



# CYLANCE

## Operation Cleaver – A precursor to control system attacks

Jon Miller

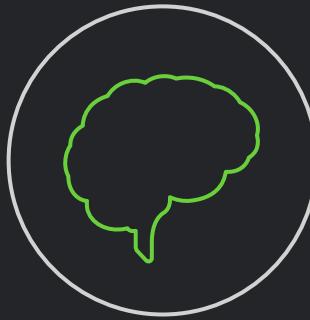
# Agenda



Introduction



What is Cylance



What is the Problem



Operation Cleaver



Vulnerabilities



Augmenting

# Introduction



**Jon Miller** | Vice President of Strategy

## Internet Security Systems (5 years)

- ▶ X-Force Penetration Testing
- ▶ Special Advisor to CTO

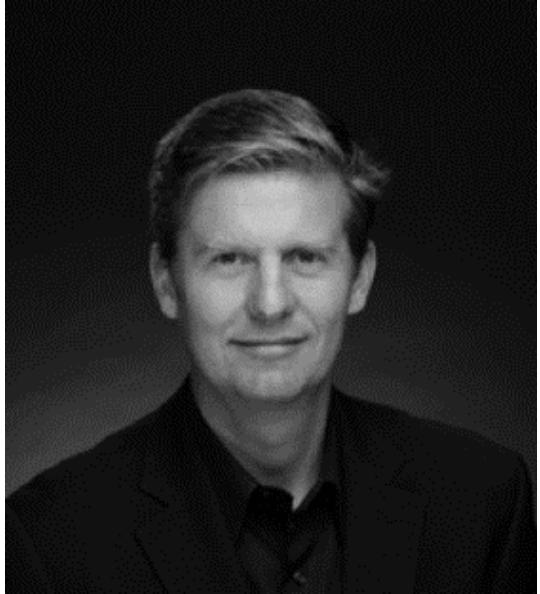
## Accuvant Labs (7 years)

- ▶ Penetration Testing
- ▶ Reverse Engineering
- ▶ Weaponized 0day Sales

## Cylance (2 Years)

- ▶ Internal Security
- ▶ Product Testing/Efficacy
- ▶ SPEAR Research Team
- ▶ Customer Advocacy

# Introduction



Stuart McClure | CEO / President & Founder

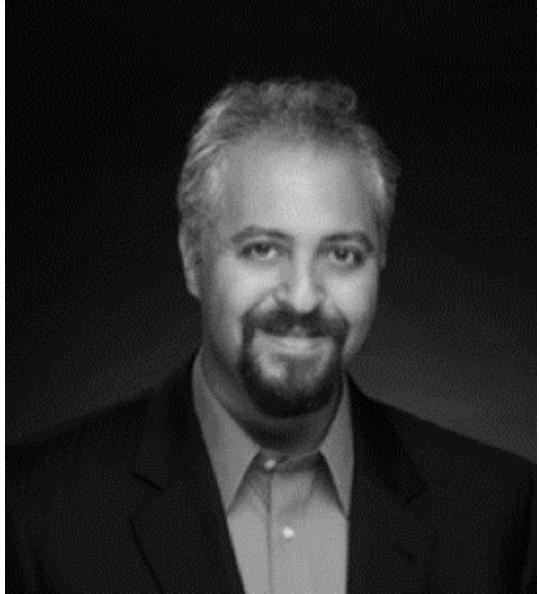
Leader of Cylance  
as CEO & Visionary

Hacking Exposed

- ▶ Lead Author
- ▶ Creator
- ▶ Most Successful Security Book of All Time

Foundstone  
WW-CTO McAfee

# Introduction



Ryan Permeh | Co-Founder & Chief Scientist

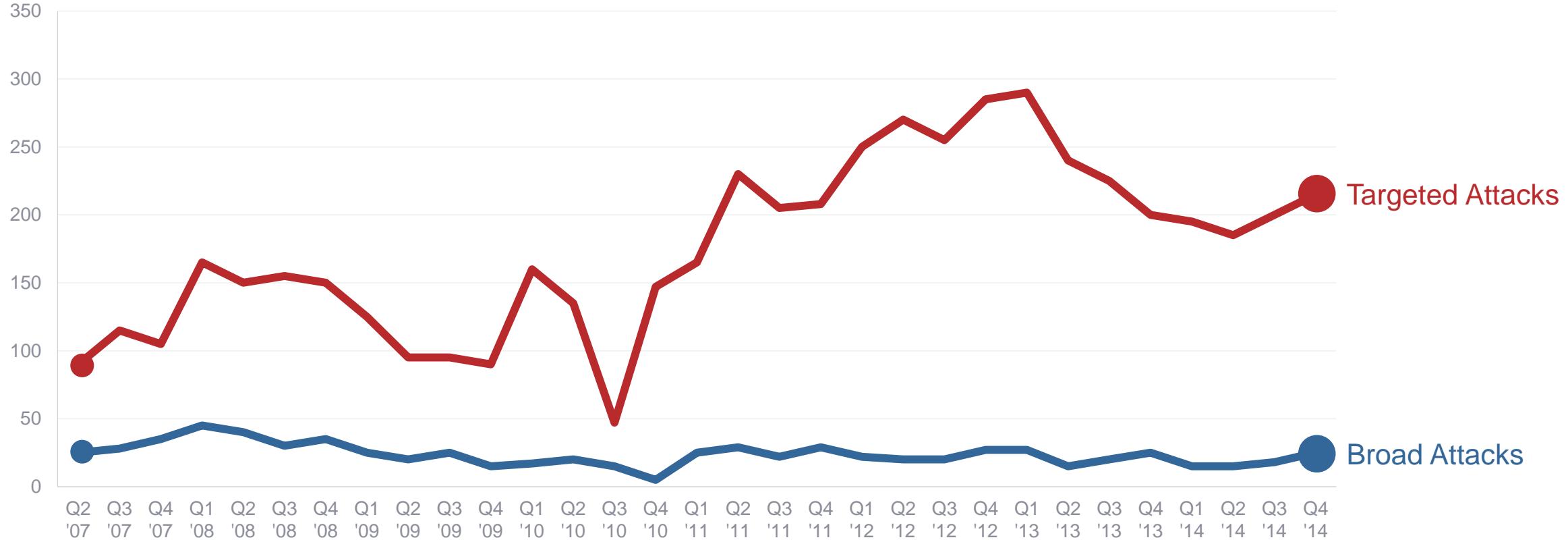
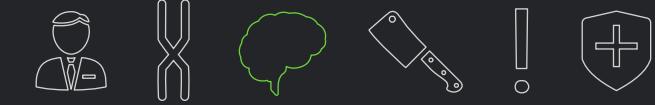
THE brain behind the mathematical architecture and new approach to security.

Eeye Retina  
Securells

Code Red  
McAfee  
Chief Scientist

# What is the Problem?

## The Rise of Targeted Attacks



Source: CyberFactors, a subsidiary of CyberRisk Partners and CloudInsure.com  
<http://www.heritage.org/research/reports/2014/10/cyber-attacks-on-us-companies-in-2014>

# What is the Problem?

## Adversaries



### Traditional Adversaries

#### Nation State



Intelligence



Intellectual  
Property Theft

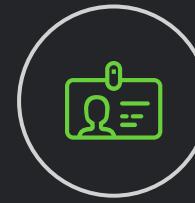


Espionage

#### Organized Crime



Financial Gain



Identity Theft

# What is the Problem?

Adversaries



## Next Generation Adversaries

### Rogue Nation States



Iran



North Korea



Syria

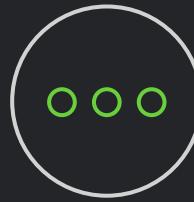
### Individual & Terrorist Actors



ISIS



Anonymous



Etc

# Timeline





# WHY THE NAME CLEAVER?

The string `cleaver` is found several times in a variety of custom software used in Operation Cleaver, including:

- 1 Numerous references inside the namespaces of their custom bot code codenamed TinyZBot, e.g.:

```
e:\projects\cleaver\trunk\zhoupin_cleaver\obj\x86\release\netscp.pdb
```

- 2 PDBs associated with the hacker name “Jimbp”, e.g.:

```
c:\users\jimbp\desktop\binder_1 - for cleaver\binder_1\obj\x86\release\setup.pdb
```

- 3 PDBs associated with the keystroke loggers, artifacts, and numerous other tools, e.g.:

```
e:\Projects\Cleaver\trunk\MainModule\obj\Release\MainModule.pdb
```



## ***Iranian Actors Are Behind Operation Cleaver***

- Persian hacker names are used throughout the campaign including: Salman Ghazikhani, Bahman Mohebbi, Kaj, Parviz, Alireza, and numerous others.
- Numerous domains used in the campaign were registered in Iran.
- Infrastructure leveraged in the attack was registered in Iran to the corporate entity Tarh Andishan, which translates to “invention” or “innovation” in Farsi.
- Source netblocks and ASNs are registered to Iran.
- Hacker tools warn when their external IP address traces back to Iran.
- The infrastructure is hosted through Netafraz .com, an Iranian provider out of Isfahan, Iran.
- The infrastructure utilized in the campaign is too significant to be a lone individual or a small group. We believe this work was sponsored by Iran.

# Operation Cleaver

## Prevention is Everything



### 18-24 Month Long Iranian Offensive

Solely Targeted at Global Critical Infrastructure Companies

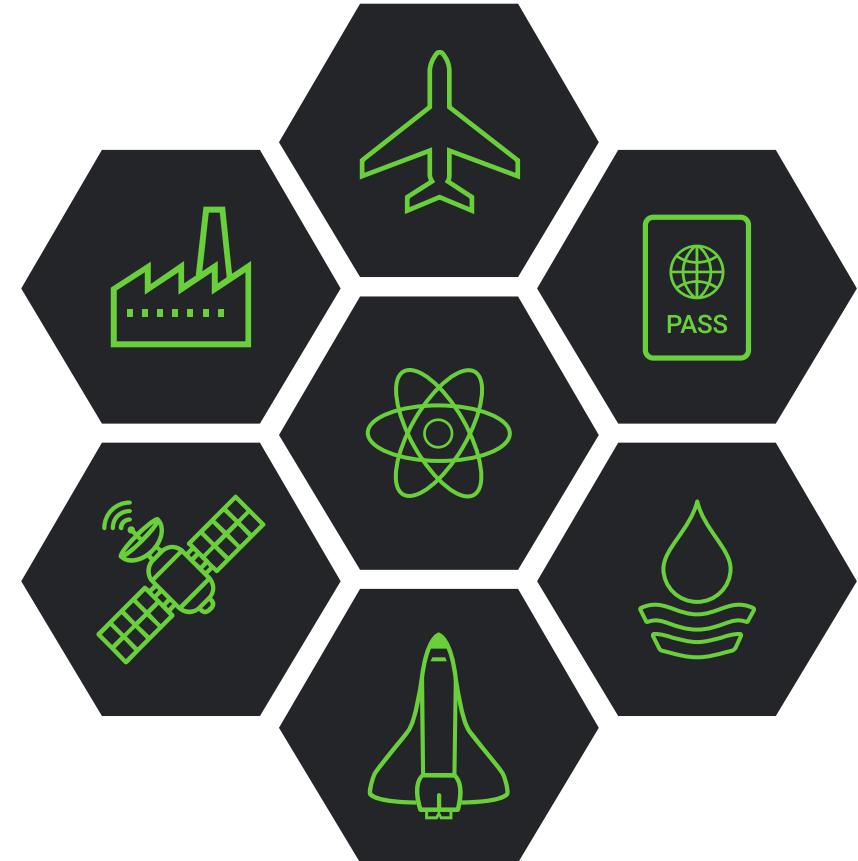
Phish Based Malware Delivery  
MS08-067 Pivoting

SQL Injection  
ASP Backdoors  
Cred Harvesting

Zh0up!n  
Exploit Team

Public Tools  
(psexec, mimikatz, cain + abel, etc)

Evolved into Using  
Their Own Zeus Variant  
(tiny\_zbot)



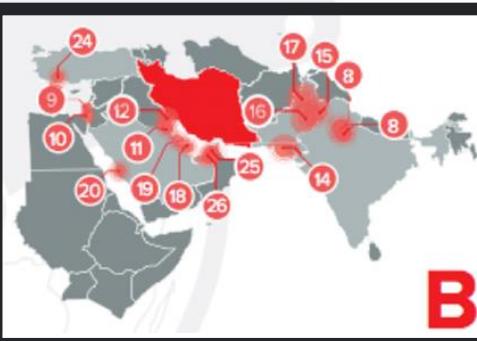
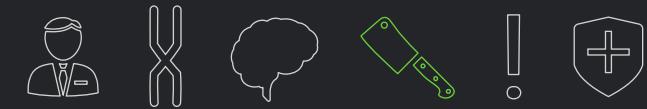


## ***Iran's Cyber Hacking Skills Have Evolved***

- Initial compromise techniques include SQL injection, web attacks, and creative deception-based attacks – all of which have been implemented in the past by Chinese and Russian hacking teams.
- Pivoting and exploitation techniques leveraged existing public exploits for MS08-067 and Windows privilege escalations, and were coupled with automated, worm-like propagation mechanisms.
- Customized private tools with functions that include ARP poisoning, encryption, credential dumping, ASP.NET shells, web backdoors, process enumeration, WMI querying, HTTP and SMB communications, network interface sniffing, and keystroke logging.
- The ability to build customized tools to compromise any target they choose.

# Operation Cleaver

16 Countries Targeted



**Canada**

- Energy & Utilities
- Oil & Gas
- Hospitals

**China**

- Aerospace

**England**

- Education

**France**

- Oil & Gas

**Germany**

- Telecommunications

**India**

- Education

**Israel**

- Aerospace
- Education

**Kuwait**

- Oil & Gas
- Telecommunications

**Mexico**

- Oil & Gas

**Pakistan**

- Airports
- Hospitals
- Technology
- Airlines

**Saudi Arabia**

- Oil & Gas
- Airports

**South Korea**

- Airports
- Airlines
- Education
- Technology
- Heavy Manufacturing

**Turkey**

- Oil & Gas

**United Arab Emirates**

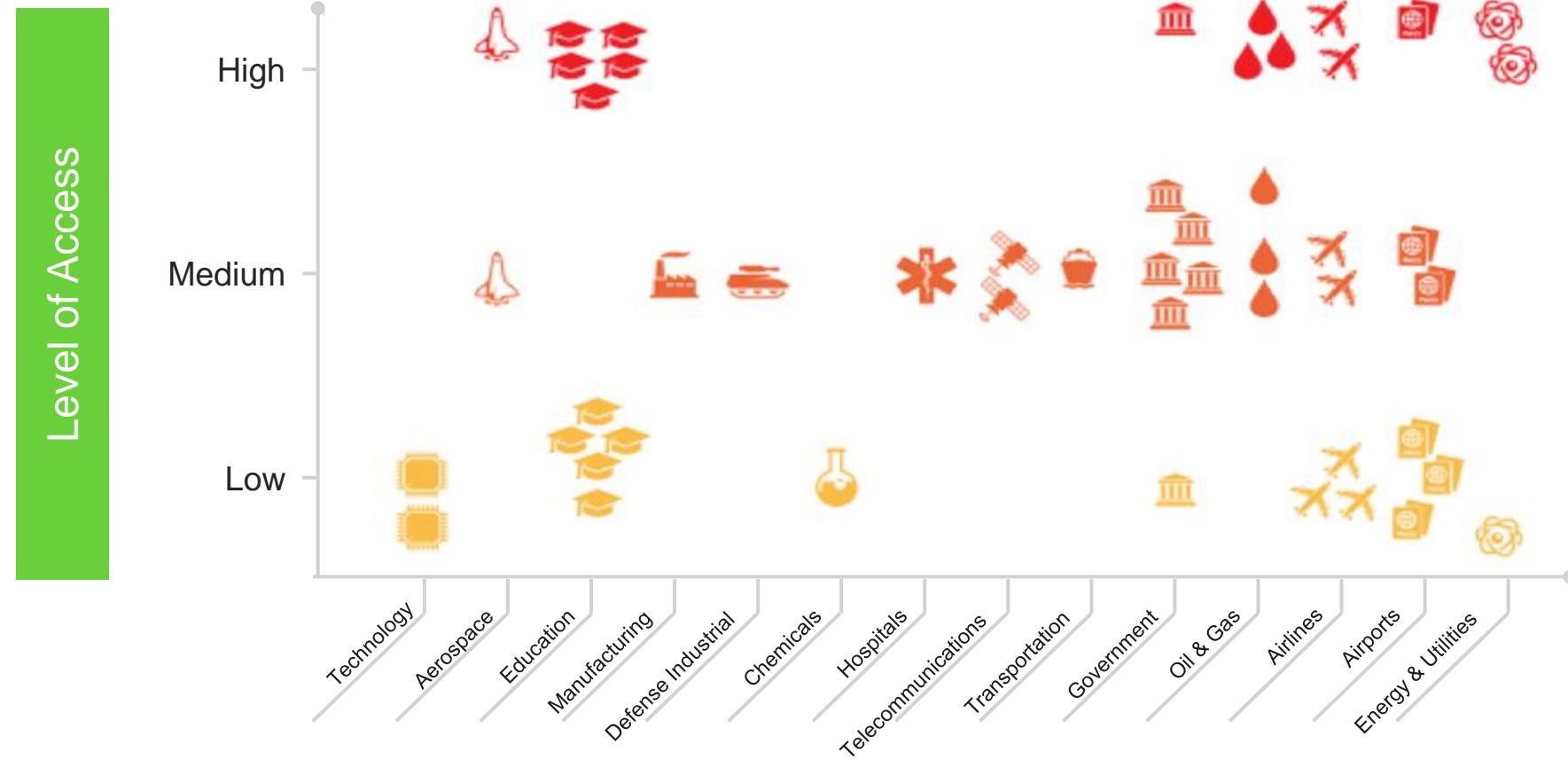
- Government
- Airlines

**United States**

- Airlines
- Education
- Chemicals
- Transportation
- Energy & Utilities
- Military / Government
- Defense Industrial base

# Operation Cleaver

## Critical Industries Targeted



Level of Critical Impact

# Iran Flexes Its Power by Transporting Turkey to the Stone Age

By Micah Halpern • 04/22/15 10:31am

COMMENT 



An electrical pylon standing beside a building in Istanbul on March 31, 2015, during a massive power outage (Getty Images).

Half of Turkey—44 of 81 provinces, 40 million people including those living in Istanbul and Ankara, suffered a massive power outage that lasted a solid twelve hours. It happened on Tuesday, March 31st.

It happened because Iran wanted it to happen. The blackout in Turkey was caused by a cyber hack that originated in Iran.



WORLD 04.16.15 4:50 PM ET



Shane Harris  


## Report: Iranian Hackers Eye U.S. Grid

Cyber-savvy agents are stepping up their efforts to ID critical infrastructure that may compromise national security.

Iranian hackers are trying to identify computer systems that control infrastructure in the United States, such as the electrical grid, presumably with an eye towards damaging those systems, according to a new report from a cyber security firm and a think tank in Washington, D.C.



The researchers from Norse, a cyber security company, and the American Enterprise Institute, a conservative think tank that has been skeptical of the Iranian nuclear agreement, found that Iranian hacking against the U.S. is increasing and that the lifting of economic sanctions as part of an international agreement over Iran's nuclear program "will dramatically increase the resources Iran can put toward expanding its cyberattack infrastructure."

What's more, the current sanctions regime, which has helped to depress Iran's economy, has not blunted the expansion of its cyber spying and warfare capabilities, the researchers conclude.



The background of the slide features a complex, abstract network graph. It consists of numerous small, semi-transparent white dots representing nodes, connected by a web of thin white lines representing edges. Interspersed among these are several larger, semi-transparent green dots and larger green shaded triangular regions, suggesting clusters or specific nodes of interest within the network.

# Questions?



CYLANCE