VAALCO ENERGY, INC.

A Diversified African-Focused E&P Business

November Investor Update

November 2023

Profitably And Sustainably Growing Value

Safe Harbor Statements

This presentation includes “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended (the “Securities Act”) and Section 21E of the Securities Exchange Act of 1934, as amended, which are intended to be covered by the safe harbors created by those laws and other applicable laws and “forward-looking information” within the meaning of applicable Canadian securities laws. Where a forward-looking statement expresses or implies an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and believed to have a reasonable basis. All statements other than statements of historical fact may be forward-looking statements. The words “anticipate,” “believe,” “estimate,” “expect,” “intend,” “forecast,” “outlook,” “aim,” “target,” “will,” “could,” “should,” “may,” “likely,” “plan” and “probably” or similar words may identify forward-looking statements, but the absence of these words does not mean that a statement is not forward-looking. Forward-looking statements in this press release include, but are not limited to, statements relating to (i) estimates of future drilling, production, sales and costs of acquiring crude oil, natural gas and natural gas liquids; (ii) the amount and timing of stock buybacks, if any, under VAALCO’s stock buyback program and VAALCO’s ability to enhance stockholder value through such plan; (iii) expectations regarding future exploration and the development, growth and potential of VAALCO’s operations, project pipeline and investments, and schedule and anticipated benefits to be derived therefrom; (iv) expectations regarding future acquisitions, investments or divestitures; (v) expectations of future dividends, buybacks and other potential returns to stockholders; (vi) expectations of future balance sheet strength; (vii) expectations of future equity and enterprise value; and (viii) VAALCO’s ability to finalize documents and effectively execute the POD for the Venus development in Block P.

Such forward-looking statements are subject to risks, uncertainties and other factors, which could cause actual results to differ materially from future results expressed, projected or implied by the forward-looking statements. These risks and uncertainties include, but are not limited to: risks relating to any unforeseen liabilities of VAALCO or TransGlobe; the ability to generate cash flows that, along with cash on hand, will be sufficient to support operations and cash requirements; the impact and costs of compliance with laws and regulations governing oil and gas operations; the risks described under the caption “Risk Factors” in VAALCO’s 2022 Annual Report on Form 10-K filed with the SEC on April 6, 2023.

Dividends beyond the fourth quarter of 2023 have not yet been approved or declared by the Board. The declaration and payment of future dividends and the terms of share buybacks remains at the discretion of the Board and will be determined based on VAALCO’s financial results, balance sheet strength, cash and liquidity requirements, future prospects, crude oil and natural gas prices, and other factors deemed relevant by the Board. The Board reserves all powers related to the declaration and payment of dividends and the terms of share buybacks. Consequently, in determining the dividend to be declared and paid on VAALCO common stock or the terms of share buybacks, the Board may revise or terminate the payment level or buyback terms at any time without prior notice.

Oil and Gas Reserves

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, GLJ or by VAALCO in evaluating its 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.

Non-GAAP Financial Measures

Certain financial information in this presentation is presented on a non-GAAP basis. Please refer to the reconciliations included in this presentation under “Appendix” for the most directly comparable GAAP financial measures.

Adjusted EBITDAX is a supplemental non-GAAP financial measure used by VAALCO’s management and by external users of the VAALCO’s financial statements, such as industry analysts, lenders, rating agencies, investors and others who follow the industry, as an indicator of VAALCO’s ability to internally fund exploration and development activities and to service or incur additional debt. Adjusted EBITDAX as used herein represents net income before discontinued operations, interest income net, income tax expense, depletion, depreciation and amortization, exploration expense, impairment of proved crude oil and natural gas properties, non-cash and other items including stock compensation expense, gain on the Sasol Acquisition and unrealized commodity derivative loss.

Adjusted EBITDAX have significant limitations, including that they do not reflect the VAALCO’s cash requirements for capital expenditures, contractual commitments, working capital or debt service. Adjusted EBITDAX should not be considered as a substitute for net income (loss), operating income (loss), cash flows from operating activities or any other measure of financial performance or liquidity presented in accordance with GAAP. Adjusted EBITDAX exclude some, but not all, items that affect net income (loss) and operating income (loss) and these measures may vary among other companies. Therefore, the VAALCO’s Adjusted EBITDAX may not be comparable to similarly titled measures used by other companies.

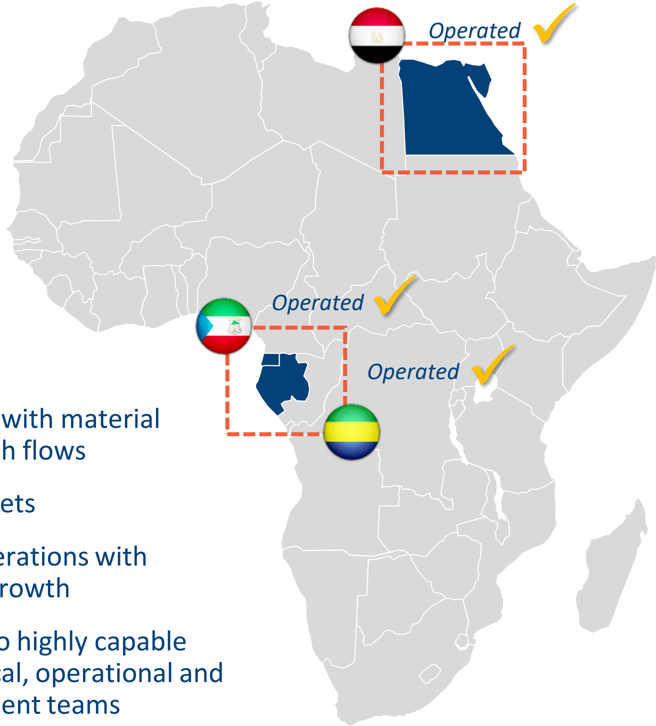
Management uses Free Cash Flow (Available For Equityholders) to evaluate funds that may be available for distribution to stockholders and believes the measure is useful to investors because it eliminates the impact of property and equipment expenditures, finance lease costs and deferred financing costs from period to period. Management also believes this non-GAAP measure is useful to investors to evaluate and compare the Company’s financial position across periods. Free Cash Flow (Available For Equityholders) is a non-GAAP financial measure and as used herein represents cashflows from operating activities after discontinued operations, with add-backs for property and equipment expenditures, finance lease costs and deferred financing costs. Free Cash Flow (Available For Equityholders) is a supplemental non-GAAP financial measure used by VAALCO’s management and by external users of the Company’s financial statements, such as industry analysts, lenders, rating agencies, investors and others who follow the industry, as an indicator of the Company’s ability to pursue objectives beyond ordinary course operations and funding capital expenditures.

Free Cash Flow (Available For Equityholders) has significant limitations, including that it does not represent residual cash flows available for discretionary purposes and should not be used as a substitute for cash flow measures prepared in accordance with GAAP. Free Cash Flow (Available For Equityholders) should not be considered as a substitute for cashflows from operating activities before discontinued operations or any other liquidity measure presented in accordance with GAAP. Free Cash Flow (Available For Equityholders) may vary among other companies. Therefore, the Company’s Free Cash Flow (Available For Equityholders) may not be comparable to similarly titled measures used by other companies.

A Diversified African-Focused E&P

Complementary businesses coming together to create a stronger, Pan-African entity

A Growing, Diversified Footprint in Africa



- Full-cycle portfolio with material production and cash flows
- 100% operated assets
- Critical mass of operations with running room for growth
- Combination of two highly capable subsurface/technical, operational and business development teams

Gabon *(offshore)*

P D A E

Etame Marin Permit
WI 58.8% (Operated)

Q3'23 Prod (NRI)[1][2]: 8.6 mbopd
1P Reserves (NRI)[1]: 10.2 mmbbl
Acreage (gross): 46,300

Egypt *(onshore)*

P D A E

Eastern Desert WI 100% (Operated)
South Ghazalat WI 100% (Operated)

Q3'23 Prod (NRI)[1][2]: 8.0 mbopd
1P Reserves (NRI)[1]: 8.6 mmbbl
Acreage (gross): 52,500

Equatorial Guinea *(offshore)*

P D A E

Block P WI 45.9%[3] (Operated)

Received approval of Venus standalone development plan, negotiating final documents for approval
Acreage (gross): 57,300

Canada *(onshore)*

P D A E

Harmattan WI 94.5% (Operated)

Q3'23 Prod (NRI)[1][2]: 2.3 mboepd
1P Reserves (NRI)[1]: 9.2 mmboe
Acreage (gross): 75,400

P Production D Development A Appraisal E Near-Field Exploration

Supported by High-Quality Canadian Acreage

- Majority operated assets
- Significant near-term growth potential through large drilling inventory
- Highly cash generative in current price environment
- High-quality technical team supporting the wider business
- North American drilling, completion and unconventionals technologies with applications across broader portfolio

Building Scale and Diversification With an Operated, Full-cycle, Low-risk, High Return Portfolio

(1) Net Revenue Interest ("NRI") share of volumes on a working interest basis, after deduction of royalty.
(2) Q3'23 NRI production reported in Q3 2023 earnings release
(3) In February of 2023, the Company acquired an additional 14.1% participating interest, increasing VAALCO's participating interest in the Block to 60%

Accelerating Shareholder Returns and Value Growth

A world-class African-focused E&P supporting sustainable shareholder returns and growth

Building a diversified, African-focused E&P with meaningful upside

Complementary asset base spanning Gabon, Egypt, Equatorial Guinea and Canada, diversifying production and revenue

Robust net cash balance sheet providing a strong foundation for meaningful shareholder returns

Significant cash distribution announced for 2023: ~US$0.25/share 2023 dividend and up to $30 mm share buyback program continuing into 2023

Step change in production and cash flows support sustainable returns and growth

Near doubling of production and recognized material synergies supporting significant cash generation for shareholder returns and growth investment

Material reserves and production with a high-quality inventory of multi-year investment options

Significant 1P and 2P (NRI) reserve base with upside associated with Equatorial Guinea

Enlarged scale enhances investment proposition for the global capital markets

Increased scale and profile promotes enhanced market visibility and uplift in trading liquidity

Proven team with an established track record of value creation

Strong record of value creation and returns, coupled with returning value to shareholders, enhances investment thesis

Key Asset Milestones and Catalysts

	2023	2024	2025+
GABON	Long lead Items, Planning Expression of interest for rig	3 to 4 well drilling campaign with options Finalize Block G&H documentation	
EGYPT	Successfully completed D&C program Production optimization, Workovers identified for early 2024	Ongoing capital program similar to 2023 with 10-15 Well programs including exploration	
CANADA	Successfully completed D&C program Land optimization	Ongoing capital program drilling 2.5 to 3 mile laterals	
EQUATORIAL GUINEA	Finalizing JOA	FEED studies, FID	Drill 3 wells

Creating a Diversified African E&P Business Supporting Sustainable Growth & Shareholder Returns

Adding Future Value Through Synergies

Unlocking additional value through cost reductions and operational optimization through the use of best practices

Immediate Cost Synergies

Within 6 months post closing

- Cancel TransGlobe's listings on TSX, Nasdaq, AIM
- Reduce Board and Executive positions
- Consolidation of advisors
- Extract cost savings in service contracts across the business given combined scale

Captured

Annualized estimated savings US$3-5 ***million***

Medium-Term Cost Synergies

18-24 months post closing

- Focused on automation and digitalization; kicked off Global Cloud Based ERP solution with 9 – 12 month timeline for completion
- Supply chain led contracting efficiencies on drilling and capital projects

Annualized estimated savings US$2-4 ***million***

Operational Synergies

- Combination enhances engineering and reservoir expertise, including onshore and offshore operations and development
- Expands fracing knowledge and potential operational applications

Combined Company Could Capture Cost Synergies of up to US$30 to US$50 Million Through 2030 That Would Otherwise not be Possible on a Standalone Basis

Recent Highlights

Captured meaningful synergies on TGA combination

Significant Reduction in combined G&A YTD 2023 vs. YTD 2022

Increased FY production guidance, raised guidance in all production areas

Lowered FY 2023 Capital Guidance by ~$10 million at midpoint

Highly successful 2023 drilling program in Egypt and Canada completed

Production exceeding expectations, costs lower than forecasted

Protecting FCF[1] for Shareholders

Distributed 41% of FCF YTD 2023 to Shareholders

Operating Efficiently, Increased Production, Lowered Capital and Capturing Synergies Driving Cash Flow Growth

1) Free Cash Flow is a Non-GAAP financial measure and is reconciled to the closest GAAP measure in the attached table under "Reconciliations."

Q3 2023 KEY METRICS

	Q3 2023	Change[1]
Reported Production (Avg. WI Daily Production Volumes)	24,430 BOEPD	-2%
Adjusted EBITDAX[2]	$71.4 million	9%
Adjusted Net Income per share[2]	7 cents	-36%
Diluted Net Income per share	6 cents	0%
Cash flow from operations	$94.2 million	165%
Cash Capital Expenditures	$22.5 million	-17%
Free Cash Flow[2]	$57.2 million	1071%
Shareholder Return (Dividend and buyback)	$12.8 million	9%

Strong Sales and Lower Capex Spend in Q3 and Projected for Q4 2023, Driving Meaningful Growth in Cash Flow

1) % Change from Q2 2023 to Q3 2023
2) Adjusted EBITDAX, Adjusted Net Income, Adjusted Net Income per share, Free Cash Flow and Adjusted Net Income Per Diluted Share are Non-GAAP financial measures and are described and reconciled to the closest GAAP measure in the Appendix or in the Q3 2023 earnings release

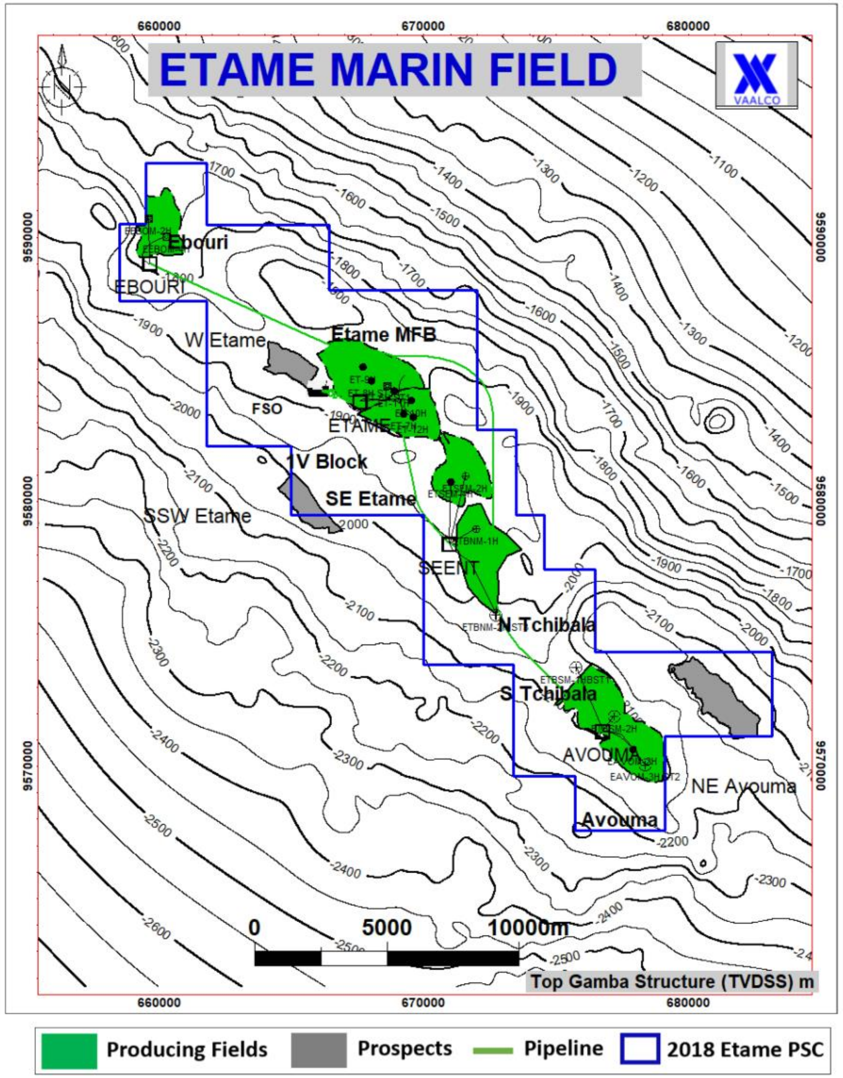
Gabon: Etame Offshore License

Production from multiple reservoirs, wells and platforms, with upside from identified prospects

VAALCO	Sinopec (Addax)	PetroEnergy
58.8% WI(1) Operator	**31.4% WI**	**2.3% WI**

Asset Overview

- Operator of Etame licences in Gabon with 63.6%(1) participating interest
- Located in prolific South Gabon basin in shallow water (~85m)
- 46,300 gross acres; 27,200 net acres
- Significant production potential:
  - Produced ~135 gross mmbbl to date
  - Production grown from 4,853 NRI bbl/d in FY’20 to ~8,600 NRI bbl/d Q3’23
- 1P reserves (NRI) at YE2022 of 10.2 mmbbl
- Numerous undrilled opportunities at moderate drilling depths (1,800m to 2,900m TVD) into known reservoirs



(1) Gabon working interest is net of Tullow carried interest, participating interest would be 63.6% and Net Revenue Interest (NRI) includes deductions for the Gabonese national government and Tullow carried interest (51.2%)

Gabon Update

Production Optimization

Asset Highlights

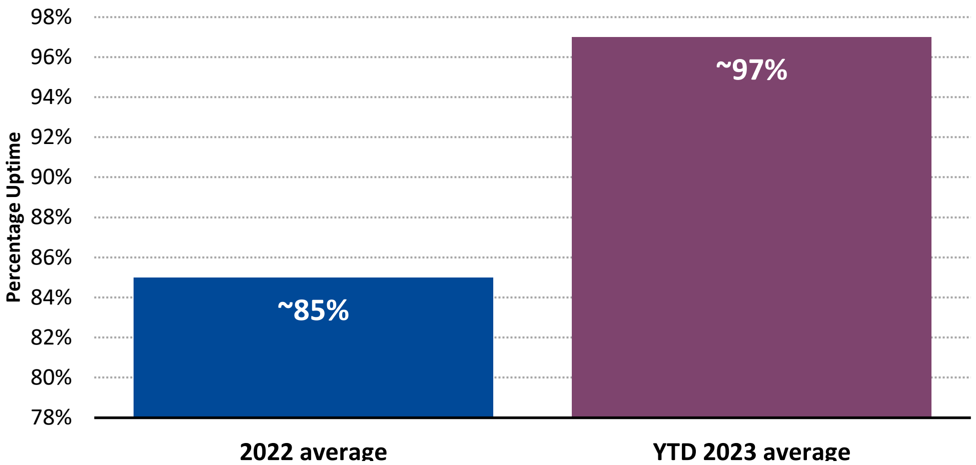
- Production at the high end of Q3 guidance range and only down 2% sequentially, despite no drilling campaign in 2023
- Strong operational production uptime and optimization efforts, offsetting decline
  - Achieved ~97% production uptime YTD 2023
  - Focus on back pressures post FPSO change out optimizing field process and production capabilities
- Capital program in 2023 focused on maintenance capex and long lead items for 2024/2025 drilling campaign
- Increasing 2023 production guidance due to strong base performance

3Q 2023 Asset Stats

9,901 BOEPD
WI Production

100% / 0% / 0%
Oil NGL Gas

Operational Production Uptime



Maintaining Strong Production and Planning for 2024/2025 Drilling Campaign

Egypt: Eastern Desert Merged Concession

Newly merged concession offering attractive fiscal terms to enable further development

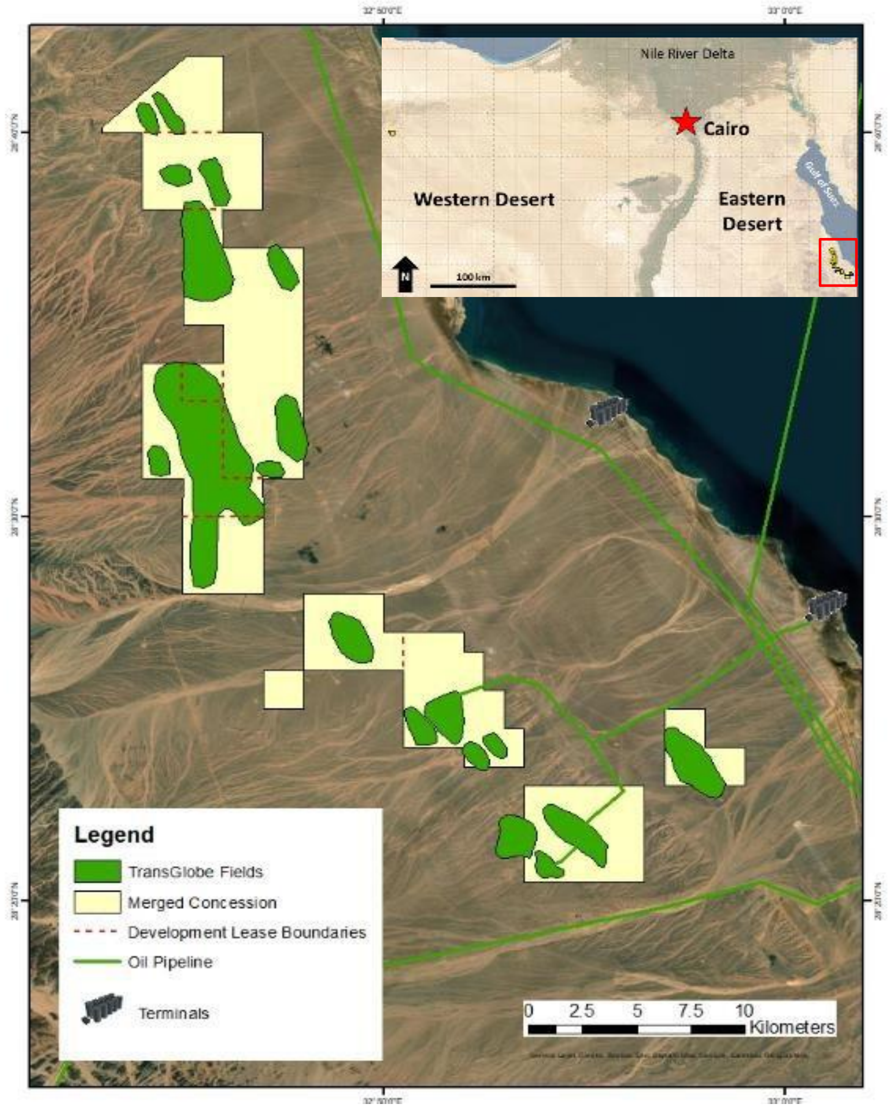
100% WI Operator

Asset Overview

> Located onshore in Egypt's Eastern Desert with 52,500 gross acreage position

> Three previous PSCs were combined into one concession, ratified in early 2022
  - 20-year (15-year primary + 5-year option) contract period
  - Improved fiscal terms to support future growth
  - US$50m minimum investment in each five-year period for the 15-year primary term
  - US$66m cost of merged concession (US$36m paid to date, three annual payments of US$10m remaining) as compensation to EGPC for reduced government take
  - US$51m receivable due to effective date adjustment
    - Original receivable of US$67m offset in late 2022 by US$17m
  - Outstanding AR down to US$19m at end of Q3 2023, as we continue to work closely and have a strong relationship with EGCP

> 100% heavy oil production (~21° API gravity)
  - All production sent by pipeline to coastal storage facility where it is stored pending periodic liftings
  - Crude sold to both third parties and Egyptian government with payments received in USD and offsets (EGPC owned services and supply companies)



Egypt Update

Production & Drilling Optimization

Asset Highlights

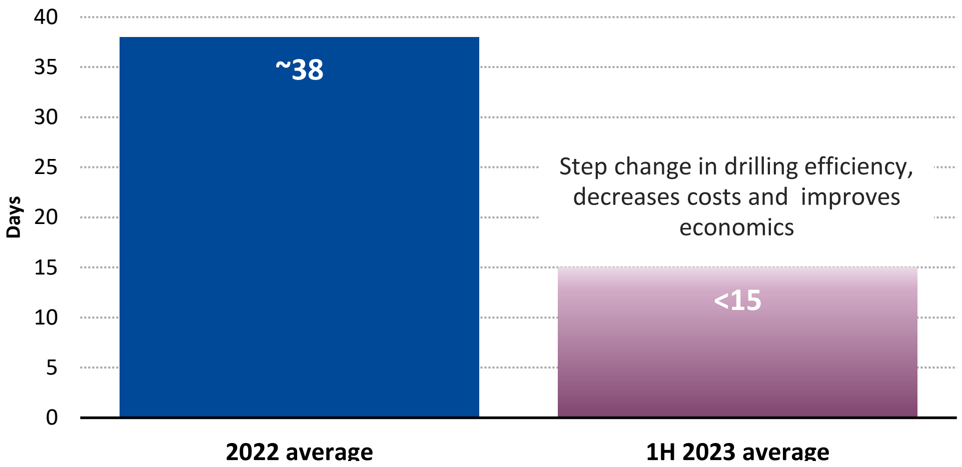
- Production up 1% sequentially and at the high end of Q3 guidance range
- Continued drilling success with 2023 capital program reaching drilling efficiency milestones
  - Successfully drilled 18 vertical wells YTD 2023 and completed 1 horizontal well
  - Improved drilling and completion performance with average drilling days decreasing by more than 50% from 2022 average of 38 days to under 15 days in 1H 2023
  - Reduced the rig-release to artificial lift production period to less than 6 days
- Capital program, strong production performance and operational efficiencies supporting increased total Company and Egyptian production guidance for FY 2023

3Q 2023 Asset Stats

11,691 BOEPD
WI Production

100% / 0% / 0%
Oil NGL Gas

Improved Drilling Efficiency



Outstanding 2023 Capital Program Results Driving Production Growth

Canada: Harmattan Cardium Assets

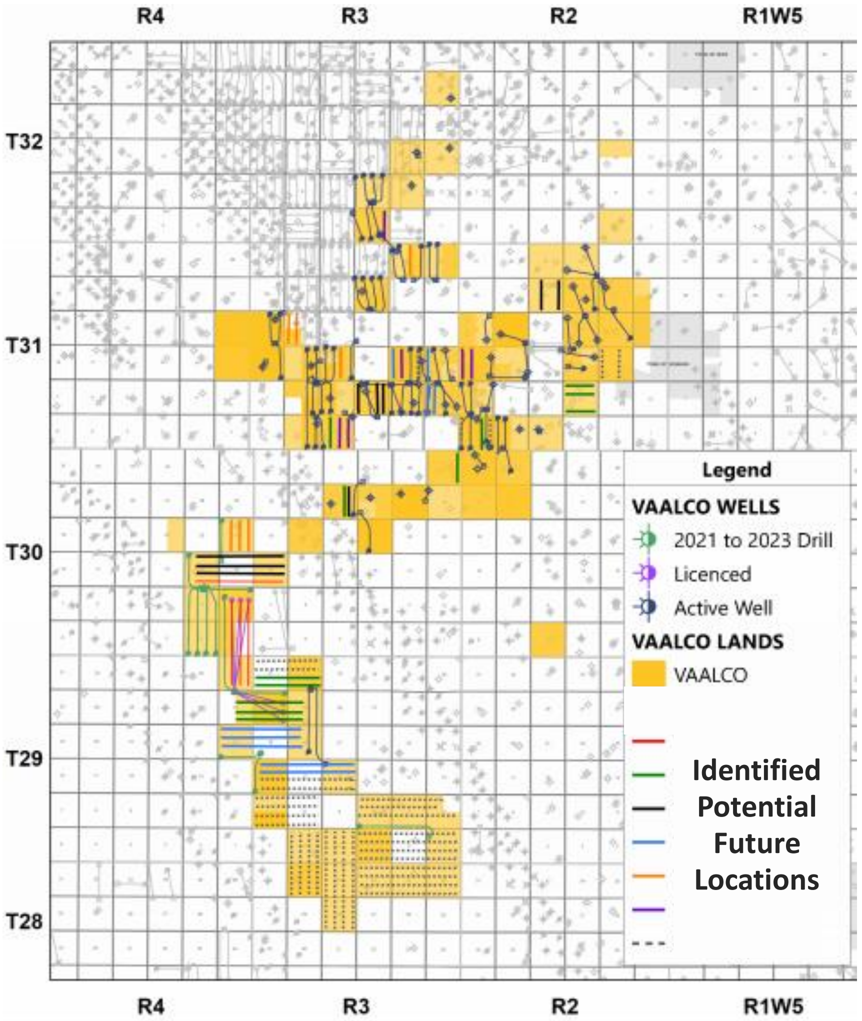
A core play in the Western Canadian Sedimentary Basin (WCSB) with substantial potential remaining

Asset Overview

- Cardium assets in the WCSB covering about 75,400 gross acres
- Profitable operations with low costs, contributing to total Company free cash flow generation
- 2023 Q3 production (NRI) of 2.3 mboepd
- Low decline, oil weighted production with ~70% liquids

Substantial Future Development Opportunities

- Continued focus on production maintenance and free cash flow growth across Harmattan sites
- Potential to drill in excess of 65 locations over the next 4 - 6 years with longer laterals that will cover more horizontal length than the 80 previous locations
- Low operating costs driven by owned and operated infrastructure, as well as strong oil and gas marketing agreements



Canada Update

Optimizing Lateral Lengths, Frac Intensity and Facilities

Asset Highlights

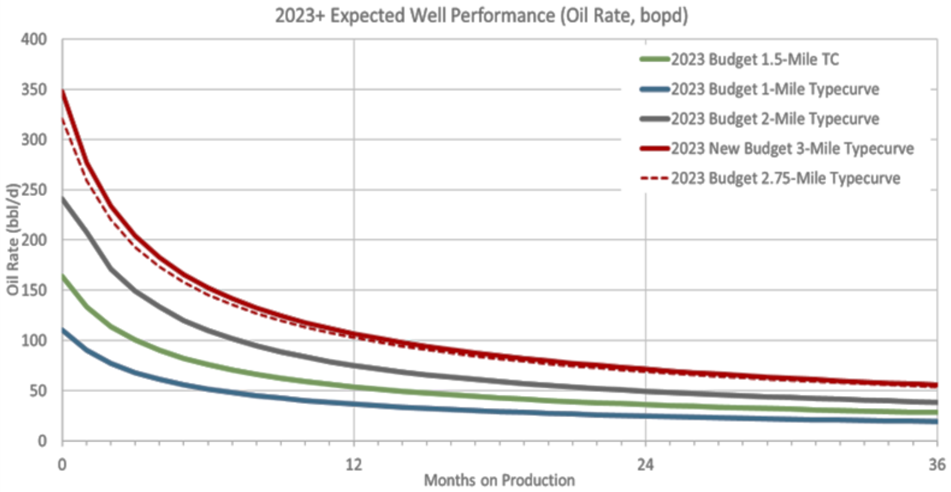
- Successfully and safely drilled 2 wells in Q1 2023
  - Drilled a 1.5 mile lateral well
  - Drilled a 2.75 mile lateral well, the longest to date
- The wells retained acreage and achieved average cycle time of <90 days
- Both wells exceeded initial production estimates
  - Wells brought online in Q2 and free flowing through May, then switched to pumping rods in June
  - One well was a top 15 new oil well producer in Alberta in May 2023
  - Monitoring wells for long-term performance versus type curve
- Moving to longer laterals exclusively in the future
  - Extending laterals to 2.5 and 3 miles should improve the overall economics of future drilling programs
- Working to further optimize frac intensity and shorten cycle times
- Evaluating facility and pad optimization to further enhance economics

3Q 2023 Asset Stats

2,835 BOEPD
WI Production

45% / 28% / 27%
Oil / NGL / Gas

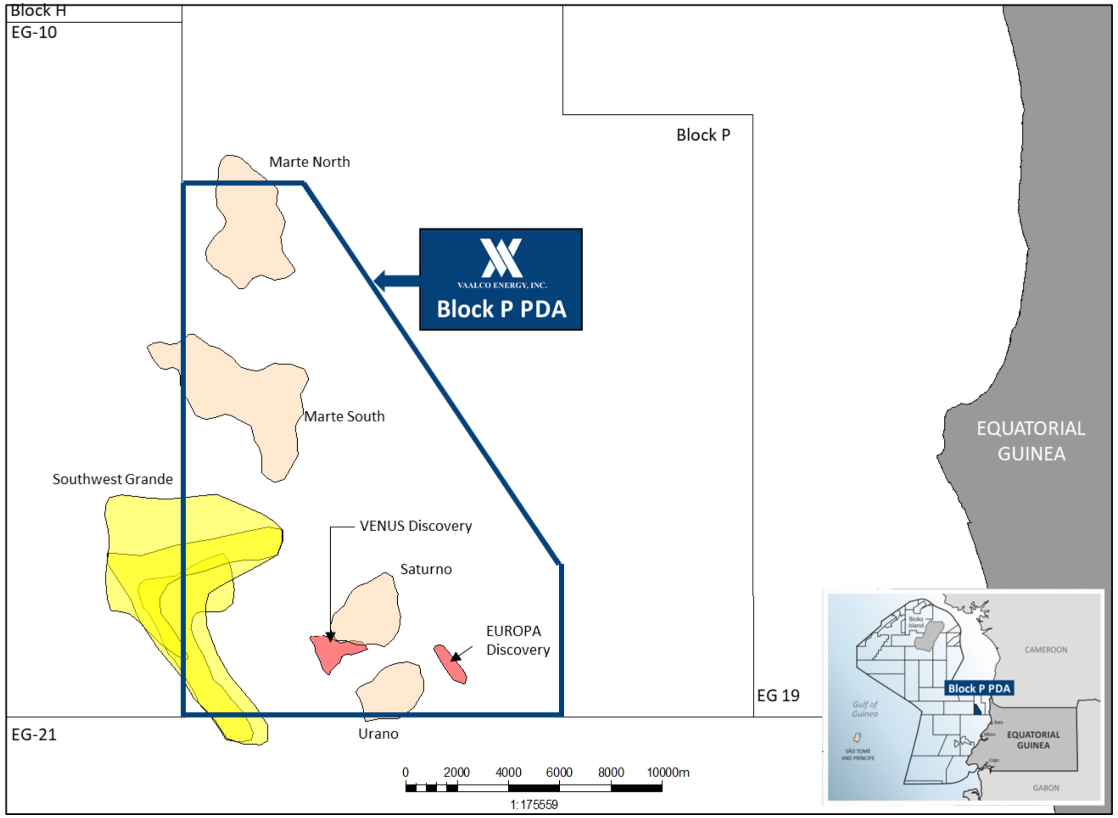
Enhancing Returns By Extending Lateral Length



Outstanding 2023 Capital Program Results Driving Production Growth

Equatorial Guinea[1]: Future Growth Potential

Maximizing the value in VAALCO's portfolio



VENUS DISCOVERY	EUROPA DISCOVERY	SW GRANDE PROSPECT
Potential to add: 2P CPR reserves	Upside potential: Unrisked 2C resource	Upside potential: Unrisked 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
- Discoveries on Block were made by Devon, a prior operator/owner

Current Status

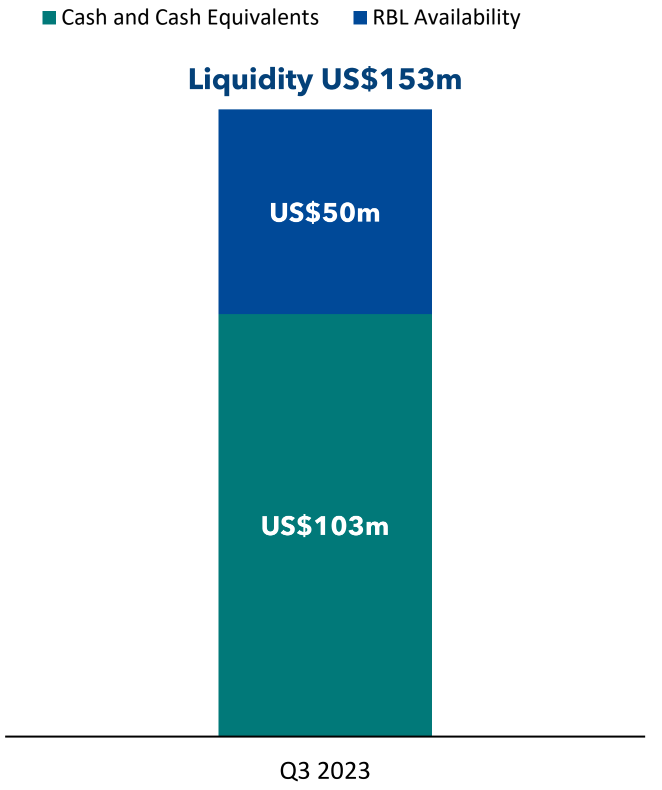
- In 2021, completed feasibility study of Venus standalone project
- In September 2022 Plan of development approved by EG government
- POD in place, finalizing agreements, with first oil forecasted for 2026

Strategy to Accelerate Value Creation While Adding Second Core Area, Reduces Risk and Enhances Upside

STRONG FINANCIAL FOUNDATION WITH NO BANK DEBT

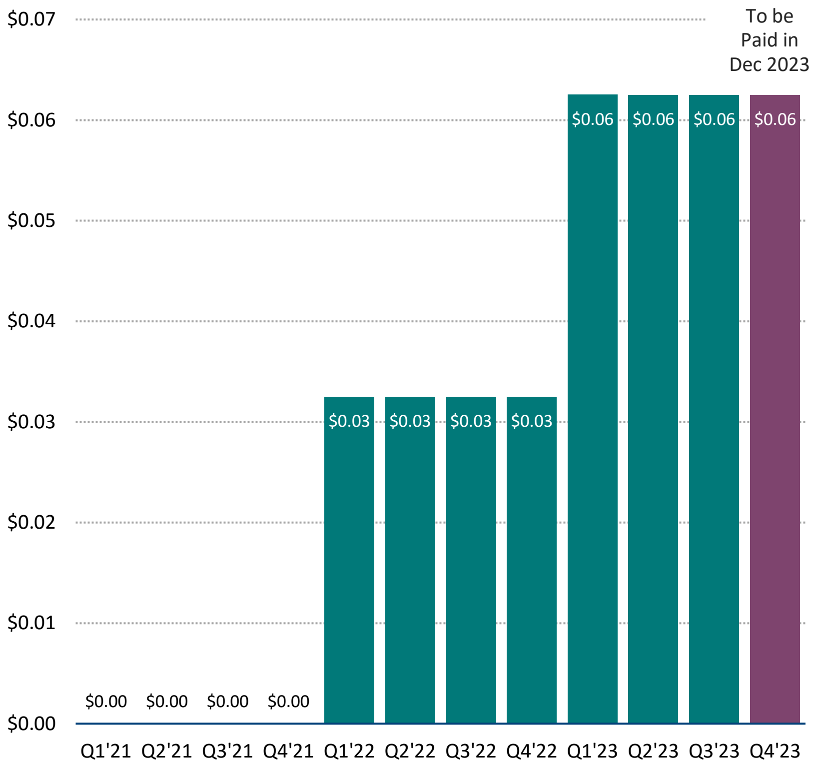
Fully Funding Shareholder Returns and Capital Programs

Strong Liquidity at Sept. 30, 2023 (US$m)



- ~US$50m undrawn RBL at Sept 30, 2023
- Fully funding capex, dividends and share buybacks while growing liquidity

Initiated Sustainable Dividend Program (US$/share)

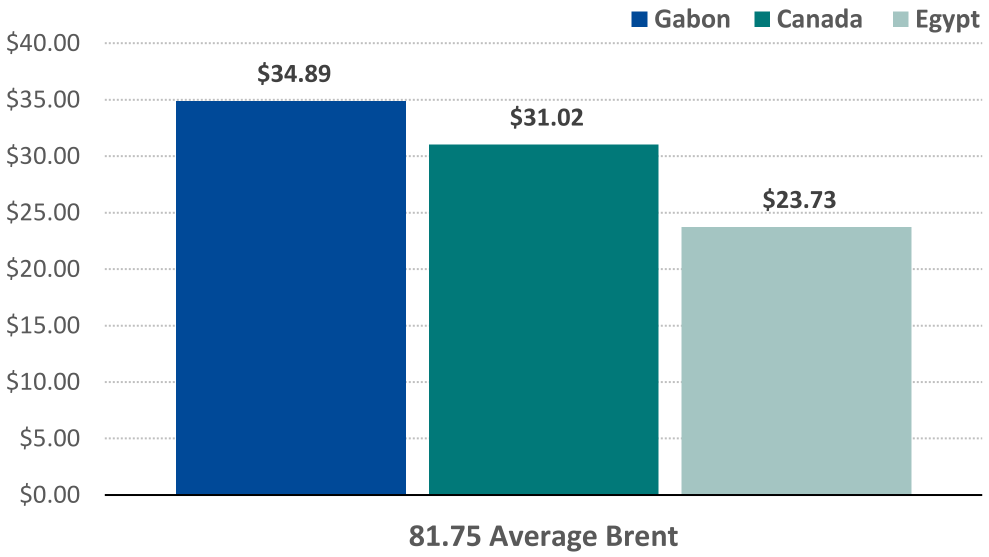


- Initiated $0.0325/share quarterly dividend in Q1 2022
- Increased dividend in 2023 by 92% to $0.0625/share quarterly

Share Buyback Program (US$m)

Sept YTD 2023 NETBACKS, Delivering strong results

Liquids $/BBL Netback by Area

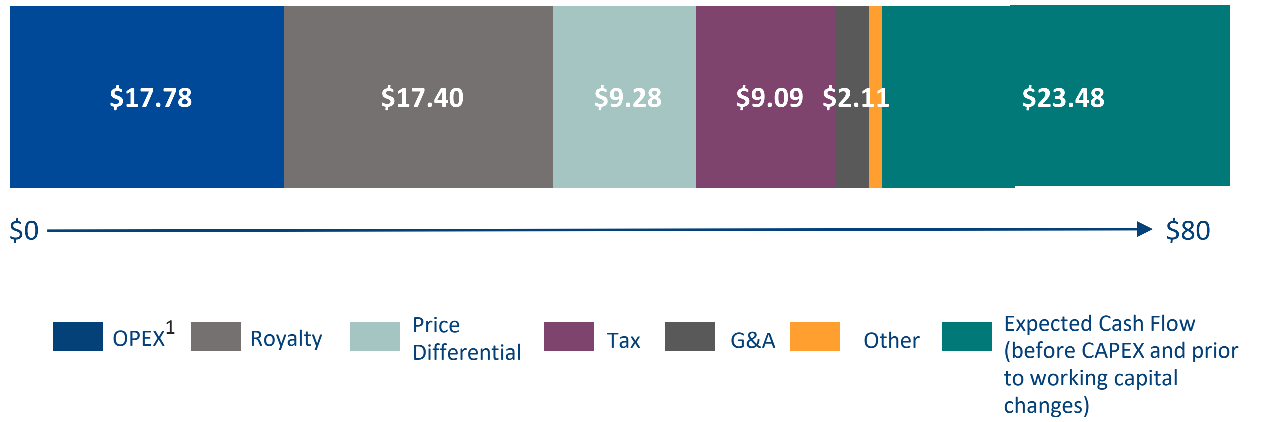


- Netbacks in line with original forecasts, with Egypt slightly higher and Canada slightly lower
- Total Company blended netback improvement has been driven primarily by lower opex per BOE; as combined royalty, price differential and tax is nearly flat compared to forecast with changes between categories attributable to production mix

Total Company Blended Netback on Working Interest Basis

Sept YTD 2023 Margins at ~$81.75 Average Brent Oil

Original Forecast of FY2023 Margins at $80 Realized Oil and Midpoint of Guidance



Delivering Better than Forecasted Margins in YTD 2023 Through Operational Excellence and Cost Control

1) OPEX excludes one-time costs for removing and disposal of Normally Occurring Radioactive Materials ("NORMs") related to finalizing the demobilization of the FPSO

Environmental, Social, Governance

Cultural alignment and shared track record for environmental stewardship enhances Combined Company's ability to deliver an effective ESG agenda

Track Record and Commitment of Combined Group

Environmental

> Zero significant reportable environmental incidents past 5/10 years
> Broadening sustainability approach to align with new required reporting
> Sharpening emphasis on sustainability risk mitigation across Supply Chain, EHS and HR
> Greater scale enhances ability to develop and implement additional ESG controls

Social

> Exceptional operational and process safety performance
> Track record of significant socio-economic contributions to host countries:
  - Tax and royalty payments
  - Spend with national suppliers
  - Advanced workforce nationalization programs, in step with local content objectives
> Social license to operate underpinned by proactive community and NGO engagement

Governance

> Further strengthening Governance foundation to build even greater consistency
> Focused on multiple reporting frameworks including SASB, GRI and TCFD
> Globalizing the process, protocols and systems to improve more consistent reporting and performance

VAALCO Select ESG Performance

> **Zero significant reportable hydrocarbon (oil) spills** over c.20 year operating history
> Undertook a comprehensive baseline study **to manage and reduce carbon footprint**
> Contributed towards the **installation of water wells, solar lights, and supply of medical equipment** and **rebuilding of schools** in Gabon

TransGlobe Select ESG Performance

> Currently assessing **venting elimination** and **pump/heater power options**
> **Established HSES[2] & integrity management system**
> Supported the **purchase of 50 new houses for families affected by floods** and the **purchase and delivery of Covid relief packages in Egypt**

(1) TRCF: Total Recordable Case Frequency
(2) HSES: Health Safety and Environmental Services

APPENDIX

Creating a Diversified African E&P Business
Supporting Sustainable Growth & Shareholder Returns

2023 Full Year Guidance

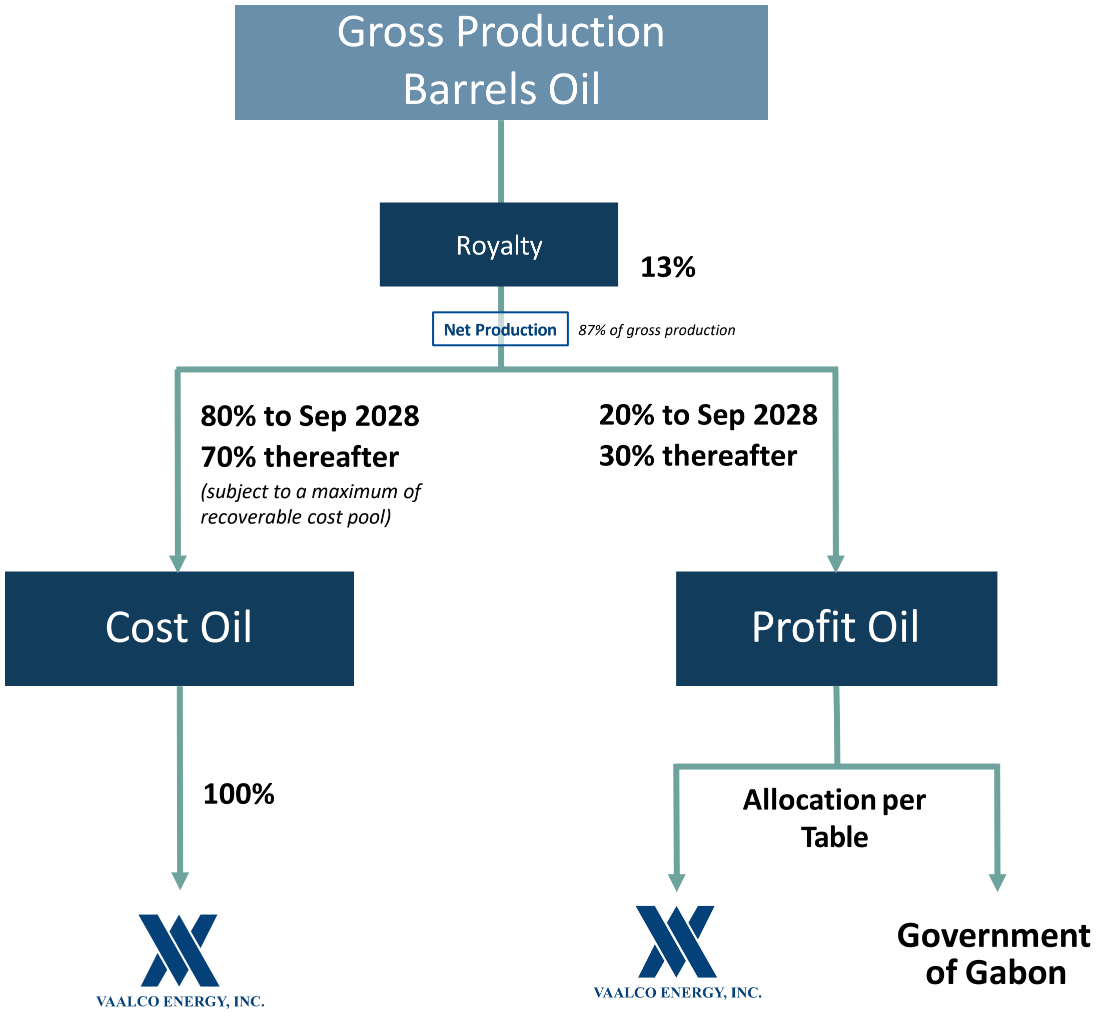
(As of November 7, 2023)

	Q4 2023	FY 2023	FY Commentary
WI Production[1] (BOEPD)			
Gabon	9,400 - 10,100	9,950 - 10,200	Increased range due to production optimization and improved uptime
Egypt	11,100 - 11,800	10,900 - 11,400	Increased range due to better than expected 2023 drilling results
Canada	2,400 - 2,700	2,600 - 2,800	Increased range due to better than expected 2023 drilling results
Total VAALCO WI Production	22,900 - 24,600	23,450 - 24,400	
NRI Production[1] (BOEPD)			
Total VAALCO NRI Production	17,600 - 19,400	18,300 - 18,900	
WI Sales (BOEPD)			
Gabon	11,800 - 13,100	9,550 - 9,800	
Egypt	11,100 – 11,800	10,900 – 11,400	
Canada	2,400 - 2,700	2,600 - 2,800	
Total VAALCO WI Sales	25,300 - 27,600	23,050 - 24,000	
NRI Sales (BOEPD)			
Total VAALCO NRI Sales	19,800 - 22,000	17,900 - 18,500	
Production Expense[2] (millions)	\$42.2 – \$47.6	\$154.0 – \$160.0	Increased range slightly due to Gabon SEENT pipeline repairs and cost inflation
Production Expense per WI BOE	\$16.00 – \$21.00	\$17.00 – \$19.50	Higher sales almost completely offset higher costs on a per BOE basis
Production Expense per NRI BOE	\$21.00 – \$26.50	\$22.00 – \$25.00	Higher sales almost completely offset higher costs on a per BOE basis
Offshore Workovers (millions)	\$0 – \$0	\$0 – \$0	
Cash G&A[3] (millions)	\$4.0 – \$6.0	\$18.0 – \$21.0	
CAPEX (millions)	\$9.5 – \$12.0	\$71.0 – \$75.0	Reducing capex range driven by capital efficiency in Egypt and Canada
DD&A (\$/BO)	\$20.00 – \$22.00	\$20.00 – \$22.00	

1) WI is Working interest to VAALCO and NRI is net of royalties
2) Excludes offshore workover expense and stock-based compensation
3) Excludes stock-based compensation

Etame: PSC Terms

Attractive PSC with 80% Cost Recovery Until 2028



Etame: Key Terms

Key Terms	
Government back-in - Tullow	7.5% carried through June 2026, 10% thereafter
Abandonment	Abandonment fund fully funded through operations
Production and Development Term	10 yrs through 2028 plus two 5 yr options

Etame: Profit Oil Split

Profit Oil Split (Gross BOPD)	Contractor	State
0 - 10,000	50%	50%
10,000 – 25,000	45%	55%
25,000 +	40%	60%

Profit oil is split based on a weighted average of production across the different levels shown above

ETAME: Accounting for in-kind taxes

Foreign Income Taxes are Settled by the Government Through In-kind Oil Payments

- In 2023, the Gabonese government has not had a lifting of in-kind oil to settle VAALCO's tax payment
- At the end of each quarter, the amount of in-kind oil increases until a lifting occurs, and we have to mark-to-market the in-kind oil
- The price of Brent effects the accrued tax calculation which impacts earnings and earnings per share
- We continue to guide that 60-65% effective tax rate is correct over the long-term excluding these discrete items
- Commodity price movements quarter to quarter will change the effective tax rate for that quarter
- This process will continue until the government takes a lifting and the amount is settled

Rising Oil Prices Quarter over Quarter

Q2 2023
~$75/BO

Q3 2023
~$95/BO

- Oil price increased, impacting the accrued taxes
- The mark to market impact flows through earnings with a ~$5.3 mm reduction to earnings

Falling Oil Prices Quarter over Quarter

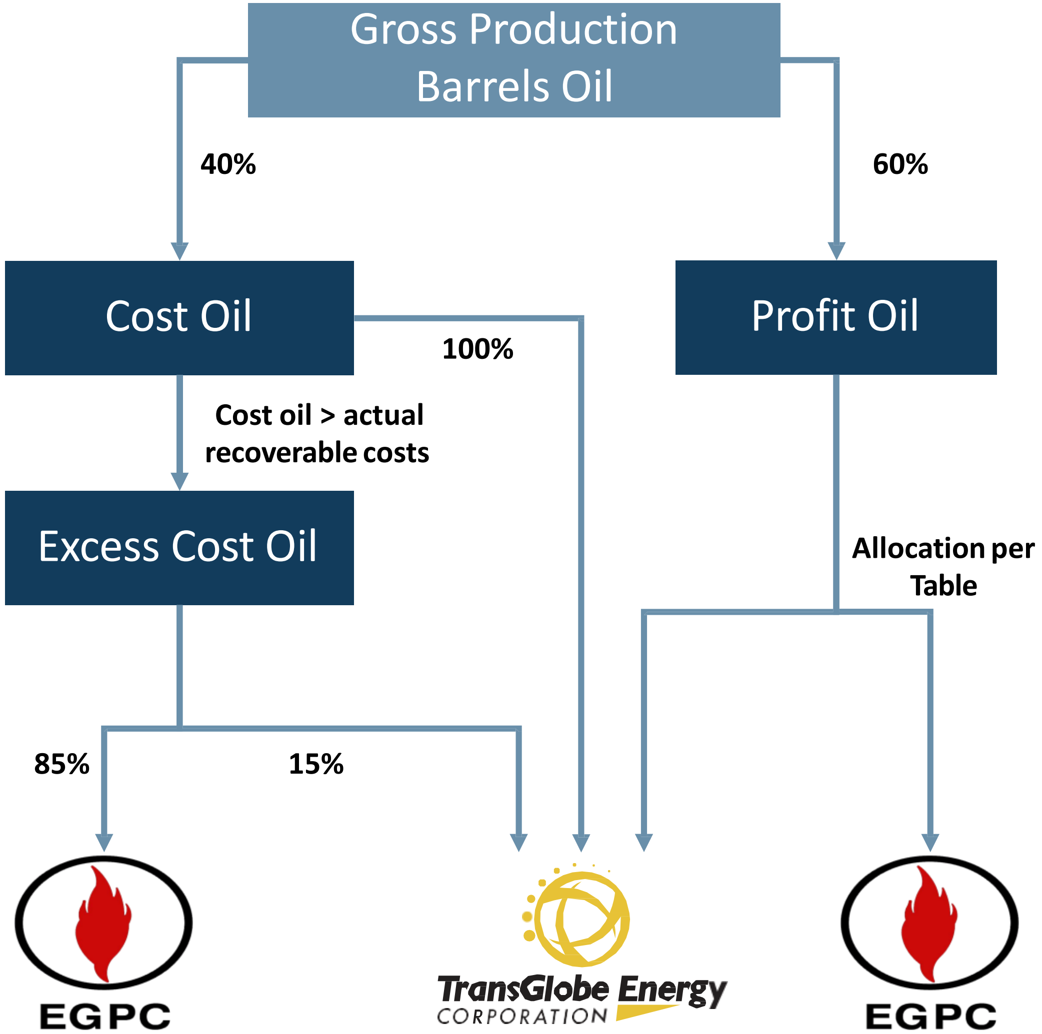
Q3 2023
~$95/BO

Q4 2023
~$85/BO

- Oil price decreases, impacting the accrued taxes
- The mark to market impact flows through earnings with a potential ~$4 - 5 mm increase to earnings

Egypt: Eastern Desert PSC Terms

Improved PSC terms enhance sustainable future investment



Brent Price US$/bbl	Production (quarterly average)									
	≤ 5,000 Bopd		> 5,000 Bopd and ≤ 10,000 Bopd		> 10,000 Bopd and ≤ 15,000 Bopd		> 15,000 Bopd and ≤ 25,000 Bopd		> 25,000 Bopd	
	EGPC %	TG %	EGPC %	TG %	EGPC %	TG %	EGPC %	TG %	EGPC %	TG %
≤ 40 US$	67	33	68	32	69	31	70	30	71	29
> 40 and ≤ 60 US$	68	32	69	31	70	30	71	29	72	28
> 60 and ≤ 80 US$	70	30	71	29	72	28	74	26	76	24
> 80 and ≤ 100 US$	72.5	27.5	73	27	74	26	76	24	78	22
> 100 US$	75	25	76	24	77	23	78	22	80	20

- **Cost Oil** – Company PSC expenditures are recovered out of 40% of all petroleum produced
- **Profit Oil** – Of the remaining 60% of all petroleum produced (after cost recovery) the production is shared between the Company and EGPC based on the above table
- **Excess Cost Oil** – If Cost Oil above exceeds the actual allowable recoverable costs, this is Excess Cost Oil and is shared between the Company and EGPC (TransGlobe 15%)
- **Taxes** - Captured in the net government entitlement oil share due to EGPC (no additional TransGlobe burden)
- **TransGlobe Oil Entitlement is the sum of Cost Oil, Profit Oil and Excess Cost Oil (if any)**

Reconciliations of Non-GAAP Measures

Reconciliation of Net Income to Adjusted EBITDAX	Three Months Ended September 30, 2023	Three Months Ended September 30, 2022	Three Months Ended June 30, 2023	Nine Months Ended September 30, 2023	Nine Months Ended September 30, 2022
Net income	$ 6,141	$ 6,868	$ 6,752	$ 16,363	$ 34,136
Add back:					
Impact of discontinued operations	-	26	2	15	58
Interest expense (income), net	1,426	234	1,703	5,375	355
Income tax expense (benefit)	25,844	22,843	11,588	52,203	64,467
Depreciation, depletion and amortization	32,538	8,963	38,003	94,958	21,827
Exploration expense	1,194	56	57	1,259	250
FPSO demobilization	—	8,867	5,647	5,647	8,867
Non-cash or unusual items:					
Stock-based compensation	1,078	36	605	2,332	2,300
Unrealized derivative instruments loss (gain)	2,321	(12,902)	(35)	2,206	(5,161)
Arrangement Costs	—	6,424	—	—	7,624
Other operating (income) expense, net	(5)	—	303	298	5
Credit losses and other	822	1,020	680	2,437	2,083
Adjusted EBITDAX	$ 71,359	$ 42,435	$ 65,305	$ 183,093	$ 136,811

	Nine Months Ended September 30, 2023
Reconciliation of Free Cash Flow	
Net cash provided by Operating activities	**$ 171,811**
Net cash used in Investing activities	**(77,365)**
Net cash used in Financing activities	**(42,382)**
Effects of exchange rate changes on cash	**(321)**
Total net cash change	**51,743**
Add back shareholder cash out:	
Dividends paid	**20,153**
Stock buyback	**15,566**
Total cash returned to shareholders	**35,719**
Free Cash Flow	**$ 87,462**
Percent of Free Cash Flow returned to shareholders	**41%**

Reconciliation of Net Income to Adjusted Net Income	Three Months Ended September 30, 2023	Three Months Ended September 30, 2022	Three Months Ended June 30, 2023	Nine Months Ended September 30, 2023	Nine Months Ended September 30, 2022
Net income	$ 6,141	$ 6,868	$ 6,752	$ 16,363	$ 34,136
Adjustment for discrete items:					
Discontinued operations, net of tax	—	26	2	15	58
Unrealized derivative instruments loss (gain)	2,321	(12,902)	(35)	2,206	(5,161)
Arrangement Costs	—	6,424	—	—	7,624
FPSO demobilization	—	8,867	5,647	5,647	8,867
Deferred income tax expense (benefit)	(985)	24,008	(813)	673	39,539
Other operating (income) expense, net	(5)	—	303	298	5
Adjusted Net Income	$ 7,472	$ 33,291	$ 11,856	$ 25,202	$ 85,068
Diluted Adjusted Net Income per Share	$ 0.07	$ 0.56	$ 0.11	$ 0.24	$ 1.43
Diluted weighted average shares outstanding (1)	106,433	59,450	107,613	107,072	59,335

Please refer to CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS in our filed 10Q

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 OFFICES

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

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

VAALCO London
17 Hanover Square,
London W1S 1BNT

VAALCO Equatorial Guinea
Office 2-1, 3rd Floor,
Autovia Aeropuerto, Kosmos Building,
Energy Square, Malabo II, Equatorial Guinea

VAALCO Canada
900, 444 – 5th Avenue S.W.
Calgary, Alberta, Canada T2P 2T8

T +1.403.264.9888

VAALCO Egypt
6 Badr Towers
Ring Road, Maadi
Cairo, Egypt

T +03 4845237

INVESTOR CONTACTS

U.S. - Al Petrie / Chris Delange

T 713.543.3422
E apetrie@vaalco.com

U.K. - Ben Romney / Barry Archer

T 44.0.20.7466.5000
E vaalco@buchanan.uk.com