

## **MEMORANDUM**

**TO:** All Employees

**FROM:** Brent Richardson, CEO

**DATE:** May 13, 2008

**RE:** Grand Canyon University Initial Public Offering

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Today, Grand Canyon University filed a registration statement with the Securities and Exchange Commission (SEC) to begin the process of an initial public offering (IPO). While some work still needs to be done to complete the IPO, I wanted to take this opportunity to inform you of this important development and provide more details on what this means for the University and for you. The filing marks the culmination of months of planning and work to prepare the University to become a publicly traded entity listed on The NASDAQ Stock Market.

We have grown substantially over the last 3-4 years, and we should all be proud of our accomplishments. Our objective is to use the proceeds from this planned IPO to help fund continued growth of our student body, ground campus, and online offerings. We think the timing is right in our growth to take this important next step. As a public entity, we'll have greater financial strength and added flexibility moving forward. We believe the move will make us a more credible competitor as we look to grow our overall share of the education services marketplace.

Given the regulations involved, we'll distribute an explanation of the rules governing the handling and disclosure of sensitive information – from financial performance to educational product offerings and potential acquisitions – to everyone today. I can't stress enough the importance for all of you to review the materials that I have forwarded to you. This includes today's registration release, Q&A document, quiet period memo and presentation. You can also visit our Web site to obtain a link to the SEC registration statement. We'll conduct mandatory disclosure training sessions well in advance of the IPO pricing and stock listing. In addition, I'll schedule a time in the near future to present the business strategy in more detail and take your questions.

Thank you in advance for your time and attention to these matters. I hope you all look forward to the exciting events of the next few months as much as I do.