



Ricochet to Provide City and County of Denver with “Wi-Fi® in the Mile High” Wireless Access

Metropolitan Wi-Fi Mesh Network Will Initially Connect Capitol Hill and Golden Triangle Areas of Downtown Denver

Denver, CO April 2, 2007 – Ricochet Networks, a wireless Internet service provider (WISP) headquartered in Denver, Colorado and a wholly owned subsidiary of Terabeam, Inc. (NASDAQ: TRBM), today announced that it has reached an agreement with the City and County of Denver, Colorado, to incorporate Wi-Fi®, WiMAX, and other broadband services into the City’s existing right-of-way contract with Ricochet. This will allow Ricochet to provide “Wi-Fi in the Mile High” eventually to the entire footprint of the City and County of Denver. First to “go live” will be sections of the City’s Capitol Hill and Golden Triangle downtown neighborhoods, an area of approximately 2.5 square miles.

The new Ricochet “Wi-Fi in the Mile High” scalable mesh network will be powered by Wi-Fi Mesh, point-to-multipoint and wireless backhaul equipment from Proxim Wireless, also a wholly owned subsidiary of Terabeam. “This will be a great opportunity for us to show what is possible with a Proxim metropolitan wireless solution. Ricochet will be utilizing our dual channel AP-4000-MR and MP.11 point-to-multipoint products to offer Wi-Fi services in Denver. Proxim’s end to end solution will provide a state of the art network that is very robust with excellent performance” stated Pankaj Manglik, President and Chief Operating Officer of Proxim Wireless.

“We are pleased that one of our hometown companies is expanding the wireless services available to Denver residents,” said Denver Mayor John Hickenlooper. “We appreciate Ricochet’s support in connecting the Mile High City to the world.” The existing Ricochet network, a patented mesh Micro Cellular Data Network providing high-speed, wire-free Internet access, has been operating since 2002 in the Denver metropolitan areas and serves more than 6,000 municipal, residential, and business users. Denver currently utilizes Ricochet wireless modems in many police mobile units and other city agencies, according to Darryn Zuehlke, Director of the Denver Office of Telecommunications. “Denver prides itself on striving to deliver the best in city services to businesses and residents, and Ricochet will help us continue to do so,” said Zuehlke.

“We are honored that the City has placed its trust in us and expanded our contract to include the deployment of Wi-Fi, WiMAX, and other broadband technologies. We have been operating one of the world’s largest wireless mesh networks for years in Denver. I can’t think of a greater validation of Ricochet’s commitment to our communities and users than to be chosen by the City of Denver to offer Wi-Fi in the Mile High Wireless Mesh,” said Judi Evans, President of Ricochet Networks. “The initial deployment in these two key downtown areas of Denver will serve as a model for futures expansion throughout the City and County.”

About Ricochet Networks

Ricochet Networks, Inc. is a subsidiary of Terabeam, Inc. (NASDAQ: TRBM). Ricochet is a leading portable Wireless Internet Service Provider (WISP) with operational markets in Denver, Colorado and San Diego, California. With a large customer base and over 500 square miles of portable coverage, Ricochet is one of the largest, if not the largest, WISP with a wireless mesh network operating exclusively in license-free frequencies. The Ricochet® technology provides a robust, fast, simple, and secure wireless Internet solution for both government and consumer use. Additional information about Ricochet Networks as well as coverage maps and specific services offered can be found at <http://www.ricochet.com> or by contacting the company by telephone at 303-572-1200 or by email at info@ricochet.com.

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 service providers, municipalities, governments, and enterprises. The company’s end-to-end wireless products – including Wi-Fi® mesh, WiMAX, MeshMAX™, WLAN, and wireless backhaul – are available through an 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>.

Legislative Compliance Statement from the City and County of Denver

This service and contract modification comply with Senate Bill 152 (passed in 2005) which limits local government from entering into wireless agreements because 1) SB-152 grandfathered in pre-existing wireless contracts such as Ricochet's, and 2) the City is not utilizing any taxpayer monies, or other funds, nor receives any monetary benefit from the service. The existing right-of-way contract was amended to allow Ricochet to put up Wi-Fi and Wi-MAX radios and access points in the ROW in addition to their existing radio units.

Relation to Wireless Request For Proposals Issued by Denver

This contract is not related in any way to the Wireless RFP issued by the City & County of Denver in 2005, nor should it be construed as the winning contract in that RFP. This is a pre-existing wireless contract between Ricochet and the City.

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 difficulties or delays in supplying products with the features, performance, compliances, certifications, cost, price, and other characteristics desired by customers. 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.