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# Perma-Fix Achieves Favorable Resolution of Oak Ridge Contract Negotiations

To Be Reflected in the Second Quarter --

ATLANTA, July 8 /PRNewswire-FirstCall/ -- Perma-Fix Environmental Services, Inc. (Nasdaq: PESI; BSE) (Germany: PES.BE), today announced that it has favorably resolved certain contract changes related to its Oak Ridge contracts. The contract changes, among other things, amend the pricing structure on all waste previously received, as well as all future waste streams to be received under the contracts. The upward adjustment for work performed during the first six months of 2002 is estimated at approximately $2.0 million. The Company is currently finalizing the detail calculations to determine the actual revenue and billing totals, which will positively impact the second quarter results. Also, as previously disclosed, the Company is still in the process of negotiating certain surcharges to these subcontracts.

Dr. Louis F. Centofanti, Perma-Fix president and chief executive officer, commented: "We are very pleased with the favorable resolution of these contract negotiations, which correct a very complex and technical billing structure. These changes will have a positive impact on our second quarter results and going forward."

Perma-Fix Environmental Services, Inc. is a national environmental services company, providing unique mixed waste and industrial waste management services. The Company has increased its focus on the nuclear services segment, which provides radioactive and mixed waste treatment services to hospitals, research laboratories and institutions, numerous federal agencies including the Departments of Energy and Defense and nuclear utilities. The industrial services segment provides hazardous and non-hazardous waste treatment services for a diverse group of customers including Fortune 500 companies, numerous federal, state and local agencies and thousands of smaller clients. The Company operates nine major waste treatment facilities across the country.

This press release contains "forward-looking statements" which are based largely on the Company's expectations and are subject to various business risks and uncertainties, certain of which are beyond the Company's control. Forward-looking statements include, but are not limited to, the information as to an additional amount of approximately $2 million that may be billed under the contract changes for work performed under these subcontracts during the first six months of 2002 and the affect of which will have a positive impact on the second quarter results. These forward-looking statements are intended to qualify for the safe harbors from liability established by the Private Securities Litigation Reform Act of 1995. While the Company believes the expectations reflected in this news release are reasonable, it can give no assurance such expectations will prove to be correct. There are a variety of factors which could cause future outcomes to differ materially from those described in this

release, including without limitation, the general contractor's approval of the Company's calculation as to the additional amount that the Company can bill under the contract changes. The Company makes no commitment to disclose any revisions to forward-looking statements, or any facts, events or circumstances after the date hereof that bear upon forward- looking statements.

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