Proxim Wireless Powers Campus and Wide-Area Networks For Indian Business Academy

Continuing Global Momentum, Proxim Appoints Representative In India

San Jose, CA, July 6, 2006 – Proxim Wireless Corporation, a global provider of broadband wireless equipment and wholly-owned subsidiary of Terabeam, Inc. (NASDAQ: TRBM), today announced that its Wi-Fi® and WiMAX products have been deployed to support a campus-wide public Internet access network as well as a building-to-building wide-area network (WAN) at the Indian Business Academy (IBA), a graduate business school in Bangalore, India. The network was designed and installed by Envision Network Technologies Pvt Limited, a systems integrator and Proxim Wireless Partner. Proxim also announced the appointment of Ms. Nishchal Batra as the company’s representative in India, strengthening its commitment to a part of the world where its broadband wireless technologies can rapidly advance communications infrastructure.

IBA stresses competitiveness as part of its curriculum, and sought to enhance student development by making real-time information available anywhere. Originally, Internet access was only available to students from two fixed workstations, one each in the library and the computer laboratory. As students increasingly adopted notebook computers as essential tools of learning, IBA determined that standards-based, high-speed wireless or Wi-Fi access should be provided across the campus. Envision set up a trial network using Proxim’s ORiNOCO® AP-700 access points covering the library. IBA observed dramatic improvements in productivity as students were able to access online information from any location in the library, including during group meetings. Realizing that the high performance, low cost, and inherent flexibility of this technology would have similar ramifications for faculty as well as students, IBA commissioned a campus-wide network of AP-700s. Envision selected the AP-700 due to a combination of: interoperability with third-party Wi-Fi enabled devices; state-of-the-art security including WPA2 encryption; and quality of service (QoS) to support future needs for converged voice, data, and video communications.

Following IBA’s positive experience with Proxim’s Wi-Fi product line, Envision installed Proxim’s Tsunami™ MP.11 point-to-multipoint products to deliver wide-area connectivity between buildings located six kilometers (3.75 miles) apart. The MP.11 is a field-proven product, comprising ruggedized base stations, indoor and outdoor subscriber units and accessories, offering the capabilities of fixed and mobile WiMAX for license-free frequency bands worldwide.

“After evaluating the needs of the IBA, we found that Proxim’s wireless solutions were the best match for their requirements,” said Mr. Ashok Deshpande, Chief Operating Officer of Envision Network Technologies. “We selected the ORiNOCO AP-700 because it showed superior performance when compared to other products in the marketplace, and a powerful QoS feature to support voice and video streaming. We were also very impressed by the breadth of Proxim’s product portfolio, allowing Envision to select complementary wireless LAN and WAN products from a single vendor.”

“Proxim Wireless has a heritage of excellence in serving the education market with broadband wireless technologies,” said Lionel Chmilewsky, Vice President of International Sales, Proxim Wireless. “Together with Envision, we have established a powerful network for IBA, addressing their present needs for ubiquitous access and future needs for converged IP-based communications. Proxim has strong momentum in delivering robust broadband wireless solutions including Wi-Fi and WiMAX to enterprises and service providers around the world, and we are excited to have Nishchal Batra on board to bring these capabilities to the Indian market.”

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.