February 27, 2014

VAALCO Energy Provides Update On Operations

HOUSTON, Feb. 27, 2014 /PRNewswire/ -- VAALCO Energy, Inc. (NYSE: EGY) today provided the following update on recent activities.

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

The exploration well in the Dimba prospect, located approximately seven miles northeast of the Etame field offshore Gabon, has been drilled to a total depth of 3,040 meters. Electric log data indicates that the estimated recoverable reserves are uneconomic at this location. The well is currently in the process of being plugged and abandoned.

The primary Gamba sandstone objective was encountered high on the structure but was thinner and tighter than expected in the initial well penetration. The secondary deeper objectives in the Melania and Lucina sections were encountered on structure but lacked reservoir quality sands and were not tested.

Strong oil shows observed in the sidewall cores at the Gamba interval led to a subsequent sidetrack on the flank of the structure. The sidetrack encountered thicker Gamba reservoir of improved quality but VAALCO and its partners deemed the reservoir to be too small to be economic.

VAALCO has now scheduled the previously announced six-day shutdown of the Etame Marin block to commence on or around March 15, 2014. The shutdown has been scheduled to upgrade the safety systems and perform maintenance and repairs to key mechanical systems including the gas lift compressor and boiler unit on VAALCO's leased Floating, Production, Storage and Offloading (FPSO) vessel. Other maintenance will be performed in the field while the FPSO is down. A second FPSO shutdown is planned during the second half of 2014 to upgrade the fire and gas detection systems.

Construction work on the two new production platforms targeting additional development of the Etame Marin block is continuing on schedule, with one platform to be installed in the Etame field and the second platform to be installed between the Southeast Etame and North Tchibala fields. Both platforms are expected to be set in the second half of 2014.

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, objectives and operations, 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.

SOURCE VAALCO Energy, Inc.