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Perma-Fix Awarded A Multi-Millon Dollar Contract By Westinghouse Savannah River Company For Treatment And Disposal Of Depleted Uranyl Nitrate

OAK RIDGE, Tenn., Feb. 26 /PRNewswire-FirstCall/ -- East Tennessee Materials & Energy Corporation (M&EC), a wholly owned subsidiary of Perma-Fix Environmental Services, Inc. (Nasdaq: PESI; BSE)(Germany: PES.BE), has been awarded a contract not-to-exceed $6.9 million to treat and dispose of a maximum of 150,000 gallons of depleted uranyl nitrate (DUN) currently stored at the Department of Energy's (DOE) Savannah River Site. The Savannah River Site (SRS) complex covers 198,344 acres, or 310 square miles, located in the southeastern corner of South Carolina.

SRS was constructed during the early 1950s to produce the basic materials used in the fabrication of nuclear weapons; primarily, tritium and plutonium- 239 in support of U.S. defense programs. This was accomplished using facilities such as nuclear reactors and chemical separation plants. Due to changes in DOE's mission after the end of the Cold War, some of the Site's facilities are being deactivated.

The SRS is owned by DOE, and operated by an integrated team led by Westinghouse Savannah River Company (WSRC). Under the contract that was awarded to WSRC in 1996, and recently extended until 2006, WSRC is responsible for the site's nuclear facility operations. A key cleanup project for WSRC is the deactivation of the "F Canyon" chemical separation facility, which has generated the mixed waste DUN. WSRC awarded a contract to Perma-Fix's M&EC facility to treat, and subsequently, dispose of the DUN at a DOE approved disposal site.

Dr. Louis F. Centofanti, Perma-Fix chairman and chief executive officer said, "This project demonstrates the unique expertise that Perma-Fix has developed as we continue to expand our capabilities and address more challenging waste streams resulting from the Department of Energy's cleanup efforts. DUN is a highly acidic mixed waste that requires specialized capabilities to safely and compliantly treat the material to meet federal regulations for disposal. We at Perma-Fix look forward to meeting this challenge to assist DOE and its contractors with their goals."

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 approximately $6.9 million. 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 or WSRC's failure to abide by or comply with the contract, to deliver waste as anticipated under the contract, or termination of the contract prior to its completion.

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

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