Proxim Wireless Announces Solutions for Community Access Networks

Dual-Radio, Multi-Frequency Outdoor Wi-Fi Mesh Access Points Complement WiMAX Products for Scalable Networks; Equipment Grant Program Speeds Adoption for Deserving Communities

San Jose, CA, April 27, 2006 – Proxim Wireless Corporation, a global provider of broadband wireless equipment and wholly-owned subsidiary of Terabeam, Inc. (NASDAQ: TRBM), today introduced two major initiatives aimed at advancing the deployment of broadband wireless networks for municipalities worldwide. The company announced a family of dual-radio, multi-frequency, ruggedized outdoor Wi-Fi mesh products, leveraging its heritage of excellence in enterprise-class Wi-Fi as well as outdoor broadband wireless networking, including the globally renowned ORiNOCO® wireless LAN and Tsunami® point-to-multipoint and WiMAX product lines. The ORiNOCO AP-4000MR-LR provides a powerful cornerstone for large metropolitan Wi-Fi deployments, while the AP-4900MR-LR enables broadband wireless communications unique to public safety by operating at the 4.9 GHz frequency band. The company also announced a selective equipment grant program to speed the benefits of these products to deserving communities.

“As a leading vendor of broadband wireless technologies including Wi-Fi and WiMAX, we have developed a set of complementary solutions designed to enable truly viable and scalable Community Access Networks,” said Robert Fitzgerald, Chief Executive Officer, Proxim Wireless. “A robust multi-use network requires a combination of technologies. Our ORiNOCO outdoor mesh products, in conjunction with our Tsunami point-to-multipoint and point-to-point systems, provide the performance, reliability and cost profile to ensure that end users receive services of the highest quality, and network operators can grow the network as demand increases. It is our opinion that Proxim’s end-to-end offering provides the best solution available today for municipalities and service providers.”

“Providing Wi-Fi coverage over an entire metropolitan area – well beyond hot spots – is now a truly global trend,” said Craig J. Mathias, a Principal with the wireless and mobile advisory firm Farpoint Group (Ashland, MA). "Proxim’s entry into this market adds both credibility and a very strong player to the metro Wi-Fi opportunity, which is absolutely huge.”

Invitation to US Communities – Wireless Equipment Grant Program

In addition to announcing its new outdoor mesh products, Proxim Wireless is also announcing a special “Equipment Grant Program” for selected municipalities. To qualify for consideration, municipalities must currently be in the planning stages of deploying a Community Access Network. Under the Program, Proxim plans to award to two cities, each of which meets certain qualifications, a quantity of its new outdoor mesh products without cost for use in Municipal Wi-Fi or Public Safety applications. More information can be obtained by visiting the Community Access Networks section of our website or by calling the company at 408-731-2700.

More About ORiNOCO® Outdoor Mesh Products

The ORiNOCO® AP-4000MR-LR series of ruggedized, dual-radio wireless mesh access points is based on the world-renowned ORiNOCO enterprise-class Wi-Fi platform. One radio provides Wi-Fi (802.11b/g) end user access, while the other radio in the same compact product enclosure provides mesh backhaul using a pre-802.11s protocol. By using two radios operating at different frequencies, system capacity is doubled and interference is significantly reduced. Furthermore, the mesh protocol secures links using AES encryption, supports both fixed mesh (all APs mounted statically) or mobile mesh (in-vehicle versions of the mesh AP interacting with APs mounted statically) configurations, and VLAN information is kept intact over mesh links to enable virtual networking. Another advantage is draft 802.11e and draft 802.1p quality of service (QoS) enabling converged but differentiated carriage of voice, video and data traffic.

The ORiNOCO outdoor mesh access point is available in three variants. All of them are based on a common platform of two radios, with one radio providing 802.11 b/g Wi-Fi end user access, and the second radio providing mesh backhaul at:

- 5.8 GHz for the U.S. municipal market as well as other markets where this is an available band (AP-4000MR-LR)
- 4.9 GHz (public safety band designated by the FCC) specifically for public safety organizations (AP-4900MR-LR)
- 5.4-5.7 GHz frequency band for European countries (AP-4000MR)

End-to-End Solutions for Enterprise-Quality, Cost-Effective Wireless Mesh
Proxim Wireless has the depth of experience and breadth of portfolio to offer end-to-end (from very high capacity backhaul to end user access) wireless solutions. A complete, advanced municipal network will need to encompass backhaul, middle mile, edge access, client devices, and network optimization. Proxim Wireless provides the entire solution:

- ORiNOCO AP-4000MR-LR for simultaneous 802.11a and 802.11b/g Wi-Fi edge access with mesh networking
- ORiNOCO AP-4900MR-LR for simultaneous 4.9 GHz public safety and 802.11b/g Wi-Fi edge access with mesh networking
- Tsunami MP.11, providing capabilities of WiMAX in license-free frequency bands worldwide, for last mile connectivity to a wireless mesh network
- Tsunami MP.16 for last-mile WiMAX connectivity in the 3.5 GHz licensed frequency band
- Network management

This product breadth delivers a number of advantages to customers of Proxim Wireless. First, they can deal with a single vendor for all their networking needs thereby increasing personnel efficiency and speed of deployment. Second, they can receive products that have been engineered and designed to work together rather than having to worry about interoperability of products acquired from multiple vendors. Third, for customer support after the sale, they can place a single call to Proxim Wireless to resolve their questions rather than having to call multiple vendors who end up pointing fingers at each other without resolving the network problems.

Pricing and Availability

Proxim expects that all ORiNOCO outdoor mesh access points will be available for volume commercial shipments beginning on May 15 with an MSRP starting at $1,999.

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 time, costs, political considerations, typical multitude of constituencies, and other factors involved in evaluating, equipping, installing, and operating municipal networks; the intense competition in our industries and resulting impacts on our pricing, gross margins, and general financial performance; difficulties or delays in developing and supplying new products with the contemplated or desired features, performance, compliances, certifications, cost, price, and other characteristics and at the times and in the quantities contemplated or desired; risks arising from and relating to Terabeam’s recent acquisition of Proxim Corporation's operations, assets, and relationships; and the impacts and effects of any other strategic transactions we may evaluate or consummate. 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.