



**Code Audit** 

Ronin Zero NFTs

Ragnarok Meta



# Disclaimer

The ensuing audit offers no assertions or assurances about the code's security. It cannot be deemed an adequate judgment of the contract's correctness on its own. The authors of this audit present it solely as an informational exercise, reporting the thorough research involved in the secure development of the intended contracts, and make no material claims or guarantees regarding the contract's post-deployment operation. The authors of this report disclaim all liability for all kinds of potential consequences of the contract's deployment or use. Due to the possibility of human error occurring during the code's manual review process, we advise the client team to commission several independent audits in addition to a public bug bounty program.



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# **Summary**

Three Sigma Labs audited Ragnarok's Ronin Zero NFT smart contract in a 3 person week engagement. The audit was conducted from 03-04-2022 to 20-04-2022.

Ragnarok is a metaRPG NFT project that enables users to claim ownership of their in-game character by representing ownership with NFTs. In the game, players will be able to battle monsters, loot objects, craft NFTs, trade, earn, and own digital real estate.

#### Remarks

The audit uncovered significant flaws that would have resulted in unexpected behavior and compromise of the smart contract. Namely, the following issues were classified as critical in terms of severity:

- (3S-RAG-01) Maximum mint amount exceeded during batch mint.
- (3S-RAG-02) Inconsistent counter increment during team sale.
- (<u>3S-RAG-17</u>) Wrong increment of the total minted variable.

These issues were acknowledged and promptly fixed by the Ragnarok team.

Additionally, Three Sigma Labs presented a series of suggestions targeting gas optimizations. A comparison summary of the gas units used by the original and optimized contract is presented in the table below:

	Original (gas used)	Optimized (gas used)	Improvement
Mint 1	216,616	60,391	72.1 %
Mint 3	402,849	92,089	77.1 %

(Gas usage of mint functions measured using Foundry's gas reports)



# Scope

The audit reviewed file Ragnarok.sol which encompasses all the sale process and inherits from OppenZeppelin's <u>ERC1155Pausable</u>.

The NFT minting logic implements the following specification:

	Name	Duration	NFT Amount	Price
Phase 1	Public Dutch Auction	1 Day	3900	0.77 ETH
Phase 2	Pixel Whitelisted Mint	1 Day	3000	Phase 1 final price
Phase 3	Pill Whitelisted Mint	1 Day	600	Half of Phase 1 final price
Phase 4	Team Mint	1 Day	277	None
Phase 5	Final Public Sale	Until every NFT is sold	Remaining up to 7777	Phase 1 final price

### **Dutch auction specification:**

- Starting price is 0.77 ETH.
- Price decreases every 7 minutes by 0.01925 ETH.
- A maximum of 3 NFTs can be minted per address.
- The cost of the last sold NFT during the Dutch auction will serve as the base price for subsequent phases.
- All Dutch auction participants will be refunded the difference between their purchase price and the final price.

#### **UPDATE 18-04-2022:**

On the 18th of April 2022 the Ragnarok team decided to change the refund mechanism such that the refund was to be initiated by the team instead of being claimable by each user directly from the contract (with the purpose of reducing gas costs). These changes were introduced in commit 62868626d0c025428f639b1c63fc35186de1d3ac.



# **Assumptions**

Throughout this code audit, it was assumed that the Ragnarok team honors the whitelisted addresses and does not tamper in any way with the contract once it has been deployed.

#### **UPDATE 18-04-2022:**

The Ragnarok team is also expected to repay bidders of the Dutch auction if there is a price difference between the amount they paid and the auction's closing price.



# Methodology

To begin, we reasoned meticulously about the contract's business logic, checking security-critical features to ensure that there were no gaps in the business logic and/or inconsistencies between the aforementioned logic and the implementation. After that we thoroughly examined the code for known security flaws and attack vectors. Following that logic, we discussed the most catastrophic situations with the team and reasoned backwards to ensure they are not reachable in any unintentional form. Finally, we considered several different gas optimizations and guided the Ragnarok team on implementing them.

# **Taxonomy**

In this audit we report our findings using as a guideline Immunefi's vulnerability taxonomy, which can be found at <a href="mailto:immunefi.com/severity-updated/">immunefi.com/severity-updated/</a>.

Level	Description
Critical	- Empty or freeze the contract's holdings Cryptographic flaws.
High	<ul> <li>Token holders temporarily unable to transfer holdings.</li> <li>Users spoof each other.</li> <li>Theft of yield.</li> <li>Transient consensus failures.</li> </ul>
Medium	<ul><li>Contract consumes unbounded gas.</li><li>Block stuffing.</li><li>Griefing denial of service.</li><li>Gas griefing.</li></ul>
Low	- Contract fails to deliver promised returns, but doesn't lose value.
None	- Best practices Gas optimizations.



# **Project Dashboard**

# **Application Summary**

Name	Ragnarok Meta
Commit	5bf362a6
Language	Solidity
Platform	Ethereum

# **Engagement Summary**

Timeline	3 April to 20 April, 2022
N° of Auditors	2
Review Time	3 person weeks

# **Vulnerability Summary**

Nº Critical Severity Issues	3
Nº High Severity Issues	0
Nº Medium Severity Issues	1
Nº Low Severity Issues	2
Nº None Severity Issues	23
Nº Informational Severity Issues	Several (Slither)



# Category Breakdown

Gas Optimization	10
Functional Correctness	5
Access Control	1
Best Practice	13 + Several (Slither)



# **Code Maturity Evaluation**

Category	Evaluation
Access Controls	Satisfactory. The codebase has strong access control mechanisms.
Arithmetic	Satisfactory. The codebase uses Solidity version 0.8.13.
Centralization	Weak. The Ragnarok team has significant privileges over the contract.
Code Stability	Weak. The code was constantly altered during the audit.
Upgradeability	Moderate. Certain parameters of the contract can be modified after deployment.
Function Composition	Moderate. Certain components are similar, and the codebase would benefit from increased code reuse.
Front-Running	Moderate. Transactions minting NFTs can be frontrun.
Monitoring	Satisfactory. Events are correctly emitted.
Specification	Moderate. Numerous behaviors were excluded from the available documentation, and the codebase will further benefit from more thorough documentation.
Testing and Verification	Weak. There were no tests.



# **Automated Testing and Verification**

To enhance coverage of certain areas of the codebase we complement our manual analysis with automated testing techniques:

• **Slither:** A Solidity static analysis framework with native support for multiple vulnerability detectors. We used Slither to scan the entire codebase against common vulnerabilities and programming malpractices.

Despite augmenting our security analysis, automated testing techniques still present some limitations and should not be used in isolation. Slither may fail to identify vulnerabilities, either due to the lack of specific detectors or whenever certain properties fail to hold after Solidity code is compiled to EVM bytecode. In order to mitigate these risks, we supplemented our automated testing efforts with a careful manual review of the contracts in scope.

### Slither Results

During the engagement Slither was executed whenever there was a change in the codebase. All true positive results were communicated to the Ragnarok team and fixed.



# **Findings**

### 3S-RAG-01

Maximum mint amount exceeded during batch mint

Id	3S-RAG-01
Severity	Critical
Difficulty	Low
Category	Functional Correctness

There is a validation error in the \_\_firstPublicSaleBatchMint and \_\_lastPublicSaleBatchMint functions, which makes it possible to bypass the mint limits. These functions do not check if the supply cap is exceeded after the user mints a new batch, therefore allowing a user to mint the maximum batch amount of 3 NFTs when only one is available.

#### Recommendation

Add explicit checks to these functions that account for this scenario.

#### **Status**



Inconsistent counter increment during team sale

ld	3S-RAG-02
Severity	Critical
Difficulty	N/A
Category	Functional Correctness

When calling the <u>singleMint</u> function the <u>\_tokenIds</u> counter value is always incremented by a single unit even when 277 NFTs are minted during the team sale. This causes an internal inconsistency, which results in the subsequent last public sale to fail.

#### Recommendation

Increment the tokenIds variable by 277 during the team sale.

#### **Status**



Unused merkle root update event

Id	3S-RAG-03
Severity	None
Difficulty	N/A
Category	Best Practice

The UpdatedMerkleRootOfTeamMint event is never emitted.

# Recommendation

Remove the declaration of the UpdatedMerkleRootOfTeamMint event.

### Status



# Redundant event parameterization

ld	3S-RAG-04
Severity	None
Difficulty	N/A
Category	Best Practice

The claimedStatus parameter of the ReimbursementClaimedOFPublicSale event is always true. Additionally, the following events, emitted when minting NFTs during distinct sale phases, take a redundant saleType parameter already implied in the event naming:

- NewNFTMintedOnFirstPublicSale
- NewNFTBatchMintedOnFirstPublicSale
- NewNFTBatchMintedOnLastPublicSale
- NewNFTMintedOnPixelSale
- NewNFTMintedOnPillSale
- NewNFTMintedOnTeamSale
- NewNFTMintedOnLastPublicSale

#### Recommendation

Refactor the ReimbursementClaimedOFPublicSale event to remove the claimedStatus parameter. Whether remove the saleType parameter from these events, as it is already implied in the event naming, or keep the parameterization and rely on a single event.

#### **Status**



# Wrong error parameterization

Id	3S-RAG-05
Severity	Low
Difficulty	N/A
Category	Functional Correctness

Whenever the \_firstPublicSaleBatchMint and \_lastPublicSaleBatchMint functions revert with an InvalidBuyNFTPrice error, the error contains an incorrect invalidInputPrice parameter value. The msg.value should not be multiplied by the tokenCount. The msg.value corresponds to the total ether value sent with the transaction, not the amount sent per minted NFT.

#### Recommendation

In firstPublicSaleBatchMint and lastPublicSaleBatchMint replace:

```
revert InvalidBuyNFTPrice(
    SafeMath.mul(getPriceOFNFT, tokenCount),
    SafeMath.mul(msg.value, tokenCount)
);
```

with:

```
revert InvalidBuyNFTPrice(
    SafeMath.mul(getPriceOFNFT, tokenCount),
    msg.value
);
```

#### **Status**



# SafeMath with Solidity version 0.8.13

Id	3S-RAG-06
Severity	None
Difficulty	N/A
Category	Gas Optimization

The Ragnarok.sol contract is coded targeting Solidity 0.8.13. All versions since 0.8.0 provide checked arithmetic by default. Therefore, the usage of SafeMath is redundant and incurs extra gas costs.

### Recommendation

Refactor the codebase to remove SafeMath and all of its references.

#### **Status**



# Tight pack pricing struct

ld	3S-RAG-07
Severity	None
Difficulty	N/A
Category	Gas Optimization

The parameters of the PublicPricing struct can be packed together in order to reduce the number of occupied storage slots.

### Recommendation

Rearrange the PublicPricing struct as:

```
struct PublicPricing {
   uint256 buyPrice;
   address payable ownerAddress;
   bool isClaimed;
}
```

#### **Status**



Unchanged state variables not marked as constant

Id	3S-RAG-08
Severity	None
Difficulty	N/A
Category	Gas Optimization

The contract declares multiple state variables, whose value is set at compile time and never changed during execution, that are not marked as constant. By declaring a state variable as constant, the compiler does not reserve a storage slot for it but instead replaces each occurrence with its value, therefore removing the gas costs associated with storage reads. Additionally, these state variables are declared as internal by default, which makes it difficult for users to access import information regarding the sale details.

#### Recommendation

Change the visibility of the following variables to public and add the constant keyword:

- DEFAULT MAX MINTING SUPPLY
- DEFAULT MAX FIRST PUBLIC SUPPLY
- DEFAULT NFT PRICE
- DEFAULT DECREASE NFT PRICE AFTER TIME INTERVAL
- DEFAULT TIME INTERVAL
- MAX DECREASE ITERATIONS
- DEFAULT INITIAL PUBLIC SALE
- DEFAULT PIXELMINT SALE
- DEFAULT PILLMINT SALE
- DEFAULT TEAMMINT SALE
- LIMIT IN PUBLIC SALE PER WALLET

#### **Status**



Possible to mint zero NFTs using the batch mint function

ld	3S-RAG-09
Severity	Low
Difficulty	N/A
Category	Best Practice

In the mintBatchToAddress function there is no explicit check that tokenCount > 0. Despite not compromising the safety of the contract it can lead to unexpected side effects when tokenCount == 0.

#### Recommendation

Add a check to the mintBatchToAddress function explicitly enforcing that tokenCount >= 0.

### **Status**



# OpenZeppelin library bloat

ld	3S-RAG-10
Severity	None
Difficulty	N/A
Category	Gas Optimization

The contract relies on OpenZeppelin libraries to perform simple actions that could alternatively be achieved using native Solidity functionalities. These libraries incur extra gas costs. Additionally, the OpenZeppelin Address library is imported and declared for the address type but never used.

#### Recommendation

Replace invocations of \_msgSender with msg.sender when appropriate. Refactor the code to replace the type of \_tokenIds from Counters.Counter with a uint256. Remove the Address library import and declaration.

#### Status



# Unnecessary on-chain computation

Id	3S-RAG-11
Severity	None
Difficulty	N/A
Category	Gas Optimization

The contract provides two functions <code>singleMint</code> and <code>mintBatchToAddress</code> that users can call in order to participate in the sale. These functions work as a router, which in turn invokes the corresponding internal function depending on the current sale period. In order to perform this routing, the contract must invoke the <code>checkSaleType</code> function and perform multiple storage accesses. Additionally, <code>checkSaleType</code> is called at every branch of the router if statement.

#### Recommendation

Move the routing computation off-chain and have the frontend application invoke the correct sale functions. Change the visibility of the <u>internal</u> mint functions to <u>external</u> and add checks to each one in order to ensure the calls are made during the expected sale phases.

#### Status



# Unnecessary mapping variable

ld	3S-RAG-12
Severity	None
Difficulty	N/A
Category	Best Practice

The teamMintWhitelistedAddresses variable is used to check whether the team allocation has been minted or not. Using a mapping imposes unnecessary trust assumptions on the team as it can mint its allocation multiple times by repeatedly invoking updatePlatformWalletAddress.

#### Recommendation

Refactor teamMintWhitelistedAddresses as a bool.

### Status



Unexpected revert behavior in NFT price getter

Id	3S-RAG-13
Severity	None
Difficulty	N/A
Category	Best Practice

The getCurrentNFTMintingPrice function contains a condition that reverts in case the sale hasn't started. Since upon deployment, DEFAULT\_SALE\_START\_TIME is always set to block.timestamp, this condition will never evaluate to true. Nonetheless, even if the revert was possible such behavior is discouraged in view functions.

#### Recommendation

Remove the getCurrentNFTMintingPrice condition that checks whether the sale has started or not.

#### **Status**



# Empty constructor and declaration of hardcoded values

ld	3S-RAG-14
Severity	None
Difficulty	N/A
Category	Best Practice

The following parameters should be passed as arguments in the constructor instead of being hardcoded:

- DEFAULT PLATFORM ADDRESS
- merkleRootOfPixelMintWhitelistAddresses
- merkleRootOfPillMintWhitelistAddresses
- newUri

Additionally, the constructor should emit the respective setter events.

#### Recommendation

Replace the current empty constructor with the following:

```
constructor(
   address payable _defaultPlatformAddress,
   bytes32 _merkleRootOfPixelMintWhitelistAddresses,
   bytes32 _merkleRootOfPillMintWhitelistAddresses,
   string memory _newUri
) public ERC1155(_newUri) {
   // set storage values
   DEFAULT_PLATFORM_ADDRESS = _defaultPlatformAddress;
   merkleRootOfPixelMintWhitelistAddresses = _merkleRootOfPixelMintWhitelistAddresses;
   merkleRootOfPillMintWhitelistAddresses = _merkleRootOfPillMintWhitelistAddresses;

   // emit setter events
   emit UpdatedPlatformWalletAddress(_defaultPlatformAddress, msg.sender);
   emit UpdatedMerkleRootOfPixelMint(_merkleRootOfPixelMintWhitelistAddresses, msg.sender);
   emit UpdatedMerkleRootOfPillMint(_merkleRootOfPillMintWhitelistAddresses, msg.sender);
   emit NewURI(_newUri, msg.sender);
}
```

#### **Status**



# Wasted gas due to immediate transfers

Id	3S-RAG-15
Severity	None
Difficulty	N/A
Category	Gas Optimization

Transferring funds to DEFAULT\_PLATFORM\_ADDRESS upon every sale adds an unnecessary gas overhead, which negatively impacts user experience.

### Recommendation

Add a withdraw function callable only by DEFAULT\_PLATFORM\_ADDRESS or the owner to withdraw deposited funds from multiple purchases in a single call.

### Status



Unnecessary address validation and error parameterization

Id	3S-RAG-16
Severity	None
Difficulty	N/A
Category	Gas Optimization

The singleMint and mintBatchToAddress functions revert with an error of InvalidAddress whenever msg.sender == address(0). This is an unnecessary check for a scenario that should never occur. Additionally, InvalidAddress is always parameterized with the same invalidAddress value of zero.

#### Recommendation

Remove checks for msg.sender == address(0) from both the singleMint and mintBatchToAddress functions.

#### Status



# Wrong increment on the total minted variable

ld	3S-RAG-17
Severity	Critical
Difficulty	Low
Category	Functional Correctness

Starting with the value of 1, the tokenIds variable corresponds to the number of NFTs minted. During the first and last public sales, when checking whether the supply limit has been reached the latest value is compared with DEFAULT MAX FIRST PUBLIC SUPPLY and DEFAULT MAX MINTING SUPPLY respectively. The comparison is made using the >= operator, which expects tokenIds to start at 0. This causes one less NFT to be mintable during each public sale, 3899 and 7776 instead of 3900 and 7777 respectively.

#### Recommendation

Replace the >= operator with > in the previous conditions.

#### Status

Fixed in commit ee9f4077af977214f6f1aa403030134fe11a8187.



# Constructor visibility

ld	3S-RAG-18
Severity	None
Difficulty	N/A
Category	Best Practice

The Ragnarok.sol constructor has a public visibility modifier. Starting from Solidity version 0.7.0 visibility modifiers are obsolete for constructors.

# Recommendation

Remove the  ${\tt public}$  modifier from the constructor.

### **Status**

Fixed in commit b1f32ecb7aac61cb4d0e2e7e51cca36e830a4468.



# Events are emitted out of order

Id	3S-RAG-19
Severity	None
Difficulty	N/A
Category	Best Practice

The \_mint function of ERC1155.sol performs an unsafe external call to the minter address if the minter is a contract. In Ragnarok.sol the \_mint function is invoked before emitting the corresponding mint event. This can lead to mint events with out of order NFT ids in case the function reenters, which might result in issues for third party applications.

#### Recommendation

Emit the mint event before calling the \_mint function in all external mint functions of Ragnarok.sol, according to the following example:

```
// omitted...
emit NewNFTMintedOnFirstPublicSale(
   _tokenIds,
   msg.sender,
   msg.value
);
_mint(msg.sender, _tokenIds, 1, "");
return true;
```

#### Status

Fixed in commit b1f32ecb7aac61cb4d0e2e7e51cca36e830a4468.



# External call inside a loop

Id	3S-RAG-20
Severity	Medium
Difficulty	Low
Category	Functional Correctness

The reimbursementAirdrop function sends a refund to all addresses specified in the addresses parameter by iterating through the recipients inside a loop. If one of the recipients has a fallback/receive function that reverts or consumes infinite gas reimbursementAirdrop will always revert.

#### Recommendation

Reimburse all addresses manually, or execute independent calls reimbursing the addresses.

#### Status

The team acknowledged the issue and decided to perform a manual address triage prior to invoking the reimbursementAirdrop function.



# Redundant when Not Paused modifier

ld	3S-RAG-21
Severity	None
Difficulty	N/A
Category	Best Practice

The whenNotPaused modifier was added to all the mint functions of Ragnarok.sol in commit f4060ad41df007d8c3495ee7de40320853750a8c. These functions call \_mint internally, which already performs an equivalent whenNotPaused check.

#### Recommendation

Remove the whenNotPaused modifier from:

- firstPublicMintingSale
- pixelMintingSale
- pillMintingSale
- teamMintingSale
- lastPublicMintingSale
- firstPublicSaleBatchMint
- lastPublicSaleBatchMint

#### Status

Fixed in commit b1f32ecb7aac61cb4d0e2e7e51cca36e830a4468.



# Costly operations inside a loop

Id	3S-RAG-22
Severity	None
Difficulty	N/A
Category	Gas Optimization

The teamMintingSale function increments the \_tokenIds storage variable in a large loop, which incurs unnecessary gas costs.

### Recommendation

Use a local variable to hold the loop computation result.

### **Status**

Fixed in commit b1f32ecb7aac61cb4d0e2e7e51cca36e830a4468.



# Dead code

ld	3S-RAG-23
Severity	None
Difficulty	N/A
Category	Best Practice

The SaleNotStartedYet and InvalidAddress errors are declared but never used.

# Recommendation

Remove dead code.

### Status

Fixed in 6978d4074eba1b4dec91970bcaf22218f8f9ba6b.



# Improper custom error naming and parameterizations

Id	3S-RAG-24
Severity	None
Difficulty	N/A
Category	Best Practice

In the InvalidTokenCount error the tokenCount parameter is always 0. Both the status and data error parameterizations of AmountReimbursementFailed and TransactionFailed are unnecessary. The MaximumMintLimitReached error is only used once, in the same circumstances as MaximumMintLimitReachedByUser, and doesn't accurately describe the behavior that triggers it.

#### Recommendation

Rename InvalidTokenCount, remove unused error parameters, and rename MaximumMintLimitReached to MaximumMintLimitReachedByUser.

#### Status

Fixed in 6978d4074eba1b4dec91970bcaf22218f8f9ba6b.



# Improper use of constants

Id	3S-RAG-25
Severity	None
Difficulty	N/A
Category	Best Practice

The LIMIT IN PUBLIC SALE PER WALLET constant is never used.

The team allocation amount is hardcoded in multiple places with the value 227.

### Recommendation

Replace the hardcoded value 3 with references to the declared constant LIMIT\_IN\_PUBLIC\_SALE\_PER\_WALLET. The team allocation amount should be declared as a constant value and be referenced instead of using the hardcoded value.

#### Status

Fixed in 6978d4074eba1b4dec91970bcaf22218f8f9ba6b.



# Unnecessary condition checking

Id	3S-RAG-26
Severity	None
Difficulty	N/A
Category	Gas Optimization

In the mint functions, invocations of checkSaleType validate unnecessary conditions and execute redundant logic.

#### Recommendation

Invocations of checkSaleType should be replaced with a single condition check, following:

#### **Status**

Fixed in 6978d4074eba1b4dec91970bcaf22218f8f9ba6b.

Note that the Ragnarok team opted for keeping the <a href="https://checkSaleType">checkSaleType</a> function, due to frontend requirements, despite replacing its invocations in the mint functions.



# Effectless function behavior

ld	3S-RAG-27
Severity	None
Difficulty	N/A
Category	Best Practice

The claimAmountFirstPublicSale accepts reimbursement claims before the start of the first public sale. Despite not compromising the safety of the contract, as there are no funds deposited prior to the beginning of the sale, the function does not revert as expected.

### Recommendation

Add a check that prevents calling claimAmountFirstPublicSale before the start of the sale.

#### Status

Fixed in **f4060ad41df007d8c3495ee7de40320853750a8c**.



# Explicit whitelist mint limits

Id	3S-RAG-28
Severity	None
Difficulty	N/A
Category	Access Control

There are no explicit mint limit checks for the pixel and pill whitelist sales.

### Recommendation

Add explicit checks in the code that enforce whitelisted mint limits.

# **Status**

It is assumed that the merkle trees enforce the proper NFT mint limits per phase.



# Redundant condition check

ld	3S-RAG-29
Severity	None
Difficulty	N/A
Category	Gas Optimization

In the firstPublicSaleBatchMint and lastPublicSaleBatchMint functions
the firstPublicSale[msg.sender] >= 3 check is redundant and can be safely
removed.

### Recommendation

Remove the previous redundant condition check.

#### **Status**

Fixed in b1f32ecb7aac61cb4d0e2e7e51cca36e830a4468.