

VAALCO ENERGY INC /DE/  
Form DEFC14A  
December 04, 2015

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

SCHEDULE 14A  
(Rule 14a-101)

INFORMATION REQUIRED IN CONSENT STATEMENT

SCHEDULE 14A INFORMATION

Consent Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934

(Amendment No. )

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Consent Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- Definitive Consent Statement
- Definitive Additional Materials
- Soliciting Material Under Rule 14a-12

VAALCO ENERGY, INC.  
(Name of Registrant as Specified in Its Charter)

GROUP 42, INC.  
BLR PARTNERS LP  
BLRPART, LP  
BLRGP INC.  
FONDREN MANAGEMENT, LP  
FMLP INC.  
THE RADOFF FAMILY FOUNDATION  
BRADLEY L. RADOFF  
PAUL A. BELL  
PETE J. DICKERSON  
MICHAEL KEANE  
JOSHUA E. SCHECHTER

(Name of Persons(s) Filing Consent Statement, if Other Than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
  - Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
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(1) Title of each class of securities to which transaction applies:

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(2) Aggregate number of securities to which transaction applies:

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(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

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(4) Proposed maximum aggregate value of transaction:

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(5) Total fee paid:

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(1) Amount previously paid:

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(2) Form, Schedule or Registration Statement No.:

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(3) Filing Party:

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(4) Date Filed:

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GROUP 42, INC.

December 4, 2015

Dear Fellow VAALCO Energy, Inc. Stockholder:

Group 42, Inc. (“Group 42”) and Bradley L. Radoff, together with the other participants in this solicitation (collectively, the “Group 42-BLR Group” or “we”), are the beneficial owners of an aggregate of 6,474,692 shares of common stock, par value \$0.10 per share (the “Common Stock”) of VAALCO Energy, Inc., a Delaware corporation (“VAALCO” or the “Company”), representing approximately 11.1% of the outstanding shares of Common Stock and making us the Company’s largest stockholder. Through the enclosed Consent Statement, we are soliciting your consent for a number of proposals, the ultimate effect of which would be to remove four of the current members of the Board of Directors of VAALCO (the “Board”) and replace them with four highly-qualified director nominees who are fully committed to ensuring that the best interests of shareholders are looked after during this critical period.

We have serious concerns regarding the way the Company has been managed and the lack of effective oversight by the Board. We believe that the VAALCO management team continues to make severe operational missteps which negatively impact the Company’s stock price, including bloated G&A expenses, excessive CAPEX spending, the Company’s wasteful investment in a now abandoned H2S processing facility, its failed history of exploration, its rapid cash depletion and its failure to maintain effective controls over financial reporting. Despite the severe value erosion as a result of these missteps, the Board has failed to hold management accountable and has generally failed to effectively oversee the business in a manner that adequately protects shareholder value. We believe the Board must be held accountable for its costly lapses in oversight.

Further, it is our view that the Board has sought to insulate itself and management from accountability to shareholders. For example, the Board recently took what, in our opinion, is an extreme and shareholder-unfriendly step and adopted a 10%-trigger poison pill immediately upon our disclosure on Schedule 13D of our 11.1% aggregate interest in the Company. The poison pill adoption disregarded a prior vote in 2009 in which shareholders voted down a poison pill – clearly indicating at that time they were not supportive of such an entrenchment measure. While the 2009 rejection of the poison pill occurred six years ago and under differing circumstances, we believe such a powerful statement from shareholders should not be ignored. Our efforts to engage with the Board, particularly to discuss our objection to the renewal of the CEO’s contract, have been essentially ignored and the Company proceeded to renew his contract prior to discussing this issue with us despite our request to do so. In addition, the Board has proven that its interests are not fully-aligned with the interests of all VAALCO shareholders. The members of the Board own very little VAALCO stock<sup>1</sup>, which not only may create a misalignment of interests but also may signal to shareholders that the Board is not confident in the Company’s future.

Moreover, in an apparent attempt to confuse shareholders and prevent them from exercising their right to consent to our Proposals, on November 16, 2015, the Company argued in its Consent Revocation Statement, a press release and a letter to counsel, that Group 42 does not have the right to conduct a consent solicitation for the approval of the Proposals and specifically for the proposal to remove directors without cause. We believe this is nothing more than a clumsy and improperly executed strategy to entrench the Board. The Company purports to base its argument on Article Five, Section 3 of its Charter (the “Charter Provision”) which states in part that “any director may be removed from office only for cause.” (emphasis added). However, after consultation with legal counsel including Delaware counsel, we continue to firmly believe that the Charter Provision directly contradicts Section 141(k) of the Delaware General Corporation Law (“DGCL”) and is therefore invalid.

Section 141(k) of the DGCL provides that any director or the entire board of directors of a Delaware corporation may be removed, with or without cause, by the holders of a majority of the shares then entitled to vote at an election of the

corporation's directors, subject to exceptions if the corporation has a classified board or cumulative voting in the election of its directors. Neither of these exceptions is applicable to the Company and the Company has not argued that they are applicable nor have they argued that the Charter Provision is valid despite its contradiction of the Delaware law.

Accordingly, it is our firm belief that the Group 42-BLR Group consent solicitation is absolutely valid and we have every intention of proceeding with our consent solicitation. We see no reasonable basis for the Company's challenges to the consent solicitation process nor can we find any proper purpose for their allegations. In fact, we believe that the Company's challenge of our consent solicitation and their offer instead to call a special meeting of the stockholders, a process which would give the Company greater control over the process and will delay the outcome, is nothing more than a thinly veiled attempt to confuse shareholders, dissuade them from giving us consents in favor of the Proposals and "run the clock" on a process that consistent with Delaware law must be completed within 60 days.

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<sup>1</sup> Because of the significant stock ownership of one of our nominees, Bradley L. Radoff, and the stock owned by Group 42, none of our other three nominees are currently able to acquire stock of the Company due to the restrictions imposed by the poison pill.

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If the Board is indeed concerned with its fiduciary duties and “believes in shareholder democracy” as contended by them, then they can do so by enforcing the will of their shareholders and taking any of a number of procedural steps available to them to see any replaced directors leave the Board and any elected replacements in office if this is in fact the will of a majority of the stockholders.

VAALCO shareholders deserve an independent board that will truly look out for shareholders’ best interests and will ensure management accountability. We urge you to join us in seeking to remove four current directors of VAALCO, Frederick W. Brazleton, James B. Jennings, John J. Myers, Jr. and Steven J. Pully, and electing our four highly-qualified nominees, Pete J. Dickerson, Michael Keane, Bradley L. Radoff and Joshua E. Schechter, who have significant and relevant experience in various aspects of the energy industry. We hope it is clear to you that the extraordinary action of launching this consent solicitation in this situation is frustrating for us and was not our preference, but is necessary at this critical stage to ensure that the collective best interests of all shareholders are properly represented.

We urge you to carefully consider the information contained in the attached Consent Statement and then support our efforts by signing, dating and returning the enclosed WHITE consent card today. The attached Consent Statement and the enclosed WHITE consent card are first being furnished to the stockholders on or about December 4, 2015. We urge you not to sign any revocation of consent card that may be sent to you by VAALCO. If you have done so, you may revoke that revocation of consent by delivering a later dated WHITE consent card to Group 42, Inc., in care of Innisfree M&A Incorporated (“Innisfree”), which is assisting us, at their address listed on the following page, or to the principal executive offices of VAALCO.

If you have any questions or require any assistance with your consent, please contact Innisfree, which is assisting us, at its address and toll-free numbers listed below.

Thank you for your support.

/s/ Paul A. Bell

/s/ Bradley Radoff

Paul A. Bell  
Group 42, Inc.

Bradley Radoff  
BLR Partners LP

If you have any questions, require assistance in voting your WHITE consent card, or need additional copies of the Group 42-BLR Group's consent materials, please contact Innisfree at the phone numbers or email listed below.

Innisfree M&A Incorporated  
501 Madison Avenue, 20th Floor  
New York, NY 10022  
Stockholders call toll free at (888) 750-5834  
Banks and Brokers may call collect at (212) 750-5833

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VAALCO ENERGY, INC.

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CONSENT STATEMENT  
OF  
GROUP 42, INC.

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PLEASE SIGN, DATE AND MAIL THE ENCLOSED WHITE CONSENT CARD TODAY

Group 42, Inc. (“Group 42”), Paul A. Bell, BLR Partners LP (“BLR Partners”), BLRPart, LP (“BLRPart GP”), BLRGP Inc. (“BLRGP”), Fondren Management, LP (“Fondren Management”), FMLP Inc. (“FMLP”), The Radoff Family Foundation (“Radoff Foundation”) and Bradley L. Radoff (collectively, the “Group 42-BLR Group” or “we”) are significant stockholders of VAALCO Energy, Inc., a Delaware corporation (“VAALCO” or the “Company”), who, together with the other participants in this solicitation, beneficially own in the aggregate approximately 11.1% of the outstanding shares of common stock, par value \$0.10 per share (the “Common Stock”), of the Company. We are seeking to remove four of the seven members of the current Board of Directors of the Company (the “Board”), and replace them with our highly-qualified nominees, because we believe that the Board must be significantly and immediately reconstituted to ensure that the interests of the stockholders, the true owners of VAALCO, are appropriately represented in the boardroom.

A solicitation of written consents is a process that allows a company’s stockholders to act by submitting written consents to any proposed stockholder actions in lieu of voting in person or by proxy at an annual or special meeting of stockholders. We are soliciting written consents from the holders of shares of the Common Stock to take the following actions (each, as more fully described in this Consent Statement, a “Proposal” and together, the “Proposals”), in the following order, without a stockholders’ meeting, as authorized by Delaware law:

Proposal No. 1 – Repeal any provision of the Second Amended and Restated Bylaws of the Company (the “Bylaws”) in effect at the time this proposal becomes effective, including any amendments thereto, which were not included in the Bylaws that were in effect on September 26, 2015 and were filed with the Securities and Exchange Commission on September 28, 2015 (the “Bylaw Restoration Proposal”);

Proposal No. 2 – Remove without cause four members of the Board, Frederick W. Brazleton, James B. Jennings, John J. Myers, Jr. and Steven J. Pully, including any person (other than those elected by this consent solicitation) elected or appointed to the Board to fill any vacancy on the Board or any newly-created directorships after November 6, 2015 and prior to the effectiveness of the Proposals (the “Removal Proposal”);

Proposal No. 3 – Amend Article III, Section 2 of the Bylaws, as set forth on Schedule III to the Consent Statement (as defined below), to provide that any vacancies on the Board resulting from the removal of directors by the stockholders of the Company shall be filled exclusively by the stockholders of the Company (the “Vacancy Proposal”);

Proposal No. 4 – Amend Article III, Section 1 of the Bylaws, as set forth on Schedule IV to the Consent Statement, to fix the size of the Board at seven members (the “Board Size Proposal”); and

Proposal No. 5 – Elect the Group 42-BLR Group’s four nominees, Pete J. Dickerson, Michael Keane, Bradley L. Radoff and Joshua E. Schechter, to serve as directors of VAALCO (or, if any such nominee is unable to serve or for good cause will not serve as a director of the Company, any other person designated as a nominee by the remaining nominee or nominees) (the “Group 42 Nominees”) (the “Election Proposal”).

This Consent Statement and the enclosed WHITE consent card are first being sent or given to the stockholders of VAALCO on or about December 4, 2015.

We are soliciting your consent in favor of the adoption of the Removal Proposal, the Vacancy Proposal, the Board Size Proposal and the Election Proposal because we believe VAALCO stockholders will be best served by directors who are committed to safeguarding and promoting the best interests of all VAALCO stockholders. In addition, we are also soliciting your consent in favor of the adoption of the Bylaw Restoration Proposal to ensure that the incumbent Board does not limit the effect of your consent to the removal of the incumbent members of the Board and the election of the Group 42 Nominees through changes to the Bylaws not filed with the SEC on or before September 28, 2015.

The effectiveness of each of Proposal 2 (Removal Proposal) and Proposal 5 (Election Proposal) requires the affirmative consent of the holders of record of a majority of the shares of outstanding voting securities as of the close of business on the Record Date. The effectiveness of each of Proposal 1 (Bylaw Restoration Proposal), Proposal 3 (Vacancy Proposal) and Proposal 4 (Board Size Proposal), since they are modifications to the Bylaws, pursuant to the Charter and Bylaws, requires consent of the holders of at least sixty-six and two-thirds percent (66 2/3%) of the shares of outstanding voting securities as of the close of business on the Record Date. Each Proposal will be effective without further action when we deliver to VAALCO such requisite number of consents. The Bylaw Restoration Proposal, the Removal Proposal, the Vacancy Proposal and the Board Size Proposal are not subject to, or conditioned upon, the effectiveness of the other Proposals. The Election Proposal, is conditioned, in part, upon the Removal Proposal. If none of the members of (or appointees to) the Board are removed pursuant to the Removal Proposal, and there are no vacancies to fill, none of the Group 42 Nominees can be elected pursuant to the Election Proposal. If fewer than four directors are removed pursuant to the Removal Proposal and there are more Group 42 Nominees receiving the requisite number of consents to fill vacancies pursuant to the Election Proposal than the number of such resulting vacancies, then the Group 42-BLR Group intends to fill the vacancies in the following order: Michael Keane, Bradley L. Radoff, Joshua E. Schechter and Pete J. Dickerson.

On November 6, 2015, the Group 42 delivered to the Secretary of VAALCO a written request for the Board to fix a record date in accordance with the Bylaws for determining stockholders entitled to give their written consent to the Proposals. The Company has set November 6, 2015 as the record date for the consent solicitation (the “Record Date”). According to the Company, as of the Record Date, there were 58,403,943 shares of Common Stock outstanding, each of which is entitled to one consent on each Proposal.

In addition, none of the Proposals will be effective unless the delivery of the written consents complies with Section 228(c) of the Delaware General Corporation Law (“DGCL”). For the Proposals to be effective, properly completed and unrevoked written consents must be delivered to VAALCO within 60 days of the earliest dated written consent delivered to VAALCO. The Group 42-BLR Group delivered a written consent to VAALCO on November 6, 2015. Consequently, by January 5, 2016, the Group 42-BLR Group will need to deliver properly completed and unrevoked written consents to the Proposals from the holders of record of the number of the outstanding voting securities as of the close of business on the Record Date as required for each Proposal. We intend to set December 24, 2015 as the goal for submission of written consents.

**WE URGE YOU TO ACT TODAY TO ENSURE THAT YOUR CONSENT WILL COUNT.**



The Group 42-BLR Group reserves the right to submit to VAALCO consents at any time within 60 days of the earliest dated written consent delivered to VAALCO. See “Consent Procedures” for additional information regarding such procedures.

As of November 6, 2015, the Group 42-BLR Group, together with the Group 42 Nominees and certain other members of its Section 13(d) group, is the beneficial owner of an aggregate of 6,474,692 shares of Common Stock, representing approximately 11.1% of the outstanding shares of Common Stock of the Company. The Group 42-BLR Group intends to express consent in favor of the Proposals with respect to all of such shares of Common Stock.

As of the Record Date, there were 58,403,943 shares of Common Stock outstanding, as reported in Amendment No. 1 to the Company’s Consent Revocation Statement, filed with the SEC on November 30, 2015. The mailing address of the principal executive offices of VAALCO is 9800 Richmond Avenue, Suite 700, Houston, Texas 77042.

The failure to sign and return a consent will have the same effect as voting against the Proposals. Please note that in addition to signing the enclosed WHITE consent card, you must also date it to ensure its validity.

**THIS CONSENT SOLICITATION IS BEING MADE BY THE GROUP 42-BLR GROUP AND NOT BY OR ON BEHALF OF THE COMPANY. THE GROUP 42-BLR GROUP URGES YOU TO SIGN, DATE AND RETURN THE WHITE CONSENT CARD IN FAVOR OF THE PROPOSALS DESCRIBED HEREIN.**

Important Notice Regarding the Availability of Consent Materials for this Consent Solicitation

This Consent Statement is available at [www.innisfreema.com/EGY](http://www.innisfreema.com/EGY)

**IMPORTANT**

**PLEASE READ THIS CAREFULLY**

If your shares of Common Stock are registered in your own name, please submit your consent to us today by signing, dating and returning the enclosed WHITE consent card in the postage-paid envelope provided.

If you hold your shares in “street” name with a bank, broker firm, dealer, trust company or other nominee, only they can exercise your right to consent with respect to your shares of Common Stock and only upon receipt of your specific instructions. Accordingly, it is critical that you promptly give instructions to consent to the Proposals to your bank, broker firm, dealer, trust company or other nominee. Please follow the instructions to consent provided on the enclosed WHITE consent card. If your bank, broker firm, dealer, trust company or other nominee provides for consent instructions to be delivered to them by telephone or Internet, instructions will be included on the enclosed WHITE consent card. The Group 42-BLR Group urges you to confirm in writing your instructions to the person responsible for your account and provide a copy of those instructions to Group 42, Inc., c/o Innisfree M&A Incorporated (“Innisfree”), at 501 Madison Avenue, 20th Floor, New York, NY 10022, so that we will be aware of all instructions given and can attempt to ensure that such instructions are followed.

Execution and delivery of a consent by a record holder of shares of Common Stock will be presumed to be a consent with respect to all shares held by such record holder unless the consent specifies otherwise.

Only holders of record of voting securities of the Company as of the close of business on the Record Date will be entitled to consent to the Proposals. If you are a stockholder of record as of the close of business on the Record Date, you will retain your right to consent even if you sell your shares of Common Stock after the Record Date.

**IF YOU TAKE NO ACTION, YOU WILL IN EFFECT BE REJECTING THE PROPOSALS. ABSTENTIONS, FAILURES TO CONSENT AND BROKER NON-VOTES WILL HAVE THE SAME EFFECT AS WITHHOLDING CONSENT.**

If you have any questions, require assistance in voting your WHITE consent card,  
or need additional copies of the Group 42-BLR Group’s consent materials,  
please contact Innisfree at the phone numbers or address below.

Innisfree M&A Incorporated  
501 Madison Avenue, 20th Floor  
New York, NY 10022  
Stockholders call toll free at (888) 750-5834  
Banks and Brokers may call collect at (212) 750-5833

## BACKGROUND TO THE SOLICITATION

The following is a chronology of our involvement at VAALCO to date and the material events leading up to this consent solicitation.

- In May 2015, Group 42 made its initial investment in the Company.
- In June 2015, Bradley Radoff (and related entities) made his initial investment in the Company.
- In June 2015, Mr. Radoff met with Mr. Guidry at the Company's executive offices. During this onsite meeting, Mr. Radoff sought to better understand VAALCO's business.
- On July 6, 2015, Group 42 sent a letter to the Company's Chief Executive Officer, Steven P. Guidry to notify him of Group 42's holdings in the Company and to request a meeting between Mr. Guidry and representatives of Group 42 to discuss the Company's performance and ways the Company may improve shareholder value.
- In early July 2015, Mr. Radoff reached out to Mr. Guidry in an attempt to understand what actions were being taken to address the Company's stock price underperformance and other issues facing the Company.
- On July 17, 2015, Mr. Radoff had a general corporate overview call with Al Petrie, the Company's Investor Relations Coordinator and corresponded with Mr. Guidry regarding such call.
- On July 20, 2015, representatives of Group 42 met with Mr. Guidry at the Company's offices in Houston, Texas to discuss their concerns with the Company's performance and ways the Company may improve shareholder value.
- On July 24, 2015, Group 42's Chairman, Michael Keane, met with Mr. Guidry at the Company's offices in Houston, Texas to discuss Group 42's analysis of the Company and its proposals for improving the Company's performance and shareholder value, including, among other things, a potential self-tender offer by the Company of at least ten percent of the Company's outstanding stock.
- On July 28, 2015, Group 42 sent Mr. Guidry a letter to request that the Company provide a response, by August 3, 2015, to the proposals Mr. Keane and Mr. Guidry discussed at their July 24, 2015 meeting.
- On August 2, 2015, Mr. Keane met with Mr. Guidry, and Company directors Steven Pully and James Jennings, in Dallas, Texas regarding Group 42's proposals for improving the Company, including, but not limited to, the possibility of adding Mr. Keane and Mr. Dickerson to the Company's Board.
  - On August 3, 2015, Group 42 sent Mr. Guidry a letter to request that Mr. Guidry provide the Company's response, by August 4, 2015, to the discussions between Group 42 and the Board on August 2, 2015.
  - On August 5, 2015, representatives of Group 42 and the Company engaged in discussions over the phone regarding Group 42's proposals for improving the Company, including the possibility of Group 42 adding directors to the Board and a possible self-tender offer by the Company for a portion of its outstanding stock.
- On September 10, 2015, Group 42 sent a letter to the Board, to explain why Group 42 did not support the renewal of Mr. Guidry's contract as the Company's Chief Executive Officer and why it does not believe such renewal is in the best interest of all shareholders.

· On September 25, 2015, Group 42 and Brad Radoff and certain of his affiliates formed the Group 42-BLR Group and filed its initial Schedule 13D, disclosing its collective 11.1% beneficial ownership in the Company and disclosing the Group 42-BLR Group's views that there are numerous operational and strategic opportunities for the Company to increase value for its stockholders and that the Group 42-BLR Group is prepared to seek changes to the Board and management in order to seek such opportunities.

- On September 28, 2015, the Company disclosed in a Current Report on Form 8-K that the Company on September 26, 2015 had adopted a Shareholder Rights Plan (a “poison pill”), which is triggered at 10% beneficial ownership. The Company also disclosed that it had amended its Bylaws to add various procedural obstacles for stockholders to seek to act by written consent.
- On October 5, 2015, the Group 42-BLR Group sent a letter to the Company’s Board of Directors, and issued a press release containing the letter, outlining the ways in which we believed the Board has failed stockholders and why it should be held accountable. The letter also stated that the Group 42-BLR Group was prepared to take all actions necessary to ensure that the Board is composed of directors who are committed to act in the stockholders’ best interests.
- On October 28, 2015, Mr. Keane communicated with Mr. Guidry and Eric J. Christ in attempt to schedule a meeting in furtherance of a productive dialogue.
- On November 6, 2015, the Group 42-BLR Group delivered notice to the Company of its intention to undertake a solicitation of stockholder consents to approve the Proposals and filed the Consent Statement with the SEC.
- On November 16, 2015, the Company filed a Consent Revocation Statement, issued a press release and sent a letter to Group 42-BLR Group counsel. These documents argued that Group 42 does not have the right to conduct a consent solicitation for the approval of the Proposals and specifically for the proposal to remove directors without cause. The Company purported to rely on a Charter provision that after consultation with counsel, the Group 42-BLR Group believes is invalid under Delaware law. The Company offered to instead call a special meeting, a process that would give it greater control and likely delay the vote on any Proposals. The Company also publicly disclosed an offer to settle the contest by adding one of the Group 42-BLR Group’s director candidates to the Board.
- On November 17, 2016, counsel for the Group 42-BLR Group’s reached out to the Company’s counsel and proposed the framework of a mutually agreeable resolution that in the belief of the Group 42-BLR Group would achieve an outcome that is in the best interest of all shareholders.
- On November 20, 2015, the Company responded to our proposed framework of a mutually agreeable resolution, by once again repeating that it will only agree to the addition of one director, without any of the incumbent directors taking responsibility and stepping down from the Board.
- On November 20, 2015, the Group 42-BLR Group filed Amendment No. 1 to the Consent Statement with the SEC and issued a press release stating that it remains fully confident that its intended consent solicitation is legal and proper under established Delaware law and that it views VAALCO’s suggestion of a December “Special Meeting” as a transparent tactic to confuse stockholders and delay their voices being heard. The Group 42-BLR Group also stated in the press release that it believes the Company’s public offer to add one director representative to the Board without any of the incumbents taking responsibility and stepping down is woefully insufficient to effect the real, meaningful transformation that the Group 42-BLR Group believes is immediately needed on the Board. The Group 42-BLR Group also delivered a letter to the Company on November 20, 2015 rejecting the Company’s offer to convene a special meeting of stockholders and reiterating its belief that its consent solicitation, including the Removal Proposal, is valid under Delaware law.
- On November 23, 2015, the Company filed a Preliminary Proxy Statement with the SEC to hold a special meeting of stockholders on January 5, 2016 to vote on a proposal to amend the Company’s certificate of incorporation (the “Charter”) to permit stockholders to remove directors without cause. The Company also issued a press release on November 23, 2015 announcing the filing of its preliminary proxy materials and delivered a letter to the Group 42-BLR Group requesting that the Group 42-BLR Group withdraw its consent solicitation and participate in the



special meeting of stockholders.

- On November 24, 2015, the Group 42-BLR Group issued a press release setting the record straight for VAALCO stockholders to explain the legal questions it believes the Company has misleadingly raised with regard to the Group 42-BLR Group's consent solicitation. The Group 42-BLR Group also expressed its belief in the press release that the Company's statements are aimed at confusing stockholders and derailing its valid consent solicitation process and that the Group 42-BLR Group will proceed with its intended consent solicitation to replace a majority of the Board. Also on November 24, 2015, the Group 42-BLR Group filed an amendment to its Schedule 13D disclosing its November 20, 2015 and November 24, 2015 press releases.
  
- Also on November 24, 2015, Mr. Radoff and Mr. Keane met with Mr. Guidry, Mr. Jennings and Don O. McCormack, the Company's Chief Financial Officer as of November 9, 2015, to discuss settlement options.
  - On November 30, 2015, the Company filed Amendment No. 1 to its Consent Revocation Statement.
  - On December 2, 2015, the Group 42-BLR Group filed Amendment No. 2 to the Consent Statement.
  - On December 2, 2015, the Company filed Amendment No. 1 to its Consent Revocation Statement.
  - On December 3, 2015, the Group 42-BLR Group filed Amendment No. 3 to the Consent Statement.

## QUESTIONS AND ANSWERS ABOUT THIS CONSENT SOLICITATION

The following are some of the questions you, as a stockholder, may have and answers to those questions. The following is not meant to be a substitute for the information contained in the remainder of this Consent Statement, and the information contained below is qualified by the more detailed descriptions and explanations contained elsewhere in this Consent Statement. We urge you to carefully read this entire Consent Statement prior to making any decision on whether to grant any consent hereunder.

### WHO IS MAKING THE SOLICITATION?

The Group 42-BLR Group is making this solicitation. See “Additional Participant Information” for additional information regarding the Group 42-BLR Group and the participants in this consent solicitation.

### WHAT ARE THE PROPOSALS FOR WHICH CONSENTS ARE BEING SOLICITED?

We are asking you to consent to five corporate actions: (1) the Bylaw Restoration Proposal, (2) the Removal Proposal, (3) the Vacancy Proposal, (4) the Board Size Proposal and (5) the Election Proposal.

The Group 42-BLR Group is asking you to consent to the Removal Proposal, the Vacancy Proposal, the Board Size Proposal and the Election Proposal to remove four of VAALCO’s current directors, including any appointees to the Board prior to the effectiveness of the Election Proposal, and to elect the Group 42 Nominees. In addition, in order to ensure that your consent to elect the Group 42 Nominees will not be modified or diminished by actions taken by the incumbent Board, the Group 42-BLR Group is asking you to consent to the Bylaw Restoration Proposal.

### WHY ARE WE SOLICITING YOUR CONSENT?

We have lost all faith in the ability of the current Board to act in the best interests of stockholders. This consent solicitation is the best option we have available at this time for immediately installing a new, independent majority on the Board that, in our opinion, will ensure our collective best interests are being looked after. Our highly-qualified director Group 42 Nominees are fully committed to improving the Company’s performance and increasing value for the benefit of all shareholders. We believe that replacing the current majority of the Board with our Group 42 Nominees will give us the best chance of turning around the Company’s serial underperformance. In our view, VAALCO shareholders can no longer afford to trust that the current Board will look after their best interests.

### WHO ARE THE GROUP 42 NOMINEES?

The Group 42-BLR Group is asking you to elect each of Pete J. Dickerson, Michael Keane, Bradley L. Radoff and Joshua E.