Proxim Wireless Unwires Campus Communications at Otago Polytechnic in New Zealand

San Jose, CA, June 21, 2006 – Proxim Wireless Corporation, a global provider of broadband wireless equipment and wholly-owned subsidiary of Terabeam, Inc. (NASDAQ: TRBM), today announced that Otago Polytechnic, an institute of vocational education in Dunedin, New Zealand, is using Proxim’s broadband wireless products to provide ubiquitous network access across multiple campuses and satellite sites. The network consists of Proxim’s ORiNOCO® Wi-Fi products for end-user access and Tsunami™ WiMAX products for fixed, building-to-building connectivity. The installation was overseen by LAN1, Proxim’s distributor in New Zealand.

Otago Polytechnic provides education and training to over 14,000 students and has 480 full-time equivalent staff. The institute has one main campus, three smaller campuses, and several satellite sites around Dunedin and Otago, New Zealand. Students are relying on notebook computers as vital tools for education, and the central government is encouraging e-learning, resulting in high demand for ubiquitous network access. Additionally, instructors are seeking better ways to store and access teaching materials as they move between classrooms and laboratories. Until now, the lack of such access was not only a hindrance to Otago’s core mission of education, but also resulted in a burden on its information technology (IT) team, as members were required to manually arrange access and manage data files.

The Otago IT team determined that broadband wireless technology would most effectively deliver wide-area network coverage at reasonable cost and with low maintenance. Proxim’s ORiNOCO AP-4000 dual-radio, mesh-ready, 802.11a/b/g access point best matched the team’s requirements, which included: standards-based, to support a wide range of third-party devices; cost-effective; providing robust security; and a future-ready and scalable solution that has been proven in the education environment. “Proxim delivers the best wireless connectivity solution,” said Nathan Gordon, Network Administrator at Otago Polytechnic. “The AP-4000 is compatible with wireless notebooks and has high proven performance levels in areas such as campuses and public hot spots.”

Proxim access points have been deployed around eight buildings on the main campus and at satellite sites, and run on Power over Ethernet (PoE) to minimize reliance on electrical power outlets. The 802.1x authentication protocol and Temporal Key Integrity Protocol (TKIP) on the access points provide the foundation for robust security and differentiation of access by user type. The AP-4000 was initially considered because the IT team had had a positive experience with another Proxim product, the Tsunami™ QuickBridge.11 outdoor poin to-point system based on WiMAX technology, for building-to-building network connectivity as part of the backhaul of the campus network.

“By simultaneously deploying both an 802.1x security model and a hotspot style wireless LAN solution across the campus, Otago Polytechnic has been able to provide our staff and students robust and secure wireless services while maintaining central control and administration, and avoiding major changes in existing network configuration or infrastructure,” said Gordon. “Proxim’s wireless products have provided a powerful, reliable platform that meets the current needs of a variety of users and can support future needs for integrated data, voice, and video capabilities.”

“Proxim Wireless has a heritage of excellence in serving the education market with broadband wireless technologies,” said Lionel Chmiewsky, Vice President of International Sales, Proxim Wireless. “Together with LAN1, we have established a powerful network for Otago Polytechnic, addressing their present needs for unwired data communications, and ready to address their future needs for converged communications.”

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 developing 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; 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.