October 27, 2008

Perma-Fix Announces Start of New Department of Energy Hanford Site Subcontract

Expected to Generate Revenue for On-Site Work of Approximately $150 Million

ATLANTA, Oct. 27 /PRNewswire-FirstCall/ -- Perma-Fix Environmental Services, Inc. (Nasdaq: PESI) today announced the successful start of subcontract waste management and facility operations, through its East Tennessee Materials & Energy Corporation (M&EC) subsidiary, at the Department of Energy (DOE) Hanford Site.

On October 1, 2008 CH2M Hill Plateau Remediation Company (CHPRC) took control as the prime contractor of the DOE Hanford Site Plateau Remediation Contract. CH2M Hill, major subcontractors Fluor and AREVA, along with pre-selected small business subcontractors such as Perma-Fix's M&EC subsidiary will now manage the cleanup of the Hanford Plateau as the CHPRC team. CHPRC was awarded a cost plus incentive fee contract valued at approximately $4.5 billion over ten years (a five-year base period with the option to extend it for an additional five years). The scope of the CHPRC contract includes treatment and disposal of various radioactive waste streams, groundwater remediation, management of spent nuclear fuel, disposition of nuclear materials, demolition of non-reactor nuclear facilities and environmental remediation activities. Perma-Fix M&EC will operate on the Hanford Site as M&EC PRC and will be responsible for the personnel and operation of various treatment and disposal facilities.

As a result of its participation in the CHPRC on-site contract, Perma-Fix expects to generate combined revenue of approximately $200 million - $250 million over the five year base period. This includes off-site revenue from associated waste treatment at the company's four Mixed Waste treatment facilities.

Dr. Louis F. Centofanti, Chairman and Chief Executive Officer, stated, "We are excited to report a successful start to the management and operations work on the Hanford Site working with our prime contractor CH2M Hill and other team members to accomplish the important work of cleaning up the Central Plateau. The CHPRC team has the proven experience and track record needed to accomplish the aggressive cleanup goals established by DOE, and our M&EC subsidiary brings unique waste management capabilities on the Hanford Site as well as at our offsite treatment facilities that will play an important role in the cleanup mission."

About Perma-Fix Environmental Services

Perma-Fix Environmental Services, Inc., a national environmental services company,

provides unique mixed waste and industrial waste management services. The company's increased focus on nuclear services includes radioactive and mixed waste treatment services for hospitals, research labs and institutions, federal agencies, including DOE, DOD, and nuclear utilities. The company's industrial services treat hazardous and non-hazardous waste for a variety of customers including, Fortune 500 companies, federal, state and local agencies and thousands of other clients. Nationwide, the company operates nine major waste treatment facilities.

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, that the contract by DOE to CHPRC is valued at $4.5 billion over a 10 year period; that Perma-Fix expects to generate revenue for on-site work of approximately $150 million; that Perma-Fix expects to generate combined revenue of approximately $200 million - $250 million over the five year base period. 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 press 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, future economic conditions; industry conditions; that the federal government does not terminate or renegotiate the contract between DOE and CHPRC prior to expiration of its term or the subcontract between CHPRC and M&EC is not terminated or renegotiated by CH2M Hill prior to expiration of its term, as such contracts with the federal government or agencies thereof are generally terminable or renegotiable on 30 day notice, at the government's option; or the government or such other party to such contract fails to abide by or comply with the terms thereof or to deliver waste as anticipated under such contract; that the government exercises the option to renew the contract with CHPRC for the option period; that Congress fails in any year to provide funding for the contract; and the additional factors referred to under "Special Note Regarding Forward-Looking Statements" of our 2007 Form 10-K/A and the Forward-Looking Statements discussed in our Forms 10-Q for the quarters ending March 31, 2008 and June 30, 2008. 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.

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

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