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VAALCO Energy Announces Resumption of Production at Avouma Well

HOUSTON, Aug. 25, 2016 (GLOBE NEWSWIRE) -- VAALCO Energy, Inc. (NYSE:EGY) today announced that the secondary electric submersible pump (ESP) in the Avouma 2-H well on the Avouma Platform offshore Gabon in the Etame Marin Permit was recently started and the well is now producing at a stable rate.

As previously announced, the primary ESP failed in the Avouma 2-H well, and prior to attempting to start the secondary ESP, VAALCO and the manufacturer and installer of the ESP worked closely to optimize the startup procedure. The lower pump was successfully started last week and performance is stable with the well producing approximately 1,850 barrels of oil per day (BOPD) gross or 450 BOPD net to VAALCO. The well was producing approximately 2,700 gross BOPD or 660 BOPD net to VAALCO prior to the first ESP failure. VAALCO is currently flowing the well at a lower rate while monitoring the performance of the ESP.

Cary Bounds, VAALCO's Chief Operating Officer commented, "We are pleased to have restarted production from the Avouma 2-H well and will continue to monitor the performance of the secondary ESP. We are conducting a detailed investigation of ESP failures encountered earlier this year on the platform and hope to restore production from two shut-in wells in the fourth quarter. The upcoming Avouma ESP replacements will utilize a more cost effective hydraulic workover unit that is being mobilized to the platform. The ability to restart production from the Avouma 2-H validates our strategy of installing primary and secondary pumps in all of our platform wells."

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 and the costs and timing of expected workovers. 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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