

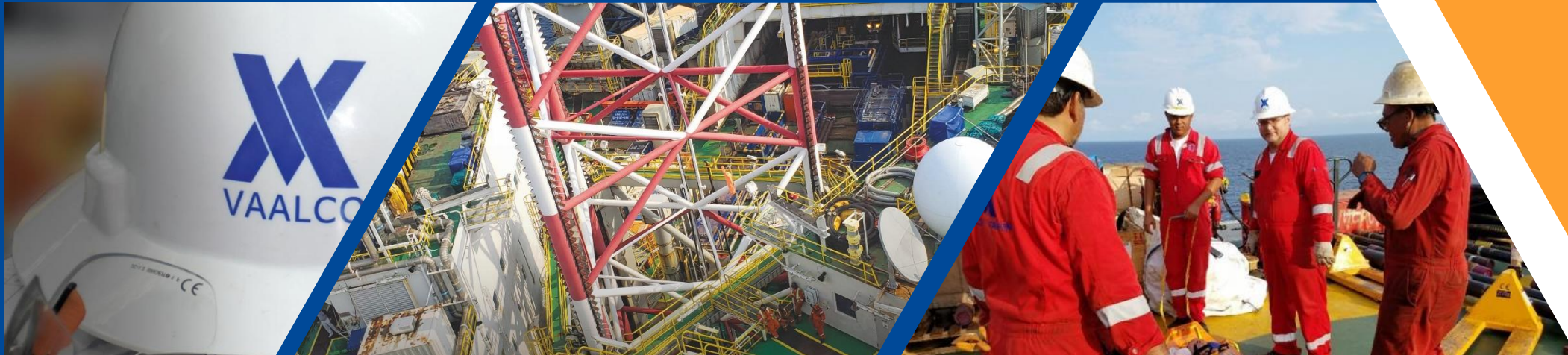


VAALCO ENERGY, INC.

Q1 2023 Supplemental Information

PROFITABLY AND SUSTAINABLY GROWING VALUE

UPDATED MAY 10, 2023



SAFE HARBOR STATEMENT



www.vaalco.com

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 Arrangement and VAALCO’s ability to realize the anticipated benefits and synergies expected from the Arrangement; (ii) estimates of future drilling, production and sales of crude oil and natural gas; (iii) estimates of future cost reductions, synergies, including pre-tax synergies, savings and efficiencies; (iv) expectations regarding VAALCO’s ability to effectively integrate assets and properties it acquired as a result of the Arrangement 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; the tax treatment of the Arrangement in the United States and Canada; 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 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 the Arrangement 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.

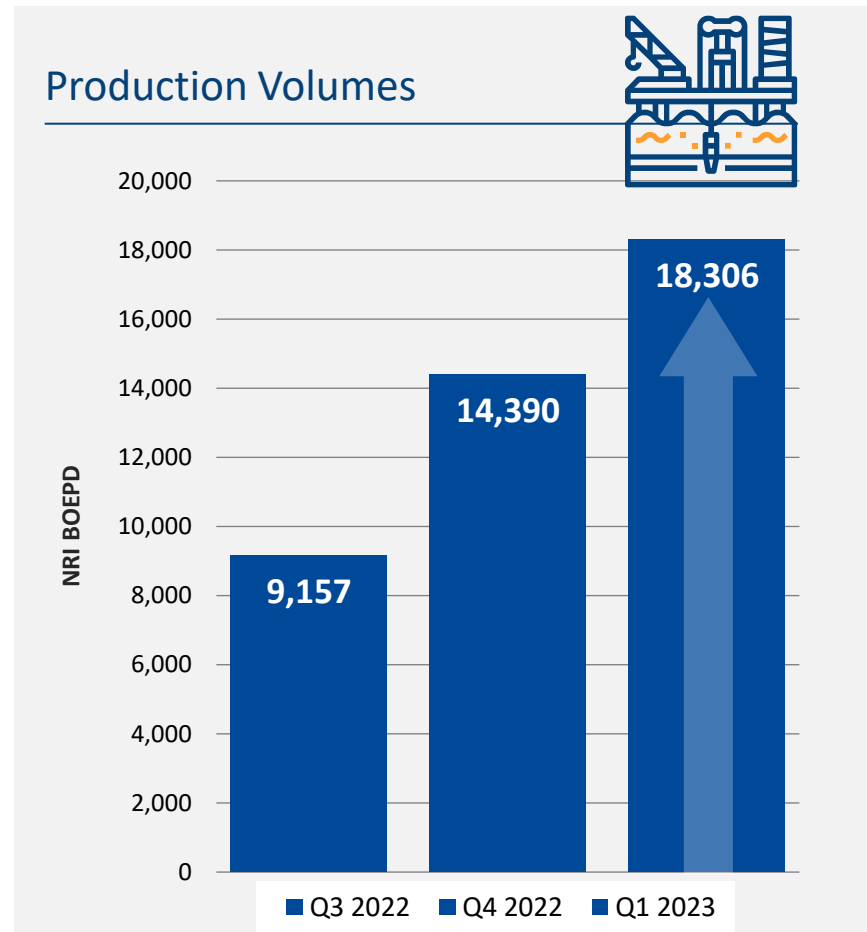
Dividends beyond the second quarter of 2023 have not yet been approved or declared by the Board. The declaration and payment of future dividends and the terms of share buybacks remains at the discretion of the Board and will be determined based on VAALCO’s financial results, balance sheet strength, cash 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.

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.

Q1 2023 RECENT OPERATIONAL HIGHLIGHTS

Continued Strong Performance

- Increased Q1'23 production to 18,306 net BOEPD, up 27% from Q4'22 and up 127% from Q1'22
- Sold 1,224,000 NRI BOE in Q1 2023 with Q2 2023 NRI BOE sales guidance of 1,420,000 to 1,570,000
- Strong drilling results in Egypt with 2023 development drilling production adding over 1,000 BO/d in early May
- Upgrading facilities, debottlenecking and pressure optimization in Egypt added 500 BO/d in April
- Drilled first 3-mile lateral in Canada in Q1 2023, with the intent of moving exclusively to 3-mile laterals in the future to improve economics
- Finalized multiple substantive documents with VAALCO's partners and the Ministry of Mines & Hydrocarbons ("MMH") in Equatorial Guinea for Block P which includes the Venus development
- Published annual ESG report in April 2023 outlining significant progress to reduce VAALCO's emissions footprint in the future

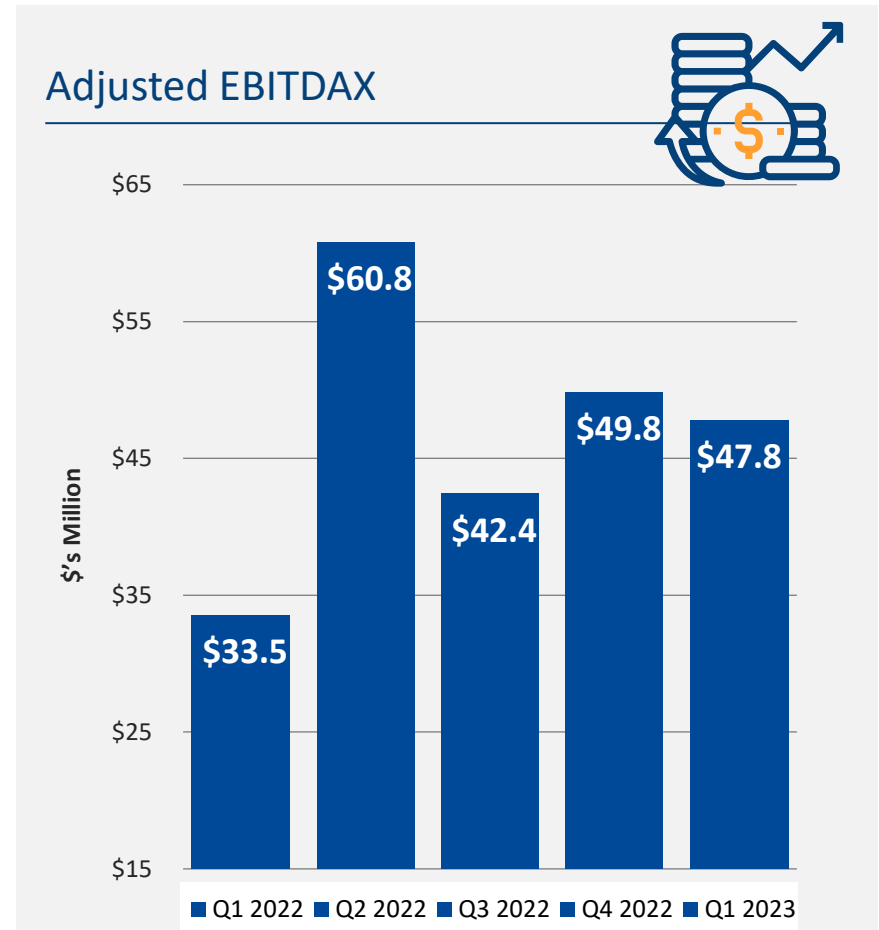


Executing Strategic Initiatives While Delivering Strong Operational Results and Cash Flow Growth

Q1 2023 RECENT FINANCIAL HIGHLIGHTS¹

Continued Strong Performance

- Paid quarterly cash dividend of \$0.0625 per share of common stock for the first quarter of 2023 (\$0.25 annualized), an increase of 92% from \$0.0325 per share (\$0.13 annualized) in 2022
- Announced second quarter 2023 cash dividend of \$0.0625 per share of common stock to be paid on June 23, 2023
- Generated Adjusted EBITDAX¹ of \$47.8 million in Q1'23
- Reported Q1'23 net income of \$3.5 million (\$0.03 per diluted share) and Adjusted Net Income¹ of \$7.3 million (\$0.07 per diluted share)
- Funded \$27.7 million of cash capital expenditures in Q1'23 with cash on hand and cash from operations
- Strong, bank debt-free balance sheet with unrestricted cash balance of \$52.1 million and Adjusted Working Capital¹ of \$40.2 million
- Returned additional \$10.5 million to shareholders through share buybacks from initiation of program in November 2022 through May 9, 2023



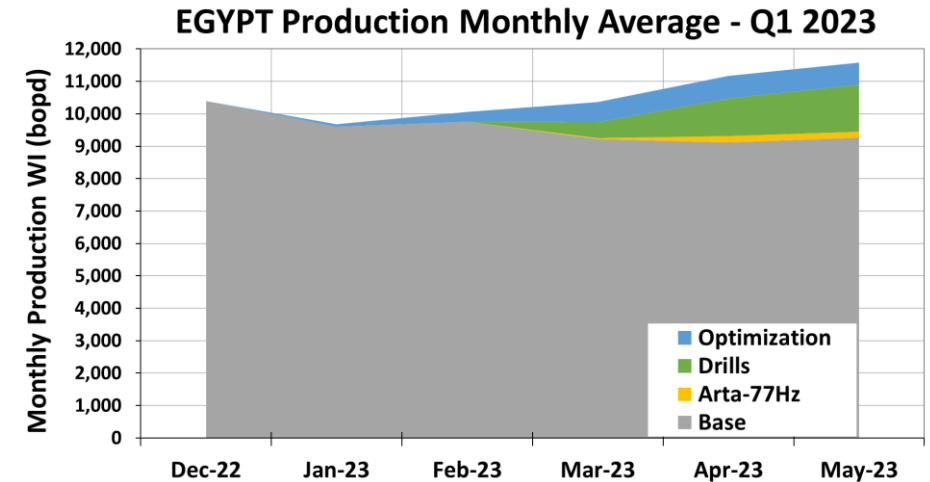
Continued Strong Cash Flow Generation Fully Funding Shareholder Returns and Capital Program

EGYPT PRODUCTION & DRILLING OPTIMIZATION

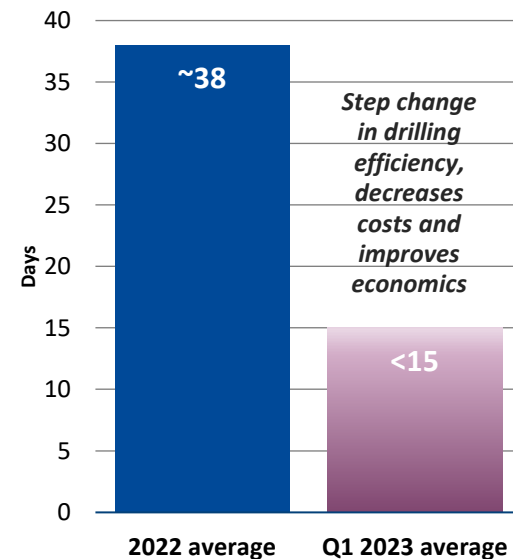


Production uplift through drilling success and facility optimization

- Ramped up production in our Petrobakr concession from 9,673 WI bopd in January 2023 to 10,363 WI bopd in March 2023
 - Continued production increase with April production exit rate of **~11,165 BOPD WI**
 - Achieved a two-year daily production record of **11,811 WI bopd** in early May 2023
- Successfully drilled 5 development wells in the first quarter. Completed and placed on production four wells during the quarter, with the fifth well coming online in April
 - Wells drilled across three fields: 1 in East-Arta field, 2 in K field and 2 in Arta field
 - Improved drilling and completion performance with average days decreasing by more than 50% from 2022 average of 38 days to under 15 days in Q1 2023
 - Shortened the rig-release to artificial lift production period to less than 6 day
- New drills contributed ~160 WI bopd toward Q1 daily average with a daily production add of ~720 WI BOPD at the close of the quarter
 - In early May, the 5 Q1 new drills have an estimated daily production of **~1070 WI BOPD**
- Production optimization efforts successfully added ~330 WI bopd toward Q1 daily average with a daily production add of ~660 WI bopd at the close of the first quarter
 - Result of well reactivations, artificial system upgrades and RPM/SPM optimization
- Arta-77HZ horizontal well was drilled and fraced over a 4,400 ft horizontal section in the Nukhul reservoir
 - The well is flowing at approximately 200 bopd with minimal water and we expect cleanup to continue for an extended period of time



Improved Drilling Efficiency

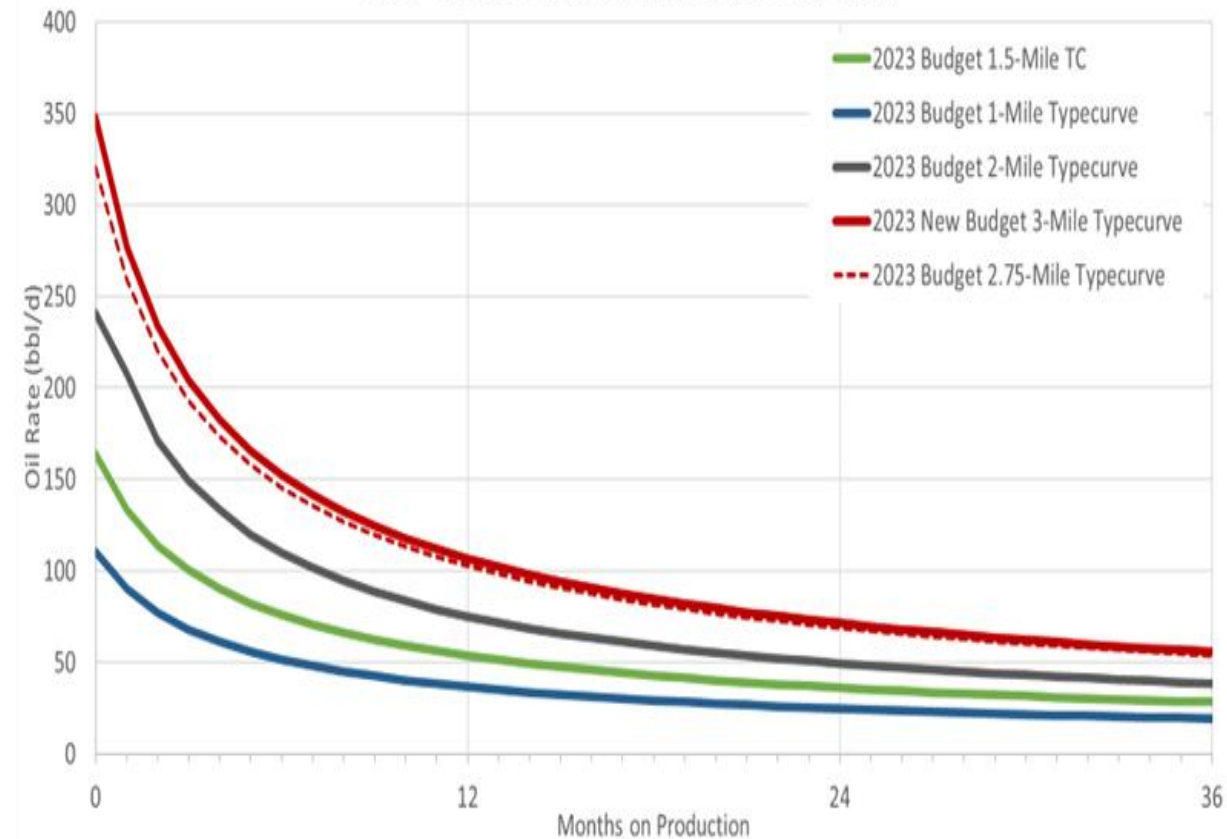


CANADA ENHANCING FUTURE DEVELOPMENT

Optimizing lateral lengths, frac intensity and facilities

- 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 an average cycle time of <90 days
- Successfully completed both wells with positive initial flowback results
 - Wells being brought online in May
- Moving to longer laterals exclusively in the future
 - Extending laterals to 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

Enhancing Returns By Extending Lateral Length

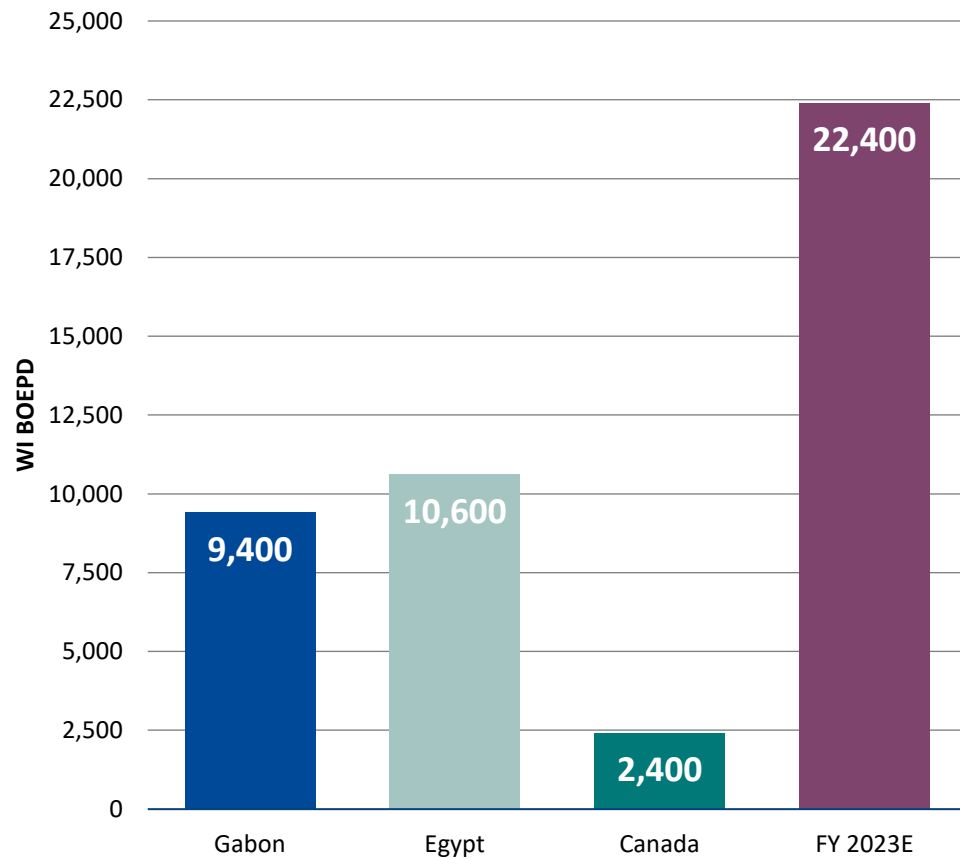


PRODUCTION AND RESERVES

By Area

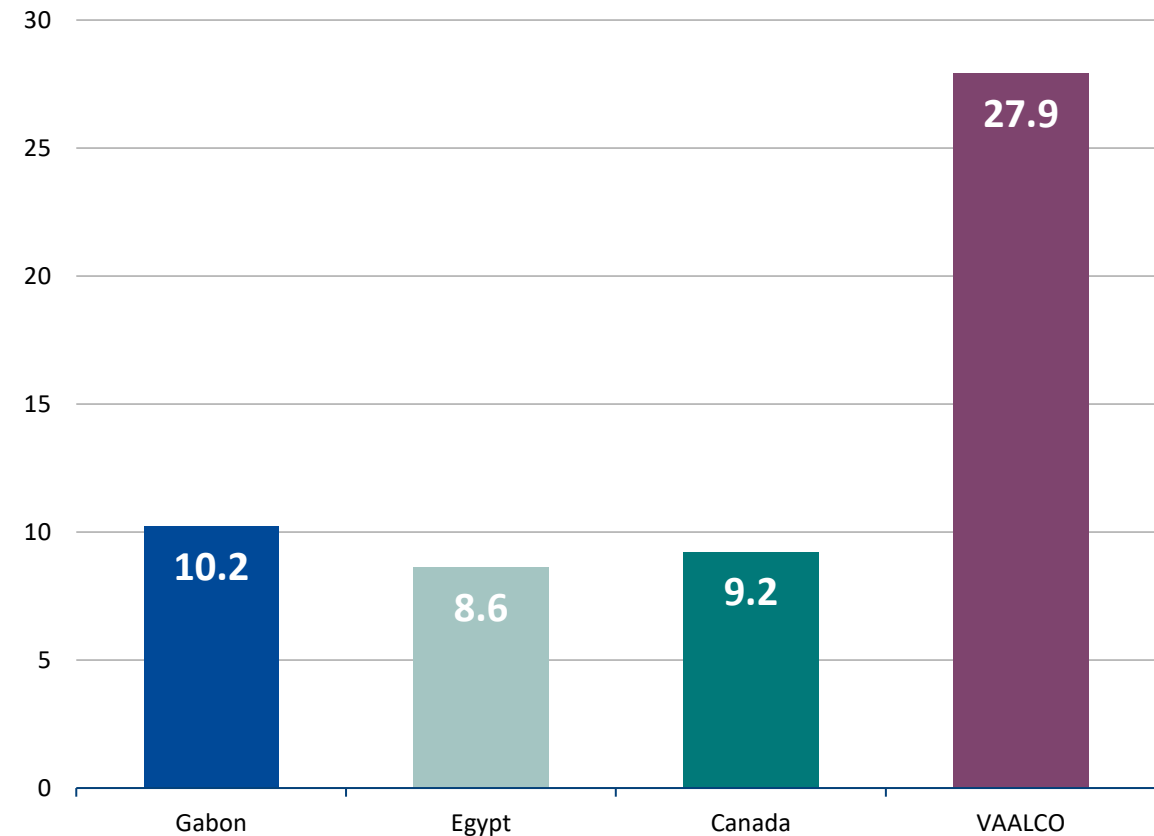


Production (WI) Outlook



Midpoints of 2023 Full Year Guidance Range

SEC Proved Reserves⁽¹⁾ (MMBOE)



¹⁾ SEC reserves are NSAI estimates as of December 31, 2021 and NSAI and GLJ estimates as of December 31, 2022

Debt Free Balance Sheet, Strong Financial Foundation

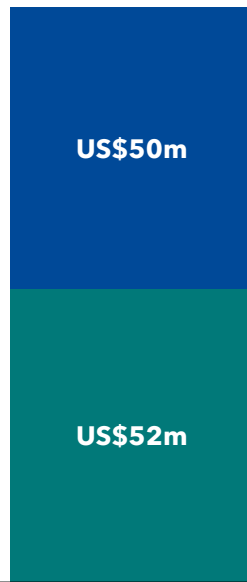
Fully Funding Shareholder Returns and Capital Programs



Strong Liquidity at March 31, 2023 (US\$m)

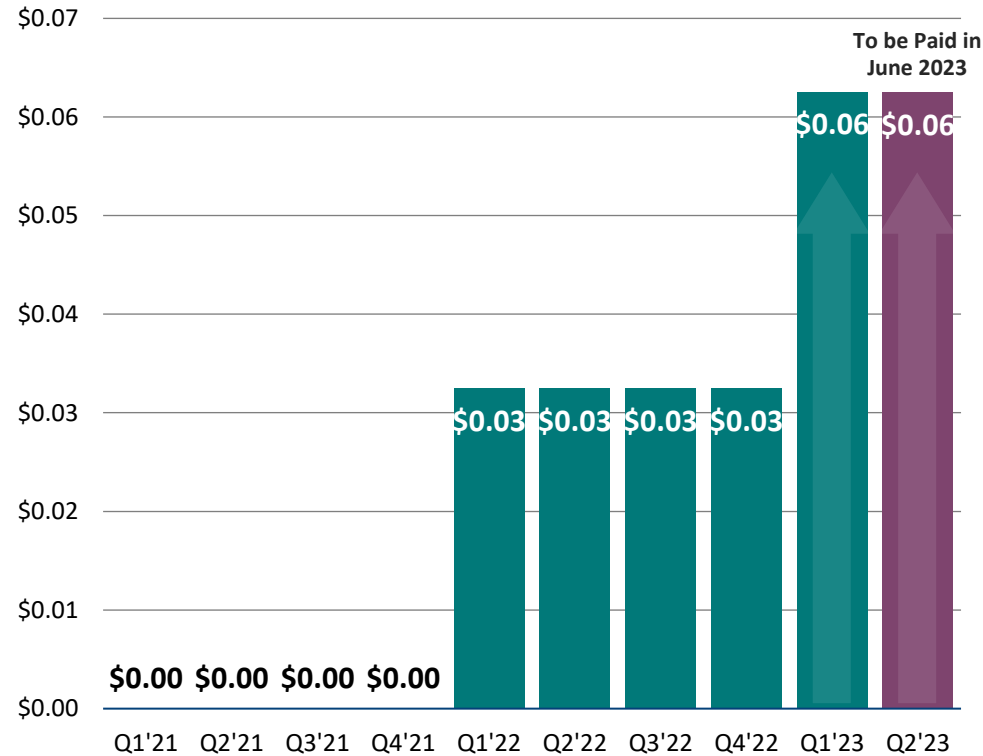
■ Cash and Cash Equivalents ■ RBL Availability

Liquidity US\$102m



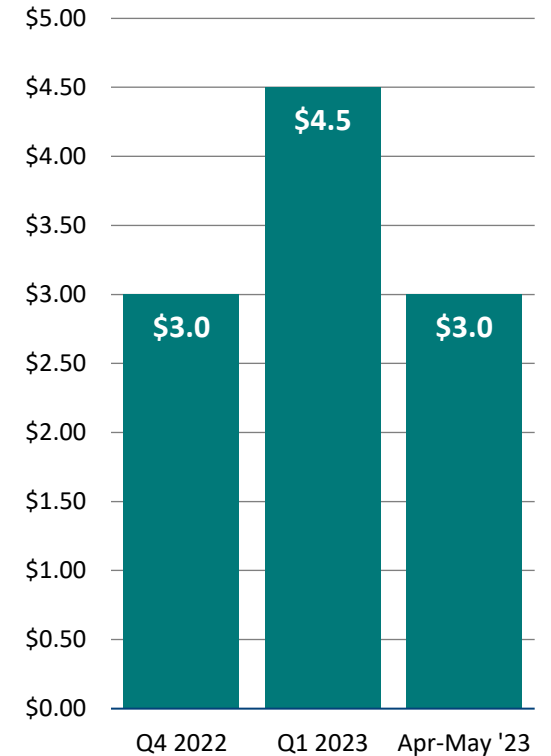
Q1 2023

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)



- > VAALCO has ~US\$50m undrawn RBL
- > Fully funding capex, dividends and share buybacks while continuing to grow cash on hand



ETAME TAX SCENARIOS

Understanding the PSC Cost Recovery and Tax



Scenario 1) Capital-intensive year with unrecovered cost oil

Scenario 2) Capital-intensive year with no unrecovered cost oil

Scenario 3) Limited capital spend with no unrecovered cost oil

	(Per barrel)		
	Scenario 1	Scenario 2	Scenario 3
A Oil Revenue	\$ 90.00	\$ 90.00	\$ 90.00
Cost oil - OPEX	(30.00)	(30.00)	(23.00)
Cost oil - CAPEX	(27.40)	(27.40)	(1.92)
Cost oil Unrecovered	(14.60)	-	-
B Total Cost Oil	\$ (72.00)	\$ (57.40)	\$ (24.92)
(A-B) Profit oil - Taxable Income	\$ 18.00	\$ 32.60	\$ 65.08
C Profit oil tax rate	52.50%	52.50%	52.50%
(A-B) x C Current taxes	\$ (9.45)	\$ (17.12)	\$ (34.17)
((A-B) x C)/A Etame tax as a percentage of revenue	11%	19%	38%
Cost Oil Unrecovered Beg Period	50.00	-	
Cost Oil Unrecovered +-Addition(Usage)	(14.60)	-	
Cost Oil Unrecovered End Period	35.40	-	

- › Current tax settled by profit oil barrels in Gabon
- › In 2021, total tax benefitted from the release of valuation allowances that were taken against deferred tax assets during the COVID period and low oil price period
- › By Q1 2022, all valuation allowances have been released
- › Additionally, our Gabon PSC has an attractive 80% cost recovery
- › Unrecovered costs can carry over years, but when oil prices increase, total tax increases depleting the cost pool faster
- › The Gabon cost pool was completely recovered through Q2 2022
- › Gabon drilling program, workover, FSO capital add to the cost pool recovery, but as we move into 2023 only opex will be contributing to cost pool, which is substantially less than the 80% allowance, therefore tax rates will increase
- › Corporate costs, derivative costs, other costs from other operating areas cannot be used in cost recovery at Gabon
- › Gabon GOC liftings will increase based on additional profit oil in 2023
- › TransGlobe combination should lower overall effective tax rate for VAALCO



Capital and Opex Spending Lower Tax Rate Due to 80% Cost Recovery / Cost Stop

2023 FULL YEAR GUIDANCE

(As of May 10, 2023)



www.vaalco.com

		FY 2023	Gabon	Egypt	Canada
Production (BOEPD)	WI ⁽¹⁾ NRI ⁽¹⁾	20,400 – 24,400 15,300 – 18,600	8,500 – 10,300 7,400 – 9,000	9,700 – 11,500 6,000 – 7,300	2,200 – 2,600 1,900 – 2,300
Sales Volume (BOEPD)	WI ⁽¹⁾ NRI ⁽¹⁾	20,400 – 24,400 15,300 – 18,600	8,500 – 10,300 7,400 – 9,000	9,700 – 11,500 6,000 – 7,300	2,200 – 2,600 1,900 – 2,300
Production Expense ⁽²⁾	WI ⁽¹⁾	\$135.5 - \$157.0 MM			
Production Expense per BOE ⁽²⁾	WI ⁽¹⁾	\$16.00 - \$20.00	\$20.00 - \$25.00	\$13.50 - \$18.00	\$8.50 - \$11.50
Offshore Workovers	WI ⁽¹⁾ & NRI ⁽¹⁾	\$1 - \$10 MM			
Cash G&A ⁽³⁾	WI ⁽¹⁾ & NRI ⁽¹⁾	\$15.0 - \$20.0 MM			
CAPEX	WI ⁽¹⁾ & NRI ⁽¹⁾	\$70 - \$90 MM			

- 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

2023 Q2 GUIDANCE

(As of May 10, 2023)



www.vaalco.com

		Q2 2023	Gabon	Egypt	Canada
Production (BOEPD)	WI ⁽¹⁾	22,600 – 24,600	9,500 – 10,300	10,600 – 11,600	2,500 – 2,700
	NRI ⁽¹⁾	17,300 – 19,000	8,300 – 9,000	6,900 – 7,700	2,100 – 2,300
Sales Volume (BOEPD)	WI ⁽¹⁾	21,200 – 23,300	11,900 – 13,200	6,800 – 7,400	2,500 – 2,700
	NRI ⁽¹⁾	15,600 – 17,300	10,400 – 11,500	3,100 – 3,500	2,100 – 2,300
Production Expense ⁽²⁾	WI ⁽¹⁾	\$32.5 - \$39.0 MM			
Production Expense per BOE ⁽²⁾	WI ⁽¹⁾	\$15.50 - \$20.50	\$20.50 - \$25.50	\$8.50 - \$14.00	\$8.00 - \$11.00
Offshore Workovers	WI ⁽¹⁾ & NRI ⁽¹⁾	\$0 - \$1 MM			
Cash G&A ⁽³⁾	WI ⁽¹⁾ & NRI ⁽¹⁾	\$3.5 - \$5.5 MM			
CAPEX	WI ⁽¹⁾ & NRI ⁽¹⁾	\$18 - \$28 MM			

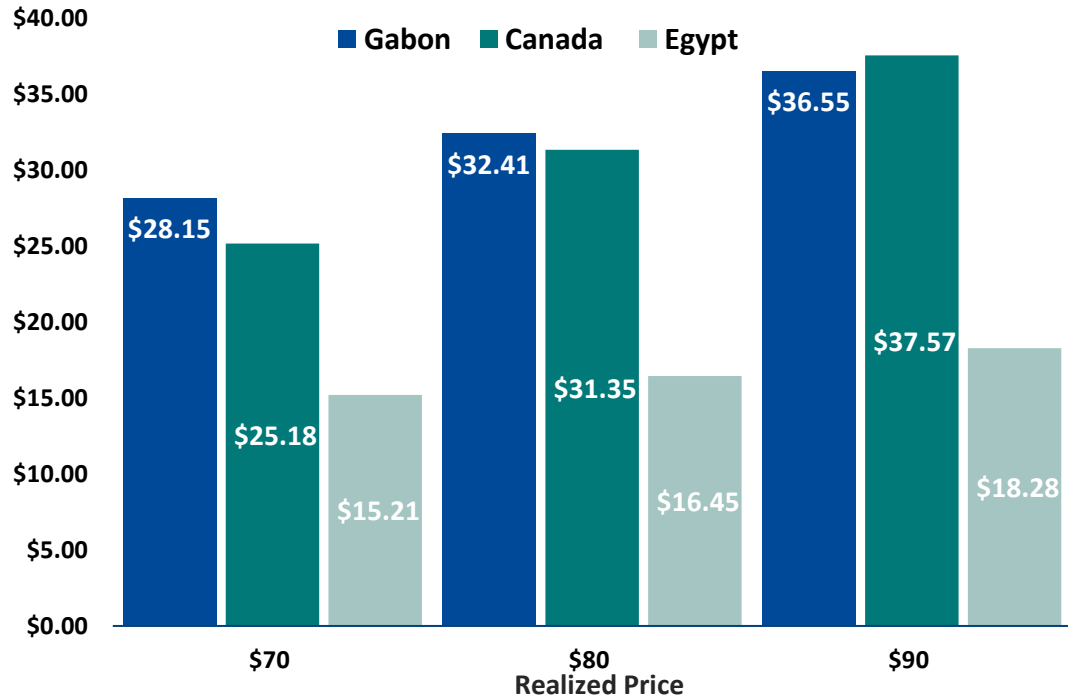
- 1) WI is Working interest to VAALCO and NRI is net of royalties
- 2) Excludes offshore workover expense and stock-based compensation
- 3) Excludes stock-based compensation

2023 NETBACKS AT DIFFERENT PRICE SCENARIOS

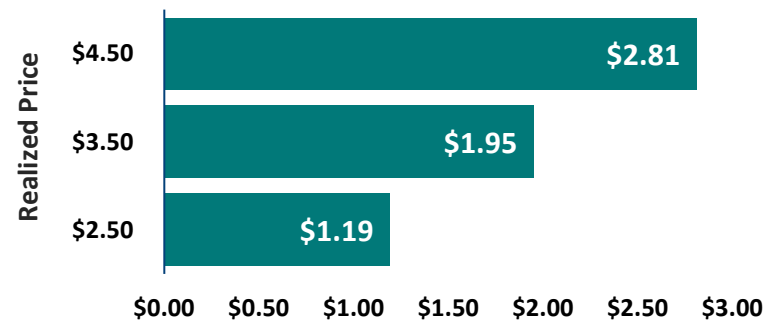


www.vaalco.com

Liquids \$/BBL Netback by Area

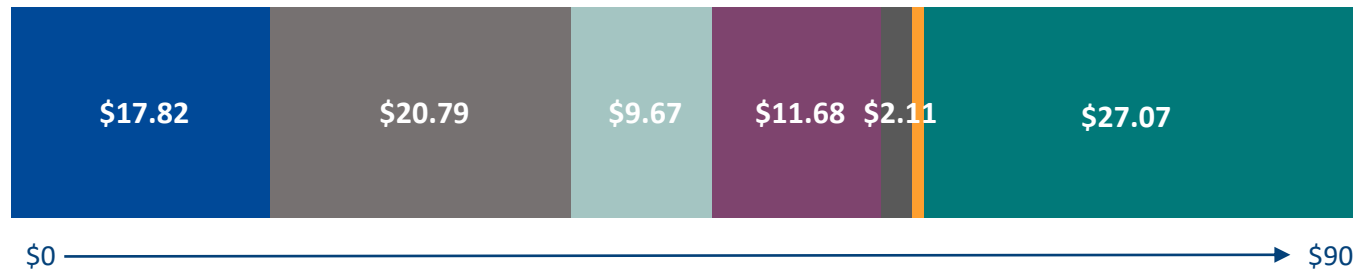


Natural Gas \$/MCF Netback (Canada)

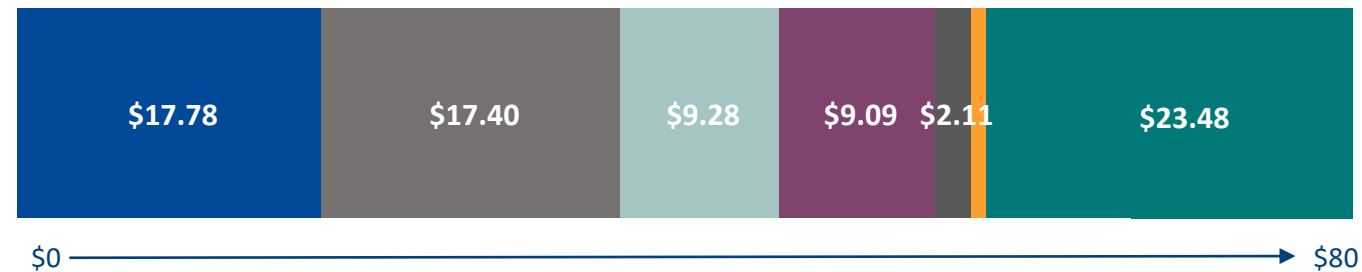


Total Company Blended Netback on Working Interest Basis

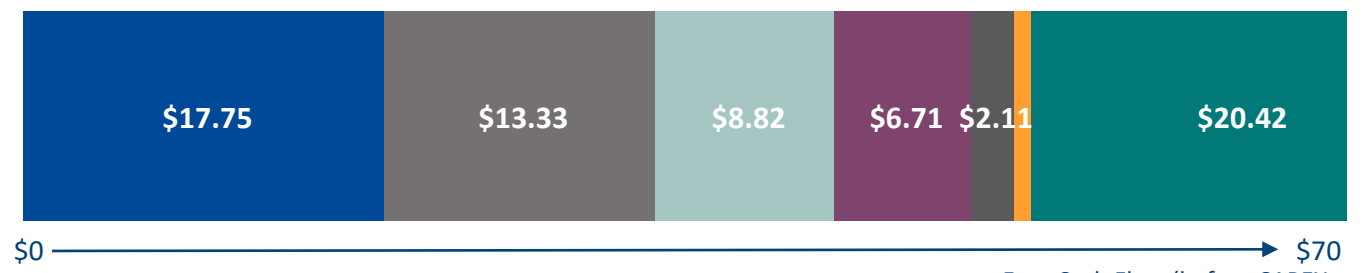
FY2023 Margins at \$90 Realized Oil and Midpoint of Guidance



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



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



Legend: OPEX, Royalty, Differential, Tax, G&A, Other, Free Cash Flow (before CAPEX and prior to working capital changes)



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 SAs
B.P. 1335, Port Gentil, Gabon

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

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

T +240-222-991002

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

T +03 4845237

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

T +1.403.264.9888

INVESTOR CONTACTS

U.S. - Al Petrie / Chris Delange

T 713.543.3422
E apetrie@vaalco.com

U.K. - Ben Romney / Jon Krinks

T 44.0.20.7466.5000
E vaalco@buchanan.uk.com