December 19, 2003

Perma-Fix Subsidiary Awarded Potential Multi-Million Dollar Contract For Low Level Waste Processing And Shipping

OAK RIDGE, Tenn., Dec. 19 /PRNewswire-FirstCall/ -- East Tennessee Materials & Energy Corporation, a wholly owned subsidiary of Perma-Fix Environmental Services, Inc. (Nasdaq: PESI; BSE) (Germany: PES.BE) has been awarded a contract with the potential value of several million dollars by Bechtel Jacobs Company, LLC of Oak Ridge, Tennessee, for Low Level Radioactive Waste processing and shipping from the Oak Ridge Reservation.

Bechtel Jacobs Company, LLC, the U.S. Department of Energy's Closure Contractor for the Oak Ridge Reservation, estimates that approximately 22,000 cubic meters of Low Level Radioactive Waste currently in storage will require processing and shipping for disposal between October 2003 and June 2005. This contract is in support of Bechtel Jacobs' accelerated cleanup contract with the Department of Energy's Oak Ridge Operations Office for the disposal of legacy wastes from the Reservation, and is a priority for supporting the accelerated cleanup at Oak Ridge.

The Low Level Radioactive waste will consist primarily of dry active waste, scrap metal, and construction demolition debris. East Tennessee Materials & Energy Corporation (M&EC) will perform processing and shipping under this contract at its facility located at the East Tennessee Technology Park. The M&EC facility is located in close proximity to the stored waste and the work will be performed using existing processing capabilities.

Dr. Louis F. Centofanti, Perma-Fix Chairman and Chief Executive Officer, said: "We are gratified that Bechtel Jacobs has selected our company to perform work for this key cleanup project. The contracts we receive to provide waste management services for Low Level Radioactive and Low Level Mixed Radioactive Wastes allow us to enhance the value that our treatment facilities provide to the Department of Energy and its prime contractors."

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 certain statements, which constitute forward- looking statements

within the meaning of the Private Securities Litigation Reform Act of 1996, including statements that the contract has a potential value of several million dollars. Investors are cautioned that these forward- looking statements are not guarantees of future performance and involve risks and uncertainties, and that actual results may differ materiality from those in the forward-looking statements due to numerous factors, including, but not limited to, general economic conditions, future environmental regulatory restrictions, Bechtel Jacobs' failure to abide by or comply with the contract, to deliver waste as anticipated, or to terminate the contract, and the fact that the Company has a pending lawsuit with Bechtel Jacobs as to certain other contracts. Although M&EC has brought such lawsuit against Bechtel Jacobs, Bechtel Jacobs continues to deliver waste to M&EC for treatment and M&EC continues to accept such waste.

Please visit us on the World Wide Web at http://www.perma-fix.com .

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