

This prospectus supplement supplements and amends the prospectus dated August 13, 2013, or the Prospectus, and relates to the sale of up to 28,540,649 shares of our common stock which may be offered by the selling shareholders identified in the Prospectus.

This prospectus supplement should be read in conjunction with the Prospectus. This prospectus supplement is not complete without, and may not be delivered or utilized except in connection with, the Prospectus.



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For the quarterly period ended

OR

o

(Exact name of registrant as specified in its charter)

(State or other jurisdiction of incorporation or organization)

(I.R.S. Employer Identification No.)

(Address of principal executive offices)

(Zip Code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

accelerated filer ~~not~~ ~~not~~

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Securities Act of 1933.

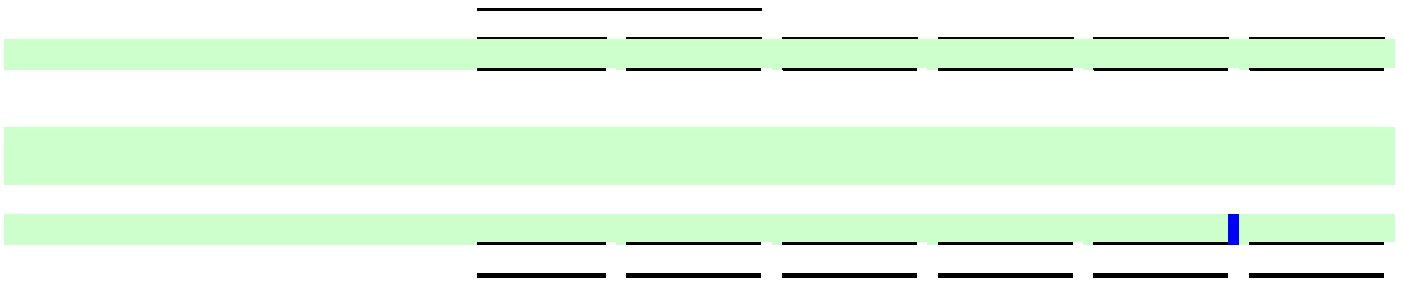


Current liabilities:		
Accounts payable	\$ 431,855	\$ 313,405
Accrued expenses	126,462	128,569
Deferred revenue	997,662	1,158,473
Loan payable to stockholders	1,000,491	491
Deferred rent, current portion	11,238	10,418
Convertible notes payable, current portion	200,000	200,000
Net liabilities from discontinued operations (Note 1)	332,817	124,504
Total current liabilities	3,100,525	1,935,860
Line of credit	245,482	250,000
Convertible notes payable (related party)	600,000	600,000
Deferred rent	18,271	21,450
Total liabilities	3,964,278	2,807,310
Commitments and contingencies - See Note 8		
Stockholders' equity (deficiency):		
Preferred stock, \$0.001 par value; 10,000,000 shares authorized	-	-
Common stock, \$0.001 par value; 120,000,000 shares authorized, 59,390,365 issued and 59,190,365 outstanding at July 31, 2013 and 58,573,222 issued and 58,373,222 outstanding at April 30, 2013	59,190	58,573
Additional paid-in capital	13,662,387	13,345,888
Treasury stock (200,000 shares)	(70,000)	(70,000)
Accumulated deficit	(13,845,662)	(12,740,086)
Total stockholders' equity (deficiency)	(194,085)	594,375
Total liabilities and stockholders' equity (deficiency)	\$ 3,770,193	\$ 3,401,685

The accompanying unaudited notes are an integral part of these unaudited condensed consolidated financial statements.

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Revenues	\$ 929,993	\$ 698,152
Operating expenses		
Cost of revenues (exclusive of depreciation and amortization shown separately below)	559,470	
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The estimated fair value of certain financial instruments, including cash and cash equivalents, accounts receivable, accounts payable and accrued expenses are carried at historical cost.



On March 30, 2008 and December 1, 2008, the Clr

[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]

[REDACTED]

A mortization expense for software, included in the above amounts, for the three months ended July 31, 2013 and July 31, 2012 was \$71,920 and \$55,755, respectively. Software, right of use is included in the above amounts for July 31, 2012 and July 31, 2012.



The HEA requires accrediting agencies to review many aspects of an institution's operations in order to



On March 15, 2012, the Company granted 175,000 stock options to non-employees, all of which were under the Plan, having an exercise price of \$1.00 per share. The options vest pro rata over three years on each anniversary date; all options expire five years from the grant date. The total fair value of the stock options granted was \$57,750, all of which was recognized immediately as these stock options were issued for prior services rendered. On December 17, 2012, the Company repriced the stock options issued from having an exercise price of \$1.00 per share to \$0.35 per share. Accordingly, the incremental increase in the fair value of \$15,750 was recognized immediately.

There were no stock options granted to non-employees during the three months ended July 31, 2013. The Company recorded compensation expense of \$748 and \$0 for the three months ended July 31, 2013 and 2012, in connection with non-employee stock options.

The following table summarizes the assumptions the Company utilized to record compensation expense for stock options granted to non-employees during the three months ended July 31, 2013:

Expected life (years)	N/A
Expected volatility	N/A
Weighted-average volatility	N/A
Risk-free interest rate	N/A
Dividend yield	N/A

A summary of the Company's stock option activity for non-employees during the three months ended July 31, 2013 is presented below:

Balance Outstanding, April 30, 2013	270,000	\$ 0.35		
Granted	-	\$ -		
Exercised	-			
Forfeited				
Expired	-			
Balance Outstanding, July 31, 2013	270,000	\$ 0.35	4.3	\$ -
Exercisable, July 31, 2013	47,250	N/A	N/A	N/A

See Note 3 for discussion of secured note and account receivable to related parties and see Notes 6 and 7 for discussion of loans payable and convertible notes payable to related parties.

In September 2013, the Company and an institutional investor (the "Institutional Investor") signed a Term Sheet with respect to a loan of up to \$2,240,000 to be evidenced by 18 month original issue discount convertible debentures (the "Debentures") with gross proceeds of \$2,000,000. The investor has agreed, subject to completion of due diligence, execution of a definitive Securities Purchase Agreement and customary closing conditions to lend the Company \$1,500,000. Payments on the Debentures are due 25% on November 1, 2014, 25% on January 1, 2015 and the remaining 50% on April 1, 2015 as a final payment. The Company has the option to pay the interest or principal in stock subject to certain "Equity Conditions" such as giving notice of its intent 20 trading days beforehand. The Company expects to receive the remaining \$500,000 from other investors. To this end, in September 2013 Company entered into an engagement agreement with Laidlaw & Co. ("Laidlaw") to act as placement agent for the offering and receive customary compensation. Laidlaw has introduced the Institutional Investor. In addition, in September 2013 the Company entered into a letter of intent with Olympus Securities, LLC to raise the remaining \$500,000 in exchange for customary compensation.

The Term Sheet provides that the Debentures may be converted at the holder's option at \$0.3325 per share at any time after the closing. Warrants for 100% of the number of shares of common stock that could be bought at the conversion price will be issued at closing. The warrants will have a five-year term and be exercisable for cash if an outstanding registration statement is in effect within 90 days of closing. The Debentures will bear 8% per annum interest and be amortizable in installments over their term. There can be no assurances that the offering will close and that the Company will receive any net proceeds.

You should read the following discussion in conjunction with our unaudited cons d



For the Three Months Ended July 31, 2013 Compared with the Three Months Ended July 31, 2012

Revenue from continuing operations for the 2013 Quarter increased to \$929,993 from \$698,152 for the three months ended July 31, 2012, or the 2012 Quarter, an increase of 33%. The increase is primarily attributable to the growth in Aspen student enrollments and the increase in average tuition rates from approximately \$500 to \$700 for the comparable periods. Of particular note, revenues from Aspen's Nursing degree program increased to \$231,980 during the 2013 Quarter from \$69,825 during the 2012 Quarter, an increase of 232%.

Our 2013 Quarter and 2012 Quarter revenues were impacted by the 2011 (and previous years) pre-payment tuition plan, or the Legacy Tuition Plan, which was discontinued on July 15, 2011. The Legacy Tuition Plan had students pre-paying tuition for a degree program's first four courses (\$675/course) and a steeply discounted tuition rate for the program's eight course balance (\$112.50/course). Specifically, the Legacy Tuition Plan produced immediate cash flow, but unsustainably low gross profit margins over the length of the degree program. As of July 31, 2013, 668 of our full-time degree-seeking students were still enrolled under the Legacy Tuition Plan. However the contribution from Legacy Tuition Plan students to overall Aspen revenue and profits diminished steadily as the population of full-time degree-seeking students paying regular tuition rates increased to 68% of the population and the population of Legacy Tuition Plan students fell to 32%. Accordingly, as much as fiscal 2013 (April 30, 2013 year end) was affected negatively by the lingering impact of the Legacy Tuition Plan, future revenue should demonstrate a dramatically diminished effect from the Legacy Tuition Plan and a much greater contribution from the growing number of regular rate students. In fact Aspen Group expects Legacy Tuition Plan students' contribution to financial results to be immaterial for the full year 2014 (ending April 30, 2014), and on a quarterly basis to be immaterial no later than the second quarter of fiscal 2014.

The Company's cost of revenues consist of instructional costs and services and marketing and promotional costs.

Instructional costs and services for the 2013 Quarter rose to \$224,381 from \$223,889 for the 2012 Quarter, an increase of \$492 or less than 0.25%. As student enrollment levels increase, instructional costs and services should rise proportionately. However, as Aspen increases its full-time degree-seeking student enrollments and related class starts, the higher gross margins associated with such students should lead to the growth rate in instructional costs and services to significantly lag that of overall revenues growth.

Marketing and promotional costs for the 2013 Quarter was \$335,089 compared to \$387,883 for the 2012 Quarter, a decrease of \$52,795 or 14%. These expenses are primarily attributable to marketing efficiency. If Aspen accelerates its growth, it is highly likely that these expenditures will increase in future quarters as enrollment continues to grow. Factors that may mitigate the expected increase include the economies realized in cost per lead as well as the yield realized in terms of higher enrollments per unit of marketing and promotional spending and potential organic growth opportunities.

General and administrative costs for the 2013 Quarter were \$1,373,056 compared to \$1,393,282 during the 2012 Quarter, a decrease of \$20,225 or 2%. Although the difference is only \$20,225, several components have changed significantly year over year. Professional accounting fees declined \$89,533 during the 2013 Quarter as compared to 2012 Quarter, particularly as a result of reducing accounting consulting fees and reduced audit fees related to various reporting requirements. Offsetting the reduced professional expense were Investor Relations fees of \$59,010 in 2013 Quarter as well as Aspen's biannual formal graduation ceremony in July 2013. Investor relations fees increased 100% over the 2012 Quarter and graduation expenses were \$24,789, an increase of 100% over 2012 Quarter. Payroll expense in 2013 Quarter was up \$93,254 or 15%. Offsetting these increases was a \$112,527 decrease or 62% in consulting expense reflecting the hiring of third parties to perform important functions. Stock based compensation included in general and administration expense increased by \$96,655 or 83% as a stock option grants under the 2012 Equity Incentive Plan.

Overall general and administrative costs are expected to experience moderate growth in fiscal 2014 from fiscal 2013 as the cost associated with state regulatory compliance and DOE reporting requirements on topics such as gainful employment standards will continue to increase in the future.

A non-cash valuation reserve of \$309,117 was recorded for the quarter ended July 31, 2012 to reflect the drop in the collateral supporting the related accounts receivable. An additional \$193,198 was recorded in September 2012. No additional reserve has been required since that time.

Depreciation and amortization costs for the 2013 Quarter rose to \$109,435 from \$98,571 for the 2012 Quarter, an increase of 11%. The increase is primarily attributable to higher levels of capitalized technology costs as Aspen continues the infrastructure build-out initiated in 2011.

Interest income for the 2013 Quarter increased to \$289 from \$104 in the 2012 Quarter, an increase of \$185. Interest expense decreased \$111,624 or 87% primarily due to the amortization of debt issuance costs of \$85,565 and interest on notes payable of \$23,857 in the 2012 Quarter. In the 2013 Quarter, there was the addition of \$8,333 of interest expense on the loan payable to the CEO.

Income taxes expense (benefit) for the 2013 Quarter and 2012 Quarter was \$0 as Aspen Group experienced operating losses in both periods. As management made a full valuation allowance against the deferred tax assets stemming from these losses, there was no tax benefit recorded in the statement of operations in both periods.

Net loss for the 2013 Quarter was (\$1,105,576) as compared to (\$1,752,227) for the 2012 Quarter, a decrease of \$646,651 or approximately 37%. The decrease is primarily attributable to the improvement in revenue and other improvements discussed above.

Net cash used in operating activities during the 2013 Quarter totaled (\$1,013,268) and resulted primarily from a net loss from continuing operations of (\$1,127,839) offset by non-cash items of \$297,688, of which the \$109,435 in depreciation and amortization and \$149,356 in stock based compensation were the most significant, and a net change in operating assets and liabilities of \$(183,117), of which the \$(160,811), decrease in deferred revenue was the most significant.

Net cash used in operating activities during the 2012 Quarter totaled (\$1,462,782) and resulted primarily from a net loss from continuing operations of \$(1,842,270) offset by non-cash items of \$511,911 and a net change in operating assets and liabilities of \$(132,423).

Net cash used in investing activities during the 2013 Quarter totaled (\$105,022) and resulted primarily from capitalized technology expenditures.

Net cash used in investing activities during the 2012 Quarter totaled (\$104,861), resulting primarily from capitalized technology expenditures.

Net cash provided by financing activities during the 2013 Quarter totaled \$947,242 which resulted primarily from the receipt of a \$1,000,000 loan from the CEO.

Net cash provided by financing activities during the 2012 Quarter totaled \$925,112 and resulted primarily from proceeds from the issuance of convertible notes.

Historically, our primary source of liquidity is cash receipts from tuition and the issuances of debt and equity securities. The primary uses of cash are payroll related expenses, professional expenses and instructional and marketing expenses.

From September 2012 through April 2013, we raised gross proceeds of approximately \$4.6 million through the sale of 13,249,503 shares of common stock and 6,624,751 five-year warrants exercisable at \$0.50 per share. On July 1, 2013, Mr. Michael Mathews, our Chief Executive Officer, loaned Aspen Group \$1 million and was issued a \$1 million promissory note due December 31, 2013. The promissory note bears 10% interest per annum, payable monthly in arrears. Mr. Mathews also holds two \$300,000 convertible notes which are due on August 31, 2014, one of which is convertible at \$0.35 per share and the other at \$1.00 per share. Additionally, \$200,000 in notes convertible at \$1.00 per share come due in February of 2014.

As of September 16, 2013, Aspen Group had borrowed approximately \$245,000 under its line of credit and had approximately \$635,000 in cash, of which \$345,000 was restricted. The restricted cash is comprised of approximately \$80,000 in Title IV accounts that may be disbursed to Aspen Group in the future if participating students complete their given courses, and approximately \$265,000 pledged as security in the form of a letter of credit as required by the DOE. Aspen Group has executed a letter of intent with an institutional investor to lend the Company \$1.5 million through the issuance of an 18-month \$1,680,000 original issue discount debentures convertible at \$0.3325 which are due on

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All students are required to select both a primary and secondary payment option with respect to amounts due to A spen for tuition, fees and other expenses. The most common payment option for A spen's students is personal funds or payment made on their behalf by an employer. In instances where a student selects financial aid as the primary payment option, he or she often selects personal cash as the secondary option. If a student who has selected financial aid as his or her primary payment option withdraws prior to the end of a course but after the date that A spen's institutional refund period has expired, the student will have incurred the obligation to pay the full cost of the course. If the withdrawal occurs before the date at which the student has earned 100% of his or her financial aid, A spen will have to return all or a portion of the Title IV funds to the DOE and the student will owe A spen all amounts incurred that are in excess of the amount of financial aid that the student earned and that A spen is entitled to retain. In this case, A spen must collect the receivable using the student's second payment option.

For accounts receivable from students, A spen records an allowance for doubtful accounts for estimated losses resulting from the inability, failure or refusal of its students to make required payments, which includes the recovery of financial aid funds advanced to a student for amounts in excess of the student's cost of tuition and related fees. A spen determines the adequacy of its allowance for doubtful accounts using a general reserve method based on an analysis of its historical bad debt experience, current economic trends, and the aging of the accounts receivable and student status. A spen applies reserves to its receivables based upon an estimate of the risk presented by the age of the receivables and student status. A spen writes off accounts receivable balances at the time the balances are deemed uncollectible. A spen continues to reflect accounts receivable with an offsetting allowance as long as management believes there is a reasonable possibility of collection.

For accounts receivable from primary payors other than students, A spen estimates its allowance for doubtful accounts by evaluating specific accounts where information indicates the customers may have an inability to meet financial obligations, such as bankruptcy proceedings and receivable amounts outstanding for an extended period beyond contractual terms. In these cases, A spen uses assumptions and judgment, based on the best available facts and circumstances, to record a specific allowance for those customers against amounts due to reduce the receivable to the amount expected to be collected. These specific allowances are re-evaluated and adjusted as additional information is received. The amounts calculated are analyzed to determine the total amount of the allowance. A spen may also record a general allowance as necessary.

Direct write-offs are taken in the period when A spen has exhausted its efforts to collect overdue and unpaid receivables or otherwise evaluate other circumstances that indicate that A spen should abandon such efforts.

On July 1, 2013, Mr. Michael Mathews, our Chief Executive Officer, loaned A spen Group \$1 million and was issued a \$1 million promissory note due December 31, 2013. The promissory note bears 10% interest per annum, payable monthly in arrears.

At July 31, 2013, we included as a long term asset an account receivable of \$270,478 net of an allowance of \$502,315 from A spen's former Chairman. Although it is secured by stock pledges, there is a risk that we may not collect all or any of this sum.

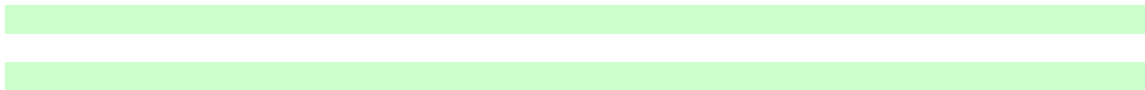
See Note 10 to our July 31, 2013 unaudited consolidated financial statements included herein for additional description of related party transactions that had a material effect on our consolidated financial statements.

We do not engage in any activities involving variable interest entities or off-balance sheet arrangements.

See Note 2 to our July 31, 2013 unaudited consolidated financial statements included herein for discussion of recent accounting pronouncements.

From time to time, we are periodically a party to or otherwise involved in legal proceedings arising in the normal and ordinary course of business. As of the date of this report, we are not aware of any proceeding, threatened or pending, against us which, if determined adversely, would have a material effect on our business, results of operations, cash flows or financial position, except litigation filed by our former chairman, which has been previously reported. There were no material developments during the quarter ended July 31, 2013.

See Note 8 to the July 31, 2013 unaudited consolidated financial statements contained in this report to the extent of detail.

A table with two rows of redacted content, indicated by light green bars. The table is preceded by a horizontal line.

(1)



Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

September 16, 2013

By: /s/Michael Mathews
Michael Mathews
Chief Executive Officer
(Principal Executive Officer)

September 16, 2013

By: /s/Michael Matte
Michael Matte
Chief Financial Officer
(Principal Financial Officer)

2.1	Certificate of Merger	8-K	3/19/12	2.1	
2.2	Agreement and Plan of Merger	8-K	3/19/12	2.2	
2.3	Agreement and Plan of Merger – DE Reincorporation	8-K	3/19/12	2.3	
2.4	Articles of Merger – DE Reincorporation	8-K	3/19/12	2.4	
2.5	Certificate of Merger – DE Reincorporation	8-K	3/19/12	2.5	
3.1	Certificate of Incorporation, as amended	8-K	3/19/12	2.6	
3.2	Bylaws	8-K	3/19/12	2.7	
3.3	Certificate of Incorporation – Acquisition Sub	8-K	3/19/12	2.8	
3.4	Articles of Amendment to FL Articles of Incorporation	8-K	3/19/12	2.9	
3.5	Articles of Amendment to FL Articles of Incorporation	8-K	6/20/11	3.3	
3.6	FL Articles of Incorporation	S-1/A	5/5/10	3.1	
10.1	Mathews' Promissory Note dated July 1, 2013	S-1	7/3/13	10.40	
10.2	Employment Agreement – Matte*	S-1	7/3/13	10.7	
10.3	Addendum to Employment Agreement – Garrity	S-1	7/3/13	10.39	
10.4	Michael Matte Stock Option Agreement				Filed
10.5	David Garrity Stock Option Agreement				Filed
31.1	Certification of Principal Executive Officer (302)				Filed
31.2	Certification of Principal Financial Officer (302)				Filed
32.1	Certification of Principal Executive and Principal Financial Officer (906)				Furnished**
101.INS	X BRL Instance Document				Furnished***
101.SCH	X BRL Taxonomy Extension Schema Document				Furnished***
101.CAL	X BRL Taxonomy Extension Calculation Linkbase Document				Furnished***
101.DEF	X BRL Taxonomy Extension Definition Linkbase Document				Furnished***
101.LAB	X BRL Taxonomy Extension Label Linkbase Document				Furnished***
101.PRE	X BRL Taxonomy Extension Presentation Linkbase Document				Furnished***

* Management contract or compensation plan.

** This exhibit is being furnished rather than filed and shall not be deemed incorporated by reference into any filing, in accordance with Item 601 of Regulation S-K.

*** Attached as Exhibit 101 to this report are the Company's financial statements for the quarter ended July 31, 2013 and 2012 formatted in X BRL (eX tensible Business Reporting Language). The X BRL-related information in Exhibit 101 to this report shall not be deemed "filed" or a part of a registration statement or prospectus for purposes of Sections 11 or 12 of the Securities Act, and is not filed for purposes of Section 18 of the Securities Exchange Act of 1934, or otherwise subject to the liabilities of those sections.

Copies of the exhibits referred to above will be furnished at no cost to our shareholders who make a w at www

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