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Aspen Group, Inc. Provides Shareholder Update

Aspen's School of Nursing Accounted for 74% of Student Body Growth in Fiscal Year 2014

Aspen Group Announces Forecast to Achieve Positive Adjusted EBITDA in the Quarter Ending October 31, 2014

NEW YORK, May 22, 2014 (GLOBE NEWSWIRE) -- Aspen Group, Inc. (OTCBB:ASPU), parent of Aspen University, a nationally accredited online postsecondary education company, today announced that its School of Nursing grew from 376 to 828 Nursing students during the fiscal year ending April 30, 2014. That represented 74% of Aspen University's fiscal year 2014 full-time degree-seeking student body growth, as the University grew its student body from 1,875 to 2,485 or 33% year-over-year. Aspen's School of Nursing now accounts for 33% of its student body and is now Aspen's largest school. Of the 828 Nursing students, 806 students or 97% are enrolled in Aspen's Master of Science in Nursing (MSN) graduate programs. See Aspen's update on its RN-to-BSN (Bachelor of Science in Nursing) program below.

Aspen University also announced today that its business model of offering students monthly payment plans (\$250/mo. – undergraduate, \$325/mo. – graduate) has grown rapidly since its inception last June, and now represents 23% of monthly tuition revenue payments. As a consequence of this success, 74% of Aspen University's tuition revenues are paid in cash rather than Title IV federal financial aid, which is allowing the vast majority of Aspen's students to earn a degree debt free.

"Aspen's breakthrough model of vertically-integrating marketing to achieve industry leading enrollment costs below \$750 per student, then transferring that efficiency in the form of low-cost, pay-as-you-go monthly payment plans, has clearly been proven," said Chairman & CEO Michael Mathews. "Graduate-level Nursing students from around the country are streaming into Aspen University because this model delivers high student return-on-investment, and offers an alternative to the antiquated 'debt-for-degree' mindset," said Mathews.

Financial Update

The Company announced today that shareholders can expect accelerated year-over-year growth in revenue in coming quarters, which will allow Aspen Group to begin generating positive Adjusted EBITDA, a non-GAAP financial measure (see "Non-GAAP Financial Measures" below), in the quarter ending October 31, 2014.

"Aspen's 62% graduation rate and 97% student satisfaction rate has allowed for continuous improvements in the average number of course completions per student. We're currently

tracking to generate 8 course completions on average across the lifetime of our full-time degree seeking student body. Therefore, given an average tuition price per course of \$800, that equates to average revenue per student in excess of \$6,000. Given our direct costs currently average approximately \$2,000 per student, we expect to generate Adjusted Gross Margins, a non-GAAP financial measure, over 65% and operating margins over 30% as we increase the full-time degree seeking student body to 5,000+ students," said Mathews.

Academic Update

Aspen University announced today that the accreditation review by the Commission on Collegiate Nursing Education (CCNE) for its RN-to-BSN program has been completed. Aspen's RN-to-BSN program is currently in "applicant status*," and expects to announce the CCNE's accreditation decision this fall.

The University previously announced that it will migrate all students to Desire2Learn's industry-leading Integrated Learning Platform this fall. Aspen's students will enjoy an unprecedented set of tools and resources to help learners reach their academic potential, including multi-platform support, media-rich courses, and an intuitive curriculum. The migration is being overseen by Aspen's recently appointed Chief Academic Officer, Dr. Cheri St. Arnauld.

About Aspen Group, Inc. (OTCBB:ASPU)

Aspen Group, Inc. is an online postsecondary education company. Aspen University's mission is to offer any motivated college-worthy student the opportunity to receive a high-quality, responsibly priced distance-learning education for the purpose of achieving sustainable economic and social benefits for themselves and their families. Aspen is dedicated to providing the highest quality education experiences taught by top-tier faculty – 61 percent of our adjunct faculty hold doctoral degrees. To learn more about Aspen University, visit www.aspen.edu.

Non-GAAP – Financial Measures

This press release includes both financial measures in accordance with Generally Accepted Accounting Principles, or GAAP, as well as non-GAAP financial measures. Generally, a non-GAAP financial measure is a numerical measure of a company's performance, financial position or cash flows that either excludes or includes amounts that are not normally included or excluded in the most directly comparable measure calculated and presented in accordance with GAAP. Non-GAAP financial measures should be viewed as supplemental to, and should not be considered as alternatives to net income, operating income, and cash flow from operating activities, liquidity or any other financial measures. They may not be indicative of the historical operating results of Aspen Group nor are they intended to be predictive of potential future results. Investors should not consider non-GAAP financial measures in isolation or as substitutes for performance measures calculated in accordance with GAAP.

Our management uses and relies on Adjusted EBITDA and Adjusted Gross Profit, each of which are non-GAAP financial measures. We believe that management benefits from referring to the following non-GAAP financial measures in planning, forecasting and analyzing future periods. Our management uses these non-GAAP financial measures in

evaluating its financial and operational decision making and as a means to evaluate period-to-period comparison. Our management recognizes that the non-GAAP financial measures have inherent limitations because of the excluded items described below. We believe our shareholders are focused on these non-GAAP metrics because they disregard non cash GAAP charges and other GAAP metrics.

Aspen Group defines Adjusted EBITDA as earnings (or loss) from continuing operations before interest expense, amortization of prepaid stock, bad debt expense, depreciation and amortization, and amortization of stock-based compensation and other non-recurring expenses. Aspen Group excludes the charges from these items because they are non-cash or non-recurring in nature. Adjusted EBITDA is an important measure of our operating performance because it allows management, investors and analysts to evaluate and assess our core operating results from period-to-period after removing the impact of items of a non-operational nature that affect comparability.

Aspen Group defines Adjusted Gross Profit (or Adjusted Gross Margins) as revenues less cost of revenues (instructional costs and services and marketing and promotional costs), but excluding the amortization of courseware and software. Adjusted Gross Profit excludes non-cash items and permits our management to focus on core operating results.

The Company expects to file its April 30, 2014 Fiscal Year End 10-K in July.

Cautionary Note Regarding Forward-Looking Statements

This release contains forward-looking statements including statements regarding our future growth in revenue, positive Adjusted EBITDA and Adjusted Gross Margins, increasing our student body and expected accreditation. The words "believe," "may," "estimate," "continue," "anticipate," "intend," "should," "plan," "could," "target," "potential," "is likely," "will," "expect" and similar expressions, as they relate to us, are intended to identify forward-looking statements. We have based these forward-looking statements largely on our current expectations and projections about future events and financial trends that we believe may affect our financial condition, results of operations, business strategy and financial needs. Important factors that could cause actual results to differ from those in the forward-looking statements include competition, ineffective media and/or marketing, the continued acceptance of our monthly payment programs and failure to comply with regulatory requirements including our ability to obtain permanent certification. Further information on our risk factors is contained in our filings with the SEC, including the Prospectus dated October 21, 2013. Any forward-looking statement made by us herein speaks only as of the date on which it is made. Factors or events that could cause our actual results to differ may emerge from time to time, and it is not possible for us to predict all of them. We undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future developments or otherwise, except as may be required by law.

*New applicant status is neither a status of accreditation nor a guarantee that accreditation will be granted.

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