

July 30, 2015



VAALCO Energy Announces Results Of IFC Credit Facility Re-Determination

BORROWING BASE REAFFIRMED AT FULL \$65 MILLION

HOUSTON, July 30, 2015 /PRNewswire/ -- VAALCO Energy, Inc. (NYSE: EGY) announced today that the borrowing base under its revolving credit facility was reaffirmed at the full \$65 million level, the maximum capacity provided for under the facility. The redetermination was a result of the regular semi-annual review conducted by the International Finance Corporation (IFC), the lender under the facility. The covenants under the facility remain unchanged, including the removal of the debt to equity covenant that was previously announced in May 2015.



The borrowing base is supported solely by the Company's Etame Marin producing assets in Gabon. The next scheduled re-determination date is in December 2015. As of March 31, 2015, the Company had \$15 million drawn under this facility and no additional borrowings have been made against the facility since that date. The Company believes that its cash balance and cash flow from operations will be more than sufficient to fund its operations and capital budget in 2015. The increase in the borrowing base adds additional financial security.

Steve Guidry, VAALCO's Chairman and CEO commented, "We are very pleased with the results of our semi-annual credit facility re-determination. Despite the significant downturn in oil prices, our borrowing base was 100% reaffirmed, reflecting the value of our ongoing Etame Marin development program. We value our relationship with the IFC as a financial partner."

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.

Other Information

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, liquidity, negotiations with governments and third parties, expectations regarding processing facilities, 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, oil and gas price volatility, inflation, general economic conditions, 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 quarterly report on Form 10-Q for the three months ended March 31, 2015, annual report on Form 10-K for the year ended December 31, 2014, 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.

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