June 24, 2009

VAALCO Energy Authorizes Share Buyback Program

HOUSTON, June 24 /PRNewswire-FirstCall/ -- VAALCO Energy, Inc. (NYSE: EGY) today announced that its Board of Directors has authorized the repurchase of up to $10 million of the Company's common stock.

"We are pleased to announce this buyback as part of our capital allocation program," said Robert Gerry, Chairman and CEO. "In addition to providing for a return of capital to our shareholders, we believe our stock is an excellent investment at today's prices. With our strong balance sheet and projected cash flow, we continue to review additional opportunities to increase shareholder value."

Under the share buyback program, shares of common stock will be purchased on the open market or through privately negotiated transactions from time-to-time during the authorized 12 month period. Under the authorization, the timing and amount of purchases would be based upon market conditions, securities law limitations and other factors. The share buyback program does not obligate the Company to acquire any specific number of shares in any period, and may be modified, suspended, extended or discontinued at any time without prior notice. The Company currently has outstanding approximately 59 million diluted shares of common stock.

Forward-Looking Statements

This document includes "forward-looking statements" as defined by the U.S. securities laws. 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 the number, price and timing of shares that may be purchased. 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, lack of availability of goods, services and capital, environmental risks, drilling risks, foreign operational risks and regulatory changes. 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. These risks are further described in VAALCO's annual report on Form 10-K for the year ended December 31, 2008 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 309, Houston, Texas 77027, (713) 623-0801.

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 and Angola, West Africa.

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SOURCE VAALCO Energy, Inc.