September 15, 2016

VAALCO Energy Provides Update on Operations

HOUSTON, Sept. 15, 2016 (GLOBE NEWSWIRE) -- VAALCO Energy, Inc. (NYSE:EGY) today provided an operational update relating to its activities in Gabon.

As previously disclosed, in late July the primary electrical submersible pump (ESP) failed in the Avouma 2-H well on the Avouma Platform offshore Gabon in the Etame Marin Permit. Prior to attempting to start the secondary ESP, VAALCO and the original equipment manufacturer which installed the ESP worked closely to re-design the start-up procedure and adjust the operating conditions in an effort to prevent another ESP failure. The lower pump was successfully started in August and remained operational for approximately 10 days. At the time of the secondary ESP failure, the well was producing approximately 1,850 barrels of oil per day (BOPD) gross or 450 BOPD net to the Company. VAALCO has attempted to restart the lower ESP without success and the well is temporarily shut-in pending a workover.

The Company is in the process of mobilizing a hydraulic workover unit to the Avouma Platform to recover failed ESPs in the Avouma 2-H well and the South Tchibala 2-H well. Both wells produce from the Avouma platform and both wells have recently experienced failed ESPs. After removing the ESPs, VAALCO plans to immediately install a replacement ESP in the Avouma 2-H well and anticipates restoring production from the well by mid fourth quarter of this year. The failed ESPs will be sent to the manufacturer's facilities for a root cause investigation to determine the failure mechanism. Once the cause of the ESP failures is understood, appropriately modified ESP systems will be installed in the South Tchibala 2-H well and, if necessary, the Avouma 2-H well.

The Company further commented that its Gabon operations have thus far not been impacted in any way by recent activities in the country associated with the presidential election last month. The results of the election are being reviewed by the authorities in Gabon as required in their constitutional process. An announcement of the final result is expected later in September. VAALCO continues to follow its election period protocol until the results are finalized.

About VAALCO

VAALCO Energy, Inc. is a Houston-based independent energy company principally engaged in the acquisition, exploration, development and production of crude oil. The Company's properties and exploration acreage are located primarily in Gabon, Equatorial Guinea and Angola in West Africa.

This news release includes "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements are those concerning VAALCO's plans, expectations, and objectives for, future drilling, completion, workover and other operations and activities. All statements, other than statements of historical facts, included in this release 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 may include expectations regarding well performance, the ability to successfully workover wells, the costs and timing of expected workovers and statements regarding the potential for civil unrest in the countries where we operate. 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, 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, 2015, subsequent quarterly reports on Form 10-Q, and other reports filed with the SEC. 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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