



Code of Business Conduct and Ethics

To Our Employee, Officers and Directors:

VAALCO Energy, Inc. (the “Company”) has a proud tradition of maintaining the highest legal and ethical standards in the conduct of its business. We seek success in all of our business endeavors, but any success we may achieve at the expense of high ethical standards would be hollow. We believe that an awareness of the Company’s general policies regarding business conduct is vital to the Company and to each employee, officer, director, contractor and representative in the achievement of our mission.

For our employees, officers, directors, contractors and representatives, proper business conduct requires strict compliance with the spirit and the letter of the laws and regulations that apply to our business, but proper conduct means more than that. It means adherence to the highest business and personal ethics in dealings involving the Company or its reputation. Attached to this memorandum is VAALCO’s Code of Business Conduct and Ethics (the “Code”) including Addendum A -- the Code of Ethics for the Chief Executive Officer and Senior Financial Officers. Although it cannot answer every question of conduct that may arise in our business, it should alert you to situations that may require extra caution, concern or guidance. It is also Company practice to encourage everyone to ask questions, seek guidance, and express any concerns they may have. When in doubt, our employees, officers, directors, contractors and representatives should ask themselves the following questions:

- Would my action inspire trust? Is it fair and just?
- Is my action legal? If legal, is it also ethical? Are my actions honest in every respect?
- Is anyone’s life, health or safety endangered by this action?
- Can I defend this action with a clear conscience before my supervisor, fellow employees, and the general public?
- Would my supervisor act this way? Would it be helpful to ask my supervisor about this matter before I act?
- Would I be proud to read about my action in the newspaper?
- Does the action violate Company policy?
- Is the action consistent with the Company’s values?
- What would I tell my child to do?



You may consult your supervisor, upper management or the Company's Corporate Compliance Officer to seek advice. Please see the procedures set forth in Article XX. of the Code entitled How to Seek Advice or Report Violations of Company Policies. If you are unsure about what to do, ask questions and keep asking until you are certain you are doing the right thing. We expect these policies to be observed. It is not an excuse that questionable conduct is well-motivated or intended to "benefit" the Company. The Company may be exposed to significant civil and criminal penalties and the Company's reputation may be severely damaged. In addition, violating certain standards in the Code may subject such violator to personal fines and jail terms. In any event, violating the standards of business conduct set forth in the Code may subject a violator to severe disciplinary action, up to and including termination.

You are required to read and understand the Code. This Code, together with related policies, procedures and educational efforts comprises the Company's internal compliance program. As an integral part of this program you will be required to submit an annual certification of compliance on the form at the end of this document.

Sincerely,

Cary M. Bounds

Chief Executive Officer



VAALCO Energy, Inc.

**Code of Business Conduct
And Ethics**

**Amended and Restated January 19, 2016
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This Code applies to all VAALCO employees, officers and directors, and all contractors and representatives working at VAALCO facilities or on behalf of VAALCO. Unless stated otherwise or the context otherwise requires, when the term “employee” is used in this Code, it includes all employees (including temporary employees and interns), officers and directors, and all contractors and representatives working at VAALCO facilities or on behalf of VAALCO. When used in this Code, “VAALCO” or the “Company” means VAALCO Energy, Inc. and its subsidiaries and affiliates.

To assist in the interpretation of this Code, the Company’s General Counsel has been appointed as the VAALCO Corporate Compliance Officer.

I. ETHICS AND COMPLIANCE

The Company operates in accordance with the highest ethical standards and relevant laws. The Company places the highest value on the integrity of each of its employees and representatives. The Company’s culture demands not only legal compliance, but also responsible and ethical behavior. Unless otherwise specifically noted, the policies outlined in this booklet apply across the Company, in all states, regions and countries. This booklet doesn’t cover all Company policies or all laws. If a local law conflicts with a policy in this Code, then you must comply with the law; if a local custom or practice conflicts with this Code, then you must comply with this Code. If your region has policies or practices that require more of you than is required by the Code or if local law requires more, then you must follow the stricter policy, practice or law. Think of this Code as a baseline, or a minimum requirement, which must always be followed. The only time you can go below the baseline is if a law absolutely requires you to do so or if a written exception has been obtained in the manner provided herein.

II. CONFIDENTIAL INFORMATION

The Company believes its confidential proprietary information is an important asset in the operation of its business and prohibits the unauthorized use or disclosure of this information. The Company respects the property rights of other companies to their proprietary information and requires its employees to fully comply with U.S. and foreign laws and regulations protecting such rights. The obligation to preserve confidential information continues even after employment ends. The Company’s success is dependent upon the strict adherence by employees to this policy and all applicable standards and procedures.

Disclosure of Company’s Confidential Information

Information is the lifeblood of any business. Open and effective dissemination of this information is critical to our success. However, much of the information concerning the Company’s business activities is confidential. The disclosure of this information outside the Company would seriously damage the Company’s interests.

To protect this information, it is Company policy that:

- Confidential information of the Company should be disclosed within the Company only on a need-to-know basis; and
- Confidential information of the Company should be disclosed outside the Company only when required by law or when necessary to further the Company’s business activities and in accordance with the Company’s disclosure guidelines.



Except as required by law, under no circumstances are employees to provide confidential Company documents to any third party, without express consent of the Chief Compliance Officer. This includes but is not limited to any confidential Company documents relating to customers, competitors or suppliers of the Company.

Intellectual Property

Protection of the Company's intellectual property—including its patents, copyrights, trademarks, scientific and technical knowledge, know-how and the experience developed in the course of the Company's activities—is essential to maintaining the Company's competitive advantage. This information should be protected by all Company personnel and should not be disclosed to outsiders.

Much of the information the Company develops related to research, trade secrets, production, marketing, strategies, engineering, contract negotiations, business methods and practices is original in nature and its protection is essential to our continued success. Such information should be safeguarded.

Proprietary/confidential information and trade secrets may consist of any formula, pattern, device or compilation of information maintained in secrecy which is used in business, and which gives that business an opportunity to obtain an advantage over competitors who do not know about it or use it. This information should be protected by all Company employees and not disclosed to outsiders. Its loss through inadvertent or improper disclosure could be harmful to the Company.

No Inadvertent Disclosures

Employees should be especially mindful in the use of the telephone, fax, telex, electronic mail, and other electronic means of storing and transmitting information.

Employees should take every practicable step to preserve the Company's confidential information. For example, employees should not discuss material information in elevators, hallways, restrooms, restaurants, airplanes, taxicabs or any place where they can be overheard; not read confidential documents in public places or discard them where they can be retrieved by others; not leave confidential documents in unattended conference rooms; not leave confidential documents behind when the conference is over. Also, employees should be aware of the carrying quality of conversations conducted on speaker telephones in offices, and of the potential for eavesdropping on conversations conducted on mobile, car or airplane telephones, and other unsecured means of communication.

Employees acknowledge their obligation not to disclose the Company's proprietary confidential information, both while they are employed and after they leave the Company. The loyalty, integrity and sound judgment of the Company's employees both on and off the job are essential to the protection of such information.

Questions Employees Should Ask Themselves

- Am I conversing in a place where my conversation can be overheard?
- Have I received the express consent of the Chief Compliance Officer that authorizes the release of confidential information?

Competitive Information

Collecting information on our competitors from legitimate sources is proper and often necessary. However, there are limits to the ways information should be acquired. Practices such as industrial espionage and stealing are obviously wrong, but so is seeking confidential information from a new



employee who recently worked for a competitor, or misrepresenting your identity in the hopes of getting confidential information from a competitor.

Questions Employees Should Ask Themselves

- If the president of the competitor knew I was using this means of obtaining information about his/her company, would he/she believe it was proper?
- If I changed jobs and went to work for a competitor, would it be appropriate for me to disclose to the competitor the Company confidential information?

III. CONFLICTS OF INTEREST AND CORPORATE OPPORTUNITY

Conflicts of interest result from situations or activities which may benefit the employee by virtue of his position with or at the expense of the Company. A conflict of interest may also exist if a family member's interest interferes with a person's independent exercise of sound judgment. Employees should avoid any action which may involve, or may appear to involve, a conflict of interest with the Company. Employees should not have any financial or other business relationships with suppliers, customers or competitors that might impair, or even appear to impair, the independence of any judgment they may need to make on behalf of the Company. The Company may not make loans to or guarantee obligations on behalf of its employees or any of their family members.

Therefore, it is Company policy that unless a written waiver is granted (as explained below), employees may not:

- Perform services for or have a financial interest in a private company that is, or may become, a supplier, customer, or competitor of the Company
- Perform services for or have a material interest (for example, ownership of more than a 5% interest) in a publicly traded company that is, or may become, a supplier, customer, or competitor of the Company
- Perform outside work or otherwise engage in any outside activity or enterprise that may interfere in any way with job performance or create a conflict with the Company's best interests
- Take for themselves personally, opportunities that are discovered through the use of Company property or information

In addition, the Company's employees may not acquire any interest in outside entities, properties or assets in which the Company has an interest or potential interest. This includes, for example, securities in businesses being considered for acquisition, or real estate at or near possible new or expanded Company facilities. If a family member of the employee engages in an activity that would be considered a "conflict of interest" if the related employee were to undertake it, then a "conflict of interest" shall be deemed to exist with respect to such employee.

Employees are under a continuing obligation to disclose to their supervisors any situation that presents the possibility of a conflict or disparity of interest between the employee and the Company. An employee's conflict of interest may only be waived if both the Chief Compliance Officer and the employee's supervisor waive the conflict in writing. Officers and directors are under a continuing obligation to disclose to the Board of Directors any situation that presents the possibility of a conflict or disparity of interest between such officer or director and the Company. An officer's or director's conflict of interest may only be waived by either the Nominating and Corporate Governance Committee or the Board of Directors (without the participation of the officer(s) or director(s) seeking, or the subject of, the requested waiver), and any such waiver or amendment shall be publicly disclosed promptly as required by law or



the regulations of the Securities and Exchange Commission. Disclosure of any potential conflict is the key to remaining in full compliance with this policy.

Questions Employees Should Ask Themselves

- Could my outside business or financial interests adversely affect my job performance or my judgment on behalf of the Company?
- Can I reasonably conduct my business outside of normal Company work hours and prevent my outside customers, clients or affiliates from contacting me at work?
- Will I be using Company equipment, materials, or proprietary information in my outside business?

IV. FAIR DEALING AND CUSTOMER, SUPPLIER AND COMPETITOR RELATIONS

The Company believes that the Company, the economy, and the public benefit if businesses compete vigorously. The Company and its employees will treat joint interest owners, joint venture partners, product purchasers, business allies, customers, suppliers and competitors fairly and will not take unfair advantage of them through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair-dealing practice, or engage in anticompetitive practices that unlawfully restrict the free market economy.

Permissible Payments

The payment of normal discounts and allowances, commissions, fees, sales promotion activity, entertainment and the extension of services and other customary courtesies in the ordinary course of business is permissible so long as they have been authorized and properly recorded. If a customer, supplier, vendor or government agency has adopted a more stringent policy than the Company's regarding gifts and gratuities, then the Company's representative must comply with that more stringent policy when dealing with that person or entity. (See below for a discussion of gifts to government representatives, which include officers and employees of state-owned and partially state-owned companies.)

Gifts

No gift should be accepted from a supplier, vendor or customer unless the gift would not give the appearance of undue influence and a refusal to accept it would be discourteous or otherwise harmful to the Company. This same rule also applies to gifts to suppliers or vendors or non-governmental customers. (See the summary below and the Company's FCPA and Anti-Bribery Compliance Policy for a discussion of gifts to government representatives.)

Entertainment

Appropriate business entertainment of non-government representatives occurring in connection with business discussions or the development of business relationships is generally deemed appropriate in the conduct of official business. This may include business-related meals and trips, refreshments before or after a business meeting, and occasional athletic, theatrical or cultural events. Entertainment in any form that would likely result in a feeling or expectation of personal obligation should not be extended or accepted by any employee of the Company. This applies equally to giving or receiving entertainment. (See the summary below and the Company's FCPA and Anti-Bribery Compliance Policy for a discussion of entertainment of government representatives.)

Questions Employees Should Ask Themselves

- Will I favor this supplier because he gives me a gift?



- If my supervisor knew about the gift a supplier/vendor/customer gave to me, would he/she approve?
- How often this year have I provided gifts to this customer?
- Are the gifts I am providing customary in the industry?
- How often this year have I taken gifts from this supplier/vendor?
- If this gift or payment were disclosed to the public, would it embarrass the Company?
- When you give a gift or if you accept a gift is there a sense of obligation created as a result of the gift?

Government Representatives

What is acceptable practice in the commercial business environment may be against the law or the policies of federal, state or local governments. Therefore, no gifts or business entertainment of any kind may be given to any government employee without the prior approval of the Chief Compliance Officer, except for items of nominal value imprinted with the VAALCO logo (*i.e.*, pens, coffee mugs, etc.).

In addition, the Foreign Corrupt Practices Act (FCPA) prohibits the Company or anyone acting on behalf of the Company from making a payment or giving a gift to a government representative for purposes of obtaining or retaining business OR OBTAINING ANY IMPROPER BUSINESS ADVANTAGE. The FCPA applies to the Company everywhere in the world where we do business and even applies to you if you are not a U.S. citizen.

The Company has adopted procedures to support compliance with the FCPA, which require, among other things, that specified due diligence be performed with respect to certain partners, agents and vendors. VAALCO employees should take care to understand their obligations under these procedures and should contact the Chief Compliance Officer with any questions as to compliance with the FCPA.

Bribes

Bribes are strictly prohibited under the FCPA, the UK Bribery Act of 2010 (the “UKBA”) and the laws of most countries around the world. No bribes or illegal payments in any form (whether funds or assets) shall be made directly or indirectly to anyone for the purpose of obtaining or retaining business or to obtain any other favorable action. It is imperative that each and every person who does business with the Company understands that we will not, under any circumstances, give or accept bribes or kickbacks. A violation of this policy will subject the employee to disciplinary action which could lead to dismissal as well as potential criminal prosecution.

Facilitating Payments

The FCPA prohibits the Company and its employees and agents from making payments to government representatives for the purpose of obtaining or keeping business or to obtain any improper business advantage. However, the law also recognizes that in a number of countries, tips and gratuities of a minor nature are customarily required by lower level governmental representatives performing ministerial or clerical duties to secure the timely and efficient execution of their responsibilities (e.g., mail delivery, visa applications, installation of telephones, and exchange transactions). VAALCO’s policy is that it does not pay bribes of any type, even facilitating payments. If you encounter a situation where an expediting or facilitating payment is requested in order to expedite or advance a routine performance of legitimate duties, then you need to contact the Chief Compliance Officer for preapproval.



Third Party Agents

The Company's business may involve the use of agents, consultants, brokers or representatives (collectively, "agents") in connection with its dealing with governmental entities, departments, officials and employees. The Company will only retain agents when there is a legitimate business purpose for doing so. The Company's agents must comply with the Company's policies, including its FCPA and Anti-Bribery Compliance Policy. Such agents may not be employed to do anything prohibited by this Policy. The commissions or fees payable to agents must be reasonable in amount for the services rendered in accordance with local business practices.

Questions Employees Should Ask Themselves

- Has a third party working on behalf of the Company told you not to worry because he or she will take care of the demands of the local culture?
- If this payment were disclosed to the public, would it embarrass the Company?

Compliance with Antitrust Laws

All the Company employees are expected to comply with applicable federal, state and foreign antitrust laws. All mergers, acquisitions, strategic alliances, and other types of extraordinary business combinations which raise concerns of market domination or abuse should receive timely legal review to assure that the Company competes aggressively but not unlawfully. When any doubt exists as to the legality of any action or arrangement, the matter should be discussed with the Chief Compliance Officer.

Additionally, international operations of the Company may be subject to the antitrust laws of the United States. Advice on this subject as well as similar requirements under other applicable jurisdictions (e.g., the European Commission) should be sought from the Chief Compliance Officer.

Agreements with Competitors

Formal or informal agreements with competitors that seek to limit or restrict competition in some way are often illegal. Unlawful agreements include those which seek to fix or control prices; allocate products, markets or territories; or boycott certain customers or suppliers. To ensure compliance with antitrust law, discussions with competitors regarding any of these potential agreements is a violation of Company policy and will subject the employee to disciplinary action that could lead to termination as well as the potential for criminal prosecution.

Agreements with Customers

Certain understandings between the Company and a customer are also considered anti-competitive and illegal. These include agreements that fix resale prices or that result in discriminatory pricing between customers for the same product. These types of restrictive understandings must not be discussed or agreed to with a customer.

Trade Association Activity

Contact with competitors at trade shows or trade association meetings is unavoidable. However, these contacts are not immune from antitrust law. Consequently, contact with competitors necessitated by these meetings should be as limited as possible and kept strictly to the subjects on the agenda for the meeting. In addition, employee participants in trade associations should consult with the Chief Compliance Officer regarding any proposed association activity that would have a potential effect on competition.



Questions Employees Should Ask Themselves

- Are my discussions with the competitor directly or indirectly touching on pricing considerations or other terms and conditions of sale?
- Could my actions be used as evidence that I unlawfully agreed upon prices or price changes with a competitor, even though no formal agreement or understanding was made?
- Does the pricing or promotional program I am formulating discriminate unfairly against any of the resellers of the Company?
- Are the contacts I am having with employees of a competitor at a trade association meeting necessary? Are they within the scope of the agenda for the meeting?

V. INTERNATIONAL TRADE CONTROLS

It is Company policy to comply with the international trade control laws and regulations of all countries in which the Company does business. All employees are expected to follow the Company's procedures as they relate to exporting goods, technology and services. You should contact the Chief Compliance Officer regarding questions related to the Company's export control and other international trade policies. Failure to comply may subject the employee to disciplinary action that could lead to termination as well as the potential for criminal prosecution.

Questions Employees Should Ask Themselves

- Are the customer's answers to questions about end use, end user, delivery date and delivery locations satisfactory?
- Is a payment being made that is not included in the invoice price or otherwise reported?

VI. INTERNATIONAL BOYCOTTS AND SANCTIONS

It is Company policy to comply with U.S. anti-boycott legislation. This applies to the Company everywhere we do business, in all parts of the world. U.S. anti-boycott law is intended to prevent the Company from taking any action in support of a boycott imposed by one country upon a country that is friendly to the United States. The Arab boycott of Israel is an example of an international boycott not sanctioned by the United States.

Under U.S. anti-boycott legislation, the Company is required to report the receipt of any request to participate in an international boycott. Requests are often found in letters of credit, shipping instructions, certificates of origin and other contract-related documents. An example of a typical boycott request would be a request for a "negative certificate of origin." With this type of request, the customer will ask for our certification that the "products supplied are not made in Israel, directly or indirectly, in whole or in part" or words to that effect. Complying with this request is prohibited by law and must be reported to the U.S. Government. Failure to report receipt of these requests is also a violation of U.S. anti-boycott legislation. The receipt of a boycott request must be reported immediately to the Chief Compliance Officer, whether or not the transaction takes place. It is not enough to merely reject the request.

Our employees need to review all international transactions for boycott requests. Review of all international transaction documents is required to ensure compliance. Often a Middle East country may be a participant in projects located in other parts of the world. It is not uncommon to find boycott-related requests in documents originating in non-Middle Eastern countries. If you find one of these requests, please immediately contact the Chief Compliance Officer.



Even if you are not a U.S. citizen, you must comply with U.S. legislation. Because the Company is a U.S. corporation, U.S. anti-boycott regulations apply. Violations of anti-boycott law anywhere around the world could negatively affect the Company.

In addition, the U.S. maintains comprehensive, country-based sanctions against certain countries from time to time. These comprehensive sanctions generally prohibit all business including but not limited to the sale or exchange of any technology of whatsoever nature and dealings with sanctioned countries and citizens of sanctioned countries.

The U.S. government maintains the “Specially Designated Nationals and Blocked Persons List,” which identifies individuals and companies with whom VAALCO is prohibited from conducting business. This List includes many individuals and companies that are located outside of sanctions countries, including some located in the U.S.

VII. THE ENVIRONMENT

The Company is dedicated to a healthy environment. The Company will strive to comply with the environmental laws and policies of the communities where it does business. VAALCO employees are expected at a minimum to learn and follow the environmental laws that govern their work sites. Over and above these minimum standards, VAALCO employees should take care to minimize, to the extent reasonable in the circumstances, the impact of operations on the environment. VAALCO employees are also expected to learn and follow the procedures and safety standards for handling, disposing and transporting hazardous materials, to the full extent required by law, regulation or facility procedure,

VIII. SAFETY

The Company’s goal is to conduct its operations in a manner that protects the safety of employees, others involved in its operations and the public. Accident prevention is everyone’s job and VAALCO employees each have a responsibility not to endanger themselves or others. VAALCO employees should learn the safety and emergency procedures relevant to their jobs and not begin or continue with any work activity that is contrary to those procedures. Any VAALCO employee uncertain of the safety and emergency procedures relevant to an operation must seek out a supervisor and be trained in those procedures. In addition, VAALCO employees must use safety equipment as required by law, regulation and VAALCO procedures, manuals, handbooks and guidelines.

VAALCO employees are expected to correct or report safety hazards as required by law, regulation and VAALCO procedures.

In order to promote safety at VAALCO facilities, the Company reserves the right to conduct searches on its property and to authorize searches by law enforcement on its property, in either case with or without



employees being present. As circumstances warrant and as is consistent with applicable law, any person or vehicle entering a VAALCO facility is subject to search.

IX. INSIDER TRADING

Federal law and Company policy prohibit employees from purchasing or selling Company securities while in the possession of material, non-public information concerning the Company. The law and policy similarly prohibit employees from tipping other individuals or entities, including relatives, friends and others, to purchase or sell Company securities while in possession of material non-public information. Material, non-public information is any information which could reasonably be expected to affect the price of a security. The same prohibitions apply to trading in the securities of other publicly held companies on the basis of material, non-public information learned through the Company or through other sources. To avoid even the appearance of impropriety, Company policy also prohibits employees from trading options on the open market in Company securities under any circumstances. All employees shall follow VAALCO's Insider Trading Policy incorporated herein by reference. If an employee possesses any material, non-public information, that employee must refrain from trading until the information is announced publicly by the Company and the Company is not in a "blackout period". Any questions regarding whether information is material should be referred to the General Counsel.

X. POLITICAL ACTIVITY AND CONTRIBUTIONS

No Company funds may be used for political contributions in the United States unless permitted by law and approved by the Chief Executive Officer, the Chief Operating Officer or the Chief Compliance Officer. VAALCO employees who participate in political campaigns must be careful to ensure that their activities do not cause the Company to be deemed to have made an illegal contribution of Company funds, or an illegal in-kind contribution through the use of Company property or services, or the use of Company employee work time.

We encourage individual employees to be involved in the political process and to make personal contributions as they see fit.

Good citizenship is fostered by taking part in activities on a local, regional, state or national level and expressing personal views on government, legislation and other matters of public interest. When we speak out on public issues, we must take care not to give the appearance of acting on the Company's behalf unless authorized to do so. For example, if you decide to write to your government representatives, you should use your own stationery and personal email account rather than Company stationery or your Company email, unless you have been authorized to take a public position on a matter of official Company business.

Sponsorship by the Company of political action committees will be undertaken in full compliance with applicable laws. Participation in any political action committee sponsored by the Company is voluntary, and the Company will not favor or disadvantage any employee by reason of the amount of his or her contribution or decision not to contribute.

No person may be reimbursed directly or indirectly by the Company for any political contribution or for the cost of attending any political event.

XI. RECORD MANAGEMENT

Records should be maintained to comply with applicable statutory, regulatory or contractual requirements, as well as those pursuant to prudent business practices. It is Company policy that no



records that are the subject of or related to litigation or an ongoing or pending investigation shall be destroyed by any employee or agent of the Company. Employees should review the Document Retention Policy and can contact the Chief Compliance Officer for specific information on record retention.

XII. RECORDING TRANSACTIONS

The integrity of the Company's record-keeping and reporting systems is of the utmost importance. The Company shall make and keep books, invoices, records and accounts that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company. Each employee shall maintain accurate and fair records of transactions, time reports, expense accounts, and other Company records. Employees, officers and directors must use special care to make sure that records are accurately and completely prepared and, reviewed whether they are intended for internal use or for an external party, including any governmental authorities. The Company shall devise and maintain a system of internal controls sufficient to provide reasonable assurances that transactions are properly authorized, executed, and recorded.

Company Records

All Company books, records, accounts, funds and assets must be maintained to reflect fairly and accurately the underlying transactions and disposition of Company business in reasonable detail. No entries will be made that intentionally conceal or disguise the true nature of any Company transaction.

In this respect, the following guidelines must be followed:

- No undisclosed, unrecorded, or "offbook" funds or assets should be established for any purpose;
- No false, misleading or fictitious invoices should be paid or created;
- No false or artificial entries should be made or misleading reports issued;
- Assets and liabilities of the Company shall be recognized and stated in accordance with the Company's standard practices and GAAP;
- No material failure to make entries should be permitted; and
- The documentation evidencing each transaction and each payment on behalf of the Company shall fairly represent the nature of such transaction or the purpose of such payment.

If an employee believes that the Company's books and records are not being maintained in accordance with these requirements, the employee should immediately report the matter directly to their supervisor and/or to the Chief Compliance Officer.

Questions Employees Should Ask Themselves

- Does the report I am planning to submit mischaracterize in any way the transaction or the purpose of the transaction?
- Am I being asked to make an entry I feel uncomfortable making?

XIII. USE OF COMPANY ASSETS

The Company's assets are to be used only for the legitimate business purposes of the Company and its subsidiaries and only by authorized employees or their designees. This includes both tangible and intangible assets. The use of Company time, materials, assets or facilities for purposes not directly related to Company business, or the removal or borrowing of Company property without permission, is prohibited. Employees should always use and maintain the Company's assets with care and respect, while guarding against waste and abuse.



Some examples of tangible assets include:

- Office equipment such as phones, copiers, computers, furniture, supplies and production equipment;
- Tools;
- Inventory; and
- Cash.

Electronic Communications

The Company's electronic mail (e-mail) system should be restricted primarily to Company business. *Highly confidential information should be handled appropriately.* The Company reserves the right at any time to monitor and inspect, without notice, all electronic communications data and information transmitted on the network and electronic files located on personal computers owned by the Company or computers on the premises used in Company business. The use of the Company's internet services should be restricted primarily to Company business.

Third Party Software

Third Party Software is provided as a productivity tool for employees to perform their job functions. Please note that, just because third party product or utility software is located on a corporate utility server, it does not necessarily mean that it is licensed for use as a standalone software product. "Software" includes programs, routines, and procedures that cause a computer system to perform a predetermined function or functions, as well as the supporting documentation. All software use must be in compliance with applicable laws and contractual obligations assumed by the Company, including copyright laws and necessary licensing. No Company employee, officer or director may use unlicensed software or create or use unauthorized copies of software. Employees may be liable as individuals for illegal software use.

Intellectual Property Development

To the extent permitted under applicable law, employees, contractors and temporary employees shall assign to the Company any invention, work of authorship, composition or other form of intellectual property created during the period of employment.

Questions Employees Should Ask Themselves

- Would the e-mail I am thinking about drafting embarrass me or the Company if it became public? Does the e-mail I am sending relate to the business of the Company?
- Do I safeguard the assets of the Company entrusted to me?
- Do I know the procedures for obtaining a licensed copy of the software I desire to copy?

XIV. FAIR DISCLOSURE POLICY

The Company is committed to fair disclosure of information to its shareholders, the financial community, and the public.

The Company and its management team believe it is in the Company's best interest to maintain an active and open communication with shareholders and potential investors regarding the Company's historical performance and future prospects. The Company can create shareholder value by publicly articulating its strategies, business strengths, and growth opportunities. The Company is also aware of its need for confidentiality about details of key business and operating strategies.



Standard Communications

The Company periodically and regularly communicates with its shareholders and other members of the investment community about its business operations. The Company does so both through press releases and through telecommunications. Those communications, which are available to all interested persons, include:

- A quarterly press release that discloses the Company's sales and earnings for the prior quarter and the Company's fiscal year to date, and generally provides other information relating to those sales and earnings and operating results;
- A discussion of the Company's Business Outlook and Results containing its current outlook, which will be posted on the Company's web-site simultaneously with its quarterly press release;
- A quarterly conference call open to financial analysts, the media and the public (through simultaneous web-cast in listen-only mode) that discusses the quarterly financial results and provides outlook information; and
- A playback of the quarterly conference call, which will be made available at a phone number disclosed in the quarterly press release and on the Company web- site.

In addition to these periodic communications, the Company may have conference calls or other communications, such as web-casts, or web-site postings in which the Company will disclose new developments in its business and operations. The Company will have these additional communications if events warrant that type of additional communications with its shareholders and other members of the investment community, and the Company determines the communication to be appropriate. In distributing information, the Company is to be non-selective. For example, the small investor should receive the same treatment as the large investor.

Analyst Communications

The Company participates in conferences sponsored by securities firms, and other investor conferences. The Company will post these presentations on its web-site and, in the event of the release of material information, issue a media release describing the information. The Company may, in some circumstances, also file a Form 8-K providing the same information.

The Company will also talk to individual analysts to provide additional background information concerning its business. Similarly, the Company will continue to participate in other public forums at which analysts or investors could be present, including industry seminars, trade shows, employee and annual shareholder meetings. If the Company determines that material, non-public information inadvertently has been disclosed in these meetings, appropriate public disclosure will be made promptly. It will be the Company's policy, when reviewing models or research from an analyst, to review for factual information or assumptions but not to comment or support the "soft information" or the conclusions. The Company does not endorse projections and does not update changes going forward. Further, there should be no written exchange of comments with analysts.

Responding to Market Rumors

From time to time the Company will be asked to respond to rumors or inquiries concerning earnings. The Company will not provide any formal guidance to analysts in developing their projections. Therefore, the appropriate response should be "that it is not the Company's policy to respond to market rumors." When requested to respond to rumors related to other material corporate matters, the Company has a couple of options:



- If the rumor indicates that pending internal developments have somehow leaked into the market, then the Company should appropriately and accurately respond.
- If the rumor is clearly inaccurate or simply false, then the Company should deny it or accurately portray the facts.

Authorized Spokespersons

The Company speaks to the financial community and its shareholders through authorized representatives. The following persons are authorized to communicate on behalf of the corporation to analysts, securities market professionals and major stockholders of the corporation.

- Chief Executive Officer
- Chief Operating Officer
- Chief Financial Officer

At the request of an authorized representative, other officers or employees of the corporation may from time to time communicate with analysts and investors as part of the Company's investor relations program. No employee is authorized to communicate business or financial information about the Company that is non-public, material information, except through Company sanctioned public disclosure or for business purposes under a non-disclosure agreement.

General

Employees will be notified that, except as specified in this policy, they shall not communicate to analysts and investors and shall refer all questions to the Chief Executive Officer or, in his or her absence, another authorized representative.

The Company endeavors to make appropriate announcements and to conduct interviews with the media about its business and significant developments.

XV. FINANCIAL CODE OF ETHICS

The Company's Code of Ethics for the Chief Executive Officer and Senior Financial Officers contains the ethical principles by which the Chief Executive Officer, Chief Financial Officer, principal accounting officer or Controller, or, if no person holds any such offices, the person or persons performing similar functions, are expected to conduct themselves when carrying out their duties and responsibilities. The Code of Ethics for the Chief Executive Officer and Senior Financial Officers is attached hereto as Addendum A and incorporated herein by reference, but is applicable only to the Chief Executive Officer and the senior financial and accounting officers identified above.

XVI. LOANS

Loans to, or guarantees of obligations of, directors, executive officers, or members of their families are specifically prohibited to the full extent required by applicable law or regulation or by the listing standards of the New York Stock Exchange. VAALCO employees may make loans with financial institutions with which the Company does business (or that seek to do business with the Company) only on arms-length terms available to similarly situated individuals in the general public.



XVII. MARKETING OF COMMODITIES AND RELATED FINANCIAL TRANSACTIONS

VAALCO employees must comply with all applicable laws relating to marketing transactions and related financial transactions. The Company's marketing activities are subject to extensive and complex laws regulating the scheduling, trading, purchase, sale, transmission, transportation and marketing of crude oil, natural gas and other commodities, and the Company has adopted policies and procedures to support compliance with these laws. VAALCO employees should contact the Chief Compliance Officer with any questions as to compliance with these laws.

XVIII. PROHIBITED SUBSTANCES

Pursuant to VAALCO's Drug Policy and this Article XVIII, no one may use, possess, manufacture, distribute, dispense, conceal, receive, transport or be under the influence of alcoholic beverages, controlled substances, illegal drugs, drug paraphernalia or prescription drugs prescribed for another individual during working hours, or at any time at a VAALCO facility, in Company vehicles, while on Company business or, except as described below, at Company-sponsored functions. In addition, in the case of an employee's use of a properly prescribed drug, VAALCO reserves the right, after providing a copy of the essential functions of the employee's job to the employee, to require the employee to provide documentation from the prescribing medical doctor that the use of such prescription produces no hazardous or unsafe effects. VAALCO may restrict the employee's work activity or presence at a VAALCO facility until this documentation is provided. Employees should inform the Human Resources Department if they are taking any medication that may produce these effects.

It is recognized that on occasion the Company may serve alcoholic beverages in connection with a Company-sponsored function and that alcoholic beverages may be served in connection with customary business entertainment. In those situations, employees are expected to exercise good judgment and moderation in their personal consumption.

To the extent consistent with applicable law, VAALCO employees may also be required to submit to testing to determine the presence of illegal or unauthorized substances.

XIX. FIREARMS AND WEAPONS

Only authorized persons are permitted to possess firearms or weapons on Company premises, or while conducting Company business. Unless approved by the Corporate Compliance Officer, VAALCO employees are prohibited from transporting, storing, using, possessing or carrying any firearms, weapons,



ammunition, explosives or other dangerous items or substances of any kind on their person, in their belongings, or on VAALCO's premises (including in a locker, desk or Company vehicle), or while conducting Company business.

XX. HOW TO SEEK ADVICE OR REPORT VIOLATIONS OF COMPANY POLICIES

There are no easy answers to many ethical issues we face in our daily business activities. In some cases the right thing to do will be obvious, but in other more complex situations, it may be difficult for an employee to decide what to do. When an employee is faced with a tough ethical decision or whenever they have any doubts as to the right thing to do, they should talk to someone else such as their supervisor, another manager, or the Chief Compliance Officer:

General Counsel
VAALCO Energy, Inc.
9800 Richmond, Suite 700
Houston, Texas 77042
(713) 623-0801

The Company has also established a system for reporting violations of any of the Company policies, including this Code, as well as any suspected misconduct by any employee or representative of the Company. The system for reporting violations of any of the Company's policies or this Code is as follows: In the case of a violation by an employee of the Company, you may report to your supervisor or anonymously in writing to:

General Counsel
9800 Richmond, Suite 700
Houston, Texas 77042

In the event the violation involves the conduct of an officer or director of the Company, the violation should be reported to the Chairman of the Audit Committee of the Board of Directors. This may be done anonymously in writing to:



Mr. John Myers

7828 Escala Drive

Austin, TX 78735

512-636-8547

Any waiver of this Code for any executive officer or director of the Company may only be granted by the Nominating & Corporate Governance Committee or the Board of Directors (without the participation of the executive officer(s) or director(s) seeking, or the subject of, the requested waiver).

The Company will not permit any form of retaliation or retribution against any person, who, in good faith, reports known or suspected violations of laws, rules, regulations, this Code or any Company policy. It is a violation of this Code for anyone to be discriminated against or harassed for contacting his or her supervisor, upper management, the Chief Compliance Officer or the Chairman of the Audit Committee of the Board of Directors with a good faith report of a suspected violation of law or policy. If you feel that you are being retaliated against in violation of this policy, please follow the procedures for reporting violations.



Certification of Compliance

Code of Business Conduct and Ethics

VAALCO Energy, Inc.

I, _____ confirm that I was furnished a copy of the Code of Business Conduct and Ethics for VAALCO Energy, Inc.

I confirm that I have read and understand VAALCO's Code of Business Conduct and Ethics and will conduct my personal business behavior in accordance with the guidelines set out in such document during my employment or assignment with VAALCO Energy, Inc. or any subsidiary company thereof.

Signature - Employee/Consultant

Name – Please Print

Date

Return to: Human Resources Department

