

DABNEY INVESTMENT CONSULTING ASSOCIATES, INC.

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December 4, 2009

Mr. Charles L. Norton, CFA
GNI CAPITAL, INC.
6860 Dallas Parkway, Suite 200
Plano, TX 75024

RE: Independent Verifier's Report

Dear Mr. Norton:

DABNEY INVESTMENT CONSULTING ASSOCIATES, INC. has examined the Claim of Compliance of GNI CAPITAL, INC. with the Global Investment Performance Standards (GIPS®) for the time period January 1, 1998 through September 30, 2009.

The firm's management is responsible for compliance with the GIPS and for the design of its processes and procedures. Our responsibility is to express an opinion based on our examinations.

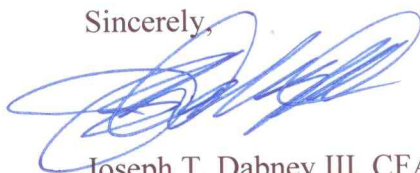
Our examination was conducted in accordance with the Verification Procedures set forth in the GIPS, and, accordingly, included procedures examining, on a test basis, evidence about the firm's compliance with the requirements mentioned below, evaluating the design of the firm's processes and procedures referred to below, and performing the procedures for a Verification as set forth by the GIPS and other such procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the firm has, in all material respects:

- complied with all the composite construction requirements of the GIPS on a firmwide basis; and
- designed its processes and procedures to calculate and present performance results in compliance with the GIPS.

In performing the examination, we, DABNEY INVESTMENT CONSULTING ASSOCIATES, INC., have not performed a performance audit of any specific composite and have not determined whether any specific composite presentation is presented in conformity with the GIPS. Accordingly, we express no opinion on any such specific composite performance results.

Sincerely,



Joseph T. Dabney III, CFA, CIPM
President