

April 26, 2023



Vaalco Announces Publication of 2022 Environmental, Social and Governance Report

HOUSTON, April 26, 2023 (GLOBE NEWSWIRE) -- VAALCO Energy, Inc. (NYSE: EGY; LSE: EGY) ("VAALCO" or the "Company") today announced that it has issued its 2022 Environmental, Social and Governance ("ESG") report, which is now available on VAALCO's web site, www.vaalco.com, under the "Sustainability" tab.

The report covers VAALCO's ESG initiatives and related key performance indicators for the calendar year 2022. During 2022, the Company completed a materiality study, led by its ESG Engineer with input from key personnel across the organization with responsibility for engaging with its key stakeholder groups. Working with an external consultancy, VAALCO created an ESG materiality framework against which it plotted material topics informed by the Global Reporting Initiative (GRI) and Sustainability Accounting Standards Board (SASB). Each of these was assessed based upon the perceived level of risk to the business and the level of management control in place.

Commenting on the newly issued ESG report, Chief Executive Officer George Maxwell said, "In Q4 2022, we completed our strategic combination with TransGlobe Energy Corporation, which increased production and reserves, diversified our production portfolio, reduced risk, and increased our cash flow which will continue to be key to our long-term sustainability. To effectively combine the two businesses, a variety of integration strategies were designed; critical systems have been either fully integrated or are on their way to completion."

"Last year we adopted the framework of the Task Force on Climate related Financial Disclosures (TCFD) to drive our focus and response to climate change risks and opportunities. In accordance with our objective to reduce our emissions footprint, we have taken significant steps to progress our approach. We developed a decarbonization program, which was reviewed and approved by our Board. This has established a Decarbonization Steering Group which is comprised of senior management that is responsible for setting the direction for our carbon reduction efforts. Early-stage projects are currently being scoped and we look forward to updating our stakeholders on progress in due course."

"We continue to place great emphasis on capturing, monitoring, analyzing and ultimately sharing our ESG performance with our stakeholders. We believe our 2022 ESG Report successfully communicates the progress we have made to date on our ESG journey."

About VAALCO

VAALCO, founded in 1985 and incorporated under the laws of Delaware, is a Houston, U.S.-based, independent energy company with production, development and exploration assets in Africa and Canada.

Following its business combination with TransGlobe in October 2022, VAALCO owns a diverse portfolio of operated production, development and exploration assets across Gabon, Egypt, Equatorial Guinea and Canada.

For Further Information

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Forward Looking Statements

This press release includes “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended (the “Securities Act”) and Section 21E of the Securities Exchange Act of 1934, as amended, which are intended to be covered by the safe harbors created by those laws and other applicable laws and “forward-looking information” within the meaning of applicable Canadian securities laws. Where a forward-looking statement expresses or implies an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and believed to have a reasonable basis. All statements other than statements of historical fact may be forward-looking statements. The words “anticipate,” “believe,” “estimate,” “expect,” “intend,” “forecast,” “outlook,” “aim,” “target,” “will,” “could,” “should,” “may,” “likely,” “plan” and “probably” or similar words may identify forward-looking statements, but the absence of these words does not mean that a statement is not forward-looking. Forward-looking statements in this press release include, but are not limited to, statements relating to (i) VAALCO’s ability to realize the anticipated benefits and synergies expected from the acquisition of TransGlobe; (ii) estimates of future drilling, production, sales and costs of acquiring crude oil and natural gas; (iii) estimates of future cost reductions, synergies, savings and efficiencies; (iv) expectations regarding VAALCO’s ability to effectively integrate assets and properties it acquired as a result of the acquisition of TransGlobe into its operations; (v) the amount and timing of stock repurchases, if any, under the VAALCO’s stock buyback program and VAALCO’s ability to enhance stockholder value through such plan; (vi) expectations regarding future exploration and the development, growth and potential of VAALCO’s operations, project pipeline and investments, and schedule and anticipated benefits to be derived therefrom; (vii) expectations regarding future acquisitions, investments or divestitures; (viii) expectations of future dividends and returns to stockholders; (ix) expectations of future balance sheet strength; (x) expectations of the continued listing of VAALCO’s common stock on the NYSE and LSE; and (xi) VAALCO’s ability to finalize documents and effectively execute the POD for the Venus development in Block P.

Such forward-looking statements are subject to risks, uncertainties and other factors, which could cause actual results to differ materially from future results expressed, projected or implied by the forward-looking statements. These risks and uncertainties include, but are not limited to: risks relating to any unforeseen liabilities of VAALCO or TransGlobe; declines in oil or natural gas prices; the level of success in exploration, development and production activities; adverse weather conditions that may negatively impact development or production

activities; the right of host governments in countries where we operate to expropriate property and terminate contracts (including the Egypt PSCs, the Etame PSC and the Block P PSC) for reasons of public interest, subject to reasonable compensation, determinable by the respective government in its discretion; the final terms of the agreements pertaining to Block P in Equatorial Guinea, which remain under negotiation; the timing and costs of exploration and development expenditures; inaccuracies of reserve estimates or assumptions underlying them; revisions to reserve estimates as a result of changes in commodity prices; impacts to financial statements as a result of impairment write-downs; the ability to generate cash flows that, along with cash on hand, will be sufficient to support operations and cash requirements; the ability to attract capital or obtain debt financing arrangements; currency exchange rates and regulations; actions by joint venture co-owners; hedging decisions, including whether or not to enter into derivative financial instruments; international, federal and state initiatives relating to the regulation of hydraulic fracturing; failure of asses to yield oil or gas in commercially viable quantities; uninsured or underinsured losses resulting from oil and gas operations; inability to access oil and gas markets due to market conditions or operational impediments; the impact and costs of compliance with laws and regulations governing oil and gas operations; the ability to replace oil and natural gas reserves; any loss of senior management or technical personnel; competition in the oil and gas industry; the risk that the business combination with TransGlobe may not increase VAALCO's relevance to investors in the international E&P industry, increase capital market access through scale and diversification or provide liquidity benefits for stockholders; and other risks described under the caption "Risk Factors" in VAALCO's 2022 Annual Report on Form 10-K, filed with the SEC on April 6, 2023.

Inside Information

This announcement contains inside information as defined in Regulation (EU) No. 596/2014 on market abuse which is part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("MAR") and is made in accordance with the Company's obligations under article 17 of MAR. The person responsible for arranging the release of this announcement on behalf of VAALCO is Matthew Powers, Corporate Secretary of VAALCO.



Source: VAALCO Energy, Inc.