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Nuvectra Receives Frost & Sullivan's New Product Innovation Award for its Algovita[®] SCS System

Plano, Texas, January 17, 2016 – Nuvectra Corporation (NASDAQ:NVTR), a neurostimulation medical device company, has recently been named recipient of the Frost & Sullivan North American New Product Innovation Award for its leadership in the spinal cord stimulation (SCS) market.

Frost & Sullivan recognizes Nuvectra for the organization's commitment to advancing next-generation neurostimulation technologies through its Algovita[®] Spinal Cord Stimulation System. Each year, Frost & Sullivan presents this award to one company that develops a truly innovative and leading-edge technology. The award recognizes the innovative features and benefits of the product and the value it creates in the marketplace.

Describing how Nuvectra was selected, Frost & Sullivan analyst Norma Vela-Roch writes, "Algovita features patient-centric innovation that is easy-to-use, discrete, and portable. In addition, it provides a versatile and expandable platform that helps sustain therapy for the long-term benefit of patients."

"We are very proud to be the recipient of this prestigious award," said Scott Drees, Nuvectra's chief executive officer. "It is a testimonial to the physician partners and the Nuvectra employees who focused so much energy into the creation of the system. The award, combined with the overall response from our patients and physicians, provides independent validation of the achievement of the design goals we set for ourselves."

SCS is playing an even greater role in the management of chronic pain as serious concerns about opioid use increase. Nuvectra's Algovita SCS system is a powerful, versatile, and easy-to-use system designed to provide broad and flexible pain control, while fitting into a patient's daily life.

Nuvectra is showcasing Algovita at the upcoming 2017 North American Neuromodulation Society Annual Meeting in Las Vegas, January 19 to 22.

For more information about Nuvectra and the Algovita Spinal Cord Stimulation System, visit www.nuvectramed.com.

About Nuvectra Corporation

Nuvectra™ is a neurostimulation company committed to helping physicians improve the lives of people with chronic neurological conditions. The Algovita(R) Spinal Cord Stimulation (SCS) System is our first commercial offering and is CE marked and FDA approved for the treatment of chronic intractable pain of the trunk and/or limbs. Our innovative technology platform also has capabilities under development to support other neurological indications such as sacral nerve stimulation (SNS), and deep brain stimulation (DBS). In addition, our NeuroNexus subsidiary designs, manufactures and markets leading-edge neural-interface technologies for the neuroscience clinical research market. Visit the Nuvectra website at www.nuvectramed.com.

Cautionary Note Regarding Forward-Looking Statements

This press release contains "forward-looking statements," including statements we make regarding the outlook for Nuvectra as an independent publicly-traded company. Forward-looking statements are based only on our current beliefs, expectations and assumptions regarding the future of our business, future plans and strategies, projections, anticipated events and trends, the economy and other future conditions, and therefore they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict and may be outside of our control. Our actual performance may differ materially from those indicated in the forward-looking statements. Therefore, you should not rely on any of these forward-looking statements. Any forward-looking statement made by us is based only on information currently available to us and speaks only as of the date on which it is made. Important factors that could cause our actual results to differ materially from those indicated in the forward-looking statements include: (i) the timing of the commercial launch of Algovita in the United States; (ii) our ability to successfully commercialize Algovita and develop and commercialize enhancements to Algovita; (iii) the outcome of our development plans for our neurostimulation technology platform, including our ability to identify additional indications or conditions for which we may develop neurostimulation medical devices or therapies and seek regulatory approval thereof; (iv) our ability to identify business development and growth opportunities and to successfully execute on our strategy, including our ability to seek and develop strategic partnerships with third parties to, among other things, fund clinical and development costs for new product offerings; (v) the performance by our development partners, including Aleva Neurotherapeutics, S.A., of their obligations under their agreements with us; (vi) the scope of protection for our intellectual property rights covering Algovita and other products using our neurostimulation technology platform, along with any product enhancements; (vii) our ability to successfully build an effective commercial infrastructure and sales force in the United States; (viii) our compliance with all regulatory and legal requirements regarding implantable medical devices and interactions with healthcare professionals; and (ix) any product recalls or the receipt of any warning letters from any governmental or regulatory agency. Please see the sections entitled "Cautionary Statement Concerning Forward-Looking Statements" and "Risk Factors" in Nuvectra's Registration Statement on Form 10 for a description of these and other risks and uncertainties. We undertake no obligation to publicly update any forward-looking statement, whether written or oral, that may be made from time to time, whether as a result of new information, future developments or otherwise.