

December 6, 2013



# VAALCO Energy Announces Clearance To Proceed With Drilling Program Offshore Angola

HOUSTON, Dec. 6, 2013 /PRNewswire/ -- VAALCO Energy, Inc. (NYSE: EGY) today announced that the Company has received written confirmation from The Ministry of Petroleum of Angola that the available 40% working interest in Block 5, offshore Angola, has been assigned to Sonangol E.P., the National Concessionaire. The Ministry of Petroleum also confirmed that Sonangol E.P. will assign the aforementioned participating interest to its exploration and production affiliate, Sonangol P&P.

(Logo: <https://photos.prnewswire.com/prnh/20100316/NY71495LOGO>)

With this confirmation, VAALCO has begun the process of contacting drilling rig companies to secure a semi-submersible rig to commence the exploration phase of the pre-salt / post-salt Kwanza Basin program.

Steve Guidry, CEO, commented, "We are excited to begin drilling offshore Angola, especially given the recent significant discoveries made elsewhere in the Kwanza basin in which Block 5 is located. Having Sonangol as our partner, with their extensive knowledge of the basin, reaffirms our confidence in the potential of discovering commercial quantities of hydrocarbons on our 1.4 million acre concession."

Following the assignment, Sonangol and its affiliates will hold a 60% working interest in Block 5, comprising a 20% carried working interest and the newly assigned 40% participatory working interest. VAALCO, as operator, continues to hold a 40% operating working interest in Block 5.

## Forward-Looking Statements

This document includes "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements are those concerning VAALCO's plans, expectations, and objectives for future drilling, completion and other operations and activities. All statements included in this document that address activities, events or developments that VAALCO expects, believes or anticipates will or may occur in the future are forward-looking statements. These statements include expected capital expenditures, future drilling plans, prospect evaluations, negotiations with governments and third parties, and reserve growth. These statements are based on assumptions made by VAALCO based on its experience 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, inflation, general economic conditions, oil and gas price volatility, the Company's success in discovering, developing and producing reserves, lack of availability of goods, services and capital,

environmental risks, drilling risks, foreign 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, 2012, its Form 10-Q for the third quarter filed on November 7, 2013, 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 4600 Post Oak Place, Suite 300, Houston, Texas 77027, (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.

### **About VAALCO**

VAALCO Energy, Inc. is a Houston based independent energy company principally engaged in the acquisition, exploration, development and production of crude oil. VAALCO's strategy is to increase reserves and production through the exploration and exploitation of oil and natural gas properties with high emphasis on international opportunities. The company's properties and exploration acreage are located primarily in Gabon, Angola and Equatorial Guinea in West Africa.

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