Proxim Wireless Solutions Deliver Performance and Savings For Washtenaw County, Michigan

ORiNOCO® Wi-Fi® Products Provide Secure, Standards-Based Access to County Workers Including Police; Tsunami®.GX Point-to-Point Products Provide High-Speed, Low-Cost Building-to-Building Connectivity

San Jose, CA, July 12, 2006 – Proxim Wireless Corporation, a global provider of broadband wireless equipment and wholly-owned subsidiary of Terabeam, Inc. (NASDAQ: TRBM), today announced that Washtenaw County, Michigan has selected a range of its broadband wireless infrastructure products to enhance communications at county facilities. The county has deployed Proxim’s ORiNOCO® Wi-Fi® products to enable workers to access the data network without being restricted to their desks and Proxim’s Tsunami®.GX carrier-class Ethernet bridges for building-to-building connectivity at a fraction of the cost and installation time when compared with traditional leased lines.

Washtenaw County includes 28 cities, villages, and townships in Michigan. As managers in the county’s Information & Technology (IT) department sought to meet increasing demand for data communications while keeping costs under control, they began investigating broadband wireless technologies. As a first step, IT moved to provide county workers with access to the county’s data network as well as the Internet via standards-based Wi-Fi technology on their portable computers, thereby allowing them to become more productive by sending and receiving mission-critical data from a wider range of locations. IT selected Proxim’s ORiNOCO AP-4000 for its dual-radio architecture, state-of-the-art security including WPA2 encryption, and quality of service (QoS) to support future needs for converged voice, data, and video communications. Now, police officers can access the network while outside the station, and attorneys participating in proceedings at the courthouse can use their notebook computers to remotely access their office networks.

IT’s positive experience with Proxim’s Wi-Fi products led them to consider Proxim for building-to-building connectivity solutions. In one instance, IT was asked to take over network operations for a unit of local government. The facility in question would have traditionally required a T3 leased line in order to be connected into the county’s data network, and IT determined that installation would take several months. By deploying a rooftop-mounted Tsunami.GX link between the new facility and a county building, IT was able to extend the data network with the performance of a leased line at a fraction of the cost and installation time. In another instance, as the number of workers at one facility exceeded 80 and became a strain on the leased T1 access line, IT was able to expand capacity and lower total cost of ownership by replacing that line with a Tsunami.GX link. The Tsunami.GX series offers full duplex throughput ranging from 16 Mbps to 102 Mbps, carrier-class reliability up to 99.999%, and the flexibility of indoor-only or indoor-outdoor installation.

“Washtenaw County communications have improved significantly thanks to Proxim Wireless,” said Dale Vanderford, Manager of Technical Operations, Washtenaw County. “The infrastructure we have deployed has not only provided increased coverage and capacity and lower costs, but is already also capable of handling advanced applications we are considering for the future.”

“Proxim is pleased to meet the needs of Washtenaw County,” said Amit Malhotra, Vice President, Marketing, Proxim Wireless. “Our broad portfolio of wireless technologies, including in-building Wi-Fi, outdoor mesh, WiMAX, and point-to-point, provides solutions to fit a wide range of municipal network requirements.”

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; 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.