February 3, 2025

VAALCO Energy, Inc. Announces Significant Milestone in Its Côte D'Ivoire FPSO Dry Dock Refurbishment Project

HOUSTON, Feb. 03, 2025 (GLOBE NEWSWIRE) -- VAALCO Energy, Inc. (NYSE: EGY; LSE: EGY) ("Vaalco" or the "Company") is pleased to announce a significant milestone in its Côte d'Ivoire Floating Production Storage and Offloading vessel ("FPSO") Dry Dock Refurbishment Project.

In alignment with the project timeline, the FPSO *Baobab Ivoirien MV10*, operated by Canadian Natural Resources International ("CNRI"), ceased hydrocarbon production as scheduled on January 31, 2025. The final lifting of crude oil from the vessel is set to take place on or around February 6, 2025.

The project team has commenced mobilization efforts, deploying the necessary workforce support vessels and equipment to facilitate the safe disconnection of the FPSO. The vessel is planned to be wet towed to the shipyards in Dubai for refurbishment upon departure from the field on March 24, 2025.

"We are pleased with the progress of this critical project and remain committed to ensuring a smooth and efficient transition for the FPSO disconnection and refurbishment which we expect, when complete, will allow production to continue until at least 2038, subject to the final regulatory approvals on the license extension and further investment," said George Maxwell, Vaalco's Chief Executive Officer. "This milestone represents another step forward in delivering on our strategic objectives while maintaining the highest standards of safety and operational excellence. We have already been paid back 1.8x[1] our initial net investment in Côte d'Ivoire in the eight months since closing and the performance of the asset has tracked well ahead of our expectations at the time of the acquisition."

Vaalco will provide further updates as the project progresses.

About Vaalco

Vaalco, founded in 1985 and incorporated under the laws of Delaware, is a Houston, Texas, USA based, independent energy company with a diverse portfolio of production, development and exploration assets across Gabon, Egypt, Côte d'Ivoire, Equatorial Guinea, Nigeria 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) estimates of future drilling, production, sales and costs of acquiring crude oil, natural gas and natural gas liquids; (ii) expectations regarding Vaalco's ability to effectively integrate assets and properties it has acquired as a result of the Svenska acquisition into its operations; (iii) 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; (iv) expectations regarding future acquisitions, investments or divestitures; (v) expectations of future balance sheet strength; and (vi) expectations of future equity and enterprise value.

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; the ability to generate cash flows that, along with cash on hand, will be sufficient to support operations and cash requirements; risks relating to the timing and costs of completion for scheduled maintenance of the FPSO servicing the Baobab field; and the risks described under the caption “Risk Factors” in Vaalco’s 2023 Annual Report on Form 10-K filed with the SEC on March 15, 2024 and subsequent Quarterly Reports on Form 10-Q filed with the SEC.

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.

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[1] Payback of 1.8x is based on unaudited operational cash flow for the Côte d'Ivoire assets compared to the acquisition price of $40.2MM as of 31st December 2024.

Source: VAALCO Energy, Inc.