

FIRST AMENDMENT TO  
AGREEMENT AND PLAN OF MERGER

THIS FIRST AMENDMENT TO AGREEMENT AND PLAN OF MERGER (the "First Amendment") is made this 13th day of June 2007, by and among NUVOTEC usa, INC., a Washington corporation (the "Company"); PACIFIC ECOSOLUTIONS, INC., a Washington corporation and wholly owned subsidiary of the Company ("PEcoS"); PERMA-FIX ENVIRONMENTAL SERVICES, INC., a Delaware corporation (the "Parent"); and PESI TRANSITORY, INC., a Washington corporation ("Merger Sub").

WITNESSETH

WHEREAS, all of the parties hereto entered into that certain Agreement and Plan of Merger, dated April 27, 2007 (the "Merger Agreement");

WHEREAS, unless otherwise set forth in this First Amendment, the capitalized terms in this First Amendment shall have meanings ascribed to them in the Merger Agreement; and

WHEREAS, the parties desire to amend the Merger Agreement in accordance with paragraph 30.10 of the Merger Agreement, as follows:

- (a) to provide that the total cash amount of the Purchase Price to be paid at Closing is reduced from \$2.5 million to \$2.3 million, with such reduction allocated proportionately among all stockholders in a manner that reflects the payment of cash at Closing;
- (b) to provide that the maximum aggregate Earn-Out Amount paid during all of the Earn-Out Period shall be reduced from \$4.6 million to \$4.4 million; and
- (c) as otherwise provided herein.

NOW, THEREFORE, in consideration of the premises and the mutual representations, warranties and covenants herein contained, and intending to be legally bound, the parties hereto hereby agree as follows:

1. Amendment to Paragraph 1.5. Clauses (i), (ii)(a) and (iii) of the first paragraph of paragraph 1.5 of the Merger Agreement are hereby amended, and a new clause (iv) to paragraph 1.5 is hereby inserted as follows:

- (a) Clause (i) is hereby amended by deleting the amount of "\$1.8 million" and substituting in lieu thereof the amount of "\$1.656 million;"
  - (b) Clause (ii)(a) is hereby amended by deleting the amount of "\$700,000" and substituting in lieu thereof the amount of "\$644,000;"
  - (c) Clause (ii)(d) is hereby amended by deleting the phrase "As of the Closing, each of the Accredited Stockholders shall have executed a Subscription Agreement,
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substantially in the form attached hereto as Exhibit D” and substituting in lieu thereof the following:

“As of the Closing, each of the Accredited Stockholders shall have executed a Subscription Agreement, and Supplement to Letter of Transmittal in the form approved by Parent.”

(d) Clause (iii) is hereby amended by deleting the amount “\$4.6 million” and substituting in lieu thereof the amount of “\$4.4 million”.

(e) The following new clause (iv) is hereby inserted immediately before paragraph 1.5.1:

(iv) Notwithstanding clauses (i) and (ii)(a) of this paragraph 1.5, the cash amount to be paid at Closing pursuant to paragraph 1.5(i) to the Unaccredited Stockholders and the cash amount to be paid at Closing pursuant to paragraph 1.5(ii)(a) to the Accredited Stockholders may be reallocated between the Unaccredited Stockholders and the Accredited Stockholders as deemed in writing to be necessary and appropriate by Parent and Company to reflect changes, if any, in the proportionate ownership of the Company Common Stock by the Unaccredited Stockholders and the Accredited Stockholders.

2. Amendment to Maximum Earn-Out Amount. Paragraphs 1.5.3.1 and 1.5.3.8 are each hereby amended by deleting the amount “\$4.6 million” and substituting in lieu thereof the amount “\$4.4 million.”

3. Amendment to Paragraph 1.5.4. Paragraph 1.5.4 of the Merger Agreement is hereby deleted and the following new paragraph 1.5.4 is substituted in lieu thereof:

1.5.4 Intentionally Omitted.

4. Amendment to Paragraph 4.1.1. The first sentence of paragraph 4.1.1 of the Merger Agreement is hereby deleted and the following sentence is substituted in lieu thereof:

“The Company hereby designates and all of the Company Stockholders entitled to receive a portion of the Purchase Price as a result of the Merger shall designate Nuvotrust Liquidation Trust (the initial Trustee of which is Nuvotrust Trustee, LLC, the controlling members of which are Robert L. Ferguson and William N. Lampson) (the “Representative”) to represent the interests of the Company Stockholders for purposes of the Escrow Agreement and the Paying Agent Agreement.”

5. Amendment to Paragraph 10. Paragraph 10 of the Merger Agreement is hereby deleted and the following new paragraph 10 is substituted in lieu thereof:

10. Domain Names. Prior to the Closing, the Company shall have entered into a written agreement with Vivid Learning Systems, Inc. (“Vivid”), in form

satisfactory to Parent, requiring Vivid to transfer, assign to Surviving Company, and its successors and assigns, upon the earlier of demand by Parent or six months after the Closing Date, all of Vivid's right, title and interest including, but not limited to, all of Vivid's common law rights in and to the domain name registrations "nuvotec.com" and "pacificecosolutions.com," together with any goodwill therein, all rights to sue for past infringement and to receive any recoveries therefor, and all data, programming code and other information and rights as pertains to the operation of the websites known as "nuvotec.com" and "pacificecosolutions.com" (collectively, the "Domain Names"). The written agreement shall provide that Vivid will not adopt any similar or related names to the Domain Names in the future and that Vivid shall agree not to contest the validity of Surviving Company's rights in the Domain Names. The Company represents and warrants to Parent that (a) Vivid has and will transfer to the Surviving Company, exclusive ownership of the Domain Names, free and clear of all Liens, restrictions and encumbrances, and (b) there is no litigation or any other disputes, pending or threatened, arising from or relating to the Domain Names.

6. Amendment to Paragraph 25.3.21. Paragraph 25.3.21 is hereby deleted and the following new paragraph 25.3.21 is substituted in lieu thereof:

"25.3.21 Intentionally Omitted."

7. New Paragraph 25.3.28. The following new paragraph 25.3.8 is hereby inserted immediately after paragraph 25.3.27:

"25.3.28 ES Ecology Services. PEcoS shall have issued written demand for payment to the generators of waste located at PEcoS' facility for which ES Ecology Services served as the broker; provided that written demand need not be issued to such generators having an aggregate balance owed of less than \$1,000."

8. Amendment to Paragraph 29. Paragraph 29 is hereby amended by deleting the following defined terms and corresponding paragraph references:

Deleted Term	Deleted Paragraph Reference
Additional Merger Expenses	1.5.4
Adjusted January 31, 2007 Balance Sheet	1.5.4
Closing Balance Sheet	1.5.4
January 31, 2007 Combined Net Assets	1.5.4
Net Assets	1.5.4

9. Conforming Amendments. Each occurrence in the Merger Agreement of the phrase "and as adjusted pursuant to paragraph 1.5.4" and "as adjusted pursuant to paragraph 1.5.4" is hereby deleted.

10. New Paragraph 9.24. Paragraph 9 of the Merger Agreement is hereby amended by adding the following new paragraph 9.24 at the end thereof:

9.24 Proceeds of Exercise. retain all cash or other consideration received by the Company from the date of the Merger Agreement to the date of the Closing as a result of or in connection with the exercise of outstanding Company Stock Options and/or Company Warrants (collectively, the “Exercise Proceeds”) and (a) shall not make, directly or indirectly, any sale, transfer, assignment, dividend, spin-off, payment, disbursement or other disposition of any portion of the Exercise Proceeds to any one or more Company Stockholders or to any party or person in connection with any Pre-Closing Distributions and (b) shall not in any manner use the Exercise Proceeds to pay any debts, liabilities or obligations of the Company, PEcoS or any of their subsidiaries, except the Company may use the Exercise Proceeds to pay the following debts of the Company (i) broker’s fees to SMH Capital (f/k/a Sanders Morris Harris, Inc.) estimated to be \$275,000 incurred by the Company as a result of the Merger, (ii) legal fees to Kirkpatrick & Lockhart Preston Gates Ellis, LLP and Rettig Osborne & Forgette in an amount estimated to be \$250,000 incurred by the Company as a result of the Merger, (iii) accounting fees to Williams & Webster in an amount estimated to be \$10,000 incurred by the Company as a result of the Merger, (iv) title and survey fees in an amount estimated to be \$17,000 incurred by the Company in connection with the Merger, (v) excise taxes owned by the Company and/or PEcoS in an amount estimated to be \$65,000, (vi) cost of tail insurance covering the Company’s current officers and directors after the Merger in an amount estimated to be \$20,271, and (vii) cost to terminate the Company’s and PEcoS’ 401(k) plans prior to the Closing in an amount estimated to be \$6,000. Notwithstanding the foregoing, an expense of the Company not expressly listed above may be paid utilizing the Exercise Proceeds if and only if the Company has obtained the prior written consent of the Parent’s Chief Financial Officer to the payment of the specific expense requested to be paid from the Exercise Proceeds, which consent may be withheld in Parent’s or its Chief Financial Officer’s sole discretion. Further, the total of all said expenses shall not exceed the Exercise Proceeds.

11. Amendment to Schedule 1.1. Schedule 1.1 of the Company Disclosure Schedule is hereby amended to include the software and hardware systems set forth in Addendum to Schedule 1.1 of Company’s Disclosure Schedule attached hereto.

12. Amendment to Paying Agent Agreement. Section 5.2 of the Paying Agent Agreement, attached as Exhibit “F” to the Merger Agreement, is hereby amended by deleting the amount “\$4.6 million” and substituting in lieu thereof the amount of “\$4.4 million”.

13. Conforming Amendment. All references in the Merger Agreement to the “Representatives” shall be to the Representative designated in amended paragraph 4.1.1 of the Merger Agreement.

14. Amendment to Exhibits. The forms of Paying Agent Agreement and Escrow Agreement, attached to the Merger Agreement as Exhibits F and G, respectively, are hereby amended by (a) amending the recital to reference the First Amendment and (b) changing the Representative to Nuvotrust Liquidation Trust. The form of Paying Agent Agreement and Escrow Agreement, as revised pursuant to the foregoing (and Section 12 hereof), are attached hereto as Exhibit F and G, respectively. The form of Subscription Agreement, attached as Exhibit D to the Merger Agreement, is hereby deleted and the form of Subscription Agreement and Supplement to Letter of Transmittal, attached hereto as Exhibit D, is substituted in lieu thereof. In addition, Exhibits A, B and C attached to the Merger Agreement have been revised and are hereby deleted and new Exhibits A (Articles and Plan of Merger), B (List of Company Accredited Stockholders) and C (List of Company Unaccredited Stockholders) attached hereto are substituted in lieu thereof.

15. Amendment to Paragraphs 7.21 and 25.3.10. Sanders Morris Harris, Inc. has changed its name to SMH Capital. Thus, the reference to Sanders Morris Harris, Inc. as set forth in paragraphs 7.21 and 25.3.10 is hereby changed to SMH Capital (f/k/a Sanders Morris Harris, Inc.).

16. Continuing Effect. The Merger Agreement, as modified by this First Amendment, shall remain in full force and effect

IN WITNESS WHEREOF, the parties hereto have caused this First Amendment to be executed as of the date first above written.

**NUVOTEC usa, INC., a Washington corporation**

By: /s/ Robert L. Ferguson

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Robert L. Ferguson, Chairman & Chief Executive Officer

By: /s/ William N. Lampson

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William N. Lampson, Vice Chairman

(the "Company")

**PACIFIC ECOSOLUTIONS, INC., a Washington corporation**

By: /s/ Robert L. Ferguson

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Robert L. Ferguson, Chairman & Chief Executive Officer

By: /s/ William N. Lampson

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William N. Lampson, Vice Chairman

("PEcoS")

**PERMA-FIX ENVIRONMENTAL SERVICES, INC., a  
Delaware corporation**

By: /s/ Steven Baughman

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Steven Baughman  
Vice President

(Parent)

**PESI TRANSITORY, INC., a Washington corporation**

By: /s/ Steven Baughman

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Steven Baughman  
Vice President

(Merger Sub)

**Addendum to Schedule 1.1 of  
Company Disclosure Schedule**

- Desktop Software licenses
  - o 56 MS XP Pro (21 MS eOpen, 35 MS XP - OEM)
  - o 49 MS Office (19 Pro 2003 eOpen, 9 Pro 2003, 21 SBE 2003)
  - o 25 Adobe Acrobat STD
- Server Software licenses
  - o 8 File/ Print Servers - MS 2003 / NT 4 (est. 50 cal)
- Accounting system MAS 200 - data
- E-mail / Communications System - MS Exchange Server
- E-mail / Communications System - Blackberry Server
- Maintenance Management - PMC (DPSI)
- AntiVirus - NAV Server (PC)
- AutoCAD System Software
- Project Management - MS Project Server, SQL Server
- Data Backups - Veritas / Tape autoloader system and software
- Print / Copy / Scan Services - MS NT Server
- Security Camera System (in progress) - MS Server and camera software
  
- Mechanical /Monitoring System - Wonderware / Rockwell / RSLogics
- Lab Systems (HP RCA lab software)
- GamaSpec & PC
- Time tracking - Time entry system
- Phone System - 3COM
- Alarm System - Upgrade needed on this system
  
- ATG Accounting - Old Accounting system used for historical data
- Manifesting - DOE LowTrack

**FIRST AMENDMENT TO AGREEMENT AND PLAN OF MERGER**

**Exhibits**

Exhibit A	Articles & Plan of Merger
Exhibit B	List of Company Stockholders Accredited Investors
Exhibit C	List of Company Stockholders Not Accredited Investors
Exhibit D	Accredited Stockholder Subscription Agreement and Supplement to Letter of Transmittal
Exhibit F	Paying Agent Agreement
Exhibit G	Escrow Agreement



## **Perma-Fix Completes Acquisition of PEcoS' Radioactive and Mixed Waste Treatment Facility**

**Atlanta - June 14, 2007** — **Perma-Fix Environmental Services, Inc. (Nasdaq: PESI; BSE: PESI; Germany: PES.BE)**, today announced that it has completed its acquisition of Nuvotec USA, Inc. (Nuvotec) and its wholly owned subsidiary, Pacific EcoSolutions, Inc. (PEcoS), for \$11.2 million. PEcoS, based in Richland, Washington is a nuclear waste management company that treats both low level and mixed waste. In connection with the transaction, Perma-Fix issued \$2.0 million in shares of Perma-Fix common stock and \$2.5 million in debt instruments payable over a four year period to those Nuvotec shareholders that qualify as accredited investors, \$2.3 million in cash to both non-accredited and accredited Nuvotec shareholders, and up to \$4.4 million of cash earn-out to both non-accredited and accredited Nuvotec shareholders, which could vary dependent on meeting or exceeding certain future revenue thresholds over a four year period. Perma-Fix assumed \$9.4 million of debt, plus the debts and obligations of PEcoS incurred in the ordinary course of PEcoS' business. PEcoS' facility is permitted to treat, store and process low level radioactive and mixed waste, and is located adjacent to the Department of Energy's (DOE) Hanford site.

Dr. Louis F. Centofanti, Chairman and Chief Executive Officer, stated, "This important milestone is beneficial to Perma-Fix on many levels, as it increases our treatment capacity, expands our west coast presence, and secures PEcoS' radioactive and hazardous waste permits and licenses. The PEcoS facility is located adjacent to the Hanford site and provides us access to treat some of the most complex nuclear waste streams in the nation. This is an important step in the development of our strategy to become a focused nuclear services company."

### **About Perma-Fix Environmental Services**

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 DOE and the U.S. Department of 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 "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 information concerning the PEcoS acquisition increasing our treatment capacity, expanding our west coast presence, and securing PEcoS' radioactive and hazardous waste permits and licenses; as well as providing us access to treat some of the most complex nuclear waste streams in the nation. 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 news 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; competitive pressures and the additional factors described in our Form 10-K and first quarter 2007 Form 10-Q. 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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**Contacts:**

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SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 8-K  
CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported) June 13, 2007  
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PERMA-FIX ENVIRONMENTAL SERVICES, INC.  
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(Exact name of registrant as specified in its charter)

Delaware	1-11596	58-1954497
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(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

8302 Dunwoody Place, Suite 250, Atlanta, Georgia	30350
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(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: (770) 587-9898  
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Not applicable  
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(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

Written communications pursuant to Rule 425 under the Securities Act

Soliciting material pursuant to Rule 14a-12 under the Exchange Act

Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act

Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act

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Section 1 - Registrant's Business and Operations

Item 1.01. Entry into a Material Definitive Agreement.

On June 13, 2007, Perma-Fix Environmental Services, Inc. ("Perma-Fix") entered into a First Amendment to Agreement and Plan of Merger (the "First Amendment") with Nuvotec USA, Inc. ("Nuvotec"), Nuvotec's wholly owned subsidiary, Pacific EcoSolutions, Inc. ("PEcoS") and Perma-Fix's wholly owned subsidiary, PESI Transitory, Inc. ("Transitory"). The First Amendment amends the terms of the Agreement and Plan of Merger, dated April 27, 2007 (together with

the First Amendment, the "Merger Agreement"), among such parties, which provides for the acquisition of Nuvotec by Perma-Fix by means of a merger of Transitory into Nuvotec, with Nuvotec surviving as the wholly owned subsidiary of Perma-Fix.

The First Amendment provides that the total cash amount of the purchase price to be paid at closing to the Nuvotec stockholders in the merger is reduced from \$2.5 million to \$2.3 million and that the maximum aggregate earn-out payable under the Merger Agreement during the four year earn-out period is reduced from \$4.6 million to \$4.4 million. These reductions replace certain closing date purchase price adjustments contained in the original Merger Agreement. The First Amendment also permits Nuvotec to use approximately \$644,000 of the proceeds received by Nuvotec upon the exercise of its options and warrants prior to the closing to pay certain expenses incurred by Nuvotec in connection with the merger.

As disclosed in Item 2.01 of this report, which is incorporated into this Item 1.01 by this reference, the merger was completed on June 13, 2007.

## Section 2 - Financial Information

### Item 2.01. Completion Of Acquisition Or Disposition Of Assets

On June 13, 2007, Perma-Fix acquired Nuvotec and Nuvotec's wholly owned subsidiary, PEcoS, pursuant to the terms of the Merger Agreement, between Perma-Fix, Perma-Fix's wholly owned subsidiary, Transitory, Nuvotec, and PEcoS. The acquisition was structured as a reverse subsidiary merger, with Transitory being merged into Nuvotec, and Nuvotec being the surviving corporation. As a result of the merger, Nuvotec became a wholly owned subsidiary of Perma-Fix, Nuvotec's name was changed to Perma-Fix Northwest, Inc. ("PESI Northwest"), and PEcoS is a wholly-owned subsidiary of PESI Northwest. PEcoS is a permitted hazardous, low level radioactive and mixed waste treatment, storage and disposal facility located in the Hanford U.S. Department of Energy site in the eastern part of the state of Washington.

As consideration for the merger, Perma-Fix agreed to pay the Nuvotec shareholders the sum of approximately \$11.2 million, payable as follows:

- (a) \$2.3 million in cash at closing of the merger;
- (b) an earn-out amount not to exceed \$4.4 million over a four year period ("Earn-Out Amount"), with the first \$1.0 million of the Earn-Out Amount to be placed in an escrow account to satisfy certain indemnification obligations under the Merger Agreement of Nuvotec, PEcoS, and the shareholders of Nuvotec to Perma-Fix that are identified by Perma-Fix within two years following the merger; and

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- (c) payable only to the shareholders of Nuvotec that qualified as accredited investors pursuant to Rule 501 of Regulation D promulgated under the Securities Act of 1933, as amended (the "Act"):
  - o \$2.3 million, payable over a four year period, unsecured and nonnegotiable and bearing an annual rate of interest of 8.25%, with (i) accrued interest only payable on June 30, 2008, (ii) \$833,333.33, plus accrued and unpaid interest, payable on June 30, 2009, (iii) \$833,333.33, plus accrued and unpaid interest, payable on June 30, 2010, and (iv) the remaining unpaid principal balance, plus accrued and unpaid interest, payable on June 30, 2011 (collectively, the "Installment Payments"). The Installment Payments may be prepaid at any time by Perma-Fix without penalty; and
  - o 709,220 shares of Perma-Fix common stock, with such number of shares

determined by dividing \$2.0 million by 95% of average of the closing price of the common stock as quoted on the Nasdaq during the 20 trading days period ending five business days prior to the closing of the merger.

At the closing of the merger, the Nuvotec debt was approximately \$9.3 million, and the debt of PEcoS was approximately \$3.7 million, with a total of approximately \$8.8 million owing to KeyBank National Association. Perma-Fix paid approximately \$4.8 million of the KeyBank debt immediately upon closing. Of the amount of remaining debt, \$4.0 million is owed by PESI Northwest under a credit facility with KeyBank. The KeyBank credit facility and a related \$1.75 million line of credit with KeyBank is guaranteed by Robert L. Ferguson, who prior to the merger was the Chairman and Chief Executive Officer of Nuvotec and PEcoS, and William Lampson, who prior to the merger was the vice-chairman and a vice-president of Nuvotec and PEcoS

In connection with the merger, Perma-Fix agreed to increase the number of its directors from seven to eight and to take reasonable action to nominate and recommend Mr. Ferguson for election as a member of Perma-Fix's board of directors. Accordingly, Mr. Ferguson has been nominated by Perma-Fix's Corporate Governance and Nominating Committee for election to the Board, and his nomination will be subject to the vote of Perma-Fix's stockholders at the annual meeting scheduled for August 2, 2007. At the closing of the merger, Perma-Fix paid Mr. Ferguson and entities controlled by him, as accredited stockholders in Nuvotec, a total of \$224,560 cash and will be issue to him and the entities controlled by him a total of 192,783 shares of Perma-Fix common stock in consideration for the merger. Mr. Ferguson and the entities controlled by him will also be entitled to receive their proportionate share of the Earn-Out Amount and the Installment Payments under the terms of the Merger Agreement.

Prior to the merger, Nuvotec completed the transfer of certain of its assets, including the spin off to the shareholders of Nuvotec of the common stock of Nuvotec's majority owned subsidiary, Vivid Learning Systems, Inc. (OTCBB:VVDL).

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Perma-Fix's press release, dated June 14, 2007, announcing the completion of the merger is attached as Exhibit 99.1 hereto and is incorporated into this Item 1.01 by this reference.

### Section 3 - Securities and Trading Markets

#### Item 3.02. Unregistered Sales of Equity Securities

On June 13, 2007, Perma-Fix agreed to issue a total of 709,220 shares of Perma-Fix common stock to the 82 former shareholders of Nuvotec that qualified as accredited investors (as defined in Rule 501 of Regulation D). The shares will be issued as part of the consideration for the acquisition by merger of Nuvotec pursuant to the Merger Agreement. The number of shares to be issued was determined by dividing \$2.0 million by 95% of average of the closing price of the common stock as quoted on the Nasdaq during the 20 trading days period ending five business days prior to the closing of the merger. The issuance will increase the number of issued and outstanding shares of Perma-Fix common stock from 52,165,113 to 52,874,333, based on the number of shares outstanding as of June 1, 2007, 2007. Each of the investors in the common stock represented to Perma-Fix that the investor is "accredited" for purposes of Rule 501 of Regulation D. The issuance of the common stock was made in a private placement exempt from registration under Section 4(2) of the Act and/or Rule 506 of Regulation D promulgated under the Act. See the discussion under Item 1.01, above, which is incorporated in this Item 3.02 by this reference.

### Section 8 - Other Events.

Item 8.01. Other Events.

On June 14, 2007, the Company issued a press release announcing the completion of the merger. The press release is attached hereto as Exhibit 99.1 and is incorporated herein by this reference.

Section 9 - Financial Statements and Exhibits.

Item 9.01. Financial Statements and Exhibits.

(a) Financial Statement of Businesses Acquired.

It is not practical to provide the required financial statements at this time. Such financial statements will be filed as an amendment to this Current Report on Form 8-K no later than 71 days after the deadline for filing this Form 8-K.

(b) Pro Forma Financial Information.

It is not practical to provide the required financial statements at this time. Such financial statements will be filed as an amendment to this Current Report on Form 8-K no later than 71 days after the deadline for filing this Form 8-K.

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(c) Exhibits.

- 2.1 Agreement and Plan of Merger, dated April 27, 2007, by and among Perma-Fix Environmental Services, Inc., Nuvotec USA, Inc., Pacific EcoSolutions, Inc., and PESI Transitory, Inc. The Registrant will furnish a copy of any omitted exhibit or schedule to the Commission upon request.\*
- 2.2 First Amendment to Agreement and Plan of Merger, dated June 13, 2007, by and among Perma-Fix Environmental Services, Inc., Nuvotec USA, Inc., Pacific EcoSolutions, Inc., and PESI Transitory, Inc. The Registrant will furnish a copy of any omitted exhibit or schedule to the Commission upon request.
- 99.1 Press release, dated June 14, 2007.

\* Incorporated by reference to the same-named exhibit to the Company's Form 8-K (date of event April 27, 2007), originally filed with the Securities and Exchange Commission on May 3, 2007.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: June 19, 2007.

PERMA-FIX ENVIRONMENTAL SERVICES, INC.

By: /s/ Dr. Louis Centofanti

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Dr. Louis F. Centofanti,  
President and  
Chief Executive Officer

