



FOR IMMEDIATE RELEASE

AMBIENT AND SAN DIEGO GAS & ELECTRIC EXTEND AGREEMENT

Ambient's X² and Network Management System to be Deployed

Boston, MA, October 17, 2006 - Ambient Corporation (OTCBB: ABTG), a leader in Broadband over Power Lines (BPL) solutions, today announced that it has extended its previously announced agreement with San Diego Gas & Electric (SDG&E), a unit of Sempra Energy (NYSE: SRE).

Ambient was the first vendor selected by SDG&E for a BPL trial that began in July 2005, and according to the extended agreement, SDG&E will be deploying Ambient's FCC-certified BPL Nodes and the latest version of the Ambient developed Network Management System (NMS).

John J. Joyce, President and CEO of Ambient commented, "Based upon the evaluation and testing to date by SDG&E, the extension and enhancement was a logical next step in our relationship. We look forward to continuing our relationship and installing our next-generation product with this leading utility, especially as they evaluate the technology and potential future business models."

About Ambient Corporation

Ambient Corporation, a development stage company and founding member of the Universal Powerline Association (UPA), is a pioneer in the Broadband over Power Lines (BPL) industry. Engaged in the design, development and marketing of patented BPL equipment and technologies, Ambient's proprietary technology and in-depth industry experience is designed to provide optimal solutions for the Utility and Multi-Dwelling Unit (MDU) markets. Headquartered in Newton, MA, Ambient is a publicly traded company (OTC BB: ABTG). Visit Ambient at www.ambientcorp.com.

This press release may contain forward-looking statements that involve risks and uncertainties. These statements may differ materially from actual future events or results. Readers are referred to the documents filed by Ambient Corporation with the Securities and Exchange Commission, including, without limitation, the Company's most recent reports on Form 10-KSB and 10-QSB and are referred to such reports for important risk factors that could cause actual results to differ from those contained in the forward-looking statements. Ambient assumes no obligation to update any forward-looking statements.

Ambient is a trademark of Ambient Corporation registered in the U.S. Patent and Trademark Office.

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