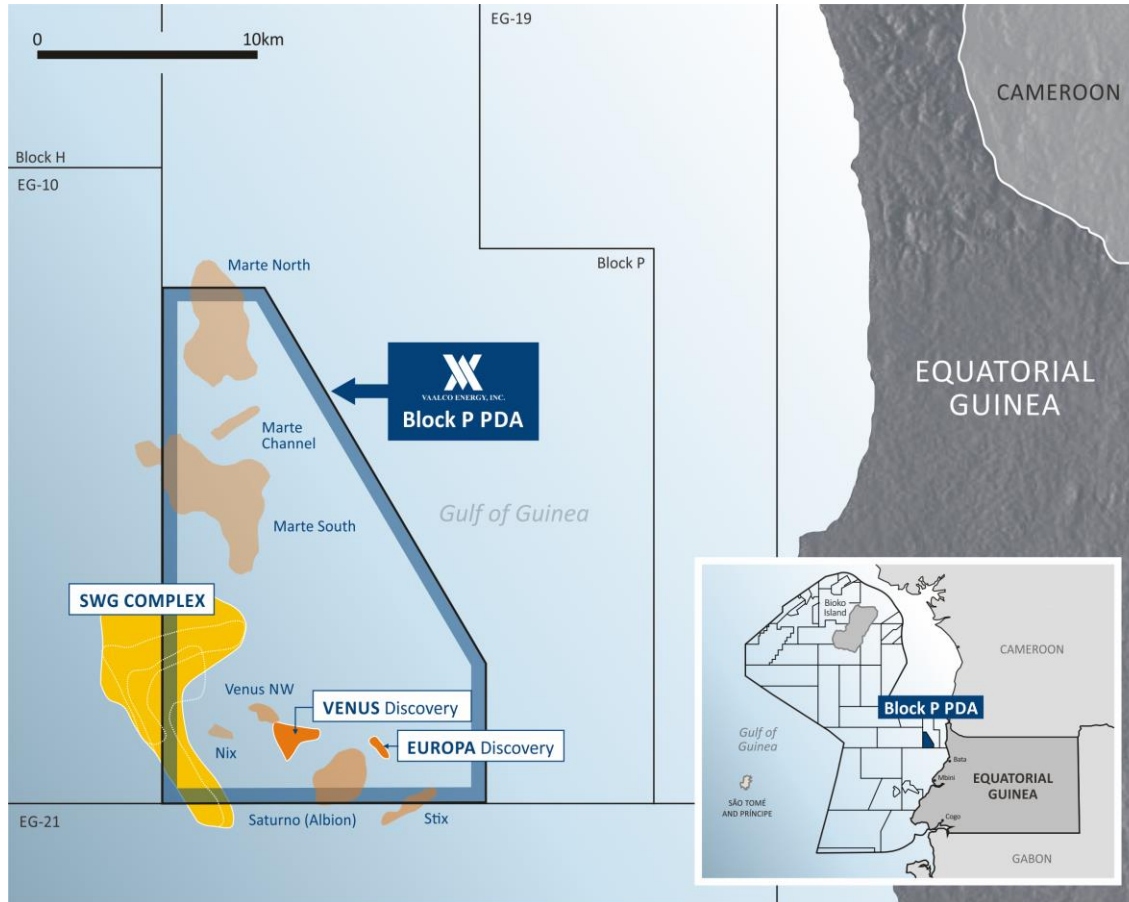
Lower Operating Costs will lead to Increased Margins, Material Additional Free Cash Flow While Also Extending the Economic Field Life and Thereby Increasing Ultimate Resource Recovery

VAALCO has signed a non-binding letter of intent with Omni Offshore Terminals Pte Ltd to provide and operate an FSO at Etame for up to 11 years upon the expiration of the current FPSO contract. In the new field configuration, the FSO would store and offload the production and processing would be completed on the existing platforms.



EQUATORIAL GUINEA

Maximizing the Value in VAALCO's Portfolio



VENUS DISCOVERY

16.5
million BOE
unrisked gross
2C resource⁽¹⁾

EUROPA DISCOVERY

7.9
million BOE
unrisked gross
2C resource⁽¹⁾

SW GRANDE PROSPECT

164.4
million BOE
unrisked gross Best
Estimate Prospective
Resources

Material Development Opportunity with Further Upside

- › All wells drilled on block P have oil shows or oil sands
- › PSC license period is for 25 years from date of approval of a development and production plan
- › VAALCO 45.9%, Atlas 34.1%, GEPetrol 20% carried interest through first production; GEPetrol carried interest will be recovered from their share of production
- › Discoveries on Block were made by Devon, a prior operator/owner

Redirection Of Strategy Towards Feasibility Review Of Standalone Production Development of Venus Discovery

1) 12/31/2020 NSAI CPR report

VAALCO NETBACK OVERVIEW (Q2-Q4 2021E)

Maximize Margins Through Cost Discipline

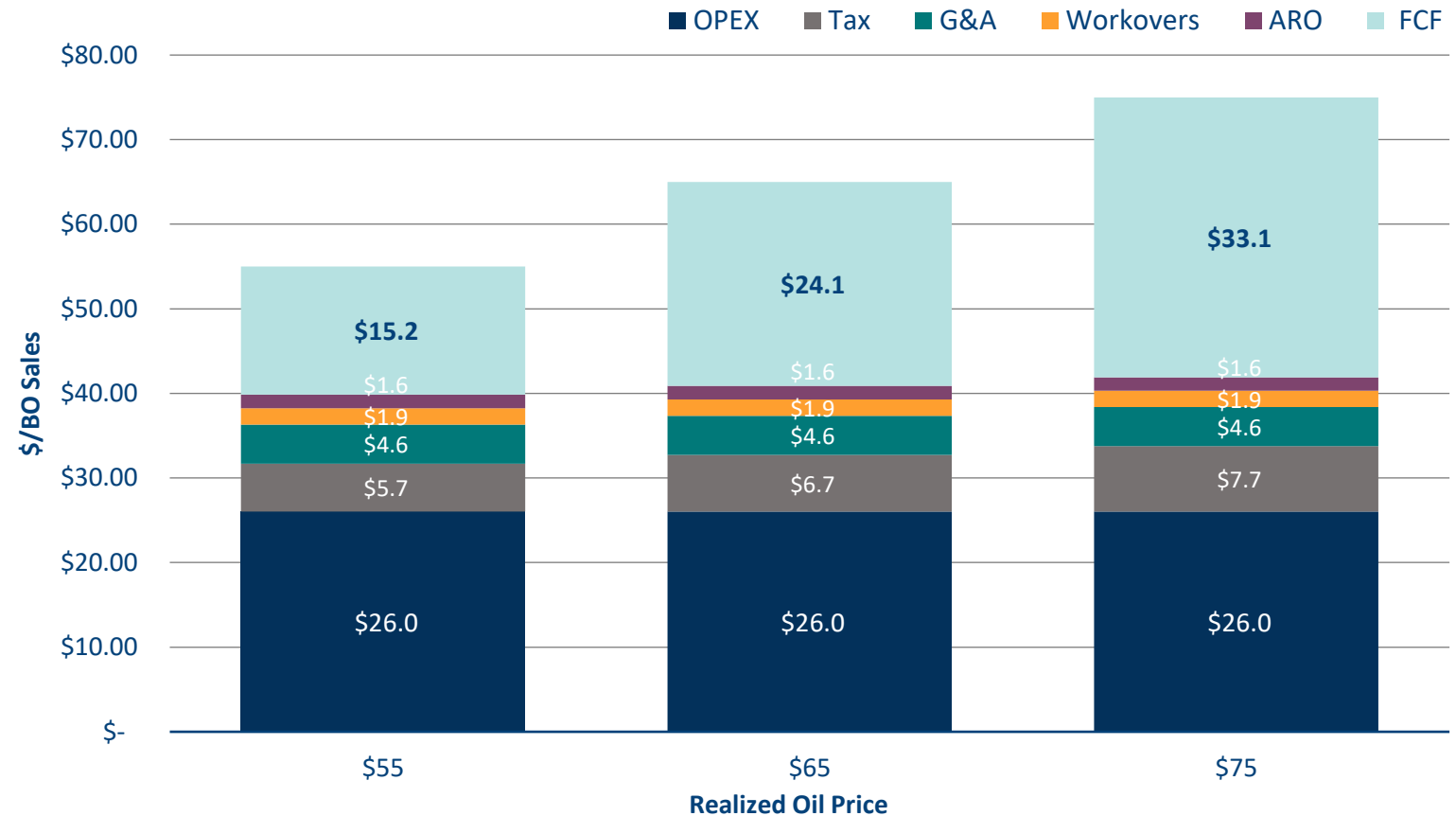
- › Each \$5/barrel improvement in oil price increases Free Cash Flow before capex by ~\$12.5 million and increases Adjusted EBITDAX by ~\$14 million
- › Approximately 90% of estimated opex is fixed, majority of costs don't increase with additional production levels



Generating
\$24.1/BO
of Netback
at \$65 Realized
Pricing in 2021

2021 Netback Per Barrel

Netback per barrel excludes Hedging, Working Capital Movement and Capex

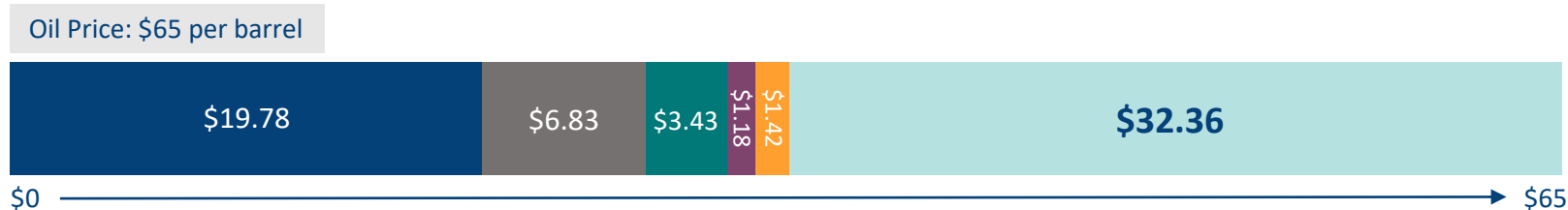


POTENTIAL INDICATIVE NETBACKS WITH INCREASED PRODUCTION AND LOWER OPEX



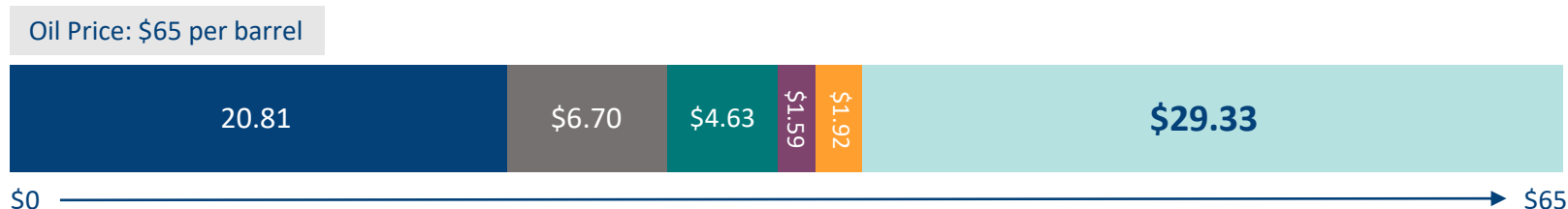
Successful 2021/2022 Drilling Campaign (Q2 2022)

20,000 Gross BOPD



Successful FSO Conversion (Q3 2022)

20% Opex Reduction



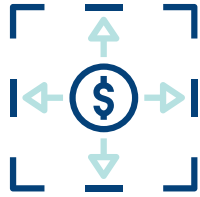
Combined Successful Drilling Campaign & FSO Conversion (Q4 2022)

Combined 20,000 Gross BOPD with 20% Opex Reduction

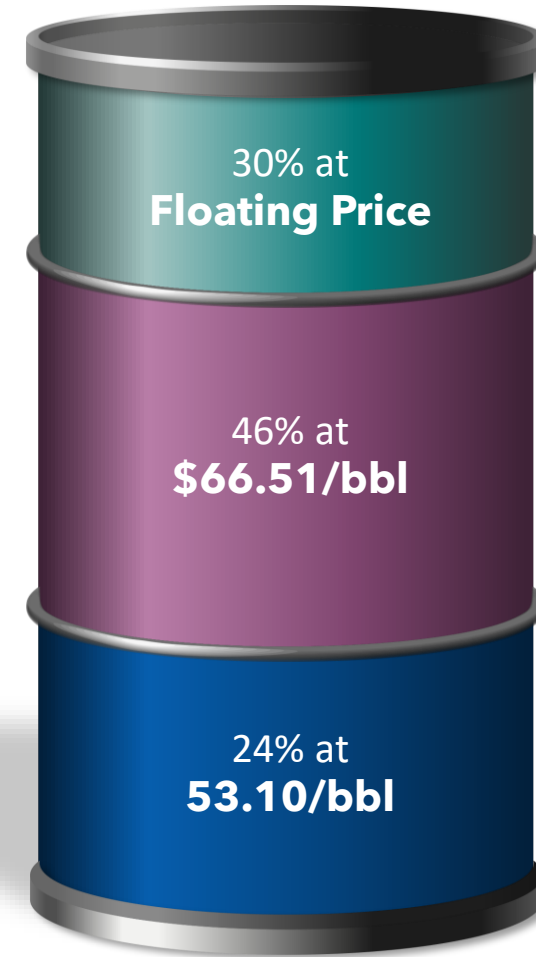


HEDGING

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



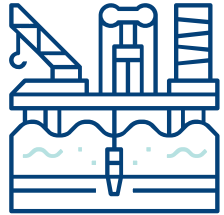
- › Hedged a majority of 2021 production to protect cash flows which are expected to be used to fund the 2021/2022 drilling program and the potential FSO unit capital upgrade costs
- › Includes crude oil commodity swap agreements for a total of 672,533 barrels at a Dated Brent weighted average price of \$66.51 per barrel for the period from and including May 2021 through October 2021, swaps will settle on a monthly basis.
- › Similar to commodity swap agreements entered into by VAALCO in January 2021
- › 70% of forecasted production hedged through October 2021 at a Dated Brent weighted average price of \$62.27 per barrel.
- › We will always look to take advantage of the strong pricing environment to lock in cash flow to meet or overall commitment to all stakeholders.



VAALCO now has 70% of its production hedged through October 2021 at a Dated Brent weighted average price of \$62.27 per barrel

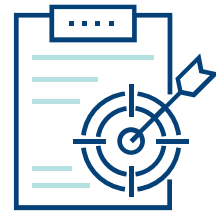
NEAR-TERM AND LONG-TERM CATALYSTS

Strong Upside Potential at Etame and Block P



DRILLING PROGRAM

2021/22 Etame work program targeting 7,000 – 8,000 gross BOPD production increase with significant recoverable reserves conversion



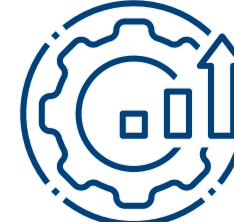
OPPORTUNITIES TO MAXIMIZE NETBACKS

Proposal to replace Etame FPSO with an FSO aligns with ongoing strategy to reduce operating costs and extend field life



CORPORATE RISK-MANAGEMENT

Materially derisking funding of our 2021/2022 Drilling Campaign and FSO Solution through hedging



ORGANIC DEVELOPMENT OPPORTUNITIES

Reviewing near term production development opportunities on Block P in EG, leveraging the significant experience of our operating team



HIGHLY ACCRETIVE OPPORTUNITIES

Continues to review additional opportunities within our sphere of expertise

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