Proxim Wireless WiMAX Equipment Selected by Asia Pacific Telecom Group as Core Service Communications Platform in Taiwan’s M-Taichung Project

Proxim Tsunami™ MP.16 Product Line Will Deliver Wireless Broadband Services to Taichung City Population

Boston, Massachusetts and San Jose, CA, October 11, 2006 – Proxim Wireless Corporation, a global pioneer of end-to-end solutions in Wi-Fi® Mesh, WiMAX, WLAN, and wireless backhaul and wholly owned subsidiary of Terabeam, Inc. (NASDAQ: TRBM), today announced that its WiMAX Forum Certified™ Tsunami MP.16™ base stations and subscriber units have been chosen by Asia Pacific Telecom Group (APTG) as the core communications platform in M-Taichung, Taiwan, a city broadband project to build a WiMAX network in four phases over two years to cover the majority of the population of Taichung. WiMAX is a standards-based technology that enables the delivery of last mile wireless broadband access as an alternative to cable and DSL. M-Taichung is part of the government-initiated Mobile Taiwan Project (M-Taiwan).

APTG consists of three companies: Asia Pacific Broadband Telecom (APBT), Asia Pacific Broadband Wireless (APBW) and Asia Pacific Online (APOL). The group integrates communications, computers, cable phone and contents, and utilizes the most advanced broadband technologies to provide various applications and services to its customers. APBT will be deploying the new WiMAX network.

“Proxim Wireless has long been known as an innovator and a leader in wireless broadband, and Proxim’s WiMAX technology and products will make it possible for APTG to deliver high-speed Internet, television — whether video-on-demand or regular broadcasts — and telephone service over a single broadband connection with the highest quality of service and ease of deployment,” said Vincent Chih, Chief Executive Officer of Network & Information Technology Group, APTG. “In doing so, Proxim will help us create a high quality, world-leading WiMAX environment and society for the citizens and businesses of Taichung.”

In addition to broadband access, the new Proxim Wireless-based WiMAX network and current APTG CDMA 3G mobile network will provide the more than one million Taichung residents with other value added services including mobile office service, VoIP Internet telephony, city tour guidance, traffic and safety mobile applications and M-Taichung portal.

“We are honored by APTG’s choice of Proxim’s WiMAX technology and products for the M-Taichung project,” said Robert Fitzgerald, Chief Executive Officer of Proxim Wireless. “When completed, the WiMAX network supporting Taichung will serve as a model for other cities throughout the world seeking to provide similar capabilities to their residents and commercial enterprises.”

About the Proxim Wireless WiMAX Product Family

The Proxim Tsunami MP.16 3500 product line is compliant with the IEEE 802.16d-2004 WiMAX standard. It operates within the 3.4-3.6 GHz frequency band and offers time-division duplex (TDD), which is optimal for asynchronous traffic patterns as typically experienced by service providers. The system is comprised of base stations and subscriber units in integrated, outdoor form factors for easy installation. With its pico-cell architecture, the system is ideal for residential last mile access. The Tsunami MP.16 was awarded a 2006 Product Innovation Award by Frost & Sullivan for “truly innovative WiMAX solutions.”

Proxim Wireless is the only vendor in the industry to develop both a TDD base station and a subscriber unit based on the Intel® PRO/Wireless 5116 Broadband Interface, assuring its customers the maximum possible system compatibility and interoperability.

Proxim Tsunami MP.16 3500 also offers a scalable approach to system deployment, beginning with entry-level, single-sector base stations and growing into six-sector macro base stations with GPS synchronization. This, coupled with the availability of other technologies from within Proxim’s industry-leading product portfolio, not only lowers the barrier to deploy WiMAX systems for service providers, but also positions Proxim to enable truly scalable broadband wireless networks.

About Proxim Wireless
Proxim Wireless Corporation is a wholly owned subsidiary of Terabeam, Inc. (NASDAQ: TRBM). Proxim Wireless is a global pioneer in developing and supplying scalable broadband wireless networking systems for enterprises, governments, and service providers. From Wi-Fi to wireless Gigabit Ethernet – our WLAN, mesh, point-to-multipoint, and point-to-point products are available through our extensive global channel network, backed by world-class support. Proxim is a Principal Member of the WiMAX Forum and is ISO-9001 certified. Information about Proxim and its products and support can be found at http://www.proxim.com.

Safe Harbor Statement

Statements in this press release that are not statements of historical facts are forward-looking statements that involve risks, uncertainties, and assumptions. Our actual results may differ materially from the results anticipated in these forward-looking statements. The forward-looking statements involve risks and uncertainties that could contribute to such differences including those relating to the intense competition in our industries and resulting impacts on our pricing, gross margins, and general financial performance; delays or changes in or cancellation of planned product deployments; and difficulties or delays in developing and supplying new products with the contemplated or desired features, performance, compliances, certifications, cost, price, and other characteristics. Further information on these and other factors that could affect our actual results is and will be included in filings made by Terabeam from time to time with the Securities and Exchange Commission and in our other public statements.