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**WALLEYE™ TECHNOLOGIES AND TERABEAM FORM ALLIANCE TO DEVELOP
HAND-HELD, PORTABLE IMAGING SYSTEM CAPABLE OF “SEEING” INTO AND
THROUGH SOLID OBJECTS**

***The Walleye Imaging System has Wide Range of Applications from
Consumer Home Repair to Imaging for Homeland Security***

SOMERVILLE, Mass.—May 30, 2007—Walleye™ Technologies and the Harmonix Division of Terabeam Corporation have formed an alliance to develop a next-generation, hand-held, portable imaging technology capable of “seeing” into and through solid objects. The Walleye Imaging System is a patent-pending technology platform that generates high-quality digital images that can be readily displayed, stored, analyzed, and transmitted. The Walleye Imaging System works like a digital “camera” but uses invisible wavelengths called millimeter waves to see into and through objects. “Our breakthrough was the integration of a low cost and compact optic design with the millimeter wave capabilities of Terabeam,” said David Holbrook, CTO of Walleye.

Terabeam is a leading developer of millimeter wave communication system components. The Walleye camera will incorporate Terabeam’s millimeter wave transmitter and receiver. “Walleye’s technology opens a new generation of affordable and portable imaging products using millimeter waves,” says Robert Fitzgerald, CEO of Terabeam Corporation.

“We are very fortunate to have Terabeam as a corporate partner in our camera development efforts. Their expertise in millimeter wave technology will allow Walleye to accelerate development of a new generation of imaging products,” said Holbrook. The Walleye Imaging System has applications across a diversity of markets, including, consumer (home repair and construction), security and medical applications. Walleye Technologies’ business model is to partner with leading manufacturing, marketing and sales organizations in the targeted markets. One example of a security application of the Walleye Imaging System is the ability for security personnel to scan bags, packages, and people in a non-invasive manner and without physical contact.

About Walleye Technologies

Walleye Technologies develops next generation hand-held portable imaging systems capable of “seeing” into and through solid objects. The company’s patent-pending imaging technology platform, the Walleye Imaging System, generates high quality images and has a diversity of applications from consumer to security imaging markets. To learn more about the Walleye Technologies, please visit <http://www.walleyetechnologies.com>.

About Harmonix Division of Terabeam Corporation

Terabeam Corporation is a subsidiary of Terabeam, Inc. (Nasdaq: TRBM). The Harmonix Division of Terabeam Corporation is a leading supplier of a wide variety of millimeter wave components and subsystems. It serves established and emerging markets with standard components and custom-engineered products at the subsystem level in the 18 to 110 GHz range. It also manufactures 60 and 74 GHz Gigabit Ethernet radio links that are marketed by Proxim Wireless, another subsidiary of Terabeam, Inc. Additional information about the Harmonix Division can be found at <http://www.terabeam-hxi.com>.

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