



ASPEN GROUP

NOTICE OF ANNUAL GENERAL MEETING 2007

Notice is hereby given that the Annual General Meeting of Aspen Group Limited ACN 004 160 927 (the “Company”) and Aspen Property Trust ARSN 104 807 767 (the “Trust”) (together “Aspen Group”) will be held in Duxton Room 3 at the Duxton Hotel, 1 St Georges Terrace, Perth, Western Australia at 3.30pm on 23 November 2007.

Agenda

Ordinary Business

1. Financial Accounts and Reports

To receive and consider the financial report for the year ended 30 June 2007 for Aspen Group, including the director's declaration, director's report and audit report.

2. Remuneration Report

To consider and, if thought fit, to pass the following resolution as an ordinary resolution of the Company:

"That the Company's remuneration report for the year ending 30 June 2007 be adopted."

(Note: this resolution is advisory only and does not bind the directors or the Company)

3. Re-election of Terry Budge as a Director by Shareholders

To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

"To re-elect as a Director of the Company, Mr Terry Budge, who retires by rotation and being eligible offers himself for re-election."

4. Re-election of Matthew McCann as a Director by Shareholders

To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

"To re-elect as a Director of the Company, Mr Matthew McCann, who retires and being eligible offers himself for re-election."

Special Business

5. Approval for Gavin Hawkins to acquire Stapled Securities pursuant to an Executive Director Long Term Incentive Package

To consider and, if thought fit, pass the following resolution as an ordinary resolution of Aspen Group:

“That for the purposes of Listing Rule 10.14 of the ASX Listing Rules, the members of Aspen Group hereby approve the acquisition of stapled securities by Gavin Hawkins pursuant to the Executive Director Long Term Incentive Package.”

Voting Exclusion Statement

Aspen Group will disregard any votes cast on this resolution by:

- a director of the Company or the responsible entity of the Trust except for a director who is ineligible to participate in the Executive Director Long Term Incentive Package; and
- an associate of a director whose votes are to be disregarded.

However, Aspen Group will not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote in accordance with a direction on the proxy form to vote as the proxy decides.

6. Approval for Angelo Del Borrello to acquire Stapled Securities pursuant to an Executive Director Long Term Incentive Package

To consider and, if thought fit, pass the following resolution as an ordinary resolution of Aspen Group:

“That for the purposes of Listing Rule 10.14 of the ASX Listing Rules, the members of Aspen Group hereby approve the acquisition of stapled securities by Angelo Del Borrello pursuant to the Executive Director Long Term Incentive Package.”

Voting Exclusion Statement

Aspen Group will disregard any votes cast on this resolution by:

- a director of the Company or the responsible entity of the Trust except for a director who is ineligible to participate in the Executive Director Long Term Incentive Package; and
- an associate of a director whose votes are to be disregarded.

However, Aspen Group will not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote in accordance with a direction on the proxy form to vote as the proxy decides.

General Business

To transact any business that may be properly brought before the meeting.

By order of the Board.



Gavin Hawkins

Company Secretary of Aspen Group Limited
and Aspen Funds Management Limited

Dated: 19 October 2007

Snapshot Date

The directors have determined that for the purposes of Regulation 7.11.37 of the Corporations Regulations, the persons eligible to vote at the meeting will be those persons who are registered as shareholders at 5:00pm WST on 21 November 2007. Accordingly, share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the meeting.

Explanatory Statement

This Explanatory Statement comprises part of and should be read in conjunction with the Notice of Annual General Meeting.

Proposed Resolutions

Item 2 - Remuneration Report

As per the Corporations Act the Company is required to include in its Director's Report a detailed Remuneration Report relating to directors' and executives' remuneration. Section 300A of the Corporations Act sets out the information to be included in the Remuneration Report. A copy of the Remuneration Report appears on pages 52 – 58 of the Annual Report which is available from Aspen Group or available on our website (www.aspengroup.com.au).

The report describes the remuneration principles used by the Company to determine the nature and amount of remuneration and includes details of the remuneration of directors and specified executives.

Sections 249L(2) and 250R(2) of the Corporations Act require that a resolution that the Remuneration Report be adopted be put to the vote of shareholders at the Company's annual general meeting. The vote on this resolution is advisory to the Company only and does not bind the Board.

Item 3 – Re-election of Terry Budge as a Director by Shareholders

Mr Terry Budge has been a Director of Aspen Group since 6 May 2005 and is a member of the Audit, Nomination and Remuneration Committees.

Mr Budge has had a significant career in business and management leadership including senior executive positions at National Australia Bank and Group Director at the Bank of Western Australia. Mr Budge is Chairman of LandCorp and a member of the Murdoch University senate and was appointed Chancellor of Murdoch University with effect from November 2006.

Mr Budge is currently a national director of the Australian Institute of Company Directors and a former State President. He is also a director of Westoz Investment Company, and Chairman of Leadership WA. He was a former member of the Federal Government's Finance Sector Advisory Council and State President (WA) of the Committee for Economic Development of Australia.

Item 4 – Re-election of Matthew McCann as a Director by Shareholders

Mr Matthew McCann was appointed a Non-Executive Director on 6 August 2007 to fill a casual vacancy.

Mr McCann is presently Head of Property Funds and M&A for Australasia at Babcock & Brown, and has over 20 years experience in the corporate sector where he has specialised in property and law. More specifically, Mr McCann has enjoyed a successful legal career with Allen Allen & Hemsley in both Sydney and New York, culminating in his appointment as a partner in 1993. He joined Babcock & Brown in 1997.

Mr McCann holds a Bachelor of Economics and Bachelor of Laws from Macquarie University.

Items 5 and 6 – Approval for Directors to acquire stapled securities under an Executive

Director Long Term Incentive Package (“EDLTIP”)

The Group’s executive remuneration policy is outlined within the 2007 Aspen Group Annual Report.

Long Term Incentives are a key component of this remuneration policy and designed to recognise the effectiveness of the Executive Directors, reward them for continued sustained performance and out-performance, as well as providing an effective lock-in mechanism for the retention of their services.

The remuneration committee has recommended the issue of two tranches of securities and associated loans to each of the Executive Directors under an EDLTIP comprised as follows:

- A Tranche A issue of 4,000,000 securities which represents a one off issue of securities for a three year period; and
- A Tranche B issue of 1,500,000 securities which represents the common annual component of the Executive Directors’ long term incentive remuneration.

Details of conditions of the issue of Tranche A and Tranche B securities, including vesting periods, qualifying hurdles and loans facilities, are described further per clauses (a) to (i) below.

In considering and recommending the EDLTIP, and in particular the one-off Tranche A component, the Remuneration Committee and Board considered the following:

- (i) The significant growth that the securityholders of Aspen Group have enjoyed since the foundation of Aspen Group in 2002. This growth has included over the past four financial years increases or enhancements in the following key performance indicators:
 - the Group market capitalisation has increased from \$38 million to \$633 million
 - an increase in net tangible assets per security from \$0.70 (adjusted for 1 for 5 capital consolidation) to \$1.32
 - average annual earnings per share growth of 20.5%
 - average annual distribution per share growth of 22.8%
 - Group assets under management have increased from \$99 million to \$1,224 million
 - total securityholder return for Aspen Group of 321% compared to the ASX property accumulation index return of 102%.
- (ii) The continued significant expansion of the Group’s property and funds management business. The ongoing involvement of both Executive Directors is seen as imperative to ensure the full potential of Aspen Group is realised and that further opportunities for growth continue to be developed.
- (iii) The Remuneration Committee is of the view that previous long term incentive plans have not sufficiently recognised the contributions made by Mr Hawkins and Mr Del Borrello, which have resulted in the sustained out-performance of the Group.
- (iv) To further align the interests of both Executive Directors and securityholders.

Mr Angelo Del Borrello and Mr Gavin Hawkins are the founding Executive Directors of Aspen Group and have been the driving force behind establishing Aspen Group as a leading property investment and management group in Australia. The Executive Directors' dedication and drive, long term vision, leadership and astute financial and property skills have been instrumental to the Group's success and growth in securityholder value. The Tranche A issue is therefore designed to recognise Aspen's performance to date, further align the interests of the Executive Directors and Aspen Group, and to provide sufficient incentive to ensure that both Executive Directors are locked in for a further three year period.

The package will be offered on similar terms to the previously approved Employee Stapled Security Incentive Plan ("ESSIP") apart from the variations as detailed in this notice. Subject to approval of this package the Executive Directors will no longer participate in the ESSIP.

ASX Listing Rule 10.14 requires a listed entity to obtain securityholder approval by ordinary resolution for directors of the entity to acquire securities under an employee incentive scheme.

For the purpose of ASX Listing Rule 10.15A, the following information is provided with regard to the EDLTIP:

- (a) Each of the persons acquiring stapled securities are Executive Directors of the Company or the responsible entity of the Trust.
- (b) the persons referred to in Listing Rule 10.14 entitled to participate in the Plan are:
 - Gavin Hawkins; and
 - Angelo Del Borrello.

- (c) The maximum number of stapled securities that may be acquired by each of those persons is as follows:

Tranche A, representing a one-off issue of 4,000,000 stapled securities per Executive Director with a vesting period over three financial years commencing from the beginning of the 2008 financial period, with an issue price of the 5 day Volume Weighted Average Price prior to the day of issue.

Tranche B, representing an annual issue for the 2007/8 financial year of 1,500,000 stapled securities per Executive Director, with an issue price of the 5 day Volume Weighted Average Price prior to the day of issue, with the same vesting period as Tranche A.

- (d) The vesting of the stapled securities will be subject to the achievement of performance hurdles over the same three year vesting period as outlined as per item [c]. The performance hurdles selected are Total Securityholder Return (TSR) relative performance against the S&P/ASX 200 Property Accumulation Index and Underlying Earnings per Security (EPS) growth. Each hurdle is weighted 50% toward the issue of securities under each Tranche, and are determined independently of each other.

The Vesting period and Vesting hurdle conditions are as follows:

Performance Level	Total Securityholder Return	Percentage of EDLTIP Vesting
Under threshold	Less than 50th percentile	Nil Vesting
Threshold	50th percentile	25%
Stretch	75th percentile	50%
Between Threshold and Stretch	50th to 75th percentile	Pro-rata between 25% and 50%

Performance Level	Average Annual Compound Underlying EPS Growth	Percentage of EDLTIP Vesting
Under threshold	Less than 5%	Nil Vesting
Threshold	5%	25%
Stretch	10%	50%
Between Threshold and Stretch	5% to 10%	Pro-rata between 25% and 50%

- (e) The acquisition of stapled securities under the EDLTIP will be financed from the proceeds of a loan extended by Aspen Group to participants under the following terms:
- (i) All stapled securities financed by Aspen Group shall be subject to a holding lock until the loan is repaid in full.
 - (ii) All dividends paid, capital returns or other proceeds whatsoever received in respect of the stapled securities financed by Aspen Group shall be applied in payment of interest and then to the loan principal. Where a participant is subject to a tax liability as a result of receiving any distribution or issue under the Plan and where the interest component has been satisfied in full, Aspen Group may elect to return to the participant an amount equal to the tax liability.
 - (iii) The loan is subject to waiver where the following hurdles have been achieved as at 30 June 2010:
 - a waiver of 25% of the original loan amount under each performance hurdle (total 50% waiver) where each of the stretch hurdles as detailed in the above table are achieved over the three year period ending 30 June 2010;
 - a further 25% waiver of the original loan amount where TSR is on or above the 90th percentile over the three year period ending 30 June 2010; and
 - a further 25% waiver of the original loan amount where EPS growth is 15% per annum or above over the three year period ending 30 June 2010.

- (iv) On any sale of stapled securities purchased with the loan, the participant must apply the net proceeds of the sale in reduction of the loan as long as any part of the loan remains outstanding.
 - (v) If the proceeds of sale of the stapled securities exceeds the amount of the loan then outstanding, Aspen Group shall account to the participant for the surplus.
 - (vi) Interest on the loan will be calculated daily and payable by the participant to Aspen Group at an interest rate no less than Aspen Group's cost of funds. Interest will only be payable out of dividends paid, capital returns or other proceeds in respect of the stapled securities at the end of each interest period and on the termination date. Where these funds are not sufficient to cover the interest outstanding, the interest will compound.
 - (vii) The participant must repay any outstanding loan balance in full to Aspen Group within 7 years from the date of the grant of the loan. If the participant does not repay the balance in full, the recourse of Aspen Group against the participant is limited in the manner set out below.
 - (viii) If, after 28 days from the termination of the participant's appointment with Aspen Group, any part of the loan remains outstanding, then Aspen Group shall cause the stapled securities to be sold on such terms as Aspen Group sees fit and shall apply the proceeds of sale in satisfaction of the loan.
 - (ix) The recourse of Aspen Group against the participant to recover the loan is limited to the exercise of Aspen Group's powers in respect of the stapled securities such that the participant is only liable in his personal capacity for the payment of the loan for an amount up to the sum recovered by Aspen Group by virtue of the exercise of its powers with respect to the stapled securities.
- (f) Details of any stapled securities issued under the EDLTIP will be published in each annual report of Aspen Group relating to the period in which securities have been issued and that approval for the issue of securities was obtained under Listing Rule 10.14.
 - (g) Aspen Group will issue the stapled securities for both Tranche A and Tranche B within 15 days of receiving securityholder approval.
 - (h) Underlying Earnings Per Security represents the underlying net profit after tax per security of Aspen Group, i.e. adjusted for significant non-cash items, as disclosed per the Group's annual report.
 - (i) Where the participant ceases to be employed by the Group because of a Qualifying event prior to the satisfaction of the performance hurdles the stapled securities will vest on a pro-rata basis if the event occurs within two years from the date of issue of the securities, and will fully vest where the event is more than two years from the date of issue. A Qualifying event is considered to be death, total and permanent disability, redundancy, retirement or a change in control of the Group.

Proxies

If you are unable to attend and vote at the meeting and wish to appoint a person who is attending as your proxy, please complete the attached form of proxy.

Information for voting by proxy

Each member entitled to attend and vote at the meeting may appoint not more than two proxies to attend and vote instead of such member.

Where more than one proxy is appointed each proxy may be appointed to represent a specific proportion of the member's voting rights. If the appointment does not specify the proportion of the member's voting rights each proxy may exercise half of the member's voting rights.

The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or if such appointor is a corporation as required by its constitution or the hand of its attorney.

A proxy need not be a member of Aspen Group.

In the case of joint holders the proxy form may be signed by any one holder.

Should you wish to direct your proxy how to vote please indicate your direction in the appropriate box(es) on the proxy form otherwise your proxy will have a discretion to vote as he/she thinks fit.

To be effective a completed proxy form and the power of attorney (if any) under which the proxy form is signed (or a certified copy of the power of attorney) must be received at Aspen Group's registered office at Level 8, Septimus Roe Square, 256 Adelaide Terrace, Perth, Western Australia 6000, or by facsimile transmission to (+61 8) 9220 8401 by 3.30pm WST on 21 November 2007.

Voting By Proxy - How to complete the Proxy Form

1. Your Name and Address Details

Please complete your name and address as it appears on the register. Securityholders sponsored by a broker should advise their broker of any changes. Please note that you cannot change ownership of your securities using this form.

2. Appointment of a Proxy

If you wish to appoint the Chairman of the meeting as your proxy, mark the box. If the person you wish to appoint as your proxy is someone other than the Chairman of the meeting please write the name of that person. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the meeting will be your proxy and vote on your behalf. A proxy need not be a shareholder of Aspen Group Limited or unitholder of the Aspen Property Trust.

3. Votes on Items of Business

You may direct your proxy how to vote by placing a mark in one of the three boxes opposite each item of business requiring a vote. All your securities will be voted in accordance with such a direction unless you indicate only a portion of voting rights on any item by inserting the percentage or number of securities you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy will vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

4. Appointment of a Second Proxy

If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning Aspen Group's security registry (Computershare Investor Services Pty Limited / (+61 8) 9323 2000) or you may copy this form.

To appoint a second proxy you must:

- (a) indicate that you wish to appoint a second proxy by marking the box;
- (b) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form; and
- (c) return both forms together in the same envelope.

5. Authorised Signature/s

You must sign this form as follows in the spaces provided:

Joint Holding	In the case of joint holders the proxy form may be signed by any one holder.
Power of Attorney	If signed under a Power of Attorney, you must have already lodged it with the registry, or alternatively, attach a certified photocopy of the Power of Attorney to this Proxy Form when you return it.
Companies	A Director can sign jointly with another Director or a Company Secretary, a sole Director who is also a sole Company Secretary can also sign. A sole Director of a corporation without a Company Secretary can sign, pursuant to S204A of the Corporations Act. Please indicate the office held by signing in the appropriate space.

If a representative of the corporation is to attend the meeting and a proxy form is not used, then an appropriate "Certificate of Appointment of Representative" should be produced prior to admission. A form of the certificate may be obtained from the Aspen Group's security registry.

Lodgment of Proxy Forms

The Proxy Forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting. Any Proxy Form received after that time will not be valid for the scheduled meeting. Documents may be lodged by posting, delivery or facsimile to Aspen Group at one of the following addresses:

Registered Office of:

**Aspen Group Limited/
Aspen Funds Management Limited**
Level 8
Septimus Roe Square
256 Adelaide Terrace
Perth
Western Australia 6000
Australia

Postal Address:

PO Box 3442
PERTH Adelaide Terrace WA 6832

Facsimile: (+61 8) 9220 8401



Proxy Form for Shareholders

All correspondence to:

Aspen Group

PO Box 3442

PERTH Adelaide Terrace WA 6832 Australia

Telephone (+61 8) 9220 8400 Facsimile (+61 8) 9220 8401 www.aspengroup.com.au

1. I / We (please print):

Name

Address

Security Holder Reference Number

2. Appointment of a Proxy

I/We being a member/s of Aspen Group Limited and Aspen Property Trust hereby appoint



**the Chairman
of the meeting
(mark with an 'X')**

OR

(Write here the name of the person you are appointing if this person/s someone other than the Chairman of the Meeting.)

or failing the person named, or if no person is named the Chairman of the meeting, as my/our proxy and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting of Aspen Group Limited and Aspen Property Trust to be held in Room 3 at the Duxton Hotel, 1 St Georges Terrace, Perth, Western Australia at 3.30pm on 23 November 2007, and at any adjournment of that meeting.

3. Votes on Items of Business

(Voting directions to your proxy – please mark to indicate your directions) ☒

	For	Against	Abstain
Item 1 - Financial Accounts	No vote required		
Item 2 - Remuneration Report	☐	☐	☐
Item 3 - Re-election of Terry Budge as a Director	☐	☐	☐
Item 4 - Re-election of Matthew McCann as a Director	☐	☐	☐
Item 5 - Approval of the acquisition of stapled securities by Gavin Hawkins pursuant to an Executive Director Long Term Incentive Package	☐	☐	☐
Item 6 - Approval of the acquisition of stapled securities by Angelo Del Borrello pursuant to an Executive Director Long Term Incentive Package	☐	☐	☐

* The Chairman intends to vote all undirected proxies in favour of all resolutions.

If you do not wish to direct your proxy how to vote, please place a mark in the box.

By marking this box, you acknowledge that the Chairman (or other person you have appointed as a proxy) may exercise your proxy even if he/she has an interest in the outcome of the resolution and votes cast by him/her other than as proxy holder will be disregarded because of that interest.

4. Appointment of a Second Proxy



I/We wish to appoint a second proxy
**Mark with an 'X' if you wish
to appoint a second proxy**

State the percentage of your
voting rights or the number
of units for this Proxy Form.

%

or

5. Authorised Signature/s

This section **must** be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Security Holder 1

Security Holder 2

Security Holder 3

Individual/Sole Director/
Sole Company Secretary

Director

Director/Company Secretary

Contact Name

Contact daytime telephone

Date

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