November 2016 Company Update

VAALCO ENERGY, INC.

Safe Harbor Statement

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 the completion and timing of the purchase of assets from Sojitz, amounts due in connection with the Company's withdrawal from Angola, restoration of production on the Avouma platform, expected sources of future capital funding and future liquidity, future operating losses, future changes in oil and natural gas prices, future strategic alternatives, capital expenditures, future drilling plans, prospect evaluations, negotiations with governments and third parties including with the government of Gabon in connection with a revised production sharing contract, expectations regarding processing facilities, reserve growth, and other issues related to our exit from Angola. 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, decisions by our current lender or future lenders, the risks associated with our ability to continue as a going concern, the risk that the purchase of assets from Sojitz may not be consummated or may not be consummated in a timely manner, the risk that our negotiations with the governments of Gabon and Republic of Angola will be unsuccessful, 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, 2015 and quarterly report on Form 10-Q for the quarter ended September 30, 2016, which will be filed shortly, 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. 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 generally permits oil and natural gas companies, in filings made with the SEC, to disclose proved reserves, which are reserve estimates that geological and engineering data demonstrate with reasonable certainty to be recoverable in future years from known reservoirs under existing economic and operating conditions and certain probable and possible reserves that meet the SEC's definitions for such terms. In this press release and the conference call, the Company may use the terms "resource potential" and "oil in place", which the SEC guidelines restrict from being included in filings with the SEC without strict compliance with SEC definitions. These terms refer to the Company's internal estimates of unbooked hydrocarbon quantities that may be potentially added to proved reserves. Unbooked resource potential and oil in place do not constitute reserves within the meaning of the Society of Petroleum Engineer's Petroleum Resource Management System or SEC rules and do not include any proved reserves. 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, our 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.

VAALCO Overview

- Houston-based independent E&P
- Excellent reputation as a West Africa focused operator
- Operational capacity to take on new assets and projects
- Simple capital structure
  - $29 million cash including restricted(3)
  - $14 million debt(4)
- Entered agreement to acquire additional 3.23% participating interest in Etame Marin Permit from Sojitz, increasing net production 11% without requiring additional staffing

Key Metrics		
Share Price(1)	$0.74	
52-Week Range(1)	$0.73 - $2.17	
Market Capitalization(1)	$ 43	Million
Net Production(2)	3,836	BOEPD
Proved Reserves(5) 2P Reserves(5)	3.0 6.5	MMBOE MMBOE
% Oil *(Brent Based Pricing)*	94%	
% Operated	100%	

Proven Operator with a Track Record of Success

(1) As of 11/7/2016
(2) Q3 2016 average
(3) As of 9/30/2016, cash includes $1.6MM in restricted cash
(4) As of 9/30/2016, net of deferred financing costs
(5) As of 12/31/2015

VAALCO Vision Statement

We are committed to opportunistic, acquisitive growth in a low oil price environment which:

- Achieves significant ROI and is accretive to EPS
- Leverage our existing infrastructure, technical expertise, and experience in international offshore, major projects and production operations
- Provides attractive upside optionality on the eventual recovery in oil prices

Goal: Seek Additional Targeted Acquisitions That Can Create Value

Proactive in a Challenging Environment

Maintaining Track Record of Operating Excellence

- Optimizing production to maximize cash flow
- Achieved significant cost reductions
- Reduced Houston headcount by ~40% over the last year
- No recordable injuries in the last 15 months
- Cost reductions will not impact safety, environment or asset integrity

Key Strategic Steps Accomplished

- Reached agreement regarding remaining contract term on offshore Gabon drilling rig
- Converted IFC credit facility to $15 million term loan with additional $5 million available (subject to IFC approval), increasing financial flexibility
- Entered into agreement to acquire additional 3.23% participating interest in the Etame Marin Permit from Sojitz, increasing net production 11% without requiring additional staffing
- Notified Sonangol P&P on September 30 of VAALCO's intent to withdraw from the joint operating agreement (JOA) and as Operator in Angola and close its office there
- Signed letters of intent to sell substantially all of its remaining U.S. oil and gas properties in Montana and Texas for approximately $1.1 million

Focus on Lowering Costs, Maintaining Production, Preserving Cash and Exploring Acquisitions

Financial Performance and Position

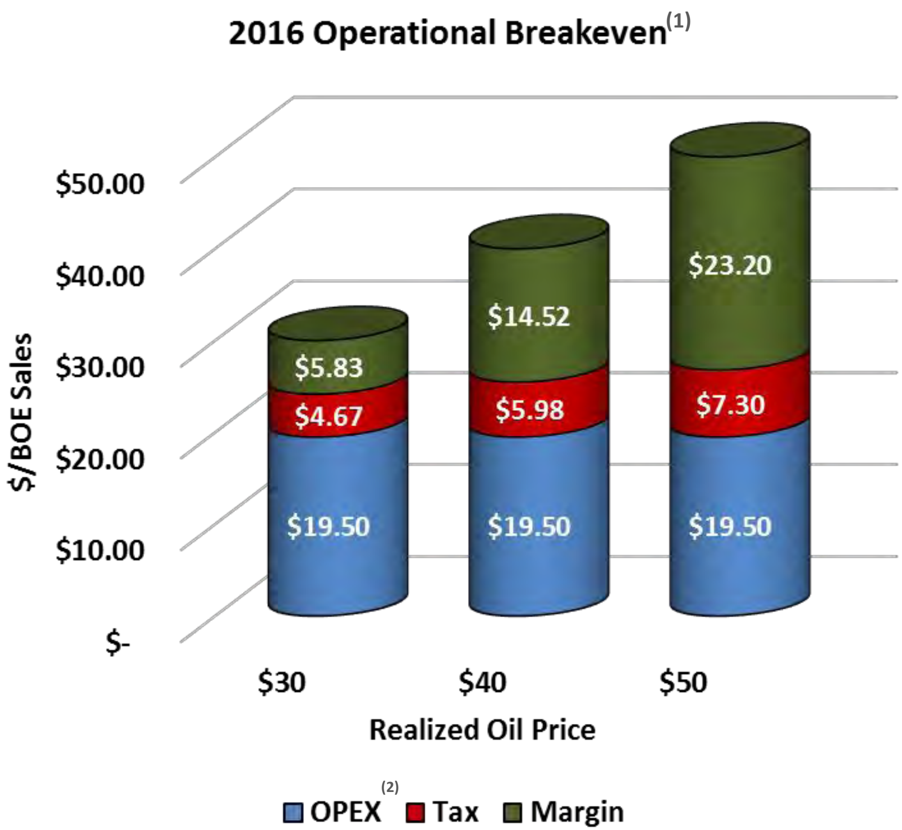
- Maximizing cash by optimizing production and reducing costs
- Straightforward balance sheet with minimal debt burden
- Public company with ability to access multiple sources of capital
- Heavily weighted to oil (94%)
- Increase in Brent quickly adds cash to the balance sheet
- Purchased $40 Brent crude oil put contracts on production for 6/2016 – 2/2017

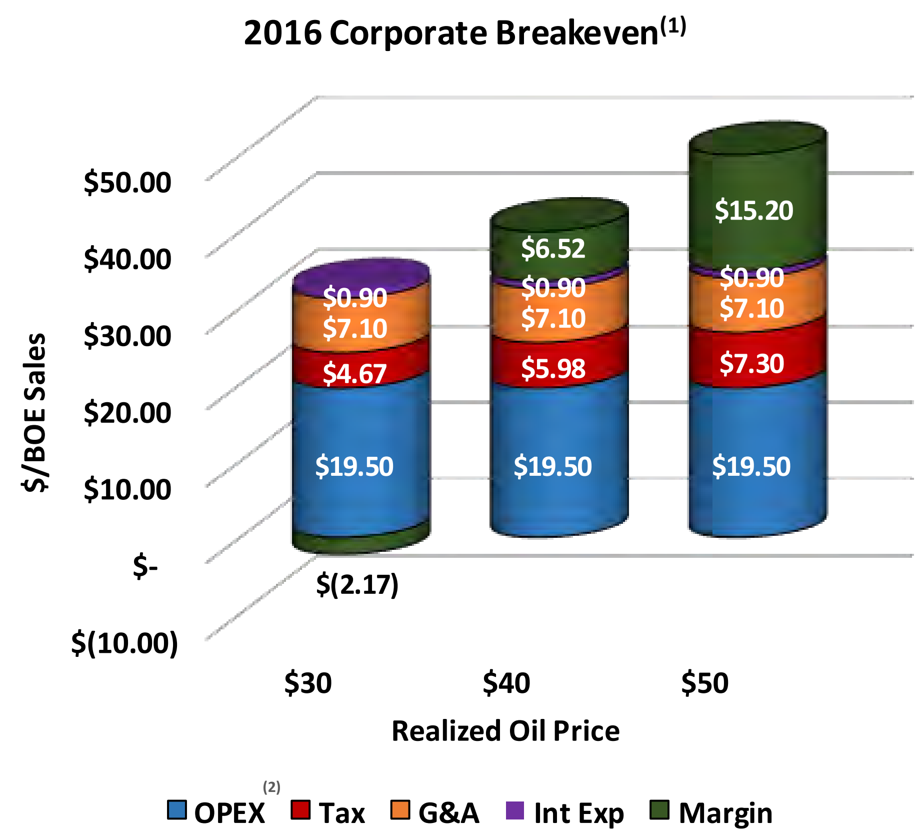
Third Quarter 2016 ($'s in millions)	
Cash Balance (including restricted cash)(1)	**$ 29**
Current Debt(2)	**$ 14**
Financial Performance – Continuing Operations	
Revenues	**$ 15**
Production & G&A expenses	**($10)**
Exploration, DD&A, Other operating expense	**($ 2)**
Operating Income	**$3**
Other expense and Income Tax	**($3)**
Income (loss) from continuing operations	**$ 0**
Adjusted EBITDAX(3)	**$4**
Basic Shares Outstanding *(in millions)*	**58**
Earnings (Loss) Per Share from continuing operations	**$ 0.00**

Maximize Margins, Manage Liquidity, Preserve Cash to Increase Optionality

(1) As of 9/30/2016, cash includes $1.6 MM in restricted cash
(2) As of 9/30/2016, net of deferred financing costs
(3) See reconciliation

Projected Cash Breakeven Analysis



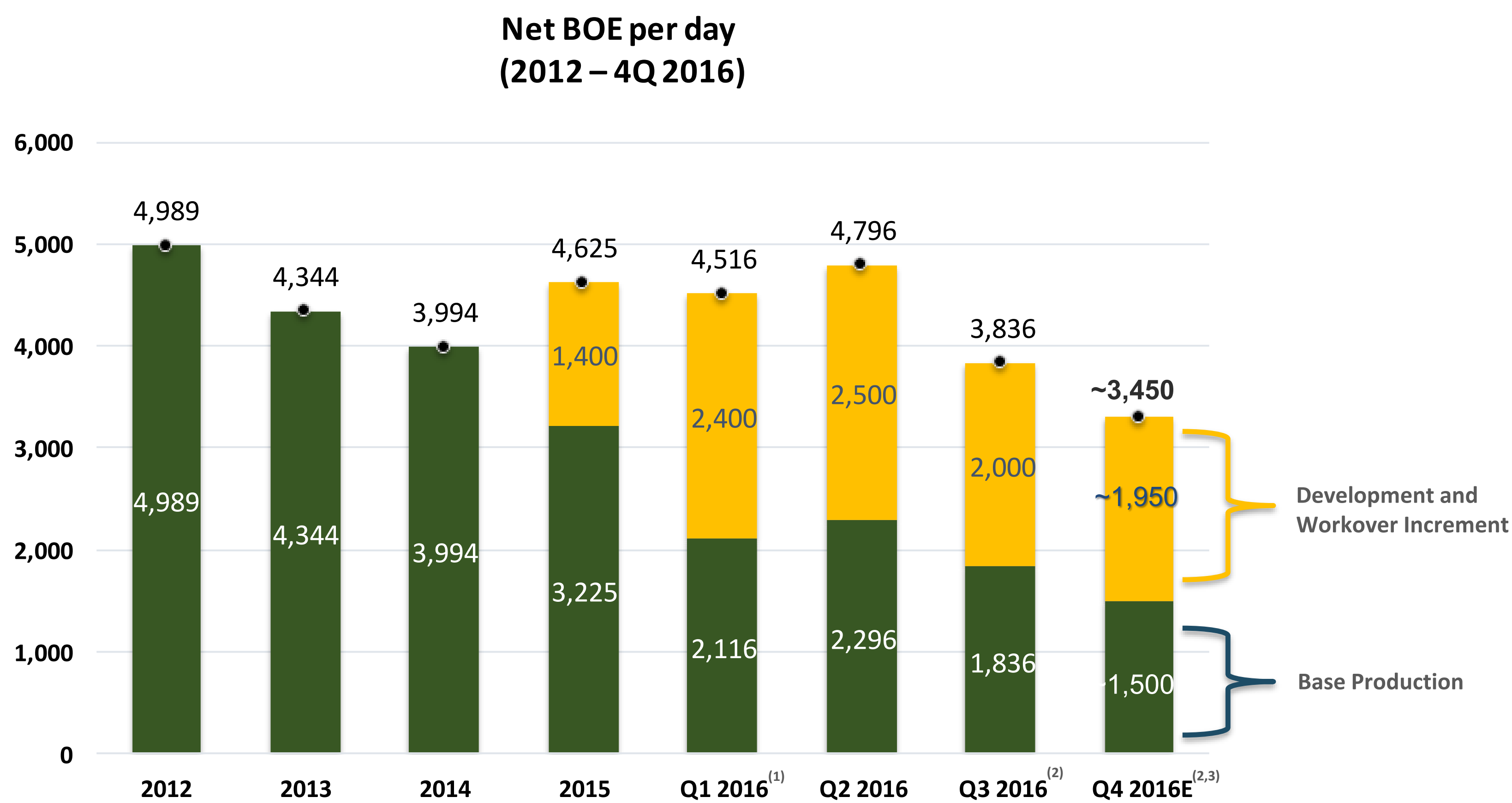


Each $5/barrel improvement in oil price increases annualized cash flow by $5 - $7MM

Operational Breakeven: <$25/BOE[3] **Corporate Breakeven: ~$31/BOE[3]**

(1) Excludes workovers, asset retirement obligation, rig release costs and capex
(2) Mid point of 2016 guidance range
(3) Realized oil price

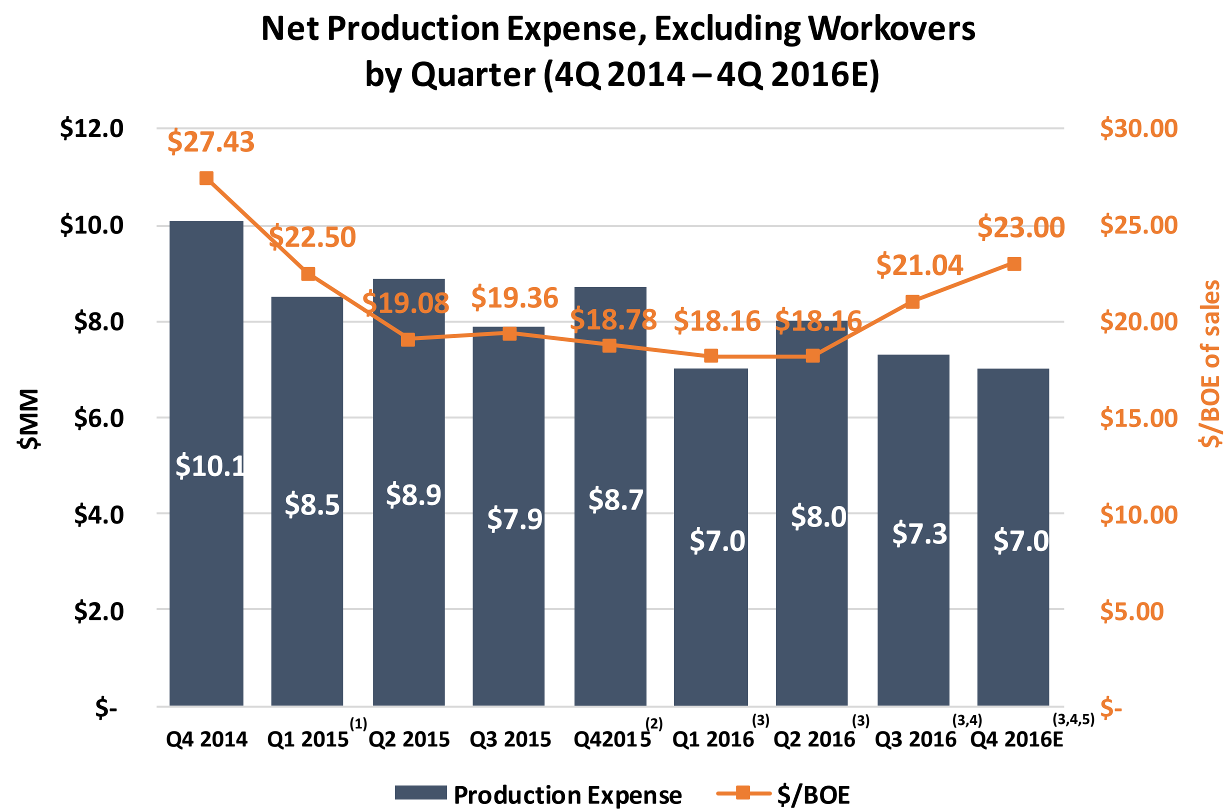
Net Base and Development Production



Successful 2015 Drilling Program and Workovers Grew Production

(1) Impacted by field wide six day turnaround
(2) Impacted by ESP failures on 2 Avouma wells
(3) Midpoint of guidance range

Net Production Expense Reductions



Full Year 2016 OPEX Guidance $18 - $21/Boe of Sales

Cost Reduction Initiatives Contributing to Decline in Production Expense

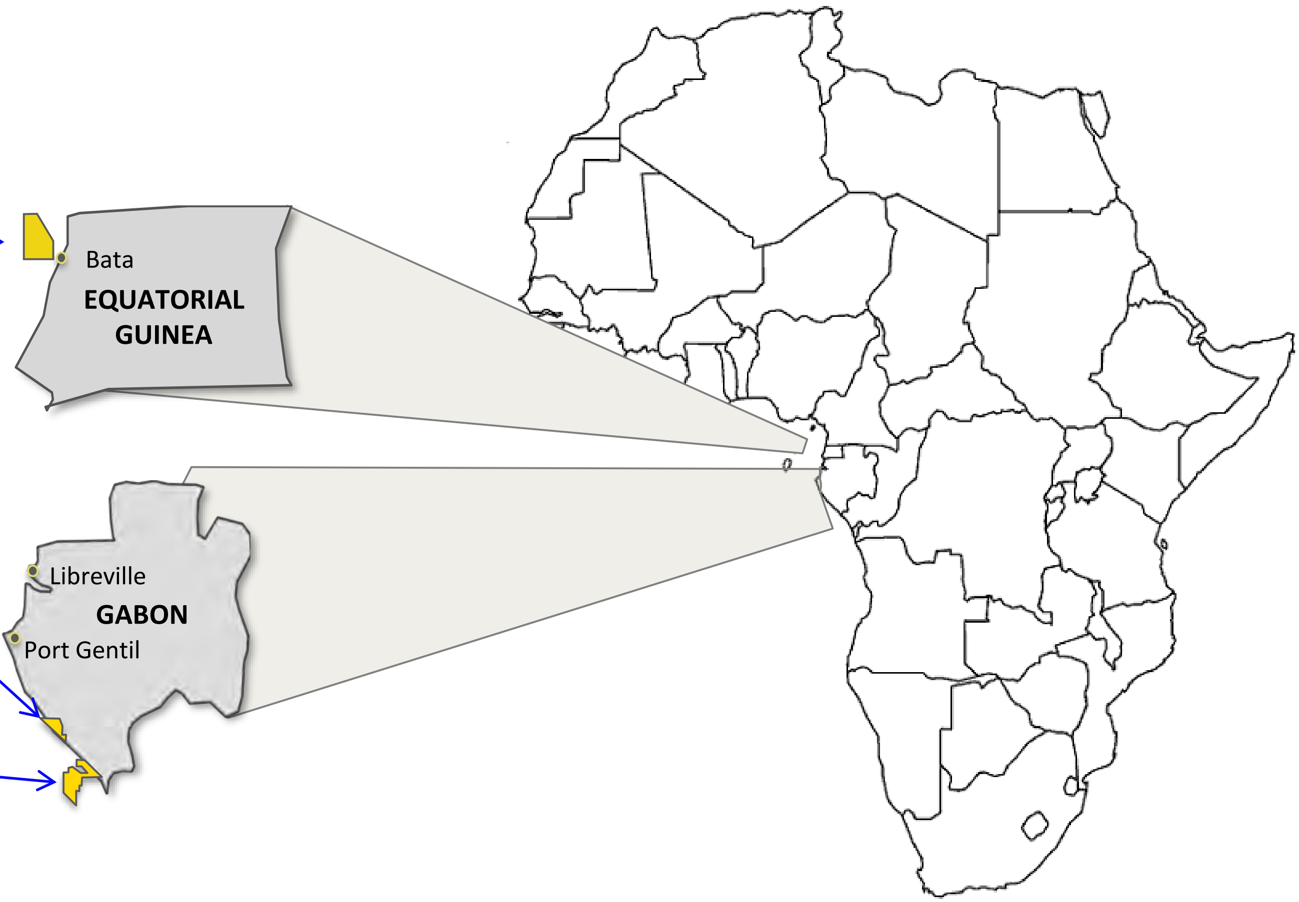
(1) Q1 2015 excludes non-cash, expensed costs for design work on CSP
(2) Q4 2015 excludes workovers and non-cash charge for suspension of CSP
(3) Q1,Q2, Q3 & Q4 2016 excludes workovers
(4) Q3 & Q4 2016 impacted by lower projected sales due to ESP failures
(5) Q4 2016 midpoint of guidance range

West Africa Focus

Block P
Working Interest 31.0%
57,000 gross acres
18,000 net acres
Offshore Exploration
& Development

Mutamba Iroru Permit
Working Interest 41.0%
270,000 gross acres
111,000 net acres
Onshore Exploration
& Development

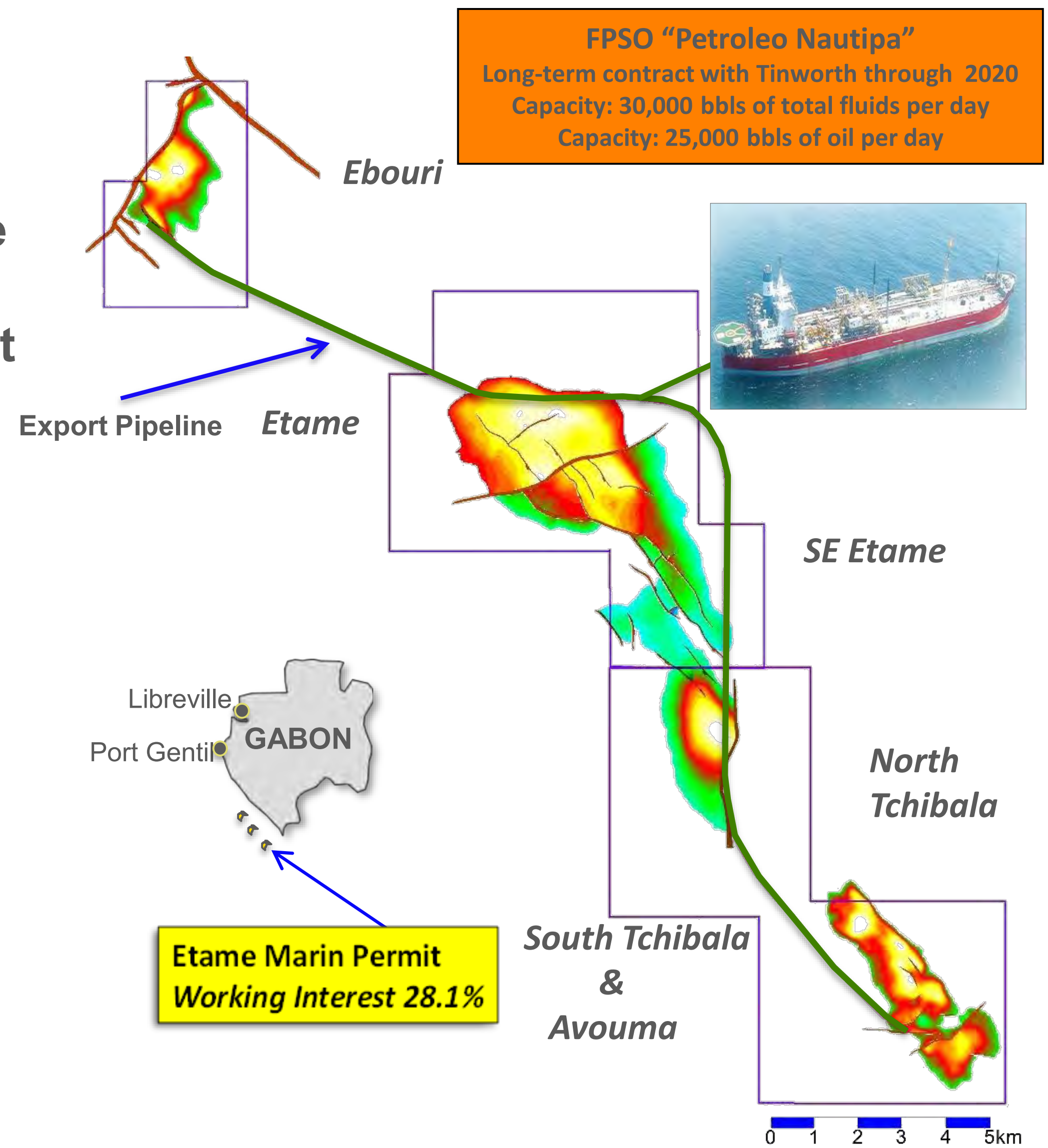
Etame Marin Permit
Working Interest 28.1%
28,700 gross acres
8,100 net acres
Producing
~15,500 BOPD Gross(1)



(1) Q3 2016 production average

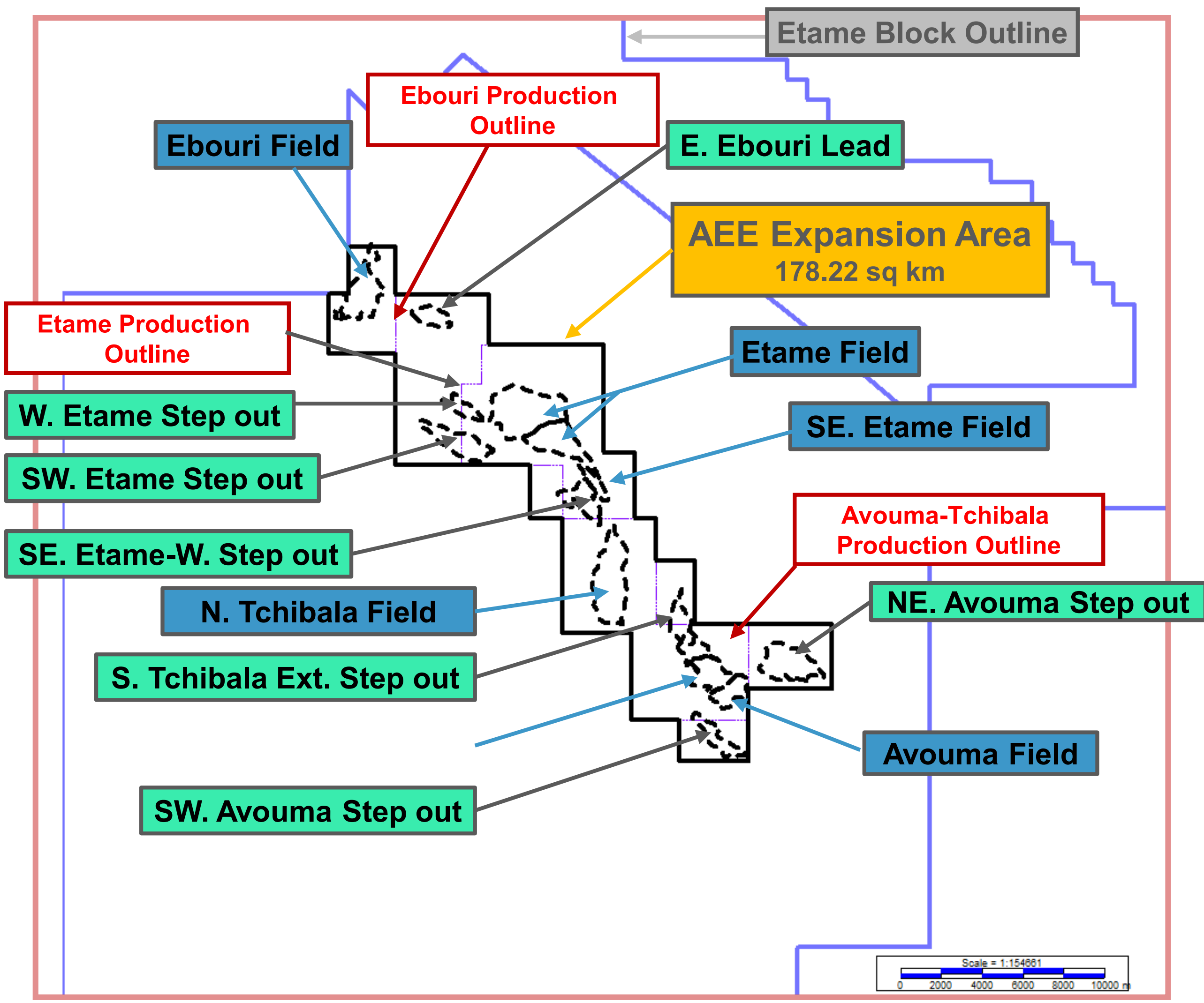
Offshore Gabon – Etame Marin Permit

- **Operator with a 28.1% net W.I.**
  Partners: Sinopec (Addax), Sasol, Sojitz, PetroEnergy and Tullow
- **Entered into agreement to acquire additional 3.23% participating interest from Sojitz, increasing net production 11% without requiring additional staffing**
- **Q3 2016 production averaged ~15,500 gross (3,800 net) BOPD**
- **Cumulative sales/liftings through 10/30/2016 ~ 94 million barrels(1)**
- **Installation of two new platforms completed in 3Q 2014**
- **Successfully completed full field maintenance turnaround Q1 2016**



(1) Monthly liftings disclosed on website

Etame Opportunities for Future Growth Potential



Identified Opportunities

Etame Platform:

- Three Gamba and six Dentale infills (29 MMBBLS)

SEENT Platform:

- Four Gamba, four Dentale infills (25 MMBBLS)

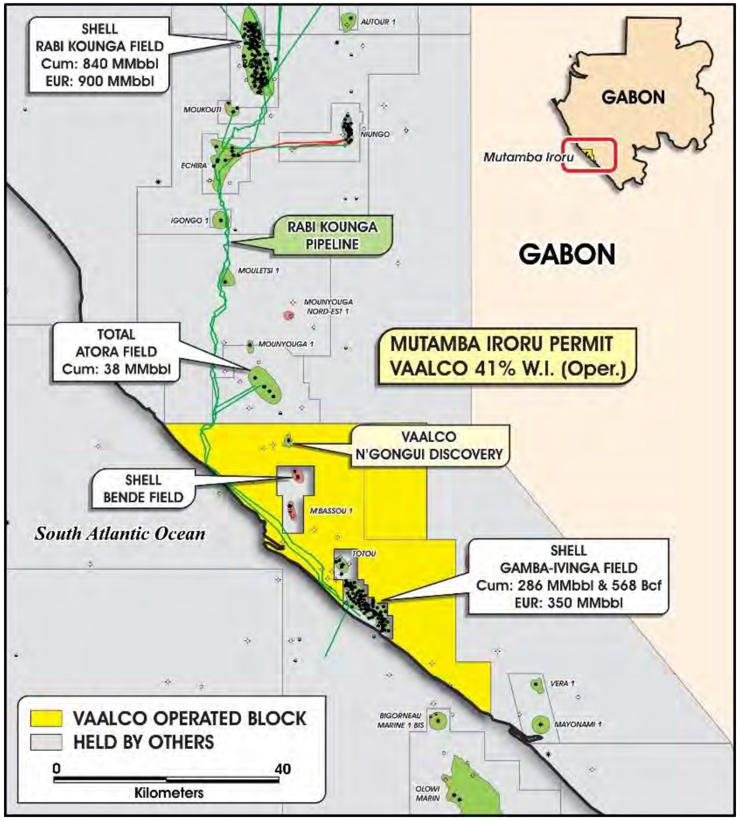
Avouma Platform:

- Two Gamba and two Dentale infill (12 MMBBLS)

Over 65 MMBO of Gross Unrisked Recoverable Contingent Resources

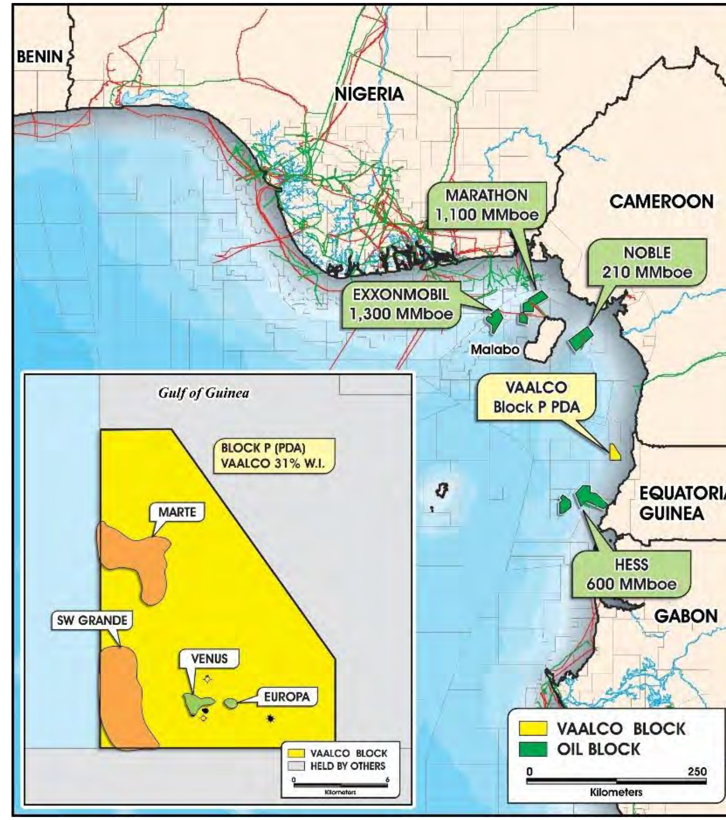
Onshore Gabon & Equatorial Guinea

Onshore Gabon, operated with 41% WI
2012 discovery encountered 49’ of oil pay



Development slowed while costs, design and terms are re-evaluated to improve returns

Equatorial Guinea with 31% WI
20+ million BOE gross EUR discovered



Unique Development Opportunities When Prices Recover

Looking to the Future

Positioned for Acquisitive Growth in Current Low Price Environment

- Public company with ability to access multiple sources of capital
- Maintaining focus on cost reductions, lowering breakeven price and increasing margins
- Structure in place to consolidate and operate a broader portfolio of assets

Seeking Targeted Value Adding Acquisitions

- Leverage our existing infrastructure, technical expertise, and experience in international offshore, major projects and production operations
- Sojitz acquisition good first example of execution of VAALCO growth strategy
- Seeking similar attractively valued acquisition opportunities in our focus area, or other similarly situated basins

Significant Upside Optionality on Oil Price Recovery

- Additional cash generation with improved margins
- Substantial additions of low risk reserves by advancing organic development plans

VAALCO Has the Technical Expertise to Capture Upside Value

2016 Guidance *(As of November 8, 2016)*

Production (BOEPD)	**3,900 – 4,300***
*4th Quarter Guidance 3,300 – 3,600	
Production Expense(1)	**$27.5 - $32.5 MM***
	($18.00 - $21.00 per BOE)
*4th Quarter Guidance ($22.00 - $24.00 per BOE)	
Workovers	**$6.0 - $8.0 MM***
*Includes ~$3.4MM of workovers completed YTD in 2016	
Cash G&A	**$9.5 - $11.5 MM**
Non Cash G&A	~ $1.5 MM
Total G&A	$11.0 - $13.0 MM
DD&A ($/BOE)	**$4.00 - $6.00/BOE***
*4th Quarter Guidance $4.00 - $6.00/BOE	
CAPEX	**~ $1.0 MM**

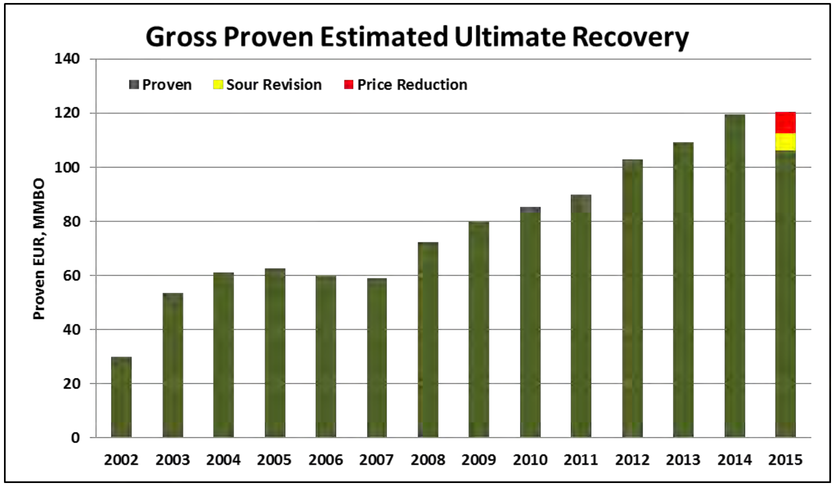
(1) Excludes workovers

Appendix

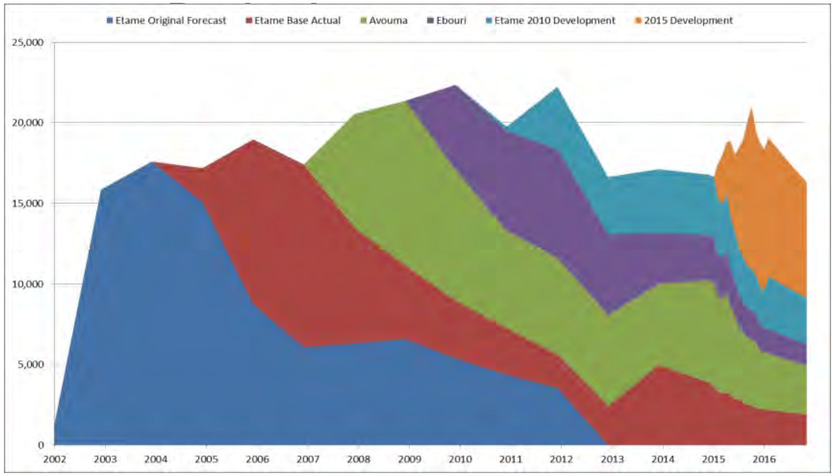
Proven Track Record of Success

- Strong safety culture
- Over 94 MMBO recovered from Etame field to date, initial estimate 30 MMBO
- Successfully executed multiple development projects
- Respected operator and leader in West Africa with a history of cooperation with host governments and local partners
- Operational capacity to develop organic opportunities and proven ability to identify and advance new development and exploration programs

~400% Growth in Estimated Ultimate Recovery

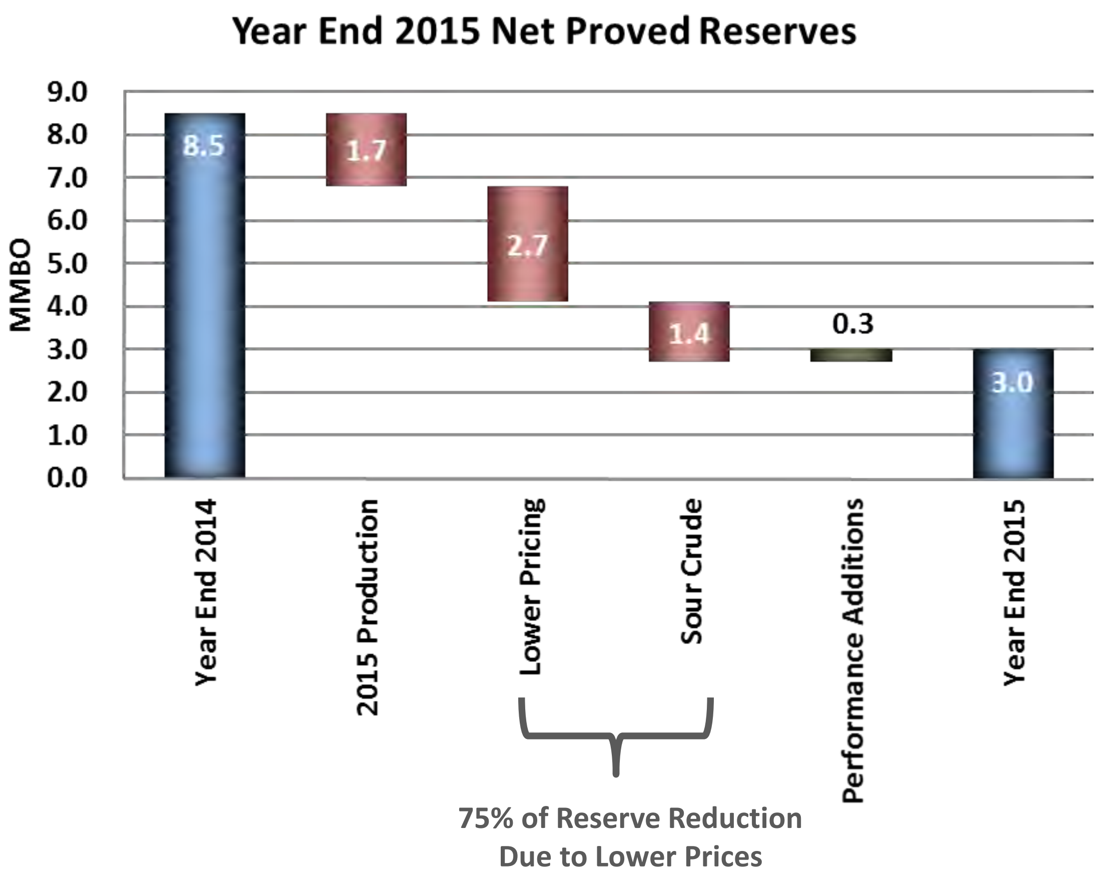


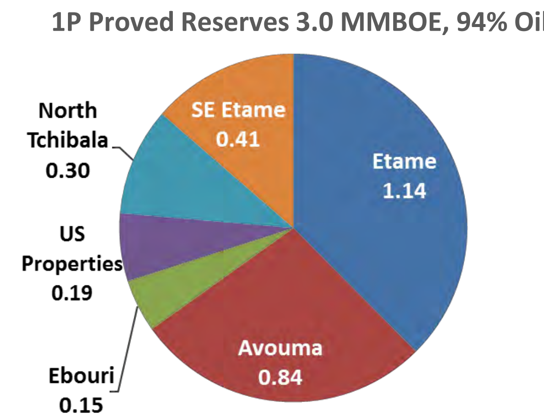
Gross Offshore Gabon

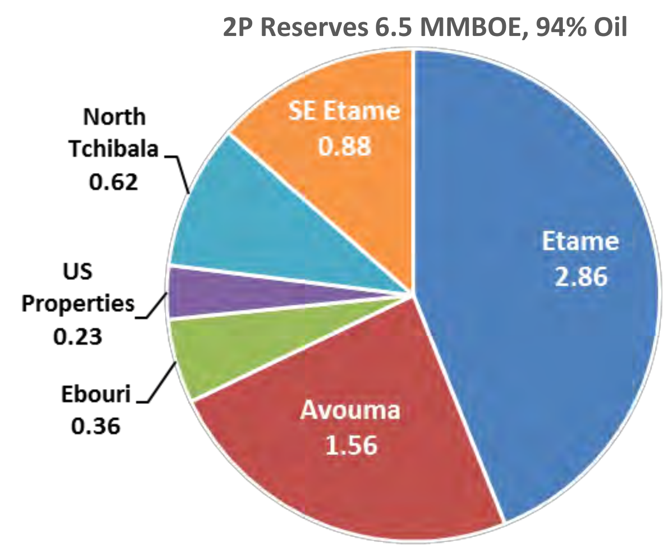


VAALCO Has Demonstrated Success in Executing a Broad Range of Opportunities

Year End 2015 Reserves

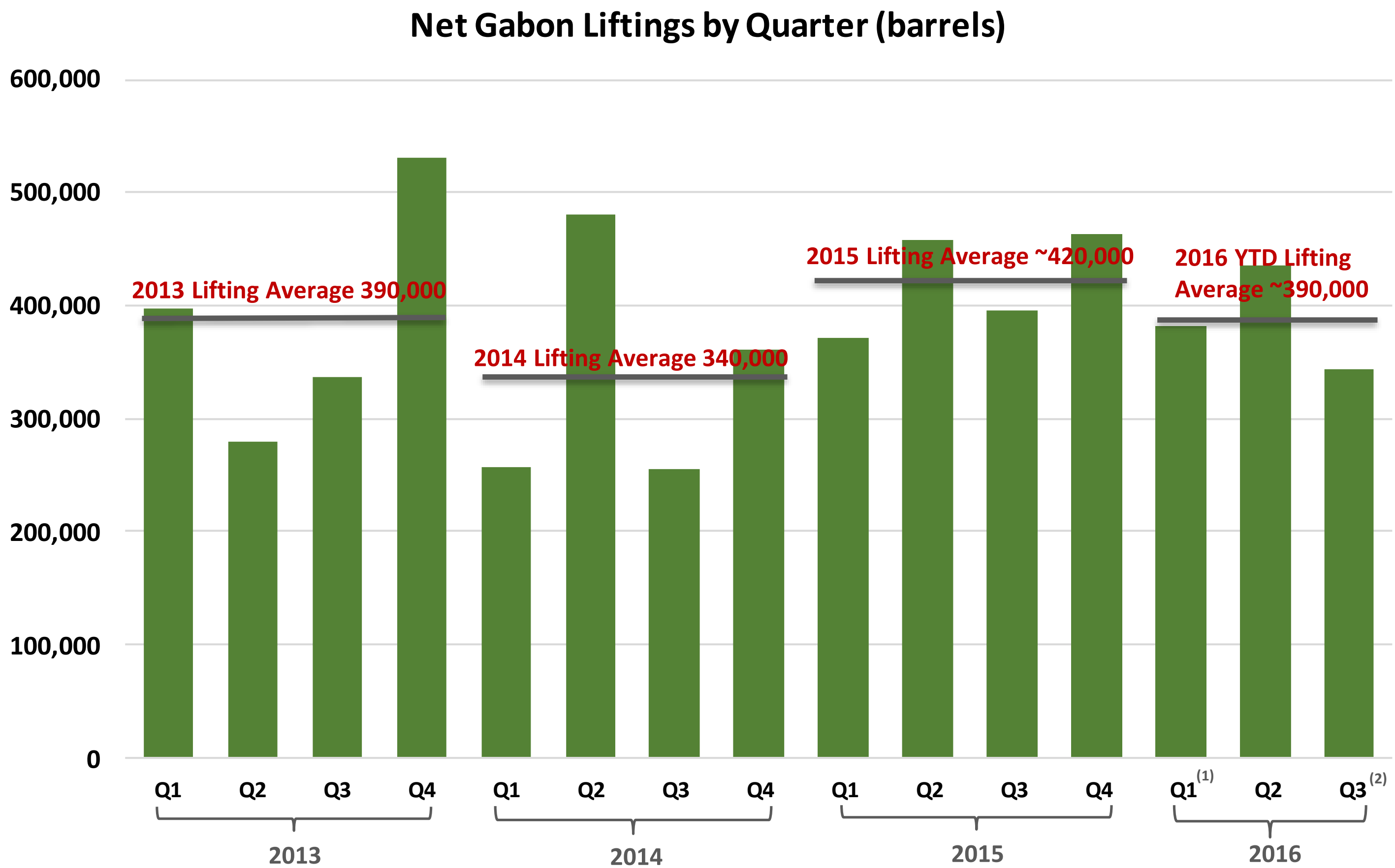






Higher Prices/Lower Costs Increase Economic Life and Reserves May be Reclassed to Proved

Offshore Gabon Net Liftings



Net Lifting Increase Driven By Development Drilling Success

(1) Q1 2016 lifting impacted by field wide six day turnaround
(2) Q3 2016 impacted by ESP failures in 2 Avouma wells

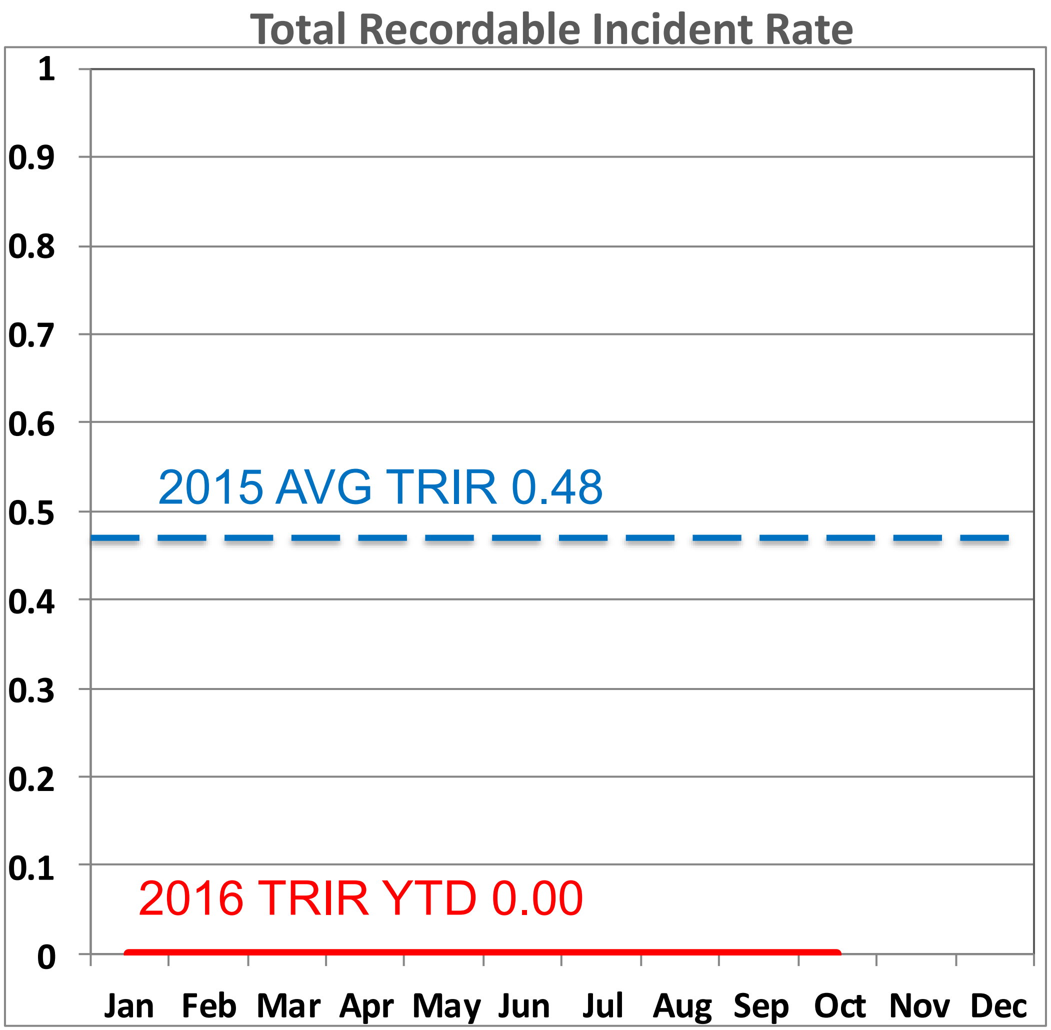
2015 – 2016 Production Cost Reductions & Targets

	2015	2016E
Operational Efficiencies		
• Lifting support vessel reductions	~$2.0 million	$2 - 3 million
• Helicopter and operations support vessel savings	~$1.5 million	$2 - 3 million
Material Costs		
• Fuel (reduced consumption and lower diesel cost)	~$1.5 million	$1 - 2 million
• Chemicals (optimized volumes and negotiated lower prices)	~$1.0 million	
Personnel		
• Wages, travel, vehicle rentals, etc.	~$2.0 million	$1 - 2 million
Annual Incremental Gross Savings	***$8.0 million**	**$6 - 10 million**

Successfully Achieved Reductions in 2015; Targeting Additional Savings of $6-10 MM in 2016

*All cost savings are approximate values, actual savings could be more or less than estimated

Commendable Safety Record



Performance at Year End 2015

- Total Recordable Incident Rate (TRIR) of 0.48, 41% below prior year

Safety Performance During 2015

- Four recordable incidents in 1H 2015
- Re-emphasized training and renewed focus on safety
- No recordable incidents in 2H 2015
- Increased cooperation between Houston and Port Gentil management and staff

2016 Performance

- TRIR target below 2015
- No recordable incidents to date
- No environmental incidents to date
- Maintain strong safety record while reducing costs

Fifteen Months Without a Recordable Incident

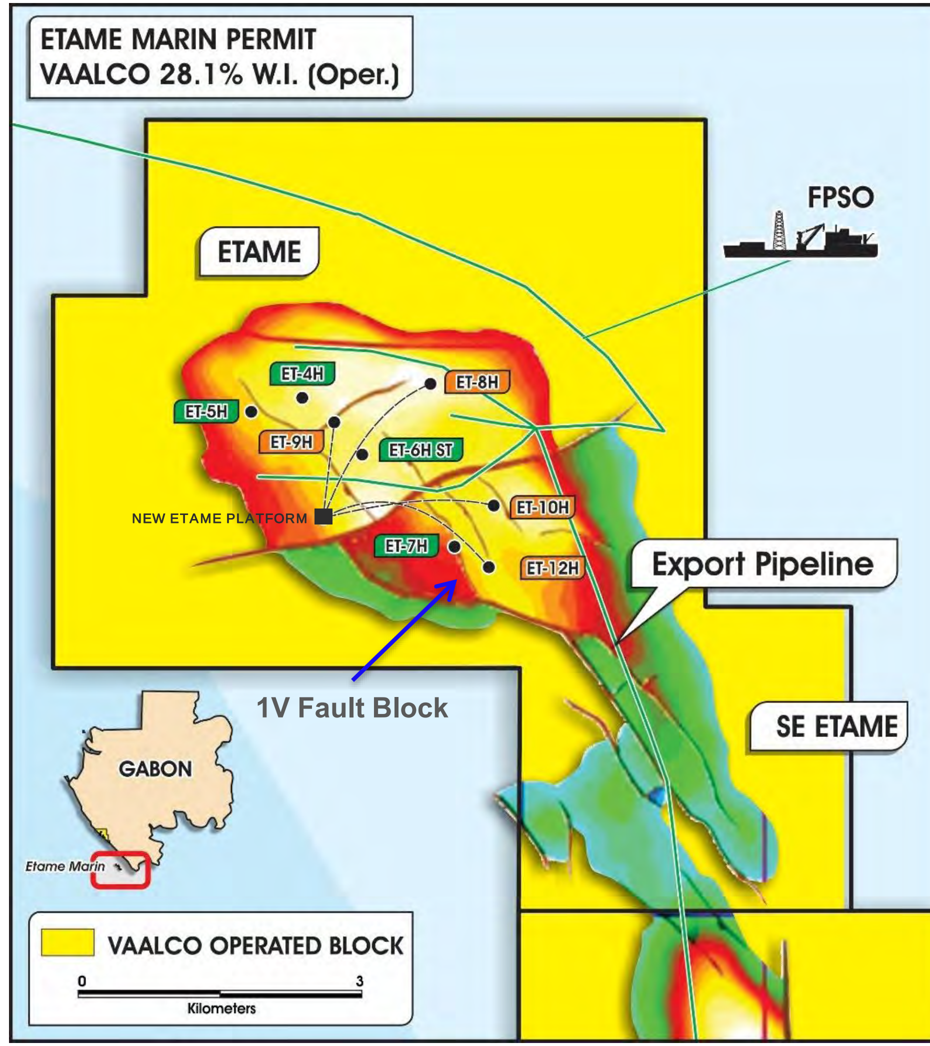
Etame Field Recent Development Drilling

1-V Fault Block: Encouraging Results from the Lower Lobe of the Gamba Reservoir:

- Two 2015 development wells placed on production (Etame 10H & 12H)
- Both the Upper and Lower Lobes of the Gamba provide targets for exploitation in future development phases

Main Fault Block

- Etame 9H and 11H wells remain as future drilling opportunities
- Other targets have been identified in the deeper Dentale Formation
- Etame 8H well temporarily shut-in due to the presence of H2S



Five Slots Available for Future Development Drilling from the Etame Platform

SE Etame 2-H

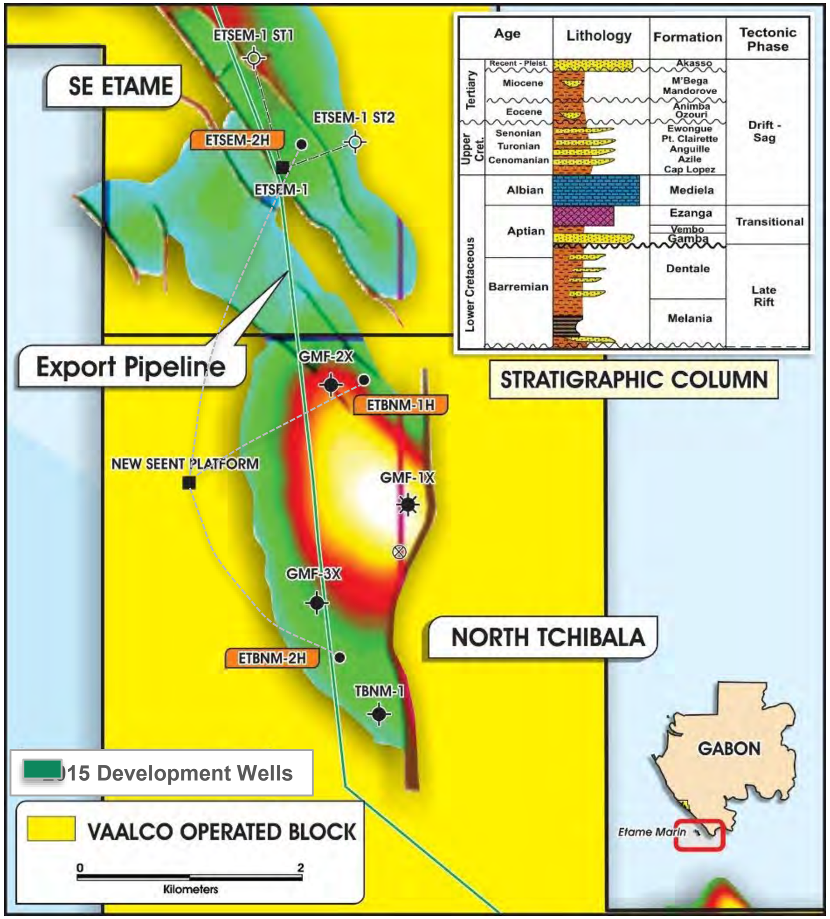
- Online 2Q 2015 with initial rate of 3,400 BOPD gross
  (900 BOPD net), higher than forecast
- No H2S

North Tchibala 1-H

- First Gabon offshore Dentale producer, online in 3Q15
- Demonstrated high productivity with initial rate of over 3,000 BOPD gross
- No formation water or H2S and GOR has stabilized

North Tchibala 2-H

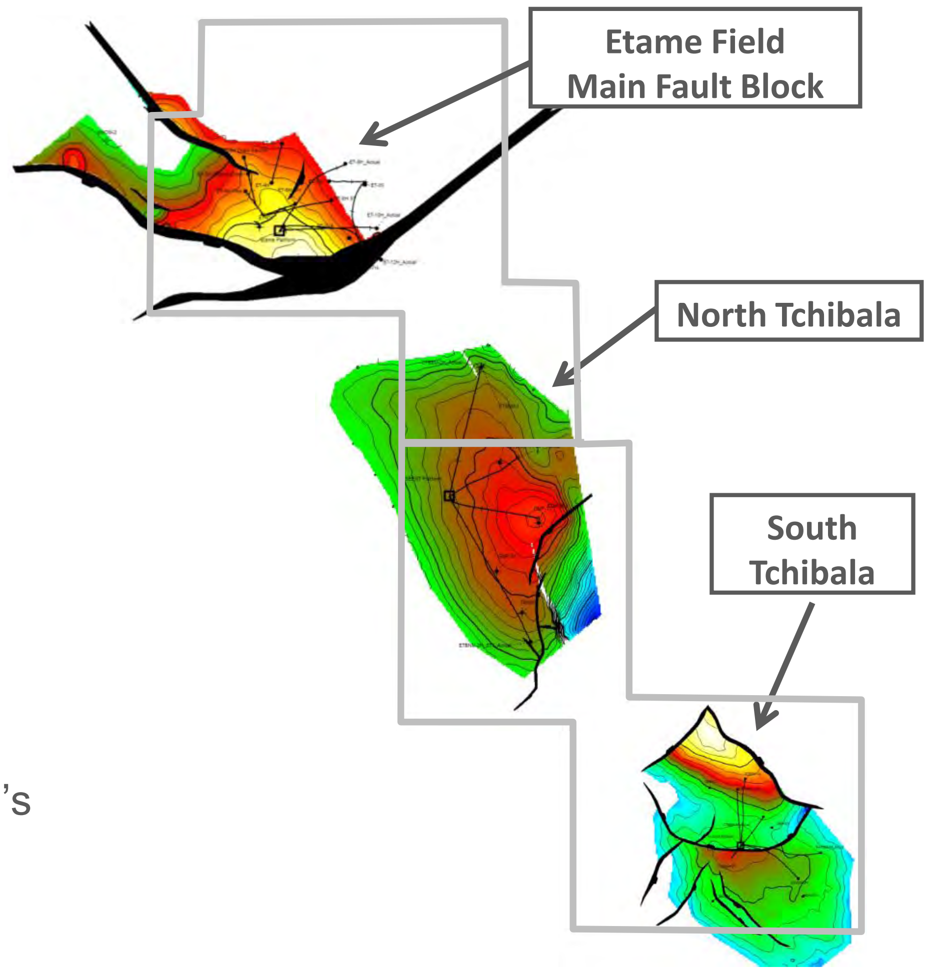
- Online 4Q 2015 with initial rate of ~500 BOPD gross
- Good quality reservoir, potential formation damage limiting production rate
- No formation water or H2S



Significant Future Development Potential, with Five Remaining Slots for Drilling

Dentale Formation Future Growth Potential

- Multiple Dentale reservoir units are present throughout the block
- Largely undeveloped sand-shale sequence
- Gross thickness of several hundred to thousands
  of meters
  - ~30% net pay to gross thickness
- Dentale is flowing in North Tchibala
- Targeted zones show good reservoir quality
  - Porosity ranging from 16% to 28%
  - Permeability in the range of 10's to 100's mD.



Estimated Gross ~150 MMBO In-Place at North Tchibala and Etame Fields

Non-GAAP Measures

Adjusted EBITDAX 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 internally fund exploration and development activities and to service or incur additional debt. Adjusted EBITDAX is a non-GAAP financial measure and as used herein represents net income before interest income (expense) net, income tax expense, depletion, depreciation and amortization, impairment of proved properties, exploration expense, non-cash and other items including stock compensation expense.

Adjusted EBITDAX has significant limitations, including that it does not reflect the Company'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 excludes some, but not all, items that affect net income (loss) and operating income (loss) and these measures may vary among other companies. Therefore, the Company's Adjusted EBITDAX may not be comparable to similarly titled measures used by other companies.

Non-GAAP Reconciliations

Reconciliation of Net loss to Adjusted EBITDAX

	Three Months Ended		
	September 30, 2016	September 30, 2015	June 30, 2016
Net loss	$ (15,599)	$ (33,668)	$ (261)
Add back:			
Impact of discontinued operations	15,783	(853)	127
Interest (income) expense, net	327	462	1,470
Income tax expense	2,198	2,707	2,894
Depreciation, depletion and amortization	1,607	8,256	1,942
Impairment of proved properties	88	17,988	-
Exploration expense	2	8,975	2
Non-cash or unusual items:			
Stock-based compensation	(509)	692	757
Shareholder matters	85	-	18
Commodity derivative loss	194	-	578
Bad debt expense	63	2,750	171
Adjusted EBITDAX	$ 4,239	$ 7,309	$ 7,698