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ASX ANNOUNCEMENT
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Market Update – Fire Activity

Aspen Group (which comprises Aspen Group Limited and the Aspen Property Trust) (ASX: APZ) (Aspen) provides the following update regarding the impact of bushfire activity to date.

None of Aspen's properties have been damaged by fire. However, business is being materially impacted during this peak holiday season at our NSW South Coast properties, Barlings Beach and Tween Waters.

Fire activity along the NSW South Coast has been catastrophic with significant loss of life, housing and infrastructure. All major roads servicing the region have been intermittently closed and food, water, power and telecommunication supplies and services have been interrupted. Tourists and residents have been asked to leave the region. It is not known when trading conditions will return to normal.

The efforts of our local management teams have been tremendous during this very difficult time, keeping all of our customers safe, providing free and discounted accommodation and services, and helping them pack up and leave when they were able to do so. We will continue to provide support to the communities impacted in the weeks and months ahead, including offering our cabins and sites under longer term leases to people who have lost or cannot occupy their houses.

At this early stage we expect both revenue and net operating income (NOI) from the combined properties to be negatively impacted by at least \$500,000 due to the events. The longer-term impacts are difficult to predict given the considerable damage to the region including loss of houses and businesses. Aspen maintains insurance over its property assets and gross profits and may be able to successfully recover some of the losses, subject to review and assessment of our claim by our insurers.

These one-off impacts have been partially offset by better than budgeted performance in other parts of our business over the past 6 months. At this stage, Aspen's guidance for FY20 remains at 6.75-7.00 cents of underlying earnings per security and 6.00 cents of distributions per security.

We wish to thank the Rural Fire Service and other emergency services, utility providers, local Councils, State and Federal Governments and many others whose remarkable and tireless efforts have prevented significantly greater loss.

END

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Aspen is a leading provider of quality accommodation on competitive terms in the Retirement, Residential and Short Stay sectors. Aspen has a fully integrated platform across operations, asset management, development and capital management which enables us to provide a broad spectrum of products and services to our customers under different regulatory regimes and financial schemes: Rentals – Shared Equity – Sales.