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ASX ANNOUNCEMENT 29 May 2020

Aspen Group – Bookbuild Extended

Capital Raising Update

Aspen Group (which comprises Aspen Group Limited and Aspen Property Trust) (ASX: APZ) (**Aspen**) announces that its placement bookbuild closed oversubscribed at 6pm yesterday with strong support from existing securityholders and new investors.

Significant Securityholder

On Wednesday morning 27 May 2020, Aspen's largest securityholder with an approximate 19% stake (Significant Securityholder) was wall-crossed with regard to a potential capital raising (as were other major securityholders). The following day Aspen announced an underwritten \$17 million placement to the market. Prior to this time, the Significant Securityholder did not indicate to Aspen or the underwriter its final intentions with regards to the offer. At around 5pm yesterday, shortly before the bookbuild was due to close, the Significant Securityholder advised the underwriter that it would not be participating in the placement and indicated a desire to sell its entire stake in Aspen at \$1.10, being the price of the placement.

Aspen has not been able to verify the Significant Securityholder's intentions. In light of the new information and given strong support for the Placement, in the interests of all Aspen securityholders, the bookbuild will remain open until 4pm today on a non-underwritten basis. The Significant Securityholder is invited to formally offer some or all of its Aspen securities for sale into the bookbuild process through our bookrunner. The price will be determined through the bookbuild process with a floor of \$1.00 per security. The price at which new securities are issued under the Placement and the Significant Securityholder's secondary securities are sold, should they participate in the bookbuild for some or all of their securities, will be the same. To the extent that total demand is less than total supply in the bookbuild, Aspen will have priority over issuing new securities ahead of any secondary securities sold by the Significant Securityholder. All participants in the bookbuild will be informed of the status of Significant Securityholder's position with respect to the bookbuild prior to closing the bookbuild.

The Joint CEOs of Aspen, David Dixon and John Carter (and associates) own a combined approximate 10% interest in Aspen. They intend to bid for a total of \$1.7 million worth of securities in the bookbuild, representing 10% of the new equity being sought by Aspen. They can only acquire secondary securities if they are offered into the bookbuild as they are not permitted to participate in the Placement of new securities. Other Directors and employees of Aspen may also bid into the bookbuild process in respect of any secondary securities.

The price at which securities are issued under the SPP will be fixed at the same price as determined for the Placement securities under the bookbuild. The SPP will not be underwritten.

END

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Announcement authorised by the Board of Aspen Group Limited.

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