

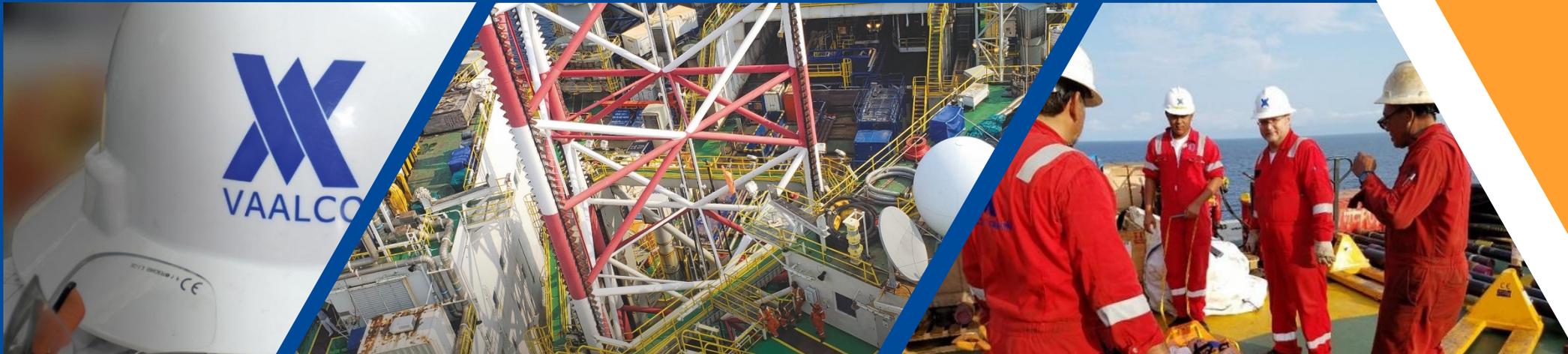


VAALCO ENERGY, INC.

June 2023

## Annual General Meeting 2023

# A DIVERSIFIED AFRICAN-FOCUSED E&P BUSINESS



# SAFE HARBOR STATEMENT



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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) the acquisition of TransGlobe Energy Corporation (“TransGlobe”) and VAALCO’s ability to realize the anticipated benefits and synergies expected from the acquisition of TransGlobe; (ii) estimates of future drilling, production and sales of crude oil and natural gas; (iii) estimates of future cost reductions, synergies, savings and efficiencies; (iv) expectations regarding VAALCO’s ability to effectively integrate assets and properties it acquired as a result of the acquisition of TransGlobe into its operations; (v) the amount and timing of stock repurchases, if any, under the Company’s stock buyback program and VAALCO’s ability to enhance stockholder value through such plan; (vi) expectations regarding future exploration and the development, growth and potential of the combined company’s operations, project pipeline and investments, and schedule and anticipated benefits to be derived therefrom; (vii) expectations regarding future investments or divestitures; (viii) expectations of future dividends and returns to stockholders; (ix) expectations of future balance sheet strength; (x) expectations of future equity and enterprise value; (xi) expectations of the continued listing of VAALCO’s common stock on the NYSE and LSE and (xii) 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; declines in oil or natural gas prices; the level of success in exploration, development and production activities; adverse weather conditions that may negatively impact development or production activities; the right of host governments in countries where we operate to expropriate property and terminate contracts (including the Egypt PSCs, Etame PSC and the Block P PSC) for reasons of public interest, subject to reasonable compensation, determinable by the respective government in its discretion; the timing and costs of exploration and development expenditures; inaccuracies of reserve estimates or assumptions underlying them; revisions to reserve estimates as a result of changes in commodity prices; impacts to financial statements as a result of impairment write-downs; the ability to generate cash flows that, along with cash on hand, will be sufficient to support operations and cash requirements; the ability to attract capital or obtain debt financing arrangements; currency exchange rates and regulations; actions by joint venture co-owners; hedging decisions, including whether or not to enter into derivative financial instruments; international, federal and state initiatives relating to the regulation of hydraulic fracturing; failure of asses to yield oil or gas in commercially viable quantities; uninsured or underinsured losses resulting from oil and gas operations; inability to access oil and gas markets due to market conditions or operational impediments; the impact and costs of compliance with laws and regulations governing oil and gas operations; the ability to replace oil and natural gas reserves; any loss of senior management or technical personnel; competition in the oil and gas industry; the risk that acquisition of TransGlobe may not increase VAALCO’s relevance to investors in the international E&P industry, increase capital market access through scale and diversification or provide liquidity benefits for stockholders; and other 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 second 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.

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. VAALCO uses terms in this presentation, such as “2P,” “2P WI CPR PV-10” and “2P WI CPR reserves,” and similar terms or other descriptions of volumes of reserves potentially recoverable that the SEC’s guidelines strictly prohibit VAALCO from including in filings with the SEC. These terms refer to VAALCO’s proved plus probable estimates of unbooked hydrocarbon quantities, as reported by Netherland, Sewell & Associates, Inc. (“NSAI”) and GLJ Petroleum Consultants Ltd. (“GLJ”), 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 and probable reserves prepared in accordance with the SEC’s definitions and accordingly are subject to substantially greater risk of being actually realized. Actual quantities of reserves that may be ultimately recovered from VAALCO’s interests may differ substantially from those presented herein. Factors affecting ultimate recovery include the scope of VAALCO’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 VAALCO’s assets provides additional data. In addition, VAALCO’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.

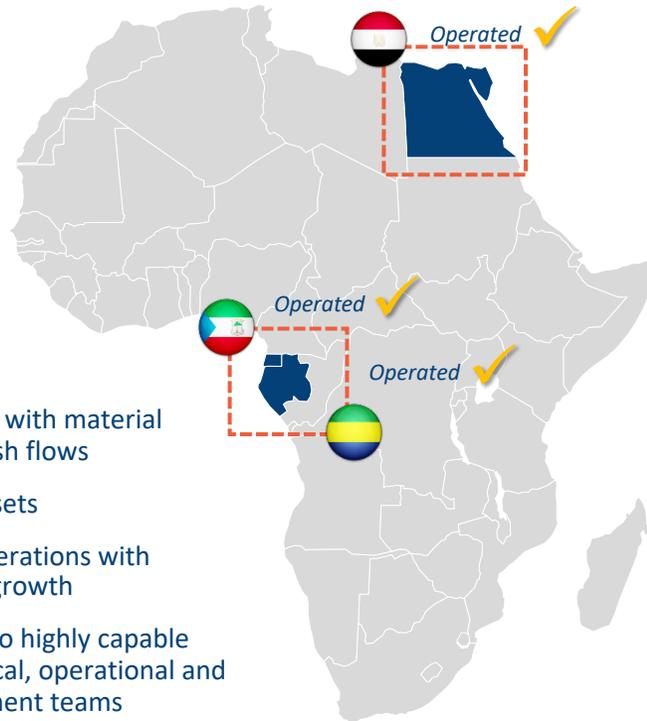
Estimates of reserves provided in this presentation are estimates only and there is no guarantee that estimated reserves will be recovered. Actual reserves may be greater than or less than estimates provided in this presentation and differences may be material. There is no assurance that forecast price and cost assumptions applied by NSAI, 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.

# 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

<b>Gabon</b> ( <i>offshore</i> )	P D A E	<b>Etame Marin Permit</b> WI 58.8% (Operated)	Q1'23 Prod (NRI) <sup>(1)</sup> : 9.1 mbopd 1P Reserves (NRI) <sup>(1)</sup> : 10.2 mmbbl Acreage (gross): 46,300
<b>Egypt</b> ( <i>onshore</i> )	P D A E	<b>Eastern Desert</b> WI 100% (Operated) <b>South Ghazalat</b> WI 100% (Operated)	Q1'23 Prod (NRI) <sup>(1)</sup> : 6.8 mbopd 1P Reserves (NRI) <sup>(1)</sup> : 8.6 mmbbl Acreage (gross): 76,205
<b>Equatorial Guinea</b> ( <i>offshore</i> )	P D A E	<b>Block P</b> WI 45.9% <sup>(2)</sup> (Operated)	Received approval of Venus standalone development plan, negotiating final documents for approval Acreage (gross): 57,300
<b>Canada</b> ( <i>onshore</i> )	P D A E	<b>Harmattan</b> WI 94.5% (Operated)	Q1'23 Prod (NRI) <sup>(1)</sup> : 2.3 mboepd 1P Reserves (NRI) <sup>(1)</sup> : 9.2 mmbbl Acreage (gross): 52,425

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 unconventional technologies with applications across broader portfolio

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

<sup>(1)</sup> Net Revenue Interest ("NRI") share of volumes on a working interest basis, after deduction of royalty.  
<sup>(2)</sup> In February of 2023, the Company acquired an additional 14.1% participating interest, increasing VAALCO's participating interest in the Block to 60.0%

# Accelerating Shareholder Returns and Value Growth

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



Complementary businesses creating a diversified, African-focused E&P

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: US\$0.25/share in 2023 through dividend and \$30 million share buyback program continuing into 2023



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

Near doubling of production and synergy potential support 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

Scale and profile of combined group promotes increased market visibility and a significant uplift in trading liquidity



Proven team with an established track record of value creation

Combines two companies with a strong record of value creation and returns

# 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



- > Zero significant reportable environmental incidents past 5/10 years
- > Scale enhances development of climate resilience strategies, including:
  - Defining investment programs to enhance emissions control
  - Targeted plan to reduce methane emissions
  - Access to renewable energy sources



- > 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



- > Commitment to highest standard of transparent and ethical behavior
- > Full compliance with respective corporate governance codes to be maintained post-merger
- > Full alignment to SASB ESG reporting framework and engaged in TCFD program

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

## 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
- > Launched wildlife inventory project in 2021
- > 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<sup>(2)</sup> & 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

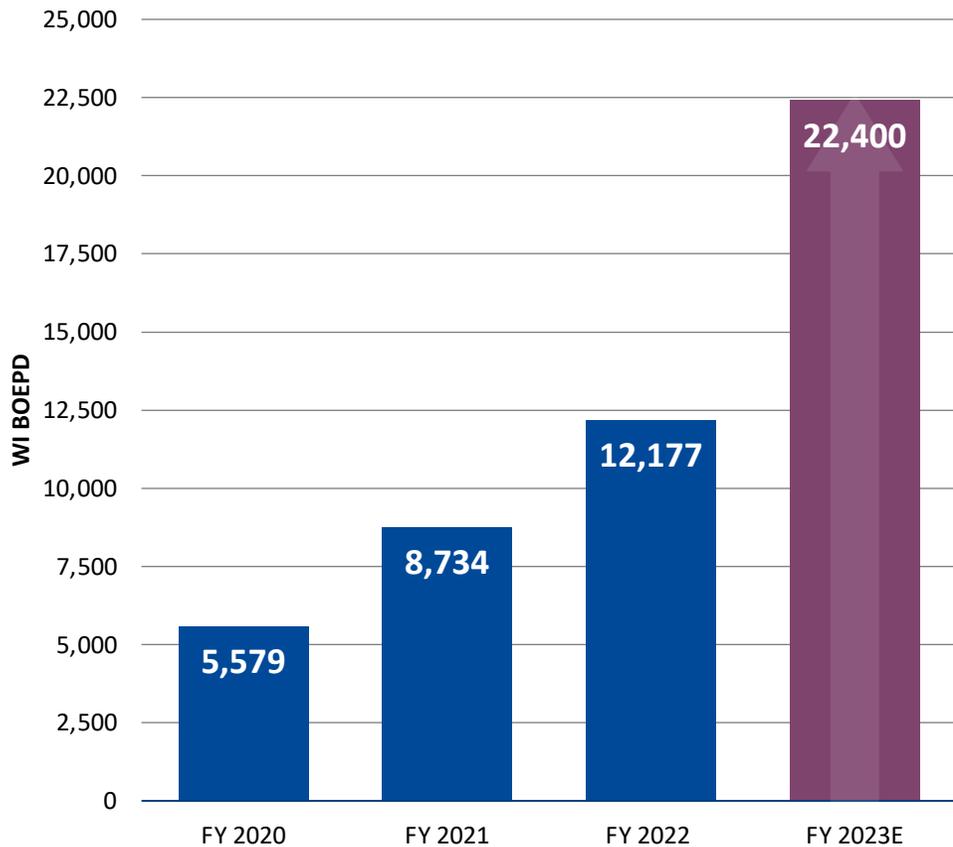


# STEP CHANGE IN TOTAL PRODUCTION AND RESERVES

Significant Increase in Size and Scale

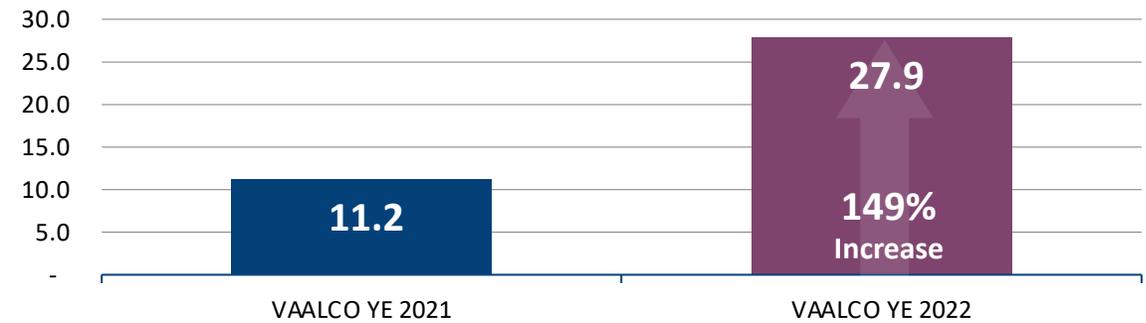


## Production (WI) Outlook

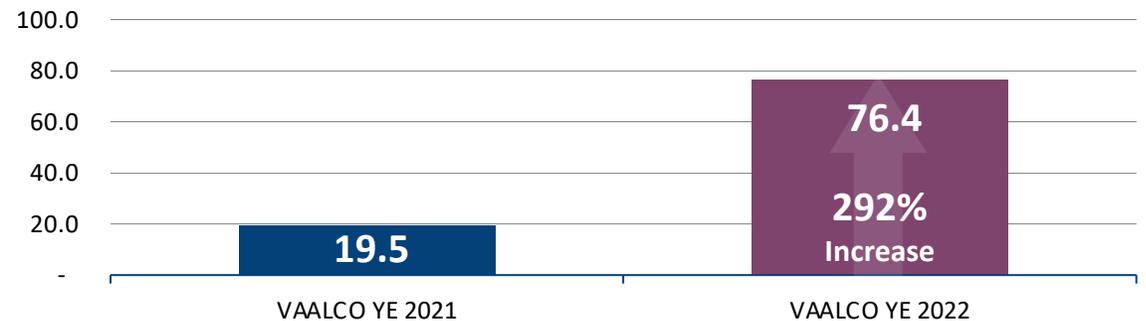


Midpoint of Guidance Range

## SEC Proved Reserves<sup>(1)</sup> (MMBOE)



## 2P CPR WI Reserves<sup>(2)</sup> (MMBOE)



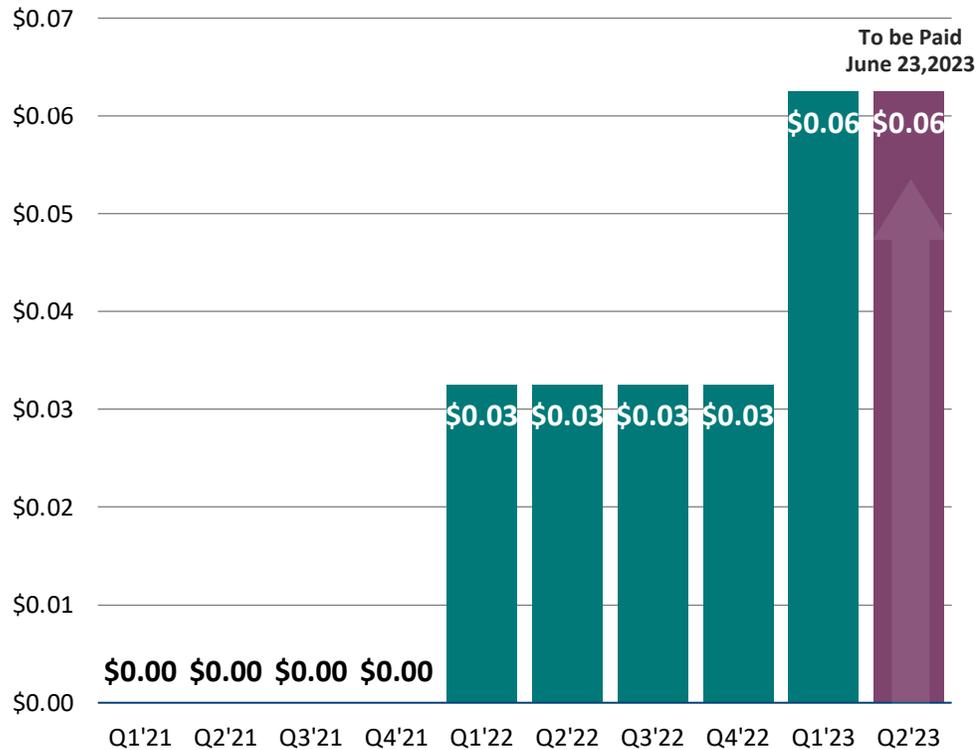
1) SEC reserves are NSAI estimates as of December 31, 2021 and NSAI and GLJ estimates as of December 31, 2022  
 2) At year-end 2022, in the case of Gabon, Egypt and Canada, and at September 30, 2022, in the case of Equatorial Guinea, NSAI and GLJ provided the 2P WI CPR estimates of proven and probable reserves which were prepared in accordance with the definitions and guidelines set forth in the 2018 Petroleum Resources Management Systems approved by the Society of Petroleum Engineers

# COMMITTED TO SHAREHOLDER RETURNS

Enhancing Value Proposition



### Initiated Sustainable Dividend Program (US\$/share)



### Share Buyback Program (US\$m)



- Initiated \$0.0325/share quarterly dividend in Q1 2022
- Increased dividend in 2023 by 92% to \$0.0625/share quarterly
- Announced share buyback of up to \$30 million, which commenced in November 2022



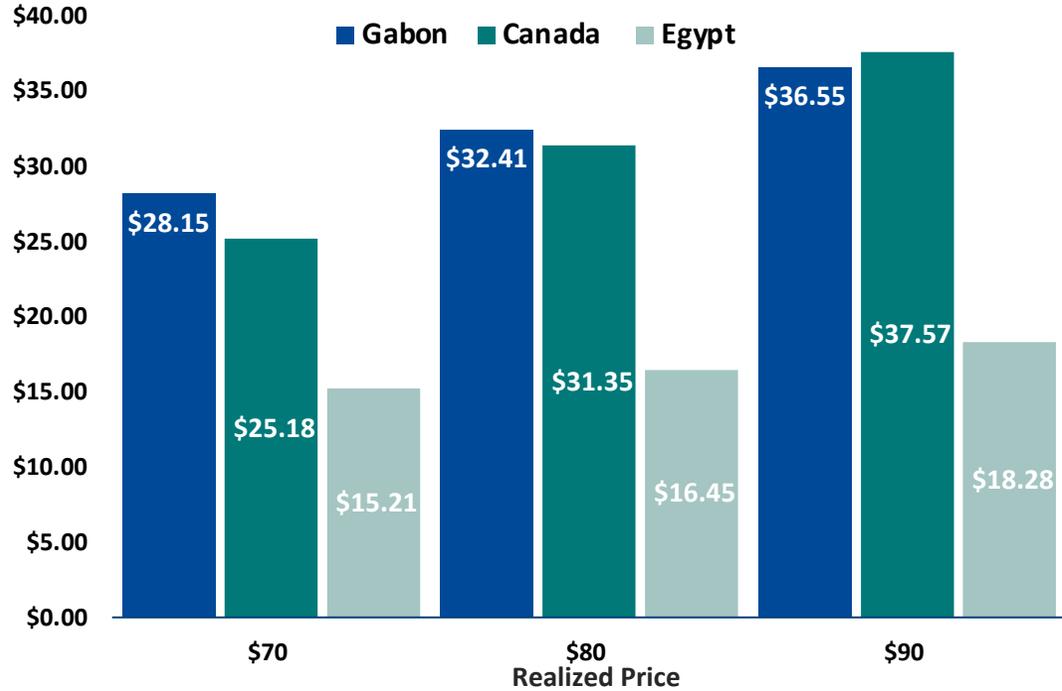
**Growing and Returning Value to Shareholders Through Sustainable Dividends and Share Buybacks**

# 2023 NETBACKS AT DIFFERENT PRICE SCENARIOS

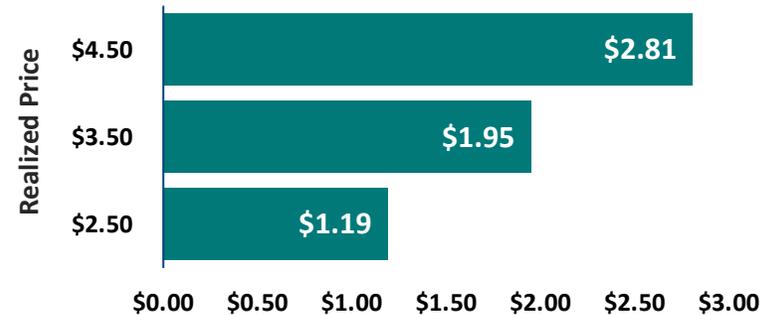


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Liquids \$/BBL Netback by Area



Natural Gas \$/MCF Netback (Canada)

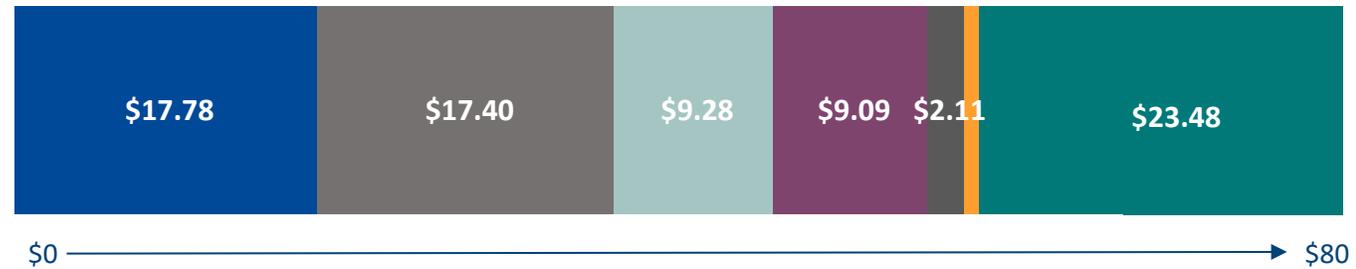


Total Company Blended Netback on Working Interest Basis

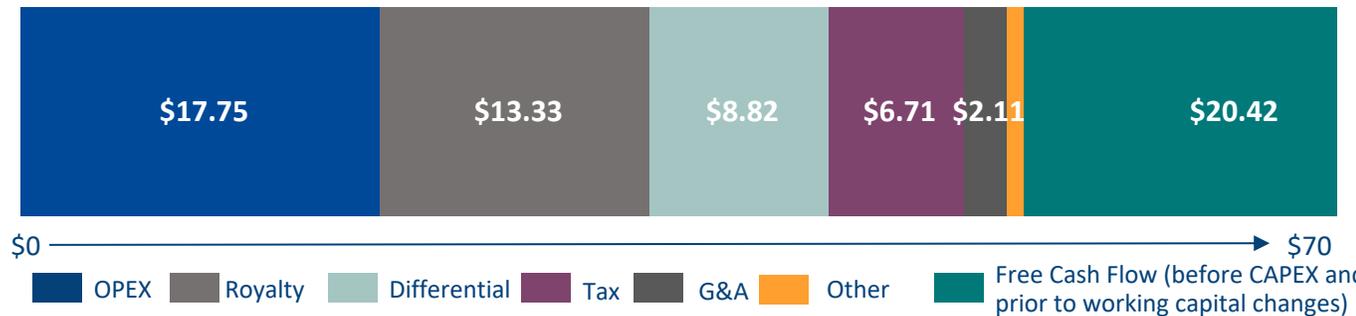
FY2023 Margins at \$90 Realized Oil and Midpoint of Guidance



FY2023 Margins at \$80 Realized Oil and Midpoint of Guidance



FY2023 Margins at \$70 Realized Oil and Midpoint of Guidance

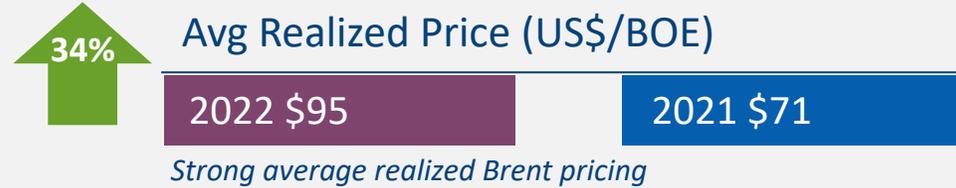
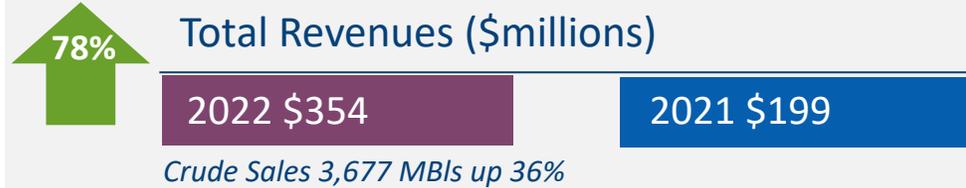


# TRANSFORMATIVE RESULTS THROUGH FOCUSED EXECUTION

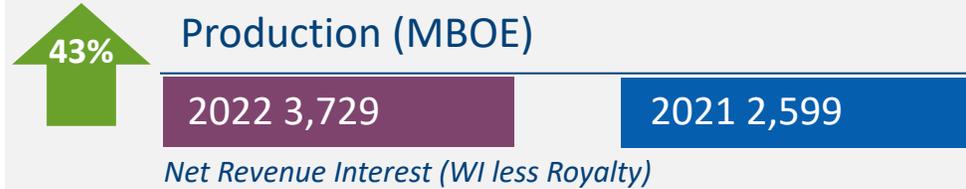


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## Revenue & Price



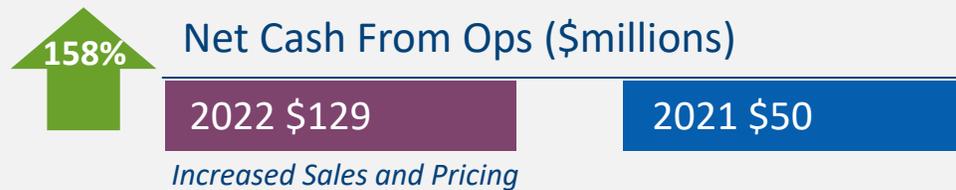
## Production & Reserves



## Profitability & Cash Generation



## Investment




**Production Growth, Strong Cash Flow Generation, and Debt Free Balance Sheet Allows Increased Shareholder Returns**

1) Adjusted EBITDAX is a Non-GAAP financial measure and reconciled in VAALCO's earnings release issued 3/31/2023

2) At year-end 2022, in the case of Gabon, Egypt and Canada, and at September 30, 2022, in the case of Equatorial Guinea, NSAI and GLJ provided the 2P WI CPR estimates of proven and probable reserves which were prepared in accordance with the definitions and guidelines set forth in the 2018 Petroleum Resources Management Systems approved by the Society of Petroleum Engineers



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