AsherXino Corp
Form 10-Q
May 24, 2010

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-Q

þ Quarterly report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934:
For the quarterly period ended March 31, 2010

or

Transition report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934:
For the transition period from _______ to _________

Commission file number: 000-10965

ASHERXINO CORPORATION
(Exact name of registrant as specified in its charter)

Delaware	93-0962072
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)

5847 San Felipe Street, 17th Floor
Houston, TX 77002
(Address of principal executive offices, including zip code)

713-413-3345
(registrant's principal executive office telephone number)

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 þ No

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 Exchange Act. (Check one):

Large accelerated filer	Accelerated filer
Non-accelerated filer (Do not check if a smaller reporting company)	Smaller reporting company þ

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act)
YES NOþ

APPLICABLE ONLY TO CORPORATE ISSUERS

As of May 20, 2010 121,000,000 shares of common stock, $0.01 par value, were outstanding.

Table of Contents

Part I Financial Information

Item 1. Financial Statements

ASHERXINO CORPORATION
(An Exploration Stage Company)
CONSOLIDATED BALANCE SHEETS
(Unaudited)

	March 31, 2010	December 31, 2009
ASSETS		
Cash and cash equivalents	$ 2,046	$ 16,285
Oil and gas asset	53,750	53,750
Total assets	$ 55,796	$ 70,035
LIABILITIES AND SHAREHOLDERS' DEFICIT		
Current liabilities:		
Accrued liabilities	$239,252	$ 231,841
Indebtedness to related party	64,405	58,815
Total current liabilities	303,657	290,656
Commitments and contingencies		
Shareholders' Deficit:		
Common stock, $0.01 par value. Authorized 300,000,000; 121,000,000 issued and outstanding	1,210,000	1,210,000
Additional paid-in capital	8,411,100	8,411,100
Accumulated deficit	(9,420,587)	(9,420,587)
Deficit accumulated after entering the exploration stage	(448,374)	(421,134)
Total shareholders' deficit	(247,861)	(220,621)
Total liabilities and shareholders' deficit	$ 55,796	$ 70,035

ASHERXINO CORPORATION
(An Exploration Stage Company)
CONSOLIDATED STATEMENTS OF EXPENSES
(Unaudited)

	Three Months Ended March 31, 2010	Three Months Ended March 31, 2009	Cumulative Period from January 1, 2009 through March 31, 2010
General and administrative expenses:			
Legal	$ -	$ 7,000	$ 190,837
Travel	9,098	50	83,754
Other	12,622	34,974	163,315
Total general and administrative expenses	21,720	42,024	437,906
Loss from operations	(21,720)	(42,024)	(437,906)
Net realized loss from sale of trading securities	-	(1,958)	(1,958)
Interest expense	(5,520)	-	(8,510)
Loss before income taxes	(5,520)	(1,958)	(10,468)
Income tax provision	-	-	-
Net (loss)	$ (27,240)	$ (43,982)	$ (448,374)
Basic and diluted loss per share	(0.00)	$ (0.00)	
Weighted average common shares outstanding (basic and diluted)	121,000,000	10,664,283	

ASHERXINO CORPORATION
(An Exploration Stage Company)
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	Three Months Ended March 31		Cumulative Period from January 1, 2009 through March 31, 2010
	2010	2009	
CASH FLOWS FROM OPERATING ACTIVITIES			
Net loss	$ (27,240)	$ (43,982)	$ (448,374)
Adjustments to reconcile net loss to net cash used in operating activities:			
Depreciation, depletion and amortization	-	262	2,306
Common stock issued for services	-	11,982	12,647
Realized loss on trading securities	-	1,958	1,958
Changes in operating assets and liabilities:			
Accounts payable	7,411	926	239,252
Net cash provided by (used in) operating activities	(19,829)	(28,854)	(192,211)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of investments	-	15,436	15,436
Net cash provided by investing activities	-	15,436	15,436
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from indebtedness to related party	12,590	10,000	82,069
Payments on indebtedness to related party	(7,000)	-	(7,000)
Proceeds from sale of common stock	-	-	100,000
Net cash provided by financing activities	5,590	10,000	175,069
Net increase (decrease) in cash	(14,239)	(3,418)	(1,706)
Cash at beginning of period	16,285	3,752	3,752
Cash at end of period	$ 2,046	$ 334	$ 2,046
SUPPLEMENTAL DISCLOSURES			
Interest paid in cash	$ -	$ -	$ -
Income taxes paid in cash	-	-	-

- 5 -

ASHERXINO CORPORATION
(An Exploration Stage Company)
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

Note 1 - Basis of Presentation
The unaudited consolidated financial statements of AsherXino Corporation have been prepared in accordance with accounting principles generally accepted in the United States and the rules of the Securities and Exchange Commission ("SEC"), and should be read in conjunction with the audited financial statements and notes thereto contained in our Annual Report filed with the SEC on Form 10-K on April 15, 2010. In the opinion of management, all adjustments, consisting of normal recurring adjustments, necessary for a fair presentation of financial position and the results of operations for the interim periods presented have been reflected herein. The results of operations for interim periods are not necessarily indicative of the results to be expected for the full year. Notes to the consolidated financial statements which would substantially duplicate the disclosures contained in the audited financial statements for the most recent fiscal year ended December 31, 2009, as reported on Form 10-K, have been omitted.

Note 2 – Going Concern
As reflected in the accompanying financial statements, we had a working capital deficit and an accumulated deficit at March 31, 2010, which raise substantial doubt about our ability to continue as a going concern. Management plans to raise funds through the issuance of debt or the sale of common stock.

Our ability to continue as a going concern is dependent on our ability to raise capital through the issuance of debt or the sale of common stock. If we do not raise capital sufficient to fund our business plan, AsherXino may not survive. The financial statements do not include any adjustments that might be necessary if we were unable to continue as a going concern.

Note 3 – Related Party Transactions
From time to time, our officers and directors advance funds to us for working capital and receive repayments of such funds. As of March 31, 2010 and December 31, 2009, respectively, the total amount due to related parties was $64,405 and $58,815.

CAUTIONARY STATEMENT ON FORWARD-LOOKING INFORMATION

The Company is including the following cautionary statement to make applicable and take advantage of the safe harbor provision of the Private Securities Litigation Reform Act of 1995 for any forward-looking statements made by, or on behalf of, the Company. This quarterly report on Form 10-Q contains “forward looking statements” (as that term is defined in Section 27A(i)(1) of the Securities Act of 1933), including statements concerning plans, objectives, goals, strategies, expectations, future events or performance and underlying assumptions and other statements which are other than statements of historical facts. Such forward looking statements involve risks and uncertainties which could cause actual results or outcomes to differ materially from those expressed in the forward looking statements. Some of the factors that could cause actual results to differ materially from those expressed in such forward looking statements are set forth in the section entitled “Risk Factors” and elsewhere throughout this Form 10-Q. Our expectations, beliefs and projections are expressed in good faith and are believed by us to have a reasonable basis, but there can be no assurance that our expectations, beliefs or projections will result or be achieved or accomplished. We have no obligation to update or revise forward looking statements to reflect the occurrence of future events or circumstances.

Item 2 Management's Discussion and Analysis of Financial Condition and Results of Operations

Since we had no business operations from 2003 until our recent acquisition of the Asher Assets, and therefore no income from operations, this discussion involves only the plan of operation.

In June 2009, our Board of Directors decided to enter into the business of owning and operating oil and gas assets by acquiring certain oil related assets. Our immediate objective is to create value from the production and exploration opportunities in our significant working interest in OPL 2012 by embarking on a work program that will include drilling operations and the hiring of about fifty to one hundred full-time employees. We intend to finance its operations through a combination of debt and equity financing. In addition, management may decide to farm-out or sell some of our interest in OPL 2012 to finance the development of the block. We also intend to acquire additional leaseholds in and operatorships of offshore blocks in Nigeria and Ghana. In the long term, we aim to acquire and exploit the prolific oil and gas deposits across the Gulf of Guinea and worldwide.

We currently have few capital resources and we are unlikely to generate significant revenues for some time. This raises substantial doubt about our ability to continue as a going concern. See Notes to our Financial Statements in Item 8, “Financial Statements and Supplementary Data”. Without realization of additional capital, it would be unlikely that we could continue as a going concern. However, management has been in discussions with several financial institutions (i.e. banks, private equity funds, sovereign funds, energy companies and other corporate entities) to procure funding for the development of OPL 2012 through the issuance of debt and/or equity. Based on these discussions management anticipates obtaining sufficient funding to perform our obligations related to OPL 2012 over the next year.

Management is in the process of concluding financing arrangements with financial institutions in Nigeria who are finalizing their due diligence and economic modeling for the project. Management anticipates raising sufficient funds to pay the $12,500,000 signature bonus to the Nigerian government and the $10,000,000 farm-in fee to our local partner in the near future.

Upon the payment of the signature bonus, the development of OPL 2012 will take place in two phases over a three year period. In Phase 1 (Year 1), we will pursue one of two scenarios. Scenario 1 involves working jointly with Eni/Agip to develop OPL 2012 through the unitization process, which enables owners of two straddled oil fields to proceed with the development and operation of the field as a single unit, to ensure maximum hydrocarbons recovery with no duplication of costs. Scenario 2 involves pursuing an international joint venture partnership with Superior Well Drilling LLC and its local Nigerian partner Omega Maritime & Energy Limited (collectively, “Superior”) to drill and complete one vertical well at 4,000 feet. Superior will provide rigs and drill the well, and Superior will be paid from proceeds of hydrocarbons recovered. Engineering and environmental work will be done prior to drilling and completing the vertical well. Such engineering and environmental work will include the casing and design of the well.

In either Scenario 1 or 2, revenue sharing between Asher and Eni/Agip or Superior will be negotiated and agreed by the parties. Also, neither scenario includes provision for a 3D seismic program, as we now believe that, based on technical evaluation of OPL 2012, there is a chance that a 3D seismic survey may not need to be performed given that there exists vintage 2D seismic data on OPL 2012.

Scenario 1 is our preferred option because it is more cost effective. Production facilities are available in Eni/Agip's neighboring OML 116, and only require that the lateral well from OML 116 be extended into OPL 2012. Under Scenario 1, we may be able to avoid any further engineering work since all technical data relating to OPL 2012 will be provided from ongoing development and production in OML 116. However, we have not yet obtained Eni/Agip's agreement to jointly develop OPL 2012. In the event that we are unsuccessful in obtaining Eni/Agip's timely agreement, we will proceed with Scenario 2. An international Joint Venture Agreement ("JV Agreement") was previously executed by the Asher Shareholders and Superior pursuant to which Superior would execute drilling and operations for oil drilling projects secured by us (such as Scenario 2) and be reimbursed for providing such services by the joint venture from crude oil sales. The Asher Shareholders have assigned their rights in the JV Agreement to the Company. (See tables below)

YEAR 1 (Project Phase 1) – Authorization For Expenditure (AFE)

SCENARIO 1 (With agreement to unitize with Eni/Agip)

DESCRIPTION	TIME/DATE	AMOUNT	SOURCE
Signature Bonus	Pre-Day 1	$12,500,000	Banks/Pr. Equity funds
Farm-In Fees	Pre-Day 1	$10,000,000	Banks/Pr. Equity funds
Review and Approval of Work Program by Nigerian Government Agencies	Pre-Day 1		
Unitization with AGIP (to extend lateral well into OPL 2012)	Day 1-60	$10,000,000	Banks/Pr. Equity funds
Salaries and Operating Expenses	Day 1-365	$3,000,000	Banks/Pr. Equity funds
WORK PROGRAM COSTS	Day 1-365	$35,500,000	

SCENARIO 2 (To partner with Superior and drill and complete one vertical well)

DESCRIPTION	TIME/DATE	AMOUNT	SOURCE
Signature Bonus	Pre-Day 1	$12,500,000	Banks/Pr. Equity funds
Farm-In Fees	Pre-Day 1	$10,000,000	Banks/Pr. Equity funds
Review and Approval of Work Program by Nigerian Government Agencies	Pre-Day 1		
Engineering & Environmental Work (Casing & Design)	Day 1-60	$4,500,000	Banks/Pr. Equity funds
Drill and Complete One Vertical Well @ 4,000 feet	Day 61-91	$50,000,000	JV Partners and Banks/Pr. Equity funds
Salaries and Operating Expenses	Day 1-365	$3,000,000	Banks/Pr. Equity funds
WORK PROGRAM COSTS	Day 1-365	$80,000,000	

The project activities listed above are scheduled to run consecutively. Upon the payment of the signature bonus, we will submit our work program to the Nigerian government agencies responsible for oil exploration and production, Department of Petroleum Resources (DPR) and the Nigerian National Petroleum Corporation (NNPC), who will each have to review the work program and approve it before any exploration or production can commence. Once the government agencies approve the work program, management will decide on the appropriate scenario to pursue for Phase 1. Day 1, the official start date of the OPL 2012 development project, will occur as soon as management determines which scenario it will follow.

In Phase 2 (Year 2 and 3), two or three additional wells will be drilled at an estimated total cost of $205,000,000. (See table below)

YEAR 2 - 3 (Project Phase 2)

DESCRIPTION	TIME/DATE	AMOUNT	SOURCE
Drill and complete 2 Directional Drilling (DD) wells @ 5,000 feet	Day 366 - 1095	$200,000,000	JV Partners & Crude Oil Sale & Pr. Equity funds
Salaries and Operating Expenses	Day 366 - 1095	$5,000,000	Banks/Pr. Equity funds
WORK PROGRAM COSTS	Day 366 - 1095	$205,000,000	

Should we be unable to fund any of the development costs related to OPL 2012, its local partner, Sigmund Oilfield Limited, would notify us of our non-performance and formally request that we perform our agreed obligations. We would be given the opportunity to rectify or cure such fundamental non-performance issues if they are within our control. In case of further default, Sigmund Oilfield Limited would have the option to seek to terminate its agreements with us and potentially terminate our interest in OPL 2012. However, the OPL 2012 agreements were not drafted in such a manner that allows for immediate repercussions or sanctions imposed on us in the event we are unable to fund any of the development costs. Rather, the agreements provide for a dispute resolution process and contemplate discussion and negotiation among the parties in the event of our inability to perform. For example, although the $12,500,000 signature bonus and $10,000,000 farm-in fee were each deemed payable on May 15, 2009, we suffered no negative consequences from being delinquent in paying these amounts since it has regularly updated Sigmund Oilfield Limited on the status of when payments would be made and Sigmund Oilfield Limited has granted informal extensions of time for us to make such payments.

Results of Operations

Our expenses for the three months ended March 31,2010 were approximately 50% of the expenses for the three months ended March 31, 2009.Our expenses for the three months ended March 31, 2010 consisted mainly of travel costs associated with doing business in Nigeria. Our expenses for the three months ended March 31, 2009 consisted mainly of legal and professional cost associated with the preparation and filing of a registration statement.

CRITICAL ACCOUNTING POLICIES

We prepare our consolidated and combined financial statements in this report using accounting principles that are generally accepted in the United States (“GAAP”). GAAP represents a comprehensive set of accounting and disclosure rules and requirements. We must make judgments, estimates, and in certain circumstances, choices between acceptable GAAP alternatives as we apply these rules and requirements. The most critical estimate we make is the engineering estimate of proved oil and gas reserves. This estimate affects the application of the successful efforts method of accounting, the calculation of depreciation, depletion, and amortization of oil and gas properties and the estimate of the impairment of our oil and gas properties. It also affects the estimated lives used to determine asset retirement obligations. In addition, the estimates of proved oil and gas reserves are the basis for the related standardized measure of discounted future net cash flows.

Revenue Recognition

We recognize oil and gas revenue from interests in producing wells as the oil and gas is sold. Revenue from the purchase, transportation, and sale of natural gas is recognized upon completion of the sale and when transported volumes are delivered. We recognize revenue related to gas balancing agreements based on the entitlement method.

Oil and Gas Exploration and Development

Oil and gas exploration and development costs are accounted for using the full cost method of accounting.

Oil and Natural Gas Properties

We account for our oil and natural gas producing activities using the full cost method of accounting as prescribed by the United States Securities and Exchange Commission (SEC). Under this method, subject to a limitation based on estimated value, all costs incurred in the acquisition, exploration, and development of proved oil and natural gas properties, including internal costs directly associated with acquisition, exploration, and development activities, the costs of abandoned properties, dry holes, geophysical costs, and annual lease rentals are capitalized within a cost center on a country by country basis. Costs of production and general and administrative corporate costs unrelated to acquisition, exploration, and development activities are expensed as incurred.

Costs associated with unevaluated properties are capitalized as oil and natural gas properties but are excluded from the amortization base during the evaluation period. When we determine whether the property has proved recoverable reserves or not, or if there is an impairment, the costs are transferred into the amortization base and thereby become subject to amortization. We evaluate unevaluated properties for impairment at least annually.

Capitalized costs included in the amortization base are depleted using the units of production method based on proved reserves. Depletion is calculated using the capitalized costs included in the amortization base, including estimated asset retirement costs, plus the estimated future expenditures to be incurred in developing proved reserves, net of estimated salvage values.

The net book value of all capitalized oil and natural gas properties within a cost center, less related deferred income taxes, is subject to a full cost ceiling limitation which is calculated quarterly. Under the ceiling limitation, costs may not exceed an aggregate of the present value of future net revenues attributable to proved oil and natural gas reserves discounted at 10 percent using current prices, plus the lower of cost or market value of unproved properties included in the amortization base, plus the cost of unevaluated properties, less any associated tax effects. Any excess of the net book value, less related deferred tax benefits, over the ceiling is written off as expense. Impairment expense recorded in one period may not be reversed in a subsequent period even though higher oil and gas prices may have increased the ceiling applicable to the subsequent period.

Sales or other dispositions of oil and natural gas properties are accounted for as adjustments to capitalized costs, with no gain or loss recorded unless the ratio of cost to proved reserves would significantly change.

Depreciation of Other Property and Equipment

Furniture, fixtures, equipment, and other are depreciated using the straight-line method over the estimated useful lives of the assets. The estimated life of these assets range from three to five years.

Impairment of Properties, Plants and Equipment

Properties, plants and equipment used in operations are assessed for impairment whenever changes in facts and circumstances indicate a possible significant deterioration in the future cash flows expected to be generated by an asset group. If, upon review, the sum of the undiscounted pretax cash flows is less than the carrying value of the asset group, the carrying value is written down to estimated fair value through additional amortization or depreciation provisions and reported as impairments in the periods in which the determination of the impairment is made. Individual assets are grouped for impairment purposes at the lowest level for which there are identifiable cash flows that are largely independent of the cash flows of other groups of assets—generally on a field-by-field basis for exploration and production assets, at an entire complex level for refining assets or at a site level for retail stores. Because there usually is a lack of quoted market prices for long-lived assets, the fair value of impaired assets is determined based on the present values of expected future cash flows using discount rates commensurate with the risks involved in the asset group or based on a multiple of operating cash flow validated with historical market transactions of similar assets where possible. Long-lived assets committed by management for disposal within one year are accounted for at the lower of amortized cost or fair value, less cost to sell.

- 10 -

The expected future cash flows used for impairment reviews and related fair value calculations are based on estimated future production volumes, prices and costs, considering all available evidence at the date of review. If the future production price risk has been hedged, the hedged price is used in the calculations for the period and quantities hedged. The impairment review includes cash flows from proved developed and undeveloped reserves, including any development expenditures necessary to achieve that production. Additionally, when probable reserves exist, an appropriate risk-adjusted amount of these reserves may be included in the impairment calculation. The price and cost outlook assumptions used in impairment reviews differ from the assumptions used in the Standardized Measure of Discounted Future Net Cash Flows Relating to Proved Oil and Gas Reserve Quantities. In that disclosure, SFAS No. 69, "Disclosures about Oil and Gas Producing Activities," requires inclusion of only proved reserves and the use of prices and costs at the balance sheet date, with no projection for future changes in assumptions.

Asset Retirement Obligations and Environmental Costs

We record the fair value of legal obligations to retire and remove long-lived assets in the period in which the obligation is incurred (typically when the asset is installed at the production location). When the liability is initially recorded, we capitalize this cost by increasing the carrying amount of the related properties, plants and equipment. Over time the liability is increased for the change in its present value, and the capitalized cost in properties, plants and equipment is depreciated over the useful life of the related asset.

Environmental expenditures are expensed or capitalized, depending upon their future economic benefit. Expenditures that relate to an existing condition caused by past operations, and do not have a future economic benefit, are expensed. Liabilities for environmental expenditures are recorded on an undiscounted basis (unless acquired in a purchase business combination) when environmental assessments or cleanups are probable and the costs can be reasonably estimated. Recoveries of environmental remediation costs from other parties, such as state reimbursement funds, are recorded as assets when their receipt is probable and estimable.

Liquidity and Capital Resources

As a new company with plans for major development activity, we will be reliant upon funding to fully implement our business plans and expand our business. There can be no assurance that we will be able to obtain the necessary funding on commercially reasonable terms in a timely fashion, especially given the current global economy. Failure to receive the funding could have a material adverse effect on our business, prospects, and financial condition.

We intend to raise financing in the form of floating rate indebtedness and/or equity to pay the $12,500,000 signature bonus and $10,000,000 farm-in fee for our leasehold interest in Oil Prospecting License (OPL) 2012, and we expect to require further debt and/or equity financing in the amount of $218,000,000 to $262,500,000 to exploit OPL 2012. Accordingly, if market interest rates (principally LIBOR) rise, our financing expenses could increase which could have an adverse effect on our results of operations and financial condition. The size of our indebtedness may restrict our growth. We will need to use a portion of our cash flow to pay principal and interest on such indebtedness, which may delay or even prevent us from pursuing certain new business opportunities. Some loan agreements may contain restrictive covenants which may impair our operating flexibility. Failure to meet certain financial covenants could cause us to violate the terms of loan agreements obtained in the future, if any, and thereby result in acceleration of our indebtedness, impair our liquidity and limit our ability to raise additional capital. Our failure to make required debt payments could result in an acceleration of our indebtedness, and, if unpaid, a judgment in favor of such lender would be senior to the rights of holders of our common stock. A judgment creditor would have the right to foreclose on any of our assets resulting in a material adverse effect on our business, operating results or financial condition and the possible loss of all value in our common stock.

As reflected in the accompanying financial statements, we had a working capital deficit and an accumulated deficit at March 31, 2010, which raise substantial doubt about our ability to continue as a going concern. Management plans to raise funds through the issuance of debt or the sale of common stock.

Our ability to continue as a going concern is dependent on our ability to raise capital through the issuance of debt or the sale of common stock. If we do not raise capital sufficient to fund our business plan, AsherXino may not survive. The financial statements do not include any adjustments that might be necessary if we were unable to continue as a going concern.

Item 4T. Controls and procedures

Evaluation of Disclosure Controls and Procedures

Under the supervision and with the participation of certain members of our management, including our Chief Executive Officer and interim Chief Financial Officer, we completed an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) to the Securities Exchange Act of 1934, as amended (the "Exchange Act")). In light of the material weaknesses discussed below, which have not been fully remediated as of the end of the period covered by this Quarterly Report, our Chief Executive Officer and interim Chief Financial Officer concluded, after the evaluation described above, that our disclosure controls were not effective. As a result of this conclusion, the consolidated financial statements for the period covered by this report were prepared with particular attention to the material weaknesses previously disclosed. Accordingly, management believes that the consolidated financial statements included in this Quarterly Report fairly present, in all material respects, our financial condition, results of operations and cash flows as of and for the periods presented.

Internal Control over Financial Reporting

In connection with our evaluation of our disclosure controls and procedures that occurred during our last fiscal quarter, we identified no change in our internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Part II Other Information

Item 1. Legal Proceedings
For information regarding our legal proceedings see Item 3 of our Annual Report on Form 10-K filed on April 15, 2010. There have been no material changes from the risk factors previously disclosed in such Annual Report.

Item 1A. Risk Factors
For information regarding our risk factors see the risk factors disclosed in Item 1A of our registration Annual Report on Form 10-K filed on April 15, 2010. There have been no material changes from the risk factors previously disclosed in such Annual Report.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds
We have not sold any of our equity securities during the period covered by this Quarterly Report.

Item 6. Exhibits

Exhibit 31.1 - Certification of Chief Executive Officer of AsherXino Corporation required by Rule 13a-14(a) or Rule 15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.

Exhibit 31.2 - Certification of Chief Financial Officer of AsherXino Corporation required by Rule 13a-14(a) or Rule 15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.

Exhibit 32.1 - Certification of Chief Executive Officer of AsherXino Corporation pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and Section 1350 of 18 U.S.C. 63.

Exhibit 32.2 - Certification of Chief Financial Officer of AsherXino Corporation pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and Section 1350 of 18 U.S.C. 63.

Signatures

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 thereunto duly authorized.

AsherXino Corporation

By: /s/ Bayo O. Odunuga
Name: Bayo O. Odunuga
Title: Chief Executive Officer
Principal Executive Officer

Dated: May 24, 2010

By: /s/ Bayo O. Odunuga
Name: Bayo O. Odunuga
Title: Interim Chief Financial Officer
Interim Principal Financial and Accounting Officer

Dated: May 24, 2010