



## **Perma-Fix Medical Announces Letter of Intent for Certain Proposed Funding of its Wholly Owned Subsidiary**

**WROCLAW – October 17, 2016 – Perma-Fix Medical S.A. (WAR:PFM)**, a subsidiary of Perma-Fix Environmental Services, Inc. (NASDAQ:PESI), today announced that it has entered into a letter of intent with a private investor, subject to certain closing and other conditions, for the purchase of PLN 39 million PLN (\$10 million) of Preferred Shares in Perma-Fix Medical Corporation (“PF Corp.”), a Delaware corporation and a wholly owned subsidiary of Perma-Fix Medical S.A. (WAR:PFM), at a price of 31.2 PLN (\$8.00) per share. Upon closing, the Preferred Shares of PF Corp. would be voting securities and allow the investor to own approximately 48.6% of PF Corp.’s issued and outstanding voting securities as of the closing. The letter of intent also provides that at closing, subject to certain terms and conditions, the investor would also receive a 36-month warrant to purchase three quarters (.75) of one share of PF Corp. common stock for each share of Preferred Stock purchased by the investor at closing at an exercise price of 35.1 PLN (\$9.00) for each three quarters of one share. In addition, at closing, PESI would receive a 36 month warrant, subject to certain terms and conditions, to purchase up to 183,606 shares of PF Corp.’s common stock at an exercise price of 54.6 PLN (\$14.00) per share. Further, under the terms of the letter of intent PESI would be repaid the amounts owed to it by PFM and PF Corp. within a reasonable period of time.

The letter of intent is subject to certain terms and conditions, including, but not limited to, the negotiation and execution of definitive agreement.

Stephen Belcher, Chief Executive Officer of Perma-Fix Medical S.A. stated, “We believe that this proposed financing should provide us funding to execute our strategy through to commercialization of our Tc-99m technology that we have licensed from PESI, subject to certain FDA approvals.”

As a result of the proposed funding, the Company also reported it has suspended any plans to change its current securities exchange listing until further notice.

### **About Perma-Fix Medical S.A.**

Perma-Fix Medical S.A. 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 at <http://www.medical-isotope.com>.

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