ASPEN
GROUP

Aspen Group
Annual Results
2006

"Creating wealth through intelligent property investment"

Agenda

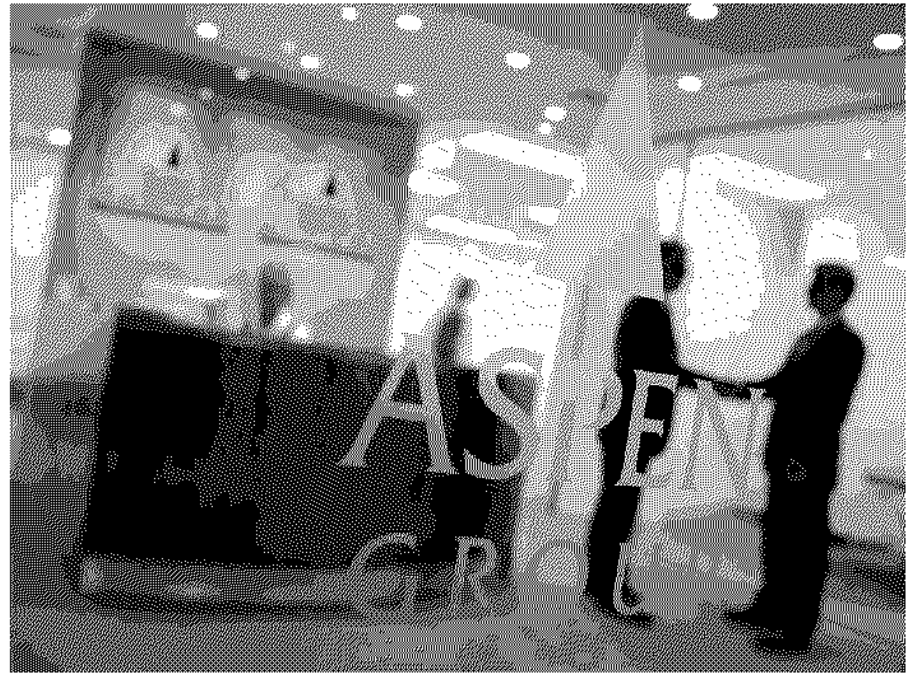
Overview

Financial Summary

Property Portfolio

Funds Management

Summary



Overview

Aspen Group - Introduction

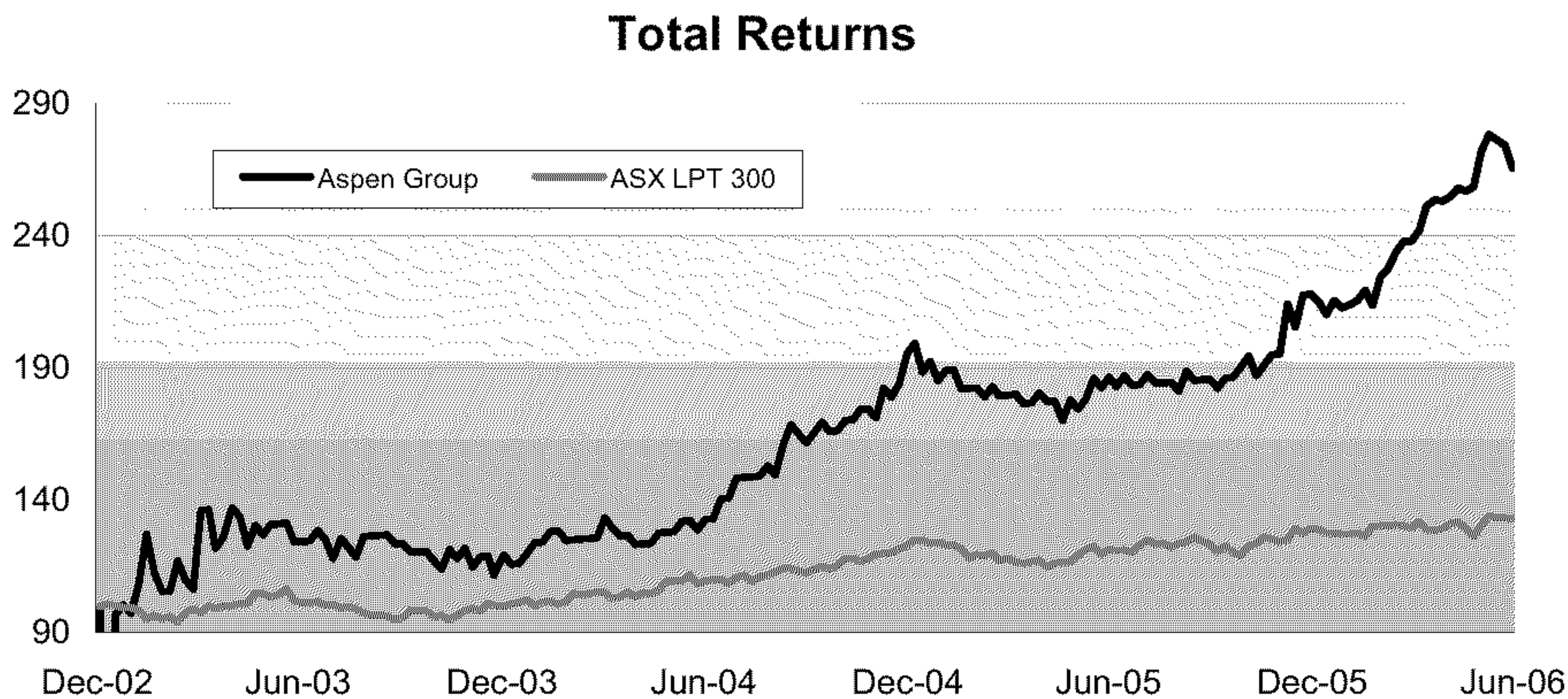
- Diversified national property investment and management group
- Growing funds management business
- Strong track record of out-performance in earnings and NTA growth
- Continuous record of earnings exceeding distributions each year since inception
- Strong Balance Sheet and low gearing provide platform for future growth

Overview
Aspen Group – Year in Review

- Significant increase in investment property valuations
- Underlying EPS increased 46 %
- DPS increased 20%
- Outperformed forecast EPS by 11.4%
- Acquisition and successful syndication of initial residential land subdivision – Aspen Dunsborough Lakes Ltd
- Significant growth in existing funds management vehicles
- Balance sheet strengthened through significantly lower gearing of 32% fully hedged
- Continued growth in investment portfolio

Overview
Aspen Group – Security Price Performance

Aspen continues to materially outperform ASX 300 LPT Index.



Overview
Aspen Group - Highlights

Earnings

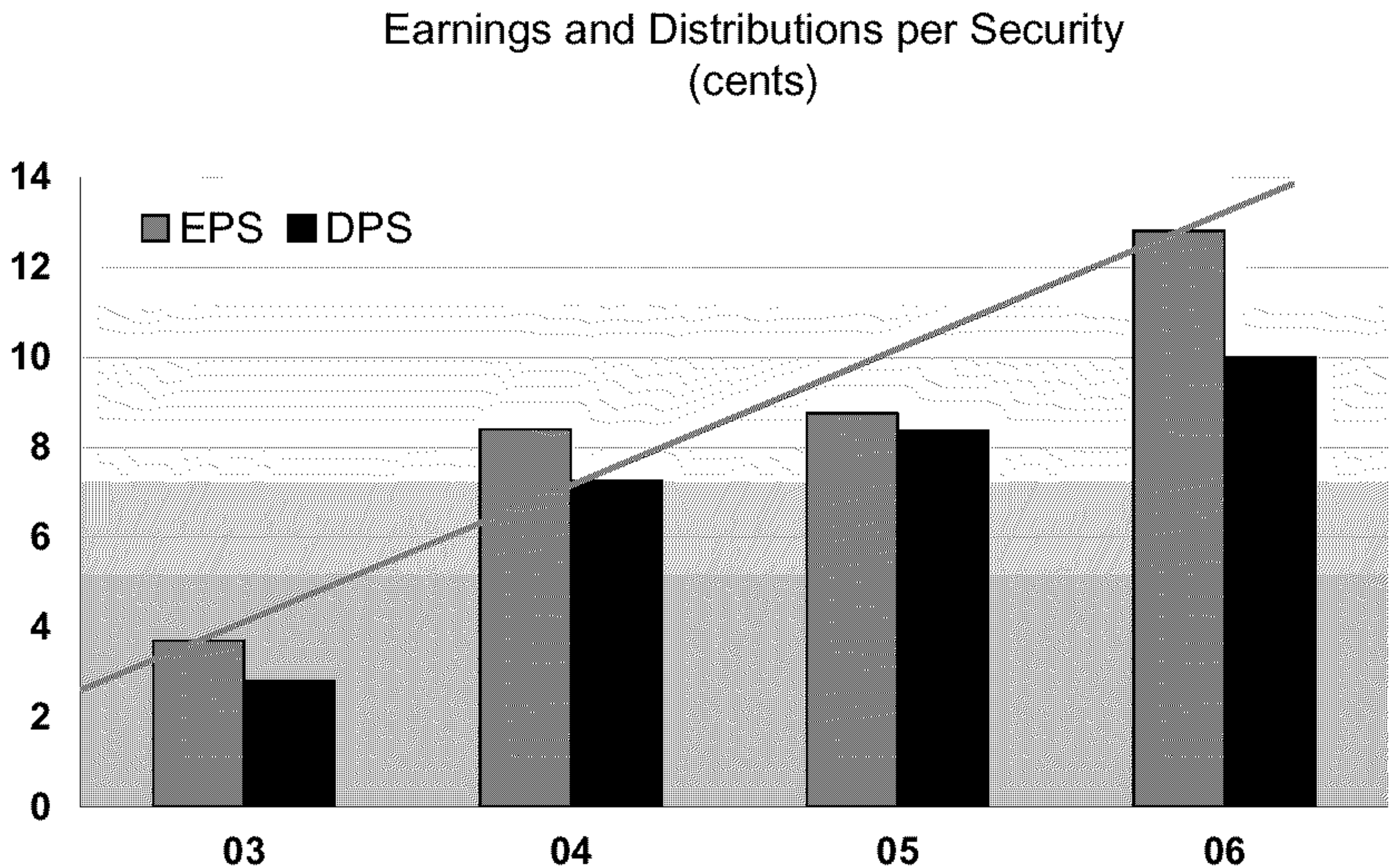
	2006	2005	Change
Underlying Net Profit* ($'m)	18.50	7.40	↑ 148%
Underlying EPS* (cents)	12.81	8.75	↑ 46%
DPS (cents)	10.00	8.35	↑ 20%
Underlying Earnings above Distribution (cents)	2.81	0.40	↑ 602%

* *Underlying operating earnings are defined as net profit after tax and before non cash items consisting of movement in fair value of investment properties and associated companies and revaluation of swap book.*

Overview

Aspen Group - Highlights

...the upward trend continues



Earnings have exceeded distributions since inception

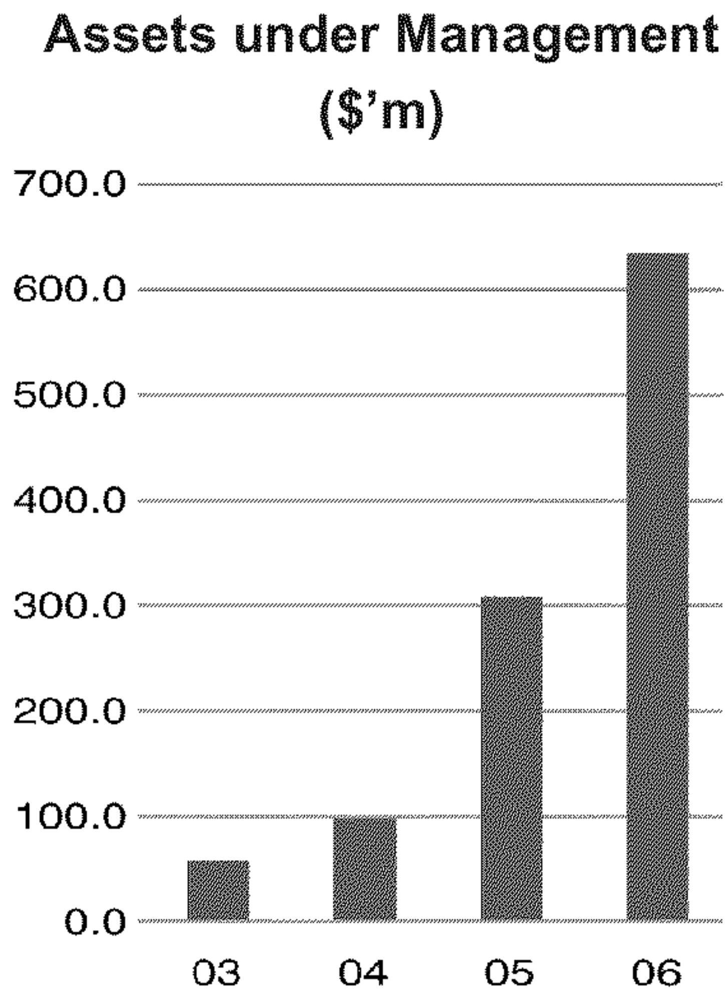
Overview
Aspen Group - Highlights

Balance Sheet

	2006	2005	Change
Assets Under Management ($'m)	632	307	↑ 106%
Property Investment Portfolio ($'m)	284	189	↑ 50%
Gearing	32%*	59%	↓ 27%
NTA (cents)	109 *	81	↑ 35%

* Following settlement of $50m capital raising and repayment of fund debt in July 2006

Overview
Aspen Group - Highlights



Agenda

Overview

Financial Summary

Property Portfolio

Funds Management

Directors and Management

Summary

Financial Summary
Aspen Group – Track Record

ASPEN GROUP

Aspen continues to drive earnings and distribution growth

	FY03 (¢)		FY04 (¢)		FY05 (¢)		FY06 (¢)	3YR CAGR
EPS*	7.4	+13.5%	8.4	+4.2%	8.75	+46.4%	12.81	20.1%
DPS	5.6	+29.5%	7.25	+15.2%	8.35	+19.8%	10	21.3%
NTA	68	+2.9%	70	+15.7%	81	+25.2%	101.4	14.2%

Following settlement of the $50m Institutional Placement in July 2006, the NTA will rise to $1.09, representing a CAGR of 17% over 3 years.

Forecast EPS guidance for 2007 is 13 cents

*Adjusted to exclude the effect of property revaluations

Financial Summary

Aspen Group - Financial Performance

	FY06 $	FY05 $	Change %
Property Income	20.41m	16.49m	+ 24 %
Funds Management Income	15.57m	3.98m	+ 291 %
Interest on loans to funds	2.61m	0.43m	+ 506 %
Total Income	38.59m	20.9 m	+ 194 %
Property Expenses	(4.74m)	(3.69m)	+ 21 %
Interest Expense	(7.77m)	(6.32m)	+ 23 %
Funds Management Advisor Commission	(1.80m)	(0.67m)	+ 169 %
Administration Expenses	(6.98m)	(2.70m)	+ 159 %
AIFRS Fair Value adjustments	24.99m	2.80m	+ 792 %
Share of profit of Associates	(1.05m)	0	N/A
Income Tax Expense	(6.74m)	(0.44m)	+ 1430 %
NPAT	34.49 m	9.88 m	+ 249 %
Adjusted EPS*	12.81 c	8.75 c	+ 46 %
DPU	10.00 c	8.35 c	+ 20 %

* Adjusted to remove the effect of property, hedge and associated entity property revaluations reported in revenue under AIFRS

Financial Summary
Aspen Group - Financial Position

ASPEN GROUP

	30 June 06 $	30 June 05 $	Change %
Investment Properties	286.6m	202.5m	**+42%**
Other Assets	66.9m	20.0m	**+235%**
Total Assets	**353.5m**	**222.5m**	**+59%**
Borrowings	168.3m	133.9m	**+26%**
Other Liabilities	17.1m	5.2m	**+ 229%**
Total Liabilities	**185.4m**	**139.1m**	**+33%**
Net Assets	**168.1m**	**83.4m**	**+102%**
NTA	**$1.014**	**80.7c**	**+26%**
Gearing	**47.0%**	**59%**	**- 12%**

Note: Following settlement of the $50m Institutional Placement in July 2006, the NTA will rise to **$1.09** and Gearing will fall to **32%**

Financial Summary
Aspen Group - Capital and Debt Structure

ASPEN GROUP

Capital Structure	
Stapled Securities on Issue*	202.1M
Unlisted Options on Issue *(93.75c, $1.00, $1.25, Various Exercise dates)*	3.79M

*** Following settlement of $50m capital raising in July**

Substantial Securityholders
Deutsche International Group
UBS Global Asset Management
AMP Limited
Acorn Capital
Challenger
SG Hiscock
Wyllie Group

Top 20 Shareholders	67.57%
Directors and Management	4.93%

Financial Summary
Aspen Group - Capital Management

	Pre Settlement (June 06)			Post Settlement (July 06)		
Debt Profile	**Total**	**Fixed**	**Floating**	**Total**	**Fixed**	**Floating**
Total Borrowings	$166 m			$114 m		
Core Debt (at 40% max gearing)	$142 m	100%	-	$114m	100%	
Non-core Debt (above 40% gearing)	$24 m	28%	72%	$0m	NA	NA
Unused Facility Limit	$32 m			$84 m		
Average Cost of Debt	6.8%			6.8%		
Average Fixed Rate Maturity Profile	4.4yrs			4.4yrs		
Gearing	47%			32%*		

* Gearing will fall further to 27% following repayment of revolving lines of credit extended to Aspen's managed funds

Agenda

Overview

Financial Summary

Property Portfolio

Funds Management

Directors and Management

Summary

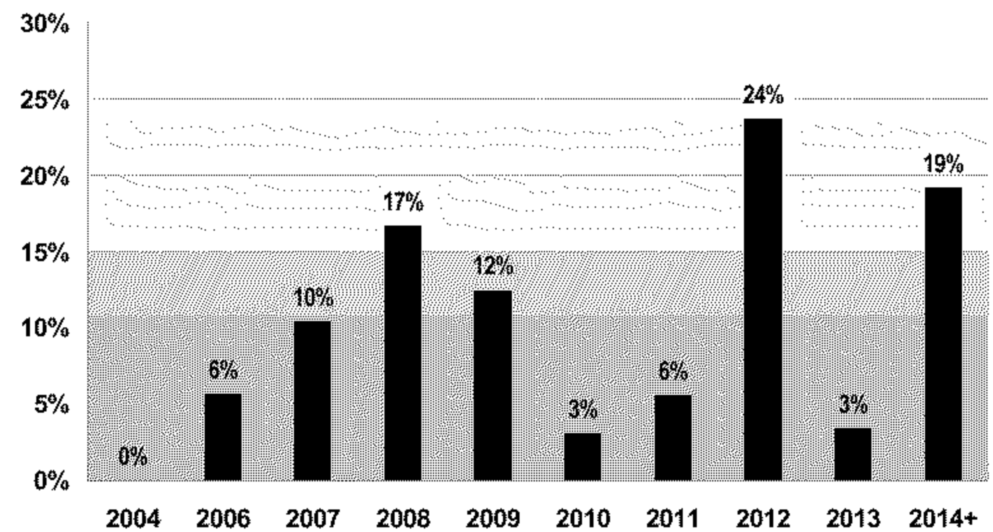
Property Portfolio
Aspen Group - Overview

- Blue Chip tenants
- Revaluation of investment properties realised significant gains
- Secure lease expiry profile of 4.7 years
- Occupancy rate 96% across portfolio
- Increased sector and geographic diversification
- Investment portfolio reflects Aspen's acquisition strategy
  - $30 – 70 million
  - Attractive running yield
  - Income security leveraged to value add opportunities

Property Portfolio
Aspen Group - Leasing Overview

Major Tenants	Lease Expiry	% of Income
Elders	2012	17%
DIMIA	2014	7%
Alcoa	2014	6%
Australian Bureau of Statistics	2008	6%
HP Aust Pty Ltd	2008	5%
Acme Fine Furniture	2012	4%
Total		**45%**

Lease Expiry Profile by Income

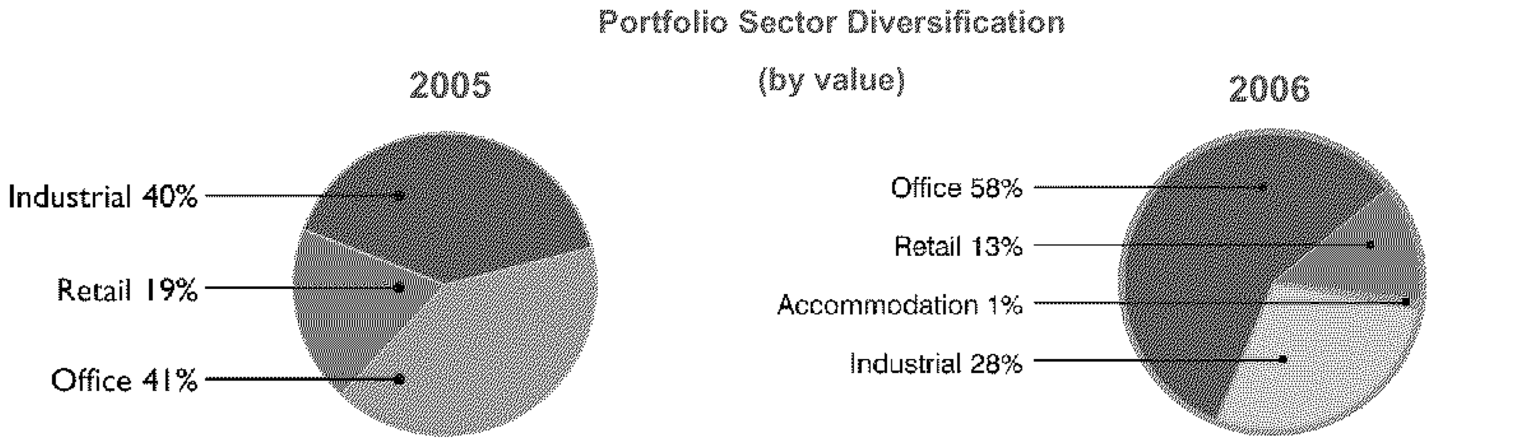


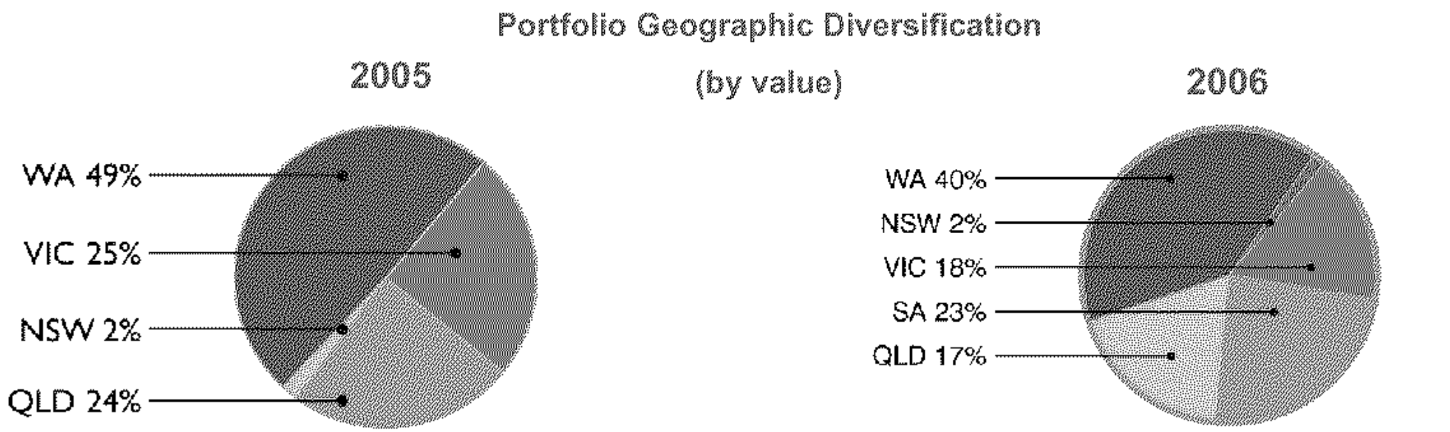
Property Portfolio
Aspen Group - Summary

Property	Location	Sector	Book Value A$ millions	Occupancy
MTAA Super House	Adelaide, SA	Office	67.0	89%
Septimus Roe Square	Perth, WA	Office	50.2	96%
Alcoa Office Complex	Booragoon, WA	Office	18.4	100%
Elders Woolstores	Spearwood, WA	Industrial	45.0	100%
Noble Park	Melbourne, VIC	Industrial	25.0	96%
Rocklea	Brisbane, QLD	Industrial	11.0	100%
564 St. Kilda Road	Melbourne, VIC	Office	27.6	94%
Garden Town	Toowoomba, QLD	Retail	36.9	94%
33 York Street	Sydney, NSW	Office	3.2	100%

Property Portfolio
Aspen Group - Diversification

ASPEN GROUP

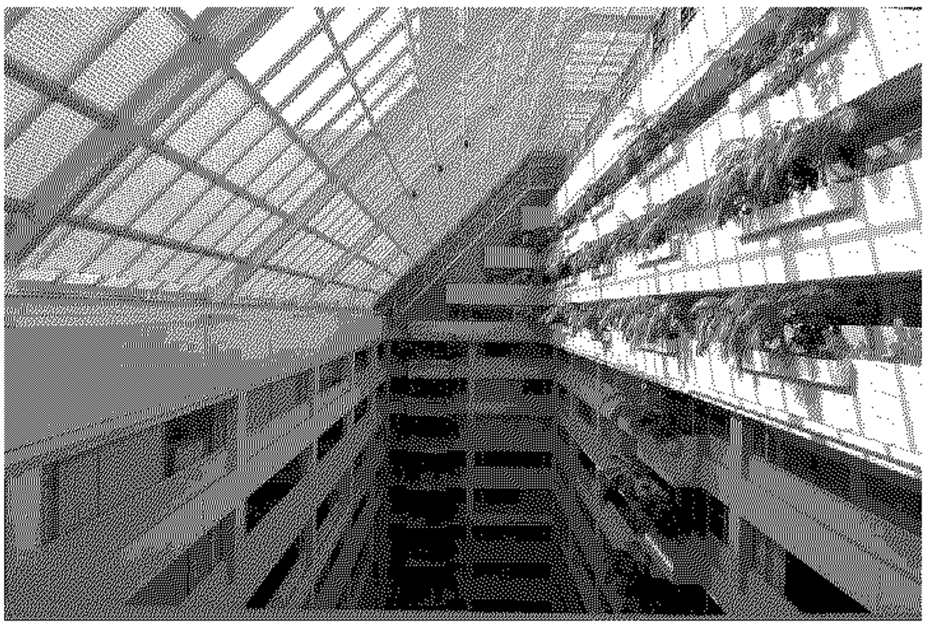




Property Portfolio

MTAA Super House

- A Grade building purchased at $67m, or $2600 psm of net lettable space
- Large floor plates of 1500-2000 sq.m attractive to large tenants
- Strong lease expiry profile
- Major tenants include DIMIA, ABS, Department of Family and Community Services and Centrelink

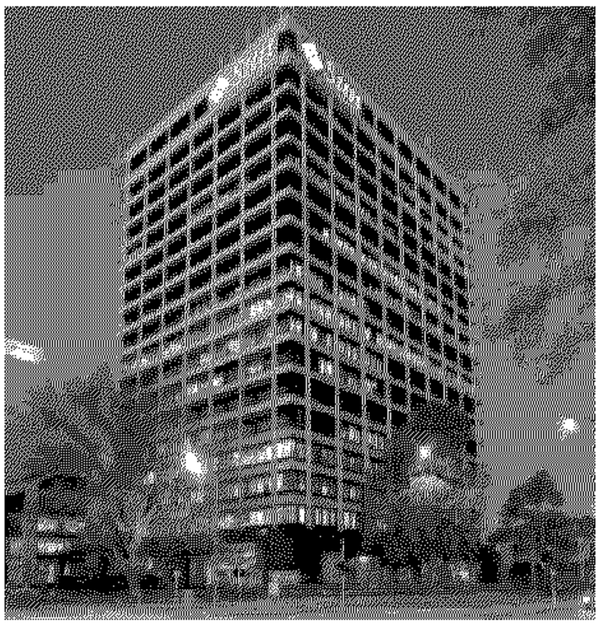


Property Portfolio

ASPEN GROUP

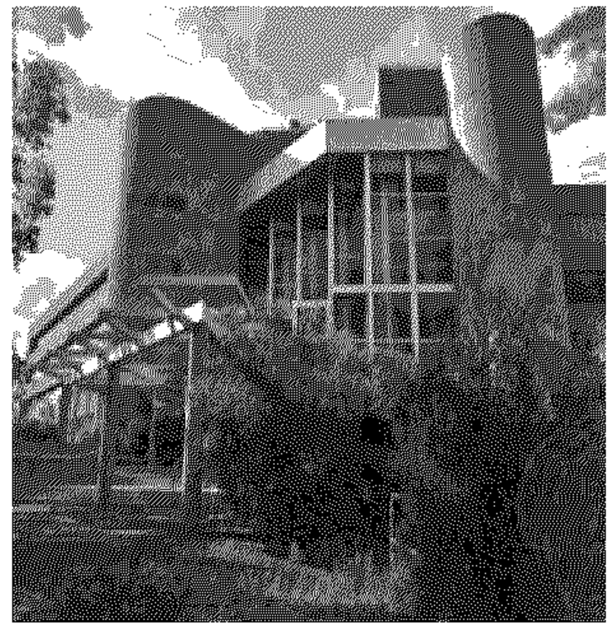
Septimus Roe Square

- Property valuation increased 66% to $50.2m
- New tenants include Conner Wagner and WA Police on 6/ 7 year leases. Latest deals at $220 psm
- Redevelopment of façade and retail areas ready for tenant occupation in Sept 06



Alcoa Office Building

- Attractive modern office building with 7,888 sq.m NLA
- Fully occupied by Alcoa
- Investigating building of new wing to offer an additional 3,800 sq.m NLA



Property Portfolio

Elders Woolstores

- Major industrial holding - 100,800 sq.m of NLA on a 29.37 ha site
- Valuable land bank for the Group
- Land values have risen as surrounding residential development continues
- Triple net lease with minimum 4. 25% annual increase

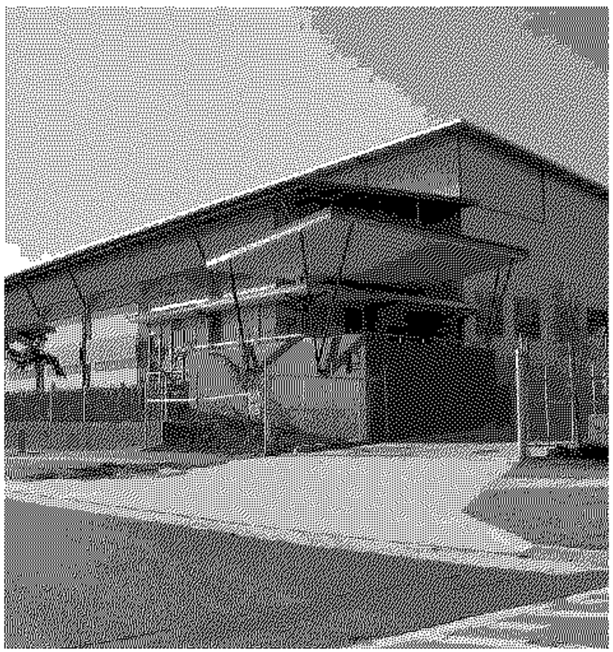
Noble Park

- 42,756 sq.m office/ warehouse complex
- Major tenants include Palazzo Distribution and UR1 International
- Potential redevelopment to modernise older sections of building

Property Portfolio

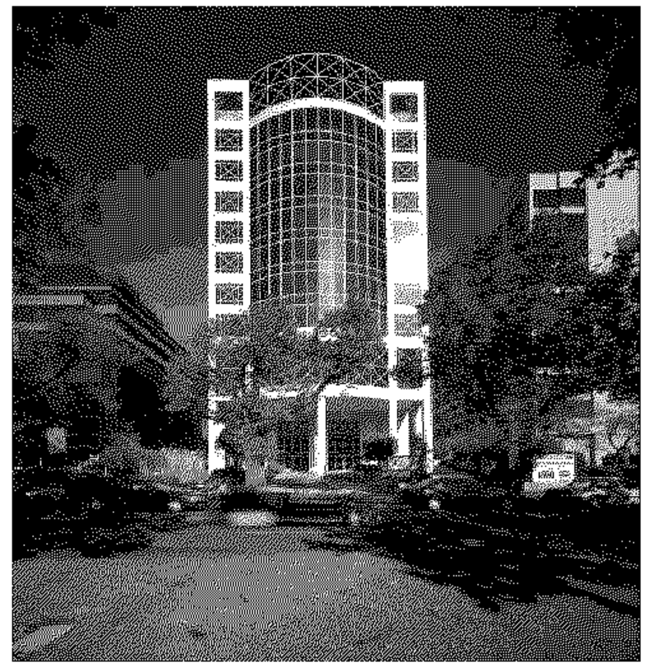
Rocklea

- Well designed two building industrial complex
- Fully leased to Acme Fine Furniture – largest furniture producer in Australia
- 8 year triple net lease. Tenant responsible for all outgoings and repairs



St. Kilda Rd

- DA received for two new retail tenancies on ground floor
- Hewlett Packard have announced intention to vacate at end of tenancy. 5,300sq.m over 5 floors available in 2008
- Opportunity to diversify tenants and re-lease the space in a staged manner



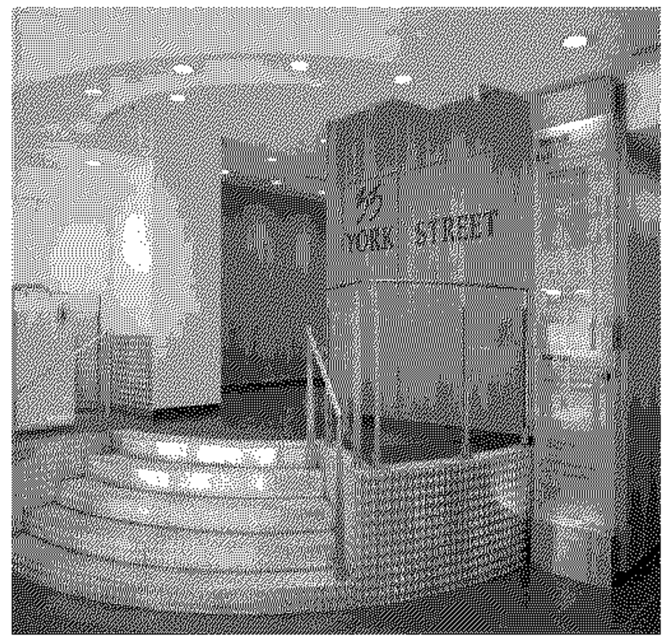
Property Portfolio

Garden Town, Toowoomba

- Impressive retail centre
- Major tenant is Super IGA Supermarket
- Investigating addition of new mini major discount variety store

33 York Street, Sydney

- Strata titled office occupied by Aspen Group
- Space surplus to current requirement is sub let



Agenda

Overview

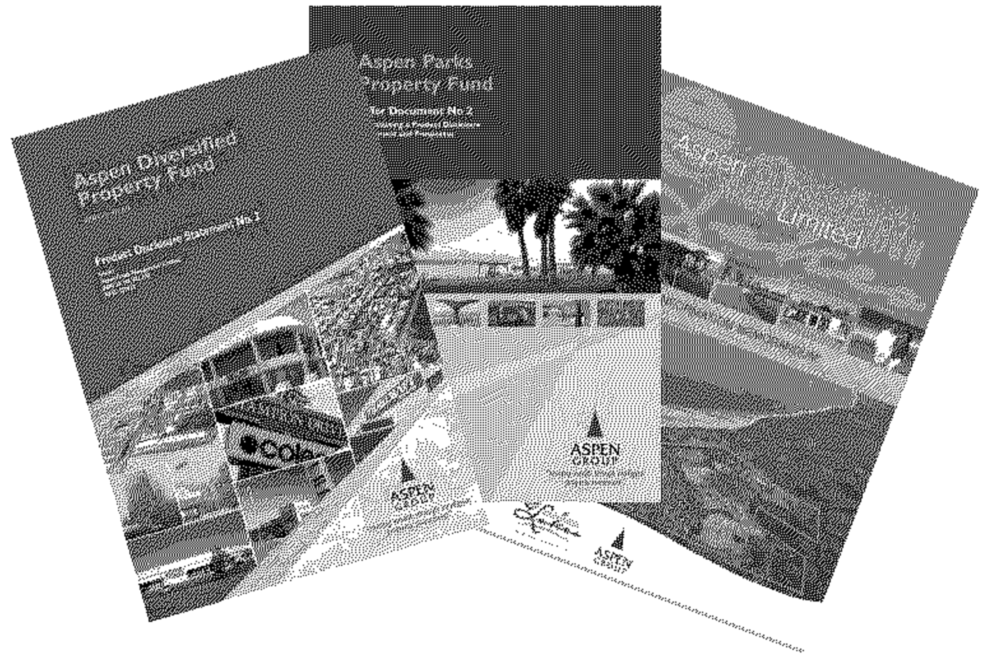
Financial Summary

Property Portfolio

Funds Management

Directors and Management

Summary



Funds Management
Aspen Group - Overview

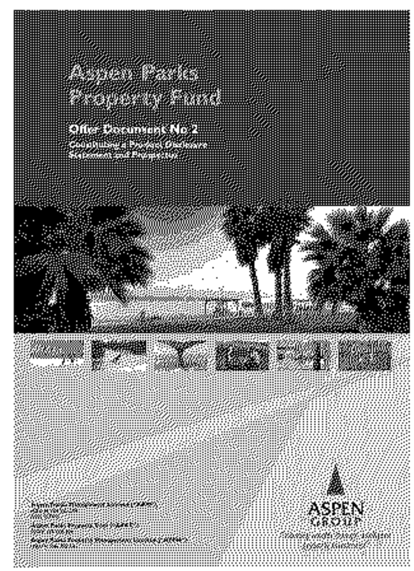
- Aspen currently has 4 key funds management activities:
  - **Resort/ Caravan Park Sector** – "Aspen Parks Property Fund"
  - **Core Income Fund** – "Aspen Diversified Property Fund"
  - **Syndicated Land Subdivision Business** – "Aspen Dunsborough Lakes Limited"
  - **Affordable Retirement / Resourse Industry Sectors** – "Aspen Living Villages"
- Leverages Aspen's core property management expertise
- Provides investment opportunities not really available to investors
- Important source of EPS/DPS growth with limited and efficient use of Aspen's capital
- Unlisted Funds are open ended to provide a natural growth driver

Funds Management

Aspen Parks Property Fund

- Has significantly exceeded growth target of $150m over 5 years - $100 million and 14 parks by July 2006
- Parks generally in excellent locations with potential for capital appreciation and development of excess land
- Fragmented industry providing asset growth potential
- Continue to service growing retirement sector through both tourist and permanent accommodation
- Provided initial investors (at $1.00 application price) with 10% p.a. income paid monthly since inception and 24.3% capital growth
- New Offer Document reflects yield of 8%

Fee Structure	
Acquisition Fee	**5%**
Management Fee	**1.5% of total assets**
Performance Fee	**25% of profit above EPU of 10 cents pa**
Project Development Fee	**6.5% on capital expenditure**
Debt Fee/Underwriting	**1 – 2%**

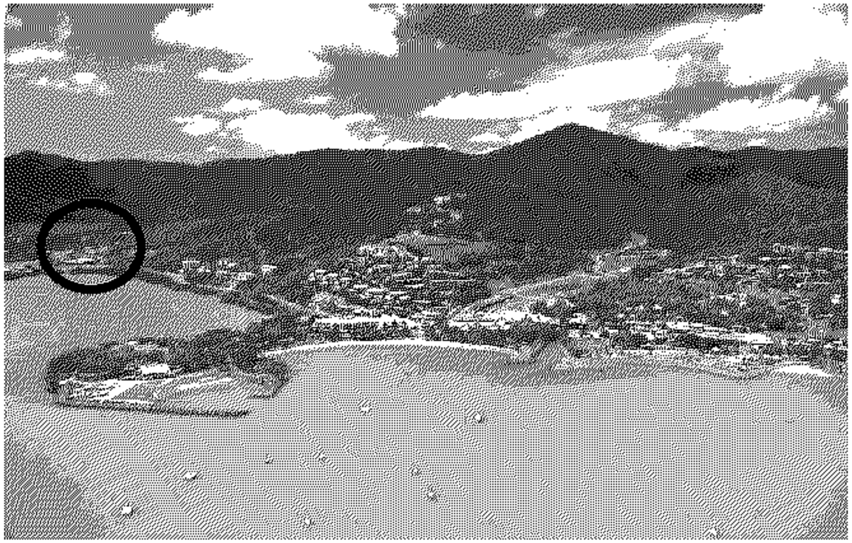


Funds Management

Aspen Parks Property Fund

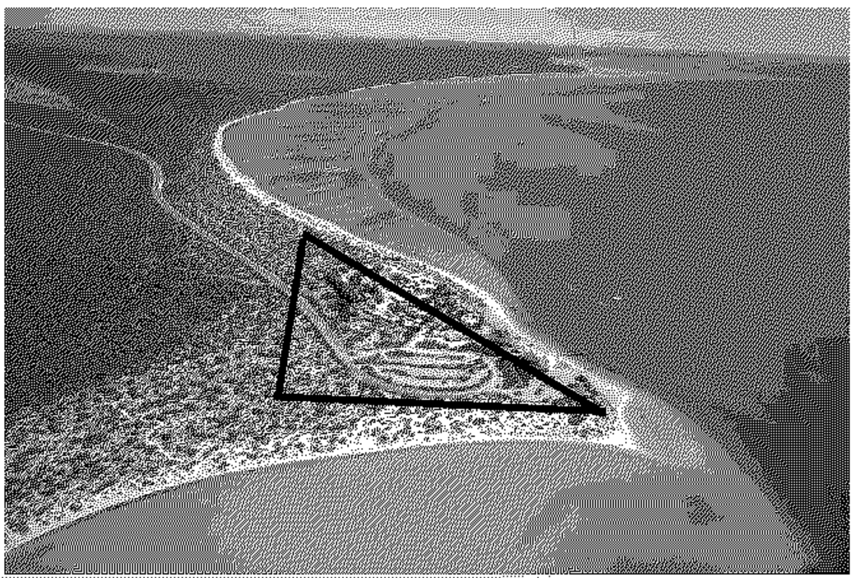
ASPEN GROUP

Airlie Beach



Twofold Bay

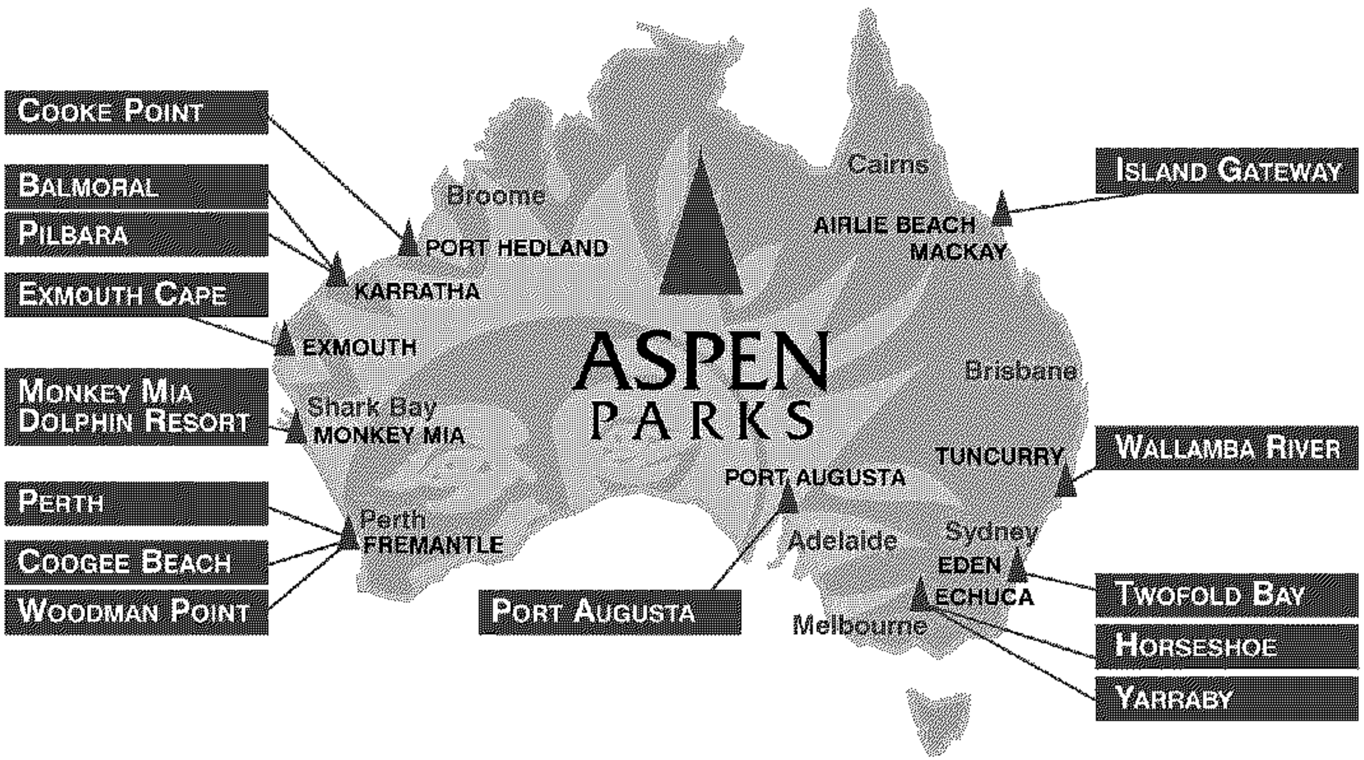
Monkey Mia



Woodman Point

ASPEN GROUP

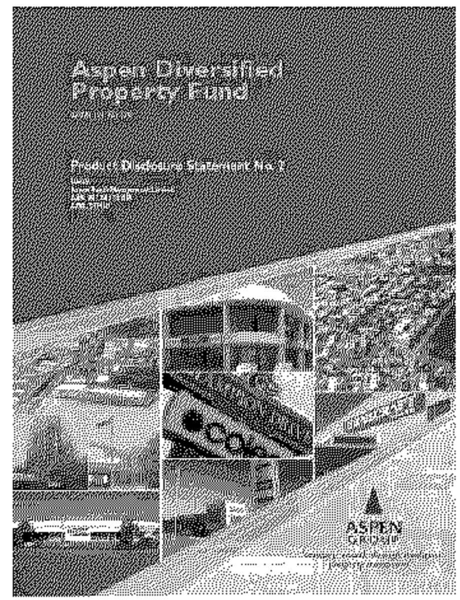
Location of properties owned by Aspen Parks



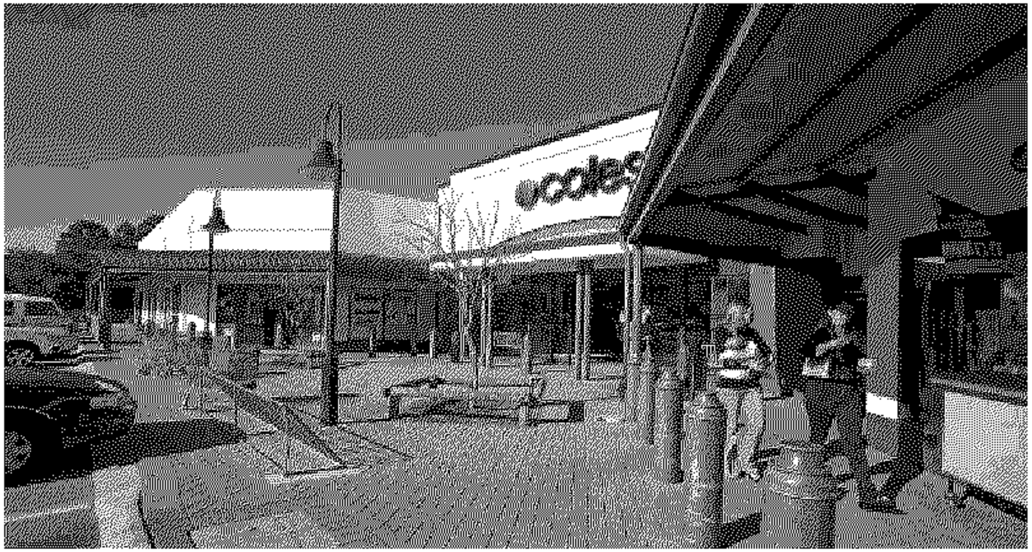
Funds Management
Aspen Diversified Property Fund

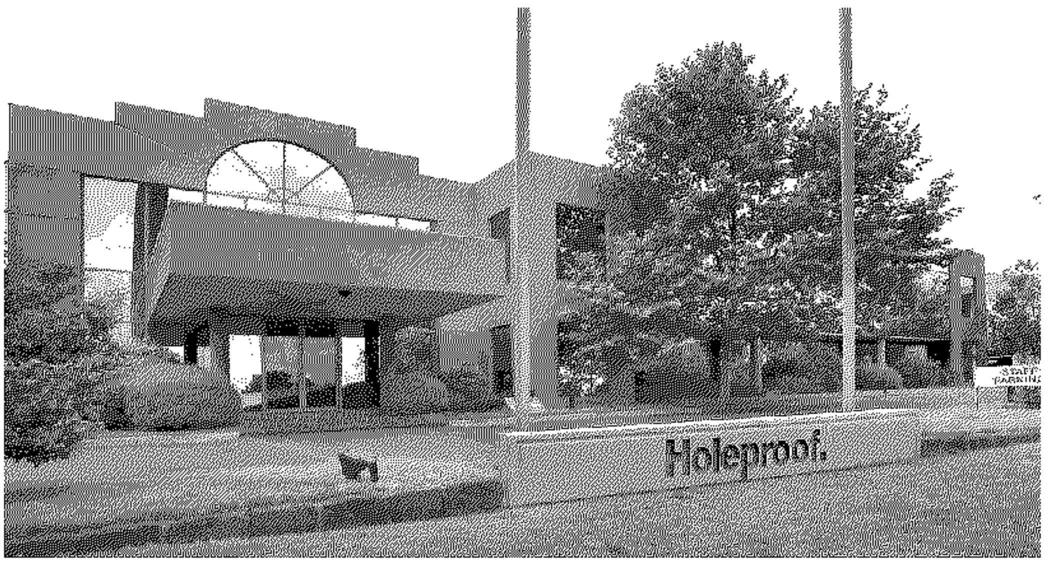
- Launched April 2005 – objective to achieve AUM $250 million within 5 years
- Excellent year one growth with $134 million in assets by June 2006
- Fund continues to mature and now shows excellent diversification across sectors and states
- Leverages Aspen's core commercial property expertise and active asset management approach
- Target properties in the $5 – $30 million range (too large for individual investors but too small for LPTs, institutional investors)
- Has provided initial investors with 8.75% yield – paid monthly
- Acquisition of latest properties underwritten by Aspen Group ahead of retail inflows
- Aspen committed to hold minimum 20% cornerstone investment
- Platform distribution achieved via BT Wrap, Masterkey Custom, Netwealth

Fee Structure	
Acquisition Fee	**5%**
Management Fee	**0.8% of AUM**
Performance Fee	**25% of income above yield of 8.75%**
Debt Fee/Underwriting	**2%**
Project Management Fee	**6.5%**



Funds Management
Aspen Diversified Property Fund



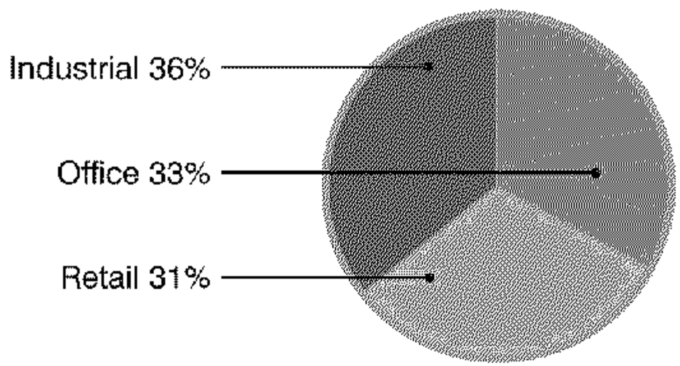


Funds Management

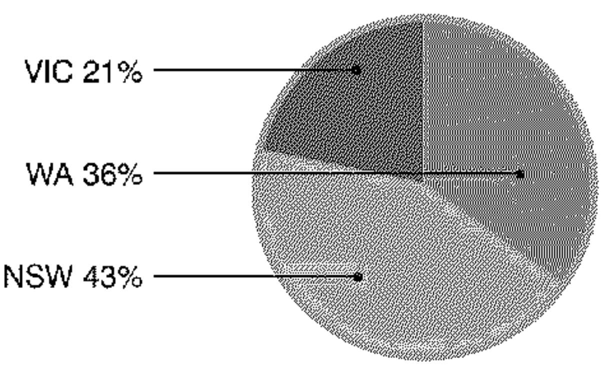
Aspen Diversified Property Fund

ASPEN GROUP

Sector Diversification



Geographical Diversification



Asset	State	Asset Type	Book Value
Abernethy Park	WA	Office	$11.5M
Champion Drive Shopping Centre	WA	Retail	$9.3M
Riseley Corporate Centre	WA	Office	$7.7M
Midland Cinema Complex	WA	Retail	$5.5M
Cardno BSD Centre	WA	Office	$5.6M
Trailcraft	WA	Industrial	$9.1M
Mount Street	NSW	Office	$31.0M
Homemaker City	NSW	Retail	$27.0M
Holeproof	VIC	Industrial	$28.0M
Book Value			**$134.7M**

Key tenants

Pacific Brands (Holeproof), ANZ Bank, Home Building Society, Coles Group, Cardno BSD, Dexion Australia

Weighted Average Lease Expiry 3.8 years

Funds Management

Aspen Living Villages – Background

- Launched June 2005
- Established to manage the development of residential and affordable accommodation villages
- Baby boomers who retire early, mining industry and annuals – requirement for low cost residential accommodation
- Commenced with Aspen Living Village No1 Fund following the acquisition of 3 hectare parcel of land in Karratha for $1.25 million. Rezoning approval gained to residential.
- Second parcel of Land in Tuncurry New South Wales purchased by Aspen Living Villages No 2 Fund for $1m.

Funds Management
Residential Estate Fund Division

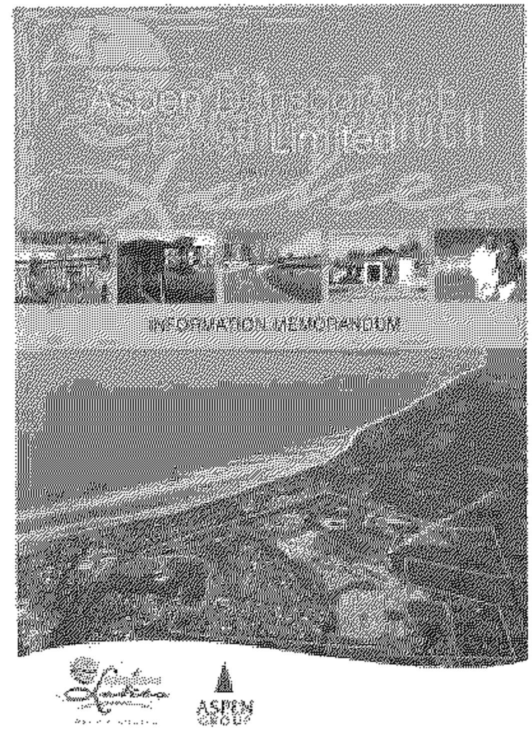
ASPEN GROUP

- Introduced to develop residential land subdivision projects on a syndicated basis
- Low risk/ high return syndicated model
- Utilise the Group's expertise in project management and sales.
- First project (Aspen Dunsborough Lakes Limited) has shown a strong first half performance.
- Number of strong opportunities currently under negotiation

Aspen Dunsborough Lakes Limited

Background

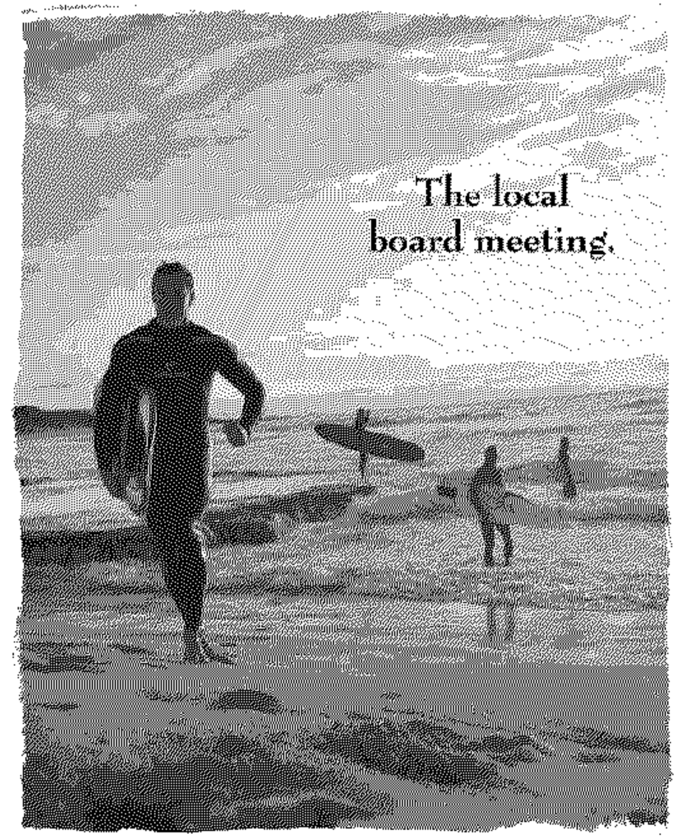
- Acquired the 230ha Dunsborough Lakes golf course estate for $93.7M in January 2006
- Equity of $40M raised from institutional/sophisticated investors
- Aspen hold 20% equity and acts as Project Manager
- Provides Aspen with significant upfront fees and ongoing management fees of c$2.0M per annum over 12.5yr life
- Estimated 1447 lots over project life



Aspen Dunsborough Lakes Limited

Performance

- Valuation has increased from $99m at acquisition to $119M at 30 June
- 136 lots, worth $32.8m sold to 30 June, outperforming first years budget in 5 months
- Forecast project profit of c$111M, with anticipated pre-tax IRR of 20% for investors
- Budget fee income over project $ 34.2M (exceeding budget) **plus** 50% profit share over 15% IRR

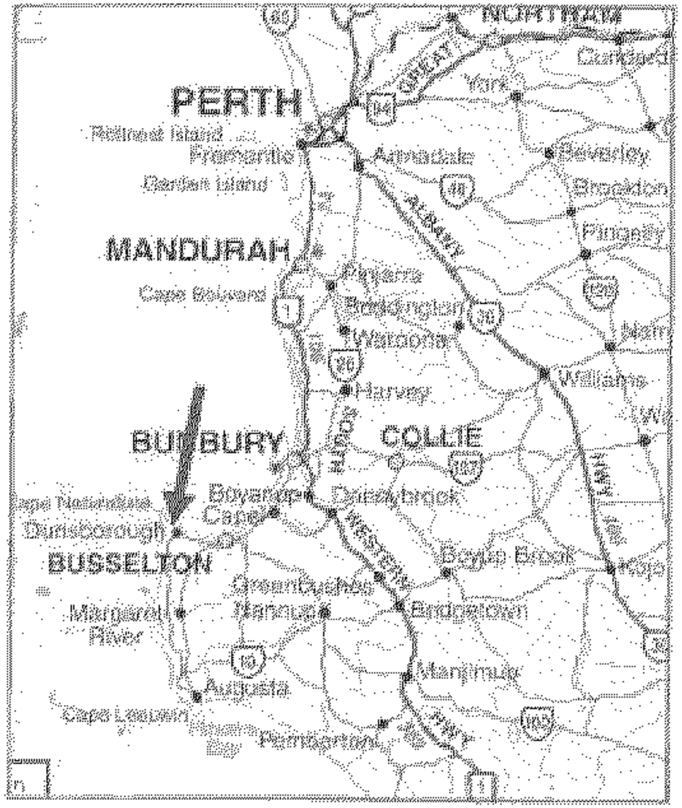


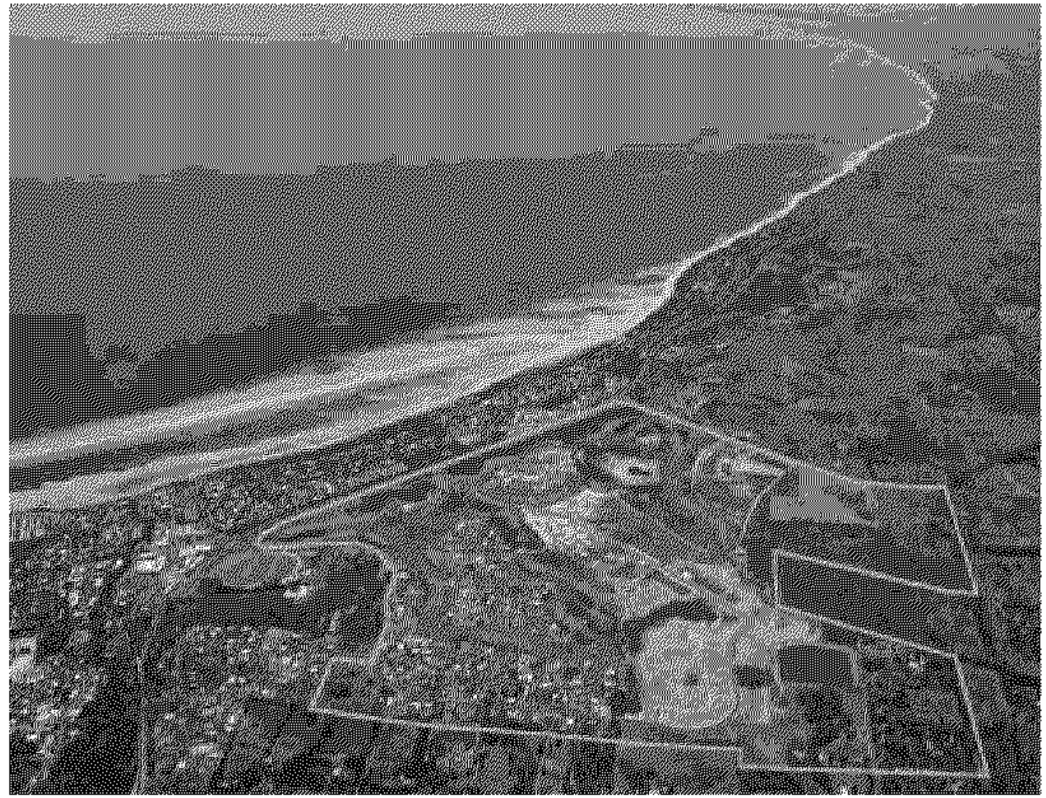
ASPEN GROUP

Lakes
For a Richer Life

ASPEN GROUP

Aspen Dunsborough Lakes Limited





"….and Busselton (including Dunsborough) on the south west cape of WA epitomise ascendant new coastal cities"

Bernard Salt, The Big Shift, 2004

Funds Management
Future Direction

ASPEN GROUP

- Continued Growth in existing Managed Funds with the aid of Aspen Group's strong balance sheet
- Strong Growth in Residential Estate Division through off balance sheet syndicated projects. Number of significant projects under review.
- Wholesale Fund opportunities being considered
- Affordable housing developments funds to be rolled out through Aspen Living Villages

Agenda

Overview

Financial Summary

Property Portfolio

Funds Management

Summary

Summary

- National property group
- Strong track record of earnings in excess of distributions and forecasts
- Strong financial position to fund further growth in investments and Managed Funds
- Continue to source new acquisitions across all markets and sectors at appropriate returns
- Diversified income streams
- Growth from new and existing funds management initiatives
- Focus on earnings growth through astute investment selection (not just growth for growth's sake)

Disclaimer

This presentation has been prepared by Aspen Group ("Aspen") and should not be considered in any way to be an offer, invitation, solicitation or recommendation with respect to the subscription for, purchase or sale of any security, and neither this document nor anything in it shall form the basis of any contract or commitment. Prospective investors should make their own independent evaluation of an investment in Aspen . Nothing in this presentation constitutes investment, legal, tax or other advice. The information in this presentation does not take into account your investment objectives, financial situation or particular needs. The information does not purport to constitute all of the information that a potential investor may require in making an investment decision.

Aspen has prepared this presentation based on information available to it. No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions and conclusions contained in this presentation. To the maximum extent permitted by law, none of Aspen , its directors, employees or agents, nor any other person accepts any liability, including, without limitation, any liability arising from fault or negligence on the part of any of them or any other person, for any loss arising from the use of this presentation or its contents or otherwise arising in connection with it.

All references to dollar amounts are in Australian currency unless otherwise stated.