

March 15, 2022



Aspen Group, Inc. Announces Closing of Convertible Notes and Revolving Credit Facility

\$10 Million Received at Closing with an Additional \$20 Million Facility in Place Provides Growth Capital for Expansion of Nursing Degree Programs in High Growth Markets

NEW YORK, March 15, 2022 (GLOBE NEWSWIRE) -- Aspen Group, Inc. ("AGI") (Nasdaq: ASPU), an education technology holding company, today announced the closing of \$10 million in convertible notes and a \$20 million revolving credit facility. Proceeds from the \$10 million received at closing will be used for general corporate purposes, including funding the Company's expansion of its BSN Pre-Licensure nursing degree program. The financing closed on Monday, March 14, 2022.

The \$10 million of convertible debt matures in five years from the issuance date and pays interest monthly at the rate of 12% per annum. These notes are convertible into shares of the Company's common stock at the lender's option at a conversion price of \$1.00 per share any time after the issuance date. In addition, the notes are mandatorily convertible into shares of common stock should the closing price of the common stock be at least \$2.00 per share for 30 consecutive trading days. This mandatory conversion is subject to each lender's 9.9% beneficial ownership limitation and subject to the Nasdaq combined 19.99% requirement until the Company's stockholders approve further conversion.

The balance of the financing is a one-year, \$20 million secured revolving line of credit that will require monthly interest payments on sums borrowed at the rate of 12% per annum. No sums have been borrowed as of this date. Currently, the Company does not anticipate making drawdowns on the revolving credit line. The Company paid a 1% commitment fee (\$200,000) at closing and if the revolving credit facility has not been replaced in six months of the closing date, it must pay another 1% commitment fee.

These financings will provide capital for Aspen Group to continue expanding its national footprint of BSN Pre-Licensure campuses in states with rapidly growing populations and to pursue a marketing strategy to support growth of its post-licensure nursing degree programs.

About Aspen Group, Inc.

Aspen Group, Inc. is an education technology holding company that leverages its infrastructure and expertise to allow its two universities, Aspen University and United States University, to deliver on the vision of making college affordable again. For more information, visit www.aspu.com.

Forward-Looking Statements:

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding our plans with respect to expanding our Pre-Licensure campuses and expanding our marketing strategy to grow our post-licensure programs. 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 the continued demand of nursing students for the new programs and national and local economic factors including whether COVID-19 will continue to have an adverse effect on the economy uncertainties arising from the Russian invasion of Ukraine including its effect on the U.S. economy, supply chain issues and the labor market, competition from nursing schools in local markets, the competitive impact from the trend of non-profit universities offering online education and consolidation among our competitors, and the impact of possible sanctions and limitations arising from the Arizona Board of Nursing investigation. Other risks are included in our filings with the SEC including our Form 10-K for the year ended April 30, 2021, as amended by the Form 10-Q for the fiscal quarter ended January 31, 2022. 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.

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Source: Aspen Group Inc.