
Street Talk

Hydrogen play LINEs float pipeline

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Perennial-backed green hydrogen hopeful LINE Hydrogen, which expects to start production by January next year, has set its sights on listing by year-end.

LINE Hydrogen was founded by Brendan James, a metallurgical engineer, who worked at Rio Tinto as its head of hydrometallurgy.

He left engineering to work as a sell-side analyst at Deutsche Bank, followed by a stint at Perennial's growth strategies. He's also owned and run a mining business, BIM Metals, which has since sold off its operations.

LINE's flagship project in Tasmania is aiming to produce 1490 kilograms of hydrogen a day via electrolysis (splitting water into hydrogen and oxygen), using solar power as the energy source. It's signed a term sheet with Climate Capital's Bell Bay Solar Farm to build up to 5MW capacity in George Town.

The company expects to be producing green hydrogen by January 31. If all goes to plan, LINE was hoping to make \$40 million revenue a year, translating to \$2 million EBITDA in the first year. But by the 2031 financial year, it expected this to grow to \$900 million revenue and \$133 million EBITDA as it looked to double production every year for the next seven to eight years.

One of the challenges in selling hydrogen has been to find buyers, when engines using the fuel aren't widely available in Australia yet. LINE's decided to import a fleet of 30 trucks that can take hydrogen as the fuel, and lease them out to multi-national transportation companies, where it reckons hydrogen would be way more fuel efficient than diesel in long-haul trucks.



Hydrogen developer and IPO hopeful LINE Energy plans to look for offtakers for its oxygen byproduct down the line. **Getty Images**

It also has regulatory approvals to work through, which it expected would be done in time to have hydrogen-powered trucks on the road by February 1.

The company raised a private round late last year, and expected to run a small crowd-funded raise on Birchall around May 10.

The IPO was expected land in the \$25 million range, for an \$80 million to \$100 million listing. The money would fund a project in Queensland's Toowoomba, similar to the Tasmanian one.

Anthony Macdonald co-edits Street Talk, specialising in private equity, investment banking, M&A and equity capital markets. He has 10 years' experience as a business journalist and worked at PwC, auditing and advising financial services companies. *Connect with Anthony on [Twitter](#). Email Anthony at a.macdonald@afrc.com*

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