

July 17, 2019



VAALCO Energy, Inc. Announces Payment of Amount Due Under Final Settlement Agreement With Sonangol E.P. in Angola

HOUSTON, July 17, 2019 (GLOBE NEWSWIRE) -- VAALCO Energy, Inc. (NYSE: EGY) today announced that the Company has paid \$4.5 million to **Angola** National Agency of Petroleum, Gas, and Biofuels (**ANPG**), as National Concessionaire, under the terms of the previously announced Settlement Agreement executed earlier this year that finalized the termination of VAALCO's rights, liabilities and outstanding obligations for Block 5/06 in Angola. The Settlement Agreement provided for a cash payment of \$4.5 million from VAALCO to the National Concessionaire as well as the elimination of the receivable from Sonangol P&P that was related to joint-interest billings. The cash payment was made after the recent publishing of an executive decree from the Ministry of Mineral Resources and Petroleum. The financial impact of the Settlement Agreement was recognized in the first quarter of 2019.

Cary Bounds, VAALCO's Chief Executive Officer, commented, "We are extremely pleased to have fulfilled all the terms of our Settlement Agreement to exit Angola and we offer our sincere gratitude to the National Concessionaire for their pragmatic approach to helping us reach this material milestone. Finalizing the Settlement Agreement has removed considerable uncertainty over the financial impact of exiting Angola. As we prepare for our upcoming drilling campaign offshore Gabon, we are at an exciting juncture for the Company and remain wholly focused on delivering profitable growth and meaningful value for our shareholders."

Forward Looking Statements

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 future drilling plans, prospect evaluations, future growth and financial projections. 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, 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, 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.

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.

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Source: VAALCO Energy, Inc.