Proxim Wireless Solutions Deliver Performance and Savings for Nebraska School Districts

San Jose, CA, May 4, 2006 – Proxim Wireless Corporation, a global provider of broadband wireless equipment and wholly-owned subsidiary of Terabeam, Inc. (NASDAQ: TRBM), today announced that its outdoor broadband wireless products have been deployed to support several school districts in the State of Nebraska, improving access to the Internet and increasing student and staff productivity while cutting costs. Communication Services, Inc., a Platinum Partner of Proxim Wireless, has designed, installed, and maintains services on these networks.

Across the United States, school districts face increasing demand for bandwidth for applications ranging from high-speed Internet access to computer-based teacher training. Given ongoing budget pressures, these organizations are looking beyond traditional connectivity. Through advancements in its broadband wireless technologies, Proxim together with partners has created solutions to these challenges by deploying high-speed wireless networks that enable all schools in one district to share Internet connectivity, distributed software applications, and even voice over Internet Protocol (VoIP). Each wireless link provides several times more bandwidth than the traditional leased wireline circuit and delivers substantial savings by eliminating the recurring charge for the circuit. The school districts have realized numerous benefits, including more robust Internet access for students and the ability for teachers to receive in-service training and do other types of training on a distributed rather than centrally located basis. Communications Services, Inc. has deployed such networks for a number of school districts to date in Nebraska, and continues to work with additional districts to bring similar benefits to them.

The Tsunami MP.11

The school networks utilize Proxim’s Tsunami™ MP.11 outdoor broadband point-to-multipoint system to distribute connectivity to all schools in a district, connecting to Tsunami.GX point-to-point links to aggregate and backhaul the traffic. The MP.11 is a field-proven product, comprising ruggedized base stations, subscriber units and accessories, offering the capabilities of WiMAX for license-free frequency bands worldwide. Key features include: high throughput based on an over-the-air data rate of 54 Mbps; WiMAX Quality of Service to support differentiated delivery of voice, video and data traffic; state-of-the-art security including AES encryption; and support for mobile applications with seamless handoffs at up to 120 miles per hour. The GX series offers throughput up to 102 Mbps full duplex, carrier-class reliability up to 99.999%, and a choice of indoor-only or indoor-outdoor installation to address a variety of deployment conditions.

“Proxim’s Tsunami outdoor broadband wireless products have proven to be a very stable and capable wireless solution for deploying in a school district environment,” said Mark Higgins, Sales Manager, Communications Services, Inc. “They deliver performance, features and reliability found in carrier-grade systems and provide a cost-effective solution for the customer. In addition, Proxim’s support team has been an integral part of providing a good technically sound solution for all of our school district customers.”

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.

About Communication Services, Inc.

Communications Services, Inc is a privately held company which has been in the voice, data and wireless industry for over 15 years, and has been a key integrator of wireless solutions in Nebraska and Western Iowa. Collectively the staff of Communications Services has over 350 years of industry experience. Communication Services is a Proxim Wireless Platinum Certified Partner with numerous wireless installations for many local and regional customers. Information about Communication Services, Inc. and the services they provide can be found at http://www.1csi.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; 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.