

Security Audit Report

Polkadot micro-sr25519

v1.0

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This audit has been performed by

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Introduction

Purpose of This Report

Oak Security GmbH has been engaged by Edgeware DAO Association to perform a security audit of micro-sr25519.

The objectives of the audit are as follows:

- 1. Determine the correct functioning of the protocol, in accordance with the project specification.
- 2. Determine possible vulnerabilities, which could be exploited by an attacker.
- 3. Determine smart contract bugs, which might lead to unexpected behavior.
- 4. Analyze whether best practices have been applied during development.
- 5. Make recommendations to improve code safety and readability.

This report represents a summary of the findings.

As with any code audit, there is a limit to which vulnerabilities can be found, and unexpected execution paths may still be possible. The author of this report does not guarantee complete coverage (see disclaimer).

Codebase Submitted for the Audit

The audit has been performed on the following target:

Repository	https://github.com/paulmillr/micro-sr25519
Commit	08dc56e09aab971e7fd5b2f20a6f06c11d4a8daf
Scope	All files were in scope.
Fixes verified at commit	01f903de2c79cfeb71c499d0e9538d0be8b93dc5
	Note that only fixes to the issues described in this report have been reviewed at this commit. Any further changes such as additional features have not been reviewed.

Methodology

The audit has been performed in the following steps:

- 1. Gaining an understanding of the code base's intended purpose by reading the available documentation.
- 2. Automated source code and dependency analysis.
- 3. Manual line-by-line analysis of the source code for security vulnerabilities and use of best practice guidelines, including but not limited to:
 - a. Race condition analysis
 - b. Under-/overflow issues
 - c. Key management vulnerabilities
- 4. Report preparation

Functionality Overview

The micro-sr25519 is a TypeScript implementation of the sr25519 cryptographic scheme used in the Polkadot ecosystem.

The library provides Schnorr signature functionality on Ristretto compressed Ed25519 curves, including basic operations for key generation, message signing, and signature verification. It implements Hierarchical Deterministic Key Derivation (HDKD), supporting both hard and soft derivation methods for generating child keys from parent keys. The library also includes Verifiable Random Function (VRF) capabilities for generating cryptographically secure random outputs with proofs of correctness.

How to Read This Report

This report classifies the issues found into the following severity categories:

Severity	Description
Critical	A serious and exploitable vulnerability that can lead to loss of funds, unrecoverable locked funds, or catastrophic denial of service.
Major	A vulnerability or bug that can affect the correct functioning of the system, lead to incorrect states or denial of service.
Minor	A violation of common best practices or incorrect usage of primitives, which may not currently have a major impact on security, but may do so in the future or introduce inefficiencies.
Informational	Comments and recommendations of design decisions or potential optimizations, that are not relevant to security. Their application may improve aspects, such as user experience or readability, but is not strictly necessary. This category may also include opinionated recommendations that the project team might not share.

The status of an issue can be one of the following: **Pending, Acknowledged, Partially Resolved,** or **Resolved.**

Note that audits are an important step to improving the security of smart contracts and can find many issues. However, auditing complex codebases has its limits and a remaining risk is present (see disclaimer).

Users of the system should exercise caution. In order to help with the evaluation of the remaining risk, we provide a measure of the following key indicators: **code complexity**, **code readability**, **level of documentation**, and **test coverage**. We include a table with these criteria below.

Note that high complexity or low test coverage does not necessarily equate to a higher risk, although certain bugs are more easily detected in unit testing than in a security audit and vice versa.

Code Quality Criteria

The auditor team assesses the codebase's code quality criteria as follows:

Criteria	Status	Comment
Code complexity	Low	The code is straightforward and closely resembles the reference implementation
Code readability and clarity	High	The code is readable and easy to follow
Level of documentation	Low	The code does not contain thorough documentation. Even though it is based on a reference implementation, some implementation differences are only noted as one-line code comments.
Test coverage	Medium	The project contains some unit tests and uses the ZeroRNG random function to make sure test cases are reproducible. However, they could be extended to include other RNG functions, such as ChaCha20RNG, as well as fuzz tests. The tests in test/basic.test.js:201,23 5 redundantly compare identical public keys, making the assertions trivially true.

Summary of Findings

No	Description	Severity	Status
1	Missing validation for point at infinity	Minor	Acknowledged
2	Ambiguous transcript construction due to empty label	Minor	Acknowledged
3	Missing flag to enable improved transcription ordering for VRF	Minor	Acknowledged
4	Incomplete signature format validation may allow non-canonical inputs	Minor	Acknowledged
5	Potential timing side-channel in scalar arithmetic operations	Minor	Resolved
6	Insufficient input validation	Minor	Acknowledged
7	The chain code is generated but not returned to the caller	Minor	Acknowledged
8	Insecure RNG injection in signing and VRF functions	Informational	Acknowledged
9	Lack of input size restrictions may allow denial of service attacks	Informational	Acknowledged
10	Misleading error message in VRF output point identity check	Informational	Resolved
11	Presence of TODOs and pending items	Informational	Resolved

Detailed Findings

1. Missing validation for point at infinity

Severity: Minor

In index.ts:308-311 and index.ts:484-487, there is no validation that the public key is the point at infinity.

The identity point may invalidate signature scheme security, since scalar multiplication by zero yields the identity, an attacker could use it as a public key to pass signature verification without a secret key.

Recommendation

We recommend adding checks that the input data is not the point at infinity.

Examples of similar validation can be found in ChainSafe's go-schnorrkel, specifically in sign.go:133, vrf.go:271.

Status: Acknowledged

2. Ambiguous transcript construction due to empty label

Severity: Minor

In index.ts:200, the label method in SigningContext invokes appendMessage with an empty string as the label.

In Merlin transcripts, labels are critical for domain separation and context binding.

Consequently, using an empty label can result in ambiguous or overlapping transcript states, undermining the uniqueness guarantees of the transcript.

Recommendation

We recommend always using a unique, descriptive label when absorbing context data into the transcript.

Status: Acknowledged

3. Missing flag to enable improved transcription ordering for VRF

Severity: Minor

In index.ts:381-415, the public key is committed to the transcript after the nonce,

aligning with the Kusama ordering scheme.

This contrasts with the secure ordering recommended in this discussion, where the public key commit precedes the nonce. The current ordering maintains compatibility with Polkadot and Kusama but diverges from the strategy that mitigates risks of attacks exploiting discrepancies

between public and secret key alignments.

This vulnerability could be leveraged by a malicious actor to undermine the VRF's security

assumptions, particularly in environments expecting stronger cryptographic assurances.

Recommendation

We recommend introducing a configurable flag in the library, analogous to the KUSAMA VRF

parameter in the Schnorrkel Rust implementation.

This flag should allow developers to opt into the more secure transcript ordering.

Status: Acknowledged

4. Incomplete signature format validation may allow non-canonical

inputs

Severity: Minor

In index.ts:301-304, the signature verification logic only partially enforces the

sr25519/Schnorrkel specification.

While it correctly checks for the presence of the Schnorrkel marker by verifying that the most significant bit (bit 7) of the final signature byte is set, it neglects to validate that the remaining bits in that byte, bits 0 through 6, are cleared. According to the sr25519 specification, these

bits must be zero to ensure canonical signature encoding.

Failing to enforce this requirement can result in the acceptance of non-canonical signatures

and could undermine the strict format guarantees that cryptographic protocols rely on for

integrity and interoperability.

Recommendation

We recommend updating the verification logic to fully enforce the sr25519 specification by ensuring that only the Schnorrkel marker bit is set in the final byte of the signature and that all

other bits are properly cleared.

Status: Acknowledged

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5. Potential timing side-channel in scalar arithmetic operations

Severity: Minor

Scalar arithmetic operations in the codebase may be susceptible to timing side-channel

attacks due to variable-time behavior in the underlying bigInt implementation.

In JavaScript environments, the risk is mitigated to some extent by execution engine optimizations, which obscure precise timing characteristics. However, these protections are

not absolute, and timing analysis remains a viable attack vector, particularly in high-value or

adversarial settings.

Recommendation

We recommend considering explicit constant-time implementations for critical paths.

Status: Resolved

6. Insufficient input validation

Severity: Minor

The secretFromSeed and getSharedSecret functions, defined respectively in

index.ts:247 and index.ts:320, lack comprehensive input validation.

For example, they do not check for zeroed arrays or structurally invalid inputs, which could

lead to incorrect computations.

Recommendation

We recommend implementing robust input validation for these functions, including checks for

zeroed data and correct format and length.

Status: Acknowledged

7. The chain code is generated but not returned to the caller

Severity: Minor

In index.ts:363,373, the execution calculates chain code using a SigningContext,

specifically by calling the challengeBytes method.

Despite calculating bytes intended as a new chain code, these bytes are discarded and not

returned by the function.

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Consequently, this is inefficient and fails to leverage the dynamically generated chain code for further key derivation or processing.

Recommendation

We recommend returning the generated chain code as in the Schnorrkel Rust implementation.

Status: Acknowledged

8. Insecure RNG injection in signing and VRF functions

Severity: Informational

The signing and verifiable random function (VRF) routines in the library accept an overridable rng parameter. This introduces a security risk if the supplied RNG is weak, deterministic, or replayable. Under such conditions, the nonce values used in cryptographic operations become predictable, enabling a malicious actor to derive private keys.

This risk is exacerbated by the use of randomBytes from @noble/hashes/utils, which may default to insecure sources in environments lacking a cryptographically secure pseudo-random number generator (CSPRNG). Such misconfiguration could occur due to compromised dependencies or developer oversight, creating exploitable conditions for key leakage.

Recommendation

We recommend implementing one or more of the following mitigations:

- Enforce usage of a secure, internal CSPRNG without accepting external RNG parameters.
- If parameterization is necessary, document the security assumptions clearly and rename the functions to indicate the reliance on external RNG input.

Status: Acknowledged

9. Lack of input size restrictions may allow denial of service attacks

Severity: Informational

The audited library does not enforce maximum length constraints on input parameters, including message, context, and extra.

In environments where this library is leveraged in a backend service, unrestricted input sizes pose a denial of service (DoS) risk.

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An attacker could exploit this by submitting excessively large inputs, which would result in severe performance degradation due to the library's internal byte-by-byte processing using 166-byte chunks (STROBE_R). Operations like absorb, squeeze, and overwrite, and VRF functionalities in index.ts:453-454 and index.ts:478-479 are particularly susceptible.

Additionally, constructs like SigningContext in JavaScript environments allow allocation of Uint8Array instances exceeding 4GB, exacerbating the potential impact of the lack of input size restrictions.

Recommendation

We recommend documenting the performance implications of large input sizes and annotating the affected functions with clear code comments.

Specifically, implementors should be advised to apply strict input size validation in the sign, verify, vrf.sign, vrf.verify operations.

Status: Acknowledged

10. Misleading error message in VRF output point identity check

Severity: Informational

In index.ts: 493-496, the VRF verification function includes a check to detect the identity (zero) point as the output.

While this validation is correctly implemented, the associated error message inaccurately suggests that the identity check applies to the public key rather than the output point. This misrepresentation may confuse developers and hinder debugging or security assessments.

Recommendation

We recommend updating the error message to accurately reflect that the identity point check pertains to the VRF output point, not the public key.

Status: Resolved

11. Presence of TODOs and pending items

Severity: Informational

The audited codebase includes unresolved TODO comments and pending items, which represent incomplete or unverified segments of the code.

It is best practice to resolve them before the code is released into production.

Specific instances were identified at:

- index.ts:73
- index.ts:260

Recommendation

We recommend removing or resolving all TODO comments and pending items prior to release.

Status: Resolved