

Zijin Mining Group Co Ltd, one of China's biggest gold miners, expects to miss production targets for gold, copper and zinc this year although it increased output of all three metals, a company presentation showed.

Zijin now expects to produce around 38.2 tonnes of gold in 2019, according to a presentation by executive director George Fang at the China Mining conference in Tianjin. That is up 4.7% from 36.5 tonnes last year but below this year's target of 40 tonnes set in March.

The Fujian-based company will also produce an estimated 342,000 tonnes of copper in 2019, up 37.3% year-on-year but below its 350,000 tonne goal, according to Fang's presentation, which did not give reasons for the revisions.

Zinc output is seen rising 34.2% to 373,000 tonnes, versus a goal of 380,000 tonnes. Zijin set higher output targets following its acquisition of Canada's Nevsun Resources and Serbia's RTB Bor Group in 2018.

The demand outlook for base metals has been clouded by trade tensions between the U.S and China, which have also sent prices for traditional safe-haven gold to six-year highs. Cashing in on the higher prices for the precious metal, top Chinese gold producer Shandong Gold will lift its output this year to 48-50 tonnes, director Wang Lijun said on the sidelines of the conference.

The company produced 39.32 tonnes of gold last year, according to its annual report and had set a target of no less than 37.87 tonnes for this year.

China National Gold Group, the country's second-biggest gold miner, expects its 2019 gold output to be "basically flat" from a year earlier at more than 40 tonnes, its chairman Song Xin said.

All three executives declined to comment on reports of a breakdown in talks over their separate attempts to acquire Canadian miner Iamgold.

Source: reuters.com