



Perma-Fix Medical S.A. Formally Accepts \$2.8 Million Grant Awarded Earlier This Year to Advance Development of Technetium Generator for Cancer and Cardiac Imaging

WROCŁAW and ATLANTA – December 28, 2015 – Perma-Fix Medical S.A (WAR: PFM), a subsidiary of Perma-Fix Environmental Services, Inc., a NASDAQ listed company, has formally accepted the grant awarded earlier this year to a consortium it led for further development and commercialization of a novel prototype generator for the production of Technetium-99m (“Tc-99m”) for use in cancer and cardiac imaging (“Generator Project”). Perma-Fix Medical signed the agreement with National Centre for Research and Development in Poland concerning preparation and financing of Generator Project. The grant was awarded under the STRATEGMED Program in Poland.

The total Generator Project budget is approximately 13.3 million PLN (USD \$3.7M) of which Generator Project grant subsidies allocated to the project team total 10 million PLN (USD \$2.8M). Of the 10 million PLN grant allocation, Perma-Fix Medical S.A. will receive 2.9 million PLN (USD \$0.8M) and the remaining amount will be allocated to other members of the Generator Project team to support technology development and testing. The 3.3M PLN Generator Project funding not covered by the grants will be contributed by Perma-Fix Medical from its own funds, until the funding is received.

According to the agreement, the implementation period for Generator Project is 36 months, of which the research phase is conducted from 1 June 2015 to 29 February 2018 and the preparation for implementation phase will be executed from 1 March 2017 to 30 May 2018. Of the 10 million PLN grant allocation, 9.2 million PLN (USD \$2.6M) will be used in the research phase and 0.8 million PLN (USD \$0.2M) in the implementation phase.

The Generator Project team will be under the leadership and supervision of Perma-Fix Medical S.A. and consists of four additional entities from Poland, including: the National Centre for Nuclear Research - Radioisotope Centre POLATOM in Otwock; the Institute for Biopolymers and Chemical Fibers - Department of Biopolymers in Łódź; Warsaw Medical University - Department of Nuclear Administration; and the Institute of Industrial Organic Chemistry Branch in Pszczyna.

The goal of the Generator Project is to develop a novel prototype generator utilizing Perma-Fix’s microporous resin to produce molybdenum-derived Tc-99m, test the chemical and radionuclide purities of Tc-99m eluent and verify the performance of the final product, which will be the cancer and cardiac pharmaceutical kits used during animal and human imaging to fulfill both Polish and European Pharmacopoeia standards.

Steve Belcher, CEO of Perma-Fix Medical S.A, commented: "Having independently validated our patented microporous resin technology at two of the pre-eminent nuclear research institutes in the world, we are pleased to now have the additional financial resources and scientific support to enable us to further develop and test our own commercial generator, which will be used to contain the resin at a higher scale as it separates Tc-99m from natural molybdenum. Following our latest successful scale-up of our prototype generator at the 6 curie level, we are conducting additional tests at higher curie levels. We believe our process is a breakthrough in the industry because it does not require the use of uranium and is less expensive than the industry standard now in use."

About Perma-Fix Medical S.A.

Perma-Fix Medical S.A. is a subsidiary of Perma-Fix Environmental Services Inc., a NASDAQ listed company. It was formed to develop, obtain FDA and other regulatory approval and commercialize a new process to produce Technetium-99 (Tc-99m), the most widely used medical isotope in the world. The new process is expected to solve worldwide shortages of Tc-99m as it is less expensive, does not require the use of government-subsidized, weapons-grade materials and can be easily deployed around the world using standard research and commercial reactors, thereby eliminating the need for special purpose reactors. Please visit us on the World Wide Web at <http://www.medical-isotope.com>.

About Perma-Fix Environmental Services

Perma-Fix Environmental Services, Inc. is a nuclear services company and leading provider of nuclear and mixed waste management services. The Company's nuclear waste services include management and treatment of radioactive and mixed waste for hospitals, research labs and institutions, federal agencies, including the DOE, the Department of Defense ("DOD"), and the commercial nuclear industry. The Company's nuclear services group provides project management, waste management, environmental restoration, decontamination and decommissioning, new build construction, and radiological protection, safety and industrial hygiene capability to our clients. The Company operates four nuclear waste treatment facilities and provides nuclear services at DOE, DOD, and commercial facilities, nationwide.

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

Contacts:

Justyna Gudaszewska or David K. Waldman
Crescendo Communications Europe Sp. z o.o
Tel: + 48 693 354 580
Email: pfm@crescendo-ir.com